



Comprehensive Annual Financial Report

for the year ended
December 31, 2019

Town of Avon
100 Mikaela Way ▪ Avon, CO ▪ 81620 ▪ www.avon.org



Town of Avon, Colorado

Comprehensive Annual Financial Report

for the year ended December 31, 2019

Prepared by:
Department of Finance

Scott C. Wright, CPA, CPFO
Asst. Town Manager / Director of Finance

TOWN OF AVON, COLORADO
LIST OF ELECTED AND APPOINTED OFFICIALS
December 31, 2019

TOWN COUNCIL

Sarah Smith Hymes, Mayor
Amy Phillips, Mayor Pro Tem
Jennie Fancher
Scott Prince
Chico Thuon
Tamra N. Underwood
Jake Wolf

MANAGEMENT

Eric Heil, Town Manager
Scott Wright, Assistant Town Manager/Finance Director
John Curutchet, Recreation Director
Greg Daly, Police Chief
Justin Hildreth, Town Engineer
Rego Omerigic, Fleet Director
Gary Padilla, Public Works Director
Matt Pielsticker, Planning Director
Lance Richards, Human Resources Director
Eva Wilson, Mobility Director

TOWN OF AVON, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2019

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TOWN OF AVON, COLORADO

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June 23, 2020

To the Honorable Mayor, Members of the Town Council and Citizens of the Town of Avon:

Town Charter and State statutes require that the Town of Avon (Town) issue a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed independent certified public accountants. Pursuant to these requirements, we hereby issue the comprehensive annual financial report of the Town of Avon for the fiscal year ended December 31, 2019.

This report consists of management's representations concerning the finances of the Town of Avon. 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 Town of Avon has established a comprehensive internal control framework that is designed both to protect the Town's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town of Avon's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh the benefits, the Town of Avon's 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 Town of Avon's financial statements have been audited by McMahan and Associates, L.L.C., a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Avon for the fiscal year ended December 31, 2019, 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 unqualified opinion that the Town of Avon's financial statements for the fiscal year ended December 31, 2019 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

Letter of Transmittal
Town of Avon, Colorado
June 23, 2020

GAAP require 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 the MD&A and should be read in conjunction with it. The Town of Avon's MD&A can be found immediately following the report of the independent auditors.

Profile of the Town

The Town of Avon was incorporated in 1978 and is located in Eagle County, eight miles west of the Town of Vail and seventeen miles east of the Town of Eagle. The Town sits north of U.S. Highway 6, directly adjacent to the Beaver Creek Resort and is bisected by Interstate Highway 70 from east to west. The primary transportation route to and from Avon is I-70. Aviation services and transportation are available at the Eagle County Airport, 24 miles west of the Town. The Town provides bus transportation services within the Town and offers, in funding partnership with the Beaver Creek Resort Company, a high-speed gondola that provides direct access to Beaver Creek Resort. Avon is also served by the Eagle County Regional Transit Authority which provides bus service throughout Eagle County. Eagle County encompasses approximately 1,694 square miles and spans from the summit of Vail Pass to Glenwood Canyon. Approximately 80% of Eagle County's land is public – comprised of National Forests, wilderness areas, Bureau of Land Management properties, and state and local public lands.

The Town of Avon currently encompasses approximately 8¼ square miles. The 2010 Census reported a population of 6,447. This figure represents the permanent resident population. Total population increases significantly during the winter tourist ski season.

The Town operates under the council/manager form of government. Policy-making and legislative authority are vested in the Town Council, which consists of a mayor and a six-member council. The Town Council is responsible, among other things, for passing ordinances, adopting the budget, and appointing a Town Manager, Town Attorney, Town Prosecutor and Municipal Judge. The Town Manager is responsible for carrying out the policies and ordinances of the Council, overseeing the day-to-day operations of the Town, and for appointing the heads of the Town's departments.

The Council is elected on a non-partisan basis. Council members are elected to four-year staggered terms with four council members elected in November 2018, and the remaining three to be elected in November 2020. The mayor and mayor pro-tem are elected from amongst the elected council members by a majority vote. The mayor presides at meetings of council and shall not vote until all other Council members present who are eligible to vote have had reasonable opportunity to vote. The affirmative concurring vote of four (4) Council members is required for the adoption

Letter of Transmittal
Town of Avon, Colorado
June 23, 2020

of an ordinance, resolution, order for appropriation, approval of a contract or approval of an intergovernmental agreement.

The Town is a home-rule community empowered to levy a property tax on the assessed value of real property located within the Town. The Town collects a 4% sales tax on all retail sales, and a 4% accommodations tax on the lease or rental of hotel rooms, condominium units and other accommodations within the Town. Beginning January 1, 2019 with voter approval the Town began levying a \$3 per pack excise tax on the sale of cigarettes and a 40% tax on other nicotine and tobacco products. The Town also collects a 2% real estate transfer tax on all sales of real property located within the Town. The Town has the power by state statute to extend its corporate limits by annexation, which is done periodically when deemed appropriate by the Town Council.

The Town provides a full range of municipal services including general administrative services; community planning and zoning and building permitting and inspection services; municipal law enforcement; public works including management and maintenance of Town parks and landscaping, Nottingham Lake, bridges, streets and roads, trails, buildings, facilities and infrastructure; operation and management of the Avon Recreation Center and other youth, adult and senior recreation programs; and, special events and cultural activities.

The annual budget serves as the foundation for the Town of Avon's financial planning and control. No later than October 15th, the Town Manager submits to the Mayor and Town Council a proposed budget for the calendar year commencing the following January 1st. The budget is prepared by fund, department, program and project and includes information on the prior year, current estimates and requested appropriations and estimated revenues for the upcoming year.

The Town Council holds public hearings and may change appropriations except for expenditures required by law for debt service or for estimated cash deficits. No change to the budget may increase the authorized expenditures to any amount greater than the total amount of funds available. The Town Council must adopt the budget by resolution prior to December 15th. Once adopted, the Town Council may at any time, by resolution, amend the budget. In addition, the Town Manager may transfer part or all of any unencumbered appropriation balance among programs within a department. A department is defined by the Town as a distinct, principal or specialized division (e.g. the department of public works).

