Financial Statements and Independent Auditor's Report

Town of Snowmass Village, Colorado

December 31, 2018

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Independent Auditor's Report

CPAs & BUSINESS ADVISORS

Independent Auditor's Report

Members of the Town Council
Town of Snowmass Village, Colorado

Report on the Financial Statements
We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Snowmass Village, Colorado (the "Town") as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Town'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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Town of Snowmass Village, 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.

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Other Matters

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

Other Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Snowmass Village, Colorado's basic financial statements. The supplementary information, as identified in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information, as identified in the table of contents, are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information as identified in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Eide Bailly LLP

Denver, Colorado
April 18, 2019

Management’s Discussion and Analysis

TOWN OF SNOWMASS VILLAGE
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2018

This discussion and analysis of the Town of Snowmass Village's (Town) financial performance provides an overview of the Town's financial activities for the fiscal year ended December 31, 2018. Please read it in conjunction with the Town's financial statements.

FINANCIAL HIGHLIGHTS

- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $127,350,598 at the end of 2018. Of this amount $27,463,992 is unrestricted and may be used to meet the Town's on-going obligations.
- The Town's total net position increased by $9,298,369 in 2018. Most of the increase is due to an increase in cash and investments.
- At December 31, 2018, the combined fund balance for the Town's governmental funds was $42,697,021, an increase of $7,374,869.
- The General Fund is the primary operating fund of the Town. The unassigned fund balance of the General Fund at December 31, 2018 totaled $12,666,191 and is 68% of the General Fund total revenues (including transfers in) for the year.
- The Town's debt decreased by $1,416,409, due to scheduled debt service payments in 2018.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

The financial section of this report includes three components: 1) The government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements:

The government-wide financial statements give readers a broad overview of the entire Town's financial position and changes in financial position, similar to consolidated financial statements in a private sector business. These statements include the Statement of Net Position and the Statement of Activities.

The ***Statement of Net Position*** presents information on all of the Town's assets and deferred outflows of resources and liabilities and deferred inflows 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 Town is improving or deteriorating.

The ***Statement of Activities*** shows how the Town's net position changed as a result of its operations during the most recent fiscal year. To understand the basis of how these numbers are determined, it is important to note that changes in net position are reported whenever an event occurs that requires a revenue or expense to be recognized, regardless of when the related cash is received or disbursed (the accrual basis of accounting). For example, when the next debt interest payment overlaps the calendar year-end, the Statement of Activities shows an additional interest expense for the time period between the last interest payment and the end of the fiscal year.

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all of or a significant portion of their costs through user fees and charges (*Business-type Activities).* The Governmental Activities of the Town include general government, public safety, public works, parks and trails, culture and recreation, transportation, group sales, marketing and special events. The Business-type Activities of the Town include employee housing.

Fund Financial Statements

The accounts of the Town are organized into more detailed information about the Town's most significant funds. Funds are a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. The two broad categories of funds for the Town are Governmental Funds and Proprietary Funds.

Governmental funds - Most of the Town's basic services are included in governmental funds, which focus on (1) how cash and other financial assets can readily be converted to cash flow in and out, and (2) the balances left at year-end that are available for spending. The governmental funds statements provide a detailed short-term view to cash, the governmental fund operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The Town maintains twelve individual governmental funds, of which five are reported as major funds.

Proprietary funds - These funds are used to account for business-type activities and are measured similar to commercial business accounting. The Town uses enterprise funds to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The Town currently uses this type of fund for employee housing. The Town maintains three individual enterprise funds, of which two are considered as major funds.

Notes to financial statements contain additional information important to have a complete understanding of the information contained in the government-wide and fund financial statements. Notes to financial statements are located after the basic financial statements.

FINANCIAL ANALYSIS OF TOWN AS A WHOLE

To enhance an analysis of the Town's finances at the government-wide level, numbers presented here include a comparison to prior year data.

NET POSITION

The following table presents summary information from the Statement of Net Position in the financial basic statement as of December 31, 2018 and 2017.

Summary of Net Position

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	$ 51,007,815	$ 43,165,768	$ 3,705,024	$ 2,709,183	$ 54,712,839	$ 45,874,951
Capital Assets	84,132,537	84,436,166	4,637,876	4,811,021	88,770,413	89,247,187
Total Assets	135,140,352	127,601,934	8,342,900	7,520,204	143,483,252	135,122,138
Total deferred outflows of resources	4,250	24,485	-	-	4,250	24,485
Long-term debt outstanding	5,754,740	7,039,948	-	-	5,754,740	7,039,948
Other Liabilities	5,666,937	5,266,804	324,401	318,798	5,991,338	5,585,602
Total Liabilities	11,421,677	12,306,752	324,401	318,798	11,746,078	12,625,550
Total deferred inflows of resources	4,390,826	4,468,844	-	-	4,390,826	4,468,844
Net Position:						
Net investment in capital assets	77,096,841	76,004,296	4,637,676	4,811,021	81,734,517	80,815,317
Restricted	18,152,089	16,716,469	-	-	18,152,089	16,716,469
Unrestricted	24,083,169	18,130,058	3,380,823	2,390,385	27,463,992	20,520,443
Total net position	$ 119,332,099	$ 110,850,823	$ 8,018,499	$ 7,201,406	$ 127,350,598	$ 118,052,229

The Town's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $127,350,598 (net position). By far the largest portion of the Town's net position (64%) reflect its investment in capital assets (e.g. land, buildings, equipment, etc.) less any related debt still outstanding (current and long-term) that was used to acquire those assets. Due to the nature of these assets (long-term assets, which are not readily convertible to liquid assets) they are not considered to be available for spending or appropriation. Further, even though the presentation here shows capital assets net of related debt, it should be understood that the repayment of this debt does not come from the capital assets themselves, but comes from other resources.

The restricted portion of net position (14%) represents resources that are subject to various debt provisions, voter approved tax resolutions, contracts and agreements on how they may be used. The remaining balance is unrestricted and can be used to meet the Town's ongoing obligations to its creditors and to citizens.

CHANGES IN NET POSITION

As taken from the Statement of Activities in the basic financial statements, the following table depicts the changes in net position for fiscal years ending December 31, 2018 and 2017.

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program revenues:						
Charges for services	$ 5,499,255	$ 5,532,045	$ 2,768,742	$ 2,739,069	$ 8,267,997	$ 8,271,114
Operating grants and contributions	821,000	574,417	-	-	821,000	574,417
Capital grants and contributions	1,442,672	628,362	-	158,142	1,442,672	786,504
General revenues						
Property taxes	4,469,521	4,649,653	-	-	4,469,521	4,649,653
Sales taxes/lodging taxes	13,262,272	12,281,495	-	-	13,262,272	12,281,495
Other taxes	5,567,487	4,772,652	-	-	5,567,487	4,772,652
Grants and contributions not restricted to specific programs	1,567,980	1,858,312	-	-	1,567,980	1,858,312
Intergovenmental	42,464	53,311	-	-	42,464	53,311
Investment earnings	821,798	413,513	118,315	51,648	940,113	465,161
Other	280,164	368,011	-	-	280,164	368,011
Total revenues	33,774,613	31,131,771	2,887,057	2,948,859	36,661,670	34,080,630
Expenses						
General government	4,130,072	4,164,914	-	-	4,130,072	4,164,914
Public safety	2,037,988	2,434,507	-	-	2,037,988	2,434,507
Public works	5,858,739	4,842,421	-	-	5,858,739	4,842,421
Parks and trails	758,402	1,015,000	-	-	758,402	1,015,000
Culture and recreation	1,269,782	1,163,502	-	-	1,269,782	1,163,502
Transportation	4,434,011	4,450,081	-	-	4,434,011	4,450,081
Marketing and special events	6,167,302	6,304,674	-	-	6,167,302	6,304,674
Housing	14,772	133,264			14,772	133,264
Other	791,542	562,785	-	-	791,542	562,785
Interest on long-term debt	280,727	297,710	-	-	280,727	297,710
Employee housing rental	-	-	1,619,964	1,646,238	1,619,964	1,646,238
Total Expenses	25,743,337	25,368,858	1,619,964	1,646,238	27,363,301	27,015,096
Change in net position before transfers	8,031,276	5,762,913	1,267,093	1,302,621	9,298,369	7,065,534
Transfers	450,000	2,450,000	(450,000)	(2,450,000)	-	-
Change in net position	8,481,276	8,212,913	817,093	(1,147,379)	9,298,369	7,065,534
Net position - Beginning of year	110,850,823	102,637,910	7,201,406	8,348,785	118,052,229	110,986,695
Net position - End of year	$119,332,099	$110,850,823	$ 8,018,499	$ 7,201,406	$127,350,598	$118,052,229

Net position increased in the governmental activities during the year ending December 31, 2018 by $8,481,276. This increase is due to general revenue (sales taxes, other taxes and other revenues) increases as well as contributed capital.

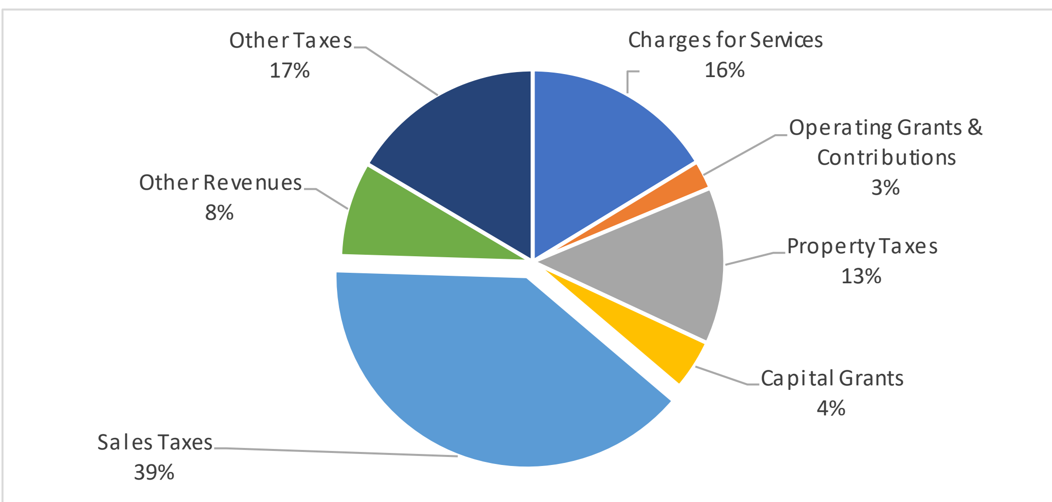
Revenues - For the year ended December 31, 2018, the Town's government-wide total revenues are $36,661,670; 64% resulted from taxes, approximately 23% resulted from charges for services with the remaining revenues coming from other sources. Governmental activities account for 92% of the total government-wide revenues. Sales taxes increased due to increased tourism.

Expenses - The Town's government-wide total expenses cover a range of services. For the year ended December 31, 2018, the Town's government-wide expenses totaled $27,363,301. This represents an increase of $348,205 from 2017 due primarily to an increase in public works expenses.

Governmental Activities:
Taxes comprise the largest source of revenue for the Town's governmental activities. Revenue recognized from all tax sources was $23,299,280, which is 69% of total revenues from governmental activities. Real property taxes of $4,469,521 represent 13% of total taxes. Sales and lodging taxes increased from 2017 to 2018 by $980,777 or 8% due to an increase in economic activity.

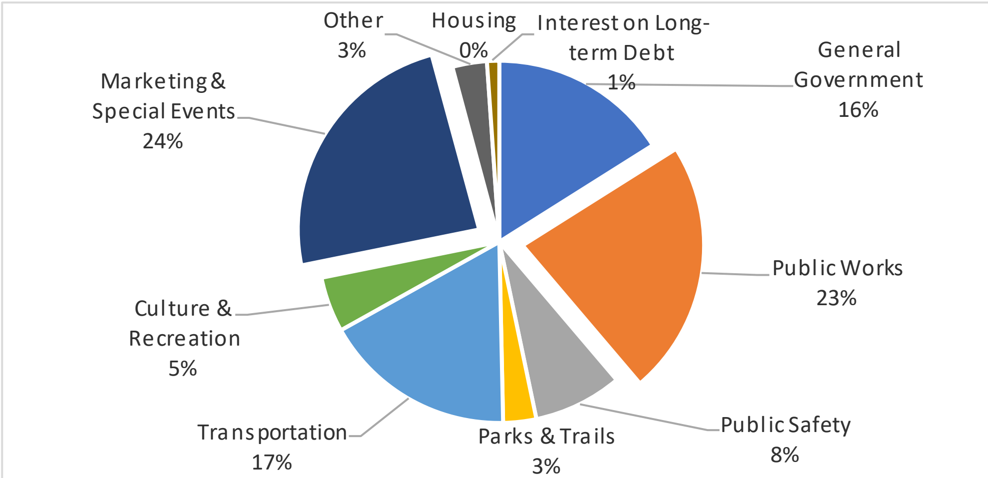
Charges for services equaled $5,499,255 representing 16% of revenues from governmental activities, which represents an approximate $32,790 decrease from 2017 due to a leveling off of building activity.

