



Comprehensive Annual Financial Report

For the year ended
December 31, 2018

CITY OF STEAMBOAT SPRINGS, COLORADO

**Comprehensive
Annual
Financial Report**

Year Ended December 31, 2018

**Prepared by
Department of Financial Services**

**Kim Weber
Finance Director**

**Greg Neppi
City Controller**

CITY OF STEAMBOAT SPRINGS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
December 31, 2018

INTRODUCTORY SECTION

Letter of Transmittal.....	i
GFOA Certificate of Achievement	v
Organizational Chart.....	vi
List of Elected and Appointed Officials	vii

FINANCIAL SECTION

Independent Auditor's Report.....	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	14
Statement of Activities.....	15
Fund Financial Statements:	
Balance Sheet – Governmental Funds	16
Reconciliation of Balance Sheet-Governmental Funds-	
Statement of Net Position	17
Statement of Revenues, Expenditures, and Changes in	
Fund Balances – Governmental Funds.....	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes	
In Fund Balances of Governmental Funds to the Statement of Activities.....	19
Statement of Net Position – Proprietary Funds.....	20
Statement of Revenues, Expenses, and Changes in	
Net Position – Proprietary Funds	21
Statement of Cash Flows – Proprietary Funds	22
Notes to the Financial Statements	23
Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in	
Fund Balances – Budget and Actual – General Fund	73
Schedule of Revenues, Expenditures, and Changes in	
Fund Balances – Budget and Actual –Steamboat Springs Redevelopment	
Authority Fund.....	74
Schedule of Revenues, Expenditures, and Changes in	
Fund Balances – Budget and Actual – Community Housing Fund	75
Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios	
Multiyear Last 10 Fiscal Years Volunteer Fire Department Pension Fund	76
Schedule of Contributions Multiyear Last 10 Fiscal Years	
Volunteer Fire Department Pension Fund	77
Schedule of Employer's Share of the Net Pension Liability/(Asset)	
Last 10 Fiscal Years Paid Fire Department Pension Fund	78
Schedule of Contributions Multiyear Last 10 Fiscal Years	
Paid Fire Department Pension Fund	79
Notes to Required Supplementary Information.....	80
Individual Fund Financial Statements and Schedules	
Schedule of Revenues – Budget and Actual – General Fund	83
Schedule of Expenditures – Budget and Actual – General Fund	84
Schedule of Revenues, Expenditures and Changes	
in Fund Balances – Budget and Actual – Capital Projects Fund.....	94
Schedule of Revenues, Expenditures and Changes in	
Fund Balances - Budget and Actual - Accommodations Tax Capital Fund.....	96
Schedule of Revenues, Expenditures and Changes in Net	
Position – Budget and Actual – Utility Fund	97
Schedule of Revenues, Expenditures and Changes in Net	
Position – Budget and Actual – Airport Fund.....	100

CITY OF STEAMBOAT SPRINGS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
December 31, 2018

Schedule of Revenues, Expenditures and Changes in Net Position – Budget and Actual – Golf Fund	102
Schedule of Revenues, Expenditures and Changes in Net Position – Budget and Actual – Fleet Services Fund	104
Schedule of Changes in Assets and Liabilities – Agency Funds	105
Schedule of Capital Assets used in the Operation Of Governmental Funds – By Source	106
Balance Sheet – Steamboat Springs Local Marketing District.....	107
Statement of Revenues, Expenditures and Changes in Fund Balances – Steamboat Springs Local Marketing District.....	108
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Steamboat Springs Local Marketing District	109
Local Highway Finance Report.....	110

STATISTICAL SECTION

Financial Trends:

Tax and Assessment Revenue by Source, Governmental Funds	112
Changes in Fund Balances, Governmental Funds.....	113
Fund Balances, Governmental Funds	114
Changes in Net Position	115
Net Position by Component.....	117

Revenue Capacity:

Direct and Overlapping Sales Tax Rate.....	118
Taxable Retail Sales by Industry	119
Sales Tax by Industry, for Tax Returns Filed for the Given Year.....	120
Sales Tax, by Month Tax Returns Were Filed	121
Accommodation Tax, by Month Tax Returns Were Filed.....	122
Property Tax Levies, Direct and Overlapping Governments.....	123
Principal Property Taxpayers	124

Debt Capacity

Outstanding Debt by Type and Debt Ratios	125
Outstanding General Obligation Debt and Debt Ratio	126
Computation of Direct and Overlapping Debt	127
Legal Debt Margin.....	128
Pledged Revenue Coverage	129

Demographics and Economic Information:

Demographic and Economic Statistics.....	130
Principal Employers	131

Operating Information:

Full-Time-Equivalent City Government Employees by Function/Program.....	132
Operating Indicators by Function/Program	133
Capital Asset Statistics by Function/Program.....	134

INTRODUCTORY SECTION



April 30, 2019

To the City Council and Citizens of the City of Steamboat Springs:

State Law requires that all general-purpose local governments publish within 240 days of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the City of Steamboat Springs for the fiscal year ended December 31, 2018.

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

The City of Steamboat Springs' financial statements have been audited by Eide Bailly LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Steamboat Springs for the fiscal year ended December 31, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Steamboat Springs' financial statements for the fiscal year ended December 31, 2018 are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

General

The City of Steamboat Springs was incorporated in 1900 as a municipal corporation and a statutory town under the constitution and laws of the State of Colorado until 1973, when the electors of the town, pursuant to the home rule provisions of Article XX of the State Constitution, adopted the original Charter of the City. The City is a "home rule" city and its Charter governs all local and municipal matters.

The Constitution of the State reserves to the City certain powers, including the power to issue, refund and liquidate municipal obligations and the power to assess property in the City for municipal taxation, and the power to levy and collect taxes on such property for municipal purposes. The City, however, does not levy a property tax.

The City encompasses over 6,500 acres and is located in the northwestern portion of the State at an altitude of 6,700 feet above sea level, on the western slope of the Rocky Mountains, 160 miles northwest of Denver. The City is the population center and county seat of Routt County, Colorado (the "County") with 12,300 residents. The City serves as the headquarters for Routt National Forest. Approximately half of the land in the County is public land, with approximately 40% in the Routt National Forest.

City Council and Administration

The City operates under a council-manager form of government, whereby the City Council constitutes the City's legislative and governing body. The City Council consists of seven members, with two council members elected from each of the City's three districts and one member elected from the City at large. Each district council member is elected for a four-year term and the council member elected at large is elected for a two-year term. The City Council elects a chairperson who acts as the President of the City Council and serves at the pleasure of City Council for a two-year term. The President is the official head of the City for the purpose of presiding at all meetings of the City Council and executing legal instruments. The Council President is recognized as the head of the City government for all ceremonial and legal purposes.

The City Council appoints all boards and commissions and it appoints the City Manager, the City Attorney, and the Municipal Judge. The City Manager is the administrative head of the government and is responsible for the administration and execution of all affairs of the City. The City Manager's duties include: enforcing the laws and ordinances of the City; hiring, suspension, and removal of City employees; preparing a proposed budget annually and submitting it to the City Council and administering the budget after its adoption; preparing and submitting to the City Council as of the end of the fiscal year a complete report on finances and administrative activities of the City for the preceding year; keeping the City Council advised of the financial condition of the City; establishing a system of accounting and auditing for the City which shall reflect, in accordance with generally accepted accounting principles, exercising supervision and control over all departments, and performing such duties as may be prescribed by the Charter, by ordinance or required by the City Council.

The City provides its citizens with fire and police protection, emergency medical services, a general aviation airport, parks and recreation, golf course, rodeo arena, ski area, tennis facility, ice arena, parking and traffic management, judicial and legislative services, streets and highways, public works and improvements, planning and zoning, free transit system, cultural events and general administrative services. The City also provides for wastewater treatment and water filtration and distribution services.

The City operates on a calendar year basis. The City Manager is required to prepare and submit to the City Council not less than 75 days prior to the beginning of the fiscal year a budget and accompanying explanation. The budget must provide a complete financial plan of all City funds and activities for the ensuing fiscal year, contain a general summary of its contents, and show comparative figures for income and expenditures of the preceding fiscal year.

A public hearing on the proposed budget and proposed capital program is required to be held by the City Council before the final adoption. After the public hearing, the City Council may adopt the budget with or without amendment. The City Council must adopt the budget by ordinance on or before the first day of the new fiscal year. Adoption of the budget by the City Council constitutes appropriation of the amounts specified therein as expenditures from the funds indicated.

Local economy

The City of Steamboat Springs is a major tourist destination resort known across the country and world as a great place for skiing, biking and outdoor recreation. Tourism is a major revenue driver of many local businesses; however the City continues to develop a diverse, year-round economy with a variety of strong industry sectors such as energy production and exploration, location-neutral businesses, outdoor recreation equipment and clothing, construction, and regional health care. As the population has grown in the past two decades, the economy continues to expand as residents enjoy a wonderful place to live, work and play. The City serves as the regional economic center for Northwest Colorado as its largest city.

Relevant Financial Policies

The City has a comprehensive set of financial policies. These policies require a Stabilization Reserve equal to 25% of the prior year's General Fund expenditures be held in unassigned fund balance. The Stabilization Reserve is designed for budget stabilization during revenue downturns. The financial policies also include budget policies, revenue policies, investment policies, and a section pertaining to arbitrage compliance.

Long Term Financial Planning and major initiatives

The City prepares a six-year capital improvement plan each year that serves as its planning document to ensure that its facilities, equipment and infrastructure are well maintained and in safe operating condition. It is funded from a combination of dedicated taxes, grants, contributions, transfers from the General Fund and reserves. Taxes that are earmarked for capital improvements are the building use and excise taxes and a 1% franchise fee for under-grounding of utilities.

The current City Council has set one of its 2 year goals to provide a long-term fiscal sustainability plan for the City of Steamboat Springs. City Council has held several work sessions regarding this topic and are looking at long-term revenue and expense projections for the City. As a part of this discussion, City Council is investigating alternative revenue sources such as increased fees and new taxes. This will be an on-going conversation.

In 2018, the City completed construction of Emerald Park access railroad crossing and upgraded and expanded infiltration at Wellfield Treatment Plant. The City is also approximately 60% complete on the new combined law enforcement facility with the Routt County Sheriff on the west side of town adjacent to the County Jail and Justice Center. This is being funded with \$6 million of new COP's, reserves and grant funding.

The City has a total of approximately 222 full-time employees and 74 part-time/seasonal employees. In the adoption of the 2018 budget, employee salary and benefits were based on the results from a salary survey conducted by a consulting firm in 2017 in which the goal of compensation was to be mindful of internal equity, recruiting and retaining quality talent, and having performance-related pay increases. The adopted pay plan helps the City maintain a market rate competitive salary and benefit package for its employees. The benefit package includes:

- Medical and dental insurance
- Defined contribution plan for all full time employees (except sworn police officers and fire department) and a deferred compensation 457 plan.
- Defined contribution plan for full-time Police Officers
- Defined contribution and defined benefit plans for paid Firefighters.
- Defined benefit pension plan covering volunteer Firefighters.
- Paid time off
- Short and long term disability coverage
- Life insurance
- Voluntary life and accident insurance
- Wellness incentives

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Steamboat Springs for its comprehensive annual report (CAFR) for the fiscal year ended December 31, 2017. This was the twenty eighth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the City's finance department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report.

A special thanks to you, the reader, for taking an interest in the City of Steamboat Springs.

Respectfully submitted,



Gary Suiter
City Manager



Kim Weber
Finance Director



Government Finance Officers Association

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

Presented to

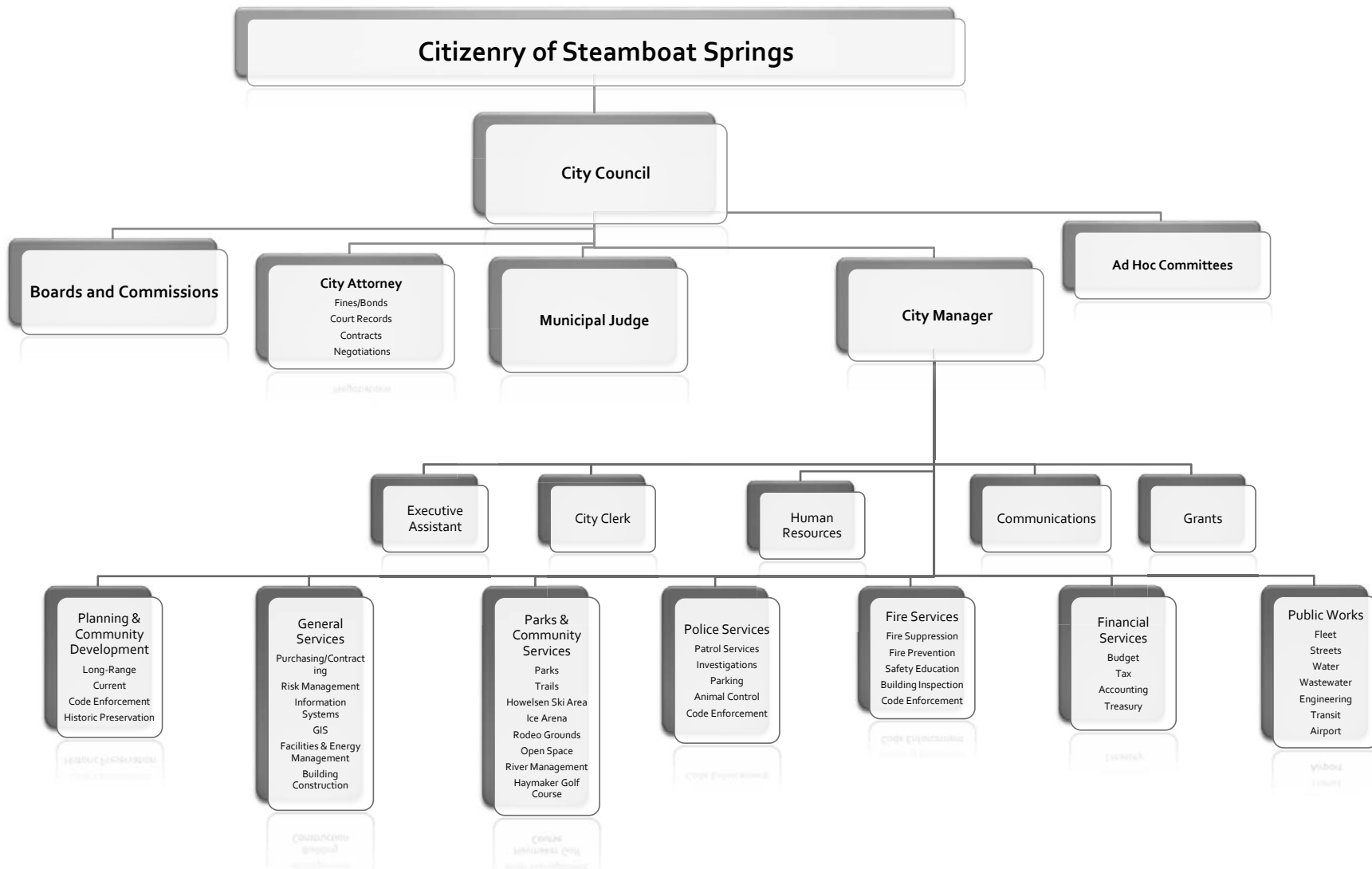
**City of Steamboat Springs
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morrell

Executive Director/CEO



**CITY OF STEAMBOAT SPRINGS
PRINCIPAL OFFICIALS**

CITY COUNCIL

JASON LACY
Council President
District II

KATHI MEYER
President Pro-Tem
District II

SONJA MACYS
Council Member
District III

ROBIN CROSSAN
Council Member
District I

LISEL PETIS
Council Member
District I

HEATHER SLOOP
Council Member
District III

SCOTT FORD
Council Member
At Large

CITY ADMINISTRATION

GARY SUITER
City Manager

KIM WEBER
Director of Financial Services

MEL STEWART
Fire Chief

ANGELA COSBY
Director of Parks & Recreation

JON SNYDER
Director of Public Works

REBECCA BESSEY
Director of Planning Services &
Community Development

CORY CHRISTENSEN
Police Chief

ALAN LIND
Director of General Services

JULIE FRANKLIN
City Clerk

LEGAL AND COURT

DAN FOOTE
City Attorney

PAUL SACHS
Municipal Court Judge

FINANCIAL SECTION



Independent Auditor's Report

To the City Council
City of Steamboat Springs, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Steamboat Springs, Colorado as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the City'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, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Steamboat Springs, Colorado, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and pension information on pages 3 through 13 and 73 through 82 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 City of Steamboat Springs, Colorado's basic financial statements. The introductory section, individual fund financial statements and schedules, as listed in the table of contents, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The individual fund financial statements and schedules, as listed 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 individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

A handwritten signature in cursive script that reads "Erik Bailly LLP".

Denver, Colorado
April 30, 2019

Management's Discussion and Analysis

As the financial management team of the City of Steamboat Springs, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2018. We encourage readers to consider the information presented here as well as the information in the letter of transmittal found earlier in this document.

Financial Highlights

- The assets and deferred outflows of resources of the City of Steamboat Springs exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$212,912,344 (*net position*). Of this amount, \$50,126,848 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- The City of Steamboat Springs' total net position increased by \$12,733,430 from the prior year. The majority of this increase (90%) is attributable to an increase in the City's investment in capital assets.
- The City of Steamboat Springs' Government-wide revenues increased \$4,123,724 or 8% compared to the prior year; the largest revenue categories attributable to the increase were 37% from sales tax, 28% from charges for services, and 25% from capital grants and contributions.
- At the close of the current fiscal year, the City of Steamboat Springs' governmental funds reported a combined ending fund balance of \$39,048,246, which is a decrease of \$1,498,579 from the prior year. The reduction in fund balance at fiscal year-end is due to an increase in outstanding accounts payable liabilities related to significant projects in the Capital Projects Fund, Accommodations Tax Capital Projects Fund and the Steamboat Springs Redevelopment Authority Fund.
- At the end of the current fiscal year the unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the general fund decreased by \$1,534,232 bringing it to \$13,281,554. This reduction in unrestricted fund balance is attributable to the \$5,205,045 transfer from the General Fund to the Capital Projects Fund in 2018.
- The City of Steamboat Springs' total outstanding long-term debt and unamortized premium increased by \$3,284,217 during the current fiscal year. This increase is the net amount of the issuance of nearly \$6 million in new Certificates of Participation in 2018 to help fund the new Combined Law Enforcement Facility and scheduled debt service payments.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Steamboat Springs' basic financial statements. The City of Steamboat Springs' basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes required and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The *government-wide financial statements* (pages 14-15 of this report) are designed to provide readers with a broad overview of the City of Steamboat Springs' finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of Steamboat Springs' assets, liabilities, deferred inflows/outflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Steamboat Springs is improving or deteriorating.

The *statement of activities* presents information showing how the City of Steamboat Springs' net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related*

cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused paid time off).

Both of the government-wide financial statements distinguish functions of the City of Steamboat Springs that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Steamboat Springs include general government, public safety, public works, transportation services, legal and municipal court, parks and recreation, planning and interest on long-term debt. The major business-type activities of the City of Steamboat Springs include water and wastewater utilities, an airport, and a golf course.

The government-wide financial statements include not only the City of Steamboat Springs itself (known as the *primary government*), but also the Local Marketing District, a legally separate entity, for which the City of Steamboat Springs is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the primary government itself. The Steamboat Springs Redevelopment Authority, although also legally separate, functions for all practical purposes as a department of the City of Steamboat Springs and therefore is included as an integral part of the primary government.

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

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

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

The City of Steamboat Springs maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Capital Projects Fund, Accommodations Tax Capital Projects Fund, the Steamboat Springs Redevelopment Authority, and the Community Housing Fund, all of which are considered to be major funds.

The City of Steamboat Springs adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been provided for each of the governmental funds to demonstrate compliance with these budgets. The City of Steamboat Springs also adopts annual appropriated budgets for all its proprietary funds. Budgetary comparison statements have been provided for these funds in the Individual Fund Financial Statements and Schedules section to demonstrate compliance with their respective budgets.

The basic governmental fund financial statements can be found on pages 16-19 of this report.

Proprietary Funds. The City of Steamboat Springs maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Steamboat Springs uses enterprise funds to account for its utility activities, its airport operation, and a golf course. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Steamboat Springs' various functions. The City of Steamboat Springs uses an internal service fund to account for its fleet of vehicles. Because fleet services predominantly benefits governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 20-22 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Steamboat Springs' own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City collects a half-cent sales tax to be used for educational puposes and forwards these funds to the Steamboat Springs Education Fund, a private non-profit organization.

The basic fiduciary fund financial statements can be found on page 105 of the Other Supplementary Information section of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-72 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Steamboat Springs. Required supplementary information can be found on page 73-82 of this report.

Government-wide Overall Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$212,912,344 at the close of the most recent fiscal year.

City of Steamboat Springs Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 53,662,601	\$ 52,995,456	\$ 20,855,040	\$ 20,509,287	\$ 74,517,641	\$ 73,504,743
Capital assets	124,292,482	109,070,136	62,352,630	61,211,251	186,645,112	170,281,387
Total assets	177,955,083	162,065,592	83,207,670	81,720,538	261,162,753	243,786,130
Total deferred outflows of resources	976,574	1,197,258	-	-	976,574	1,197,258
Long-term liabilities outstanding	26,012,124	21,704,086	10,125,651	11,206,815	36,137,775	32,910,901
Other liabilities	8,616,277	7,357,963	2,130,002	2,415,958	10,746,279	9,773,921
Total liabilities	34,628,401	29,062,049	12,255,653	13,622,773	46,884,054	42,684,822
Total deferred inflows of resources	2,342,929	2,119,652	-	-	2,342,929	2,119,652
Net Position:						
Net investment in capital assets	97,632,772	86,839,228	51,132,526	50,447,054	148,765,298	137,286,282
Restricted	9,261,070	10,059,847	4,759,128	4,680,992	14,020,198	14,740,839
Unrestricted	35,066,485	35,182,074	15,060,363	12,969,719	50,126,848	48,151,793
Total net position	\$ 141,960,327	\$ 132,081,149	\$ 70,952,017	\$ 68,097,765	\$ 212,912,344	\$ 200,178,914

By far the largest portion of the City of Steamboat Springs' net position (70%) reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related outstanding debt used to acquire those assets. The City of Steamboat Springs uses these tangible capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Steamboat Springs' investment in its capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves are not expected be used to liquidate these liabilities.

A portion of the City of Steamboat Springs' net position (7%) represents resources that are subject to external restrictions on how they may be used. *Unrestricted net position* (\$50,126,848) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

City of Steamboat Springs' Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 4,313,935	\$ 4,441,072	\$ 9,874,998	\$ 8,596,452	\$ 14,188,933	\$ 13,037,524
Operating grants and contributions	2,655,155	2,536,340	48,791	-	2,703,946	2,536,340
Capital grants and contributions	6,912,438	4,075,064	1,493,913	3,302,560	8,406,351	7,377,624
General revenues:						
Sales and use taxes	28,876,869	27,874,629	-	-	28,876,869	27,874,629
Accommodations taxes	1,142,250	1,039,966	-	-	1,142,250	1,039,966
Other taxes	4,829,127	4,763,645	-	-	4,829,127	4,763,645
Investment earnings	1,002,122	519,374	379,979	205,403	1,382,101	724,777
Other	24,223	107,673	113,355	81,253	137,578	188,926
Total revenues	<u>49,756,119</u>	<u>45,357,763</u>	<u>11,911,036</u>	<u>12,185,668</u>	<u>61,667,155</u>	<u>57,543,431</u>
Expenses:						
General government	9,385,400	8,708,045	-	-	9,385,400	8,708,045
Public safety services	9,165,367	8,615,233	-	-	9,165,367	8,615,233
Public works	6,734,979	6,622,816	-	-	6,734,979	6,622,816
Transportation services	4,346,639	4,337,681	-	-	4,346,639	4,337,681
Legal and municipal court	548,820	561,096	-	-	548,820	561,096
Parks, open space and recreation	7,730,868	6,583,857	-	-	7,730,868	6,583,857
Planning	976,668	911,306	-	-	976,668	911,306
Interest on long-term debt	1,056,354	1,015,339	-	-	1,056,354	1,015,339
Water and wastewater	-	-	5,811,386	5,305,563	5,811,386	5,305,563
Airport	-	-	1,477,049	1,376,658	1,477,049	1,376,658
Golf course	-	-	1,700,195	1,551,803	1,700,195	1,551,803
Total expenses	<u>39,945,095</u>	<u>37,355,373</u>	<u>8,988,630</u>	<u>8,234,024</u>	<u>48,933,725</u>	<u>45,589,397</u>
Increase in net position before transfers	9,811,024	8,002,390	2,922,406	3,951,644	12,733,430	11,954,034
Transfers - Net	<u>68,154</u>	<u>(8,256)</u>	<u>(68,154)</u>	<u>8,256</u>	<u>-</u>	<u>-</u>
Increase(Decrease) in net position	9,879,178	7,994,134	2,854,252	3,959,900	12,733,430	11,954,034
Net position - Beginning of year	<u>132,081,149</u>	<u>124,087,015</u>	<u>68,097,765</u>	<u>64,137,865</u>	<u>200,178,914</u>	<u>188,224,880</u>
Net position - End of year	<u>\$ 141,960,327</u>	<u>\$ 132,081,149</u>	<u>\$ 70,952,017</u>	<u>\$ 68,097,765</u>	<u>\$ 212,912,344</u>	<u>\$ 200,178,914</u>

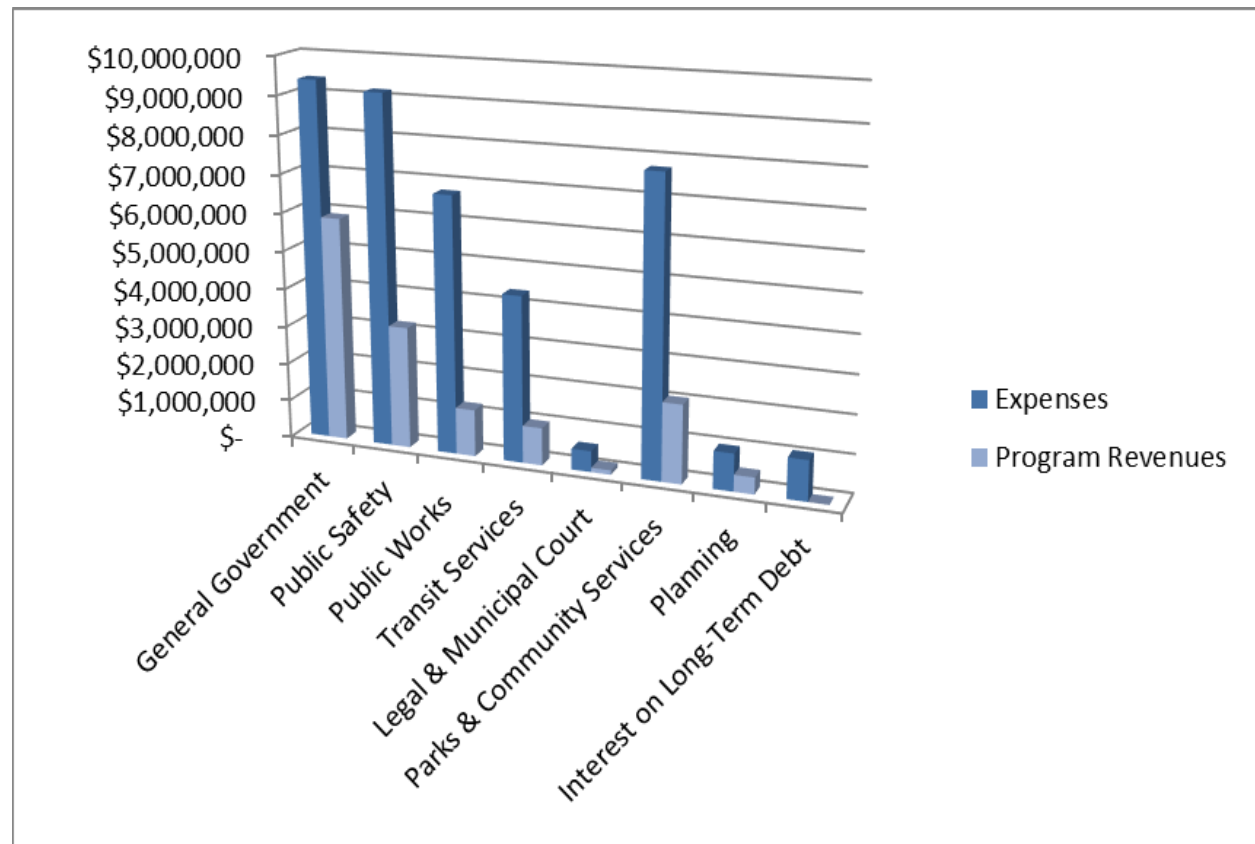
Governmental activities

During the current fiscal year, net position for governmental activities increased \$9,879,178 from the prior fiscal year for an ending balance of \$141,960,327. Some key highlights from the statement of activities during 2018 include the following items:

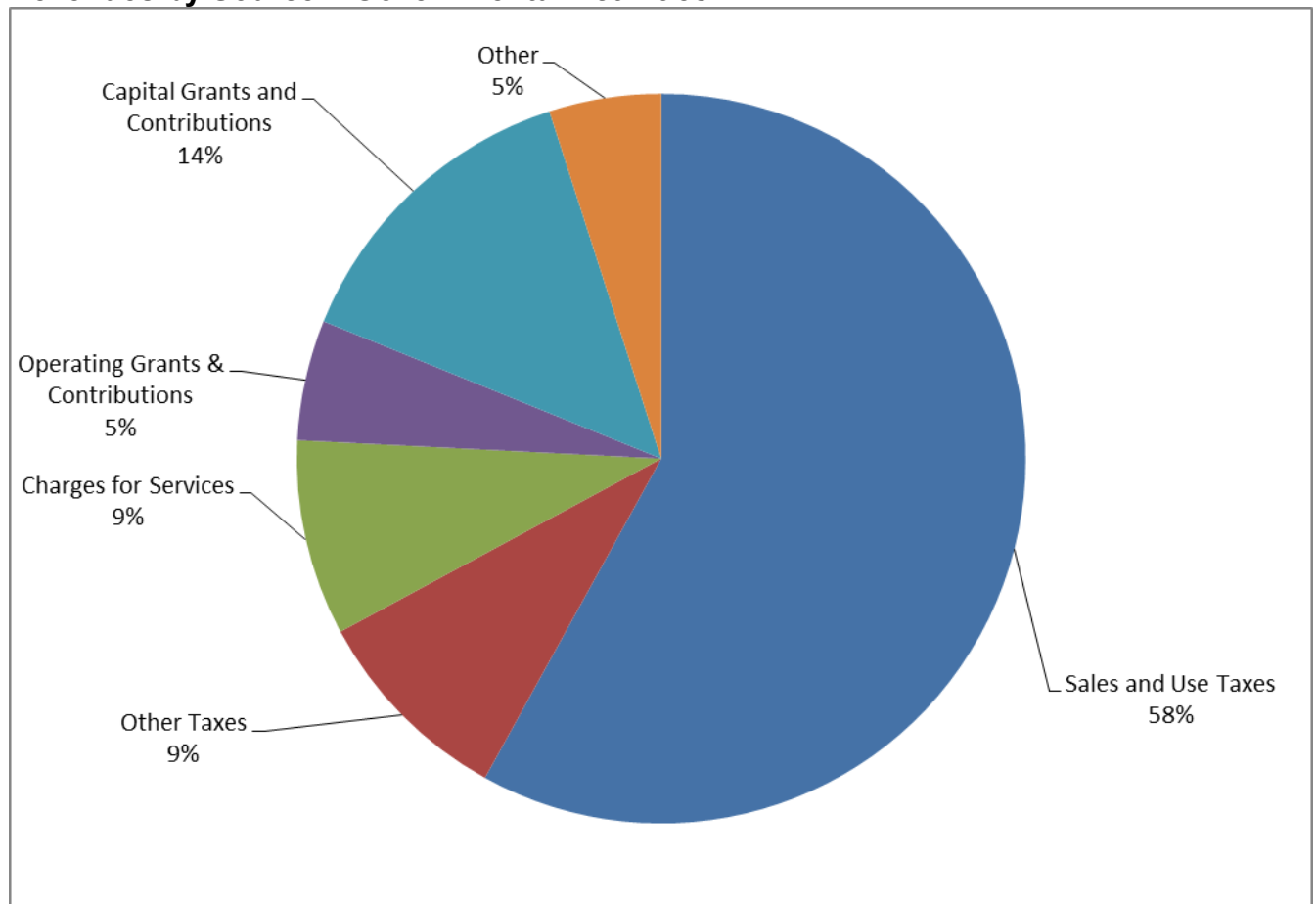
- In 2018 Capital Grants and Contributions increased by \$2,837,374 from the previous year, which is a result of contributions from Routt County for its portion of the Combined Law Enforcement Facility and contributions from the Steamboat Springs Area Fire Protection District for the new Fire Engine.

- Sales taxes increased by \$1,540,333, or 6.3%, from 2017 to 2018 as a result of a strong local economy.
- Investment earnings increased by \$482,748 due to the rising interest rate environment in 2018.