Expenditures may not legally exceed budgeted appropriations at the fund level. Budget to actual comparison are provided in this report for all funds and are presented at a lower-than-required level of control to facilitate detailed financial analysis.

Letter of Transmittal
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June 23, 2020

Budgetary comparisons for the Town's General Fund and its major special revenue fund, the Avon Urban Renewal Authority, are presented as required supplemental information in this report. Budget to actual comparisons for all other Town funds are included as other supplemental information in this report.

Factors Affecting Financial Condition

The information presented in the financial statements is best understood when considered from a broader perspective rather than just the specific environment in which the Town operates.

Local Economy. Year-round tourism and winter recreation-related businesses account for a significant portion of the employment and earned income of area residents. Skier and snowboarder visits at Vail and Beaver Creek Resort account for almost 20% of the total such visits in Colorado. Both resorts are perennially ranked among the top ten ski resorts in the country.

In addition to skiing and associated winter-time activities, the area promotes a number of summer activities. The Town of Avon sponsors numerous special events throughout the year to area residents and visitors including Avon's Salute to the USA - a 4th of July fireworks display typically held on July 3rd, and Avon LIVE!, a free Wednesday evening live music series; multiple sporting events such as the annual Triple Bypass Bicycle Tour and the XTERRA triathlon; and family-friendly activities like the Avon Easter Egg Hunt. Avon's Whitewater Park, with three distinct water features, is open all summer for rafters and kayakers to enjoy. The West Avon Preserve offers more than 11 miles of mountain bike trails accessible from the Town's paved bike paths with a variety of terrain for all ability levels. Offering several championship golf courses, Eagle County has earned a rating by Golf Digest Magazine as one of the top 40 golf communities in which to live. Other summer activities include hiking, horseback riding, bicycling, kayaking and rafting, as well as other recreational sports.

Property Values. Property tax, which is based on assessed property values and a mill rate, represents approximately thirty percent of the Town's total tax revenues. Assessed values are dependent upon real property growth and market values of property, along with assessment ratios established by the State legislature. In Avon, real property assessed values increased by 9.66 percent in 2019 which will result in an increase of approximately \$175,000 annually in general fund revenues for basic municipal services.

Strategic Plan

Strategic Planning. The annual *Strategic Plan* is a component of the annual budget. The *Strategic Plan* identifies new projects, programs and policies for the calendar

Letter of Transmittal
Town of Avon, Colorado
June 23, 2020

year which are a priority for the Avon community. The budget allocates the finances required to implement the *Strategic Plan* projects, programs and policies. The construction of capital improvement projects, implementation of new programs or the formulation of new policies are appropriate for the *Strategic Plan*. Projects, programs and policies are collectively referred to as “tasks” in the *Strategic Plan*. The *Strategic Plan* provides clear direction to Council and Staff for tasks that go beyond routine annual operations.

The *2017 Avon Comprehensive Plan* guides the *Strategic Plan*. The Comprehensive Plan includes many other adopted planning documents for the Town (collective referred to as the “**Comprehensive Plan Documents**”). The tasks in the *Strategic Plan* either implement capital improvements identified in the Comprehensive Plan Documents, advance the goals of the Comprehensive Plan Documents with new programs or policies, or improve the efficiency, accountability, and transparency of the Avon Town government.

Current Initiatives

Avon’s strategic plan recognizes the importance of vibrancy and activity within the Town and states that it will be supported by partnering with existing special events and attracting an array of new and diverse cultural, educational and recreational events to Avon which meet the Town’s brand and are in concert with the values of our community. The 2020 budget has been developed to address priorities identified in the Strategic Plan with major emphasis on the following:

- Improve and enhance Avon's community engagement practices in order to increase community participation, including (1) improving the Town's community survey, (2) enhancements to the avon.org website, (3) implementing a Spanish proficiency initiative, (4) creating a new owner information letter, (5) creating a Finance Committee and a Health and Recreation Committee.
- Continue to implement the goals and objectives of the 2018 Avon Community Housing Plan.
- Plan, design, and construct various improvement to Nottingham Park as identified in the Capital Improvement Program, including public restrooms at Old Town Hall site, expanded North access, beach area restrooms, landscape enhancements, and field improvements.
- Continue to implement the priorities from the 2016 Town of Avon Climate Action Plan which will help Avon achieve the goal of reducing greenhouse gas emissions by 25% by the year 2025.
- Invest in multi-modal improvements prioritizing walkability and bicycle use, transit-oriented development, parking and wayfinding.

Letter of Transmittal
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June 23, 2020

Capital Improvement Projects.

The Town updates its capital improvements long-range plan annually. Several improvement projects are approved for 2020 that have been in the planning and design stage for several years. Anticipated major projects include the Old Town Hall demolition, replacement of the EPDM (ethylene propylene diene terpolymer) roof and the installation of solar panels at the Fleet Maintenance facility, floor replacement and deck railing for the Avon Pavilion, Avon Recreation Center locker replacements, Eaglebend Dr. resurfacing, Yoder Ave. asphalt overlay, Buck Creek road repairs, Nottingham Road east stormwater quality vault, Project Thor, and the Finance/Community Development ERP system implementation.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Avon for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2018. This was the twenty-seventh consecutive year that the Town has received this prestigious award. In order to be awarded a Certificate of Achievement, the Town published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

The preparation of this report could not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report. Due credit should also be given to the Mayor, Town Council, and Town Manager for their interest, support and leadership in planning and conducting the operations of the Town in a responsible and progressive manner.