Revenue by Source-Governmental Activities



Total expenditures of the Town's governmental activities in 2018 were $25,743,337, which represents an increase of $374,479 from 2017. This is due to an increase in public works activities.

Expenses by Type – Governmental Activities



Business-type Activities:
Net position increased by $817,093 from 2017 to 2018 as compared to a decrease of $1,147,379 from 2016 to 2017. This is mainly due to a decrease in transfers out to the Capital Improvement Program. The proprietary funds of the Town are for employee housing. Rental revenues make up the bulk of the revenue sources.

Fund Balance
At the end of the year, the Town's governmental funds reported a combined fund balance of $42,697,021. Of the balance, $21,820,371 is non-spendable or is restricted and $215,014 is committed for capital purchases. There is $7,701,848 in assigned fund balances, the majority of which are assigned as capital equipment and other projects. The remainder of $12,959,788 is unassigned. Combined fund balance increased by $7,374,869 in 2018, primarily due to increases in the General Fund, Real Estate Transfer Tax Fund and the Capital Improvement Program.

Budgetary Highlights

During 2018, the Town Council approved amendments to the General Fund budget. All recommended amendments for budget changes come through the Finance Department and the Town Manager to Council via a Town ordinance.

For the General Fund, the original appropriation of $18,393,032 was increased by $377,978 for a final appropriation of $18,771,010 mostly due to a carryforward/ appropriation of funds to continue projects from 2017 into 2018.

General Fund revenues exceeded budget by $1,773,260 (excluding transfers in) primarily due to an increase in sales taxes, building permits, trash fee and recreation fees. General Fund expenses were under budget by $2,055,924 mainly due to across-the-board general fund operating expenditures coming in under budget.

Capital Asset and Debt Administration

Capital Assets

At the end of 2018, the Town has invested $84,132,537 in a broad range of capital assets of governmental activities. These investments include land, buildings, vehicles, equipment, art and infrastructure. Capital assets decreased by $303,629 due to decreases in building, vehicles and furniture.

The business-type activities capital assets at the end of 2018 totaled $4,637,876, which is mostly invested in employee housing buildings.

Capital Assets as of December 31, 2018 and 2017
(net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land and land improvements	$ 28,149,929	$ 28,149,929	$ 1,214,206	$ 1,214,206	$ 29,364,135	$ 29,364,135
Infrastructure	30,045,269	28,731,291	-	-	30,045,269	28,731,291
Buildings and improvements	20,863,257	21,467,423	3,364,027	3,544,478	24,227,284	25,011,901
Vehicles	2,710,106	3,580,479	10,191	16,306	2,720,297	3,596,785
Furniture and equipment	2,232,569	2,488,347	49,452	36,031	2,282,021	2,524,378
Construction in progress	131,407	18,697	-	-	131,407	18,697
	$ 84,132,537	$ 84,436,166	$ 4,637,876	$ 4,811,021	$ 88,770,413	$ 89,247,187

Additional information on the Town's capital assets can be found in the notes to financial statements.

Long-term Debt

At the end of 2018, the Town of Snowmass Village had $7,039,946 in outstanding debt of governmental activities, all backed by the full faith and credit of the Town with the exception of certificates of participation, which are backed by General Fund Revenues. The business-type activities had $0 in debt outstanding due to the final payment of the bonds in 2017. The Town's bonds were rated in 2016 as AA.

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
General obligation bonds	$ 2,430,000	$ 3,310,000	$ -	$ -	$ 2,430,000	$ 3,310,000
General obligation bonds - Premium	29,415	70,033	-	-	29,415	70,033
Certificates of Participation	4,260,000	4,710,000	-	-	4,260,000	4,710,000
Certificates of Participation - Premium	320,531	366,322			320,531	366,322
	$ 7,039,946	$ 8,456,355	$ -	$ -	$ 7,039,946	$ 8,456,355

Additional information on the Town's long-term debt can be found in the notes to financial statements.

Economic Factors and Next Year's Budgets and Rates

- East West Partners construction in Base Village continued through 2018 and into 2019, which has attributed to the increase in revenues.
- The Town updated the Comprehensive/Community Plan as required by the Municipal Code and adopted it in 2018.
- The Town is revising the "Town Council Goal Setting Statement" in 2019, which includes larger objectives to work toward in the next several years.
- The Town will begin a review of the Land Use Code in 2019.
- The Community Connectivity Plan (CCP) continues into 2019 and will provide a basis for improving connections within the Town with priority based on pedestrian crossings.
- There are a number of projects in the Capital Improvement Plan in 2019 including continuing trail improvements, the Meadow Ranch bus stop, upgrading the HVAC system at the recreation center, guardrail replacements, pedestrian improvements at the Sinclair Road intersection, snowmelt boiler replacements, future housing planning and design, and the planning and design of the Brush Creek/Owl Creek Road intersection improvements.
- The Town is working through the due diligence process for the possible purchase of the Carriageway Apartments for employee housing.
- The Town has started the design and planning process for the construction of the for-sale employee housing homes known as Coffey Place.
- The Town is reviewing plans to construct a transit plaza for both the Town and the RFTA buses for passenger pickup and drop off to replace the current facilities.
- The Town will be investing in solar panels and a micro-hydro plant as part of our goals towards renewable energy.
- The 2019 budget includes $50,000 to take steps to review the current housing regulations, guidelines and enforcement.

Requests for Information

This financial report is designed to give its readers a general overview of the Town of Snowmass Village finances. Questions regarding any information contained in this report or requests for additional financial information should be addressed to the Finance Director, P.O. Box 5010, Snowmass Village, Colorado 81615.

Basic Financial Statements

Town of Snowmass Village, Colorado
Statement of Net Position
December 31, 2018

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets:			
Cash and investments	$ 39,200,316	$ 6,809,432	$ 46,009,748
Receivables			
Accounts	1,696,301	6,226	1,702,527
Property taxes	4,390,826	-	4,390,826
Sales Taxes	1,535,424	-	1,535,424
Internal	3,111,634	(3,111,634)	-
Due from other governments	864,456	-	864,456
Inventory	123,935	-	123,935
Prepaid expenses and other assets	84,923	1,000	85,923
Capital Assets:			
Nondepreciable capital assets	58,326,605	1,214,206	59,540,811
Depreciable capital assets, net	25,805,932	3,423,670	29,229,602
Total Assets	135,140,352	8,342,900	143,483,252
Deferred Outflows of Resources			
Loss on debt refunding	4,250	-	4,250
Total Deferred Outflows of Resources	4,250	-	4,250
Liabilities			
Current Liabilities:			
Accounts payable	2,097,525	31,195	2,128,720
Accrued salaries and other liabilities	528,779	10,176	538,955
Accrued interest payable	24,975	-	24,975
Unearned revenue	371,503	-	371,503
Refundable deposits	922,161	266,864	1,189,025
Noncurrent Liabilities:			
Due within one year	1,721,994	16,166	1,738,160
Due in more than one year	5,754,740	-	5,754,740
Total Liabilities	11,421,677	324,401	11,746,078
Deferred Inflows of Resources			
Property taxes	4,390,826	-	4,390,826
Total Deferred Inflows of Resources	4,390,826	-	4,390,826
Net Position			
Net investment in capital assets	77,096,841	4,637,876	81,734,717
Restricted for			
Employee housing	1,981,546	-	1,981,546
Marketing and special events	2,487,364	-	2,487,364
Emergencies	461,810	-	461,810
Parks and recreation	53,175	-	53,175
Group sales	1,748,888	-	1,748,888
Capital projects	8,116,317	-	8,116,317
General improvement district	507,426	-	507,426
Road maintenance and repairs	1,748,510	-	1,748,510
Franchise agreements	1,047,053	-	1,047,053
Unrestricted	24,083,169	3,380,623	27,463,792
Total Net Position	$ 119,332,099	$ 8,018,499	$ 127,350,598

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

Town of Snowmass Village, Colorado
Statement of Activities
For the Year Ended December 31, 2018

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
					Primary Government		
Function/Program	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government							
Governmental Activities							
General government	$ 4,130,072	$ 1,936,689	$ -	$ -	$ (2,193,383)	$ -	$ (2,193,383)
Public safety	2,037,988	103,817	371,688	-	(1,562,483)	-	(1,562,483)
Public works	5,858,739	1,447,484	203,702	1,313,977	(2,893,576)	-	(2,893,576)
Parks and trails	758,402	122,609	-	28,695	(607,098)	-	(607,098)
Culture and recreation	1,269,782	790,458	-	-	(479,324)	-	(479,324)
Transportation	4,434,011	898,198	245,610	100,000	(3,190,203)	-	(3,190,203)
Marketing and special events	6,167,302	200,000	-	-	(5,967,302)	-	(5,967,302)
Housing	14,772	-	-	-	(14,772)	-	(14,772)
Other	791,542	-	-	-	(791,542)	-	(791,542)
Interest and fiscal charges	280,727	-	-	-	(280,727)	-	(280,727)
Total Governmental Activities	25,743,337	5,499,255	821,000	1,442,672	(17,980,410)	-	(17,980,410)
Business-type Activities:							
Employee housing rental	1,619,964	2,768,742	-	-	-	1,148,778	1,148,778
Total - Primary Government	$ 27,363,301	$ 8,267,997	$ 821,000	$ 1,442,672	(17,980,410)	1,148,778	(16,831,632)

	Governmental Activities	Business-type Activities	Total
General Revenues			
Taxes:			
Property taxes	4,469,521	-	4,469,521
Specific ownership taxes	163,164	-	163,164
Town sales tax/lodging tax	13,262,272	-	13,262,272
Real estate transfer tax	4,017,396	-	4,017,396
Franchise tax	619,680	-	619,680
Excise tax	577,426	-	577,426
Other	189,821	-	189,821
Intergovernmental	42,464	-	42,464
Contributions not restricted to specific programs			
Aspen Ski Corporation	1,218,142	-	1,218,142
Other	349,838	-	349,838
Investment earnings	821,798	118,315	940,113
Miscellaneous	280,164	-	280,164
Transfers	450,000	(450,000)	-
Total General Revenues and Transfers	26,461,686	(331,685)	26,130,001
Change in Net Position	8,481,276	817,093	9,298,369
Net Position, beginning of year, as restated	110,850,823	7,201,406	118,052,229
Net Position, end of year	$ 119,332,099	$ 8,018,499	$ 127,350,598

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

Town of Snowmass Village, Colorado
Balance Sheet
Governmental Funds
December 31, 2018

	General	Road Maintenance	Real Estate Transfer Tax
Assets			
Cash and cash equivalents	$ 19,311,939	$ 2,841,679	$ 8,970,921
Accounts receivable	676,943	121,225	846,406
Property taxes receivable	884,105	2,435,552	-
Sales taxes receivable	344,603	-	-
Due from other funds	932,033	-	-
Due from other governments	740,655	-	-
Inventory	123,935	-	-
Prepaid expenses and other assets	71,953	-	-
Total Assets	$ 23,086,166	$ 5,398,456	$ 9,817,327
Liabilities			
Accounts payable	$ 961,751	$ 18,920	$ 26,035
Accrued salaries and other liabilities	488,082	-	-
Due to other funds	1,707,428	1,135,393	1,627,312
Unearned revenue	308,048	-	61,455
Refundable deposits	855,580	60,081	500
Total Liabilities	4,320,889	1,214,394	1,715,302
Deferred Inflows of Resources			
Property taxes	884,105	2,435,552	-
Total Deferred Inflows of Resources	884,105	2,435,552	-
Fund Balances			
Non-spendable	195,888	-	-
Restricted	1,508,863	1,748,510	8,102,025
Committed	-	-	-
Assigned	3,510,230	-	-
Unassigned	12,666,191	-	-
Total Fund Balances	17,881,172	1,748,510	8,102,025
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 23,086,166	$ 5,398,456	$ 9,817,327

The accompanying notes are an integral part of these statements.