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities

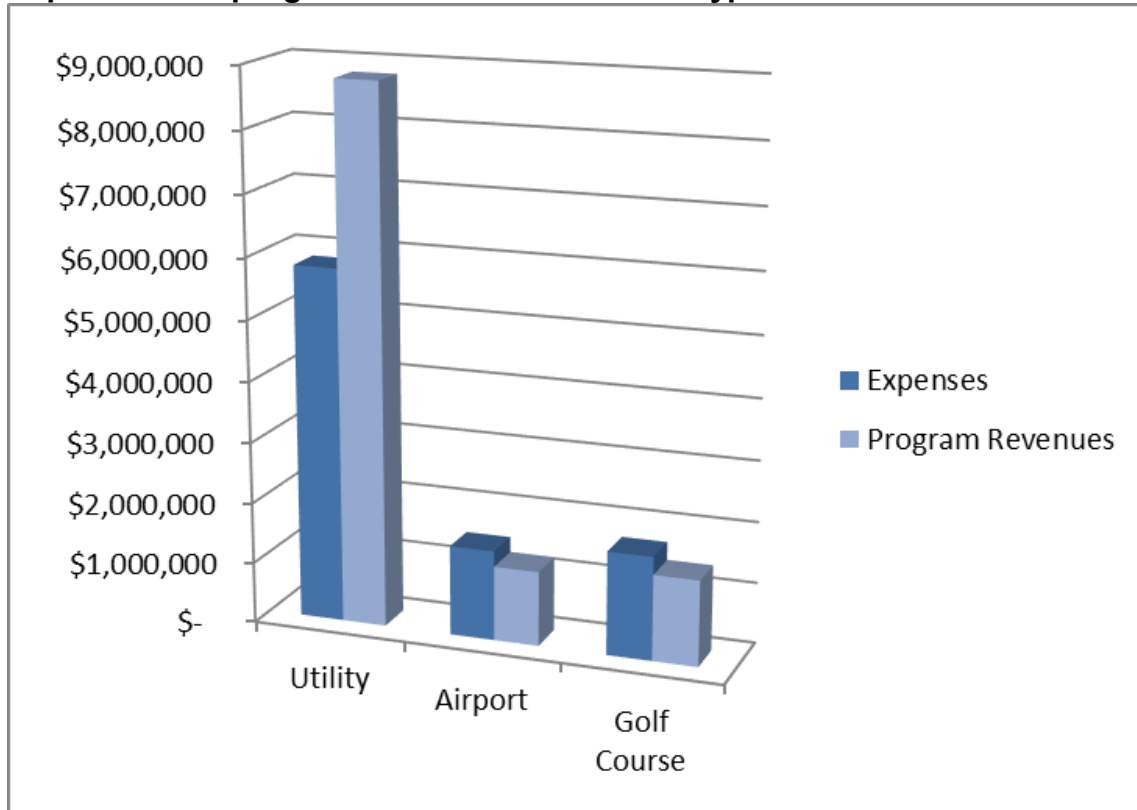


Business-Type Activities

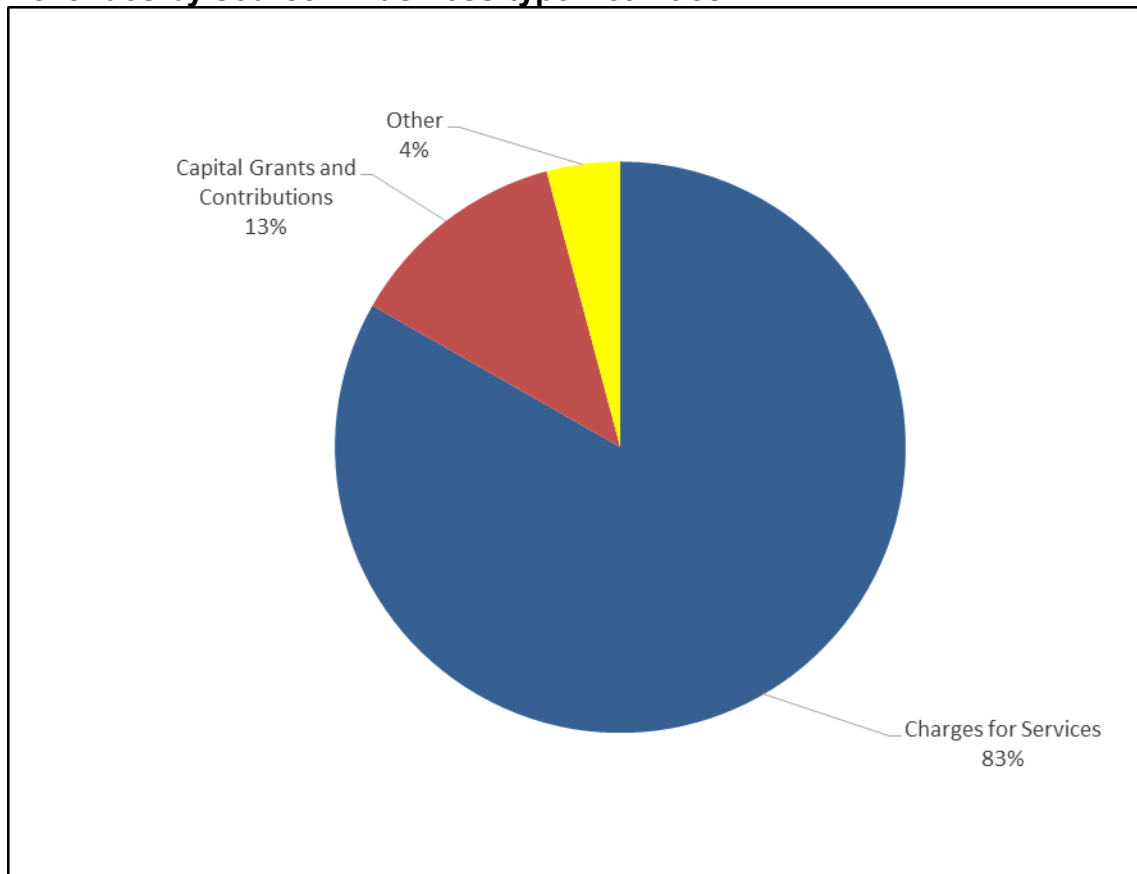
During the fiscal year business-type activities increased in net position \$2,854,252 from the prior fiscal year for an ending balance of \$70,952,017. Some key elements of this increase are as follows:

- 2018 charges for services for business-type activities increased 15%, or \$1,278,546, from the previous year. The increase was primarily due to rate increases in the Utility fund as well as increased tap fee receipts.
- Investment earnings for business-type activities increased 85%, or \$174,576, due to an increase in investment rates of return.
- Business-type activities expenses increased by 9%, or \$754,606 from the prior year primarily due to increases in personnel, contract service expenses and repair and maintenance expenses in the Utility fund.

Expenses and program revenues – Business-type Activities



Revenues by source – Business-type Activities



Financial Analysis of the Governmental Funds

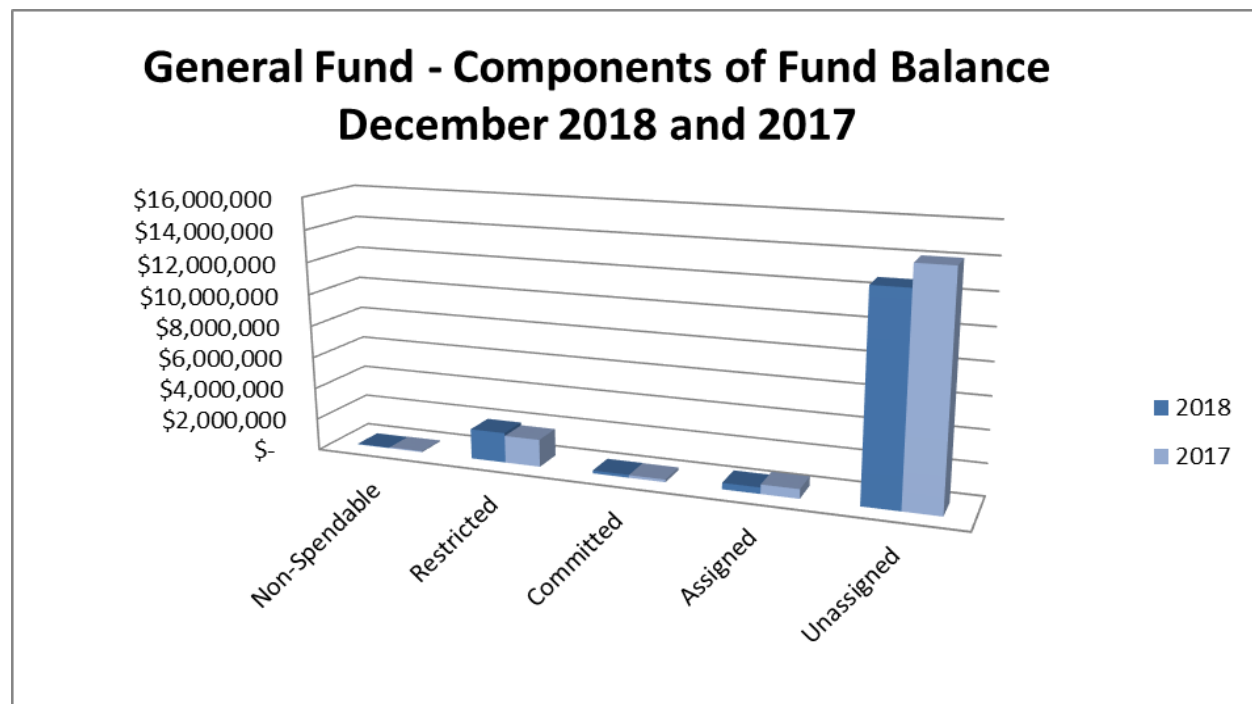
The City of Steamboat Springs uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and to budget resources.

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

As of the end of the current fiscal year, the City's governmental funds reported ending fund balances of \$39,048,246. Of this amount, \$17,618,351 represents assigned fund balance that includes \$9,507,029 encumbered for spending in 2019. \$12,704,371 represents unassigned fund balance, within unassigned fund balance the City has designated \$8,004,119 as a fiscal policy stabilization reserve. Both assigned and unassigned are available for spending at the City's discretion. In 2018 the City transferred \$5,205,045 of unassigned fund balance in the General Fund to the Capital Projects Fund.

The remainder of fund balance is non-spendable, restricted, committed, or assigned and is not available for new spending. Some of these include: 1) TABOR emergency reserve as required by state law \$1,515,000, 2) a reserve fund for the benefit of holders of the City's and Redevelopment Authority's debt instruments \$1,956,701, 3) restricted for capital projects \$2,595,158, and restricted revenues for redevelopment and community housing \$2,439,732.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, assigned and unassigned fund balance of the General Fund was \$13,102,348 and total fund balance was \$15,214,781. As a measure of the General Fund's liquidity, it may be useful to compare both assigned and unassigned fund balance and total fund balance to total fund expenditures including transfers made to other funds. Assigned and unassigned fund balance, represents 35% of total General Fund expenditures and transfers, while total fund balance represents 41% of total General Fund expenditures and transfers.



The fund balance of the City's General Fund decreased by \$1,382,241 during the fiscal year. The key factor contributing to the decrease in fund balance was the \$5,205,045 transfer to the Capital Projects Fund.

The City's Capital Projects Fund had a total fund balance of \$18,353,578 at the end of the current fiscal year, this is an increase of \$1,114,419 from 2017. This was the net increase after the General Fund transfer and \$5,920,000 in new Certificates of Participation were issued in 2018 to support the Combined Law Enforcement Facility (CLEF), which will be completed in 2019. Within the Capital Projects Fund the City funded projects related to Howelsen Hill Snowmaking lines, CLEF, downtown improvements, a new fire truck, storm water improvements, and sidewalk improvements along US Highway 40.

Proprietary Funds. The City of Steamboat Springs' proprietary funds resemble the government-wide financial statements by listing all assets and liabilities and fully accruing revenues and expenses.

Unrestricted net position of the City's enterprise funds at the end of the current fiscal year was \$15,060,363 and total net position was \$70,952,017, which is an increase of \$2,854,252, compared to 2017. The Utility Fund was the only proprietary fund to have positive operating income in 2018.

General Fund Budgetary Highlights

Original budget compared to final budget. The City's budgeted revenues increased by \$144,561 through the year, primarily in order to recognize the receipt of various grants. The City's budgeted expenditures increased by \$681,173 through the year in the areas of information services, risk management, public works, police services, recreation, and planning services. The total budgeted net change during the current fiscal year was \$536,612.

Final budget compared to actual results. General Fund total revenues were \$1,680,364 over final budget for the current fiscal year. The significant reasons for the variance were:

- Taxes and assessments were greater than budget by \$1,277,354 due to a good tourism year and continued sales increases in retail, lodging, restaurants, liquor and marijuana.
- Investment Income was \$204,874 greater than budget due to the rising interest rate environment in 2018.
- Charges for Services were greater than budget by \$185,603, primarily from recreation facility user fees and building permit fees. The City has been making a concerted effort to recover actual costs for services, which is demonstrated in the increased revenue realized in this area.

General Fund total operating expenses were net \$1,467,159 under final budget for the current fiscal year. Savings were realized in all departments with the exception of the Fire Department. The largest savings found in operating expenses were in the Office of City Manager, General Services, and Public Works.

Capital Asset and Debt Administration

Capital Assets. The City's governmental and business-type activities had \$186,645,112 invested in capital assets including construction in progress, net of depreciation as of December 31, 2018. The investment in capital assets includes land, land improvements, buildings and system improvements, machinery and equipment purchases, and trails in 2018.

Major capital asset events during the year included the following:

- Upgraded and expanded infiltration at Wellfield Treatment Plant \$1,625,002.
- Completed land purchase of 2025/2027 Shield Drive for construction of Combined Law Enforcement Facility \$937,792.
- Ongoing construction of the Combined Law Enforcement Facility currently at \$11,250,608.
- Infrastructure improvements to US40/Elk River Road intersection \$771,232.
- Purchased Pierce Ladder Truck \$1,220,043 to expand Steamboat Springs Fire and Rescue fleet.
- Completed construction of Emerald Park railroad crossing \$2,962,920.

City of Steamboat Springs' Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Land and improvements	\$ 36,885,404	\$ 36,210,723	\$ 14,794,674	\$ 15,061,092	\$ 51,680,078	\$ 51,271,815
Buildings and improvements	23,797,798	24,728,093	20,207,995	19,645,612	44,005,793	44,373,705
Infrastructure	35,126,628	32,256,193	-	-	35,126,628	32,256,193
Utility transmission lines	-	-	22,813,545	23,690,533	22,813,545	23,690,533
Machinery and equipment	9,890,842	8,875,304	1,537,046	1,487,911	11,427,888	10,363,215
Intangible assets	91,776	146,661	-	-	91,776	146,661
Construction in progress	18,500,034	6,853,162	2,999,370	1,326,103	21,499,404	8,179,265
Total	<u>\$ 124,292,482</u>	<u>\$ 109,070,136</u>	<u>\$ 62,352,630</u>	<u>\$ 61,211,251</u>	<u>\$ 186,645,112</u>	<u>\$ 170,281,387</u>

Additional information on the City of Steamboat Springs capital assets can be found in the notes to the financial statements on pages 41-42 of this report.

Long-term debt. At the end of the current fiscal year the City had total bonded debt outstanding of \$13,500,000 secured solely by specific revenue sources. In addition, the City has \$12,750,000 in certificates of participation and \$574,665 in capital leases outstanding. The City also had \$10,523,189 in loans outstanding with the Colorado Water Resources and Power Development Authority that are secured by specific revenue sources.

City of Steamboat Springs' Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Tax Increment Revenue Bonds	\$ 13,500,000	\$ 14,485,000	\$ -	\$ -	\$ 13,500,000	\$ 14,485,000
Certificates of Participation	12,750,000	7,585,000	-	-	12,750,000	7,585,000
Unamortized premium	652,655	423,893	220,350	258,656	873,005	682,549
Capitalized Leases	98,100	191,908	476,565	413,922	574,665	605,830
CWRPDA Loans	-	-	10,523,189	11,578,263	10,523,189	11,578,263
Total	<u>\$ 27,000,755</u>	<u>\$ 22,685,801</u>	<u>\$ 11,220,104</u>	<u>\$ 12,250,841</u>	<u>\$ 38,220,859</u>	<u>\$ 34,936,642</u>

During 2018, the City increased total debt by \$3,284,217 or 10%. This increase in debt is after issuing \$5,920,000 in new Certificates of Participation supporting the Combined Law Enforcement Facility.

On February 15, 2018 Moody's Investors Service has assigned a Aa3 rating to the City's Series 2018, Certificates of Participation. Moody's has also affirmed the city's previously assigned Aa2 issuer long-term rating and previously assigned Aa3 COP ratings. December 21, 2016 the City refinanced an outstanding Certificate of Participation transaction and received a rating from Moody's Investors Service of Aa3 on the refunding.

The City's Charter does not impose a legal restriction on debt issuance; however, the Taxpayer's Bill of Rights (TABOR) imposes certain restrictions on issuing debt depending upon whether the issuance is backed by the full faith and credit of the City, taxes or backed by enterprise revenues.

Additional information on the City of Steamboat Springs' long-term debt can be found in the notes to the financial statements on pages 46-51 of this report.

Economic Factors, Conditions, and 2019 Budgets and Rates. The following economic factors currently affect the City of Steamboat Springs and were considered in developing the 2019 fiscal year budget:

- The economic outlook for the City continues to be strong. In 2018 the City's Sales tax came in 3.5% above the budgeted amount. Through the first quarter of 2019 there has been a 7% improvement over the same time period in the prior year.
- For 2018, the accommodation tax increased 10% year-over-year. Through the first quarter of 2019, there has been 15% improvement in accommodation tax over the same time period in 2018. It is important to note that Steamboat Springs has experienced a better snow year in 2019 than in 2018.
- The local growth percentage used in our TABOR reserve calculation based on property valuation and construction was down from 1.28% in 2017 to 1.04% in 2018. Further, Denver/Boulder CPI decreased to 2.73% in 2018 from 3.39% in 2017. These year over year reductions likely signal a slower growth rate in the broader economy.
- The local real estate market continues to be strong, with median home values in the Steamboat Springs market increasing 21% from April 2018 to April 2019. In 2018 the average single family home price in Steamboat Springs was \$835,793, and the median sales price was \$728,000.
- In January of 2019, Routt County unemployment had risen slightly to 3.0% from 2.4% in January of 2018. With Colorado's unemployment rate at 4.2% and the National rate at 4.0% in January of 2019, low unemployment continues to represent a favorable factor for job stability in Colorado and nationwide.
- Excluding structural changes to the operations of Haymaker Golf Course, the 2019 budget included a 3.2% increase in Full Time Equivalents (FTE) throughout the City. This growth in FTEs is lower than the budgeted increase in sales tax growth, and is necessary to maintain superior services while balancing budgetary challenges.
- The 2019 Sales tax revenue was budgeted 5.88% higher than the 2018 budgeted sales tax. The General Fund budget, as approved, will result in revenues exceeding expenditures by \$163,009 for the end of fiscal year 2019 before fund transfers.
- In the 2019 budget, personnel costs including any additions equates to 52% of revenue. This is in-line with the historical personnel costs as a percentage of revenue over the last 10 years.

Requests for Information

This financial report is designed to provide a general overview of the City of Steamboat Springs' finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Steamboat Springs Finance Department, 137 10th Street, Steamboat Springs, CO 80487.

CITY OF STEAMBOAT SPRINGS
STATEMENT OF NET POSITION
DECEMBER 31, 2018

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	LOCAL MARKETING DISTRICT
ASSETS				
Pooled cash and investments	\$ 39,228,374	\$ 15,246,613	\$ 54,474,987	\$ 3,358,622
Cash and demand deposits	761,435	-	761,435	-
Cash equivalents	931,491	-	931,491	515,657
Receivables				
Sales taxes	3,582,276	-	3,582,276	306,620
Property taxes	2,125,231	-	2,125,231	-
Accounts	2,745,200	765,407	3,510,607	-
Assessments	165,418	-	165,418	-
Notes	710,177	-	710,177	-
Inventory	41,602	19,713	61,315	-
Due from other governments	1,124,755	41,446	1,166,201	-
Prepaid expenses	22,304	12,985	35,289	-
Restricted assets				
Temporarily restricted				
Cash equivalents	-	3,798,334	3,798,334	-
Pooled cash and investments	1,973,355	970,542	2,943,897	-
Net pension asset	250,983	-	250,983	-
Capital Assets not being depreciated	37,898,132	11,889,147	49,787,279	-
Capital Assets being depreciated - Net	86,394,350	50,463,483	136,857,833	-
Total assets	177,955,083	83,207,670	261,162,753	4,180,899
DEFERRED OUTFLOWS OF RESOURCES				
Loss on refunding	341,045	-	341,045	-
Pension related amounts	635,529	-	635,529	-
Total deferred outflow of resources	976,574	-	976,574	-
LIABILITIES				
Accounts payable	4,902,969	602,128	5,505,097	3,066
Health insurance payable	574,428	-	574,428	-
Accrued interest payable	75,784	209,490	285,274	-
Deposits held in escrow	467,965	-	467,965	-
Unearned revenue	213,000	24,675	237,675	-
Noncurrent liabilities				
Long-term debt due within one year	2,382,131	1,293,709	3,675,840	-
Long-term debt due in more than one year	26,012,124	10,125,651	36,137,775	-
Total liabilities	34,628,401	12,255,653	46,884,054	3,066
DEFERRED INFLOWS OF RESOURCES				
Pension related amounts	217,698	-	217,698	-
Property Taxes	2,125,231	-	2,125,231	-
Total deferred inflows of resources	2,342,929	-	2,342,929	-
NET POSITION				
Net investment in capital assets	97,632,772	51,132,526	148,765,298	-
Net Position Restricted				
Defined Benefit Pension	86,809	-	86,809	-
Emergency reserves	1,515,000	-	1,515,000	-
Debt service	378,500	960,794	1,339,294	-
Capital Projects	1,133,204	3,798,334	4,931,538	-
Accommodations Tax Capital Projects	1,461,954	-	1,461,954	-
Community Housing	1,332,522	-	1,332,522	-
Steamboat Springs Redevelopment Authority	3,353,081	-	3,353,081	-
Local Marketing District	-	-	-	4,177,833
Unrestricted	35,066,485	15,060,363	50,126,848	-
Total Net Position	\$ 141,960,327	\$ 70,952,017	\$ 212,912,344	\$ 4,177,833

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

CITY OF STEAMBOAT SPRINGS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			COMPONENT UNIT LOCAL MARKETING DISTRICT
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
PRIMARY GOVERNMENT								
GOVERNMENTAL ACTIVITIES								
General government	\$ 9,385,400	\$ 1,084,089	\$ 757,030	\$ 4,036,008	\$ (3,508,273)	\$ -	\$ (3,508,273)	\$ -
Public safety services	9,165,367	979,709	1,007,707	1,205,025	(5,972,926)	-	(5,972,926)	-
Public works	6,734,979	-	-	1,226,448	(5,508,531)	-	(5,508,531)	-
Transportation services	4,346,639	167,903	583,472	229,726	(3,365,538)	-	(3,365,538)	-
Legal and municipal court	548,820	-	115,811	-	(433,009)	-	(433,009)	-
Parks and recreation	7,730,868	1,646,123	190,670	215,231	(5,678,844)	-	(5,678,844)	-
Planning	976,668	436,111	465	-	(540,092)	-	(540,092)	-
Interest on long-term debt	1,056,354	-	-	-	(1,056,354)	-	(1,056,354)	-
Total governmental activities	39,945,095	4,313,935	2,655,155	6,912,438	(26,063,567)	-	(26,063,567)	-
BUSINESS-TYPE ACTIVITIES								
Water and wastewater	5,811,386	7,279,430	10,795	1,493,913	-	2,972,752	2,972,752	-
Airport	1,477,049	1,186,784	37,996	-	-	(252,269)	(252,269)	-
Golf course	1,700,195	1,408,784	-	-	-	(291,411)	(291,411)	-
Total business-type activities	8,988,630	9,874,998	48,791	1,493,913	-	2,429,072	2,429,072	-
Total Primary government	\$ 48,933,725	\$ 14,188,933	\$ 2,703,946	\$ 8,406,351	(26,063,567)	2,429,072	(23,634,495)	-
COMPONENT UNIT								
Local Marketing District	\$ 3,698,003	\$ -	\$ -	\$ -				(3,698,003)
General revenues:								
Sales taxes					25,998,038	-	25,998,038	1,794,981
Use taxes					2,878,831	-	2,878,831	-
Accommodations taxes					1,142,250	-	1,142,250	-
Property taxes					2,129,229	-	2,129,229	-
Development excise tax					1,029,117	-	1,029,117	-
Franchises					1,445,414	-	1,445,414	-
Other taxes					225,367	-	225,367	-
Investment earnings					1,002,122	379,979	1,382,101	114,875
Gain (Loss) on sale of capital assets					(25,293)	-	(25,293)	-
Miscellaneous revenue					49,516	113,355	162,871	-
Transfers					68,154	(68,154)	-	-
Total general revenues and transfers					35,942,745	425,180	36,367,925	1,909,856
Change in net position					9,879,178	2,854,252	12,733,430	(1,788,147)
Net position - beginning					132,081,149	68,097,765	200,178,914	5,965,980
Net position - ending					\$ 141,960,327	\$ 70,952,017	\$ 212,912,344	\$ 4,177,833

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

**CITY OF STEAMBOAT SPRINGS
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2018**

	General Fund	Capital Projects Fund	Accommodations Tax Capital Projects Fund	Steamboat Springs Redevelopment Authority Fund	Community Housing Fund	Total Governmental Funds
ASSETS						
Cash and demand deposits	\$ 756,719	\$ -	\$ -	\$ 4,716	\$ -	\$ 761,435
Pooled cash and investments	11,754,839	18,979,794	1,702,459	1,267,802	480,690	34,185,584
Cash equivalents	-	-	-	747,329	184,162	931,491
Receivable						
Sales taxes	3,582,276	-	-	-	-	3,582,276
Property taxes	-	-	-	2,125,231	-	2,125,231
Accounts	1,198,288	1,360,275	186,637	-	-	2,745,200
Assessments	-	165,418	-	-	-	165,418
Notes	42,507	-	-	-	667,670	710,177
Inventory	17,423	-	-	-	-	17,423
Due from other governments	55,360	1,069,395	-	-	-	1,124,755
Prepaid expenses	22,304	-	-	-	-	22,304
Temporarily restricted pooled cash and investments	390,152	5,002	-	1,578,201	-	1,973,355
Total assets	<u>\$ 17,819,868</u>	<u>\$ 21,579,884</u>	<u>\$ 1,889,096</u>	<u>\$ 5,723,279</u>	<u>\$ 1,332,522</u>	<u>\$ 48,344,649</u>
LIABILITIES						
Accounts payable	\$ 1,141,589	\$ 3,007,097	\$ 427,142	\$ 244,967	\$ -	\$ 4,820,795
Health insurance payable	574,428	-	-	-	-	574,428
Deposits held in escrow	414,174	53,791	-	-	-	467,965
Unearned revenue	213,000	-	-	-	-	213,000
Total liabilities	<u>2,343,191</u>	<u>3,060,888</u>	<u>427,142</u>	<u>244,967</u>	<u>-</u>	<u>6,076,188</u>
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue - property taxes	-	-	-	2,125,231	-	2,125,231
Unavailable revenue - other receivables	261,896	165,418	-	-	667,670	1,094,984
Total deferred inflows of resources	<u>261,896</u>	<u>165,418</u>	<u>-</u>	<u>2,125,231</u>	<u>667,670</u>	<u>3,220,215</u>
FUND BALANCES						
Non-Spendable	39,727	-	-	-	-	39,727
Restricted	1,893,500	1,133,204	1,461,954	3,353,081	664,852	8,506,591
Committed	179,206	-	-	-	-	179,206
Assigned	397,977	17,220,374	-	-	-	17,618,351
Unassigned	12,704,371	-	-	-	-	12,704,371
Total fund balances	<u>15,214,781</u>	<u>18,353,578</u>	<u>1,461,954</u>	<u>3,353,081</u>	<u>664,852</u>	<u>39,048,246</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 17,819,868</u>	<u>\$ 21,579,884</u>	<u>\$ 1,889,096</u>	<u>\$ 5,723,279</u>	<u>\$ 1,332,522</u>	<u>\$ 48,344,649</u>

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

**CITY OF STEAMBOAT SPRINGS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2018**

	Total Governmental Funds
Amounts reported for governmental activities in the statement of net position (page 14) are different because:	
Total fund balances governmental funds (page 16)	\$ 39,048,246
Long-term notes receivable are not an available resource to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	710,177
Restricted net pension assets are not an available resource to pay for current period expenditures and, therefore, are not reported in the funds.	250,983
Other assets are not available to pay for current period expenditures and, therefore, are deferred in the funds.	384,807
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.(excludes internal service funds)	122,350,422
Internal service funds are used by management to charge the costs of central services and fleet management services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	6,902,450
The portion of expense related to pensions not shown in current expenditures are deferred outflows of resources and, therefore are not reported in the funds.	635,529
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.(excludes internal service funds)	(28,104,589)
The portion of income related to pensions not shown in current income are deferred inflows of resources and are not reported in the funds.	(217,698)
Net position of governmental activities	<u>\$ 141,960,327</u>

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

CITY OF STEAMBOAT SPRINGS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	General Fund	Capital Projects Fund	Accommodations Tax Capital Projects Fund	Steamboat Springs Redevelopment Authority Fund	Community Housing Fund	Total Governmental Funds
REVENUES						
Taxes and assessments	\$ 27,847,299	\$ 3,273,421	\$ 1,142,250	\$ 2,829,176	\$ -	\$ 35,092,146
Licenses and permits	102,053	-	-	-	-	102,053
Intergovernmental	2,592,772	5,036,177	-	-	46,499	7,675,448
Charges for services	3,226,539	-	-	-	-	3,226,539
Fines and forfeits	220,736	-	-	-	-	220,736
Investment Income	356,387	442,714	34,698	65,431	12,497	911,727
Contributions	218,670	487,087	3,500	-	-	709,257
Voluntary assessment	375,400	-	-	-	-	375,400
Loan Repayment	7,800	-	-	-	30,777	38,577
Miscellaneous	903,809	-	-	-	-	903,809
Total revenues	<u>35,851,465</u>	<u>9,239,399</u>	<u>1,180,448</u>	<u>2,894,607</u>	<u>89,773</u>	<u>49,255,692</u>
EXPENDITURES						
Current						
General government	8,158,540	-	-	-	65,000	8,223,540
Transportation Services	3,592,486	-	-	-	-	3,592,486
Public Works	3,846,548	-	-	267,922	-	4,114,470
Public Safety Services	8,109,688	-	-	-	-	8,109,688
Legal and municipal court	547,221	-	-	-	-	547,221
Parks and community services	5,364,669	-	-	-	-	5,364,669
Planning	960,133	-	-	-	1,500	961,633
Debt service						
Administrative Fees	4,500	-	-	2,000	-	6,500
Debt issuance costs	149,898	-	-	-	-	149,898
Principal	848,807	-	-	985,000	-	1,833,807
Interest	446,282	-	-	567,643	-	1,013,925
Capital outlay						
Machinery and equipment	137,602	2,873,843	-	-	-	3,011,445
Land Improvements	-	831,815	261,399	-	-	1,093,214
Buildings and improvements	-	11,515,266	747,869	-	-	12,263,135
Other	-	524,132	320,275	-	-	844,407
Infrastructure	-	3,795,221	156,280	1,990,697	-	5,942,198
Total expenditures	<u>32,166,374</u>	<u>19,540,277</u>	<u>1,485,823</u>	<u>3,813,262</u>	<u>66,500</u>	<u>57,072,236</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,685,091</u>	<u>(10,300,878)</u>	<u>(305,375)</u>	<u>(918,655)</u>	<u>23,273</u>	<u>(7,816,544)</u>
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of assets	4,000	-	-	-	-	4,000
Insurance proceeds	11,393	-	-	-	-	11,393
COP issuance proceeds	-	5,920,000	-	-	-	5,920,000
Debt issuance premium	-	314,418	-	-	-	314,418
Transfers out	(5,205,045)	(24,166)	(30,000)	-	-	(5,259,211)
Transfers in	122,320	5,205,045	-	-	-	5,327,365
Total other financing sources and uses	<u>(5,067,332)</u>	<u>11,415,297</u>	<u>(30,000)</u>	<u>-</u>	<u>-</u>	<u>6,317,965</u>
Net change in fund balances	<u>(1,382,241)</u>	<u>1,114,419</u>	<u>(335,375)</u>	<u>(918,655)</u>	<u>23,273</u>	<u>(1,498,579)</u>
Fund balances - beginning	<u>16,597,022</u>	<u>17,239,159</u>	<u>1,797,329</u>	<u>4,271,736</u>	<u>641,579</u>	<u>40,546,825</u>
Fund balances - ending	<u>\$ 15,214,781</u>	<u>\$ 18,353,578</u>	<u>\$ 1,461,954</u>	<u>\$ 3,353,081</u>	<u>\$ 664,852</u>	<u>\$ 39,048,246</u>

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

**CITY OF STEAMBOAT SPRINGS
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**

Amounts reported for governmental activities in the statement of activities (page 15) are different because:

Net changes in fund balances - total governmental funds (page 18)	\$ (1,498,579)
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.	14,820,632
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	60,487
Governmental funds report revenues from deferred inflows of resources in prior periods that are available in the current period. However, these inflows are not reported as revenues in the statement of activities.	(67,311)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net position.	344,185
Governmental funds report contributions to defined benefit pension plans as expenditures. However, in the statement of activities these expenses do not require the use of current financial resources and are deferred and amortized.	336,864
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also governmental funds report the effect of premiums, discount and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	(4,428,802)
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.	(410,686)
The net revenue of internal service fund-fleet is reported with governmental activities.	<u>722,388</u>
Change in net position of governmental activities	<u>\$ 9,879,178</u>

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

CITY OF STEAMBOAT SPRINGS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2018

	Business-type Activities - Enterprise Funds				Governmental Activities -
	Utility Fund	Airport Fund	Golf Fund	Totals	Internal Service Fund - Fleet
ASSETS					
Current assets					
Pooled cash and investments	\$ 13,998,779	\$ 127,382	\$ 1,120,452	\$ 15,246,613	\$ 5,042,790
Receivables					
Accounts	696,900	61,432	7,075	765,407	-
Fuel Inventory	-	19,713	-	19,713	24,179
Prepayments	595	12,390	-	12,985	-
Due from other governments	3,450	37,996	-	41,446	-
	<u>14,699,724</u>	<u>258,913</u>	<u>1,127,527</u>	<u>16,086,164</u>	<u>5,066,969</u>
Restricted assets					
Cash equivalents	3,798,334	-	-	3,798,334	-
Pooled cash and investments	<u>970,542</u>	<u>-</u>	<u>-</u>	<u>970,542</u>	<u>-</u>
Total restricted assets	<u>4,768,876</u>	<u>-</u>	<u>-</u>	<u>4,768,876</u>	<u>-</u>
Total current assets	<u>19,468,600</u>	<u>258,913</u>	<u>1,127,527</u>	<u>20,855,040</u>	<u>5,066,969</u>
Noncurrent assets					
Capital assets					
Land and site improvements	40,056,982	13,689,220	5,699,281	59,445,483	-
Buildings	33,373,418	4,749,801	4,520,135	42,643,354	-
Furniture and equipment	2,188,444	664,796	1,464,908	4,318,148	7,169,180
Construction in progress	2,999,370	-	-	2,999,370	-
Less accumulated depreciation	<u>(33,391,616)</u>	<u>(10,713,308)</u>	<u>(2,948,801)</u>	<u>(47,053,725)</u>	<u>(5,227,120)</u>
Total capital assets - net of accumulated depreciation	<u>45,226,598</u>	<u>8,390,509</u>	<u>8,735,523</u>	<u>62,352,630</u>	<u>1,942,060</u>
Total noncurrent assets	<u>45,226,598</u>	<u>8,390,509</u>	<u>8,735,523</u>	<u>62,352,630</u>	<u>1,942,060</u>
Total assets	<u>64,695,198</u>	<u>8,649,422</u>	<u>9,863,050</u>	<u>83,207,670</u>	<u>7,009,029</u>
LIABILITIES					
Current liabilities					
Accounts payable	504,094	59,353	38,681	602,128	82,174
Accrued interest payable	209,490	-	-	209,490	-
Unearned revenue	-	15,000	9,675	24,675	-
Current portion of long-term debt	<u>1,164,703</u>	<u>21,610</u>	<u>107,396</u>	<u>1,293,709</u>	<u>6,101</u>
Total current liabilities	<u>1,878,287</u>	<u>95,963</u>	<u>155,752</u>	<u>2,130,002</u>	<u>88,275</u>
Noncurrent liabilities					
Capitalized lease obligations	-	37,004	326,648	363,652	-
Long-term debt, net of current portion	9,612,558	-	-	9,612,558	-
Accrued compensated absences	<u>90,044</u>	<u>18,376</u>	<u>41,021</u>	<u>149,441</u>	<u>18,304</u>
Total noncurrent liabilities	<u>9,702,602</u>	<u>55,380</u>	<u>367,669</u>	<u>10,125,651</u>	<u>18,304</u>
Total liabilities	<u>11,580,889</u>	<u>151,343</u>	<u>523,421</u>	<u>12,255,653</u>	<u>106,579</u>
NET POSITION					
Net Investment in Capital Assets	34,479,352	8,338,021	8,315,153	51,132,526	1,942,060
Restricted for capital projects	3,798,334	-	-	3,798,334	-
Restricted for debt service	960,794	-	-	960,794	-
Unrestricted	<u>13,875,829</u>	<u>160,058</u>	<u>1,024,476</u>	<u>15,060,363</u>	<u>4,960,390</u>
Total net position	<u>\$ 53,114,309</u>	<u>\$ 8,498,079</u>	<u>\$ 9,339,629</u>	<u>\$ 70,952,017</u>	<u>\$ 6,902,450</u>