Respectfully Submitted,

Scott Wright

Scott C. Wright, CPA, CPFO
Asst. Town Manager / Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Avon
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

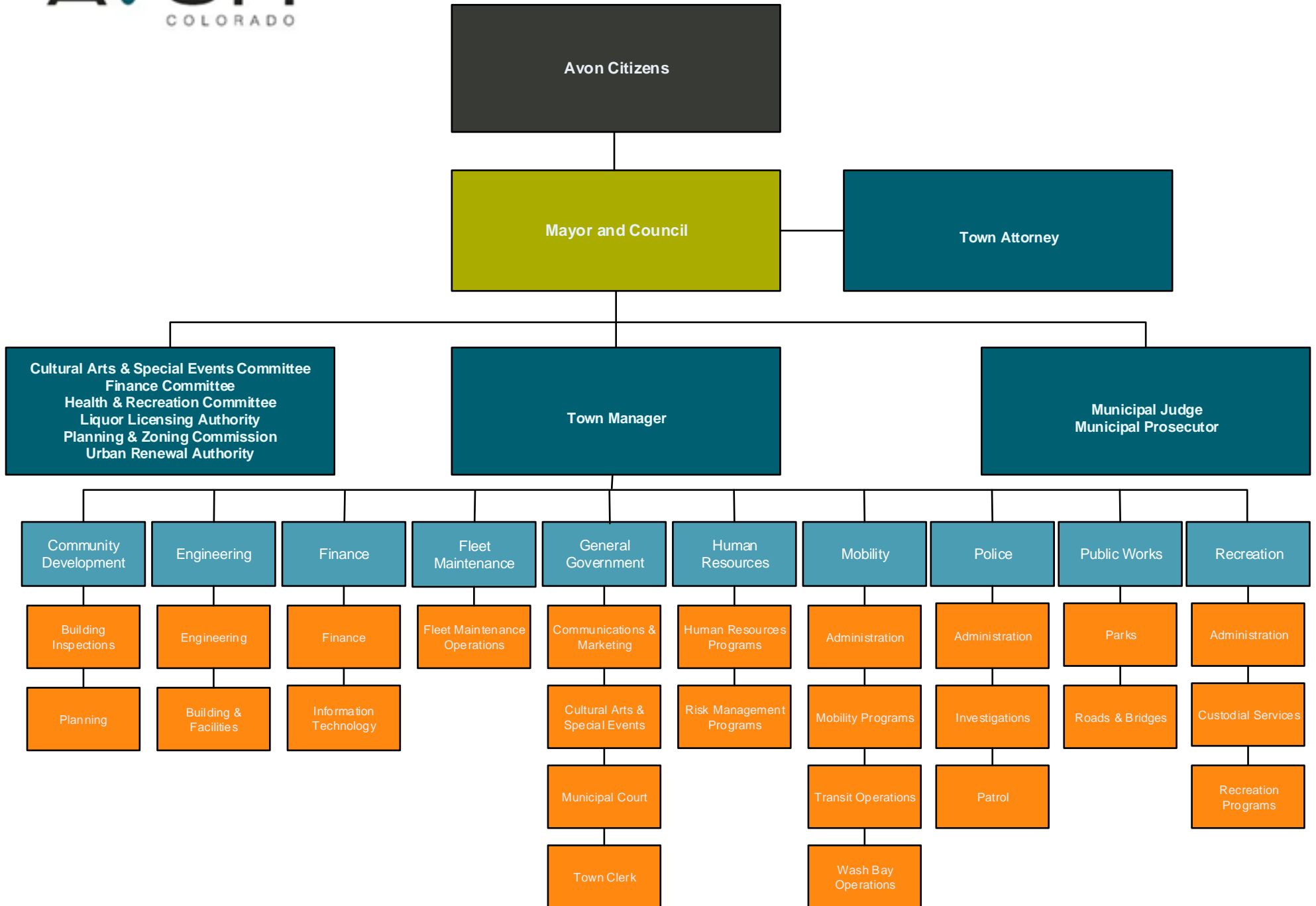
December 31, 2018

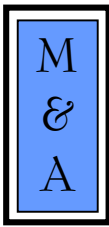
Christopher P. Morill

Executive Director/CEO



Organizational Chart





MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT

**To the Honorable Mayor and Town Council
Town of Avon, Colorado**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Avon, Colorado, Colorado (the "Town"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Avon, Colorado, Colorado as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 3-16 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.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
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INDEPENDENT AUDITOR'S REPORT
To the Honorable Mayor and Town Council
Town of Avon, Colorado

Other Matters (continued)

The budgetary comparison information on pages 53-55 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's financial statements taken as a whole. The introductory section, combining fund financial statements, individual fund budgetary information, the Debt Schedule, the Local Highway Finance Report, and the statistical section listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the Town's financial statements. The combining fund financial statements, the individual fund budgetary information, the Debt Schedule, detailed budgetary schedules and the Local Highway Finance Report on pages 57-89 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements 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 express no opinion on them.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
June 18, 2020

Management's Discussion and Analysis

As management of the Town of Avon, we offer readers of the Town of Avon's financial statements this narrative overview and analysis of the financial activities of the Town of Avon for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets of the Town exceeded its liabilities and deferred inflows at the close of its fiscal year ended December 31, 2019 by \$97,057,541 (net position). Of this amount, \$23,331,803 is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors in accordance with the Town's fund designation and fiscal policies as more fully described below.
- The Town's total net position increased by \$2,066,850.
- As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$19,731,927, an increase of \$3,395,902 from the prior year. Approximately 37.5 percent of this total amount, \$7,392,670, is available for spending at the Town's discretion (unassigned fund balance).
- The unassigned fund balance for the General Fund was \$7,392,670, or 43.2 percent of total General Fund expenditures and other financing uses. This represents a \$1,781,629 increase, or 31.2 percent, from the prior year.
- The Town of Avon's long-term liabilities decreased by a net \$1,478,314 during the current fiscal year. Regular principal payments were made on bonded debt of \$1,411,684 and capital leases of \$123,184. No new debt was issued.

Overview of the Financial Statements

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town of Avon's finances, in a manner similar to a private sector business.

The *statement of net position* presents information on all of the Town of Avon's assets and liabilities, with the difference between the two reported as net position. Over time, increases or

decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town's 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 in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the Town of Avon 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 Town of Avon include general government, community development, public safety, public works and utilities, and recreation and culture. The business-type activities of the Town include mobility and fleet maintenance operations.

The government-wide financial statements include not only the Town of Avon itself (known as the *primary government*), but also the Avon Urban Renewal Authority, a legally separate entity, which was established in August 2007 to undertake urban renewal plans and projects with the Town. All members of the governing body are Town Council members. For financial reporting purposes, AURA is blended into the Town's financial statements and is reported as a major fund in the basic financial statements.