Marketing and Special Events	Capital Improvement Program	Other Nonmajor Governmental Funds	Total Governmental Funds
$ 2,784,303	$ -	$ 5,291,474	$ 39,200,316
50,000	-	1,727	1,696,301
-	-	1,071,169	4,390,826
859,632	-	331,189	1,535,424
-	8,087,934	54,150	9,074,117
-	100,000	23,801	864,456
-	-	-	123,935
2,035	-	10,935	84,923
$ 3,695,970	$ 8,187,934	$ 6,784,445	$ 56,970,298
$ 702,270	$ 212,828	$ 175,721	$ 2,097,525
16,326	-	24,371	528,779
490,010	-	1,002,340	5,962,483
-	-	2,000	371,503
-	-	6,000	922,161
1,208,606	212,828	1,210,432	9,882,451
-	-	1,071,169	4,390,826
-	-	1,071,169	4,390,826
2,035	-	10,935	208,858
2,485,329	3,486,686	4,280,100	21,611,513
-	14,292	200,722	215,014
-	4,191,618	-	7,701,848
-	282,510	11,087	12,959,788
2,487,364	7,975,106	4,502,844	42,697,021
$ 3,695,970	$ 8,187,934	$ 6,784,445	$ 56,970,298

Town of Snowmass Village, Colorado
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2018

Total Governmental Fund Balances	$ 42,697,021
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not financial resources, and, therefore, not reported in the funds. However, in the Statement of Net Position the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.	
Capital assets not being depreciated	58,326,605
Capital assets being depreciated (net of accumulated depreciation)	25,805,932
	84,132,537
Liabilities that are not due and payable in the current period and, therefore, are not reported at fund reporting level, but are reported on the government-wide Statement of Net Position.	
Compensated absences	(436,788)
Bond interest payable	(24,975)
Deferred charge on debt refunding	4,250
Bonds payable (including premium)	(7,039,946)
	(7,497,459)
Net Position of Governmental Activities	$ 119,332,099

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

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

	General	Road Maintenance	Real Estate Transfer Tax
Revenues			
Property taxes	$ 882,094	$ 2,404,105	$ -
Sales taxes	5,915,959	-	-
Real estate transfer taxes	-	-	4,017,396
Other taxes	964,151	-	-
Intergovernmental	767,487	-	-
Licenses and permits	1,385,137	-	-
Charges for services	3,410,254	-	-
Fines and forfeitures	83,221	-	-
Contributions	1,567,979	-	-
Net investment income	374,911	67,072	160,611
Other	423,713	106,041	-
Total Revenues	15,774,906	2,577,218	4,178,007
Expenditures			
Current			
General government	3,674,493	-	-
Public safety	1,949,066	-	-
Public works	4,097,588	-	-
Parks and trails	441,714	-	-
Culture and recreation	1,057,425	-	-
Transportation	3,450,942	-	-
Marketing and special events	-	-	-
Other	71,653	61,667	-
Debt Service			
Principal retirement	450,000	-	-
Interest and fiscal charges	182,250	-	-
Capital projects			
Land, road and trail improvements	-	133,206	188,934
Equipment, vehicles and facilities	313,455	-	-
Total Expenditures	15,688,586	194,873	188,934
Excess (Deficiency) of Revenues Over (Under) Expenditures	86,320	2,382,345	3,989,073
Other Financing Sources (Uses)			
Transfers in	2,842,974	-	-
Transfers out	(1,026,500)	(2,549,600)	(2,718,374)
Total Other Financing Sources (Uses)	1,816,474	(2,549,600)	(2,718,374)
Net Change in Fund Balances	1,902,794	(167,255)	1,270,699
Fund Balances, beginning of year	15,978,378	1,915,765	6,831,326
Fund Balances, end of year	$ 17,881,172	$ 1,748,510	$ 8,102,025

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

Marketing and Special Events	Capital Improvement Program	Other Governmental Funds	Total Governmental Funds
$ -	$ -	$ 1,183,322	$ 4,469,521
5,316,955	-	2,029,358	13,262,272
-	-	-	4,017,396
-	-	585,940	1,550,091
-	100,000	365,875	1,233,362
-	-	-	1,385,137
-	-	-	3,410,254
-	-	-	83,221
-	-	-	1,567,979
56,309	-	96,720	755,623
54,695	-	75,155	659,604
5,427,959	100,000	4,336,370	32,394,460
-	-	-	3,674,493
-	-	-	1,949,066
-	-	-	4,097,588
-	-	-	441,714
-	-	-	1,057,425
-	-	-	3,450,942
4,619,774	-	1,518,038	6,137,812
-	-	658,222	791,542
		-	
-	-	880,000	1,330,000
-	-	105,244	287,494
		-	
-	-	-	322,140
-	1,615,920	-	1,929,375
4,619,774	1,615,920	3,161,504	25,469,591
808,185	(1,515,920)	1,174,866	6,924,869
-	4,124,500	-	6,967,474
(100,000)	-	(123,000)	(6,517,474)
(100,000)	4,124,500	(123,000)	450,000
708,185	2,608,580	1,051,866	7,374,869
1,779,179	5,366,526	3,450,978	35,322,152
$ 2,487,364	$ 7,975,106	$ 4,502,844	$ 42,697,021

Town of Snowmass Village, Colorado
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2018

Net Changes In Fund Balances - Total Governmental Funds	$ 7,374,869
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as deprecation expense. This is the amount by which capitalized capital outlay exceeded depreciation expense in the current period. Additionally, any gain (loss) on the disposal of capital assets is reported in the statement of activities, however the governmental funds only report any proceeds received on the disposal of capital assets.	
Capital outlay	1,740,568
Depreciation	(1,987,416)
Net loss on disposal of capital assets	(56,781)
	(303,629)
Some expenses reported in the statement of activities do not require the use of current financial resources, and, therefore, are not reported as expenditures in governmental funds.	
Accrued interest expense	6,766
Compensated absences	7,093
Amortization of bond premium	86,409
Amortization of refunding loss	(20,232)
	80,036
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.	
General obligation bond principal payments	1,330,000
	1,330,000
Change In Net Position of Governmental Activities	$ 8,481,276

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

Town of Snowmass Village, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2018

	Housing Authority	Mountain View	Nonmajor Fund Mountain View Extension	Total Proprietary Funds
Assets				
Current Assets:				
Cash and investments - unrestricted	$ 2,910,616	$ 3,358,617	$ 540,199	$ 6,809,432
Receivables	2,434	3,792	-	6,226
Due from other funds	1,172	3,603	-	4,775
Prepaid expenses and other assets	1,000	-	-	1,000
Total Current Assets	2,915,222	3,366,012	540,199	6,821,433
Noncurrent Assets:				
Capital Assets:				
Land and land improvements	644,637	463,569	106,000	1,214,206
Buildings and improvements	7,233,234	6,842,709	2,922,736	16,998,679
Vehicles	70,223	69,891	-	140,114
Furniture and equipment	230,369	23,841	-	254,210
Less accumulated depreciation	(5,035,741)	(6,767,363)	(2,166,229)	(13,969,333)
Total capital assets - net of accumulated depreciation	3,142,722	632,647	862,507	4,637,876
Total Noncurrent Assets	3,142,722	632,647	862,507	4,637,876
Total Assets	6,057,944	3,998,659	1,402,706	11,459,309
Liabilities				
Current Liabilities:				
Accounts payable	15,928	11,813	3,454	31,195
Accrued salaries	6,494	3,580	102	10,176
Due to other funds	1,388,400	1,696,292	31,717	3,116,409
Compensated absences	9,519	5,374	1,273	16,166
Refundable deposits	129,574	112,230	25,060	266,864
Total Current Liabilities	1,549,915	1,829,289	61,606	3,440,810
Total Liabilities	1,549,915	1,829,289	61,606	3,440,810
Net Position				
Net Investment in capital assets	3,142,722	632,646	862,507	4,637,875
Unrestricted	1,365,307	1,536,724	478,593	3,380,624
Total Net Position	$ 4,508,029	$ 2,169,370	$ 1,341,100	$ 8,018,499

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

Town of Snowmass Village, Colorado

Statement of Revenues, Expenses, and Changes in Net Position

Proprietary Funds

For the Year Ended December 31, 2018

	Housing Authority	Mountain View	Nonmajor Fund Mountain View Extension	Total Proprietary Funds
Operating Revenues				
Charges for services:				
Rent	$ 1,376,329	$ 1,060,247	$ 262,080	$ 2,698,656
Laundry	12,650	13,046	2,911	28,607
Other charges	14,527	7,821	1,675	24,023
Total Operating Revenues	1,403,506	1,081,114	266,666	2,751,286
Operating Expenses				
Administrative	25,621	19,271	5,521	50,413
Payroll and related expense	431,614	277,759	7,169	716,542
Utilities	128,736	78,888	32,336	239,960
Repairs and maintenance	42,175	34,039	3,709	79,923
Operating supplies	21,138	12,523	632	34,293
Insurance	39,271	30,141	8,259	77,671
Depreciation	206,982	19,994	114,074	341,050
Non-capital renovations	4,109	24,686	644	29,439
Total Operating Expenses	907,625	497,597	172,403	1,577,625
Operating Income	495,881	583,517	94,263	1,173,661
Non-operating Revenues (Expenses)				
Net investment income	51,066	57,341	9,908	118,315
Asset acquisition	17,456	-	-	17,456
Loss on asset disposal	(14,281)	-	(27,332)	(41,613)
Paying agent and trustee fees	(726)	-	-	(726)
Total Non-operating Revenues (Expenses)	53,515	57,341	(17,424)	93,432
Change in Net Position	549,396	640,858	76,839	1,267,093
Transfers out	(450,000)	-	-	(450,000)
Change in Net Position	99,396	640,858	76,839	817,093
Net Position, beginning of year	4,408,633	1,528,512	1,264,261	7,201,406
Net Position, end of year	$ 4,508,029	$ 2,169,370	$ 1,341,100	$ 8,018,499

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

Town of Snowmass Village, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2018

	Housing Authority	Mountain View	Nonmajor Fund Mountain View Extension	Total Proprietary Funds
Increase (Decrease) in Cash and Cash Equivalents				
Cash Flows from Operating Activities				
Cash received from customers	$ 1,402,907	$ 1,136,205	$ 266,716	$ 2,805,828
Cash payments for goods and services	287,576	(278,095)	(6,498)	2,983
Cash payments for personnel services	(429,257)	(151,308)	(25,172)	(605,737)
Net Cash Provided by Operating Activities	1,261,226	706,802	235,046	2,203,074
Cash Flows from Non-Capital Financing Activities				
Transfers out	(450,000)	-	-	(450,000)
Net Cash Used by Non-Capital Financing Activitiies	(450,000)	-	-	(450,000)
Cash Flows from Capital and Related Financing Activities				
Paying agent and trustee fees	(726)	-	-	(726)
Acquisition of property and equipment	(21,925)	-	(170,137)	(192,062)
Net Cash Used by Capital and Related Financing Activities	(22,651)	-	(170,137)	(192,788)
Cash Flows from Investing Activities				
Interest received	51,066	57,341	9,908	118,315
Net Cash Provided by Investing Activities	51,066	57,341	9,908	118,315
Increase in Cash and Cash Equivalents	839,641	764,143	74,817	1,678,601
Cash and Cash Equivalents, beginning of year	2,070,975	2,594,474	465,382	5,130,831
Cash and Cash Equivalents, end of year	$ 2,910,616	$ 3,358,617	$ 540,199	$ 6,809,432
Reconciliation of Operating Income to Net Cash Provided by Operating Activities				
Operating Income	$ 495,881	$ 583,517	$ 94,263	$ 1,173,661
Adjustments to reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	206,982	19,994	114,074	341,050
(Increase) Decrease in Assets				
Receivables	(599)	(2,407)	50	(2,956)
Due from other funds	89,772	57,498	-	147,270
Increase (Decrease) in Liabilities				
Accounts payable	913	(8,368)	460	(6,995)
Accrued salaries and other liabilities	2,357	(336)	671	2,692
Due to other funds	466,321	46,292	25,833	538,446
Refundable deposits	(401)	10,612	(305)	9,906
Net Cash Provided by Operating Activities	$ 1,261,226	$ 706,802	$ 235,046	$ 2,203,074

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

1. Definition of Reporting Entity

The Town of Snowmass Village, Colorado, (the Town) was incorporated during November 1977. On September 9, 1980, the citizenry voted to become a Home Rule City, as authorized by Article 20 of the Colorado State Constitution. The Town operates under a Council-Manager form of government. The Town provides the following services as authorized by its charter: public safety (police and animal control), highways and streets, culture-recreation, public improvements, planning and zoning, transportation, housing, solid waste and general administrative services.