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

CITY OF STEAMBOAT SPRINGS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Business-type Activities - Enterprise Funds				Governmental Activities -
	Utility Fund	Airport Fund	Golf Fund	Totals	Internal Service Fund - Fleet
Operating revenues					
Charges for services	\$ 7,279,430	\$ 1,186,784	\$ 1,408,784	\$ 9,874,998	\$ 1,888,356
Miscellaneous revenues	109,450	-	3,905	113,355	-
Total operating revenues	7,388,880	1,186,784	1,412,689	9,988,353	1,888,356
Operating expenses					
Personnel services	1,323,249	380,269	759,294	2,462,812	336,024
Contractual services	1,020,059	259,202	225,360	1,504,621	4,411
Materials and supplies	96,766	369,208	223,835	689,809	377,686
Repairs and maintenance	763,087	70,131	95,767	928,985	79,788
Telephone and utilities	305,805	39,201	95,082	440,088	30,069
Depreciation	1,812,992	358,590	288,405	2,459,987	442,024
Total operating expense	5,321,958	1,476,601	1,687,743	8,486,302	1,270,002
Operating income (loss)	2,066,922	(289,817)	(275,054)	1,502,051	618,354
Nonoperating revenues (expenses)					
Investment Income	354,160	6,011	19,808	379,979	90,395
Intergovernmental	10,795	37,996	-	48,791	-
Gain (Loss) on disposition of assets	-	-	50	50	13,639
Other outside services	-	-	(500)	(500)	-
Interest expense	(489,428)	(448)	(12,002)	(501,878)	-
Total nonoperating revenues (expenses)	(124,473)	43,559	7,356	(73,558)	104,034
Income (loss) before capital contributions and transfers	1,942,449	(246,258)	(267,698)	1,428,493	722,388
Contributions - Tap fees	1,493,913	-	-	1,493,913	-
Transfers in from other funds	-	16,666	30,000	46,666	-
Transfers out to other funds	-	(114,820)	-	(114,820)	-
Change in net position	3,436,362	(344,412)	(237,698)	2,854,252	722,388
Total net position-beginning	49,677,947	8,842,491	9,577,327	68,097,765	6,180,062
Total net position-ending	\$ 53,114,309	\$ 8,498,079	\$ 9,339,629	\$ 70,952,017	\$ 6,902,450

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

**CITY OF STEAMBOAT SPRINGS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Business-type Activities - Enterprise Funds				Governmental Activities -
	Utility Fund	Airport Fund	Golf Fund	Totals	Internal Service Fund -Fleet
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	\$ 7,307,911	\$ 1,144,961	\$ 1,418,818	\$ 9,871,690	\$ 1,888,387
Cash paid to suppliers	(2,610,195)	(709,713)	(631,120)	(3,951,028)	(484,601)
Cash paid to employees	(1,317,780)	(377,133)	(736,209)	(2,431,122)	(330,389)
Net cash provided by operating activities	<u>3,379,936</u>	<u>58,115</u>	<u>51,489</u>	<u>3,489,540</u>	<u>1,073,397</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers in	-	16,666	30,000	46,666	-
Transfers out	-	(114,820)	-	(114,820)	-
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>(98,154)</u>	<u>30,000</u>	<u>(68,154)</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of capital assets	(3,404,083)	(38,265)	-	(3,442,348)	(530,912)
Capital grants received	7,345	-	-	7,345	-
Proceeds from sale of equipment	-	-	50	50	45,000
Tap Fees	1,493,913	-	-	1,493,913	-
Interest paid on bonds and loans	(545,375)	(447)	(12,002)	(557,824)	-
Principal paid on bonds and loans	(1,058,622)	(15,182)	(77,643)	(1,151,447)	-
Debt service costs	-	-	(500)	(500)	-
Net cash (used) by capital and related financing activities	<u>(3,506,822)</u>	<u>(53,894)</u>	<u>(90,095)</u>	<u>(3,650,811)</u>	<u>(485,912)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Investment income received	<u>354,160</u>	<u>6,011</u>	<u>19,808</u>	<u>379,979</u>	<u>90,395</u>
Net cash provided by investing activities	<u>354,160</u>	<u>6,011</u>	<u>19,808</u>	<u>379,979</u>	<u>90,395</u>
Net increase (decrease) in cash and cash equivalents	227,274	(87,922)	11,202	150,554	677,880
Cash and cash equivalents at the beginning of year	<u>18,540,381</u>	<u>215,304</u>	<u>1,109,250</u>	<u>19,864,935</u>	<u>4,364,910</u>
Cash and cash equivalents at the end of year	<u>\$ 18,767,655</u>	<u>\$ 127,382</u>	<u>\$ 1,120,452</u>	<u>\$ 20,015,489</u>	<u>\$ 5,042,790</u>
CASH AND CASH EQUIVALENTS CONSISTS OF THE FOLLOWING					
Pooled cash and investments	\$ 13,998,779	\$ 127,382	\$ 1,120,452	\$ 15,246,613	\$ 5,042,790
Restricted pooled cash and equivalents	970,542	-	-	970,542	-
Restricted cash equivalents	<u>3,798,334</u>	<u>-</u>	<u>-</u>	<u>3,798,334</u>	<u>-</u>
Total cash and equivalents	<u>\$ 18,767,655</u>	<u>\$ 127,382</u>	<u>\$ 1,120,452</u>	<u>\$ 20,015,489</u>	<u>\$ 5,042,790</u>
Reconciliation of operating income (loss) to net cash provided by operating activities					
Operating income (loss)	<u>\$ 2,066,922</u>	<u>\$ (289,817)</u>	<u>\$ (275,054)</u>	<u>\$ 1,502,051</u>	<u>\$ 618,354</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities					
Depreciation	1,812,992	358,590	288,405	2,459,987	442,024
Change in assets and liabilities					
(Increase) decrease in accounts receivable	(80,969)	(56,823)	(3,546)	(141,338)	31
(Increase) decrease in fuel inventory	-	567	-	567	(2,080)
(Increase) decrease in prepaid expenses	(595)	(12,390)	-	(12,985)	-
Increase (decrease) in accounts payable	(423,883)	39,852	8,924	(375,107)	9,433
Increase (decrease) in accrued payroll	1,678	1,094	3,405	6,177	1,320
Increase (decrease) in unearned revenue	-	15,000	9,675	24,675	-
Increase (decrease) in compensated absences	3,791	2,042	19,680	25,513	4,315
Total Adjustments	<u>1,313,014</u>	<u>347,932</u>	<u>326,543</u>	<u>1,987,489</u>	<u>455,043</u>
Net cash provided by operating activities	<u>\$ 3,379,936</u>	<u>\$ 58,115</u>	<u>\$ 51,489</u>	<u>\$ 3,489,540</u>	<u>\$ 1,073,397</u>

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

NOTES SECTION

The notes to the financial statements are essential to present fairly the financial position and results of operations of the City of Steamboat Springs. The notes are intended to communicate information necessary for a fair presentation at the basic financial statement level that is not readily apparent from, or cannot be included in, the basic financial statements themselves. The notes are an integral part of these financial statements and are intended to be read with them.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE I: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. DESCRIPTION OF THE 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 City. Governmental activities, normally supported by taxes, intergovernmental revenues, and nonexchange transactions are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

B. REPORTING ENTITY

The City of Steamboat Springs was incorporated in 1900 as a municipal corporation and a statutory town under the constitution and laws of the State of Colorado until 1973 when it became a home rule municipality under authority of the Constitution of the State of Colorado and the Municipal Home Rule Act of 1971. The Home Rule Charter was adopted by the voters of Steamboat Springs on November 6, 1973 and provides for a City Council-Manager form of government with seven elected council members. The accompanying financial statements present the City and its component units, entities for which the City is considered financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations. Discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize legal separation from the City.

Blended component unit. The Steamboat Springs Redevelopment Authority (Authority) serves the ski area base of the City and is governed by a board comprised of the City's elected City Council, therefore the component unit's governing body is substantively the same as the governing body of the primary government. The primary government also has an operational responsibility for the common base area maintenance. The Authority was formed to provide infrastructure improvements within its boundaries. The Authority is presented as a governmental fund and does not issue separate financial statements.

Discretely presented component unit. The Steamboat Springs Local Marketing District is responsible for providing assistance in funding airline revenue guarantees and marketing for the City of Steamboat Springs' merchants and ski area. The members of the District's governing board are appointed by the Steamboat Springs City Council. The Council has the ability to remove board members as well. The Steamboat Springs Local Marketing District does not issue separate financial statements.

C. BASIS OF PRESENTATION – government-wide financial statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from government-wide financial statements.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE I: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

As discussed earlier, the City reports one discretely presented component unit. The Steamboat Springs Local Marketing District is shown as a separate column in the government-wide financial statements.

As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes and other charges between the City's utility functions, and other departments of the City. Elimination of these charges would distort the direct costs and program revenues reported.

D. BASIS OF PRESENTATION – fund financial statements

The fund financial statements provide information about the City's funds and blended component unit. Separate statements for each fund category-governmental and proprietary-are presented. The emphasis of the fund financial statements is on major governmental and enterprise funds, each displayed in a separate column in the fund financial statements.

The City reports the following major governmental funds:

1. **General Fund** - The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.
2. **Capital Projects Fund** – The Capital Projects Fund is used to account for the financial resources to be used for the acquisition or construction of major capital projects. It is not required that all capitalized assets are accounted for in this fund.
3. **Accommodations Tax Capital Projects Fund** – This Fund is primarily used to account for accommodations tax collections and corresponding expenditures for major capital projects. The total amount of the Accommodations Tax is restricted per the 1986 public accommodations tax ballot question. The 2013 2A Accommodations Tax ballot language further restricts the first \$660,000 of the collected accommodations tax for the construction of hiking and biking trails through 2023. The City has determined that although some of the expenditures for capital related activities will not become City Capital Assets, that by definition a Capital Projects Fund not a Special Revenue Fund is the appropriate designation of the fund.
4. **Steamboat Springs Redevelopment Authority Fund** – This fund is used to account for all operations of the Steamboat Springs Redevelopment Authority, a blended component unit of the City of Steamboat Springs. The Authority was formed to provide infrastructure improvements at the City's ski area base. Tax incremental financing defined in the urban renewal plan adopted by the Authority is made up of municipal sales tax and property tax from all taxing entities is the revenue source for the fund.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE I: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

5. **Community Housing Fund** – The Community Housing Fund accounts for collecting and spending inclusionary zoning fees in lieu of construction, the residential and commercial linkage fees for affordable housing and funds the Yampa Valley Housing Authority's Down Payment Assistance program and other workforce housing projects.

The City reports the following major proprietary funds:

1. **Utility Fund** – The Utility Fund is responsible for water treatment and distribution, and wastewater collection and treatment. This fund is considered an "enterprise" for purposes of the state's Taxpayer Bill of Rights (TABOR).
2. **Airport Fund** – The Airport Fund is responsible for the Steamboat Springs Airport, a general aviation facility.
3. **Golf Fund** - The Golf Fund is responsible for the operation and maintenance of the Haymaker Golf Course.

In addition, the City reports the following fund types:

1. **Internal Service Fund** – The City's Internal Service Fund accounts for fleet management services provided to other departments of the City on a cost reimbursement basis.
2. **Agency Fund** – The school sales tax agency fund accounts for the collection and payment of the City's ½ cent sales tax passed through to a private non-profit organization.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE I: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

E. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the “economic resources measurement focus” and the accrual basis of accounting, as are the proprietary fund and pension trust fund statements. Agency funds have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the “current financial resources measurement focus” and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City 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.

Taxes, franchise fees, licenses and interest associated with the current fiscal period are all considered susceptible to accrual and have been recognized as revenues of the current fiscal period. Earned investment interest will be recognized as revenue only as it becomes available. Expenditure-driven grants and intergovernmental billings are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or is considered available for this revenue source but may be in excess of 60 days.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. The agency fund has no measurement focus but utilizes the *accrual basis of accounting* for reporting its assets and liabilities.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE I: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. BUDGETARY INFORMATION

Prior to January 1, the City's budget is legally adopted through enactment of a budget ordinance. This ordinance appropriates expenditure levels by fund. This then becomes the level of control upon which expenditures may not legally exceed appropriations. The City Council may, if revenues are in excess of estimates, amend the adopted budget through enactment of a supplemental budget appropriation ordinance. Management may transfer funds between departments as long as the fund appropriation is not exceeded. Transfers between funds would require enactment of a supplemental budget ordinance. Appropriations lapse at year end. Due to structural staffing changes at Haymaker Golf course, as of December 31, 2018, the City's Golf Fund actual expenditures exceeded the final adopted budget by \$23,022.

Budgets for the General Fund, Special Revenue Funds and the Capital Projects Funds are adopted on a basis consistent with USGAAP. Budgets for the Enterprise and Internal Service Funds are adopted on a basis consistent with USGAAP except that bond principal payments and capital outlay are budgeted as expenditures and depreciation is not budgeted.

The City does not report encumbrances as a reservation of fund balance. Any outstanding commitment to receive goods or services at year end is authorized by a re-appropriation in the succeeding year's budget ordinance. At December 31, 2018, this amount is not considered material to these financial statements.

G. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE

1. Cash and investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, investment pools and short-term investments with an original maturity of three months or less from the date of acquisition. The City's investments are reported at fair value. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. The fair value measurements of investments is based on the fair value hierarchy established by generally accepted accounting principles is based upon the valuation inputs used to measure an asset's fair value.

2. Receivables

All trade and tax receivables are shown net of an allowance for uncollectible items as deemed necessary. Sales tax and utility receivables are considered to be fully collectible and therefore no allowance is reported. Allowances for other trade receivables are determined based upon the age of the account and the type of service rendered.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE I: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3. Inventories and prepaid items

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventories consist of fuel for various departments. The cost of supplies and fuel are expensed when purchased rather than when consumed or sold and are reported on the balance sheet if significant. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepayments in both the government-wide and fund financial statements. The consumption method is used to account for these prepayments in the governmental funds.

4. Capital assets

Capital assets, which include property, plant, equipment, and infrastructure assets are, reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 for equipment and more than \$25,000 for property, plant and infrastructure and an estimated life in excess of two years. Such assets are recorded at cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property, plant and equipment is depreciated using the straight-line method over the estimated useful lives as follows:

Land improvements	30-40 years
Buildings and improvements	30-40 years
Public domain infrastructure	30-40 years
Sewer and water transmission and distribution lines	40 years
Furniture and equipment	3-15 years

5. Deferred outflows/inflows of resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has two items that qualify for reporting in this category. The first is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second represents deferred charges related to defined benefit pension plans; these charges will be amortized according to the benefit terms of the plans.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two items in this category, the first

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE I: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

which arises only under the current financial resources measurement focus and modified accrual basis of accounting.

Accordingly, the first item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from four sources: Accounts Receivable, Special Assessments Receivable, Property taxes comprised of tax increment funds from Routt County, and Promissory Notes Receivable. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

The second item, which arises only under the economic resources measurement focus and accrual basis of accounting represents deferred inflows of resources related to defined benefit pension plans. This income will be recognized according to the benefit terms of the plans.

6. Accrued benefits

It is the City's policy to permit employees to accumulate earned but unused paid time off benefits. This amount is accrued in the government-wide and proprietary fund financial statements. 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.

7. Long-term obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the period the debt is issued. The face amount of the debt issued is reported as other financing source. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

8. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Fire & Police Pension Association Plans (FPPA) and additions to/deductions from FPPA's fiduciary net position have been determined on the same basis as they are reported by FPPA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE I: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

9. Net Position definition

The difference between all other elements in a statement of financial position is net position. Net position is displayed in three components: Net investment in capital assets, restricted component of net position consists of restricted assets reduced by liabilities related to those assets, and unrestricted component of net position is the net amount of the assets and liabilities that are not included in the prior two components.

10. Net Position flow assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted – net position to have been depleted before unrestricted net position is applied.

11. Fund balance flow assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

12. Fund balance policies

In the fund financial statements, governmental funds report categories of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Certain categories of fund balance represent tentative management plans that are subject to change. Fund balance classifications in order of hierarchy are:

- *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 by formal action of the government's highest level of decision making authority. The City Council is the government's highest level of decision making authority for the City that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the constraint may be removed or changed only through similar action of the City Council.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE I: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- *Assigned fund balance* – The portion of fund balance set aside for planned or intended purposes. The intended use may be expressed by the City 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 City will only report a positive unassigned fund balance in the General Fund.

The City Council by resolution authorized the City Manager, or the City Manager's Designee, authority to designate the assigned fund balance for each fund based on the intended use of such resources. Any fund balance not restricted will be used in the following order: committed, assigned, and then unassigned.

H. REVENUES AND EXPENDITURES/EXPENSES

1. Program Revenues

Amounts reported as program revenues include 1) charges to customers 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.

2. Property Taxes

The City of Steamboat Springs does not levy property taxes. The Steamboat Springs Redevelopment Authority (Authority), a blended component unit of the City, receives property tax increment funds (TIF) given to the Authority to offset costs incurred for the base area redevelopment. There is no mill levy by the Authority. The Authority receives the property TIF through Routt County and the amount to be collected in 2019 is recorded as a receivable and a deferred inflow of resources at December 31, 2018, as the amounts are measurable but not levied until 2019. Property taxes to be collected by Routt County are levied on or before December 22 and attached as an enforceable lien on the property the following January 1st. Taxes are payable either in full on April 30 or in two installments due on February 2 and June 15.

3. Compensated Absence

It is the City's policy to permit employees to accumulate earned but unused paid time off (PTO) benefits. This amount is accrued in the government-wide and proprietary fund financial statements. In 2018 the City updated its policy to increase the amount paid for unused PTO upon separation, the payout now begins at date of hire and pays out up to the maximum accumulation of PTO allowed for the employee.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE I: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4. Proprietary funds operating and non-operating revenues and expenses

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's Utility Fund, Airport Fund and Golf Fund are charges to customers for sales and services. The principal operating revenues of the City's internal service fund are charges to other City departments for services. Operating expenses for these same funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

I. IMPLEMENTATION OF NEW GASB STATEMENTS

The City's financial statements were not impacted by any of the new Government Accounting Standards Board (GASB) Statement's that were effective starting this reporting period.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE II: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

**A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND
BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**

The governmental fund balance sheet includes the reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds. The details of this \$28,104,589 difference are as follows:

Bonds payable	\$ 13,500,000
Less: Deferred charge on refunding	(341,045)
Add: Issuance premium	652,655
Capital lease payable	98,100
Certificates of participation	12,750,000
Accrued Interest Payable	75,784
Compensated Absences	<u>1,369,095</u>
Net adjustment to reduce fund balance – total governmental funds to arrive at net position of governmental activities	<u>\$ 28,104,589</u>

**B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES AND THE
GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The details of this \$14,820,632 difference are as follows:

Capital outlay,excluding Internal Service Funds	\$ 19,376,404
Depreciation expense, excluding Internal Service Funds	<u>(4,555,772)</u>
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 14,820,632</u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE II: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Another element of that reconciliation states that "Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds." The details of this \$60,487 difference are as follows:

Special Assessment Revenue	\$ 31,394
Ambulance Fee Revenue	<u>29,093</u>
Net adjustment to increase total governmental funds to arrive at changes net position of governmental activities	<u><u>\$ 60,487</u></u>

Another element of that reconciliation states that "Governmental funds report revenues from deferred inflows of resources in prior periods that are available in the current period. However, these inflows are not reported as revenues in the statement of activities." The details of this \$67,311 difference are as follows:

Repayment of notes	\$ (37,377)
Repayment of Special Assessments	<u>(29,934)</u>
Net adjustment to decrease total governmental funds to arrive at changes net position of governmental activities	<u><u>\$ (67,311)</u></u>

Another element of that reconciliation states that "The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to increase net position." The details of this \$344,185 difference are as follows:

Gain/(Loss) on the sale of capital assets	\$ (38,629)
Donations of Capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	387,117
Proceeds from the sale of assets	<u>(4,303)</u>
Net adjustment to increase total governmental funds to arrive at changes net position of governmental activities	<u><u>\$ 344,185</u></u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE II: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Another element of that reconciliation states that the issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. The details of this \$4,428,802 difference are as follows:

Certificates of Participation (COP) issued	\$ (5,920,000)
COP Issue Premium	(314,418)
Debt Issuance premium amortization	85,656
Deferred refunding loss recognition	(113,847)
Repayment of long-term debt principal	<u>1,833,807</u>
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	 <u><u>\$ (4,428,802)</u></u>

Another element of that reconciliation states that 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. In addition, collections of amounts due under loan agreements provide current financial resources in government funds, but are not revenue in the statement of activities. The details of this \$410,686 difference are as follows:

Compensated absences	\$ (391,664)
Accrued Interest	(14,238)
Employer Pension Expenses	<u>(4,784)</u>
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net position of governmental activities	 <u><u>\$ (410,686)</u></u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS
--

A. CASH & INVESTMENTS

Deposits

Colorado Statutes require the City to make deposits only in eligible public depositories as defined by the Colorado Public Deposit Protection Act of 1989. The Act requires the eligible depository with public deposits in excess of federal insurance levels to create single institution collateral pools of defined eligible assets. Eligible collateral includes obligations of the United States, the State of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the pool must be at least equal to 102% of the uninsured deposits. Because of controls in place as part of the Colorado Public Deposit Protection Act of 1989, deposits are adequately secured as if they were collateralized with securities held by the entity or by its agent in the entity's name. Additionally, because deposits covered by PDPA are collateralized by investment pools, the City's deposits are not subject to custodial risk.

The City's deposits are considered to be entirely insured or collateralized with securities held by the City or its agent in the City's name as follows:

	Bank Balance at 12/31/2018
FDIC insured deposits (\$250,000 per bank)	\$ 335,565
Amounts PDPA collateralized as described above	<u>1,675,049</u>
Deposits at December 31, 2018	<u><u>\$ 2,010,614</u></u>

The carrying amount of the City's cash deposits, cash on hand, and cash equivalents at December 31, 2018 was \$4,674,856. The carrying amount of the Local Marketing District's deposits and cash on hand at December 31, 2018 was \$60,382.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS
--

Investments

The City manages its interest rate risk, credit risk, and concentration of credit risk for different investment instruments as described below in the summary of its investment policy.

The City has adopted a formal investment policy by adoption of Resolution #2000-10. The policy authorizes the following investment instruments:

1. Treasury Obligations (U.S. Treasury Bills, Notes and Bonds).
2. Treasury Strips (book-entry U.S. Treasury securities whose coupons have been removed) with maturities not exceeding three (3) years from date of purchase.
3. Federal Instrumentality securities: Debentures, discount notes, callable securities and stripped principal or coupons with maturities not exceeding three years from the date of purchase that are rated AAA by either Moody's or Standard & Poors issued by the following: Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), Federal Farm Credit Bank (FFCB), and Student Loan Marketing Association (SLMA).
4. Repurchase Agreements with a defined termination date of 180 days or less collateralized by U.S. Treasury securities listed in item 1 above with a maturity not exceeding 10 years. Repurchase agreements shall be entered into only with dealers who have executed a Master Repurchase Agreement with the City and who are recognized as Primary Dealers with the Market Reports Division of the Federal Reserve Bank of New York.
5. Flexible Repurchase Agreements with a final maturity of one year or less entered into by the City with approved counterparties and meeting certain criteria.
6. Time and negotiable certificates of deposit or savings accounts in state or national banks or in state or federally chartered savings and loans which are state approved depositories (as evidenced by a certificate issued by the State Banking Board) and are insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized in accordance with the Colorado Public Deposit Protection Act.
7. Local Government Investment Pools authorized under CRS 24-75-701, 702 which: 1) are "no-load" (i.e. no commission fee shall be charged on purchases or sales of shares); 2) have a constant daily net asset value per share (usually \$1.00 per share); 3) limits assets of the fund to U.S. securities listed previously in items one through three of this section; 4) have a maximum stated maturity in accordance with Federal Securities Law Regulation 270-2A-7 paragraph 59073; and 5) are approved for use by resolution of the City Council.
8. Eligible Bankers Acceptances with an original maturity not exceeding 90 days, issued on domestic banks or branches of foreign banks domiciled in the U.S. and meeting certain other requirements. The aggregate amount of securities purchased from any one Bankers Acceptance issuer shall not exceed 20% of the City's portfolio.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS

9. Prime Commercial Paper issued on U.S. companies with a maturity not exceeding 180 days from the date of purchase which is rated in its highest category at the time of purchase by one or more nationally recognized organizations which regularly rate such obligations.

10. Money Market Mutual Funds which: 1) are “no-load” (i.e. no commission fee shall be charged on purchases or sales of shares); 2) have a constant daily net asset value per share (usually \$1.00 per share); 3) limit assets of the fund to U.S. securities listed above in items one through three of this section; 4) have a maximum stated maturity in accordance with Federal Securities Law Regulation 270-2A-7 paragraph 59073; 5) are rated AAAm by Standard and Poor’s or Aaa by Moody’s or Fitch Investors Service.

The City’s investments at December 31, 2018 are as follows:

Investment	Fund	Maturity Date	S&P/Moody's Rating	Fair Value
Negotiable Certificate of Deposit	General Fund	9/6/2019	N/A	\$ 247,432
Negotiable Certificate of Deposit	General Fund	7/5/2019	N/A	249,728
Negotiable Certificate of Deposit	General Fund	6/1/2020	N/A	249,770
FNMA Agency	General Fund	8/28/2019	AA/AAA	247,550
FNMA Agency	General Fund	4/30/2021	AA/AAA	249,850
FHLMC	Fleet Fund	3/14/2019	AA/AAA	997,730
Total Investments				\$ 2,242,060

In addition to the above the City and its component unit maintain accounts in The Colorado Government Liquid Asset Trust (COLOTRUST). The City’s balance at December 31, 2018 is \$59,291,468. The Local Marketing District’s balance at December 31, 2018 is \$515,657.

COLOTRUST is a State approved and regulated investment vehicle established by statute for local governments. Similar to a money market fund each share is valued at \$1.00. The fair value of the position in this external investment pool is the same as the value of the pool shares. COLOTRUST has a daily redemption frequency period, and a 1 day redemption notice period. The custodial banks provide safekeeping and depository services. The Federal Reserve Bank holds all securities owned by the trust in accounts maintained for the custodial banks, and the custodian’s internal records identify the investments as owned by the trust. COLOTRUST is rated AAAm by Standard & Poor’s.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS

The City has adopted Governmental Accounting Standards Board Statement No. 40, Deposit and Investment Risk Disclosures. This standard defines requirements regarding disclosure of custodial risk and establishes requirements for disclosures regarding credit risk, concentrations of credit risk, interest rate risk and foreign currency risk.

Fair Value of Investments

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. These guidelines recognize a three-tiered fair value hierarchy as follows:

- Level 1: Inputs are quoted prices for identical investments in active markets.
- Level 2: Observable inputs other than quoted market prices.
- Level 3: Unobservable inputs.

The City's recurring fair value measurements for the year ended December 31, 2018 are as follows:

		Fair Value Measurements Using		
Investments by fair value level	Fair Value	Level 1	Level 2	Level 3
Certificates of Deposit	\$ 746,930	\$ -	\$ 746,930	\$ -
Federal Agency Bond/Note	1,495,130	-	1,495,130	-
Total investments by fair value level	2,242,060	\$ -	\$ 2,242,060	\$ -
Investments measured at the net asset value (NAV)				
COLOTRUST (external investment pool)	59,807,125			
Total investments measured at the NAV	59,807,125			
Total investments	<u>\$62,049,185</u>			

The Level 2 investments fair value measurements are based on the net market value of the securities in the City's account on a settlement date basis, including short positions, at the close of the statement period. The market prices are taken from the City's year end Brokerage account statement.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The City's investment portfolio is managed in accordance with investment guidelines as stated in the City's investment policy which limits exposure to interest rate risk by limiting the maturity date of investment securities to 5 years.

Custodial Credit Risk - Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City has no formal policy for custodial credit risk.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS
--

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation to the City. Credit risk exposure is managed in accordance with investment guidelines as stated in the formal investment policy adopted by the City. As per Section 24-54-112 of the Colorado Revised Statutes (C.R.S.), the City's assets will be invested using the "Colorado Uniform Prudent Investor Act" found in the provisions of Part 3 of Article 1 of Title 15, C.R.S. The City's assets shall be invested and managed as a prudent investor would, by considering the purposes, terms, distribution requirements and other circumstances. In satisfying this standard, all fiduciaries shall exercise reasonable care, skill and caution. Investment decisions should be evaluated within the context of the entire portfolio, rather than on an individual investment basis, and as part of an overall investment strategy having risk and return objectives reasonably suited to the City's purpose.

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of the City's investment in a single issuer. The City does not have a policy that addresses limitations on the amount that can be invested in any one issuer.

B. RECEIVABLES

Property taxes comprised of tax increment funds from Routt County are not due and payable until after the assessment year has ended. Thus, they are not included in the revenues or net position of the assessment year. They are recorded in the relevant funds as taxes receivable net of an allowance and deferred inflow of resources at December 31, 2018, as the amounts are measurable but not levied until 2019. An allowance for uncollectible property taxes of 1.06% of the total tax receivable has been determined based on prior actual collections versus assessed amounts.

Accounts Receivable for Ambulance billings are recorded net of an allowance for doubtful accounts of 60% of total outstanding Ambulance billing receivables.

In 2007 the City made a loan to the Yampa Valley Housing Authority for the Fish Creek Mobile Home Park. The original amount of the loan was \$954,000. In 2014 the City authorized Resolution No. 2014-15 to amend the loan, commencing in 2019 the interest is 1.5%. The balance of the receivable recorded in the Community Housing Fund at December 31, 2018 was \$667,670. Principal reduction payments are to be paid annually beginning January 2015 until January 2044.

In 2016 the City signed a promissory note receivable with former City Manager for repayment of housing expenses to the City. The principal amount of the note is \$59,307. The balance of the receivable recorded in the General Fund at December 31, 2018 was \$42,507. Principal reduction payments are to be paid monthly beginning August 2016 until October 2024.

In 2017 the City Council approved an ordinance levying Special Assessments for property owners for the cost of constructing sidewalks in the downtown area. The assessment receivable balance recorded in the Capital fund at December 31, 2018 was \$134,024. Annual Principal and interest payments are to be paid beginning May 2017 – May 2021.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS

In 2018 the City Council approved an ordinance levying Special Assessments for property owners for the cost of constructing sidewalks in the downtown area. The assessment receivable balance recorded in the Capital Projects Fund at December 31, 2018 was \$31,394. Annual Principal and interest payments are to be paid beginning June 2018 – June 2022.