The government-wide financial statements can be found on pages 17-19 of this report.

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 Town of Avon, 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 Town can be divided into two categories: governmental funds and proprietary 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 inflow 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 Town'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 Town of Avon maintains nine 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, Avon Urban Renewal Authority Fund, Debt Service Fund and Capital Projects Fund, all of which are considered to be major funds. Data from the other five nonmajor governmental funds (Water Fund, Community Enhancement Fund, Affordable Housing Fund, Exterior Energy Offset Fund, and Disposable Paper Bag Fee Fund) are combined into a single, aggregate presentation.

Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report. The basic governmental fund financial statements can be found on pages 20-23 of this report.

Proprietary funds. The Town of Avon maintains two different types of proprietary funds. *Enterprise funds* are used to report the same function presented as business-type activities in the government-wide financial statements. The Town of Avon uses enterprise funds to account for its mobility operations and its fleet maintenance operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town of Avon uses an internal service fund to account for the rental of vehicles and equipment to Town departments for the accumulation of funds for future replacement. Because this service predominately benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the mobility fund and the fleet maintenance fund operations. Separate information is also provided for the Town's internal service fund. The basic proprietary fund financial statements can be found on pages 24-27 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 28-52 of this report.

Required Supplemental Information. In addition to the basic financial statements and accompanying notes, this report also presents certain other required supplemental information. The Town of Avon adopts an annual appropriated budget for its General Fund and major special revenue fund. Budgetary comparison statements have been provided for the General Fund and the Avon Urban Renewal Authority Fund to demonstrate compliance with these budgets and can be found on pages 53-54 of this report.

Other Supplemental Information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented under other supplemental information immediately following the required supplemental information. Individual fund statements and schedules and other miscellaneous schedules can also be found in this section on pages 57-89 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Avon, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$97,057,541 as of December 31, 2019.

The largest portion of the Town's net position (72.6%) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, and infrastructure), net of any related debt used to acquire those assets that is still outstanding. The Town uses these assets to provide services to citizens, consequently, these assets are not available for future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position (3.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (24%) may be used to meet the Town's ongoing obligations to citizens and creditors.

Condensed Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Government</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Current and Other Assets	\$ 29,079,321	\$ 25,422,136	\$ 815,268	\$ 961,503	\$ 29,894,589	\$ 26,383,639
Restricted Assets	1,806,196	2,076,002	-	-	1,806,196	2,076,002
Capital Assets, net	<u>78,061,580</u>	<u>80,019,220</u>	<u>12,828,371</u>	<u>13,490,714</u>	<u>90,889,951</u>	<u>93,509,934</u>
Total Assets	<u>108,947,097</u>	<u>107,517,358</u>	<u>13,643,639</u>	<u>14,452,217</u>	<u>122,590,736</u>	<u>121,969,575</u>
Other Liabilities	2,349,315	2,450,229	161,327	202,275	2,510,642	2,652,504
Noncurrent Liabilities	<u>18,436,163</u>	<u>19,735,961</u>	<u>2,494,392</u>	<u>2,672,907</u>	<u>20,930,555</u>	<u>22,408,868</u>
Total Liabilities	<u>20,785,478</u>	<u>22,186,190</u>	<u>2,655,719</u>	<u>2,875,182</u>	<u>23,441,197</u>	<u>25,061,372</u>
Deferred Inflows of Resources	<u>2,045,905</u>	<u>1,871,006</u>	<u>46,093</u>	<u>46,506</u>	<u>2,091,998</u>	<u>1,917,512</u>
Net Position:						
Net Investment in Capital Assets	60,035,630	60,092,867	10,401,752	10,877,907	70,437,382	70,970,774
Restricted	3,288,356	2,702,077	-	-	3,288,356	2,702,077
Unrestricted	<u>22,791,728</u>	<u>20,665,218</u>	<u>540,075</u>	<u>652,622</u>	<u>23,331,803</u>	<u>21,317,840</u>
Total Net Position	<u>\$ 86,115,714</u>	<u>\$ 83,460,162</u>	<u>\$ 10,941,827</u>	<u>\$ 11,530,529</u>	<u>\$ 97,057,541</u>	<u>\$ 94,990,691</u>

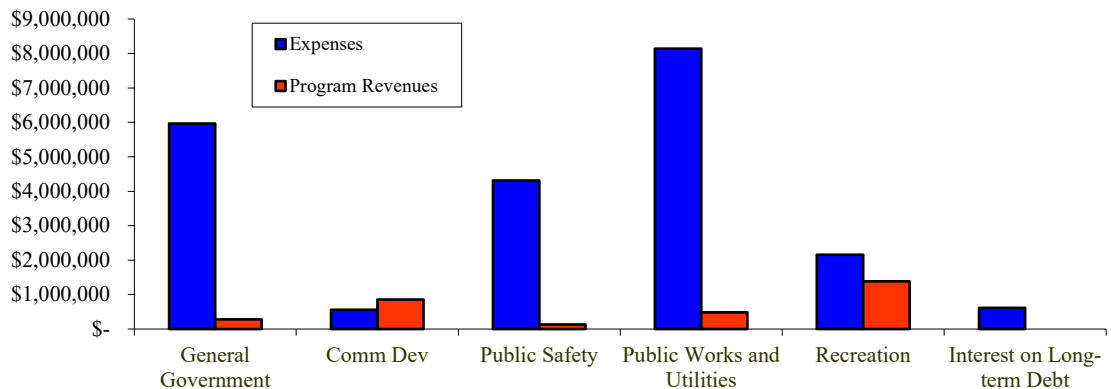
Analysis of the Town's Operations

Overall, the Town's net position increased by \$2,066,850 for 2019. Governmental activities increased net position by \$2,655,552, while business-type activities decreased net position by \$588,702. The largest contributors to the overall increase were the surpluses of revenues over expenditures in the General and Capital Projects Funds, grant revenues in the Mobility Fund and Operating Transfers-in in the Fleet Maintenance and Mobility Funds. In addition, depreciation on the Avon Regional Transportation facility and the Fleet Maintenance facility accounted for most of those fund's decreases in net position.