The Town follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization to provide specific financial benefits or burdens and fiscal dependency.

The Town is financially accountable for legally separate organizations if Town officials act as or appoint a majority of the organizations governing board and either 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 benefits on the Town. The Town may also be financially accountable for organizations that are fiscally dependent on it. Based on the application of these criteria, the Town has identified two blended component units. The SMV Building Authority is blended into the activity of other Town funds. General Improvement District No. 1 is reported as a special revenue fund.

The SMV Building Authority, a nonprofit corporation, was formed for the purpose of facilitating Town financings, including the acquisition of real estate, property and improvements for lease to the Town. The Town Council appoints members of the Board of Directors of the Authority.

The General Improvement District No. 1's Board of Directors consists of Town Council members. The District was formed to provide for street, transportation and fire protection improvements within District boundaries.

1. Definition of Reporting Entity, continued

Water and sanitation services are provided by the Snowmass Water and Sanitation District and fire protection services are provided by the Snowmass-Wildcat Fire Protection District. These districts are not part of the Town's defined reporting entity and are excluded from this report as each of the described districts has its own elected governing board and are independent of the Town as to fiscal accountability and financial affairs.

2. Summary of Significant Accounting Policies

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Town does not allocate indirect expenses to functions in the statement of activities. Program revenues include 1) charges to customer 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.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The more significant accounting policies of the Town are described as follows:

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

2. Summary of Significant Accounting Policies, continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation, continued

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 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. The major sources of revenue which are susceptible to accrual are property taxes, sales taxes and certain intergovernmental revenue. County taxes are collected and held by the County at year end and subsequently remitted to the Town are also recognized as revenue. All other revenue items are considered to be measurable and available only when cash is received by the Town. Expenditures, other than interest on long-term obligations and compensated absences, are recorded when the liability is incurred or the long-term obligation is paid.

The Town reports the following governmental funds as major funds:

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

The Road Maintenance Fund is used to account for financial resources to be used for road maintenance, repair to and reconstruction of the Town's road network and rights of way.

The Real Estate Transfer Tax Fund is used to account for the 1% land transfer tax on the sale or transfer of real property. The fund’s expenditures are restricted to transportation related capital improvements, capital and operating/maintenance expenditures for vehicles and rolling stock of the Snowmass Village transportation system, landscaping, parks and recreation operations and capital improvements, and repairs and maintenance of trails and major road networks.

The Marketing and Special Events Tax Fund is used to account for the 2.5% sales tax assessed for purposes of funding marketing and tourism and the development of special events for the benefit of the community.

2. Summary of Significant Accounting Policies, continued

Measurement Focus, Basis of Accounting and Financial Statement Presentation, continued

The Capital Improvement Program Fund is used to account for the construction or acquisition of major capital improvement projects and capital equipment purchases.

The Town reports the following proprietary funds as major funds:

The Housing Authority Fund is used to account for the Creekside, Brush Creek, Palisades and Villas North rent collections and operating, maintenance and capital expenses for these complexes.

The Mountain View Fund is used to account for the Mountain View rent collections and operating, maintenance and capital expenses for this complex.

As a general rule, the effect of interfund activity has been eliminated from government-wide financial statements.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues consist of charges to customers for services provided. Operating expenses for enterprise funds include cost of services, administrative expenses and depreciation of assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.

Budgetary Information

In accordance with the Town Charter, the Town Council holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The Town Council can modify the budget by line item within the total appropriation without notification.

2. Summary of Significant Accounting Policies, continued

Budgetary Information, continued

During the year ended December 31, 2018, the appropriations ordinance was amended as follows:

	Original Appropriation	Increase (Decrease)	Modified Appropriation
General Fund	$ 18,393,032	$ 377,978	$ 18,771,010
Special Revenue Funds			
Road Maintenance	3,133,082	238,052	3,371,134
Real Estate Transfer Tax	3,543,931	337,567	3,881,498
Marketing and Special Funds	5,088,520	8,000	5,096,520
Other Nonmajor Special Revenue Funds	2,586,865	210,297	2,797,162
Capital Improvement Projects	3,177,421	3,897,852	7,075,273
Debt Service Fund	987,369	-	987,369
Enterprise Funds			
Housing Authority	1,338,708	-	1,338,708
Mountain View	607,129	-	607,129
Nonmajor Mountain View Extension	233,428	-	233,428

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has one item that qualifies for reporting in this category – deferred charges on debt refunding. A deferred charge on debt refunding results from the difference in carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter life of the refunded debt.

Deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one item that qualifies for reporting in this category, deferred revenue which is property taxes. The Town reports deferred revenue from property taxes for which there is an enforceable legal claim as of December 31, 2018, but which were levied to finance year 2019. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Cash Equivalents and Investments

For purposes of the statement of cash flows, the Town considers cash deposits and highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Investments are recorded at amortized costs.

2. Summary of Significant Accounting Policies, continued

Inventories

Inventory is valued at the lower cost or market on the first-in, first-out basis. Inventory in the General Fund consists of expendable supplies held for consumption.

Prepaid Expenses

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

Capital Assets

Capital assets, which include land and improvements, building and improvements, vehicles, furniture and equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than $5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value if the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets. However, the Town's infrastructure is not depreciated. The Town has elected to use the modified approach in accounting for its road network.

The modified approach allows governments to expense infrastructure costs, which maintain the asset but do not add value nor improve the asset, in lieu of depreciation. Additions and improvements to the road network are capitalized.

The Town uses an asset management system called Paser to rate infrastructure condition and quantify the results of maintenance efforts. Additional information is shown in the Required Supplemental Information section of this report.

Buildings and improvements, vehicles, furniture and equipment are depreciated using the straight-line method over the following estimated useful lives:

Asset	Years
Buildings and improvements	15-50
Vehicles	6-15
Furniture and equipment	5-20

2. Summary of Significant Accounting Policies, continued

Property Taxes

Property taxes are levied by the Town Council. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the Town.

Long-term Debt

Bond issue premiums associated with proprietary fund debt and the governmental activities debt on the government-wide financial statements are being amortized over the respective terms of the bonds using straight-line method. Deferred losses on debt refundings are amortized over the life of the refunding debt.

Accrual for Compensated Absences

The Town has a policy which allows employees to accumulate unused vacation and compensatory time benefits up to certain maximum hours. No liability is reported for unpaid accumulated sick pay. Compensated absences are recognized as current salary costs when paid in governmental funds, as none of the accrued vacation benefits would normally be liquidated with expendable available financial resources. All compensated absences are accrued when incurred in the government-wide financial statements and proprietary funds. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The Town's General Fund is used to liquidate compensated absences of the governmental activities.

Net Position

In the government-wide financial statements, net position represents the difference between assets and liabilities. Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town, or through external restrictions imposed by creditors, grantors, or laws, or regulations of other governments.

It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

2. Summary of Significant Accounting Policies, continued

Fund Balances

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes.

The following classifications describe the relative strength of the spending limitations within the various categories of fund balances:

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

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

- *Committed fund balance* – The portion of fund balance constrained for specific purposes according to limitations imposed by the Town Council prior to the end of the fiscal year. The constraint may be removed or changed only through formal action of the Town Council.

- *Assigned fund balance* – The portion of fund balance set aside for planned or intended purposes. The intended use may be expressed by the Town Council or other individuals authorized to assign funds to be used for a specific purpose. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that particular fund.

- *Unassigned fund balance* – The residual portion of fund balance that does not meet any of the above criteria. The Town will only report a positive unassigned fund balance in the General Fund.

If both restricted and unrestricted amounts of fund balance are available for use when expenditure is made, it is the Town's policy to use restricted amounts first. Unrestricted fund balance will be used in the following order: committed, assigned, and then unassigned.

3. Cash and Investments

Cash Deposits

At December 31, 2018, the Town's cash deposits had a carrying value of $3,895,426 and a corresponding bank balance as follows:

Insured deposits - FDIC	$ 2,467,000
Deposits collateralized by securities held by the pledging financial institution's trust department or agent in the Town's name	1,698,640
	$ 4,165,640

Deposits are exposed to custodial credit risk (the risk that, in the event of the failure of a depository financial institution, the government would not be able to recover deposits or would not be able to recover collateral securities that are in the possession of an outside party), if they are not covered by depository insurance and are collateralized with securities held by the pledging financial institution, except for deposits collateralized by certain types of collateral pools including a single financial institution collateral pool where the fair value of the pool is equal to or exceeds all uninsured public deposits held by the financial institution (e.g. deposits insured by The Public Deposit Protection Act (PDPA)). Accordingly, none of the Town's deposits at December 31, 2018 are deemed to be exposed to custodial credit risk.

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

The Town does not have custodial risk policies for investments.

3. Cash and Investments, continued

As of December 31, 2018, the Town had $16,313,889 invested in the Colorado Local Government Liquid Asset Trust (Colotrust), $2,586,350 invested in the Colorado Statewide Investment Program (CSIP) and $23,213,684 invested in the Colorado Surplus Asset Fund Trust (CSAFE). These investment vehicles have been established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trusts. The Trusts operate similarly to a 2a-7-like money market fund and each share is equal in value to $1.00. Each investment vehicle is rated AAAm by the Standard & Poor's Corporation. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. Colotrust and CSIP are valued at net asset value and CSAFE is valued at amortized cost.

The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as depository in connection with direct investment and withdrawals. The custodian's internal records segregate investments owned by the Trust.

A Trustee acting on behalf of the Town had invested $399 at December 31, 2018 in the SEI Daily Income Trust Treasury Fund, a money market mutual fund. The fund invests exclusively in U.S. Treasury obligations and repurchase agreements fully collateralized by U.S. Treasury obligations. The Fund seeks to maintain a constant price per share of $1.00. The fund is rated AAA by Standard & Poor's Corporation at December 31, 2018.

4. Capital Assets

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

	January 1, 2018	Additions	Retirements	Transfers	December 31, 2018
Governmental Activities:					
Capital assets, not being depreciated:					
Land and land improvements	$ 28,149,929	$ -	$ -	$ -	$ 28,149,929
Infrastructure	28,731,291	1,313,978	-	-	30,045,269
Construction in process	18,697	112,710	-	-	131,407
Total capital assets, not being depreciated	56,899,917	1,426,688	-	-	58,326,605
Capital assets, being depreciated:					
Land improvements	20,882	-	-	(20,882)	-
Buildings and improvements	30,258,694	21,952	-	-	30,280,646
Vehicles	10,912,617	180,466	-	-	11,093,083
Furniture and equipment	4,428,912	111,462	116,686	34,964	4,458,652
Total capital assets, being depreciated	45,621,105	313,880	116,686	14,082	45,832,381
Less accumulated depreciation for:					
Land improvements	20,882	-	-	(20,882)	-
Buildings and improvements	8,791,271	626,118	-	-	9,417,389
Vehicles	7,332,138	1,050,839	-	-	8,382,977
Furniture and equipment	1,940,565	310,459	59,905	34,964	2,226,083
Total accumulated depreciation	18,084,856	1,987,416	59,905	14,082	20,026,449
Total capital assets being depreciated, net	27,536,249	(1,673,536)	56,781	-	25,805,932
Governmental activities capital assets, net	$ 84,436,166	$ (246,848)	$ 56,781	$ -	$ 84,132,537
Business-type Activities:					
Capital assets not being depreciated:					
Land and land improvements	$ 1,214,206	$ -	$ -	$ -	$ 1,214,206
Total capital assets, not being depreciated	1,214,206	-	-	-	1,214,206
Capital assets, being depreciated:					
Buildings and improvements	16,913,610	170,137	85,068	-	16,998,679
Vehicles	140,114	-	-	-	140,114
Furniture and equipment	281,043	39,381	52,132	(14,082)	254,210
Total capital assets, being depreciated	17,334,767	209,518	137,200	(14,082)	17,393,003
Less accumulated depreciation for:					
Buildings and improvements	13,369,131	332,157	66,636	-	13,634,652
Vehicles	123,808	6,115	-	-	129,923
Furniture and equipment	245,011	2,778	28,949	(14,082)	204,758
Total accumulated depreciation	13,737,950	341,050	95,585	(14,082)	13,969,333
Total capital assets being depreciated, net	3,596,817	(131,532)	41,615	-	3,423,670
Business-type activities capital assets, net	$ 4,811,023	$ (131,532)	$ 41,615	$ -	$ 4,637,876