C. CAPITAL ASSETS

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

	Balance Jan 1, 2018	Additions	Deletions	Transfers and Adjustments	Balance Dec 31, 2018
Governmental activities					
Capital assets, not being depreciated:					
Land	\$ 18,460,306	\$ 937,792	\$ -	\$ -	\$ 19,398,098
Construction in progress	6,853,162	15,388,253	-	(3,741,381)	18,500,034
Total capital assets, not being depreciated:	25,313,468	16,326,045	-	(3,741,381)	37,898,132
Capital assets, being depreciated:					
Intangible Assets	869,918	-	-	-	869,918
Land Improvements	21,737,527	467,748	-	-	22,205,275
Parks & Fields	14,581,613	-	-	-	14,581,613
Roads & Bridges	27,561,537	835,484	-	3,590,223	31,987,244
Trails	7,468,774	-	-	-	7,468,774
Buildings and improvements	38,720,954	128,116	(36,531)	-	38,812,539
Machinery and equipment	23,733,813	2,572,396	(846,824)	115,800	25,575,185
Total capital assets, being depreciated:	134,674,136	4,003,744	(883,355)	3,706,023	141,500,548
Less accumulated depreciation for:					
Intangible Assets	(723,257)	(54,885)	-	-	(778,142)
Land Improvements	(3,987,110)	(730,859)	-	-	(4,717,969)
Parks & Fields	(6,327,574)	(422,481)	-	-	(6,750,055)
Roads & Bridges	(7,810,258)	(908,757)	-	-	(8,719,015)
Trails	(3,217,899)	(224,034)	-	-	(3,441,933)
Buildings and improvements	(13,992,861)	(1,031,393)	9,513	-	(15,014,741)
Machinery and equipment	(14,858,509)	(1,625,387)	799,553	-	(15,684,343)
Total accumulated depreciation	(50,917,468)	(4,997,796)	809,066	-	(55,106,198)
Total capital assets, being depreciated - Net	83,756,668	(994,052)	(74,289)	3,706,023	86,394,350
Governmental Activities capital assets - Net	\$ 109,070,136	\$ 15,331,993	\$ (74,289)	\$ (35,358)	\$ 124,292,482

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS

	Balance Jan 1, 2018	Additions	Deletions	Transfers and Adjustments	Balance Dec 31, 2018
Business-type activities					
Capital assets, not being depreciated:					
Land	\$ 8,889,777	\$ -	\$ -	\$ -	\$ 8,889,777
Construction in progress	1,326,103	2,305,332	-	(632,065)	2,999,370
Total capital assets, not being depreciated:	10,215,880	2,305,332	-	(632,065)	11,889,147
Capital assets, being depreciated:					
Land Improvements	14,048,826	-	-	-	14,048,826
Buildings and improvements	41,018,352	992,937	-	632,065	42,643,354
Utility transmission lines	36,506,880	-	-	-	36,506,880
Machinery and equipment	4,048,288	303,097	(33,237)	-	4,318,148
Total capital assets, being depreciated:	95,622,346	1,296,034	(33,237)	632,065	97,517,208
Less accumulated depreciation for:					
Land Improvements	(7,877,511)	(266,418)	-	-	(8,143,929)
Buildings and improvements	(21,372,740)	(1,062,619)	-	-	(22,435,359)
Utility transmission lines	(12,816,347)	(876,988)	-	-	(13,693,335)
Machinery and equipment	(2,560,377)	(253,962)	33,237	-	(2,781,102)
Total accumulated depreciation	(44,626,975)	(2,459,987)	33,237	-	(47,053,725)
Total capital assets, being depreciated - Net	50,995,371	(1,163,953)	-	632,065	50,463,483
Business-type Activities capital assets - Net	\$ 61,211,251	\$ 1,141,379	\$ -	\$ -	\$ 62,352,630

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

Governmental activities:

General government	\$ 803,510
Public safety	760,513
Public works - Including depreciation of general infrastructure assets	808,885
Transportation services	739,014
Parks and community services	790,073
Steamboat Springs Redevelopment Authority	653,777
Capital assets held by the City's internal service funds are charged to the various departments based on their usage of the assets	442,024

Total depreciation expense - governmental activities \$ 4,997,796

Business-type activities:

Utility (Water & Sewer)	\$ 1,812,992
Airport	358,590
Golf	288,405

Total depreciation expense - business-type activities \$ 2,459,987

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS

D. INTERFUND TRANSACTIONS

Transfers

Inter-fund transfers for the year ended December 31, 2018 are as follows:

	Transfers Out:				
	Governmental Funds			Proprietary Funds	
	General Fund	Capital Projects Fund	Accomodations Tax Capital Projects Fund	Airport Fund	Total
Transfers In:					
Governmental Funds:					
General Fund	\$ -	\$ 7,500	\$ -	\$ 114,820	\$ 122,320
Capital Projects Fund	5,205,045	-	-	-	5,205,045
	5,205,045	7,500	-	114,820	5,327,365
Proprietary Funds:					
Airport Fund	-	16,666	-	-	16,666
Golf Fund	-	-	30,000	-	30,000
	-	16,666	30,000	-	46,666
	\$ 5,205,045	\$ 24,166	\$ 30,000	\$ 114,820	\$ 5,374,031

During the year, transfers are used to: 1) Move unrestricted general revenues to finance various programs accounted for in other funds in accordance with budgetary authorization. This includes amounts provided as subsidies or matching funds for various grant programs. 2) Transfers from proprietary funds are to help defray the cost of administrative services provided by the General Fund.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS
--

E. RESTRICTED ASSETS

Certain assets of the City are classified as restricted assets because their use is completely restricted by the terms of various loan and grant agreements and legal requirements, the restricted assets are as follows:

General Fund:

Restricted for Debt Service	\$ 390,152
	<u>\$ 390,152</u>

Capital Projects Fund:

Restricted for Capital Projects	\$ 5,002
	<u>\$ 5,002</u>

Steamboat Springs Redevelopment Authority Fund:

Restricted for Debt Service	\$ 1,578,201
	<u>\$ 1,578,201</u>

Utility Fund:

Restricted for Capital Projects	\$ 3,798,334
Restricted for Debt Service	<u>970,542</u>
	<u>\$ 4,768,876</u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS
--

F. CAPITAL LEASE OBLIGATIONS

Airport Hangar Lease

In 1993 the City entered into an agreement with a group of aircraft owners to construct a hangar building at the City's airport. The City is leasing the building from the owners under a lease/purchase agreement with no interest. The unpaid balance recorded in the Airport Fund at December 31, 2018 is \$46,255. Payments are made annually through 2023. The amount recorded in the asset account is \$277,556. Accumulated depreciation is \$179,095.

Energy Efficiency Project

In November 2009 the City entered into a lease purchase agreement with Wells Fargo Brokerage Services to finance completion of certain energy efficiency measures in various City facilities. The lease obligation is recorded in the funds where the energy cost savings will be realized. The original amount of the debt was \$887,400 with interest at 4.5%. Payments are made in quarterly installments of \$27,974 through November 2019 by the individual funds that realize the cost savings. The unpaid balance at December 31, 2018 was \$108,819 of which \$10,719 is payable by the City's proprietary funds and \$98,100 is payable by the general fund. The amount recorded in the asset account is \$814,224. Accumulated depreciation is \$570,875.

Haymaker Golf Carts

In April 2017 the City entered into a Lease/Purchase agreement with Bruning State Bank to obtain sixty 2017 Club Car Precedent model 12 Electric Golf Carts and one Utility Vehicle Driving Range Unit (2014 Carryall 500). The original debt amount was \$207,458 and the interest rate is 2.88%. The unpaid balance recorded in the Golf Fund at December 31, 2018 is \$157,429. Payments are made monthly through May, 2021. The capital asset is recorded at a cost of \$207,458 with accumulated depreciation of \$86,820.

Haymaker Mowers 2017

In July 2017 the City entered into a Lease/Purchase agreement with Mountain Valley Bank to obtain three Toro Reelmaster 510-D lightweight fairway mowers. The original debt amount was \$165,516 and the interest rate is 3.4%. The unpaid balance recorded in the Golf Fund at December 31, 2018 is \$118,575. Payments are made quarterly through June 2022. The capital asset is recorded at a cost of \$165,516 with accumulated depreciation of \$48,158.

Haymaker Mowers 2018

In August 2018 the City entered into a Lease/Purchase agreement with Mountain Valley Bank to obtain three Toro Groundsmaster mowers. The original debt amount was \$159,017 and the interest rate is 4.36%. The unpaid balance recorded in the Golf Fund at December 31, 2018 is \$143,587. Payments are made quarterly through June 2023. The capital asset is recorded at a cost of \$159,017 with accumulated depreciation of \$12,896.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS

The following is a schedule by years of future minimum lease payments under the capital leases, together with the present value of the net minimum future lease payments as of December 31, 2018:

	Governmental Activities		Business-type Activities						
	Energy Efficiency Project	Total	Golf Carts	Golf Mowers 2017	Golf Mowers 2018	Airport Hangar Lease	Energy Efficiency Project	Total	
Year ending December 31,									
2019	\$ 100,875	\$ 100,875	\$ 35,082	\$ 36,077	\$ 35,315	\$ 9,251	\$ 11,022	\$ 126,747	
2020	-	-	35,082	36,077	35,315	9,251	-	115,725	
2021	-	-	95,694	36,077	35,315	9,251	-	176,337	
2022	-	-	-	18,039	35,315	9,251	-	62,605	
2023	-	-	-	-	17,658	9,251	-	26,909	
Minimum Lease Payments	100,875	100,875	165,858	126,270	158,918	46,255	11,022	508,323	
Less amounts representing interest	2,775	2,775	8,429	7,695	15,331	-	303	31,758	
Present Value of Future Minimum Lease Payments	<u>\$ 98,100</u>	<u>\$ 98,100</u>	<u>\$ 157,429</u>	<u>\$ 118,575</u>	<u>\$ 143,587</u>	<u>\$ 46,255</u>	<u>\$ 10,719</u>	<u>\$ 476,565</u>	

G. LONG-TERM DEBT

REVENUE BONDS

October 5, 2010 - Tax Increment Adjustable Rate Revenue Bonds - \$20,565,000

The Series 2010 Bonds were issued for the purpose of financing public improvements within the Steamboat Springs Redevelopment Authority boundaries and the costs of issuance. The Bonds mature annually through December 1, 2029 in amounts from \$775,000 to \$1,490,000. Interest is paid semi-annually in amounts ranging from 2.75% to 4.5%. Total annual requirements are \$1,525,043 to \$1,553,055 and are serviced by the Steamboat Springs Redevelopment Authority. During 2018 pledged revenues for property and sales taxes totaling \$2,829,176 were available to pay debt service of \$1,552,643. The outstanding principal balance at December 31, 2018 was \$13,500,000.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS
--

CERTIFICATES OF PARTICIPATION (COPS)

December 15, 2010 – Certificates of Participation Series 2010 - \$3,785,000

The Series 2010 Certificates were issued for the purpose of refunding the City's Series 2001 Certificates in order to reduce total debt service payments. Interest rates vary from 2.50% to 4.00% and mature annually through December 1, 2021 in amounts ranging from \$265,000 to \$415,000. Total annual payments vary from \$379,525 to \$439,875 and are serviced by the General Fund. The outstanding principal balance at December 31, 2018 was \$1,200,000.

December 21, 2016 – Certificates of Participation Series 2016A - \$3,750,000

The Series 2016A Certificates were issued for the purpose of improving downtown infrastructure along Yampa Street and Oak Street. Interest rates vary from 4.0% to 5.0% and mature annually beginning December 1, 2026 through December 1, 2036 in amounts ranging from \$80,000 to \$440,000. Total annual payments vary from \$153,567 to \$467,200 and are serviced by the General Fund. The outstanding principal balance at December 31, 2018 was \$3,750,000.

December 21, 2016 – Certificates of Participation Series 2016B - \$2,470,000

The Series 2016B Certificates were issued for the purpose of refunding the City's Series 2007 Certificates in order to reduce total debt service payments by \$1,978,342. The economic gain on the refunding was \$684,761 in net present value savings. Interest rates vary from 1.7% to 3.75% and mature annually through December 1, 2026 in amounts ranging from \$215,000 to \$285,000. Total annual payments vary from \$223,063 to \$304,803 and are serviced by the General Fund. The outstanding principal balance at December 31, 2018 was \$2,025,000.

March 29, 2018 – Certificates of Participation Series 2018 - \$5,920,000

The Series 2018 Certificates were issued for the purpose of constructing the combined law enforcement facility. Interest rates vary from 3.0% to 4.0% and mature annually beginning December 1, 2018 through December 1, 2037 in the amounts ranging from \$145,000 to \$420,000. Total annual payments vary from \$291,813 to \$441,000 and are serviced by the General Fund. The outstanding principal balance at December 31, 2018 was \$5,775,000.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS
--

LOANS

Loans payable at December 31, 2018 are comprised of the following:

July 1, 1999 – Colorado Water Resources and Power Development Authority Loan - \$2,935,636

The 1999 loan was entered into for the purpose of expanding the regional wastewater treatment plant. The Authority issued bonds to fund the loan and the City assumed the issue costs. Interest rates vary from 5.0% to 5.25%. Principal payments are from \$74,998 to \$101,783 semi-annually through August 1, 2019. Total annual payments vary from \$212,373 to \$217,792 and are serviced by the Utility Fund. During 2018 pledged net revenues totaling \$3,770,464 were available to pay debt service of \$213,087. The outstanding principal balance at December 31, 2018 was \$203,566.

May 1, 2001 – Colorado Water Resources and Power Development Authority Loan - \$5,895,665

The 2001 loan was entered into for the purpose of expanding the regional wastewater treatment plant. The Authority issued bonds to fund the loan and the City assumed the issue costs. Interest rate is 4.01%. Principal payments are from \$140,889 to \$205,914 semi-annually through August 1, 2021. Total annual payments vary from \$426,422 to \$434,395 and are serviced by the Utility Fund. During 2018 pledged net revenues totaling \$3,770,464 were available to pay debt service of \$429,400. The outstanding principal balance at December 31, 2018 was \$1,159,623.

June 21, 2011 – Colorado Water Resources and Power Development Authority Loan - \$12,350,000

The 2011 loan was entered into for various drinking water and wastewater projects including water line additions, water main replacement and additions, reservoir enlargement, water meter upgrades, and wastewater collection main replacements. The Authority issued bonds to fund the loan and the City assumed the issue costs. Interest rates vary from 3% to 5%. Principal payments are from \$365,000 to \$915,000 semi-annually through August 1, 2031. Total annual payments vary from \$955,913 to \$986,484 and are serviced by the Utility Fund. During 2018 pledged net revenues totaling \$3,770,464 were available to pay debt service of \$957,694. The outstanding principal balance at December 31, 2018 was \$9,160,000.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS

CHANGES IN LONG-TERM DEBT

Summary of changes in Long-Term Debt of the City for the year ended December 31, 2018:

GOVERNMENTAL ACTIVITIES

	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018	Amounts due within one year
Capital leases	\$ 191,907	\$ -	\$ (93,807)	\$ 98,100	\$ 98,100
Tax Increment Revenue Bonds	14,485,000	-	(985,000)	13,500,000	1,015,000
Certificates of participation	7,585,000	5,920,000	(755,000)	12,750,000	845,000
Unamortized premium	423,893	314,418	(85,656)	652,655	75,656
Compensated absences	997,520	1,494,414	(1,098,434)	1,393,500	348,375
	<u>\$ 23,683,320</u>	<u>\$ 7,728,832</u>	<u>\$ (3,017,897)</u>	<u>\$ 28,394,255</u>	<u>\$ 2,382,131</u>

The liability for compensated absences is liquidated 98% by the general fund, the remaining 2% is liquidated by the internal service fund.

BUSINESS-TYPE ACTIVITIES

	Balance January 1, 2018	Additions	Deletions	Balance December 31, 2018	Amounts due within one year
Capital leases	\$ 413,920	\$ 159,017	\$ (96,372)	\$ 476,565	\$ 112,915
Loans	11,578,263	-	(1,055,074)	10,523,189	1,096,626
Unamortized loan premium	258,656	-	(38,306)	220,350	34,353
Compensated absences	173,743	260,590	(235,077)	199,256	49,815
	<u>\$ 12,424,582</u>	<u>\$ 419,607</u>	<u>\$ (1,424,829)</u>	<u>\$ 11,419,360</u>	<u>\$ 1,293,709</u>

DEBT SERVICE REQUIREMENTS TO MATURITY

Year	BONDS & COPS		LOANS		LEASES	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 1,860,000	\$ 1,028,030	\$ 1,096,626	\$ 502,772	\$ 211,015	\$ 16,607
2020	1,915,000	969,908	944,735	444,950	105,505	10,220
2021	1,975,000	905,708	996,828	390,481	170,817	5,520
2022	1,615,000	831,808	615,000	343,544	60,702	1,903
2023	1,680,000	771,521	640,000	318,944	26,626	283
2024-2028	9,445,000	2,816,968	3,615,000	1,174,704	-	-
2029-2033	4,925,000	1,114,263	2,615,000	265,750	-	-
2034-2037	2,835,000	288,800	-	-	-	-
Total	<u>\$ 26,250,000</u>	<u>\$ 8,727,006</u>	<u>\$ 10,523,189</u>	<u>\$ 3,441,145</u>	<u>\$ 574,665</u>	<u>\$ 34,533</u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS

BUSINESS-TYPE ACTIVITIES

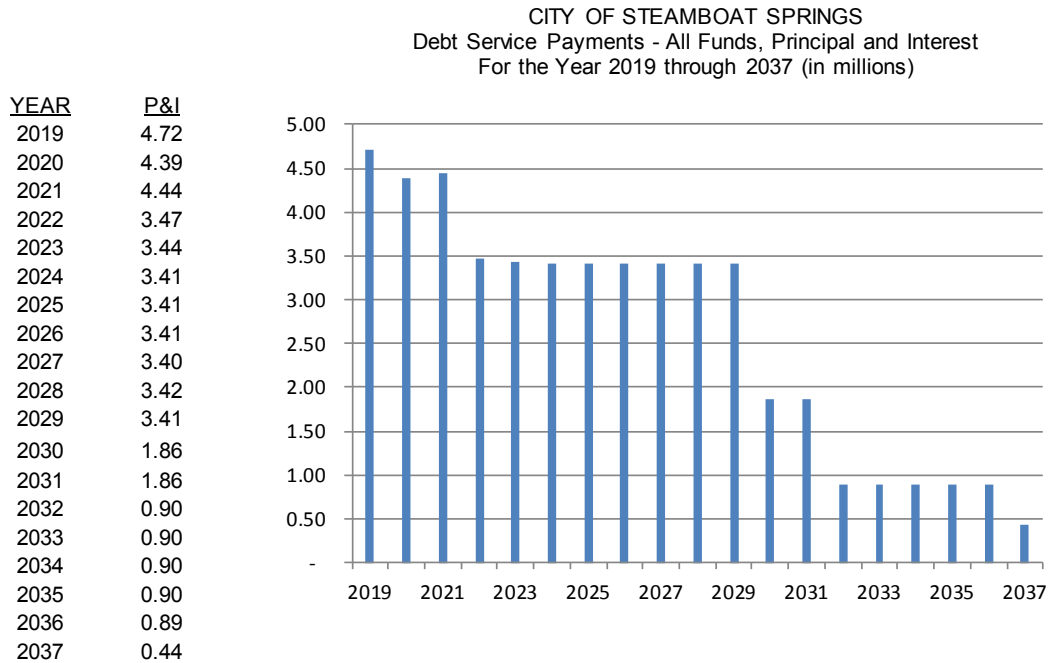
<u>Year</u>	<u>Utility</u>		<u>Airport</u>		<u>Golf</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 1,100,334	\$ 502,877	\$ 15,484	\$ 175	\$ 93,722	\$ 13,552
2020	944,735	444,950	9,251	-	96,254	10,220
2021	996,829	390,481	9,251	-	161,566	5,520
2022	615,000	343,544	9,251	-	51,451	1,903
2023	640,000	318,944	9,251	-	17,375	283
2024-2028	3,615,000	1,174,705	-	-	-	-
2029-2031	2,615,000	265,750	-	-	-	-
Total	<u>\$ 10,526,898</u>	<u>\$ 3,441,251</u>	<u>\$ 52,488</u>	<u>\$ 175</u>	<u>\$ 420,368</u>	<u>\$ 31,478</u>

GOVERNMENTAL ACTIVITIES

<u>Year</u>	<u>General Fund</u>		<u>Redevelopment Authority Fund</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 943,100	\$ 492,750	\$ 1,015,000	\$ 538,055
2020	870,000	462,302	1,045,000	507,605
2021	900,000	432,815	1,075,000	472,893
2022	495,000	401,915	1,120,000	429,893
2023	515,000	386,428	1,165,000	385,093
2024-2028	2,855,000	1,656,213	6,590,000	1,160,755
2029-2033	3,435,000	1,052,800	1,490,000	61,463
2034-2037	2,835,000	288,800	-	-
Total	<u>\$ 12,848,100</u>	<u>\$ 5,174,023</u>	<u>\$ 13,500,000</u>	<u>\$ 3,555,757</u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS



COMPENSATED ABSENCES BY FUND

General Fund	\$1,369,095
Utility Fund	120,059
Airport Fund	24,502
Golf Fund	54,695
Fleet Fund	24,405
	<u>\$1,592,756</u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE III: DETAILED NOTES ON ALL FUNDS
--

H. FUND BALANCES

Fund balances in Governmental Funds at December 31, 2018 are comprised of the following:

	General Fund	Capital Projects Fund	Accommodations Tax Capital Projects Fund	Steamboat Springs Redevelopment Authority Fund	Community Housing Fund
<u>Non-spendable Fund Balances</u>					
Inventory	\$ 17,423				
Prepayments	22,304				
	<u>\$ 39,727</u>				
<u>Restricted Fund Balances</u>					
Restricted for Emergency:					
TABOR Emergency Reserve	\$ 1,515,000	\$ -	\$ -	\$ -	\$ -
Restricted for Debt Service:					
Series 2010 Certificates of Participation Reserve Fund	378,500	-	-	-	-
Series 2010 Tax Increment Bonds Reserve Fund	-	-	-	1,553,055	-
Series 2010 Tax Increment Bonds Bond Fund	-	-	-	25,146	-
Restricted for Capital Projects:					
Specific capital projects	-	1,133,204	1,461,954	-	-
Restricted per voter approval:					
Steamboat Springs Redevelopment Authority	-	-	-	1,774,880	-
Restricted for Affordable Housing:					
Housing Reserve	-	-	-	-	184,162
Community Housing Plan	-	-	-	-	480,690
	<u>\$ 1,893,500</u>	<u>\$ 1,133,204</u>	<u>\$ 1,461,954</u>	<u>\$ 3,353,081</u>	<u>\$ 664,852</u>
<u>Committed Fund Balances</u>					
Committed for Road Maintenance:					
Longthong Road Maintenance	\$ 151,656	\$ -			
Other	27,550	-			
	<u>\$ 179,206</u>	<u>\$ -</u>			
<u>Assigned Fund Balances</u>					
Assigned for Specific Projects:	\$ 36,800	\$ -			
Assigned for Subsequent Year Items:					
Budget Appropriation	361,177	9,145,852			
Assigned for future Capital Projects	-	8,074,522			
	<u>\$ 397,977</u>	<u>\$ 17,220,374</u>			

The City Financial Policy requires a Stabilization Reserve equal to 25% of the prior year's General Fund operating expenditures to be held in unassigned fund balance. The reserve is designed to provide the City with budget stabilization during revenue downturns. The funds if needed for stabilization, would be appropriated by City Council via ordinance. The unassigned stabilization reserve balance at December 31, 2018 was \$8,004,119.

I. RELATED PARTIES

The City may from time to time enter into contracts for services with companies whose ownership includes members of City Council. All such contractual arrangements are subject to the City's Procurement Policy and procedures.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

A. EMPLOYEE BENEFIT PLANS

POLICE RETIREMENT DEFINED CONTRIBUTION PLAN

The City provides retirement benefits for all of its full-time police officers through a defined contribution plan administered by ICMA Retirement Corporation. In the defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. As established by Resolution #82-30 of the City Council, all employees of the City's Police Department not covered by another plan must participate in this plan from the date of hire. The City's contributions for each employee (and interest allocated to the employee's account) are fully vested after seven (7) years of continuous service. A portion of City contributions for, and interest forfeited by, employees who leave employment before becoming fully vested are used to reduce the City's current period contribution requirement and to pay expenses of the plan. The City Council has the authority to approve amendments to the plan.

The City's total payroll for the year ended December 31, 2018 was \$16,995,291. The City's contribution was calculated using the covered payroll of \$1,730,208. The City contributed the required amount, net of forfeitures, of \$211,085 (12.2% of covered payroll) and the covered employees contributed the required amount of \$159,180 (9.2% of covered payroll), for a total of \$370,265 (21.4% of covered payroll).

A financial statement for the Police Pension Trust Fund as of and for the year ended December 31, 2018 is as follows:

ASSETS

Loans receivable	\$ 113,936
Mutual funds	<u>3,581,111</u>
Total Assets	<u>3,695,047</u>

LIABILITIES

Accounts payable	<u>-</u>
Total Liabilities	<u>-</u>
Net position held in trust for pension benefits	<u><u>\$ 3,695,047</u></u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

ADDITIONS

Contributions	
City	\$ 202,756
Employees	168,202
Forfeitures/Other	<u>(26,092)</u>
Total contributions	344,866
Investment income/(loss)	<u>(205,619)</u>
Total Additions	<u>139,247</u>

DEDUCTIONS

Benefit payments	40,846
Distributions/Other	135,773
Administrative services	<u>11,704</u>
Total Deductions	<u>188,323</u>
Net decrease in Net Position	(49,076)
Net position - Beginning of year	<u>3,744,123</u>
Net position - End of year	<u><u>\$ 3,695,047</u></u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

PAID FIREFIGHTER DEFINED CONTRIBUTION PLAN

The City provides pension benefits for all of its full-time firefighters through a non-contributory defined contribution plan administered by ICMA Retirement Corporation. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

As established by Ordinance #469 of the City Council, all full time paid firefighters, participate in this plan from the date of hire. The City's contribution for each employee (and interest allocated to the employee's account) is fully vested after 5 years continuous service. City contributions for, and interest forfeited by, employees who leave employment before becoming fully vested are used to reduce the City's current period contribution requirement and pay expenses of the plan.

The City's total payroll for the year ended December 31, 2018 was \$16,995,291 The City's contribution was calculated using the covered payroll of \$2,149,577 and the City made the required contribution of 4.2% amounting to \$90,281.

A financial statement for the City Paid Firefighter Pension Trust Fund as of and for the year ended December 31, 2018 is as follows:

ASSETS

Mutual funds	\$ <u>741,076</u>
Total Assets	<u>741,076</u>

LIABILITIES

Accounts payable	<u>-</u>
Total Liabilities	<u>-</u>
Net position held in trust for pension benefits	\$ <u><u>741,076</u></u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

ADDITIONS

Contributions	
City	\$ 90,281
	<u>90,281</u>
Total contributions	<u>90,281</u>
Investment income/(loss)	<u>(68,530)</u>
Net investment earnings	<u>(68,530)</u>
Total Additions	<u>21,751</u>

DEDUCTIONS

Administrative services	<u>209</u>
Total Deductions	<u>209</u>
Net increase in Net Position	21,542
Net position - Beginning of year	<u>719,534</u>
Net position - End of year	<u><u>\$ 741,076</u></u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

CITY EMPLOYEE DEFINED CONTRIBUTION PLAN

The City provides pension benefits for all of its full-time employees, except police officers and paid firefighters, through a non-contributory defined contribution plan administered by ICMA Retirement Corporation. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

As established by Ordinance #469 of the City Council, all full time and continuous part-time employees of the City, except full-time police officers and paid firefighters, participate in this plan from the date of hire. The City's contribution for each employee (and interest allocated to the employee's account) is fully vested after 5 years continuous service. City contributions for, and interest forfeited by, employees who leave employment before becoming fully vested are used to reduce the City's current period contribution requirement and pay expenses of the plan. The City Council has the authority to approve amendments to the plan.

The City's total payroll for the year ended December 31, 2018 was \$16,995,291. The City's contribution was calculated using the covered payroll of \$10,379,202 and the City made the required contribution of 6% amounting to \$622,752

A financial statement for the City Employee Pension Trust Fund as of and for the year ended December 31, 2018 is as follows:

ASSETS

Mutual funds	\$ 11,448,904
Total Assets	<u>11,448,904</u>

LIABILITIES

Accounts payable	<u>-</u>
Total Liabilities	<u>-</u>
Net position held in trust for pension benefits	<u><u>\$ 11,448,904</u></u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

ADDITIONS

Contributions		
City	\$	<u>689,200</u>
Total contributions		<u>689,200</u>
Investment income(loss)		<u>(664,841)</u>
Net investment earnings		<u>(664,841)</u>
Total Additions		<u>24,359</u>

DEDUCTIONS

Distributions/Other	1,056,219
Administrative services	<u>6,340</u>
Total Deductions	<u>1,062,559</u>
Net decrease in Net Position	(1,038,200)
Net position - Beginning of year	<u>12,487,104</u>
Net position - End of year	<u><u>\$ 11,448,904</u></u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

VOLUNTEER FIREFIGHTER'S DEFINED BENEFIT PENSION PLAN

PLAN DESCRIPTION

The City maintains a defined benefit pension plan covering its volunteer firefighters. The Fire & Police Pension Association (FPPA) administers an agent multiple-employer Public Employee Retirement System (PERS). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at www.FPPAco.org. Once in the site, locate the site map at the bottom of the web page and you will find the 'Annual Report' link

BENEFITS PROVIDED

The plan provides retirement, disability and death benefits to plan members and beneficiaries. Benefits for normal retirement, a volunteer member having (20) years of active service may retire on the first day of the month immediately following the member's fiftieth (50th) birthday and receive a pension not to exceed \$650 per month unless state law requires a minimum amount greater than this amount or an actuarial review indicates that a greater amount can be paid. A Member who meets the requirements for a normal retirement pension shall receive a monthly annuity for the remainder of the member's life. The pension board may pension any volunteer member early retirement based on having ten (10) years of active service or more and being above the age of fifty (50) years. Such pension being pro-rated in accordance with the number of years of service and the amount of pension being paid for normal retirement explained above. Any member having at least ten (10) years of active service and not having reached the age of fifty (50), may be granted a leave of absence and retain all rights to pension annuity, and on attaining the age of fifty (50), shall be entitled to pension benefits as described herein. No firefighter transferring from another Volunteer Fire Department in Colorado shall receive retirement benefits from the Pension Fund for service after June 2, 1977 unless they shall have served at least five years for the Department. In the event of the death of a retired Member who, regardless of age, has served the requisite number of years for retirement, and who leaves a surviving spouse, the Board may grant a monthly annuity to such spouse in accordance with applicable Colorado statutes (C.R.S., 31-30-1127), in the amount of fifty percent (50%) of the current pension payment for a retired member if the fund is actuarially sound. If the Member has less than twenty years of active service, the annuity to the surviving spouse shall be prorated based upon the number of years of service. These payments shall remain in effect until the death or remarriage of such spouse.

Disability benefits shall pay a monthly annuity to said firefighter in an amount that is proper and equitable, the financial condition of the funds considered, but not to exceed \$325 per month, for a period of up to but not to exceed, one (1) year.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

Death benefits shall pay a monthly annuity to their survivor(s) not to exceed \$325 per month for a period of up to, but not to exceed, one (1) year. A one-time death benefit of \$1,300 shall be paid to the surviving spouse or family upon the death of any active or retired firefighter. Upon the death of a pensioned firefighter, a monthly annuity of up to fifty (50%) of the current retirement benefit may be paid to the surviving spouse if the Pension Fund is actuarially sound.

MEMBERS COVERED BY BENEFIT TERMS

Membership covered by benefit terms at December 31, 2018:

Retirees and Beneficiaries	24
Inactive, Nonretired Members	3
Active Members	<u>1</u>
Total	<u><u>28</u></u>

Per resolution of the City Council 2011-29, the plan is closed to new members. A volunteer firefighter who was not a member of the plan as of September 20, 2011, is not be entitled to become a member of the Plan or receive benefits from the plan.

CONTRIBUTIONS

Contributions into the pension fund can come from two sources: contributions directly from the department and contributions from the State based on assessed property values and other formulas. The volunteers serve without receiving any compensation for their services and therefore there is no covered payroll. The volunteers make no contribution to the plan. The contribution by the State of Colorado toward volunteer fire pension funds has been a fixed dollar amount established by the legislature and allocated pro rata to all fire pension funds in the State. The State will provide matching contributions at 90% of City contributions up to a maximum of ½ mill on the assessed valuation of the City. The State contribution for 2018 was \$21,600. Please note that the State contribution for 2018 was received by the FPPA from the State of Colorado's Department of Local Affairs on 1/15/2019. FPPA has noted these funds as the 2018 State Matching Funds. The annual contribution from the City for 2018 was \$29,000 and was authorized by adoption of the City's annual budget.

For 2018, the City's annual required contribution of \$23,084 for FPPA was less than the actual contribution of \$29,000. The required contribution was determined as part of the January 1, 2017 actuarial valuation using the entry age actuarial cost method. Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2017, determines the contribution amounts for 2018 and 2019.

NET PENSION LIABILITY (NPL)

The City's net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

NPL ACTUARIAL METHODS & ASSUMPTIONS

The total pension liability in the January 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment Rate of Return	7.5%
Inflation	2.5%
Actuarial cost method	Entry age normal
Amortization method	Level dollar – open*
Remaining amortization period	20 years*
Asset valuation method	5-year smoothed fair value
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality	Pre-Retirement: RP-2014 Mortality Tables with Blue Collar Employees, projected with Scale BB, 55% multiplier for off-duty mortality. Post-retirement: For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB. Disabled: RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% rate for females.
Projected salary increases	N/A
Cost-of-living adjustments	None

*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

The assumptions shown above pertain to the actuarial valuation as of January 1, 2017. Due to the biennial valuation process, the new assumptions will first apply to the January 1, 2017 Volunteer valuations.

Changes in Actuarial Assumptions	The global assumption set for plans administered by FPPA was changed in the 2015 Experience Study and effective as of January 1, 2016. This is the first valuation for this plan with the new assumptions. Significant changes affecting this valuation include: - Reduce inflation from 3.0% to 2.5% - Increase real return from 4.5% to 5.0% - Update pre and post-retirement mortality to a table
----------------------------------	---

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

based on RP-2014 generational mortality. Post-retirement mortality includes a blue collar adjustment for healthy retirees.

Changes in Actuarial Methods

Based on the 2015 Experience Study, an explicit charge, equal to the average of the administrative expenses paid in the two prior fiscal years, is included in the calculated annual contribution.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2017 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2%	2.26%
Managed Futures	4%	6.85%
Fixed Income	15%	3.00%
Absolute Return	9%	6.46%
Equity Long/Short	9%	7.15%
Global Public Equity	37%	8.33%
Private Capital	24%	9.70%
Total	<u>100%</u>	

SINGLE DISCOUNT RATE

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.31% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.50%.

Projected cash flows used in determining the Single Discount Rate are available upon request.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

CHANGES IN THE NET PENSION LIABILITY

STEAMBOAT SPRINGS VOLUNTEER FIRE DEPARTMENT PENSION FUND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET)
AND RELATED RATIOS CURRENT PERIOD
DECEMBER 31, 2018
(MEASUREMENT PERIOD ENDED DECEMBER 31, 2017)

Total pension liability	
Service Cost	\$ 1,708
Interest on the Total Pension Liability	111,408
Benefit changes	-
Difference between expected and actual experience of the Total Pension Liability	-
Changes of assumptions	-
Benefit payments	(132,015)
Net change in total pension liability(asset)	(18,899)
Total pension liability - beginning	1,549,419
Total pension liability - ending	<u>\$ 1,530,520</u>
Plan fiduciary net position	
Contributions - employer	\$ 29,000
Net investment income	178,088
Benefit payments	(132,015)
Pension Plan Administrative Expense	(6,276)
State of Colorado supplemental discretionary payment	21,600
Net change in plan fiduciary net position	90,397
Plan fiduciary net position - beginning (Market value of assets at beginning of year)	1,267,084
Plan fiduciary net position - ending (Market value of assets at end of year)	<u>\$ 1,357,481</u>
Net pension liability/(asset)	<u>\$ 173,039</u>
Plan fiduciary net position as a percentage of the total pension liability	88.69%
Covered payroll	N/A
Net pension liability/(asset) as a percentage of covered payroll	N/A

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

Regarding the sensitivity of the net pension liability to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease	Current Single Discount Rate Assumption	1% Increase
	6.50%	7.50%	8.50%
Net Pension Liability	\$318,424	\$173,039	\$49,526

PENSION EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

For the year ended December 31, 2018, the City recognized pension expense of \$11,175. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to the volunteer pension plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Assumption Changes	-	-
Net Difference between projected and actual earnings on pension plan investments	48,433	69,029
Contributions subsequent to the measurement date	29,000	-
Total	<u>\$ 77,433</u>	<u>\$ 69,029</u>

\$29,000 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending December 31, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:

2019	\$ 5,183
2020	3,113
2021	(11,634)
2022	(17,258)
Thereafter	-
Total	<u>\$ (20,596)</u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

PAID FIREFIGHTER'S DEFINED BENEFIT PENSION PLAN

PLAN DESCRIPTION

The City of Steamboat Springs contributes to a cost-sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (FPPA). The plan covers substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The Plan was established in 1980 pursuant to Colorado Revised Statutes.

The Plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Directed Investment Fund (for Deferred Retirement Option Plan "DROP" assets and Separate Retirement Account "SRA" assets from eligible retired members.)

FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at: <http://www.FPPAco.org>.

BENEFITS PROVIDED

A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

A member is eligible for an early retirement at age 50 with at least five years of credited service or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

CONTRIBUTIONS

Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

Members of the SWDB plan and their employers are contributing at the rate of 9.5 percent and 8 percent, respectively, of base salary for a total contribution rate of 17.5 percent in 2017. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022. The City's contributions were \$148,159 for the year ended December 31, 2018.

Contributions from members and employers of departments re-entering the system are established by resolution and approve by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 21.5 percent of base salary in 2017. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the re-entry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

The contribution rate for members and employers of affiliated social security employers is 4.75 percent and 4 percent, respectively, of base salary for a total contribution rate of 8.75 percent in 2017. Per the 2014 member election, members of the affiliate social security group will have their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of base salary. Employer contributions will remain at 4 percent resulting in a combined contribution rate of 10 percent in 2022.

PENSION ASSET, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS

At December 31, 2018, the City reported an asset of \$424,022 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018. The proportionate share is defined as the proportionate relationship of one employer to all employers of the plan. The basis for the employer's proportion should be determined consistent with the manner in which contributions to the pension plan are determined. Only employer contributions are used to calculate the proportion (member contributions are not considered). The proportionate share is used to calculate the City's share of collective net pension asset, collective pension expense and collective deferrals. These proportionate share amounts will then be used combined with the City's specific deferrals and amortization of deferrals to report NPL, pension expense and other required disclosure items. At December 31, 2017, the City's proportion was 0.2947 percent, which was a decrease of -0.000299 from its proportion measured as of December 31, 2016.

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

For the year ended December 31, 2018, the City recognized pension income of \$166,096. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of resources	Deferred Inflows of resources
Difference Between Actual and Expected Experience	\$ 305,780	\$ 4,699
Changes in Assumptions	63,885	-
Net Difference between Actual and Projected Earnings	-	143,970
Changes in proportion and differences between City contributions and proportionate share of contributions	40,272	-
City contributions subsequent to the measurement date	148,159	-
	<u>\$ 558,096</u>	<u>\$ 148,669</u>

There was \$148,159 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2019.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31:

2019	\$ 66,848
2020	(26,782)
2021	(61,506)
2022	68,932
2023	68,932
Thereafter	144,844
Total	<u>\$ 261,268</u>

ACTUARIAL ASSUMPTIONS

The January 1, 2017 actuarial valuation was used to determine the Actuarially Determined Contribution for the fiscal year ending December 31, 2017. The valuation used the following actuarial assumption and other inputs:

Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return*	7.5%
Projected Salary Increases	4.0% - 14.0%
Cost of Living Adjustments (COLA)	0.0%
*Includes Inflation at	2.5%

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

Effective January 1, 2016, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The occupationally disabled post-retirement mortality assumption uses the same table as used for healthy annuitants, except there is a three year set-forward, meaning a disabled member age 70 will be valued as if they were a 73 year old healthy retiree. The totally disabled post-retirement mortality assumption uses the RP-2014 generational mortality tables for disabled annuitants, except an additional provision to apply a minimum 3% mortality probability to males and 2% mortality probability for females is included to reflect substantial impairment for this population. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2015 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future.

The assumption changes were effective for actuarial valuations beginning January 1, 2017 were used in the determination of the actuarially determined contributions as of December 31, 2017. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	37%	8.33%
Equity Long/Short	9%	7.15%
Illiquid Alternatives	24%	9.70%
Fixed Income	15%	3.00%
Absolute Return	9%	6.46%
Managed Futures	4%	6.85%
Cash	2%	2.26%
Total	100%	

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

DISCOUNT RATE & SENSITIVITY ANALYSIS

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.31% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.50%.

Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	Single Discount Rate		
	1 % Decrease	Assumption	1% Increase
	6.50%	7.50%	8.50%
Proportionate share of the net pension liability/(asset)	\$461,633	(\$424,022)	(\$1,159,444)

PENSION PLAN FIDUCIARY NET POSITION

Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial report.

FPPA issues a publicly available comprehensive annual financial report that includes financial statements and the required supplementary information for FPPA. That report may be obtained on the FPPA website at: <http://www.fppaco.org>.

DEFERRED COMPENSATION PLAN

The City offers a deferred compensation plan in accordance with Internal Revenue Code, Section 457. The plan permits employees to defer a portion of their salary to future years. During 1997 the plan was amended

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

to provide that assets of the Plan are held in trust, with the City serving as trustee, for the exclusive benefit of the Plan participants (employees) and their beneficiaries. Due to this change in the trustee relationship, the City no longer records the activity of the Plan, or records the Plan assets or liabilities.

B. RISK MANAGEMENT

The City is subject to various risks of loss, including theft of, or damage to assets; errors and omissions; and natural disasters for which the City carries insurance. A liability is reported when a loss has been incurred and the amount of the loss can be reasonably estimated.

COVERAGE

The Colorado Intergovernmental Risk Sharing Agency (CIRSA) was formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, 29-1-201 et seq., 29-13-102, 8-44-101(1)(c) and (3), and 8-44-204, C.R.S., as amended, and Colorado Constitution, Article XIV, Section 18(2). As of December 31, 2018, there were 272 members in the casualty and property pool, and 143 members in the workman's compensation pool including the City of Steamboat Springs, each having one vote.

The purposes of CIRSA are to provide members the coverage authorized by law, through joint self-insurance, insurance, reinsurance, or any combination thereof, to provide claims services related to such coverage, and to provide risk management and loss control services to assist members in preventing and reducing losses and injuries. A Colorado statute provides municipalities with immunity from liability in excess of \$387,000 for any injury to one person in any single occurrence. \$1,093,000 for any injury to two or more persons in any single occurrence; except that, in such instance, no person may recover in excess of \$387,000. The deductible amounts paid by the City for each incident in 2018 are: \$50,000 Liability, \$50,000 Auto Liability, \$50,000 Property and \$50,000 Auto Physical Damage.

Maximum coverage per occurrence for each risk area is listed below:

Property	\$500,000,000
General Liability	\$10,000,000
General Automobile Liability	\$5,000,000
Public Officials Errors and Omissions	\$10,000,000
Law Enforcement Liability	\$10,000,000
Federal Acts and out-of-state Claims	\$10,000,000
Crime Coverage	\$2,000,000
Workers Compensation	Statutory Limits

It is the intent of the members of CIRSA to create an entity in perpetuity, which will administer and use funds contributed by the members to defend and indemnify, in accordance with the by-laws, any member

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

of CIRSA against stated liability or loss, to the limit of the financial resources of CIRSA available to pay such liability or loss. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. The City has not been informed of any excess losses that may have been incurred by the pools. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage's at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

A seven-member board of directors, elected by the members of CIRSA, is responsible for budgeting and financing under the existing policies and by-laws of CIRSA. Amendments to the by-laws require a 2/3 vote of the members present at a meeting. The City does not have the ability to significantly influence operations. Settlements have not exceeded coverage's provided for any of the last three years. CIRSA issues separate financial statement information.

MEDICAL AND DENTAL COVERAGE

Medical and dental coverage for employees is provided by UMR and Delta Dental. The City has a partially self-insured plan with the maximum liability of the City per employee per year at \$125,000 for medical and \$1,500 for dental. The City's total maximum liability per year is based on the number of employees participating in the plan. Liability surplus (cumulative maximum liability less cumulative claims) was \$578,078 at December 31, 2018.

Claims liability December 31, 2015	<u>\$ 351,386</u>
Claims incurred	3,353,539
Claims paid	<u>(3,384,645)</u>
Claims liability December 31, 2016	<u>\$ 320,281</u>
Claims incurred	3,907,879
Claims paid	<u>(3,700,834)</u>
Claims liability December 31, 2017	<u>\$ 527,326</u>
Claims incurred	4,135,325
Claims paid	<u>(4,088,223)</u>
Claims liability December 31, 2018	<u>\$ 574,428</u>

CITY OF STEAMBOAT SPRINGS
NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE IV: OTHER INFORMATION

C. COMMITMENTS AND CONTINGENCIES

The City receives funding from the federal government for various programs and projects. These funds are subject to review and audit by the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. City management estimates that such amounts, if any, will be immaterial.

The City is committed under the terms of various purchase, engineering and construction contracts in the amount of \$13,639,901 at December 31, 2018. These contracts are anticipated to be completed in 2019.

The City is a defendant in several lawsuits. Although the outcome of these lawsuits is not determinable, it is the opinion of the City's legal counsel that the costs to the City will not be substantial.

D. TAXPAYER BILL OF RIGHTS (TABOR)

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including increasing revenues, spending abilities, and other specific requirements of state and local governments. On November 4, 1997, in the General Municipal Election, voters approved a measure to permit the City of Steamboat Springs to "collect, retain and expend the full proceeds of the City's sales and use tax, accommodations tax, non-federal grants and all other revenues, notwithstanding any state restriction on fiscal year spending, including without limitation the restrictions of Article X, Section 20 of the Colorado Constitution, from the 1997 fiscal year and thereafter".

EMERGENCY RESERVE

On November 3, 1992 Amendment 1, the Taxpayer Bill of rights (TABOR) was approved by Colorado taxpayers. As part of the requirements of this amendment, the City has calculated its December 31, 2018 emergency reserve to be \$1,515,000.

***REQUIRED SUPPLEMENTARY
INFORMATION***

CITY OF STEAMBOAT SPRINGS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES				
Taxes and assessments	\$ 26,569,945	\$ 26,569,945	\$ 27,847,299	\$ 1,277,354
Licenses and permits	78,085	78,085	102,053	23,968
Intergovernmental	2,609,857	2,697,418	2,592,772	(104,646)
Charges for services	3,040,936	3,040,936	3,226,539	185,603
Fines and forfeits	176,600	176,600	220,736	44,136
Other Income				
Investment Income	151,513	151,513	356,387	204,874
Contributions	203,500	243,500	218,670	(24,830)
Voluntary assessment	355,000	355,000	375,400	20,400
Loan repayment	7,200	7,200	7,800	600
Miscellaneous	833,904	850,904	903,809	52,905
Total revenues	34,026,540	34,171,101	35,851,465	1,680,364
EXPENDITURES				
Current				
General government	8,680,092	8,988,590	8,158,540	830,050
Transportation Services	3,632,056	3,636,578	3,592,486	44,092
Public Works	4,083,647	4,147,566	3,846,548	301,018
Public Safety Services	8,142,056	8,247,554	8,109,688	137,866
Legal and municipal court	562,099	562,099	547,221	14,878
Parks and community services	5,367,397	5,428,945	5,364,669	64,276
Planning Services	881,009	978,349	960,133	18,216
Debt service				
Debt Service Fees	-	-	4,500	(4,500)
Debt Issuance Costs	-	-	149,898	(149,898)
Principal	903,806	903,806	848,807	54,999
Interest and fiscal charges	599,468	599,468	446,282	153,186
Capital outlay				
Machinery and equipment	100,730	140,578	137,602	2,976
Total expenditures	32,952,360	33,633,533	32,166,374	1,467,159
Excess (deficiency) of revenues over (under) expenditures	1,074,180	537,568	3,685,091	3,147,523
OTHER FINANCING SOURCES (USES)				
Proceeds from sales of assets	-	-	4,000	4,000
Insurance proceeds	20,000	20,000	11,393	(8,607)
Transfers from other funds	112,320	122,320	122,320	-
Transfers to other funds	(5,205,045)	(5,205,045)	(5,205,045)	-
Total other financing sources and uses	(5,072,725)	(5,062,725)	(5,067,332)	(4,607)
Net change in fund balances	(3,998,545)	(4,525,157)	(1,382,241)	3,142,916
Fund balances - Beginning of year	16,597,022	16,597,022	16,597,022	-
Fund balances - End of year	\$ 12,598,477	\$ 12,071,865	\$ 15,214,781	\$ 3,142,916

CITY OF STEAMBOAT SPRINGS
STEAMBOAT SPRINGS REDEVELOPMENT AUTHORITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES				
Taxes and assessments	\$ 2,399,320	\$ 2,399,320	\$ 2,829,176	\$ 429,856
Investment income	<u>22,000</u>	<u>22,000</u>	<u>65,431</u>	<u>43,431</u>
Total revenues	<u>2,421,320</u>	<u>2,421,320</u>	<u>2,894,607</u>	<u>473,287</u>
EXPENDITURES				
Current				
Personnel services	20,000	20,000	37,579	(17,579)
Materials and services	<u>207,980</u>	<u>230,080</u>	<u>230,343</u>	<u>(263)</u>
	<u>227,980</u>	<u>250,080</u>	<u>267,922</u>	<u>(17,842)</u>
Capital outlay				
Road & Bridge	2,284,000	2,407,440	1,976,529	430,911
Construction	<u>50,000</u>	<u>23,460</u>	<u>14,168</u>	<u>9,292</u>
	<u>2,334,000</u>	<u>2,430,900</u>	<u>1,990,697</u>	<u>440,203</u>
Debt service				
Administrative Fees	2,000	2,000	2,000	-
Bond Principal	985,000	985,000	985,000	-
Bond Interest	<u>567,643</u>	<u>567,643</u>	<u>567,643</u>	<u>-</u>
	<u>1,554,643</u>	<u>1,554,643</u>	<u>1,554,643</u>	<u>-</u>
Total expenditures	<u>4,116,623</u>	<u>4,235,623</u>	<u>3,813,262</u>	<u>422,361</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,695,303)</u>	<u>(1,814,303)</u>	<u>(918,655)</u>	<u>895,648</u>
Net change in fund balances	(1,695,303)	(1,814,303)	(918,655)	895,648
Fund balances - Beginning of year	<u>4,271,736</u>	<u>4,271,736</u>	<u>4,271,736</u>	<u>-</u>
Fund balances - End of year	<u>\$ 2,576,433</u>	<u>\$ 2,457,433</u>	<u>\$ 3,353,081</u>	<u>\$ 895,648</u>

**CITY OF STEAMBOAT SPRINGS
COMMUNITY HOUSING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Loan Repayment	\$ 30,777	\$ 30,777	\$ 30,777	\$ -
Intergovernmental	-	-	46,499	46,499
Investment income	5,204	5,204	12,497	7,293
Total revenues	<u>35,981</u>	<u>35,981</u>	<u>89,773</u>	<u>53,792</u>
EXPENDITURES				
Community Support	65,000	65,000	65,000	-
Materials and Supplies	<u>1,500</u>	<u>1,500</u>	<u>1,500</u>	-
Total expenditures	<u>66,500</u>	<u>66,500</u>	<u>66,500</u>	-
Net change in fund balances	(30,519)	(30,519)	23,273	53,792
Fund balances - Beginning of year	<u>641,579</u>	<u>641,579</u>	<u>641,579</u>	-
Fund balances - End of year	<u>\$ 611,060</u>	<u>\$ 611,060</u>	<u>\$ 664,852</u>	<u>\$ 53,792</u>

CITY OF STEAMBOAT SPRINGS
STEAMBOAT SPRINGS VOLUNTEER FIRE DEPARTMENT PENSION FUND
SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIOS MULTIYEAR
LAST 10 FISCAL YEARS*

MEASUREMENT PERIOD ENDING DECEMBER 31,	2017	2016	2015	2014
TOTAL PENSION LIABILITY				
Service Cost	\$ 1,708	\$ 1,744	\$ 1,744	\$ 1,696
Interest on the Total Pension Liability	111,408	106,963	108,954	110,422
Benefit changes	-	-	-	-
Difference between expected and actual experience	-	41,126	-	3,844
Assumption changes	-	44,441	-	-
Benefit Payments	(132,015)	(137,865)	(136,626)	(134,550)
Net Change in Total Pension Liability	(18,899)	56,409	(25,928)	(18,588)
Total Pension Liability - beginning	1,549,419	1,493,010	1,518,938	1,537,526
Total Pension Liability - ending (a)	<u>\$ 1,530,520</u>	<u>\$ 1,549,419</u>	<u>\$1,493,010</u>	<u>\$1,518,938</u>
PLAN FIDUCIARY NET POSITION				
Employer Contributions	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000
Pension Plan Net Investment Income	178,088	65,430	24,648	88,005
Benefit Payments	(132,015)	(137,865)	(136,626)	(134,550)
Pension Plan Administrative expenses	(6,276)	(2,243)	(3,017)	(2,409)
State of Colorado supplemental discretionary payment	21,600	21,600	21,600	21,600
Net change in Plan Fiduciary Net Position	90,397	(24,078)	(64,395)	1,646
Plan Fiduciary Net Position - beginning	1,267,084	1,291,162	1,355,557	1,353,911
Plan Fiduciary Net Position - ending (b)	<u>\$ 1,357,481</u>	<u>\$ 1,267,084</u>	<u>\$ 1,291,162</u>	<u>\$ 1,355,557</u>
Net Pension Liability - ending (a) - (b)	<u>\$ 173,039</u>	<u>\$ 282,335</u>	<u>\$ 201,848</u>	<u>\$ 163,381</u>
 Plan Fiduciary Net Position as a Percentage				
of Total Pension Liability	88.69%	81.78%	86.48%	89.24%
Covered Payroll	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of				
Covered Payroll	N/A	N/A	N/A	N/A

*GASB Statement No. 68 requires ten years of information to be presented. However, until a full 10 year trend is compiled, the City will present information for those years for which information is available.

CITY OF STEAMBOAT SPRINGS
STEAMBOAT SPRINGS VOLUNTEER FIRE DEPARTMENT PENSION FUND
SCHEDULE OF CONTRIBUTIONS MULTIYEAR
LAST 10 FISCAL YEARS*

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Actuarially Determined Employer Contribution	\$ 23,084	\$ 16,017	\$ 16,017	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000	\$ 24,000
Actual Employer Contribution	29,000	29,000	29,000	29,000	29,000	200,000	212,000	29,000	29,000	29,000
Contribution Deficiency (Excess)	<u>\$ (5,916)</u>	<u>\$ (12,983)</u>	<u>\$ (12,983)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$(171,000)</u>	<u>\$(183,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,000)</u>
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

The accompanying Required Supplemental Information notes include significant methods and assumptions.

CITY OF STEAMBOAT SPRINGS
STEAMBOAT SPRINGS PAID FIRE DEPARTMENT PENSION FUND
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET)
LAST 10 FISCAL YEARS*

Measurement Period Ending December 31,	2017	2016	2015	2014
Employer's proportion of the Net Pension Liability(Asset)	0.2947%	0.3247%	0.3230%	0.3248%
Employer's proportionate share of the Net Pension Liability/(Asset)	\$ (424,022)	\$ 117,330	\$ (5,694)	\$ (366,553)
Employer's covered payroll	\$ 1,723,984	\$ 1,661,813	\$ 1,565,875	\$ 1,460,600
Employer's proportion of the Net Pension Liability(Asset)	-24.6%	7.1%	-0.4%	-25.1%
Plan Fiduciary Net Position as a Percentage of Total Pension Liability(Asset)	106.3%	98.2%	100.1%	106.8%

*GASB Statement No. 68 requires ten years of information to be presented. However, until a full 10 year trend is compiled, the City will present information for those years for which information is available.

Data reported is measured as of December 31, 2017 (measurement date)

**CITY OF STEAMBOAT SPRINGS
STEAMBOAT SPRINGS PAID FIRE DEPARTMENT PENSION FUND
SCHEDULE OF CONTRIBUTIONS MULTIYEAR
LAST 10 FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Statutorily Required Contribution	\$ 148,159	\$ 137,919	\$ 132,945	\$ 125,270	\$ 116,848	\$ 114,597	\$ 92,710	\$ 92,707	\$ 87,118	\$ 88,875
Contributions in relation to the Statutorily Required Contribution	148,159	137,919	132,945	125,270	116,848	114,597	92,710	92,707	87,118	88,875
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's Covered Payroll	\$ 1,851,981	\$1,723,984	\$1,661,813	\$ 1,565,875	\$1,460,600	\$ 1,432,466	\$1,158,872	\$1,158,835	\$ 1,088,975	\$ 1,159,339
Contributions as a percentage of Covered Payroll	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%

CITY OF STEAMBOAT SPRINGS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2018

NOTE I: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BUDGETARY INFORMATION

Prior to January 1, the City's budget is legally adopted through enactment of a budget ordinance. This ordinance appropriates expenditure levels by fund. This then becomes the level of control upon which expenditures may not legally exceed appropriations. The City Council may, if revenues are in excess of estimates, amend the adopted budget through enactment of a supplemental budget appropriation ordinance. Management may transfer funds between line items within a department as long as the total fund appropriation is not exceeded. Transfers between funds would require enactment of a supplemental budget ordinance. Appropriations lapse at year end.

Budgets for the General Fund, Special Revenue Funds and the Capital Projects Fund are adopted on a basis consistent with USGAAP. Budgets for the Enterprise and Internal Service Funds are adopted on a basis consistent with USGAAP except that bond principal payments and capital outlay are budgeted as expenditures and depreciation is not budgeted.

The City does not report encumbrances as a reservation of fund balance. Any outstanding commitment to receive goods or services at year end is authorized by a re-appropriation in the succeeding year's budget ordinance. At December 31, 2018, this amount is not considered material to these financial statements.

NOTE II: OTHER INFORMATION

PENSION CONTRIBUTION INFORMATION

Valuation Date

Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2017 determines the contribution amounts for 2018 and 2019.

Methods and Assumptions Used to Determine Contribution Rates for Fiscal Year ending December 31, 2017:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Remaining Amortization Period	20 years*
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.5%
Salary Increases	N/A

CITY OF STEAMBOAT SPRINGS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2018

NOTE II: OTHER INFORMATION

Investment Rate of Return	7.50%
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality	Pre-Retirement: RP-2014 Mortality Tables with Blue Collar Employees, projected with Scale BB, 55% multiplier for off-duty mortality. Post-retirement: For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB. Disabled: RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% rate for females.
Projected salary increases	N/A
Cost-of-living adjustments	None

*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

The assumptions shown above pertain to the actuarial valuation as of January 1, 2017. Due to the biennial valuation process, the new assumptions will first apply to the January 1, 2017 Volunteer valuations.

Changes in Actuarial assumptions which can be observed in the January 1, 2017 valuation as compared to the assumptions shown are as follows:

Changes in Actuarial Assumptions	The global assumption set for plans administered by FPPA was changed in the 2015 Experience Study and effective as of January 1, 2016. This is the first valuation for this plan with the new assumptions. Significant changes affecting this valuation include: - Reduce inflation from 3.0% to 2.5% - Increase real return from 4.5% to 5.0% - Update pre and post-retirement mortality to a table
----------------------------------	---

CITY OF STEAMBOAT SPRINGS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2018

NOTE II: OTHER INFORMATION

based on RP-2014 generational mortality. Post-retirement mortality includes a blue collar adjustment for healthy retirees.

Changes in Actuarial Methods

Based on the 2015 Experience Study, an explicit charge, equal to the average of the administrative expenses paid in the two prior fiscal years, is included in the calculated annual contribution.

***INDIVIDUAL FUND
FINANCIAL STATEMENTS
AND SCHEDULES***

**CITY OF STEAMBOAT SPRINGS
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes and assessments				
Sales	\$ 24,426,645	\$ 24,426,645	\$ 25,298,091	\$ 871,446
Vehicle use	792,300	792,300	1,091,276	298,976
Franchises	1,147,000	1,147,000	1,223,231	76,231
Sidewalk and special assessments	10,000	10,000	9,334	(666)
Other - Retail Marijuana State Tax	130,000	130,000	165,805	35,805
Other - Cigarette Tax	64,000	64,000	59,562	(4,438)
Total taxes and assessments	26,569,945	26,569,945	27,847,299	1,277,354
Licenses and permits	78,085	78,085	102,053	23,968
Intergovernmental				
County road and bridge	241,300	241,300	147,633	(93,667)
Mineral lease	69,380	69,380	15,818	(53,562)
Mineral severance	150,000	150,000	148,015	(1,985)
Highway users	473,538	473,538	593,973	120,435
Grants	722,374	809,935	712,883	(97,052)
Additional motor vehicle	54,150	54,150	41,902	(12,248)
Fire Protection Services	862,115	862,115	895,625	33,510
Other	37,000	37,000	36,923	(77)
Total Intergovernmental	2,609,857	2,697,418	2,592,772	(104,646)
Charges for services				
Emergency Medical Services	823,068	823,068	773,501	(49,567)
Botanic Park fees	15,000	15,000	10,917	(4,083)
Parks user fees & concessions	67,000	67,000	71,102	4,102
Recreation program fees	529,888	529,888	468,345	(61,543)
Recreation facility user fees	998,100	998,100	1,095,759	97,659
Community center fees	27,000	27,000	26,163	(837)
Police Department fees	43,500	43,500	64,627	21,127
Transit fees	150,500	150,500	167,903	17,403
Planning fees	150,200	150,200	197,822	47,622
Fire plan check fees	37,080	37,080	60,047	22,967
Building permit fees	150,000	150,000	229,654	79,654
Other	49,600	49,600	60,699	11,099
Total Charges for Services	3,040,936	3,040,936	3,226,539	185,603
Fines and forfeits	176,600	176,600	220,736	44,136
Other Income				
Investment Income	151,513	151,513	356,387	204,874
Loan Repayment	7,200	7,200	7,800	600
Contributions	203,500	243,500	218,670	(24,830)
Voluntary assessment	355,000	355,000	375,400	20,400
Miscellaneous	833,904	850,904	903,809	52,905
Total other income	1,551,117	1,608,117	1,862,066	253,949
Total revenues	\$ 34,026,540	\$ 34,171,101	\$ 35,851,465	\$ 1,680,364

CITY OF STEAMBOAT SPRINGS
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
GENERAL GOVERNMENT				
City Council				
Personnel services	\$ 199,265	\$ 199,265	\$ 175,821	\$ 23,444
Operating expenses	71,022	71,022	71,071	(49)
Contingency	7,000	7,000	-	7,000
Total City Council	277,287	277,287	246,892	30,395
Community Support				
Marketing	880,000	880,000	879,893	107
Special events	115,000	115,000	115,000	-
Other	472,120	472,120	472,120	-
Total Community Support	1,467,120	1,467,120	1,467,013	107
Office of the City Manager				
City Manager				
Personnel services	317,971	317,971	323,995	(6,024)
Operating expenses	52,923	93,573	92,466	1,107
Contingency	190,000	92,850	-	92,850
Economic sustainability	120,000	120,000	129,900	(9,900)
Total City Manager	680,894	624,394	546,361	78,033
Deputy City Manager				
Personnel services	3,889	2,889	2,550	339
Operating expenses	41,905	31,457	30,877	580
Total Deputy City Manager	45,794	34,346	33,427	919
Human Resources				
Personnel services	289,889	287,132	235,195	51,937
Operating Expenses	101,800	101,800	85,916	15,884
Total Human Resources	391,689	388,932	321,111	67,821
City Clerk's Office				
Personnel services	320,539	323,296	328,254	(4,958)
Operating expenses	108,530	109,730	69,135	40,595
Total City Clerk's Office	429,069	433,026	397,389	35,637
Intergovernmental Services				
Personnel services	190,549	190,549	187,690	2,859
Operating expenses	64,765	112,682	44,937	67,745
Total Intergovernmental Services	255,314	303,231	232,627	70,604
Communications				
Personnel services	120,532	120,532	118,781	1,751
Operating expenses	12,500	12,500	5,929	6,571
Total Communications	133,032	133,032	124,710	8,322
Total Office of City Manager	1,935,792	1,916,961	1,655,625	261,336

CITY OF STEAMBOAT SPRINGS
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
GENERAL GOVERNMENT - Continued				
Financial Services				
Finance Administration				
Personnel services	\$ 238,754	\$ 238,754	\$ 225,755	\$ 12,999
Operating expenses	5,078	5,078	3,928	1,150
Total Finance Administration	243,832	243,832	229,683	14,149
Accounting				
Personnel services	443,411	443,411	434,300	9,111
Operating expenses	286,950	279,950	193,113	86,837
Total Accounting	730,361	723,361	627,413	95,948
Revenue Collections				
Personnel services	340,142	340,142	346,472	(6,330)
Operating expenses	11,600	11,445	5,733	5,712
Community support	13,000	13,000	12,600	400
Total Revenue Collections	364,742	364,587	364,805	(218)
Total Financial Services	1,338,935	1,331,780	1,221,901	109,879
General Services				
Risk Management				
Personnel services	48,902	48,902	48,890	12
Contractual services	2,500	2,500	150	2,350
Operating expenses	455,600	639,104	358,452	280,652
Total Risk Management	507,002	690,506	407,492	283,014
Procurement/Contracting				
Personnel services	334,086	334,086	276,583	57,503
Contractual services	2,500	2,500	845	1,655
Operating expenses	115,158	115,158	122,551	(7,393)
Total Procurement/Contracting	451,744	451,744	399,979	51,765

CITY OF STEAMBOAT SPRINGS
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
GENERAL GOVERNMENT - Continued				
General Services (Continued)				
Information Services				
Personnel services	\$ 573,940	\$ 573,940	\$ 563,730	\$ 10,210
Operating expenses	825,981	937,936	902,821	35,115
Total Information Services	1,399,921	1,511,876	1,466,551	45,325
GIS Services				
Personnel services	134,524	134,524	132,484	2,040
Operating expenses	9,585	9,585	7,802	1,783
Total GIS Services	144,109	144,109	140,286	3,823
Facilities Maintenance				
Personnel services	358,530	358,530	411,789	(53,259)
Operating expenses	799,652	838,677	741,012	97,665
Total Facilities Maintenance	1,158,182	1,197,207	1,152,801	44,406
Total General Services	3,660,958	3,995,442	3,567,109	428,333
TOTAL GENERAL GOVERNMENT	\$ 8,680,092	\$ 8,988,590	\$ 8,158,540	\$ 830,050

CITY OF STEAMBOAT SPRINGS
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
TRANSPORTATION SERVICES				
Transit Administration				
Personnel services	\$ 295,662	\$ 295,662	\$ 290,409	\$ 5,253
Operating expenses	22,836	22,836	20,867	1,969
Total Transit Administration	<u>318,498</u>	<u>318,498</u>	<u>311,276</u>	<u>7,222</u>
Regional Bus Service				
Personnel services	243,519	243,519	171,742	71,777
Operating expenses	94,194	94,194	71,613	22,581
Total Regional Bus Service	<u>337,713</u>	<u>337,713</u>	<u>243,355</u>	<u>94,358</u>
Local Bus Service				
Personnel services	2,348,626	2,348,626	2,351,054	(2,428)
Operating expenses	627,219	631,741	686,801	(55,060)
Total Local Bus Service	<u>2,975,845</u>	<u>2,980,367</u>	<u>3,037,855</u>	<u>(57,488)</u>
TOTAL TRANSPORTATION SERVICES	<u>\$ 3,632,056</u>	<u>\$ 3,636,578</u>	<u>\$ 3,592,486</u>	<u>\$ 44,092</u>

CITY OF STEAMBOAT SPRINGS
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
PUBLIC WORKS				
Engineering				
Personnel services	\$ 875,227	\$ 875,227	\$ 815,596	\$ 59,631
Operating expenses	79,530	90,213	56,006	34,207
Contractual services	<u>126,000</u>	<u>160,902</u>	<u>75,421</u>	<u>85,481</u>
Total Engineering	<u>1,080,757</u>	<u>1,126,342</u>	<u>947,023</u>	<u>179,319</u>
Streets Admin				
Personnel services	288,637	288,637	268,831	19,806
Operating expenses	<u>970,057</u>	<u>970,057</u>	<u>966,879</u>	<u>3,178</u>
Total Streets	<u>1,258,694</u>	<u>1,258,694</u>	<u>1,235,710</u>	<u>22,984</u>
Snow Removal				
Personnel services	416,965	416,965	335,624	81,341
Operating expenses	<u>183,500</u>	<u>183,500</u>	<u>134,345</u>	<u>49,155</u>
Total Snow Removal	<u>600,465</u>	<u>600,465</u>	<u>469,969</u>	<u>130,496</u>
Pavement Maintenance				
Personnel services	156,010	156,010	198,060	(42,050)
Operating expenses	<u>45,000</u>	<u>45,000</u>	<u>48,667</u>	<u>(3,667)</u>
Total Pavement Maintenance	<u>201,010</u>	<u>201,010</u>	<u>246,727</u>	<u>(45,717)</u>
Traffic Control				
Personnel services	112,325	112,325	171,972	(59,647)
Operating expenses	<u>73,000</u>	<u>73,000</u>	<u>68,673</u>	<u>4,327</u>
Total Traffic Control	<u>185,325</u>	<u>185,325</u>	<u>240,645</u>	<u>(55,320)</u>
Storm Water Management				
Personnel services	114,498	114,498	113,498	1,000
Operating expenses	<u>93,000</u>	<u>93,000</u>	<u>57,760</u>	<u>35,240</u>
Total Storm Water Management	<u>207,498</u>	<u>207,498</u>	<u>171,258</u>	<u>36,240</u>
General Street Services				
Personnel services	300,308	300,308	256,889	43,419
Operating expenses	<u>249,590</u>	<u>267,924</u>	<u>278,327</u>	<u>(10,403)</u>
Total General Street Services	<u>549,898</u>	<u>568,232</u>	<u>535,216</u>	<u>33,016</u>
TOTAL PUBLIC WORKS	<u>\$ 4,083,647</u>	<u>\$ 4,147,566</u>	<u>\$ 3,846,548</u>	<u>\$ 301,018</u>