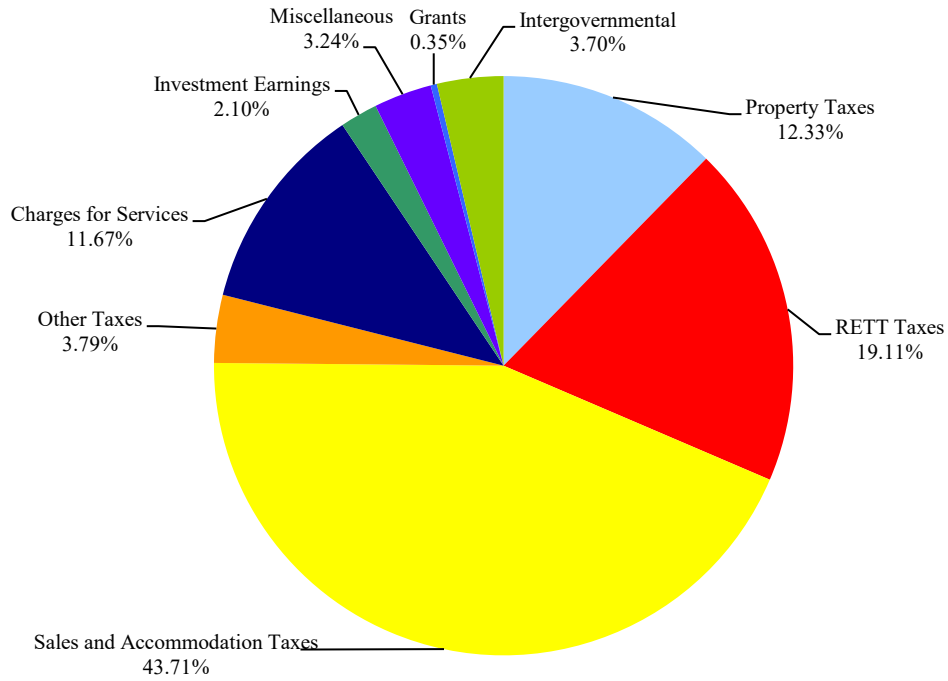
Change in Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Government</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
REVENUES						
Program Revenues:						
Charges for Services	\$ 3,053,575	\$ 2,453,822	\$ 1,644,868	\$ 1,564,465	\$ 4,698,443	\$ 4,018,287
Operating Grants and Contributions	89,873	75,430	245,980	75,000	335,853	150,430
Capital Grants and Contributions	815	491,600	-	-	815	491,600
General Revenues:						
Taxes:						
Property Taxes	3,226,470	3,260,557	41,630	41,566	3,268,100	3,302,123
Real Estate Transfer Tax	5,001,145	3,621,125	-	-	5,001,145	3,621,125
Sales and Accommodation Taxes	11,438,117	10,595,905	-	-	11,438,117	10,595,905
Other Taxes	990,898	641,144	-	-	990,898	641,144
Unrestricted Investment Earnings	549,998	398,998	-	-	549,998	398,998
Unrestricted Grants & Contributions	968,549	932,146	-	-	968,549	932,146
Miscellaneous	847,185	772,766	-	-	847,185	772,766
Total Revenues	26,166,625	23,243,493	1,932,478	1,681,031	28,099,103	24,924,524
EXPENSES						
Program Activities:						
Governmental Activities:						
General Government	5,968,157	3,661,274	-	-	5,968,157	3,661,274
Community Development	557,539	1,454,581	-	-	557,539	1,454,581
Public Safety	4,310,801	3,983,349	-	-	4,310,801	3,983,349
Public Works and Utilities	8,134,954	9,448,309	-	-	8,134,954	9,448,309
Recreation	2,160,389	1,978,431	-	-	2,160,389	1,978,431
Interest on Long-term Debt	617,694	720,441	-	-	617,694	720,441
Business-type Activities:						
Mobility	-	-	2,502,195	2,272,401	2,502,195	2,272,401
Fleet Maintenance	-	-	1,780,524	1,720,433	1,780,524	1,720,433
Total Expenses	21,749,534	21,246,385	4,282,719	3,992,834	26,032,253	25,239,219
Excess (Deficiency) Before Contributions and Transfers	4,417,091	1,997,108	(2,350,241)	(2,311,803)	2,066,850	(314,695)
Capital Contributions	(61,539)	-	61,539	-	-	-
Transfers	(1,700,000)	(1,707,492)	1,700,000	1,707,492	-	-
Increase (Decrease) in Net Position	2,655,552	289,616	(588,702)	(604,311)	2,066,850	(314,695)
Net Position, Beginning of Year	83,460,162	83,170,546	11,530,529	12,134,840	94,990,691	95,305,386
Net Position, Ending	<u>\$ 86,115,714</u>	<u>\$ 83,460,162</u>	<u>\$10,941,827</u>	<u>\$11,530,529</u>	<u>\$ 97,057,541</u>	<u>\$ 94,990,691</u>

Expenses and Program Revenues – Governmental Activities



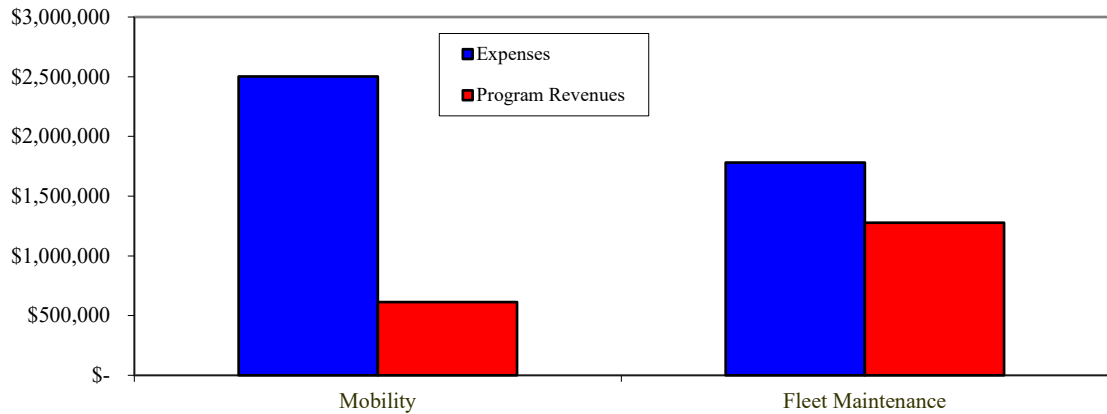
Revenues by Source – Governmental Activities