4. Capital Assets, continued

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

Governmental activities:		
General government	$	339,473
Public works		405,907
Public safety		65,707
Parks and trails		268,074
Transportation		897,781
Marketing and special events		10,474
Total depreciation expense - Governmental activities	$	1,987,416

Business-type activities:		
Employee housing rental	$	341,050
Total depreciation expense - Business-type activities	$	341,050

5. Long Term Obligations

The following is an analysis of changes in long-term obligations for the Town for the year ended December 31, 2018:

	Balance at January 1, 2018	Additions	Retirements	Balance at December 31, 2018	Due Within One Year
Governmental Activities					
Bonds payable and Certificates of Participation					
General obligation bonds payable:					
2004 G.O. Bonds	$ 165,000	-	$ 165,000	$ -	$ -
2009A G.O. Bonds	1,015,000	-	495,000	520,000	520,000
2016 G.O. Refunding Note	2,130,000	-	220,000	1,910,000	225,000
Subtotal bonds payable	3,310,000	-	880,000	2,430,000	745,000
Certificates of Participation 2016	4,710,000	-	450,000	4,260,000	465,000
Add bond premiums:					
2004 G.O. Bonds	6,994	-	6,994	-	-
2009 G.O. Bonds	63,039	-	33,624	29,415	29,415
Certificates of Participation 2016	366,322	-	45,791	320,531	45,791
Subtotal bond premiums	436,355	-	86,409	349,946	75,206
Total bonds payable and certificates of participation	8,456,355	-	1,416,409	7,039,946	1,285,206
Compensated absences	443,881	681,269	688,362	436,788	436,788
	$ 8,900,236	$ 681,269	$ 2,104,771	$ 7,476,734	$ 1,721,994
Business-type activities:					
Compensated absences	$ 13,518	$ 29,313	$ 26,665	$ 16,166	$ 16,166
	$ 13,518	$ 29,313	$ 26,665	$ 16,166	$ 16,166

For the governmental activities, compensated absences are generally liquidated by the General Fund.

The detail of the Town's long-term obligations is as follows:

Governmental Activities:

$2,320,000 General Obligation Bonds Series 2004 dated May 1, 2004. These bonds are due annually through 2018 with interest at 5.00%. Bonds maturing on or before August 1, 2014 are not callable prior to maturity. Bonds maturing on and after August 1, 2015 are callable prior to their maturities on August 1, 2014, and thereafter, at par. The bonds were issued to finance the construction of a Town swimming pool. Interest paid during 2018 was $8,250.

5. Long Term Obligations, continued

$4,390,000 General Obligation Bonds Series 2009A dated November 19, 2009. These bonds are due annually through 2019 with interest at 2.250% to 5.000%. Bonds are not subject to optional prior redemptions. Interest paid during 2018 was $50,750.

$2,265,000 General Obligation Refunding Note Series 2016 dated December 28, 2016. These bonds are due annually through 2026 with an interest rate of 2.13%. Annual principal payments are due on October 1st and semi-annual interest payments are due on April 1st and October 1st, with the principal maturing on October 1, 2026. Interest paid during 2018 was $45,369.

$5,145,000 2016 Refunding Certificates of Participation Series 2017 dated November 23, 2016. In November 2006 the SMV Building Authority issued certificates of participation in a lease-purchase agreement. These certificates were refunded in December 2016 in order to reduce its total debt service payment. The interest rate ranges are 3% - 4%. Annual principal payments are due on December 1st and semi-annual interest payments are due June 1st and December 1st, with the principal maturing on December 1, 2026. Interest paid in 2018 was $179,250.

The Town's debt service requirements to maturity for long-term obligations are as follows:

	Governmental Activities		
Year	**Interest**	**Principal**	**Total**
2019	$ 232,433	$ 1,210,000	$ 1,442,433
2020	187,691	705,000	892,691
2021	163,698	730,000	893,698
2022	138,799	755,000	893,799
2023	112,993	780,000	892,993
2024-2026	174,883	2,510,000	2,684,883
	$ 1,010,497	$ 6,690,000	$ 7,700,497

6. Net Position

The Town has net position consisting of three components – net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

As of December 31, 2018, the Town has net investment in capital assets as follows in its governmental funds:

	Governmental Activities	Business-type Activities
Net investment in capital assets:		
Capital assets not being depreciated	$ 58,326,605	$ 1,214,206
Capital assets being depreciated (net of accumulated depreciation)	25,805,932	3,423,670
Total bonds payable and certificates of participation, net of loss on refundings	(7,035,696)	-
Net investment in capital assets	$ 77,096,841	$ 4,637,876

Restricted net position balances are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

7. Fund Balance

Non-spendable and restricted fund balances at December 31, 2018 are classified as follows:

General Fund		
Non-spendable for inventory	$	123,935
Non-spendable for prepaid expenditures		71,953
Non-spendable	$	195,888
Restricted for emergencies	$	461,810
Restricted for community enhancement		1,047,053
Restricted	$	1,508,863
Road Maintenance Fund		
Restricted for maintenance of the Town's road system	$	1,748,510
Real Estate Transfer Tax Fund		
Restricted for transportation capital, parks and recreation, landscaping, repair and maintenance of trails and certain roads, and transportation rolling stock with a 1% land transfer tax	$	8,102,025
Marketing and Special Events Fund		
Non-spendable for prepaid expenses	$	2,035
Restricted for marketing and special events with a 2.5% sales tax	$	2,485,329
Capital Improvement Program		
Restricted for Capital Projects for Restricted Funds	$	3,486,686
Other Nonmajor Funds		
Non-spendable for prepaid expenses	$	10,935
Restricted for parks and recreation with statutory lottery fund distribution	$	53,175
Restricted for employee housing		1,981,546
Restricted for group sales activities		1,737,953
Restricted for General Improvement District		507,426
Restricted	$	4,280,100

The non-spendable for inventory, prepaid expenditures and other assets, equal the reported assets to indicate that such assets do not constitute spendable resources even though they are a component of fund balance.

7. Fund Balance, continued

Amounts restricted for emergencies in the General Fund are required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 13).

Amounts restricted for community enhancement in the General Fund relate to Holy Cross Electric funds restricted in accordance with an underlying agreement.

Amounts restricted in the Road Maintenance Fund, the Real Estate Transfer Tax Fund, the Excise Tax Fund, the Marketing and Special Events Fund and the Group Sales Fund are restricted as to use in accordance with a voter approved ordinances as to the use of the specific revenues collected by these funds.

Amounts restricted for parks and recreation in the Conservation Trust Fund is reserved in accordance with provisions of the State Conservation Trust Fund.

Amounts restricted for the General Improvement District Fund are restricted by enabling legislation of a dedicated mill levy.

Town Council has committed the following amounts through an ordinance:

Capital Improvement Program		
Committed for Capital Projects	$	14,292
Other Nonmajor Funds		
Committed for renewable energy projects	$	200,722

Town Council has delegated the authority to assign fund balances for specific purposes to the Town's Finance Director as follows:

General Fund		
Assigned for capital equipment and other projects	$	3,497,706
Assigned for employee housing		12,524
	$	3,510,230
Capital Improvement Program		
Assigned for capital equipment and other projects	$	4,191,618

Town Council adopted a resolution for a cash reserve policy and in accordance with that policy there is $4,347,369 included in the unassigned fund balances.

8. Interfund Receivables, Payables, and Operating Transfers

The composition of interfund receivables and payables was as follows as of December 31, 2018:

Due From	Due to: General Fund	Due to: Real Estate Transfer Tax Fund	Due to: Road Maintenance Fund
General Fund	$ -	$ 51,599	$ 162,896
Capital Improvement Projects Fund	1,684,753	1,575,713	972,497
Other Non Major Funds	22,675	-	-
Housing Authority Fund	-	-	-
Mountain View Fund	-	-	-
	$ 1,707,428	$ 1,627,312	$ 1,135,393

Due From (continued)	Due to (continued): Marketing and Special Events Fund	Due to (continued): Other Non Major Funds	Due to (continued): Housing Authority Fund
General Fund	$ 189,297	$ 424,279	$ 30,728
Capital Improvement Projects Fund	269,238	578,061	1,357,672
Other Non Major Funds	31,475	-	-
Housing Authority Fund	-	-	-
Mountain View Fund	-	-	-
	$ 490,010	$ 1,002,340	$ 1,388,400

Due From (continued)	Due to (continued): Mountain View Fund	Due to (continued): Mountain View Extenstion Fund	Total
General Fund	$ 45,120	$ 28,114	$ 932,033
Capital Improvement Projects Fund	1,650,000	-	8,087,934
Other Non Major Funds	-	-	54,150
Housing Authority Fund	1,172	-	1,172
Mountain View Fund	-	3,603	3,603
	$ 1,696,292	$ 31,717	$ 9,078,892

The balance of $932,033 due to the General Fund from various other funds represents expenditures/expenses paid by the General Fund that have yet to be reimbursed by the respective funds at year end.

The balance of $8,087,934 represents money due to the Capital Improvement Projects Fund after projects are completed.

8. Interfund Receivables, Payables, and Operating Transfers, continued

The balance of $54,150 represents money due to the Nonmajor Funds from the General Fund for various deposits equaling $22,675. The is also $31,475 due from the Marketing Fund for expenses shared with Group Sales.

The balance of $1,172 due to the Housing Authority Fund from the Mountain View Fund represents transfers from the Housing Authority Fund to the Mountain View Fund.

The balance of $3,603 due to the Mountain View Fund from the Mountain View II Fund represents transfers from the Mountain View Fund to the Mountain View II Fund.

The detail of interfund transfers for the year ended December 31, 2018, was as follows:

	Transfers In		
Transfers Out	**General Fund**	**Capital Improvement Program Fund**	**Total**
General Fund	$ -	$ 1,026,500	$ 1,026,500
Road Maintenance Fund	1,665,700	883,900	2,549,600
Real Estate Transfer Tax Fund	1,154,274	1,564,100	2,718,374
Conservation Trust Fund	23,000	-	23,000
Market and Special Events Fund	-	100,000	100,000
Group Sales Fund	-	100,000	100,000
Housing Authority Fund	-	450,000	450,000
	$ 2,842,974	$ 4,124,500	$ 6,967,474

The transfer of $1,665,700 from the Road Maintenance Fund to the General Fund was for road maintenance and repairs.

The transfer of $1,154,274 from the Real Estate Transfer Tax Fund to the General Fund was to fund landscaping, recreation and transportation rolling stock operating and maintenance costs.

The transfer of $23,000 from the Conservation Trust Fund to the General Fund was for parks and recreation projects.

The transfer of $4,124,500 from Various Funds to the Capital Improvement Program Fund is for Capital Projects and Equipment purchases.

9. Employee Benefit Plans

Pension Plans

Full-time year-round employees of the Town participate in one of two defined contribution money purchase pension plans which are maintained and administered by ICMA Retirement Corporation. One plan covers all employees (general government employees) with the exception of police officers. The second plan covers all police officers. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The Town contributes 8% of eligible general government employees' salaries and 9% of eligible police officers' salaries.

Police are required to contribute 8% of their salaries to the plan. General government employees are not required to make contributions to the plan. Town contributions for general government and police officers vest at the rate of 20% per year. Town contributions for employees who leave employment before being fully vested are used to reduce the Town's current period contribution requirements. In 2018, no forfeited contributions were used to reduce the Town's contributions to the general government plan. There is no liability for benefits under the plans beyond the Town's payments, and there are no amounts due to the Plans at December 31, 2018. Plan provisions and contribution requirements are established and may be amended by the Town.

Contributions actually made by the Town to the General Government Members Plan and Police Officer Members Plan for the year ended December 31, 2018 was $505,825 and $9,377, respectively.

Deferred Compensation Plan

The Town has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan is administered by ICMA Retirement Corporation. Participation is mandatory for all full-time year-round employees. The plan requires the employees to defer a portion of their salary until future years.

10. Communications Center

The Town entered into an agreement with local agencies in Roaring Fork Valley to operate a communications center. The center is governed by the Pitkin County Commissioners. The budget is funded by an agreed upon percentage contribution by each government. The Town's share of expenses was 8.29% ($150,369) for 2018. The Town pays only a percentage of operating costs; it does not own the assets, nor is it liable for any liabilities. The communication center is part of Pitkin County's General Fund.