CITY OF STEAMBOAT SPRINGS
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
PUBLIC SAFETY				
Police Services				
Administration				
Personnel services	\$ 645,293	\$ 645,293	\$ 629,123	\$ 16,170
Operating expenses	90,147	143,440	143,533	(93)
Community support	20,350	20,350	20,350	-
Total Administration	755,790	809,083	793,006	16,077
Records Management				
Personnel services	353,607	353,607	308,454	45,153
Operating expenses	8,775	8,775	6,910	1,865
Total Records Management	362,382	362,382	315,364	47,018
Patrol Services				
Personnel services	2,009,611	1,976,306	1,968,152	8,154
Operating expenses	294,102	335,350	322,483	12,867
Total Patrol Services	2,303,713	2,311,656	2,290,635	21,021
Investigations				
Personnel services	459,999	459,999	351,223	108,776
Operating expenses	46,705	55,405	48,904	6,501
Community support	3,000	3,000	3,000	-
Total Investigations	509,704	518,404	403,127	115,277
Animal Control				
Personnel services	140,515	140,515	142,064	(1,549)
Contractual services	82,743	82,743	82,824	(81)
Operating expenses	19,188	19,188	19,038	150
Total Animal Control	242,446	242,446	243,926	(1,480)
Code Enforcement				
Personnel services	295,415	296,415	280,573	15,842
Operating expenses	19,458	19,458	17,734	1,724
Total Code Enforcement	314,873	315,873	298,307	17,566
Municipal Surcharge				
Operating expenses	10,000	10,000	7,734	2,266
Total Code Enforcement	10,000	10,000	7,734	2,266
Total Police Services	4,498,908	4,569,844	4,352,099	217,745

**CITY OF STEAMBOAT SPRINGS
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
PUBLIC SAFETY - Continued				
Fire Services				
Administration				
Personnel services	\$ 275,916	\$ 275,916	\$ 279,198	\$ (3,282)
Operating expenses	14,300	13,330	9,274	4,056
Total Administration	<u>290,216</u>	<u>289,246</u>	<u>288,472</u>	<u>774</u>
Fire Prevention				
Personnel services	111,013	111,013	112,253	(1,240)
Operating expenses	15,378	15,378	10,104	5,274
Total Fire Prevention	<u>126,391</u>	<u>126,391</u>	<u>122,357</u>	<u>4,034</u>
Fire Suppression/EMS				
Personnel services	2,770,958	2,795,958	2,917,824	(121,866)
Operating expenses	<u>455,583</u>	<u>466,115</u>	<u>428,936</u>	<u>37,179</u>
Total Fire Suppression/ Emergency Medical Services	<u>3,226,541</u>	<u>3,262,073</u>	<u>3,346,760</u>	<u>(84,687)</u>
Total Fire Services	<u>3,643,148</u>	<u>3,677,710</u>	<u>3,757,589</u>	<u>(79,879)</u>
TOTAL PUBLIC SAFETY	<u>\$ 8,142,056</u>	<u>\$ 8,247,554</u>	<u>\$ 8,109,688</u>	<u>\$ 137,866</u>
LEGAL AND MUNICIPAL COURT				
Legal				
Personnel services	\$ 381,784	\$ 381,784	\$ 380,647	\$ 1,137
Operating expenses	24,600	69,600	60,864	8,736
Total Legal	<u>406,384</u>	<u>451,384</u>	<u>441,511</u>	<u>9,873</u>
Municipal Court				
Personnel services	107,255	107,255	104,660	2,595
Operating expenses	48,460	3,460	1,050	2,410
Total Municipal Court	<u>155,715</u>	<u>110,715</u>	<u>105,710</u>	<u>5,005</u>
TOTAL LEGAL AND MUNICIPAL COURT	<u>\$ 562,099</u>	<u>\$ 562,099</u>	<u>\$ 547,221</u>	<u>\$ 14,878</u>

CITY OF STEAMBOAT SPRINGS
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
PARKS AND COMMUNITY SERVICES				
Administration, Marketing & Events				
Personnel services	\$ 667,953	\$ 667,953	\$ 679,646	\$ (11,693)
Operating expenses	<u>107,910</u>	<u>113,910</u>	<u>96,248</u>	<u>17,662</u>
Total Administration	<u>775,863</u>	<u>781,863</u>	<u>775,894</u>	<u>5,969</u>
Recreation Programs				
Personnel services	515,287	515,287	498,081	17,206
Operating expenses	<u>213,456</u>	<u>214,656</u>	<u>199,602</u>	<u>15,054</u>
Total Recreation Programs	<u>728,743</u>	<u>729,943</u>	<u>697,683</u>	<u>32,260</u>
Parks				
Personnel services	759,297	759,297	728,446	30,851
Operating expenses	<u>600,260</u>	<u>577,860</u>	<u>580,597</u>	<u>(2,737)</u>
Total Parks	<u>1,359,557</u>	<u>1,337,157</u>	<u>1,309,043</u>	<u>28,114</u>
Botanic Park				
Personnel services	128,079	128,079	145,764	(17,685)
Operating expenses	<u>52,602</u>	<u>67,602</u>	<u>55,048</u>	<u>12,554</u>
Total Botanic Park	<u>180,681</u>	<u>195,681</u>	<u>200,812</u>	<u>(5,131)</u>
Trails				
Personnel services	151,834	151,834	158,887	(7,053)
Operating expenses	<u>91,303</u>	<u>94,403</u>	<u>101,372</u>	<u>(6,969)</u>
Total Trails	<u>243,137</u>	<u>246,237</u>	<u>260,259</u>	<u>(14,022)</u>
Open Space				
Personnel services	52,021	52,021	55,007	(2,986)
Operating expenses	<u>38,714</u>	<u>43,714</u>	<u>39,245</u>	<u>4,469</u>
Total Open Space	<u>90,735</u>	<u>95,735</u>	<u>94,252</u>	<u>1,483</u>

**CITY OF STEAMBOAT SPRINGS
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
PARKS AND COMMUNITY SERVICES - Continued				
Ski area				
Personnel services	\$ 479,497	\$ 479,497	\$ 520,838	\$ (41,341)
Contractual services	250,026	287,041	264,987	22,054
Operating expenses	47,000	47,000	49,071	(2,071)
Repairs and maintenance	149,468	151,452	110,217	41,235
Telephone and utilities	50,666	50,666	59,555	(8,889)
Total Ski Area	<u>976,657</u>	<u>1,015,656</u>	<u>1,004,668</u>	<u>10,988</u>
Rodeo				
Personnel services	100,331	100,331	95,847	4,484
Contractual services	59,633	59,633	63,374	(3,741)
Operating expenses	8,660	8,660	4,871	3,789
Repairs and maintenance	15,700	15,700	13,039	2,661
Telephone and utilities	<u>11,330</u>	<u>11,330</u>	<u>12,156</u>	<u>(826)</u>
Total Rodeo	<u>195,654</u>	<u>195,654</u>	<u>189,287</u>	<u>6,367</u>
Ice Arena				
Personnel services	293,353	293,353	290,523	2,830
Contractual services	29,229	29,229	27,410	1,819
Operating expenses	90,500	94,500	100,231	(5,731)
Repairs and maintenance	127,195	136,945	144,926	(7,981)
Telephone and utilities	<u>128,704</u>	<u>114,954</u>	<u>107,190</u>	<u>7,764</u>
Total Ice Arena	<u>668,981</u>	<u>668,981</u>	<u>670,280</u>	<u>(1,299)</u>
Tennis Center				
Personnel services	35,198	35,198	31,552	3,646
Contractual services	15,050	15,050	15,050	-
Repairs and maintenance	<u>97,141</u>	<u>111,790</u>	<u>115,889</u>	<u>(4,099)</u>
Total Tennis Center	<u>147,389</u>	<u>162,038</u>	<u>162,491</u>	<u>(453)</u>
TOTAL PARKS AND COMMUNITY SERVICES	\$ 5,367,397	\$ 5,428,945	\$ 5,364,669	\$ 64,276

**CITY OF STEAMBOAT SPRINGS
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
PLANNING SERVICES				
Planning Administration				
Personnel services	\$ 243,191	\$ 243,191	\$ 259,095	\$ (15,904)
Operating expenses	32,281	32,281	26,720	5,561
Total Administration	<u>275,472</u>	<u>275,472</u>	<u>285,815</u>	<u>(10,343)</u>
Development Review/Current & Future Planning				
Personnel services	463,240	463,240	439,278	23,962
Operating expenses	36,500	106,496	114,292	(7,796)
Total Development Review/ Current & Future Planning	<u>499,740</u>	<u>569,736</u>	<u>553,570</u>	<u>16,166</u>
Code Enforcement				
Personnel services	69,297	69,297	62,848	6,449
Operating expenses	3,045	3,045	52	2,993
Total Code Enforcement	<u>72,342</u>	<u>72,342</u>	<u>62,900</u>	<u>9,442</u>
Historic Preservation				
Operating expenses	33,455	60,799	57,848	2,951
Total Historic Preservation	<u>33,455</u>	<u>60,799</u>	<u>57,848</u>	<u>2,951</u>
TOTAL PLANNING SERVICES	<u>\$ 881,009</u>	<u>\$ 978,349</u>	<u>\$ 960,133</u>	<u>\$ 18,216</u>

CITY OF STEAMBOAT SPRINGS
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES				
Taxes and assessments	\$ 3,258,142	\$ 3,456,149	\$ 3,273,421	\$ (182,728)
Intergovernmental	2,226,306	13,662,448	5,036,177	(8,626,271)
Investment Income	147,465	147,465	442,714	295,249
Contributions	52,000	202,628	487,087	284,459
Total revenues	5,683,913	17,468,690	9,239,399	(8,229,291)
EXPENDITURES				
Capital Projects:				
Howelsen Hill Electrical Improvements	-	15,490	4,760	10,730
Paving Program	1,545,000	1,645,000	1,634,023	10,977
Combined Law Enforcement Facility (CLEF)	-	15,038,358	8,078,838	6,959,520
CLEF DOLA Grant	-	4,735,000	3,403,607	1,331,393
CLEF - Routt County Communication Center	-	785,995	-	785,995
Electric Undergrounding	-	-	2,400	(2,400)
Document Management System	-	16,000	14,163	1,837
Pedestrian, Bicycle & Transit Facilities	195,000	343,223	157,852	185,371
City Parking Lot Pavement Maint.	75,000	75,000	75,000	-
Stormwater System Improvements	480,000	594,935	423,912	171,023
Central Park Drive Reconstruction	-	11,524	10,000	1,524
Yampa River Restoration	-	284,503	7,136	277,367
Facility Fiber Connectivity	50,000	64,969	22,059	42,910
Emerald Park Access	600,000	1,483,428	1,391,349	92,079
Fish Creek Trail	456,000	753,472	150,067	603,405
US 40/Elk River Road Intersection	-	20,068	17,986	2,082
Ball Field Improvements	90,000	277,341	90,448	186,893
Park Playground Equipment	-	149,355	-	149,355
Downtown Investment Projects	1,928,250	4,088,862	400,116	3,688,746
Howelsen Ice Arena 2nd Sheet Of Ice	-	3,110	6,027	(2,917)
PW Wash Out Containment - Grit Dump	980,000	1,036,289	75,887	960,402
Digital Truck Radio System Replacement	-	428,251	117,001	311,250
Howelsen Hill Stabilization	-	10,829	-	10,829
US 40 West Pedestrian Connection Tap Grant	-	51,935	836	51,099
Spring Creek Dam Restoration	325,000	325,000	33,548	291,452
Stream Management Plan	-	60,929	60,901	28
Howelsen Hill Lift Improvements	25,000	110,000	-	110,000
Fire Dept Apparatus SCBA	-	230,100	230,100	-
Fire Department Training Site	30,000	505,730	-	505,730
Master Transportation Plan	-	150,000	-	150,000
Transit Maintenance Overhead Crane	100,000	128,117	128,116	1
Transit Parking Lot 2017 Maintenance	-	157,000	-	157,000
Asset Management Review	-	54,056	37,967	16,089
Seatbelt Installation Regional Buses	-	5,219	5,220	(1)

CITY OF STEAMBOAT SPRINGS
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Parks and Recreation master plan	\$ -	\$ 145,228	\$ 143,137	\$ 2,091
Para Transit Van	-	121,883	86,576	35,307
Rodeo Grounds Parking Improvements	-	46,219	14,296	31,923
Indian Trails/US40 Intersection Improvements	-	-	12,896	(12,896)
Howelsen Hill Snowmaking and Summer Jump Lines	760,000	760,000	655,467	104,533
Police Technology Replacement (mdt)	180,000	175,600	141,649	33,951
Public Safety Records Mgmnt Spillman Upgrade	70,000	74,400	74,395	5
Lincoln Ave Adaptive Signal Control Technology	500,000	500,000	-	500,000
Phase 2 Sidewalk Improvements Hwy 40	-	1,429,500	26,856	1,402,644
Howelsen Hill Chair Lift 2018	280,000	280,000	133,167	146,833
Fire Department Truck 2018	1,300,000	1,231,600	1,220,048	11,552
US 40 Sidewalk at Old Fish Creek Falls Road	200,000	200,000	167,055	32,945
Ambulance Patient Stretchers	180,000	180,000	172,500	7,500
Soda Creek Bridge 11th Street	100,000	100,000	3,250	96,750
Soda Creek Bridge Oak Street	100,000	100,000	3,250	96,750
Fire Station	100,000	100,000	26,794	73,206
Chinook Walton Creek Transit Stop	-	120,000	-	120,000
Wildhorse Boardwalk	-	166,113	-	166,113
Clubhouse Drive Trail (west side)	-	6,490	-	6,490
Soda Creek Outfall Stormwater Quality Grant	-	94,500	-	94,500
Wheel Lifts Transit Faster Grant	-	100,000	80,612	19,388
Butcherknife Stormwater Treatment Device	-	100,000	-	100,000
Discontinued Projects	-	-	(990)	990
Total expenditures	10,649,250	39,670,621	19,540,277	20,130,344
Excess (deficiency) of revenues over (under) expenditures	(4,965,337)	(22,201,931)	(10,300,878)	11,901,053
OTHER FINANCING SOURCES (USES)				
Proceeds from the sale of assets	-	9,000	-	(9,000)
COP Issuance proceeds	-	6,000,000	5,920,000	(80,000)
COP Issuance premium	-	-	314,418	314,418
Operating transfers to other funds	(16,666)	(24,166)	(24,166)	-
Operating transfers from other funds	5,205,045	5,205,045	5,205,045	-
Total other financing sources and uses	5,188,379	11,189,879	11,415,297	225,418
Net change in fund balances	223,042	(11,012,052)	1,114,419	12,126,471
Fund balances - Beginning of year	17,239,159	17,239,159	17,239,159	-
Fund balances - End of year	\$ 17,462,201	\$ 6,227,107	\$ 18,353,578	\$ 12,126,471

CITY OF STEAMBOAT SPRINGS
ACCOMMODATIONS TAX CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes and assessments	\$ 910,006	\$ 910,006	\$ 1,142,250	\$ 232,244
Investment Income	11,114	11,114	34,698	23,584
Contributions	-	625,000	3,500	(621,500)
Total revenues	921,120	1,546,120	1,180,448	(365,672)
EXPENDITURES				
Capital Projects:				
USFS Trail Planning	74,623	256,280	156,280	100,000
Hwy 40 Lodging To Walton Creek Trail	-	11,444	-	11,444
2A Trails Buff Pass Trails	13,042	404,645	254,645	150,000
Spring Creek Alternate Trail - City Portion	-	24,000	3,752	20,248
2A Fish Creek Trail Connection	-	47,489	3,002	44,487
Old Town Hot Springs	286,000	286,000	286,000	-
Ice Arena Multi-purpose Facility Addition	200,328	1,891,983	747,869	1,144,114
Discontinued Projects	30,000	34,200	34,275	(75)
Total expenditures	603,993	2,956,041	1,485,823	1,470,218
Excess (deficiency) of revenues over (under) expenditures	317,127	(1,409,921)	(305,375)	1,104,546
OTHER FINANCING SOURCES (USES)				
Operating transfers to other funds	(30,000)	(30,000)	(30,000)	-
Total other financing sources and uses	(30,000)	(30,000)	(30,000)	-
Net change in fund balances	287,127	(1,439,921)	(335,375)	1,104,546
Fund balances - Beginning of year	1,797,329	1,797,329	1,797,329	-
Fund balances - End of year	\$ 2,084,456	\$ 357,408	\$ 1,461,954	\$ 1,104,546

CITY OF STEAMBOAT SPRINGS
UTILITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES				
Charges for services	\$ 6,193,422	\$ 6,193,422	\$ 7,279,430	\$ 1,086,008
Intergovernmental	-	-	10,795	10,795
Investment Income	142,249	142,249	354,160	211,911
Other Income	62,385	62,385	109,450	47,065
Total revenues	6,398,056	6,398,056	7,753,835	1,355,779
EXPENDITURES				
Wastewater Treatment				
Personnel services	518,997	518,997	462,859	56,138
Contractual services	275,091	275,091	238,501	36,590
Materials and supplies	56,400	56,400	44,437	11,963
Repairs and maintenance	69,000	36,577	14,572	22,005
Telephone and utilities	245,140	245,140	279,583	(34,443)
Total Wastewater Treatment	1,164,628	1,132,205	1,039,952	92,253
Wastewater Collection				
Personnel services	144,603	144,603	125,894	18,709
Contractual services	92,055	92,055	91,810	245
Materials and supplies	1,500	1,500	1,087	413
Repairs and maintenance	8,700	4,377	4,523	(146)
Telephone and utilities	4,326	4,326	4,317	9
Total Wastewater Collection	251,184	246,861	227,631	19,230
Water Rights Management				
Personnel services	64,450	64,450	57,993	6,457
Contractual services	109,230	109,678	109,120	558
Total Water Rights Management	173,680	174,128	167,113	7,015
Water Distribution				
Personnel services	206,415	206,415	235,817	(29,402)
Materials and supplies	22,595	22,595	22,203	392
Repairs and maintenance	103,320	75,798	81,651	(5,853)
Telephone and utilities	17,522	17,522	18,109	(587)
Total Water Distribution	349,852	322,330	357,780	(35,450)

CITY OF STEAMBOAT SPRINGS
UTILITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
EXPENDITURES - Continued				
Meter Reading/Billing				
Personnel services	\$ 114,259	\$ 114,259	\$ 57,270	\$ 56,989
Contractual services	25,783	25,783	26,523	(740)
Materials and supplies	1,600	1,100	862	238
Repairs and maintenance	42,100	79,107	77,028	2,079
Telephone and utilities	309	309	230	79
Total Meter Reading/Billing	<u>184,051</u>	<u>220,558</u>	<u>161,913</u>	<u>58,645</u>
Administration				
Personnel services	346,891	346,891	383,416	(36,525)
Contractual services	582,950	582,050	554,105	27,945
Materials and supplies	14,598	90,153	28,177	61,976
Repairs and maintenance	305,000	305,000	323,039	(18,039)
Telephone and utilities	5,688	5,688	3,566	2,122
Total Administration	<u>1,255,127</u>	<u>1,329,782</u>	<u>1,292,303</u>	<u>37,479</u>
Debt service				
Principal	1,058,622	1,058,622	1,058,622	-
Interest	545,375	545,375	527,735	17,640
Total Debt Service	<u>1,603,997</u>	<u>1,603,997</u>	<u>1,586,357</u>	<u>17,640</u>
Capital outlay				
Lands and Improvements	5,241,576	12,908,567	3,666,357	9,242,210
Total Capital Outlay	<u>5,241,576</u>	<u>12,908,567</u>	<u>3,666,357</u>	<u>9,242,210</u>
Total expenditures	<u>10,224,095</u>	<u>17,938,428</u>	<u>8,499,406</u>	<u>9,439,022</u>

CITY OF STEAMBOAT SPRINGS
UTILITY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Excess (deficiency) of revenues over (under) expenditures	\$ (3,826,039)	\$ (11,540,372)	\$ (745,571)	\$ 10,794,801
OTHER FINANCING SOURCES (USES)				
Tap fees	996,170	996,170	1,493,913	497,743
Total other financing sources and uses	996,170	996,170	1,493,913	497,743
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (2,829,869)	\$ (10,544,202)	\$ 748,342	\$ 11,292,544
ADD (DEDUCT) RECONCILING ITEMS FOR CHANGE IN NET POSITION				
Depreciation			(1,812,992)	
Amortization			38,307	
Principal payments			1,058,622	
Capital expenditures			3,404,083	
Change in net position			3,436,362	
Net position - beginning of year			49,677,947	
Net position - end of year			\$ 53,114,309	

CITY OF STEAMBOAT SPRINGS
AIRPORT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Intergovernmental	\$ 316,666	\$ 316,666	\$ 37,996	\$ (278,670)
Charges for services	1,126,740	1,126,740	1,186,784	60,044
Investment Income	2,539	2,539	6,011	3,472
Total revenues	1,445,945	1,445,945	1,230,791	(215,154)
EXPENDITURES				
Airport Operations				
Personnel services	169,734	169,734	161,615	8,119
Contractual services	126,210	451,042	148,242	302,800
Materials and supplies	19,150	15,150	13,525	1,625
Repairs and maintenance	57,706	68,206	68,580	(374)
Telephone and utilities	26,986	26,986	29,980	(2,994)
Total Airport Operations	399,786	731,118	421,942	309,176
Fixed Base Operations				
Personnel services	231,067	231,067	218,654	12,413
Contractual services	112,820	112,820	110,960	1,860
Materials and supplies	363,450	354,684	355,683	(999)
Repairs and maintenance	6,500	6,500	1,551	4,949
Telephone and utilities	10,355	10,355	9,221	1,134
Total Fixed Base Operations	724,192	715,426	696,069	19,357
Debt service				
Principal	15,182	15,182	15,182	-
Interest	447	447	447	-
Total Debt Service	15,629	15,629	15,629	-
Capital outlay				
Machinery and equipment	30,000	38,266	38,266	-
Total Capital Outlay	363,332	38,266	38,266	-
Total expenditures	1,502,939	1,500,439	1,171,906	328,533
Excess (deficiency) of revenues over (under) expenditures	(56,994)	(54,494)	58,885	113,379

CITY OF STEAMBOAT SPRINGS
AIRPORT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
OTHER FINANCING SOURCES (USES)				
Transfers in	\$ 16,666	\$ 16,666	\$ 16,666	\$ -
Transfers out	<u>(112,320)</u>	<u>(114,820)</u>	<u>(114,820)</u>	<u>-</u>
Total other financing sources and uses	<u>(95,654)</u>	<u>(98,154)</u>	<u>(98,154)</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	<u>\$ (152,648)</u>	<u>\$ (152,648)</u>	<u>\$ (39,269)</u>	<u>\$ 113,379</u>
ADD (DEDUCT) RECONCILING ITEMS FOR CHANGE IN NET POSITION				
Depreciation			(358,590)	
Principal payments			15,182	
Capital expenditures			<u>38,265</u>	
Change in net position			(344,412)	
Net position - beginning of year			<u>8,842,491</u>	
Net position - end of year			<u>\$ 8,498,079</u>	

CITY OF STEAMBOAT SPRINGS
GOLF FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
REVENUES				
Charges for services	\$ 1,251,500	\$ 1,418,500	\$ 1,408,784	\$ (9,716)
Investment Income	16,134	16,134	19,808	3,674
Contributions	1,625	1,625	1,625	-
Other Income	-	-	2,280	2,280
Total revenues	1,269,259	1,436,259	1,432,497	(3,762)
EXPENDITURES				
Course Operations				
Personnel services	-	210,000	222,212	(12,212)
Contractual services	311,989	101,989	106,719	(4,730)
Materials and supplies	20,000	135,400	151,888	(16,488)
Repairs and maintenance	25,060	25,060	39,379	(14,319)
Telephone and utilities	64,140	64,140	73,193	(9,053)
Total Course Operations	421,189	536,589	593,391	(56,802)
Course Marketing				
Contractual services	25,000	25,000	17,482	7,518
Total Course Marketing	25,000	25,000	17,482	7,518
Course Maintenance				
Personnel services	416,313	416,313	370,408	45,905
Contractual services	103,788	103,788	101,117	2,671
Materials and supplies	69,726	69,726	64,049	5,677
Repairs and maintenance	31,200	31,200	36,226	(5,026)
Telephone and utilities	22,770	22,770	21,889	881
Total Course Maintenance	643,797	643,797	593,689	50,108
Equipment Maintenance				
Personnel services	131,846	131,846	166,674	(34,828)
Contractual services	2,000	2,000	42	1,958
Materials and supplies	8,400	8,400	7,898	502
Repairs and maintenance	19,000	19,000	20,162	(1,162)
Total Equipment Maintenance	161,246	161,246	194,776	(33,530)
Debt service				
Other outside services	-	-	500	(500)
Principal	62,222	85,665	77,643	8,022
Interest	9,765	14,164	12,002	2,162
Total Debt Service	71,987	99,829	90,145	9,684

CITY OF STEAMBOAT SPRINGS
GOLF FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Total expenditures	\$ 1,323,219	\$ 1,466,461	\$ 1,489,483	\$ (23,022)
Excess (deficiency) of revenues over (under) expenditures	\$ (53,960)	\$ (30,202)	\$ (56,986)	\$ (26,784)
OTHER FINANCING SOURCES (USES)				
Transfer in	30,000	30,000	30,000	-
Sales of assets	-	-	50	50
Total other financing sources and uses	30,000	30,000	30,050	50
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	\$ (23,960)	\$ (202)	\$ (26,936)	\$ (26,734)
ADD (DEDUCT) RECONCILING ITEMS FOR CHANGE IN NET POSITION				
Depreciation			(288,405)	
Principal payments			77,643	
Change in net position			(237,698)	
Net position - beginning of year			9,577,327	
Net position - end of year			\$ 9,339,629	

**CITY OF STEAMBOAT SPRINGS
FLEET SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Budgeted amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for services	\$ 1,876,626	\$ 1,876,626	\$ 1,888,356	\$ 11,730
Investment income	<u>49,198</u>	<u>49,198</u>	<u>90,395</u>	<u>41,197</u>
Total revenues	<u>1,925,824</u>	<u>1,925,824</u>	<u>1,978,751</u>	<u>52,927</u>
EXPENDITURES				
Current				
Personnel services	348,141	348,141	336,024	12,117
Contractual services	12,500	31,362	4,411	26,951
Materials and supplies	466,538	466,538	377,686	88,852
Repairs and maintenance	57,000	76,808	72,748	4,060
Telephone and utilities	32,900	32,900	30,069	2,831
Capital outlay				
Machinery and equipment	<u>886,145</u>	<u>1,066,878</u>	<u>537,952</u>	<u>528,926</u>
Total expenditures	<u>1,803,224</u>	<u>2,022,627</u>	<u>1,358,890</u>	<u>663,737</u>
Excess (deficiency) of revenues over (under) expenditures	<u>122,600</u>	<u>(96,803)</u>	<u>619,861</u>	<u>716,664</u>
OTHER FINANCING SOURCES (USES)				
Sales of assets	<u>86,748</u>	<u>86,748</u>	<u>13,639</u>	<u>(73,109)</u>
Total other financing sources and uses	<u>86,748</u>	<u>86,748</u>	<u>13,639</u>	<u>(73,109)</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing sources (uses)	<u>\$ 209,348</u>	<u>\$ (10,055)</u>	<u>\$ 633,500</u>	<u>\$ 643,555</u>
ADD (DEDUCT) RECONCILING ITEMS FOR CHANGE IN NET POSITION				
Depreciation			(442,024)	
Capital expenditures			<u>530,912</u>	
Change in net position			722,388	
Net position - beginning of year			<u>6,180,062</u>	
Net position - end of year			<u>\$ 6,902,450</u>	

CITY OF STEAMBOAT SPRINGS
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Balance January 1, 2018	Additions	Deductions	Balance December 31, 2018
SCHOOL SALES TAX FUND				
Assets				
Cash and deposits	\$ -	\$ 3,613,344	\$ 3,613,344	\$ -
Liabilities				
Accounts payable	\$ -	\$ 3,613,344	\$ 3,613,344	\$ -

**CITY OF STEAMBOAT SPRINGS
SCHEDULE OF CAPITAL ASSETS
USED IN THE OPERATION OF GOVERNMENTAL FUNDS - BY SOURCE
DECEMBER 31, 2018**

	<u>2018</u>
Governmental funds capital assets:	
Intangible Assets	\$ 869,918
Land and improvements	41,603,373
Parks and fields	14,581,613
Roads and bridges	31,987,244
Trails	7,468,774
Buildings and improvements	38,812,539
Machinery and equipment	18,406,005
Construction in progress	<u>18,500,034</u>
 Total governmental funds capital assets	 <u>\$ 172,229,500</u>
 Investments in governmental funds capital assets by source:	
General Fund	\$ 47,586,503
Capital Projects Fund	101,315,829
Accommodations Tax Capital Fund	1,501,285
Steamboat Springs Redevelopment Authority Fund	<u>21,825,883</u>
	 <u>\$ 172,229,500</u>

Note: Excludes Internal Service Fund

**STEAMBOAT SPRINGS LOCAL MARKETING DISTRICT
BALANCE SHEET
DECEMBER 31, 2018**

ASSETS

Cash equivalents	\$ 515,657
Pooled cash & investments	3,358,622
Sales taxes receivable	<u>306,620</u>
 Total assets	 <u>\$ 4,180,899</u>

LIABILITIES AND FUND BALANCES

Liabilities

Accounts payable	<u>\$ 3,066</u>
 Total liabilities	 <u>3,066</u>

Fund Balances

Restricted	<u>4,177,833</u>
 Total fund balances	 <u>4,177,833</u>
 Total liabilities and fund balances	 <u>\$ 4,180,899</u>

STEAMBOAT SPRINGS LOCAL MARKETING DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2018

REVENUES

Taxes and assessments	\$ 1,794,981
Investment income	<u>114,875</u>
 Total revenues	 <u>1,909,856</u>

EXPENDITURES

Current	
Air service payments	3,210,746
Operating expenses	<u>487,257</u>
 Total expenditures	 <u>3,698,003</u>
 Net change in fund balances	 (1,788,147)
 Fund balances - Beginning of year	 <u>5,965,980</u>
 Fund balances - End of year	 <u>\$ 4,177,833</u>

STEAMBOAT SPRINGS LOCAL MARKETING DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2018

	Budgeted amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes and assessments	\$ 1,500,000	\$ 1,500,000	\$ 1,794,981	\$ 294,981
Investment income	20,000	20,000	114,875	94,875
Total revenues	1,520,000	1,520,000	1,909,856	389,856
EXPENDITURES				
Current				
Air service payments	3,990,656	3,990,656	3,210,746	779,910
Operating expenses	497,500	497,500	487,257	10,243
Total expenditures	4,488,156	4,488,156	3,698,003	790,153
Net change in fund balances	(2,968,156)	(2,968,156)	(1,788,147)	1,180,009
Fund balances - Beginning of year	5,965,980	5,965,980	5,965,980	2,012,963
Fund balances - End of year	\$ 2,997,824	\$ 2,997,824	\$ 4,177,833	\$ 3,192,972

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

LOCAL HIGHWAY FINANCE REPORT		City or County:
		City of Steamboat Springs
		YEAR ENDING :
This Information From The Records Of (example - City of _ or County of _)		Prepared By:
City of Steamboat Springs		Elizabeth Neidel
		Phone:
		970-871-8238

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	
3. Other local imposts (from page 2)	6,865,253
4. Miscellaneous local receipts (from page 2)	9,334
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)	6,874,587
B. Private Contributions	
C. Receipts from State government	
(from page 2)	635,875
D. Receipts from Federal Government	
(from page 2)	0
E. Total receipts (A.7 + B + C + D)	7,510,462

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	3,807,723
2. Maintenance:	487,196
3. Road and street services:	
a. Traffic control operations	240,645
b. Snow and ice removal	469,969
c. Other	339,697
d. Total (a. through c.)	1,050,311
4. General administration & miscellaneous	1,252,271
5. Highway law enforcement and safety	912,961
6. Total (1 through 5)	7,510,462
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)	7,510,462

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
		7,510,462	7,510,462		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: 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		a. Interest on investments	
b. Other local imposts:		b. Road Maintenance Fee	9,334
1. Sales Taxes	5,626,344	c. (Specify)	
2. Vehicle Use Tax	1,091,276	d. (Specify)	
3. Roads & Bridges	147,633	e. (Specify)	
4. (Specify)		f. (Specify)	
5. (Specify)		g. (Specify)	
6. Total (1. through 5.)	6,865,253	h. (Specify)	
c. Total (a. + b.)	6,865,253	i. Total (a. through h.)	9,334
(Carry forward to page 1)		(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	593,973	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. (Specify)	
a. Motor Vehicle	41,902	b. (Specify)	
b. (Specify)		c. (Specify)	
c. (Specify)		d. (Specify)	
d. (Specify)		e. (Specify)	
e. (Specify)		f. (Specify)	
f. Total (a. through e.)	41,902	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	635,875	3. Total (1. + 2.g)	
(Carry forward to page 1)		(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	39,753	86,722	126,475
c. Construction:			
(1). New Facilities		1,380,310	1,380,310
(2). Capacity Improvements	17,986		17,986
(3). System Preservation		2,115,061	2,115,061
(4). System Enhancement & Operation	167,891		167,891
(5). Total Construction (1) + (2) + (3) + (4)	185,877	3,495,371	3,681,248
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	225,630	3,582,093	3,807,723
(Carry forward to page 1)			

Notes and Comments:

STATISTICAL SECTION

STATISTICAL SECTION

(unaudited)

This part of the City of Steamboat Springs Comprehensive Annual Financial Report presents detailed information to facilitate the understanding of this year's financial statements, note disclosures, and supplementary information. The independent auditor has not audited this information.

Contents

Page

Financial Trends:

112-117

These tables contain trend information that may assist the reader in assessing the City's current financial performance by placing it in historical perspective.

Revenue Capacity:

118-124

These tables contain information that may assist the reader in assessing the viability of the City's most significant "own-source" revenue source, which is sales tax. The City does not have a property tax levy; but, Routt County property taxpayer information is provided for the reader. Information on accommodation tax is also available in this section.

Debt Capacity:

125-129

These tables present information that may assist the reader in analyzing the affordability of the City's current level of outstanding debt, and the City's ability to issue additional debt in the future.

Demographics and Economic Information:

130-131

These tables offer economic and demographic indicators that are commonly used for financial analysis, and may assist the reader in understanding the City's present and ongoing financial status.