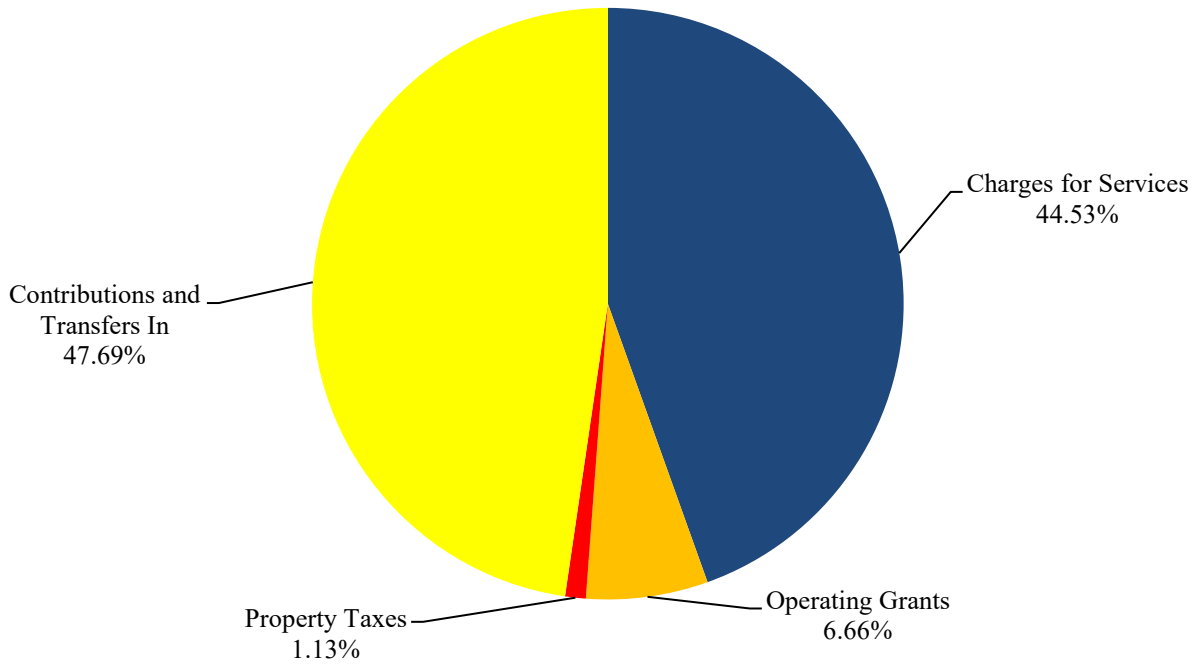
Business-type activities.

Net position of business-type activities decreased by \$588,702 in 2019. The key element of this decrease was depreciation of capital assets held by the Mobility and Fleet Maintenance Enterprise Funds.

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



Financial Analysis of the Town’s Funds

The following schedule presents a summary of governmental fund revenues for the year ended December 31, 2019 and the amount and percentage of increases and decreases in relation to the prior year.

Revenues	2019 Amount	Percent of Total	2018 Amount	Amount of Increase (Decrease)	Percent Increase (Decrease)
Taxes	\$20,656,630	78.88%	\$18,118,731	\$ 2,537,899	14.01%
Licenses and Permits	752,345	2.87%	398,860	353,485	88.62%
Intergovernmental	1,156,632	4.42%	1,499,176	(342,544)	(22.85%)
Charges for Services	2,181,861	8.33%	1,927,701	254,160	13.18%
Fines and Forfeitures	51,535	0.20%	52,220	(685)	(1.31%)
Investment Earnings	549,998	2.10%	398,998	151,000	37.84%
Other Revenues	<u>838,635</u>	<u>3.20%</u>	<u>748,101</u>	<u>90,534</u>	12.10%
Total	<u>\$26,187,636</u>	<u>100.00%</u>	<u>\$23,143,787</u>	<u>\$ 3,043,849</u>	

Total tax collections increased by \$2,537,899 from the prior year. Property taxes increased by \$9,531 due to a slight increase in assessed values. The general operating mill rate for the Town remained the same at 8.956 mills. Net assessed values increased by 1.96% or \$4,007,000. Property tax increment revenues from the Avon Urban Renewal Authority decreased by \$42,171 from the prior year due to a slight decrease in the value of the tax increment of \$382,090, and a slight decrease in overlapping mill rates of 1.033 mills. Sales taxes increased by \$595,245 or

7.06% from the previous year while accommodations taxes increased by \$152,571 or 11.43%. Retail sales fees (classified as a tax) from a .75% public improvement fee collected within the Village at Avon PUD increased by \$18,765. The Town also collects a 2% tax from all transfers of real property within the Town. These revenues are dedicated solely for capital improvement projects. Real estate transfer tax collections increased by \$1,380,020 or 38.1% in 2019. Real estate taxes can be quite volatile although the five-year average is \$3,787,570.

License and permit revenues increased by \$353,485 from the previous year. Construction permit values increased \$12,525,132 in total from the prior year with commercial permits valued at \$3,174,739 and residential construction valued at \$62,013,031. Building permit fees, business licenses and contractors licenses all increased from the prior year.

Intergovernmental revenues decreased in 2019 by \$342,544. This decrease was primarily due to capital project fund grants received in the prior year from GOCO (\$350,000) for a new Destination Jump Splash Learn playground, and from the Colorado Health Foundation (\$140,000) for a fitness court, that were not duplicated in 2019. State and County shared revenues increased by \$36,403.

Charges for services increased \$254,160 due to an increase in tap fees collections of \$178,151, an increase in plan check fees for new construction projects of \$123,583, and a decrease in total recreation fees of \$51,923.

Investment earnings increased in 2019 by \$151,000 due to higher yields offered by investments in U.S Government Treasury and Agency securities and by the Colotrust local government investment pool that the Town utilizes. In addition, the Town was able to increase the weighted-average maturity for the replacement of its maturing investments in 2019.