11. Operating Leases

The Town has office space and other facilities for its transportation and marketing departments. The lease of office space for its transportation department include rentals for operations costs and increases 3% annually. The lease for it's marketing department includes rental for operations costs and increase are flat annually. Total costs for the leases were $67,425 for the year ended December 31, 2018. The future minimum lease payments for these leases are as follows:

Year ending December 31,	
2019	$ 43,538
2020	44,844
2021	46,189
2022	47,575
2023	49,002
Total	$ 231,148

12. Risk Management

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God.

The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA is a joint self-insurance pool created by intergovernmental agreement of 107 municipalities to provide property, general and automobile liability and public officials' liability coverage to its members. CIRSA is governed by a seven-member Board elected by and from its members.

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and that amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the Participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so.

The Town's annual contribution to the CIRSA amounted to $208,670 for 2018.

The Town has not been informed of any excess losses that may have been incurred by the Pool. The Town continues to carry commercial insurance coverage for other risks of loss including workers compensation and employee health and accident insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

13. Tax, Spending, and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, revenue and debt limitations which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less that 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of Tabor.
The Town's management believes a significant portion of its Proprietary Fund operations qualifies for this exclusion.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The Town's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits and qualifications as an Enterprise will require judicial interpretation.

On November 2, 1999, a majority of the Town's electors authorized the Town to enact a limited excise tax to be assessed only if the owner of a lot decides to construct, remodel, or expand improvements in excess of the maximum allowable floor area for a lot, subject to limitations. The excise tax is to be used for the acquisition, construction or rehabilitation of affordable employee housing without limitation or condition as a voter-approved revenue change under Article X, Section 20 of the Colorado Constitution.

On November 6, 2001, a majority of the Town's electors authorized the Town to enact a 2.5% sales tax subject to a $50 rebate per year for full-time residents. The sales tax is to be used for marketing, creation and promotion and execution of special events, public relations, and actual and necessary expenses of the Snowmass Village Marketing and Special Events Board for the benefit of the Town as a whole. Any related capital expenditures are subject to an annual limitation of 10% of such sales tax revenue. The sales tax may be collected and spent without limitation or condition as per voter-approved revenue change under Article X, Section 20 of the Colorado Constitution.

13. Tax, Spending, and Debt Limitations, continued

On November 2, 2004, a majority of the Town's electors authorized increasing the Town's taxes by $2,481,181 annually by extending in perpetuity the existing land transfer tax imposed by Ordinance No. 5, series of 1986, and authorized the uses of the funds derived from such tax be amended to add, in addition to existing uses, all parks and recreation costs and transportation operating and maintenance costs for vehicles and rolling stock, and authorized the Town to collect and spend the revenues from such a tax without regard to the limitations of Article X, Section 20 of the Colorado Constitution.

On November 2, 2004, a majority of the Town's electors authorized the Town to collect, retain, and expend, without increasing any tax rate or imposing any new tax, as a voter-approved revenue change under Article X, Section 20 of the Colorado Constitution all revenues received by the Town annually in 2004 or any year thereafter from all sources.

On November 8, 2016, a majority of the Town's electors authorized the Town to increase, collect, retain, and expend property taxes in the amount of $510,000 commencing in 2017 for collection in 2018, and by $510,000 in each calendar year 2018 through 2022 for the educational purpose of providing support to the Aspen School District No. 1 and to reimburse the Town for the costs of collection.

14. Subsequent Event

On April 16, 2019, SV Building 8 Development, LLC conveyed to the Town real property known as Building 6. The Town concurrently entered into a Building 6 Master Lease agreement whereby the Town will lease Building 6 to SV Building 6 Development, LLC. Building 6 is comprised of "restaurant space, community flex space, game lounge space and all plaza level and lower level outdoor decking and patio" and will be managed by the SV Building 6 Development. The lease is for five years ending on December 31, 2023 with an option to renew for two separate and successive option periods of five years. The minimum rent is $1, payable annually in advance and a net profit allocation of 50% of the net profit of the premises per year beginning in 2019.

Required Supplemental Information

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Total Revenue and Other Financing Sources (see page 36)	$ 17,734,912	$ 17,734,912	$ 18,617,880	$ 882,968
Total Expenditures and Other Financing Sources (see page 37)	18,393,032	18,771,010	16,715,086	2,055,924
Excess (deficiency) of Revenue and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(658,120)	(1,036,098)	1,902,794	2,938,892
Fund Balance - Beginning of Year	12,441,638	15,978,378	15,978,378	-
Fund Balance - End of Year	$ 11,783,518	$ 14,942,280	$ 17,881,172	$ 2,938,892

Town of Snowmass Village, Colorado
Schedule of Revenues and Other Financing Sources
Budget and Actual
General Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Over (Under)
Revenues				
Taxes				
Property taxes	$ 879,665	$ 879,665	$ 882,094	$ 2,429
Specific ownership taxes	150,409	150,409	154,650	4,241
Sales taxes	5,512,105	5,512,105	5,915,959	403,854
Highway users tax	129,511	129,511	161,237	31,726
Cigarette tax	15,000	15,000	15,801	801
Motor vehicle registration fees	12,587	12,587	12,783	196
Franchise taxes	611,431	611,431	619,680	8,249
	7,310,708	7,310,708	7,762,204	451,496
Intergovernmental				
County road and bridge	41,694	41,694	42,465	771
RTA service contract	415,949	415,949	428,909	12,960
Grant proceeds	301,604	301,604	280,117	(21,487)
Recycle Credit	-	-	15,996	15,996
	759,247	759,247	767,487	8,240
Licenses and Permits				
Contractors licenses	15,000	15,000	31,629	16,629
Construction permits	700,000	700,000	1,229,402	529,402
Business/sales tax licenses	69,795	69,795	86,167	16,372
Liquor licenses	9,850	9,850	15,299	5,449
Animal tags/licenses	550	550	550	-
Road cut permits	2,000	2,000	3,400	1,400
Alarm permits	21,000	21,000	18,690	(2,310)
	818,195	818,195	1,385,137	566,942
Charges for Services				
Transportation and parking	486,500	486,500	466,300	(20,200)
Plan review fees	258,377	258,377	305,168	46,791
Special bus runs	32,500	32,500	2,989	(29,511)
Planning department fees	147,670	147,670	76,890	(70,780)
Maintenance department fees	35,000	35,000	156,933	121,933
Pool and fitness center fees	675,000	675,000	790,458	115,458
Recreation Fees	85,000	85,000	118,409	33,409
Security service fees	12,000	12,000	15,147	3,147
Attorney Fees	35,000	35,000	53,405	18,405
Special Events Revenue	150,000	150,000	150,000	-
Solid waste fees	1,153,499	1,153,499	1,274,555	121,056
	3,070,546	3,070,546	3,410,254	339,708
Fines and Forfeitures	53,750	53,750	83,221	29,471
Contributions	1,521,357	1,521,357	1,567,979	46,622
Net Investment Income	120,000	120,000	374,911	254,911
Other	347,843	347,843	423,713	75,870
Total Revenue	14,001,646	14,001,646	15,774,906	1,773,260
Other Financing Sources				
Transfers in	3,733,266	3,733,266	2,842,974	(890,292)
Total Other Financing Sources	3,733,266	3,733,266	2,842,974	(890,292)
Total Revenue and Other Financing Sources	$ 17,734,912	$ 17,734,912	$ 18,617,880	$ 882,968

Town of Snowmass Village, Colorado
Schedule of Expenditures and Other Financing Uses
Budget and Actual
General Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Expenditures				
General Government				
Town Council	$ 601,609	$ 601,609	$ 586,140	$ 15,469
Municipal Court	15,655	15,655	9,620	6,035
Town Clerk	191,654	191,654	188,344	3,310
Town Administrator	418,532	418,532	402,256	16,276
Financial Administration	1,269,342	1,269,342	1,232,512	36,830
General and Administrative Support	214,854	214,854	180,852	34,002
Human Resources	197,368	207,368	188,840	18,528
Community Development	933,933	933,933	885,929	48,004
	3,842,947	3,852,947	3,674,493	178,454
Public Works				
Administration	455,380	455,380	432,237	23,143
Facility Maintenance	1,023,287	1,023,287	1,067,760	(44,473)
Road	1,220,475	1,218,475	1,047,811	170,664
Sanitation	901,892	901,892	881,032	20,860
Fleet Services	732,063	732,063	668,748	63,315
	4,333,097	4,331,097	4,097,588	233,509
Public Safety	2,020,248	2,020,248	1,949,066	71,182
Parks and Trails	609,384	609,384	441,714	167,670
Culture and Recreation	1,177,744	1,177,744	1,057,425	120,319
Transportation	3,828,420	3,828,420	3,450,942	377,478
Other Expenditures	510,000	510,000	71,653	438,347
Debt Service				
Principal	450,000	450,000	450,000	-
Interest and fiscal charges	181,250	181,250	182,250	(1,000)
Capital Outlay				
Equipment and Vehicles	413,442	783,420	313,455	469,965
Total Expenditures	17,366,532	17,744,510	15,688,586	2,055,924
Other Financing Uses				
Transfers out	1,026,500	1,026,500	1,026,500	-
Total Other Financing Uses	1,026,500	1,026,500	1,026,500	-
Total Expenditures and Other Financing Uses	$ 18,393,032	$ 18,771,010	$ 16,715,086	$ 2,055,924

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Road Maintenance Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	$ 2,405,696	$ 2,405,696	$ 2,404,105	$ (1,591)
Occupancy assessments	75,000	75,000	106,041	31,041
Net investment income	14,000	14,000	67,072	53,072
Total Revenues	2,494,696	2,494,696	2,577,218	82,522
Expenditures				
Road improvements	345,328	583,380	133,206	450,174
Other	68,114	68,114	61,667	6,447
Total Expenditures	413,442	651,494	194,873	456,621
Excess of Revenues Over Expenditures	2,081,254	1,843,202	2,382,345	539,143
Other Financing Uses				
Transfers out	(2,719,640)	(2,719,640)	(2,549,600)	170,040
Total Other Financing Uses	(2,719,640)	(2,719,640)	(2,549,600)	170,040
Net Change in Fund Balance	(638,386)	(876,438)	(167,255)	709,183
Fund Balance, beginning of year	1,478,782	1,915,765	1,915,765	-
Fund Balance, end of year	$ 840,396	$ 1,039,327	$ 1,748,510	$ 709,183

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Real Estate Transfer Tax Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	$ 2,300,000	$ 2,300,000	$ 4,017,396	$ 1,717,396
Net investment income	50,000	50,000	160,611	110,611
Total Revenues	2,350,000	2,350,000	4,178,007	1,828,007
Expenditures				
Land, road and trail improvements	105,305	442,872	188,934	253,938
Total Expenditures	105,305	442,872	188,934	253,938
Excess of Revenues Over Expenditures	2,244,695	1,907,128	3,989,073	2,081,945
Other Financing Uses				
Transfers out	(3,438,626)	(3,438,626)	(2,718,374)	720,252
Total Other Financing Uses	(3,438,626)	(3,438,626)	(2,718,374)	720,252
Net Change in Fund Balance	(1,193,931)	(1,531,498)	1,270,699	2,802,197
Fund Balance, beginning of year	5,360,599	6,831,326	6,831,326	-
Fund Balance, end of year	$ 4,166,668	$ 5,299,828	$ 8,102,025	$ 2,802,197

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Marketing and Special Events Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	$ 4,949,522	$ 4,949,522	$ 5,316,955	$ 367,433
Other	75,000	75,000	54,695	(20,305)
Net investment income	14,000	14,000	56,309	42,309
Total Revenues	5,038,522	5,038,522	5,427,959	389,437
Expenditures				
Marketing and special events	4,988,520	4,996,520	4,619,774	376,746
Total Expenditures	4,988,520	4,996,520	4,619,774	376,746
Excess of Revenues Over Expenditures	50,002	42,002	808,185	766,183
Other Financing Uses				
Transfers out	(100,000)	(100,000)	(100,000)	-
Total Other Financing Uses	(100,000)	(100,000)	(100,000)	-
Net Change in Fund Balance	(49,998)	(57,998)	708,185	766,183
Fund Balance, beginning of year	1,412,801	1,779,179	1,779,179	-
Fund Balance, end of year	$ 1,362,803	$ 1,721,181	$ 2,487,364	$ 766,183

Note RSI-1 Budgetary Information

Budgets for major governmental funds are adopted on the modified accrual basis where capital outlays are treated as expenditures and depreciation is not budgeted. The operating budget includes proposed expenditures and the means of financing them. The Town Council must approve transfers between funds or increases to a fund's budget. (See Note 2 for additional budgetary information.)