Operating Information:

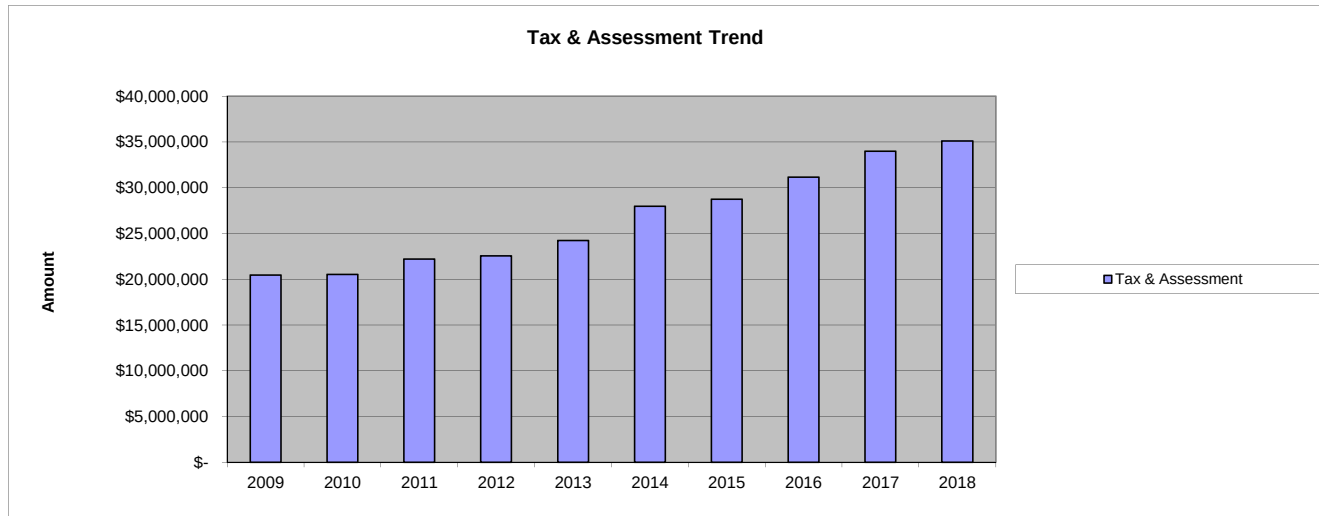
132-134

These tables contain service and infrastructure indicators that may assist the reader in understanding how the information in these financial statements relates to the City's services and activities performed.

Sources: Unless otherwise noted, the information in these tables is derived from the CAFR's for the relevant years.

CITY OF STEAMBOAT SPRINGS
TAX AND ASSESSMENT REVENUE BY SOURCE, GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)
(unaudited)

	Sales Tax	Building Use Tax	Vehicle Use Tax	Excise Tax	Franchise Fees	Sidewalk & Special Assessments	Accomodations Tax	Steamboat Spgs Redevelopmt Authority		SSRA Total	Other	Total
								Tax Increment Funding Sales Tax	Tax Increment Funding Property Tax			
2009	\$ 16,833,849	\$ 820,646	\$ 427,485	\$ 387,095	\$ 1,169,112	\$ 12,321	\$ -	\$ -	\$ 704,664	\$ 704,664	\$ 95,069	\$ 20,450,241
2010	16,669,912	575,624	397,920	279,101	1,234,282	9,678	-	-	1,274,645	1,274,645	83,341	20,524,503
2011	17,414,688	518,280	516,222	343,397	1,279,225	13,084	-	-	2,058,066	2,058,066	69,809	22,212,771
2012	17,606,100	556,177	585,318	606,336	1,248,949	10,570	-	-	1,875,185	1,875,185	68,316	22,556,951
2013	18,900,737	772,352	602,673	473,180	1,337,782	10,897	207,369	-	1,871,840	1,871,840	64,850	24,241,679
2014	20,397,976	1,541,629	742,348	877,419	1,384,116	9,994	832,006	338,003	1,772,955	2,110,958	61,877	27,958,323
2015	21,450,628	1,146,851	784,015	637,506	1,364,163	9,590	903,764	562,022	1,802,043	2,364,065	62,434	28,723,015
2016	22,765,132	1,583,460	834,070	1,066,349	1,358,964	9,920	996,433	799,949	1,680,361	2,480,310	66,380	31,161,017
2017	23,907,946	2,282,813	1,134,111	1,344,425	1,366,785	311,991	1,039,966	549,759	1,848,517	2,398,276	203,918	33,990,231
2018	25,298,091	1,787,555	1,091,276	1,029,117	1,445,414	243,900	1,142,250	699,947	2,129,229	2,829,176	225,367	35,092,146
Change from 2009 to 2018	50.3%	117.8%	155.3%	165.9%	23.6%	1879.5%	n/a	n/a	202.2%	301.5%	137.1%	71.6%
Change from 2017 to 2018	5.8%	-21.7%	-3.8%	-23.5%	5.8%	-21.8%	9.8%	27.3%	15.2%	18.0%	10.5%	3.2%



CITY OF STEAMBOAT SPRINGS
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)
(unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenue:										
Taxes & assessments	\$ 20,450,241	\$ 20,892,155	\$ 22,212,771	\$ 22,556,952	\$ 24,241,679	\$ 27,958,323	\$ 28,723,016	\$ 31,217,875	\$ 33,826,273	\$ 35,092,146
Licenses, fees, and permits	45,654	44,561	45,927	47,990	77,541	77,358	83,630	96,538	94,140	102,053
Intergovernmental	3,850,507	5,909,222	4,321,868	4,398,927	4,992,408	3,897,987	4,450,680	3,480,915	4,767,067	7,675,448
Charges for services	1,416,695	1,598,722	1,404,414	1,519,310	2,617,445	2,740,601	2,790,239	3,089,120	3,035,482	3,226,539
Fines and forfeits	321,847	264,616	226,567	216,767	212,458	224,704	239,504	218,027	196,088	220,736
Other Income	50,037	-	-	-	-	-	-	-	-	-
Investment Income	217,467	201,120	151,857	103,427	58,460	68,405	102,252	295,837	473,587	911,727
Loan Repayment	-	7,500	193,856	-	-	-	30,777	436,567	38,577	38,577
Contributions	2,743,381	494,762	221,018	452,449	248,372	361,787	314,450	366,254	1,052,366	709,257
Voluntary assessment	213,979	214,881	217,600	225,797	257,061	312,005	344,857	30,777	328,329	375,400
Miscellaneous	82,023	192,503	1,157,628	1,153,873	1,207,051	988,974	781,082	987,881	1,086,687	903,809
Total revenue	29,391,831	29,820,042	30,153,506	30,675,492	33,912,475	36,630,144	37,860,487	40,219,791	44,898,596	49,255,692
Expenditures:										
General government	3,561,837	4,856,726	4,792,518	4,861,455	4,930,707	5,023,229	5,476,944	6,449,671	6,359,281	6,626,627
Community Support	1,273,305	1,161,077	1,117,402	1,356,079	1,185,718	1,206,382	1,406,043	1,446,602	1,517,195	1,596,913
Transportation Services	2,664,925	2,730,334	2,631,571	2,831,821	2,943,710	3,061,878	3,189,508	3,427,775	3,665,422	3,592,486
Public Works	3,004,681	3,093,294	2,811,543	2,689,910	2,710,752	3,028,303	3,136,039	3,531,078	4,051,453	4,114,470
Public Safety Services	6,210,964	6,319,509	5,784,941	6,138,944	6,510,150	6,568,826	6,933,107	7,188,058	7,669,186	8,109,688
Legal and municipal court	702,461	491,960	501,843	548,550	509,193	527,547	545,430	474,879	556,342	547,221
Parks and Community Services	2,676,575	2,337,308	2,227,887	2,178,776	4,395,130	4,536,633	4,809,358	4,840,806	5,113,755	5,364,669
Planning	2,208,427	802,006	584,074	549,871	530,626	583,543	760,982	896,418	836,989	961,633
Capital projects	7,647,760	8,795,523	9,904,499	4,339,637	5,760,751	4,014,225	5,445,310	10,507,718	12,506,187	23,154,399
Debt service:										
Administrative Fees	225,179	257,890	4,000	-	4,000	48,252	6,750	8,750	6,500	6,500
Bond issuance costs	-	595,057	-	-	-	-	-	140,175	-	149,898
Principal	9,064,074	17,816,756	1,122,483	1,148,286	1,244,014	1,288,433	1,482,023	1,525,777	1,624,701	1,833,807
Interest	251,958	378,672	890,343	864,878	839,486	802,511	1,081,868	1,019,486	901,807	1,013,925
Total expenditures	39,492,146	49,636,112	32,373,104	27,508,207	31,564,237	30,689,762	34,273,362	41,457,193	44,808,818	57,072,236
Excess of revenues over (under) expenditures	(10,100,315)	(19,816,070)	(2,219,598)	3,167,285	2,348,238	5,940,382	3,587,125	(1,237,402)	89,778	(7,816,544)
Other Financing Sources (uses):										
Sales of assets	-	2,000	6,510	300	-	13,635	7,750	22,600	750	4,000
Insurance proceeds	-	36,836	5,905	43,565	14,705	17,177	193,014	187,978	54,534	11,393
Debt proceeds	17,795,577	24,350,000	-	-	-	-	-	6,220,000	-	5,920,000
Debt issuance costs	(134,014)	-	-	-	-	-	-	-	-	-
Bond discount	(105,000)	-	-	-	-	-	-	-	-	-
Debt issuance premium	-	346,653	-	-	-	-	-	330,539	-	314,418
Payments to escrow agent	-	(3,789,817)	-	-	-	-	-	(5,110,809)	-	-
Transfers out	(6,676,429)	(2,904,828)	(1,871,682)	(2,634,401)	(1,237,489)	(12,382,436)	(2,724,870)	(4,933,512)	(1,240,576)	(5,259,211)
Transfers in	5,445,024	2,065,727	490,485	110,850	403,264	11,850,635	5,372,892	4,752,124	1,232,320	5,327,365
Total other financing sources (uses)	16,325,158	20,106,571	(1,368,782)	(2,479,686)	(819,520)	(500,989)	2,848,786	1,468,920	47,028	6,317,965
Net change in fund balances	\$6,224,843	\$290,501	(\$3,588,380)	\$687,599	\$1,528,718	5,439,393	6,435,911	231,518	136,806	(1,498,579)
Debt service - Net of refundings as a percentage of non-capital expenditures	3.0%	1.6%	8.3%	8.2%	7.7%	7.5%	8.5%	7.9%	7.3%	7.6%

CITY OF STEAMBOAT SPRINGS
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
(modified accrual basis of accounting)
(unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund:										
Reserved	\$ 2,219,640	\$ 1,953,718	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	12,585,912	12,025,733	-	-	-	-	-	-	-	-
Subtotal, General Fund	<u>14,805,552</u>	<u>13,979,451</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
All Other Governmental Funds:										
Reserved										
Special revenue funds	6,744,280	6,854,072	-	-	-	-	-	-	-	-
Capital projects funds	744,320	826,959	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	869,120	1,954,422	-	-	-	-	-	-	-	-
Capital projects funds	6,221,486	6,060,355	-	-	-	-	-	-	-	-
Subtotal, All Other Govt'l Funds	<u>14,579,206</u>	<u>15,695,808</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Governmental Funds	<u>\$ 29,384,758</u>	<u>\$ 29,675,259</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Governmental Funds:										
Reserved	\$ 9,708,240	\$ 9,634,749	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	19,676,518	20,040,510	-	-	-	-	-	-	-	-
Total Governmental Funds	<u>\$ 29,384,758</u>	<u>\$ 29,675,259</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund Balances										
Non-Spendable	\$ -	\$ -	\$ 24,796	\$ 120,396	\$ 78,300	\$ 59,119	\$ 45,738	\$ 43,154	\$ 63,736	\$ 39,727
Restricted	-	-	1,346,456	1,395,975	1,398,500	1,507,500	1,453,500	1,670,157	1,717,500	1,893,500
Committed	-	-	99,352	108,227	116,501	141,540	159,302	167,141	166,753	179,206
Assigned	-	-	5,467,514	6,316,975	6,626,033	6,762,366	10,107,015	122,250	586,682	397,977
Unassigned	-	-	9,704,666	10,644,952	13,153,927	5,226,737	5,932,897	12,253,718	14,062,351	12,704,371
Subtotal General Fund	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,642,783</u>	<u>\$ 18,586,525</u>	<u>\$ 21,373,261</u>	<u>\$ 13,697,262</u>	<u>\$ 17,698,452</u>	<u>\$ 14,256,420</u>	<u>\$ 16,597,022</u>	<u>\$ 15,214,781</u>
All Other Governmental Funds:										
Restricted										
Special revenue funds	\$ -	\$ -	\$ 1,877,730	\$ 4,179,462	\$ 3,933,550	\$ 4,173,356	\$ 4,223,516	\$ 4,396,399	\$ 4,913,315	\$ 4,017,933
Capital projects funds	-	-	872,895	1,092,690	889,465	1,495,027	1,471,720	1,545,647	2,524,697	2,595,158
Committed										
Capital projects funds	-	-	-	-	-	362,665	568,535	-	-	-
Assigned										
Special revenue funds	-	-	2,504,911	-	-	-	479,260	-	-	-
Capital projects funds	-	-	4,188,561	2,915,802	2,106,921	14,014,280	15,737,018	20,211,553	16,511,791	17,220,374
Subtotal-Other Governmental Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,444,097</u>	<u>\$ 8,187,954</u>	<u>\$ 6,929,936</u>	<u>\$ 20,045,328</u>	<u>\$ 22,480,049</u>	<u>\$ 26,153,599</u>	<u>\$ 23,949,803</u>	<u>\$ 23,833,465</u>
Total Governmental Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,086,879</u>	<u>\$ 26,774,479</u>	<u>\$ 28,303,197</u>	<u>\$ 33,742,590</u>	<u>\$ 40,178,501</u>	<u>\$ 40,410,019</u>	<u>\$ 40,546,825</u>	<u>\$ 39,048,246</u>
Governmental Funds										
Non-Spendable	\$ -	\$ -	\$ 24,796	\$ 120,396	\$ 78,300	\$ 59,119	\$ 45,738	\$ 43,154	\$ 63,736	\$ 39,727
Restricted	-	-	4,097,081	6,668,127	6,221,515	7,175,883	7,148,736	7,612,203	9,155,512	8,506,591
Committed	-	-	99,352	108,227	116,501	504,205	727,837	167,141	166,753	179,206
Assigned	-	-	12,160,986	9,232,777	8,732,954	20,776,646	26,323,293	20,333,803	17,098,473	17,618,351
Unassigned	-	-	9,704,666	10,644,952	13,153,927	5,226,737	5,932,897	12,253,718	14,062,351	12,704,371
Total Governmental Funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,086,879</u>	<u>\$ 26,774,479</u>	<u>\$ 28,303,197</u>	<u>\$ 33,742,590</u>	<u>\$ 40,178,501</u>	<u>\$ 40,410,019</u>	<u>\$ 40,546,825</u>	<u>\$ 39,048,246</u>

Note: In 2011 the City implemented compliance with GASB issuance #54, therefore this report has been formatted for new fund categories.

CITY OF STEAMBOAT SPRINGS
CHANGES IN NET POSITION
LAST TEN YEARS
(accrual basis of accounting)
(unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses:										
Governmental activities:										
General government	\$ 4,307,386	\$ 5,855,088	\$ 6,554,680	\$ 7,230,605	\$ 7,099,597	\$ 7,088,597	\$ 7,740,814	\$ 8,854,749	\$ 8,708,045	\$ 9,385,400
Public safety services	7,266,063	7,588,695	6,055,636	6,473,324	7,374,531	7,178,756	7,652,612	7,806,809	8,615,233	9,165,367
Public works	6,896,972	4,990,256	4,696,594	4,490,608	4,288,849	4,774,370	4,897,788	5,442,567	6,622,816	6,734,979
Transportation services	3,193,132	3,271,689	3,278,116	3,481,060	3,561,947	3,648,024	3,877,058	4,116,645	4,337,681	4,346,639
Legal and municipal court	703,552	492,963	504,211	549,455	512,953	526,848	544,549	486,825	561,096	548,820
Parks and Recreation	3,461,164	2,866,300	3,072,962	2,762,774	5,003,805	5,290,925	5,576,665	5,657,258	6,583,857	7,730,868
Planning	2,205,619	832,677	582,380	548,054	490,350	459,212	1,066,106	1,006,449	911,306	976,668
Interest on long-term debt	476,701	683,644	897,399	862,326	846,520	832,507	1,083,104	1,001,406	1,015,339	1,056,354
Total governmental activities expenses	<u>28,510,589</u>	<u>26,581,312</u>	<u>25,641,977</u>	<u>26,398,206</u>	<u>29,178,552</u>	<u>29,799,239</u>	<u>32,438,696</u>	<u>34,372,708</u>	<u>37,355,373</u>	<u>39,945,095</u>
Business-type activities:										
Water and wastewater	4,024,967	3,754,809	5,065,341	4,738,991	4,652,799	5,303,650	5,140,727	5,196,884	5,305,563	5,811,386
Airport	1,123,978	1,141,446	1,245,362	1,286,053	1,261,271	1,396,825	1,725,225	1,378,016	1,376,658	1,477,049
Golf course	1,312,546	1,339,007	1,392,942	1,373,210	1,359,679	1,324,970	1,363,255	1,376,097	1,551,803	1,700,195
Iron Horse	660,794	495,841	918,939	1,004,473	673,481	703,176	678,954	-	-	-
Rehder Building	-	-	-	-	90,527	-	-	-	-	-
Non-major proprietary funds	2,282,341	2,245,779	2,472,860	2,420,183	-	-	-	-	-	-
Total business-type activities expenses	<u>9,404,626</u>	<u>8,976,882</u>	<u>11,095,445</u>	<u>10,822,910</u>	<u>8,037,757</u>	<u>8,728,621</u>	<u>8,908,161</u>	<u>7,950,997</u>	<u>8,234,024</u>	<u>8,988,630</u>
Total primary government expenses	<u>\$ 37,915,215</u>	<u>\$ 35,558,194</u>	<u>\$ 36,737,422</u>	<u>\$ 37,221,116</u>	<u>\$ 37,216,309</u>	<u>\$ 38,527,860</u>	<u>\$ 41,346,857</u>	<u>\$ 42,323,705</u>	<u>\$ 45,589,397</u>	<u>\$ 48,933,725</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	\$23,316	\$20,887	\$1,235,785	\$1,255,093	\$1,365,833	\$1,175,910	\$945,963	\$1,143,819	\$1,109,544	\$1,084,089
Public safety services	619,684	705,537	587,665	662,364	694,528	689,934	778,162	996,955	1,060,877	979,709
Transportation services	100,108	94,431	81,354	93,497	100,520	122,553	156,435	148,660	164,514	167,903
Parks and recreation	446,749	430,584	446,271	503,756	1,447,215	1,562,148	1,534,547	1,563,879	1,611,806	1,646,123
Planning	262,230	180,474	256,894	206,462	287,526	225,159	290,930	345,422	494,331	436,111
Operating grants and contributions	3,845,052	4,832,684	3,901,959	3,901,245	4,317,769	1,877,464	1,986,102	2,252,146	2,536,340	2,655,155
Capital grants and contributions	2,946,829	3,541,809	2,453,722	2,662,671	2,602,920	4,451,072	4,140,287	1,931,089	4,075,064	6,912,438
Total governmental activities program revenues	<u>8,243,968</u>	<u>9,806,406</u>	<u>8,963,650</u>	<u>9,285,088</u>	<u>10,816,311</u>	<u>10,154,240</u>	<u>9,832,426</u>	<u>8,381,970</u>	<u>\$11,052,476</u>	<u>\$13,881,528</u>
Business-type activities:										
Charges for services:										
Water and wastewater	4,304,072	4,264,426	4,555,029	5,104,136	5,595,664	5,645,774	5,608,311	5,859,213	6,302,611	7,279,430
Airport	754,600	828,895	510,471	941,657	1,055,239	1,074,310	1,051,792	1,108,537	1,056,175	1,186,784
Golf course	1,115,111	1,003,968	1,008,278	1,106,671	1,157,857	1,164,657	1,222,036	1,272,878	1,237,666	1,408,784
Iron Horse	122,929	41,146	339,893	304,766	174,603	206,544	269,363	-	-	-
Rehder Building	-	-	-	-	1,371	-	-	-	-	-
Non-major proprietary funds	811,263	841,991	833,281	856,495	-	-	-	-	-	-
Operating grants and contributions	1,625	5,975	2,125	-	22,149	48,711	301,328	-	-	48,791
Capital grants and contributions	1,956,506	1,007,539	1,891,310	4,196,070	596,779	1,144,101	1,570,333	1,906,929	3,302,560	1,493,913
Total business-type activities program revenues	<u>9,066,106</u>	<u>7,993,940</u>	<u>9,140,387</u>	<u>12,509,795</u>	<u>8,603,662</u>	<u>9,284,097</u>	<u>10,023,163</u>	<u>10,147,557</u>	<u>11,899,012</u>	<u>11,417,702</u>
Total primary government program revenues	<u>\$ 17,310,074</u>	<u>\$ 17,800,346</u>	<u>\$ 18,104,037</u>	<u>\$ 21,794,883</u>	<u>\$ 19,419,973</u>	<u>\$ 19,438,337</u>	<u>\$ 19,855,589</u>	<u>\$ 18,529,527</u>	<u>\$ 22,951,488</u>	<u>\$ 25,299,230</u>
Net (Expense)/Revenue:										
Governmental activities	\$ (20,266,621)	\$ (16,774,906)	\$ (16,678,328)	\$ (17,113,118)	\$ (18,362,241)	\$ (19,644,999)	\$ (22,606,270)	\$ (25,990,738)	\$ (26,302,897)	\$ (26,063,567)
Business-type activities	(338,520)	(982,942)	(1,955,058)	1,686,885	565,905	555,476	1,115,002	2,196,560	3,664,988	2,429,072
Total primary government net expense	<u>\$ (20,605,141)</u>	<u>\$ (17,757,848)</u>	<u>\$ (18,633,385)</u>	<u>\$ (15,426,233)</u>	<u>\$ (17,796,336)</u>	<u>\$ (19,089,523)</u>	<u>\$ (21,491,268)</u>	<u>\$ (23,794,178)</u>	<u>\$ (22,637,909)</u>	<u>\$ (23,634,495)</u>

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Revenues and Other Changes in Net Position:										
Governmental activities:										
Taxes:										
Sales taxes	\$ 16,833,849	\$ 16,669,912	\$ 17,414,688	\$ 17,606,100	\$ 19,108,106	\$ 21,229,982	\$ 22,354,392	\$ 24,439,818	\$ 24,457,705	\$ 25,998,038
Use taxes	1,248,130	973,544	1,034,953	1,141,495	1,375,025	2,283,977	1,930,866	2,417,530	3,416,924	2,878,831
Accommodations Taxes	-	-	-	-	-	-	-	-	1,039,966	1,142,250
Property taxes	-	-	-	-	-	-	1,802,043	1,680,361	1,848,517	2,129,229
Development excise tax	387,095	279,101	343,628	606,336	473,180	877,419	637,506	1,066,349	1,344,425	1,029,117
Other taxes	1,320,642	363,914	456,291	458,844	399,708	566,081	729,520	254,853	203,918	225,367
Franchise Fees	1,169,112	1,234,282	1,279,225	1,248,949	1,337,781	1,384,115	1,364,163	1,358,964	1,366,785	1,445,414
Voluntary assessment	213,979	214,881	217,600	225,797	257,061	312,005	344,857	366,254	-	-
Unrestricted investment earnings	190,771	156,315	153,704	116,569	85,057	68,405	122,406	325,744	519,374	1,002,122
Gain(loss) on sale of capital assets	-	43,267	276,714	2,661	(59,686)	118,692	24,651	54,307	16,343	(25,293)
Miscellaneous revenue	167,940	237,235	74,709	264,878	21,757	54,251	229,848	127,153	91,330	49,516
Transfers	(14,203,233)	(1,104,137)	(1,316,197)	10,958,938	1,391,295	(5,471,801)	2,718,837	(166,388)	(8,256)	68,154
Total governmental activities	<u>7,328,285</u>	<u>19,068,314</u>	<u>19,935,315</u>	<u>32,630,567</u>	<u>24,389,284</u>	<u>21,423,126</u>	<u>32,259,089</u>	<u>31,924,945</u>	<u>34,297,031</u>	<u>35,942,745</u>
Business-type activities:										
Taxes:										
Sales taxes	651,251	604,673	657,846	646,765	513,311	-	-	-	-	-
Unrestricted investment earnings	54,488	26,843	13,616	49,350	26,387	-	33,203	72,950	205,403	379,979
Gain(loss) on sale of capital assets	5,936	-	-	1,000	-	50	-	-	-	-
Miscellaneous revenue	113,116	114,500	577,712	146,836	96,952	101,582	96,216	101,605	81,253	113,355
Transfers	14,203,233	1,104,137	1,316,197	(10,958,938)	(1,391,295)	5,471,801	(2,718,837)	166,388	8,256	(68,154)
Total business-type activities	<u>15,028,024</u>	<u>1,850,153</u>	<u>2,565,371</u>	<u>(10,114,987)</u>	<u>(754,645)</u>	<u>5,573,433</u>	<u>(2,589,418)</u>	<u>340,943</u>	<u>294,912</u>	<u>425,180</u>
Total primary government	<u>\$ 22,356,309</u>	<u>\$ 20,918,467</u>	<u>\$ 22,500,686</u>	<u>\$ 22,515,580</u>	<u>\$ 23,634,639</u>	<u>\$ 26,996,559</u>	<u>\$ 29,669,671</u>	<u>\$ 32,265,888</u>	<u>\$ 34,591,943</u>	<u>\$ 36,367,925</u>
Change in Net Position:										
Governmental activities	\$ (12,938,336)	\$ 2,293,408	\$ 3,256,987	\$ 15,517,449	\$ 6,027,043	\$ 1,778,127	\$ 9,652,819	\$ 5,934,207	\$ 7,994,134	\$ 9,879,178
Business-type activities	14,689,504	867,211	610,313	(8,428,102)	(188,740)	6,128,909	(1,474,416)	2,537,503	3,959,900	2,854,252
Total primary government	<u>\$ 1,751,168</u>	<u>\$ 3,160,619</u>	<u>\$ 3,867,300</u>	<u>\$ 7,089,347</u>	<u>\$ 5,838,303</u>	<u>\$ 7,907,036</u>	<u>\$ 8,178,403</u>	<u>\$ 8,471,710</u>	<u>\$ 11,954,034</u>	<u>\$ 12,733,430</u>

Note: The City began breaking out TIF Property Tax in 2016

Note: The City began breaking out Accommodations Tax in 2017

Note: Voluntary Assessment is being reported as Program revenue - Operating Contribution beginning in 2017

CITY OF STEAMBOAT SPRINGS
NET POSITION BY COMPONENT
LAST TEN YEARS
(accrual basis of accounting)
(unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Activities:										
Net investment in capital assets	\$ 48,214,303	\$ 49,517,440	\$ 56,012,840	\$ 70,959,007	\$ 75,688,068	\$ 71,416,354	\$ 73,968,832	\$ 80,003,611	\$ 86,839,228	\$ 97,632,772
Restricted	10,199,872	10,094,790	10,815,349	6,799,255	6,113,672	7,433,020	8,145,293	8,077,073	10,059,847	9,261,070
Unrestricted	20,955,660	21,443,549	17,564,939	22,679,420	24,662,985	29,650,615	36,038,683	36,006,331	35,182,074	35,066,485
Total Government Activities Net Position	<u>79,369,835</u>	<u>81,055,779</u>	<u>84,393,127</u>	<u>100,437,682</u>	<u>106,464,725</u>	<u>108,499,989</u>	<u>118,152,808</u>	<u>124,087,015</u>	<u>132,081,149</u>	<u>141,960,327</u>
Business-type Activities:										
Net investment in capital assets	54,544,664	55,104,930	57,063,091	49,172,766	45,547,638	49,699,491	47,013,307	47,363,413	50,447,054	51,132,526
Restricted	2,322,839	2,269,177	3,448,096	3,499,755	2,529,271	3,170,267	3,742,592	4,639,619	4,680,992	4,759,128
Unrestricted	7,002,888	7,384,404	4,877,283	4,462,088	8,868,960	10,205,020	10,844,463	12,134,833	12,969,719	15,060,363
Total Business-type Activities Net Position	<u>63,870,391</u>	<u>64,758,511</u>	<u>65,388,470</u>	<u>57,134,609</u>	<u>56,945,869</u>	<u>63,074,778</u>	<u>61,600,362</u>	<u>64,137,865</u>	<u>68,097,765</u>	<u>70,952,017</u>
Primary Government:										
Net investment in capital assets	102,758,967	104,622,370	113,075,931	120,131,773	121,235,706	121,115,845	120,982,139	127,367,024	137,286,282	148,765,298
Restricted	12,522,711	12,363,967	14,263,445	10,299,010	8,642,943	10,603,287	11,887,885	12,716,692	14,740,839	14,020,198
Unrestricted	27,958,548	28,827,953	22,442,222	27,141,508	33,531,945	39,855,635	46,883,146	48,141,164	48,151,793	50,126,848
Total Primary Government Net Position	<u>\$ 143,240,226</u>	<u>\$ 145,814,290</u>	<u>\$ 149,781,597</u>	<u>\$ 157,572,291</u>	<u>\$ 163,410,594</u>	<u>\$ 171,574,767</u>	<u>\$ 179,753,170</u>	<u>\$ 188,224,880</u>	<u>\$ 200,178,914</u>	<u>\$ 212,912,344</u>

Note: With the implementation of GASB 63 the City began reporting "Net Position" rather than "Net Assets" in 2012

CITY OF STEAMBOAT SPRINGS
DIRECT AND OVERLAPPING SALES TAX RATE
LAST TEN YEARS
(unaudited)

	City Direct Rate			Accommodation Tax	Local Marketing District	Routt County	State of Colorado
	City Sales Tax	School Tax	Air Service Tax				
2009	4.0%	0.5%	-	1.0%	2.0%	1.0%	2.9%
2010	4.0%	0.5%	-	1.0%	2.0%	1.0%	2.9%
2011	4.0%	0.5%	-	1.0%	2.0%	1.0%	2.9%
2012	4.0%	0.5%	0.25%	1.0%	2.0%	1.0%	2.9%
2013	4.0%	0.5%	0.25%	1.0%	2.0%	1.0%	2.9%
2014	4.0%	0.5%	0.25%	1.0%	2.0%	1.0%	2.9%
2015	4.0%	0.5%	0.25%	1.0%	2.0%	1.0%	2.9%
2016	4.0%	0.5%	0.25%	1.0%	2.0%	1.0%	2.9%
2017	4.0%	0.5%	-	1.0%	2.0%	1.0%	2.9%
2018	4.0%	0.5%	-	1.0%	2.0%	1.0%	2.9%

CITY OF STEAMBOAT SPRINGS
TAXABLE RETAIL SALES BY INDUSTRY
LAST TEN YEARS
(unaudited)

	<u>Lodging</u>	<u>Restaurants</u>	<u>Utilities</u>	<u>Sporting Goods</u>	<u>Liquor Stores</u>	<u>Marijuana</u>	<u>Construction & Home Improvement</u>	<u>Grocery & Food Sellers</u>	<u>Miscellaneous</u>	<u>Total Taxable Retail Sales</u>	<u>City direct sales tax rate</u>
2009	\$ 69,889,044	\$ 66,306,400	\$ 45,397,022	\$ 26,416,133	\$ 16,237,956	\$ -	\$ -	\$ -	\$ 205,756,156	\$ 430,002,711	4.50%
2010	63,942,870	64,352,556	44,337,778	27,820,680	15,602,372	-	-	-	200,309,271	416,365,527	4.50%
2011	69,759,465	68,362,271	44,766,510	29,690,471	16,345,986	-	-	-	206,320,512	435,245,215	4.50%
2012	67,603,236	71,217,207	43,103,766	30,039,039	16,866,238	-	-	-	210,849,506	439,678,992	4.75%
2013	75,850,105	75,925,490	43,754,748	34,033,123	17,801,144	-	-	-	225,703,377	473,067,987	4.75%
2014	87,070,323	84,764,191	44,303,829	36,390,565	18,815,752	-	-	-	244,549,241	515,893,901	4.75%
2015	94,750,784	90,111,331	45,359,047	37,705,710	20,144,795	-	-	-	259,818,670	547,890,338	4.75%
2016	104,781,719	97,530,881	44,847,491	37,376,858	21,294,496	-	-	-	280,130,719	585,962,163	4.75%
2017	107,760,000	102,745,022	45,516,244	34,700,556	22,473,111	-	-	-	295,203,111	608,398,044	4.50%
2018	116,852,946	110,002,915	47,989,508	40,942,310	22,574,897	13,166,076	69,405,918	98,607,796	128,604,388	648,146,755	4.50%
Average % increase each year	6.1%	5.9%	0.7%	5.2%	3.8%	n/a	n/a	n/a	4.7%	4.7%	

Note: Prior to 2018, *Marijuana*, *Construction & Home Improvement* and *Grocery & Food Sellers* were included in the *Miscellaneous* category.

CITY OF STEAMBOAT SPRINGS
SALES TAX BY INDUSTRY, FOR TAX RETURNS FILED FOR THE GIVEN YEAR
FOR YEARS 2018 AND 2009
(unaudited)

Industry	2018				2009			
	Number of Filers	Percent of Total Filers	Sales Tax	Percent of Total Sales Tax	Number of Filers	Percent of Total Filers	Sales Tax	Percent of Total Sales Tax
Lodging	411	15.0%	\$5,258,383	18.0%	284	13.1%	\$3,033,128	16.1%
Restaurants	167	6.1%	4,950,131	17.0%	152	7.0%	2,883,726	15.4%
Utilities	145	5.3%	2,159,528	7.4%	121	5.6%	2,011,914	10.7%
Sporting Goods	90	3.3%	1,842,404	6.3%	47	2.2%	1,193,015	6.4%
Liquor Stores	15	0.5%	1,015,870	3.5%	15	0.7%	718,730	3.8%
Marijuana	6	0.2%	592,473	2.0%	-	0.0%	-	0.0%
Construction & Home Improv.	453	16.5%	3,123,266	10.7%	-	0.0%	-	0.0%
Grocery & Food Sellers	119	4.3%	4,437,351	15.2%	-	0.0%	-	0.0%
Miscellaneous	1,334	48.7%	5,787,197	19.8%	1,542	71.4%	8,940,653	47.6%
Total	2,740	100.0%	\$29,166,604	100.0%	2,161	100.0%	\$18,781,166	100.0%

Notes: 1) *Marijuana, Construction & Home Improvement* and *Grocery Stores & Food Sellers* were included in the *Miscellaneous* category in 2009.

2) Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

3) 0.5% of the City's 4.5% sales tax is restricted for use by the Steamboat Springs School District RE-2.