The following schedule presents a summary of governmental fund expenditures for the year ended December 31, 2019 and the amount and percentage of increases and decreases in relation to the prior year.

<u>Expenditures</u>	2019 <u>Amount</u>	Percent of <u>Total</u>	2018 <u>Amount</u>	Amount of Increase <u>(Decrease)</u>	Percent Increase <u>(Decrease)</u>
Current:					
General Government	\$ 4,982,737	23.62%	\$ 3,636,761	\$ 1,345,976	37.01%
Community Development	521,129	2.47%	1,342,798	(821,669)	(61.19%)
Public Safety	3,984,465	18.89%	3,690,530	293,935	7.96%
Public Works and Utilities	4,397,725	20.85%	4,310,596	87,129	2.02%
Parks and Recreation	1,703,007	8.08%	1,585,571	117,436	7.41%
Capital Improvements	3,532,547	16.75%	8,449,771	(4,917,224)	(58.19%)
Debt Service:					
Principal	1,335,902	6.33%	1,371,210	(35,308)	(2.57%)
Interest	624,162	2.96%	666,120	(41,958)	(6.30%)
Fiscal Charges	10,060	0.05%	63,337	(53,277)	84.12%
Total	<u>\$21,091,734</u>	<u>100.00%</u>	<u>\$25,116,694</u>	<u>\$ (4,024,960)</u>	

Overall, total governmental fund expenditures decreased by \$4,024,960 in 2019. This was primarily due to a large decrease in the number of capital improvements projects along with small increases in operating costs within departmental budgets. In addition, the special events program expenditures were moved from Community Development to General Government resulting in a increase/decrease in those respective departments.

Capital improvement projects completed during the 2019 year included completion of the East and West Beaver Creek Blvd. street rebuild (\$1,474,308), the Avon Recreation Center weight room expansion (\$456,983), the Riverfront trail connector (\$227,717), the West Beaver Creek railroad crossing improvements (\$199,111), and the Eagle River whitewater park repairs (\$184,368).

Departmental operating expenditures remained stable with increases due mainly to staffing additions, continuation of the Town's salary step program, and small increases in group health insurance and commodities.

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$19,731,927, an increase of \$3,395,902 from the prior year. Of this total, \$3,288,356 is restricted due to external limitations on its use, such as by debt covenants, legal restrictions, or intention of grantors, donors or trustees. A total of \$9,050,901 has been committed or assigned meaning there are limitations resulting from its intended use, such as construction of capital assets, affordable housing, and for other purposes. The remaining \$7,392,670 is unassigned and can be used for any lawful purpose.

General Fund. The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund is \$7,392,670, while total fund balance is \$8,198,535. As a measure of the General Fund's liquidity, it is useful to compare the unassigned fund balance and total fund balance to total fund expenditures and other financing sources. Unassigned fund balance represents 43.2% of total fund expenditures and other financing uses, while total fund balance represents 47.95% of that same amount.

The fund balance of the General Fund increased by \$1,894,493, or 30%, in 2019. This increase is due largely to an increase in tax revenues.

The fund balance of the General Fund represents 42.1% of 2020 General Fund appropriations or the equivalent of over 5 months of operations. The Town has felt it necessary to retain this level of fund balance because of its heavy reliance on sales tax revenues. The Town's position as a resort community also places a heavy reliance upon several other factors including weather, the national economy, and tourism in general. The Town's fund balance provides the resources necessary to be more adaptable to the short-term financial environment and limits the need for capital financing.

Avon Urban Renewal Fund. At the end of the current fiscal year, the Avon Urban Renewal Fund had an ending fund balance of \$598,989. Of this amount, \$628,240 is restricted as a bond reserve and there is a deficit \$29,251 restricted for urban renewal projects. The fund transferred \$375,000 to the Capital Projects Fund to be used for Tract G projects in the future. Fund balance

increased by \$125,030 in 2019, due property tax increment revenues exceeding required debt service payments, net of this transfer.

Debt Service Fund. The Debt Service Fund has a fund balance at the end of the fiscal year of \$533,853, all of which is restricted for the payment of debt service.

Capital Projects Fund. The Capital Project Fund has an ending fund balance at the end of the fiscal year of \$8,722,351. Restricted fund balances represent escrowed monies for future asphalt repairs pursuant to a lawsuit settlement in the amount of \$657,821. The remaining amount of \$8,064,530 is committed entirely to capital improvement projects.

Non-major Funds. The aggregate non-major funds have a combined fund balance of \$1,678,199. The net increase in fund balance during the current fiscal year in the aggregate non-major funds was \$595,468. Four of the five non-major special revenue funds had surplus changes in fund balances. The Exterior Energy Offset Fund had a deficit change in fund balance of \$12,000 that was the result of expenditures of \$12,000 with no current year revenues.

General Fund Budgetary Highlights

The 2019 budget was guided by the *2019 Town of Avon Strategic Plan*, which was updated and approved by the Town Council on October 23, 2018. The *Strategic Plan* was developed to help guide decision-making for ensuring that investments and programs reflect Council priorities in achieving the vision and adopted plans of the Town of Avon. The 2019 budget has been developed to address priorities identified in the *Strategic Plan* with major emphasis on the following:

- Implement the development strategies identified within the adopted *Town of Avon Town-Owned Properties Plan* for seven sites including Tract G, Wildridge Fire House, Swift Gulch, the Village at Avon's "Park Site," "School Site" (Lot E), Public Works Site (Lot 5), and the Wildwood Properties.
- Meet the *Comprehensive Plan* Housing goals to 1) Achieve a diverse range of housing densities, styles and types, including rental and for sale, to serve all segments of the population; and 2) Coordinate with neighboring communities to provide an attainable housing program that incorporates both rental and ownership opportunities, which are affordable for local working families.
- Meet the goals and objectives of the *Avon Community Housing Plan*.
- Invest in Multi-modal Improvements prioritizing walkability and bicycle use on streets, with transit, parking and wayfinding.
- Implement the priorities from the 2016 *Town of Avon Climate Action Plan* Implementation Schedule, adopted on March 28, 2017.
- Proactively ensure trees on public and private property do not host and spread viruses; remove dead trees with a well-developed landscape program.
- Develop a comprehensive Fire Mitigation Plan for Town-owned properties.
- Work with the Eagle River Fire Protection District on planning and implementing an emergency egress for the Wildridge community.