Note RSI-2 Expenditures/Expenses in Excess of Appropriation

The Town Charter requires that expenditures and transfers for a fund or spending agency cannot exceed the appropriation for that fund or spending agency. Appropriations for a fund or spending agency may be increased provided unanticipated resources offset them.

The budget is controlled at the departmental line level within each department or division. However, the legal level of appropriation is within the fund. In 2018, there were no major funds that had expenditures in excess of their council-approved appropriation.

Town of Snowmass Village, Colorado
Condition Rating of Road System
December 31, 2018

Condition of Town's Systems	2018	2017	2016	2015	2014
Average Road Rating	7	7	7	7	7
Average Bridge Rating	9	9	9	9	9

Comparison of Needed-to-Actual Maintenance/Preservation

	2018	2017	2016	2015	2014
Road System:					
Needed	$ 651,494	$ 761,316	$ 1,489,180	$ 404,750	$ 385,584
Actual	$ 194,873	$ 457,702	$ 1,052,644	$ 371,716	$ 366,331
Bridge System					
Needed	$ -	$ -	$ -	$ -	$ -
Actual	$ -	$ -	$ -	$ -	$ -
Overall System					
Needed	$ 651,494	$ 761,316	$ 1,489,180	$ 404,750	$ 385,584
Actual	$ 194,873	$ 457,702	$ 1,052,644	$ 371,716	$ 366,331
Difference	$ 456,621	$ 303,614	$ 436,536	$ 33,034	$ 19,253

Note: The condition of the road pavement is measured using Paser pavement management rating system developed by the University of Wisconsin which is based on a weighted average of 13 distress factors found in pavement surfaces. The Paser rating system uses a measurement scale that is based on a condition index ranging from a score of 1 for failed pavement to 10 for a pavement in excellent condition. The condition index is used to classify roads in excellent condition (9-10), good condition (6-8), fair condition (4-5), and poor condition (less than 3). It is the Town's policy to maintain the road system at an average score of 6 or better. Condition assessments are performed every year.

Note: The condition of the bridges is measured using PONTIS and the National Bridge Inventory system. This system rates bridges including the deck, superstructure and substructure, using a 10 point scale ranging from 0 for failed bridges to 9 for bridges in excellent condition. It is the Town's policy to maintain the bridges at an average score of 5 or better. Bridge condition assessments are performed every 2 years by the Colorado Department of Transportation. The scale index is used to classify bridges in various condition levels is as follows:

9	Excellent
8	Very good
7	Good. Some minor problems.
6	Satisfactory. Structural elements show some minor deterioration.
5	Fair. All primary structural elements are sound but may have minor section loss,
	spalling, or scour
4	Poor. Advanced section loss, deterioration, spalling, or scour.
3	Serious. Loss of section, deterioration, spalling, or scour have seriously
	affected primary structural components. Local failures are possible. Fatigue
	cracks in steel or shear cracks in concrete may be present.
2	Critical. Advanced deterioration of primary structural elements. Fatigue cracks in
	steel or shear cracks in concrete may be present or scour may have removed
	substructure support. Necessary to close bridge until corrective action is taken.
1	Imminent failure. Major deterioration or section loss present in critical structural
	components or obvious vertical or horizontal movement affecting the structure
	stability. Bridge is closed to traffic, but corrective action may put it back in
	light service.
0	Failure. Out of service - beyond corrective action.

Supplemental Information

Town of Snowmass Village, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2018

	Conservation Trust	Excise Tax	Group Sales
Assets			
Cash and cash equivalents	$ 62,151	$ 2,381,927	$ 2,072,875
Accounts receivable	-	-	1,727
Property taxes receivable	-	-	-
Sales taxes receivable	-	-	331,189
Due from other funds	-	-	31,475
Due from other governments	-	-	-
Prepaid expenses and other assets	-	-	10,935
Total Assets	$ 62,151	$ 2,381,927	$ 2,448,201
Liabilities			
Accounts payable	$ -	$ -	$ 117,951
Accrued salaries and other liabilities	-	-	24,371
Due to other funds	8,976	392,381	556,991
Unearned revenue	-	2,000	-
Refundable deposits	-	6,000	-
Total Liabilities	8,976	400,381	699,313
Deferred Inflows of Resources			
Property taxes	-	-	-
Total Deferred Inflows of Resources	-	-	-
Fund Balances			
Non-spendable	-	-	10,935
Restricted	53,175	1,981,546	1,737,953
Committed	-	-	-
Unassigned	-	-	-
Total Fund Balances	53,175	1,981,546	1,748,888
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 62,151	$ 2,381,927	$ 2,448,201

General Improvement District	Renewable Energy Offset	POST Grant	Debt Service	Total Nonmajor Governmental Funds
$ 568,989	$ 205,532	$ -	$ -	$ 5,291,474
-	-	-	-	1,727
257,208	-	-	813,961	1,071,169
-	-	-	-	331,189
-	9,482	1,856	11,337	54,150
1,195	-	22,606	-	23,801
-	-	-	-	10,935
$ 827,392	$ 215,014	$ 24,462	$ 825,298	$ 6,784,445
$ 33,058	$ -	$ 24,462	$ 250	$ 175,721
-	-	-	-	24,371
29,700	14,292	-	-	1,002,340
-	-	-	-	2,000
-	-	-	-	6,000
62,758	14,292	24,462	250	1,210,432
257,208	-	-	813,961	1,071,169
257,208	-	-	813,961	1,071,169
-	-	-	-	10,935
507,426	-	-	-	4,280,100
-	200,722	-	-	200,722
-	-	-	11,087	11,087
507,426	200,722	-	11,087	4,502,844
$ 827,392	$ 215,014	$ 24,462	$ 825,298	$ 6,784,445

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

	Conservation Trust	Excise Tax	Group Sales
Revenues			
Property taxes	$ -	$ -	$ -
Sales taxes	-	-	2,029,358
Other taxes	-	577,426	-
Intergovernmental	28,695	-	-
Net investment income	1,036	40,920	39,225
Other	-	48,000	17,673
Total Revenues	29,731	666,346	2,086,256
Expenditures			
Current			
Marketing and special events	-	-	1,518,038
Other	-	26,368	-
Debt Service			
Principal retirement	-	-	-
Interest and fiscal charges	-	-	-
Total Expenditures	-	26,368	1,518,038
Excess (Deficiency) of Revenues Over (Under) Expenditures	29,731	639,978	568,218
Other Financing Sources (Uses)			
Transfers out	(23,000)	-	(100,000)
Total Other Financing Sources (Uses)	(23,000)	-	(100,000)
Net Change in Fund Balances	6,731	639,978	468,218
Fund Balances, beginning of year	46,444	1,341,568	1,280,670
Fund Balances, end of year	$ 53,175	$ 1,981,546	$ 1,748,888

General Improvement District	Renewable Energy Offset	POST Grant	Debt Service	Total Nonmajor Governmental Funds
$ 233,286	$ -	$ -	$ 950,036	$ 1,183,322
-	-	-	-	2,029,358
8,514	-	-	-	585,940
-	-	337,180	-	365,875
11,483	4,056	-	-	96,720
-	9,482	-	-	75,155
253,283	13,538	337,180	950,036	4,336,370
-	-	-	-	1,518,038
284,674	10,000	337,180	-	658,222
-	-	-	880,000	880,000
-	-	-	105,244	105,244
284,674	10,000	337,180	985,244	3,161,504
(31,391)	3,538	-	(35,208)	1,174,866
-	-	-	-	(123,000)
-	-	-	-	(123,000)
(31,391)	3,538	-	(35,208)	1,051,866
538,817	197,184	-	46,295	3,450,978
$ 507,426	$ 200,722	$ -	$ 11,087	$ 4,502,844

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Conservation Trust Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	$ 30,679	$ 30,679	$ 28,695	$ (1,984)
Net investment income	480	480	1,036	556
Total Revenues	31,159	31,159	29,731	(1,428)
Excess of Revenues Over Expenditures	31,159	31,159	29,731	(1,428)
Other Financing Uses				
Transfers out	(23,000)	(23,000)	(23,000)	-
Total Other Financing Uses	(23,000)	(23,000)	(23,000)	-
Net Change in Fund Balance	8,159	8,159	6,731	(1,428)
Fund Balance, beginning of year	48,412	46,444	46,444	-
Fund Balance, end of year	$ 56,571	$ 54,603	$ 53,175	$ (1,428)

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Excise Tax Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	$ 225,000	$ 225,000	$ 577,426	$ 352,426
Net investment income	4,500	4,500	40,920	36,420
Other	48,000	48,000	48,000	-
Total Revenues	277,500	277,500	666,346	388,846
Expenditures				
Other	37,000	37,000	26,368	10,632
Total Expenditures	37,000	37,000	26,368	10,632
Excess of Revenues Over Expenditures	240,500	240,500	639,978	399,478
Net Change in Fund Balance	240,500	240,500	639,978	399,478
Fund Balance, beginning of year	450,258	1,341,568	1,341,568	-
Fund Balance, end of year	$ 690,758	$ 1,582,068	$ 1,981,546	$ 399,478

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Group Sales Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	$ 2,000,512	$ 2,000,512	$ 2,029,358	$ 28,846
Net investment income	10,000	10,000	39,225	29,225
Other	31,000	31,000	17,673	(13,327)
Total Revenues	2,041,512	2,041,512	2,086,256	44,744
Expenditures				
Conference sales and marketing	1,940,690	1,940,690	1,518,038	422,652
Total Expenditures	1,940,690	1,940,690	1,518,038	422,652
Excess of Revenues Over Expenditures	100,822	100,822	568,218	44,744
Other Financing Uses				
Transfers out	(100,000)	(100,000)	(100,000)	-
Total Other Financing Uses	(100,000)	(100,000)	(100,000)	-
Net Change in Fund Balance	822	822	468,218	44,744
Fund Balance, beginning of year	1,082,155	1,280,670	1,280,670	-
Fund Balance, end of year	$ 1,082,977	$ 1,281,492	$ 1,748,888	$ 44,744

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
General Improvement District No. 1 Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	$ 233,211	$ 233,202	$ 233,286	$ 84
Specific ownership taxes	6,996	7,812	8,514	702
Net investment income	4,300	9,078	11,483	2,405
Total Revenues	244,507	250,092	253,283	3,191
Expenditures				
Other	364,707	322,707	284,674	38,033
Total Expenditures	364,707	322,707	284,674	38,033
Net Change in Fund Balance	(120,200)	(72,615)	(31,391)	41,224
Fund Balance, beginning of year	490,679	538,817	538,817	-
Fund Balance, end of year	$ 370,479	$ 466,202	$ 507,426	$ 41,224

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Renewable Energy Offset Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Renewable Energy Offset	$ 5,000	$ 5,000	$ 9,482	$ 4,482
Net investment income	740	740	4,056	3,316
Total Revenues	5,740	5,740	13,538	7,798
Expenditures				
Other	10,000	10,000	10,000	-
Total Expenditures	10,000	10,000	10,000	-
Excess of Revenues Over Expenditures	(4,260)	(4,260)	3,538	7,798
Fund Balance, beginning of year	74,328	197,184	197,184	-
Fund Balance, end of year	$ 70,068	$ 192,924	$ 200,722	$ (7,798)

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
POST Grant Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	$ 111,468	$ 363,765	$ 337,180	$ (26,585)
Total Revenues	111,468	363,765	337,180	(26,585)
Expenditures				
Post Expenditures	111,468	363,765	337,180	26,585
Total Expenditures	111,468	363,765	337,180	26,585
Excess of Revenues Over Expenditures	-	-	-	-
Fund Balance, beginning of year	-	-	-	-
Fund Balance, end of year	$ -	$ -	$ -	$ -

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budget and Actual
Capital Improvement Program Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Intergovernmental	$ 150,000	$ 150,000	$ 100,000	$ (50,000)
Total Revenues	150,000	150,000	100,000	(50,000)
Expenditures				
Capital outlay Projects	2,754,500	6,652,352	1,429,854	5,222,498
Capital outlay Equipment	422,921	422,921	186,066	236,855
Total Expenditures	3,177,421	7,075,273	1,615,920	5,459,353
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,027,421)	(6,925,273)	(1,515,920)	(5,409,353)
Other Financing Sources				
Transfers in Projects	2,704,500	2,704,500	2,704,500	-
Transfers in Equipment	1,420,000	1,420,000	1,420,000	-
Total Other Financing Sources	4,124,500	4,124,500	4,124,500	-
Net Change in Fund Balance	1,097,079	(2,800,773)	2,608,580	(5,409,353)
Fund Balance, beginning of year	1,024,401	5,366,526	5,366,526	-
Fund Balance, end of year	$ 2,121,480	$ 2,565,753	$ 7,975,106	$ (5,409,353)