CITY OF STEAMBOAT SPRINGS
SALES TAX, BY THE MONTH FOR WHICH THE TAX RETURNS WERE FILED
LAST TEN YEARS
(unaudited)

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
January	\$2,148,703	\$2,028,412	\$1,981,309	\$2,070,614	\$2,279,709	\$2,462,813	\$2,617,514	\$2,737,891	\$2,745,216	\$2,985,378
February	2,067,032	1,947,191	1,931,618	2,086,651	2,275,134	2,360,912	2,597,958	2,841,688	2,678,278	2,858,961
March	2,283,343	2,184,854	2,419,063	2,510,225	2,661,859	2,875,975	2,965,692	3,171,914	3,159,248	3,301,739
April	1,076,920	1,048,003	1,021,380	1,129,618	1,134,430	1,229,244	1,347,069	1,355,085	1,370,528	1,457,455
May	1,035,126	959,500	981,270	1,118,426	1,203,945	1,285,365	1,319,775	1,453,609	1,440,623	1,623,847
June	1,354,370	1,354,142	1,467,075	1,641,757	1,726,778	1,894,081	2,019,377	2,223,275	2,194,795	2,348,396
July	1,596,703	1,645,082	1,719,534	1,851,423	1,973,774	2,252,634	2,422,540	2,617,973	2,544,270	2,610,049
August	1,466,962	1,463,609	1,587,810	1,734,499	1,881,069	2,072,920	2,129,162	2,278,384	2,182,180	2,293,011
September	1,331,302	1,389,481	1,501,182	1,577,483	1,672,509	1,823,202	1,957,679	2,204,120	2,186,196	2,278,733
October	1,087,912	1,088,626	1,134,161	1,245,246	1,326,778	1,484,646	1,552,728	1,640,007	1,680,758	1,771,992
November	1,078,827	1,107,213	1,184,414	1,247,826	1,330,288	1,484,322	1,489,040	1,628,414	1,644,795	1,798,888
December	2,500,531	2,520,337	2,657,218	2,670,984	3,004,454	3,278,846	3,606,256	3,680,844	3,551,027	3,838,154
Total	<u>\$19,027,732</u>	<u>\$18,736,449</u>	<u>\$19,586,035</u>	<u>\$20,884,752</u>	<u>\$22,470,729</u>	<u>\$24,504,960</u>	<u>\$26,024,791</u>	<u>\$27,833,203</u>	<u>\$27,377,912</u>	<u>\$29,166,604</u>
January	11%	11%	10%	10%	10%	10%	10%	10%	10%	10%
February	11%	10%	10%	10%	10%	10%	10%	10%	10%	10%
March	12%	12%	12%	12%	12%	12%	11%	11%	12%	11%
April	6%	6%	5%	5%	5%	5%	5%	5%	5%	5%
May	5%	5%	5%	5%	5%	5%	5%	5%	5%	6%
June	7%	7%	7%	8%	8%	8%	8%	8%	8%	8%
July	8%	9%	9%	9%	9%	9%	9%	9%	9%	9%
August	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
September	7%	7%	8%	8%	7%	7%	8%	8%	8%	8%
October	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
November	6%	6%	6%	6%	6%	6%	6%	6%	6%	6%
December	13%	13%	14%	13%	13%	13%	14%	13%	13%	13%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

Note: .5% of the City's 4.5% sales tax is restricted for use by the Steamboat Springs School District RE-2 and is included in this report. Collections received in the current year for prior year tax liabilities are posted to the prior year in this report.

CITY OF STEAMBOAT SPRINGS
ACCOMMODATION TAX, BY THE MONTH FOR WHICH THE TAX RETURNS WERE FILED
LAST TEN YEARS
(unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
January	\$113,274	\$93,779	\$95,571	\$97,776	\$100,183	\$122,940	\$129,558	\$135,869	\$148,808	\$166,216
February	111,882	96,298	99,016	96,480	113,563	120,616	143,237	155,462	153,395	168,774
March	135,401	119,929	147,395	137,300	149,399	166,931	166,342	185,314	193,158	198,317
April	19,929	20,509	15,380	15,500	13,418	14,170	19,889	20,706	19,725	23,673
May	10,169	8,278	10,257	10,124	12,120	13,814	14,135	16,272	20,295	24,622
June	28,804	28,739	33,388	37,832	42,566	50,287	54,324	59,612	63,490	74,169
July	47,851	50,040	50,543	54,962	59,191	75,267	88,231	97,250	95,845	99,347
August	35,426	36,388	39,723	41,708	46,927	57,076	55,880	59,412	60,586	66,818
September	26,698	30,234	30,921	33,762	38,839	38,056	45,784	55,645	60,776	71,037
October	13,421	11,470	11,920	12,447	13,014	17,938	18,251	21,564	29,628	32,513
November	9,302	9,673	10,284	8,851	12,012	13,862	14,258	21,286	26,335	31,688
December	110,127	103,875	110,842	99,331	118,009	139,458	154,148	166,515	167,870	186,535
Total	<u>\$662,284</u>	<u>\$609,212</u>	<u>\$655,240</u>	<u>\$646,073</u>	<u>\$719,241</u>	<u>\$830,415</u>	<u>\$904,037</u>	<u>\$994,907</u>	<u>\$1,039,911</u>	<u>\$1,143,709</u>
January	17%	15%	15%	15%	14%	15%	14%	14%	14%	15%
February	17%	16%	15%	15%	16%	15%	16%	16%	15%	15%
March	20%	20%	22%	21%	21%	20%	18%	19%	19%	17%
April	3%	3%	2%	2%	2%	2%	2%	2%	2%	2%
May	2%	1%	2%	2%	2%	2%	2%	2%	2%	2%
June	4%	5%	5%	6%	6%	6%	6%	6%	6%	6%
July	7%	8%	8%	9%	8%	9%	10%	10%	9%	9%
August	5%	6%	6%	6%	7%	7%	6%	6%	6%	6%
September	4%	5%	5%	5%	5%	5%	5%	6%	6%	6%
October	2%	2%	2%	2%	2%	2%	2%	2%	3%	3%
November	1%	2%	2%	1%	2%	2%	2%	2%	3%	3%
December	17%	17%	17%	15%	16%	17%	17%	17%	16%	16%
Total	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

Note: Collections received in the current year for prior year tax liabilities are posted to the prior year in this report.

CITY OF STEAMBOAT SPRINGS
PROPERTY TAX LEVIES, DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS
(PROPERTY TAX RATES PER ONE DOLLAR ASSESSED VALUATION)
(unaudited)

Levy Year	City of Steamboat Springs	Routt County	Steamboat Springs School District	East Routt County Library	Colorado Mountain College	Steamboat Springs Cemetery	Water Conser- vation	Total
2009	0.000000	0.011330	0.011555	0.002668	0.003997	0.000080	0.001986	0.031616
2010	0.000000	0.011685	0.015734	0.002687	0.003997	0.000084	0.002008	0.036195
2011	0.000000	0.014955	0.017502	0.003485	0.003997	0.000084	0.002048	0.042071
2012	0.000000	0.014842	0.017217	0.003425	0.003997	0.000084	0.002062	0.041627
2013	0.000000	0.017003	0.018467	0.003929	0.003997	0.000097	0.002074	0.045567
2014	0.000000	0.017654	0.018729	0.003962	0.003997	0.000097	0.002073	0.046512
2015	0.000000	0.017149	0.017451	0.003729	0.003997	0.000095	0.002063	0.044484
2016	0.000000	0.017567	0.018030	0.003716	0.003997	0.000095	0.002073	0.045478
2017	0.000000	0.017570	0.021041	0.003507	0.003997	0.000095	0.002074	0.048284
2018	0.000000	0.018035	0.021040	0.003661	0.003997	0.000095	0.002076	0.048904

Source: Routt County Assessor's Office

**CITY OF STEAMBOAT SPRINGS
PRINCIPAL PROPERTY TAXPAYERS
YEARS ENDED DECEMBER 31, 2018 AND 2009
(unaudited)**

Taxpayer	2018			2009		
	Assessed Valuation	Rank	Percentage of Total City Assessed Valuation	Assessed Valuation	Rank	Percentage of Total City Assessed Valuation
Steamboat Ski & Resort Corporation (includes Intrawest Retail Group, Inc)	\$ 43,787,500	1	6.7%	\$ 30,591,916	1	3.4%
Steamboat Resort Village, LLC (Sheraton Hotel Complex & Golf Course, Comm Condos)	8,168,550	2	1.3%			0.0%
Yampa Valley Electric Association (State Assessed Utility)	5,809,260	3	0.9%	7,304,560	5	0.8%
THF Steamboat Springs Development, LLC (Central Park Plaza)	4,781,750	4	0.7%	5,331,840	8	0.6%
DBT Thunderhead LLC	4,297,010	5	0.7%			
Steamboat Grand Resort Hotel Condo Assoc, Inc	3,818,920	6	0.6%	5,599,180	7	0.6%
Marr 106 Family LTD (dba Holiday Inn)	3,605,650	7	0.6%			0.0%
Centurylink Corporation (fka Qwest)	3,489,990	8	0.5%	4,329,560	9	0.5%
KEW Gardens, LLC	3,077,870	9	0.5%			0.0%
BSV, GLG Clocktower, LLC & BSV-NWP Yampa East, LLC	2,765,730	10	0.4%			0.0%
Wildhorse Steamboat LLC	2,684,680	11	0.4%			0.0%
Liman, Les A. (Industrial Units, Airport Hanger, etc.)	2,562,700	12	0.4%			0.0%
Alpen Glow Ventures, LLC	2,277,240	13	0.3%			0.0%
Mesa Lodging, LLC	2,261,160	14	0.3%			0.0%
Riverview-Yampa Development LLC (4.7 ac Redevelopment - Downtown)	2,023,120	15	0.3%			0.0%
Total Principal Taxpayers	\$ 95,411,130		14.6%	\$ 53,157,056		5.9%

Source: Routt County Assessor's Office. Current amounts are based on assessed values for City of Steamboat Springs.
Historical amounts are based on assessed values for Steamboat Springs School RE-2

CITY OF STEAMBOAT SPRINGS
OUTSTANDING DEBT BY TYPE AND DEBT RATIOS
LAST TEN YEARS
(unaudited)

Governmental Activities Outstanding Debt

	General Obligation Bonds	Sales Tax Revenue Bonds	Loans	Certificates of Participation	Capital Leases	Tax Increment Revenue Bonds	Unamortized Premium	Total
2009	\$ -	\$ -	\$ -	\$ 3,870,000	\$ 594,048	\$ 17,500,000	\$ -	\$ 21,964,048
2010	-	-	-	3,785,000	522,292	20,565,000	346,653	25,218,945
2011	-	-	-	3,515,000	444,808	19,790,000	302,479	24,052,287
2012	-	-	-	3,250,000	651,693	18,990,000	258,305	23,149,998
2013	-	-	-	2,980,000	527,840	18,140,000	221,433	21,869,273
2014	-	-	-	7,585,000	449,407	17,265,000	189,531	25,488,938
2015	-	-	-	7,085,000	367,385	16,365,000	161,554	23,978,939
2016	-	-	-	8,165,000	281,609	15,440,000	467,486	24,354,095
2017	-	-	-	7,585,000	191,908	14,485,000	423,893	22,685,801
2018	-	-	-	12,750,000	98,100	13,500,000	652,655	27,000,755

Business-type Activities Outstanding Debt

	General Obligation Bonds	Sales Tax Revenue Bonds ¹	Loans	Certificates of Participation	Capital Leases	Accommodation Tax Refunding Bonds	Unamortized Premium	Total
2009	\$ -	\$ -	\$ 6,393,667	\$ 5,285,000	\$ 2,518,747	\$ 1,505,000	\$ 30,094	\$ 15,732,508
2010	-	-	5,802,707	5,285,000	2,323,885	1,150,000	25,128	14,586,720
2011	-	-	17,535,216	5,235,000	2,118,824	785,000	628,884	26,302,924
2012	-	-	16,636,948	5,185,000	1,773,576	400,000	537,591	24,533,115
2013	-	-	15,647,150	5,085,000	274,646	-	464,738	21,471,534
2014	-	-	14,620,820	-	219,811	-	403,030	15,243,661
2015	-	-	13,557,980	-	163,458	-	349,132	14,070,570
2016	-	-	12,586,428	-	105,536	-	301,363	12,993,327
2017	-	-	11,578,263	-	413,922	-	258,656	12,250,841
2018	-	-	10,523,189	-	476,565	-	220,350	11,220,104

In Relation to Total Primary Government Debt

	Total Primary Government Outstanding Debt	Percent of Personal Income ^{1 3}	Per Capita ²	Percent of Actual Property Value
2009	\$ 37,696,556	3.3%	3,104	0.7%
2010	39,805,665	3.5%	3,293	0.5%
2011	50,355,211	4.2%	4,224	0.8%
2012	47,683,113	3.8%	3,964	0.8%
2013	43,340,807	3.1%	3,620	0.9%
2014	40,732,599	2.7%	3,370	0.8%
2015	38,049,509	2.4%	3,069	0.7%
2016	37,347,422	2.1%	2,941	0.7%
2017	34,936,642	1.9%	2,698	0.6%
2018	38,220,859	Unavailable	Unavailable	0.6%

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

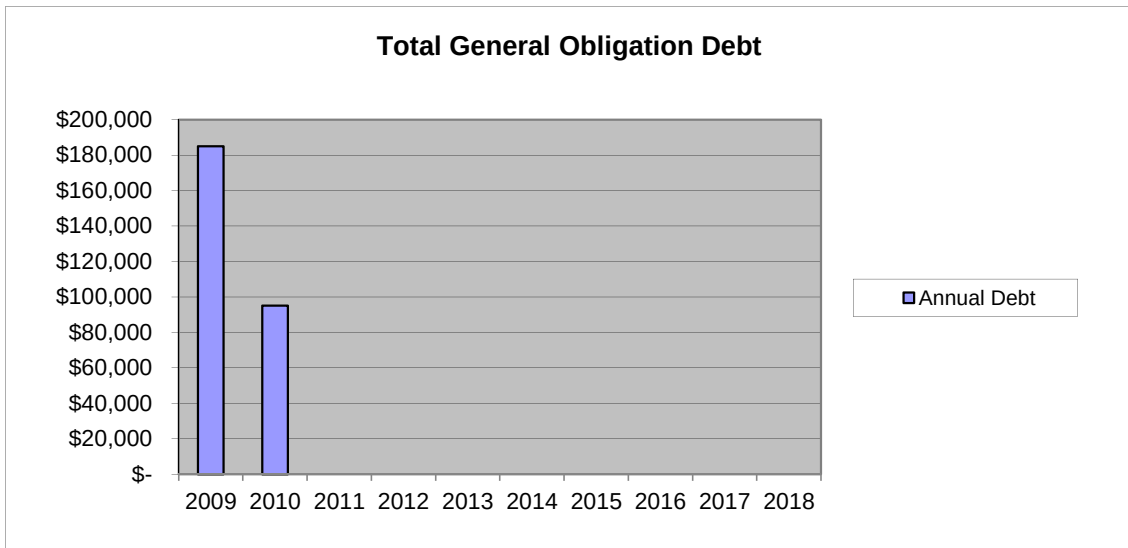
1 Personal income is for Routt County. This information is not readily available for the City of Steamboat Springs. See the Demographic and Economic Statistics schedule for personal income data.

2 Per capita amounts are for the City of Steamboat Springs. See the Demographics and Economic Statistics schedule for population data.

3 2018 Percent of Personal Income and Per Capita are not yet available.

CITY OF STEAMBOAT SPRINGS
OUTSTANDING GENERAL OBLIGATION DEBT AND DEBT RATIO
LAST TEN YEARS
(unaudited)

	<u>General Obligation Bonds</u>	<u>General Obligation Loans</u>	<u>Total General Obligation Debt</u>	<u>Percent of Total Taxable Retail Sales</u>
2009	\$ -	\$ 185,000	\$ 185,000	0.04%
2010	-	95,000	95,000	0.02%
2011	-	-	-	0.0%
2012	-	-	-	0.0%
2013	-	-	-	0.0%
2014	-	-	-	0.0%
2015	-	-	-	0.0%
2016	-	-	-	0.0%
2017	-	-	-	0.0%
2018	-	-	-	0.0%



CITY OF STEAMBOAT SPRINGS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
December 31, 2018
(unaudited)

<u>Jurisdiction</u>	<u>Debt Outstanding</u>	<u>Estimated Percent Applicable to City of Steamboat ¹</u>	<u>Estimated Amount Applicable to City of Steamboat ¹</u>
Steamboat Springs School District RE-2	\$ 33,745,000	75.7%	\$ 25,544,965
Mt. Werner Water	-	55.9%	-
East Routt Library District	6,045,250	75.7%	4,576,254
Routt County	7,857,210	61.4%	<u>4,824,327</u>
Subtotal, overlapping debt			<u>34,945,546</u>
City governmental activities direct debt			<u>22,685,801</u>
Total direct and overlapping debt			<u><u>\$ 57,631,347</u></u>

¹ Assessed values used to estimate applicable percents.

Sources: Steamboat Springs School District RE-2, East Routt Library District, Mount Werner Water District, and Routt County.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City.

This schedule estimates the portion of the outstanding debt of those overlapping governments in Steamboat Springs.

This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden should be taken into account.

CITY OF STEAMBOAT SPRINGS
LEGAL DEBT MARGIN
LAST TEN YEARS
(unaudited)

	Governmental Funds Debt									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental Funds operating revenue	<u>\$29,391,831</u>	<u>\$ 29,820,042</u>	<u>\$ 30,153,506</u>	<u>\$ 30,675,491</u>	<u>\$ 33,912,475</u>	<u>\$ 36,630,144</u>	<u>\$ 37,860,487</u>	<u>\$ 40,219,791</u>	<u>\$ 44,898,596</u>	<u>\$ 49,255,692</u>
Governmental Funds debt payments net of refundings	<u>\$ 571,032</u>	<u>\$ 695,428</u>	<u>\$ 1,122,483</u>	<u>\$ 1,148,286</u>	<u>\$ 1,243,853</u>	<u>\$ 1,288,433</u>	<u>\$ 2,563,891</u>	<u>\$ 2,545,263</u>	<u>\$ 2,515,335</u>	<u>\$ 2,601,856</u>
Policy debt margin <i>(must be less than 10%)</i>	<u>1.9%</u>	<u>2.3%</u>	<u>3.7%</u>	<u>3.7%</u>	<u>3.7%</u>	<u>3.5%</u>	<u>6.8%</u>	<u>6.3%</u>	<u>5.6%</u>	<u>5.3%</u>

	Total City Debt									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Actual value of taxable property	<u>\$7,546,889,453</u>	<u>\$7,757,874,000</u>	<u>\$ 5,990,185,446</u>	<u>\$ 5,935,314,322</u>	<u>\$ 4,955,918,438</u>	<u>\$ 4,975,240,298</u>	<u>\$ 5,501,939,878</u>	<u>\$ 5,585,536,038</u>	<u>\$ 6,308,958,638</u>	<u>\$ 6,405,070,568</u>
Policy debt margin:										
Total City debt obligation	\$ 37,696,556	\$ 39,805,665	\$ 50,355,211	\$ 47,683,113	\$ 43,340,807	\$ 40,732,599	\$ 38,049,509	\$ 37,347,422	\$ 34,936,642	\$ 38,220,859
Less: Amount reserved for repayment of debt	<u>(1,264,535)</u>	<u>(1,931,926)</u>	<u>(1,931,555)</u>	<u>(1,931,555)</u>	<u>(1,931,555)</u>	<u>(1,931,555)</u>	<u>(1,931,555)</u>	<u>(2,297,388)</u>	<u>(1,941,034)</u>	<u>(1,931,555)</u>
Total net debt applicable to limit	<u>\$36,432,021</u>	<u>\$37,873,739</u>	<u>\$48,423,656</u>	<u>\$45,751,558</u>	<u>\$41,409,252</u>	<u>\$38,801,044</u>	<u>\$36,117,954</u>	<u>\$35,050,034</u>	<u>\$32,995,608</u>	<u>\$36,289,304</u>
Policy debt margin <i>(must be less than 3%)</i>	<u>0.5%</u>	<u>0.5%</u>	<u>0.8%</u>	<u>0.8%</u>	<u>0.8%</u>	<u>0.8%</u>	<u>0.7%</u>	<u>0.6%</u>	<u>0.5%</u>	<u>0.6%</u>

CITY OF STEAMBOAT SPRINGS
PLEGDED REVENUE COVERAGE
LAST TEN YEARS
(unaudited)

Colorado Water Resources & Power Development Authority Loans

		Utility Revenues	Less: Operating Expense	Net Available Revenue	Debt Service			Coverage
					Principal	Interest	Total	
2009	\$	3,131,934	\$ (1,266,847)	\$ 1,865,087	\$ 490,185	\$ 261,194	\$ 751,379	2.5
2010		2,916,630	(1,329,758)	1,586,872	502,334	241,601	743,935	2.1
2011		3,280,287	(1,606,546)	1,673,741	524,020	314,272	838,292	2.0
2012		5,104,136	(2,485,563)	2,618,573	898,267	740,132	1,638,399	1.6
2013		5,595,664	(2,435,050)	3,160,614	989,798	709,257	1,699,055	1.9
2014		5,645,774	(3,056,378)	2,589,396	1,026,330	677,422	1,703,752	1.5
2015		5,608,311	(2,915,353)	2,692,958	1,062,840	644,396	1,707,236	1.6
2016		5,859,213	(2,988,053)	2,871,160	971,552	624,355	1,595,907	1.8
2017		6,302,611	(3,086,573)	3,216,038	1,011,558	572,032	1,583,590	2.0
2018		7,279,430	(3,508,966)	3,770,464	1,058,622	527,735	1,586,357	2.4

Tax Increment Revenue Bonds

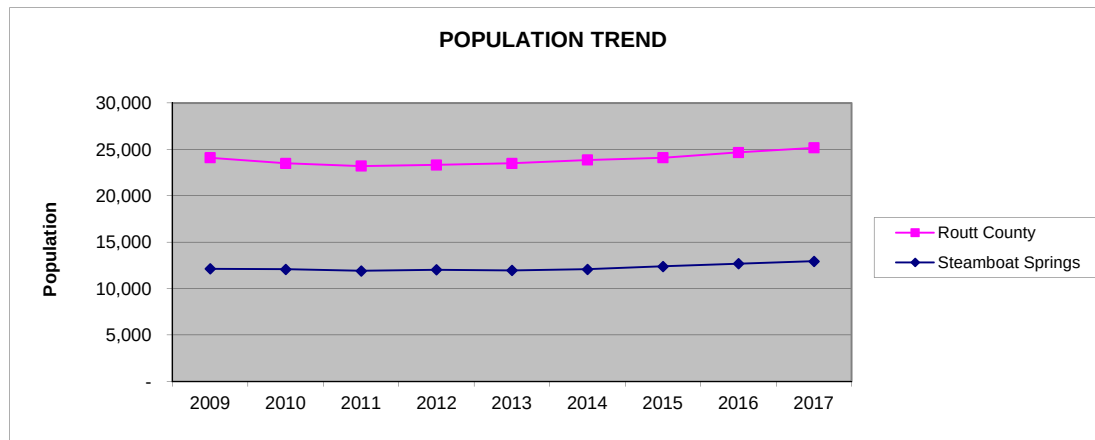
		Sales & Property Tax	Debt Service			Coverage
			Principal	Interest	Total	
2009	\$	704,664	\$ -	\$ -	\$ -	-
2010		1,274,645	-	-	-	-
2011		2,058,066	775,000	750,043	1,525,043	1.3
2012		1,875,185	800,000	726,793	1,526,793	1.2
2013		1,871,840	850,000	702,793	1,552,793	1.2
2014		2,110,958	875,000	677,293	1,552,293	1.4
2015		2,364,065	900,000	651,043	1,551,043	1.5
2016		2,480,310	925,000	624,043	1,549,043	1.6
2017		2,398,276	955,000	596,293	1,551,293	1.5
2018		2,829,176	985,000	567,643	1,552,643	1.8

Accommodation Tax Refunding Revenue Bonds

		Accommodation Tax	Debt Service			Coverage
			Principal	Interest	Total	
2009	\$	651,251	\$ 335,000	\$ 73,201	\$ 408,201	1.6
2010		604,674	355,000	58,450	413,450	1.5
2011		657,846	365,000	42,879	407,879	1.6
2012		646,765	385,000	26,470	411,470	1.6
2013		592,023	400,000	9,001	409,001	1.4
2014		832,006	-	-	-	-
2015		903,764	-	-	-	-
2016		996,432	-	-	-	-
2017		1,039,966	-	-	-	-
2018		1,142,250	-	-	-	-

CITY OF STEAMBOAT SPRINGS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS
(unaudited)

Year	Steamboat Springs	Routt County	Routt County	Routt County	Routt County	Stmbt. Spgs.	Number	Yampa Valley	Haymaker Golf Course	
	Population ¹	Population ¹	Personal Income ² (thousands)	Per Capita Personal Income ²	Unemployment Rate ³	School Enrollment ⁴	of Skier Season Visits CSCUSA ⁵	Regional Airport Enplanements ⁶	Rounds of Golf Played ⁷	Percent of Local Rounds vs. Non-Local ⁷
2009	12,143	24,115	\$ 1,153,252	\$ 49,139	6.9%	2,118	6,709,303	125,689	24,346	82%
2010	12,088	23,509	1,142,484	48,718	8.7%	2,108	6,740,478	111,714	22,932	80%
2011	11,922	23,216	1,199,787	51,628	8.2%	2,218	6,946,826	106,534	22,338	69%
2012	12,029	23,334	1,256,171	53,834	7.1%	2,320	6,163,278	99,969	24,832	70%
2013	11,974	23,513	1,396,303	59,384	5.8%	2,401	6,397,910	92,184	23,559	80%
2014	12,088	23,865	1,518,114	63,613	3.4%	2,462	7,100,000	92,245	22,284	83%
2015	12,399	24,103	1,586,151	65,734	3.2%	2,587	7,100,000	93,896	22,854	91%
2016	12,698	24,679	1,754,119	71,167	2.7%	2,481	7,400,000	107,339	23,842	90%
2017	12,950	25,178	1,846,092	73,200	1.9%	2,623	7,300,000	99,371	21,988	91%
2018	unavailable	unavailable	unavailable	unavailable	2.8%	2,659	7,100,000	103,410	22,400	70%



- Sources:**
- ¹ Colorado Division of Local Affairs, State Demography Office (2017 data is unavailable)
 - ² U.S. Department of Commerce, Bureau of Economic Analysis
 - ³ Colorado Department of Labor and Employment, not seasonally adjusted
 - ⁴ Steamboat Springs School District RE-2
 - ⁵ Colorado Ski Country USA Aggregate (These numbers are based on the total for all Colorado Ski Country members ski season ending in the year listed.)
 - ⁶ Federal Aviation Administration (2008-2016) & Yampa Valley Regional Airport (2017 data is preliminary)
 - ⁷ Haymaker Golf Committee

**CITY OF STEAMBOAT SPRINGS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO
(unaudited)**

Principal Steamboat Springs Employers	2018			2009		
	Employees ²	Rank	Percentage of Routt County Labor Force ¹	Employees ²	Rank	Percentage of Routt County Labor Force ¹
Steamboat Ski & Resort Corp.	2,020	1	11.4%	1,800	1	11.9%
UCHealth Yampa Valley Medical Center	563	2	3.2%	550	2	3.6%
Steamboat Spgs. School Dist. RE-2	395	3	2.2%	321	3	2.1%
Routt County	375	4	2.1%	198	7	1.3%
City of Steamboat Springs	309	5	1.7%	306	4	2.0%
Peabody Energy-Twenty Mile Mine	271	6	1.5%			0.0%
Resort Group	258	7	1.5%	267	5	1.8%
City Market	145	8	0.8%	130	10	0.9%
Wal-Mart	115	9	0.6%	122	11	0.8%
Wyndham Destinations	97	10	0.5%	-		0.0%
Safeway	95	11	0.5%	-		0.0%
Hayden Powerplant/Xcel Energy	81	12	0.5%	-		0.0%
Sheraton Steamboat Resort	80	13	0.5%	148	9	1.0%
Total	4,804		27.1%	3,842		25.4%

Notes:

¹ Total labor force for Steamboat Springs is unavailable. Since most of the largest employers in Routt County are in Steamboat Springs, Routt County's labor force is used to calculate this percentage.

² Most employers have seasonal variation in their number of employees; therefore, the annual average, including seasonal employees, is reported. Historical data may be unavailable due to business changes.

Sources: Respective employers and Colorado Department of Labor & Employment, Office of Labor Market Information.

CITY OF STEAMBOAT SPRINGS
FULL-TIME-EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS
(unaudited)

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
General government:										
City Council	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00
City Manager's Office	4.00	4.00	3.05	1.90	1.90	1.90	1.90	2.90	6.95	6.95
Deputy City Manager's Office	13.35	13.00	14.50	1.00	0.90	0.90	1.00	-	-	-
General Services	-	-	-	16.98	14.75	13.75	15.75	16.05	14.00	14.65
City Clerk's Office	4.00	4.00	3.70	3.68	3.73	3.93	3.73	3.73	3.88	4.08
Intergovernmental Services	-	3.10	1.60	1.60	1.60	1.60	1.90	1.90	-	-
Financial Services	12.07	11.00	9.30	10.30	10.30	10.40	10.40	10.40	10.40	10.40
Subtotal, General Government	40.42	42.10	39.15	42.46	40.18	39.48	41.68	41.98	42.23	43.08
Transportation Services	37.56	41.29	40.59	40.33	40.33	35.78	40.73	39.65	44.80	44.44
Public Works	43.64	42.89	37.75	36.83	37.15	41.44	40.63	46.42	44.08	43.98
Public Safety Services	71.02	75.02	70.31	68.97	70.07	71.50	71.75	70.00	71.75	74.00
Legal and Municipal Court	3.25	3.25	3.05	3.05	3.05	3.05	2.95	3.95	4.95	4.95
Parks and Recreation	68.47	62.64	59.32	54.70	54.35	44.44	55.53	55.68	50.99	51.90
Planning Services	12.33	11.17	7.58	7.05	6.15	6.05	7.90	8.90	7.90	7.90
Golf	12.33	11.17	7.58	7.05	6.15	6.05	7.90	8.90	10.21	10.21
Total FTE's	<u>276.69</u>	<u>278.36</u>	<u>257.75</u>	<u>253.39</u>	<u>257.43</u>	<u>241.74</u>	<u>261.17</u>	<u>266.58</u>	<u>276.91</u>	<u>280.46</u>

CITY OF STEAMBOAT SPRINGS
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS
(unaudited)

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Police:										
Physical arrests	1,147	904	795	834	688	660	587	536	571	327
Parking violations	4,221	1,839	2,434	1,304	1,749	2,550	2,638	2,952	2,721	2,452
Citations issued (excluding parking)	2,768	2,208	1,773	1,820	1,669	1,585	1,111	1,352	1,117	1,041
Fire:										
Emergency responses (Fire & EMS)	1,852	1,765	1,802	1,920	1,904	1,987	2,179	2,247	2,305	2,482
New construction inspections	426	304	250	248	312	280	238	205	229	268
Building safety inspections	265	345	357	393	129	173	163	152	60	172
Plan reviews	960	1,092	844	851	732	616	783	858	848	1,081
Other public works:										
Streets and alleys maintained (miles)	151.72	151.72	151.72	151.72	151.72	152.76	152.76	152.76	153.24	157.80
Resurfacing streets/parking lots (sq. yd.)	11,695	47,407	54,908	52,193	70,286	65,105	43,922	89,724	116,670	120,011
Parks & Recreation:										
Number of athletic tournaments	20	20	20	24	16	19	20	20	16	11
Number of athletic games played	2,090	1,850	1,850	1,893	2,665	2,850	3,100	3,100	2,950	2,865
Water:										
Number of customers	3,238	3,240	3,224	3,240	3,211	3,228	3,265	3,621	3,660	3,735
Water main breaks	6	8	12	8	3	4	2	5	6	6
Average daily consumption (gallons)	1,158,438	1,086,803	1,082,718	1,216,616	1,131,830	1,146,321	1,129,419	1,232,877	1,134,247	1,340,000
Wastewater:										
Average daily sewage treatment (gallons)	2,507,000	2,414,000	2,926,000	2,014,000	2,631,000	2,843,000	2,619,000	2,824,000	2,611,000	2,589,000
Transit:										
Total route miles	564,879	609,692	605,054	607,938	634,071	621,401	618,021	638,477	644,556	636,706
Passengers	1,202,219	1,072,548	1,076,686	1,045,469	1,125,007	1,152,581	1,069,606	1,154,762	1,167,457	1,093,637
Hours of service	36,736	40,426	40,323	40,335	42,983	41,896	44,227	48,376	46,880	45,283

CITY OF STEAMBOAT SPRINGS
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS
(unaudited)

<u>Function/Program</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Department vehicles	13	13	13	13	12	12	14	14	14	11
Fire Stations	2	2	2	2	2	2	2	2	2	2
Other public works:										
Streets & alleys (miles)	151.72	151.72	151.72	151.72	151.72	152.76	152.76	152.76	153.24	157.80
Streetlights ¹	532	532	532	532	532	532	517	542	607	618
Traffic signals ²	3	3	3	3	3	3	3	3	3	3
Parks & Recreation										
Ice rinks	1	1	1	1	1	1	1	1	1	1
Ski areas	1	1	1	1	1	1	1	1	1	1
Pickleball courts								8	8	8
Tennis courts	18	18	18	18	18	18	18	16	16	16
Softball/baseball fields	11	11	11	11	11	11	11	11	11	11
Soccer fields	11	11	11	11	11	11	11	11	11	11
Parks	26	27	27	27	27	28	28	29	29	29
Rodeo grounds	1	1	1	1	1	1	1	1	1	1
Miles of trails	42.82	43.32	56.00	56.00	56.00	59.00	63.00	67.00	67.00	61.00
Water:										
Water mains (miles)	59.53	60.31	60.58	61.85	61.85	61.85	62.13	62.63	62.66	64.09
Fire hydrants	563	565	567	570	572	572	572	573	573	609
Treated water storage capacity (gallons)	3,875,000	3,875,000	3,875,000	3,875,000	3,875,000	3,875,000	3,875,000	3,875,000	3,875,000	4,400,000
Wastewater:										
Sanitary sewers (miles)	57.91	58.10	58.36	58.46	58.46	58.46	59.66	59.66	59.66	59.99
Treatment capacity (gallons)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Stormwater:										
Storm sewers (miles)	6.2	23.1	23.1	23.2	23.2	34.1	34.1	34.1	35.7	36.0
Inlets (in service)	n/a	n/a	n/a	n/a	n/a	567	569	575	740	1,010
Manholes	n/a	n/a	n/a	n/a	n/a	145	145	149	158	216
Transportation:										
Buses & Vans	24	26	24	22	27	23	25	19	21	21
Airports	1	1	1	1	1	1	1	1	1	1

Notes:

¹ Source: Yampa Valley Electric Association

² This indicates only the number of traffic signals owned by the City of Steamboat Springs. There are numerous other signals within the city limits; but, they are owned by the State Highway department.