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Debt Service Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	$ 950,489	$ 950,489	$ 950,036	$ (453)
Total Revenues	950,489	950,489	950,036	(453)
Expenditures				
Bond principal	880,000	880,000	880,000	-
Interest and fiscal charges	107,369	107,369	105,244	2,125
Total Expenditures	987,369	987,369	985,244	2,125
Excess of Revenues Over Expenditures	(36,880)	(36,880)	(35,208)	1,672
Fund Balance, beginning of year	(75,026)	46,295	46,295	-
Fund Balance, end of year	$ (111,906)	$ 9,415	$ 11,087	$ 1,672

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis)
Housing Authority Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues				
Rent	$ 1,373,320	$ 1,373,320	$ 1,376,329	$ 3,009
Late charges	1,200	1,200	1,237	37
Resale fees	3,000	3,000	4,000	1,000
Laundry income	12,800	12,800	12,650	(150)
Net investment income	10,000	10,000	51,066	41,066
Other	5,300	5,300	9,290	3,990
Total Operating Revenues	1,405,620	1,405,620	1,454,572	48,952
Operating Expenses				
Administrative	26,291	26,291	25,621	670
Payroll and related expenses	500,607	500,607	431,614	68,993
Utilities	133,306	125,230	128,736	(3,506)
Repairs and maintenance	90,737	93,547	42,175	51,372
Operating supplies	23,036	22,736	21,138	1,598
Insurance	43,773	43,773	39,271	4,502
Miscellaneous	1,100	8,100	7,979	121
Paying agent and trustee fees	660	726	726	-
Capital Outlay	62,998	62,998	21,925	41,073
Non Capital Renovations	6,200	4,700	4,109	591
Transfers out	450,000	450,000	450,000	-
Total Operating Expenses	1,338,708	1,338,708	1,173,294	165,414
Excess of Revenues Over Expenditures	66,912	66,912	281,278	214,366
Funds Available - Beginning of Year	1,002,638	1,084,029	1,084,029	-
Funds Available - End of Year	$ 1,069,550	$ 1,150,941	$ 1,365,307	$ 214,366

Funds available is computed as follows:

Current assets			$ 2,915,222	
Current liabilities			(1,549,915)	
			$ 1,365,307	

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis)
Mountain View Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues				
Rent	$ 1,058,060	$ 1,058,060	$ 1,060,247	$ 2,187
Late charges	1,600	1,600	1,717	117
Resale fees	1,000	1,000	-	(1,000)
Laundry income	14,500	14,500	13,046	(1,454)
Net investment income	7,500	7,500	57,341	49,841
Other	2,500	2,500	6,104	3,604
Total Operating Revenues	1,085,160	1,085,160	1,138,455	53,295
Operating Expenses				
Administrative	22,793	21,461	19,271	2,190
Payroll and related expenses	278,790	278,790	277,759	1,031
Utilities	78,513	78,513	78,888	(375)
Repairs and maintenance	32,885	33,320	34,039	(719)
Operating supplies	15,685	16,582	12,523	4,059
Insurance	33,863	33,863	30,141	3,722
Miscellaneous	12,830	12,830	296	12,534
Non Capital Renovations	131,770	131,770	24,686	107,084
Total Operating Expenses	607,129	607,129	477,603	129,526
Excess of Revenues Over Expenditures	478,031	478,031	660,852	182,821
Funds Available - Beginning of Year	773,614	875,871	875,871	-
Funds Available - End of Year	$ 1,251,645	$ 1,353,902	$ 1,536,723	$ 182,821

Funds available is computed as follows:

Current assets	$ 3,366,012
Current liabilities	(1,829,289)
	$ 1,536,723

Town of Snowmass Village, Colorado
Schedule of Revenues, Expenditures, and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis)
Mountain View Extension Fund
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues				
Rent	$ 261,580	$ 261,580	$ 262,080	$ 500
Late charges	200	200	125	(75)
Laundry income	3,500	3,500	2,911	(589)
Net investment income	3,500	3,500	9,908	6,408
Other	450	450	1,550	1,100
Total Operating Revenues	269,230	269,230	276,574	7,344
Operating Expenses				
Administrative	4,530	4,530	5,521	(991)
Payroll and related expenses	8,952	6,733	7,169	(436)
Utilities	36,400	35,025	32,336	2,689
Repairs and maintenance	12,484	4,484	3,709	775
Operating supplies	4,101	761	632	129
Insurance	9,086	9,086	8,259	827
Miscellaneous	75	75	59	16
Capital Outlay	157,100	172,034	170,137	1,897
Non Capital Renovations	700	700	644	56
Total Operating Expenses	233,428	233,428	228,466	4,962
Excess of Revenues Over Expenditures	35,802	35,802	48,108	12,306
Funds Available - Beginning of Year	351,887	430,485	430,485	-
Funds Available - End of Year	$ 387,689	$ 466,287	$ 478,593	$ 12,306

Funds available is computed as follows:

Current assets	$ 540,199
Current liabilities	(61,606)
	$ 478,593

Town of Snowmass Village, Colorado
Enterprise Funds
Reconciliation of Non-GAAP Budgetary Basis (Actual)
to Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2018

	Housing Authority	Mountain View	Mountain View Extension
Revenue (budgetary basis)	$ 1,454,572	$ 1,138,455	$ 276,574
Proceeds from sale of property and equipment	17,456	-	-
Total Revenue per Statement of Revenues, Expenses and Changes in Net Position	1,472,028	1,138,455	276,574
Expenditures (budgetary basis)	1,173,294	477,603	228,466
Capital outlay	(21,925)	-	(170,137)
Loss on Asset Disposal	14,282	-	27,332
Depreciation	206,981	19,994	114,074
Total Expenses per Statement of Revenues, Expenses and Changes in Net Position	1,372,632	497,597	199,735
Change in Net Position per Statement of Revenues, Expenses and Changes in Net Position	$ 99,396	$ 640,858	$ 76,839

Town of Snowmass Village, Colorado
Schedule of Debt Service Requirements to Maturity -
Governmental Activities
December 31, 2018

$2,265,000
General Obligation Refunding Note
Dated December 28, 2016
Interest Rate 2.13%

Year	Interest Due April 1 and October 1	Principal Due October 1	Total
2019	$ 40,683	$ 225,000	$ 265,683
2020	35,891	225,000	260,891
2021	31,098	230,000	261,098
2022	26,199	235,000	261,199
2023	21,193	240,000	261,193
2024 - 2026	32,483	755,000	787,483
	$ 187,547	$ 1,910,000	$ 2,097,547

$5,145,000
Certs of Participation - Refunding Series 2016
Dated November 23, 2016
Interest Rate 3.00% to 4.00%

Year	Interest Due June 1 and December 1	Principal Due December 1	Total
2019	$ 165,750	$ 465,000	$ 630,750
2020	151,800	480,000	631,800
2021	132,600	500,000	632,600
2022	112,600	520,000	632,600
2023	91,800	540,000	631,800
2024 - 2026	142,400	1,755,000	1,897,400
	$ 796,950	$ 4,260,000	$ 5,056,950

Town of Snowmass Village, Colorado
Schedule of Debt Service Requirements to Maturity - Governmental Activities
December 31, 2018

$4,390,000
General Obligation
Refunding Bonds - Series 2009A
Dated November 19, 2009
Interest Rate 2.25% to 5.00%

Year	Interest Due June 15 and December 15	Principal Due December 15	Total
2019	$ 26,000	$ 520,000	$ 546,000
2020	-	-	-
2021	-	-	-
2022	-	-	-
2023	-	-	-
2024 - 2026	-	-	-
	$ 26,000	$ 520,000	$ 546,000

Total All Issues

	Interest	Principal	Total
2019	$ 232,433	$ 1,210,000	$ 1,442,433
2020	187,691	705,000	892,691
2021	163,698	730,000	893,698
2022	138,799	755,000	893,799
2023	112,993	780,000	892,993
2024 - 2026	174,883	2,510,000	2,684,883
	$ 1,010,497	$ 6,690,000	$ 7,700,497

Town of Snowmass Village, Colorado
Schedule of Tax Revenue - By Fund
For the Year Ended December 31, 2018

	General	Road Maintenance	Real Estate Transfer Tax	Marketing and Special Events	Other Nonmajor Governmental Funds	Total
Property tax	$ 882,094	$ 2,404,105	$ -	$ -	$ 1,183,322	$ 4,469,521
Specific ownership tax	154,650	-	-	-	8,514	163,164
Town sales tax/ lodging tax	5,915,959	-	-	5,316,955	2,029,358	13,262,272
Real estate transfer tax	-	-	4,017,396	-	-	4,017,396
Franchise tax	619,680	-	-	-	-	619,680
Highway users tax	161,237	-	-	-	-	161,237
Cigarette tax	15,801	-	-	-	-	15,801
Motor vehicle registration fees	12,783	-	-	-	-	12,783
Excise tax	-	-	-	-	577,426	577,426
	$ 7,762,204	$ 2,404,105	$ 4,017,396	$ 5,316,955	$ 3,798,620	$ 23,299,280

Town of Snowmass Village, Colorado
Five Year Summary of Assessed Valuation, Mill Levy and Property Taxes Collected
December 31, 2018

Year Ending December 31	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied: Debt Service	Mills Levied: Road Maintenance	Mills Levied: Operations	Property Taxes: Levied	Property Taxes: Collected	Percent Collected to Levied
2008	$ 507,089,270	3.945	5.000	0.6010	$ 4,840,674	$ 4,821,758	99.6%
2009	$ 515,189,480	3.889	5.000	0.6200	$ 4,898,937	$ 4,895,006	99.9%
2010	$ 687,695,682	2.889	4.097	0.4990	$ 5,147,402	$ 5,129,293	99.6%
2011	$ 699,522,750	2.010	4.028	1.3180	$ 5,145,691	$ 5,103,256	99.2%
2012	$ 514,654,130	2.077	5.000	1.8630	$ 4,601,008	$ 4,543,022	98.7%
2013	$ 511,548,130	2.112	5.000	1.9070	$ 4,613,654	$ 4,539,867	98.4%
2014	$ 477,253,780	2.273	5.000	1.9880	$ 4,419,848	$ 4,418,229	100.0%
2015	$ 478,473,450	2.259	5.000	1.9410	$ 4,401,956	$ 4,399,118	99.9%
2016	$ 490,010,040	2.213	5.000	2.0230	$ 4,525,732	$ 4,403,770	97.3%
2017	$ 489,869,420	2.212	5.000	1.8040	$ 4,416,663	$ 4,413,386	99.9%
2018	$ 481,049,590	1.976	5.000	1.8330	$ 4,237,566	$ 4,236,235	100.0%
Estimated for year ending December 31, 2019	$ 487,110,307	1.671	5.000	1.8230	$ 4,137,515	-	

Note: Schedule excludes General Improvement District No. 1

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Snowmass Village
		YEAR ENDING : December 2018
This Information From The Records Of (example - City of _ or County of Town of Snowmass Village	Prepared By: Phone:	Marianne Rakowski 970-923-3796

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	117,803
3. Other local imposts (from page 2)	2,398,405
4. Miscellaneous local receipts (from page 2)	212,179
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	2,728,387
B. Private Contributions	
C. Receipts from State government (from page 2)	174,020
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	2,902,407

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	703,622
2. Maintenance:	515,247
3. Road and street services:	
a. Traffic control operations	191,023
b. Snow and ice removal	344,072
c. Other	
d. Total (a. through c.)	535,095
4. General administration & miscellaneous	125,012
5. Highway law enforcement and safety	1,062,097
6. Total (1 through 5)	2,941,073
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	2,941,073

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
38,666	2,902,407	2,941,073		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado Colorado
	YEAR ENDING (mm/yy): December 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	2,355,940	a. Interest on investments	67,073
b. Other local imposts:		b. Traffic Fines & Penalities	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	42,465	g. Other Misc. Receipts	
6. Total (1. through 5.)	42,465	h. Other	145,106
c. Total (a. + b.)	2,398,405	i. Total (a. through h.)	212,179
	(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	161,237	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	12,783	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	12,783	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	174,020	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			0
b. Engineering Costs		13,503	13,503
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		690,119	690,119
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	690,119	690,119
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	703,622	703,622
			(Carry forward to page 1)

Notes and Comments:

FORM FHWA-536 (Rev.1-05) PREVIOUS EDITIONS OBSOLETE