- Continue to solicit, develop and fund, in partnership with qualified producers, a diverse program of vibrant arts, educational, cultural and recreational offerings at the Avon Performance Pavilion and Main Street Mall.
- Implement the adopted Avon Recreational Trails Plan as prioritized and adopted by the Avon Town Council.
- Construct a connecting trail from the southern terminus of Lake Street to the Eagle River Regional Trail.
- Implement the action plan to pursue a Colorado Creative District designation.
- Rebuild the Eagle River Whitewater Park.

A number of budget changes are typically made throughout the year and at the Town's adoption of its final revised budget in December. For the most part these changes are very minor and the increases and decreases are offsetting. The difference between the original budget and the final amended budget resulted in a decrease of \$1,716,659 in appropriations and an increase of \$305,346 in estimated revenues from the original budget.

In the General Fund, actual revenues exceeded estimates by a total of \$449,357. Sales tax revenues ended the year with an increase of 7.06% over the prior year. Departmental expenditures ended the year over the final revised budget by a net total of \$6,976.

Capital Assets and Debt Administration

Capital assets. The Town of Avon's investment in capital assets for its governmental and business-type activities as of December, 31, 2019, amounts to \$90,889,951 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, public art, water rights, construction in progress, buildings and building improvements, utility systems, machinery and equipment, and infrastructure (see table below). The total decrease in the Town's investment in capital assets for the current fiscal year was 2.8% (a 2.4% decrease for governmental activities and a 4.9% decrease for business-type activities).

Major capital assets events during the current fiscal year included the following:

- Governmental-type asset additions totaled \$8,480,203 in 2019. Business-type additions totaled \$289,496.
- One major project began the year in construction-in-progress – the East and West Beaver Creek Blvd. street rebuild. During the year ended December 31, 2019, these improvements were completed and capitalized at a total cost of \$3,988,243.
- Other capital improvement projects completed during the 2019 year included completion of the East and West Beaver Creek Blvd. street rebuild (\$1,474,308), the Avon Recreation Center weight room expansion (\$456,983), the Riverfront trail connector (\$227,717), the West Beaver Creek railroad crossing improvements (\$199,111), and the Eagle River whitewater park repairs (\$184,368).
- In Business-type activities, solar panels at the Avon Regional Transportation Facility were completed and placed in service at a cost of \$258,258. A new bus shelter was also completed at a cost of \$19,031. Miscellaneous equipment in Fleet Maintenance including a

brake service machine, a power steering machine and a A/C machine were purchased for a total cost of \$12,205.

- In the Equipment Replacement Fund a total of \$1,177,263 in equipment was capitalized including \$507,070 in new athletic and fitness equipment, six new police vehicles (\$296,526), computer and audio/visual equipment (\$111,791) and various other machinery and equipment totaling \$195,330.

Town of Avon's Capital Assets (net of depreciation)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land	\$ 11,640,671	\$ 11,640,671	\$ 411,834	\$ 411,834	\$12,052,505	\$12,052,505
Public Art	1,361,400	1,361,400	-	-	1,361,400	1,361,400
Water Rights	1,792,959	1,792,959	-	-	1,792,959	1,792,959
Constr. in Prog.	336,340	2,767,425	-	215,750	336,340	2,983,175
Buildings	17,573,287	18,985,693	11,130,927	11,262,554	28,704,214	30,248,247
Utilities	2,877,759	3,080,214	-	-	2,877,759	3,080,214
Mach. & Equip.	3,166,119	2,666,796	1,285,610	1,600,576	4,451,729	4,267,372
Infrastructure	<u>39,313,045</u>	<u>37,724,062</u>	<u>-</u>	<u>-</u>	<u>39,313,045</u>	<u>37,724,062</u>
Total	<u>\$78,061,580</u>	<u>\$80,019,220</u>	<u>\$12,828,371</u>	<u>\$13,490,714</u>	<u>\$90,889,951</u>	<u>\$93,509,934</u>

Additional information on the Town of Avon's capital assets can be found in Note 4 on pages 40-41 of this report.

Long-term debt. At the end of the current fiscal year, the Town of Avon had total long-term debt outstanding in the amount of \$19,618,286. Certificates of Participation which evidence assignments of proportionate interests in the right to receive payments pursuant to annually renewable lease agreements total \$14,140,000. The remainder of the Town's debt, \$8,225,362, represents bonds secured solely by specified revenue sources (i.e. revenue bonds).

Town of Avon's Outstanding Debt

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Revenue Bonds	\$ 7,053,286	\$ 7,649,283	\$ -	\$ -	\$ 7,053,286	\$ 7,649,283
Certificates of Participation	<u>10,395,000</u>	<u>11,045,000</u>	<u>2,170,000</u>	<u>2,320,000</u>	<u>12,565,000</u>	<u>13,365,000</u>
Total	<u>\$17,448,286</u>	<u>\$18,694,283</u>	<u>\$ 2,170,000</u>	<u>\$ 2,320,000</u>	<u>\$19,618,286</u>	<u>\$21,014,283</u>

The Town of Avon's long-term debt decreased by a net amount of \$1,395,997 during the current fiscal year. No new debt was issued in 2019 and all regular principal payments totaling \$1,395,997 were made on outstanding bonded debt.

The Avon Town Charter limits the amount of general obligation debt the Town may issue to 25% of assessed valuation of all taxable property within the Town, or \$15 million, whichever is greater. The current legal debt margin for the Town is \$52,227,732. The Town has no outstanding general obligation bonds outstanding as of December 31, 2019. In addition, the

Town's total debt per capita is \$3,126. Additional information on the Town's long-term debt can be found in Note 5 on pages 41-47 of this report.

Economic Factors and Next Year's Budget and Rates

The 2019 budget is guided by the *2019 Town of Avon Strategic Plan*, which was updated and approved by the Town Council on October 23, 2018. The Strategic Plan is updated each year to reflect dynamic change and to present to the Avon community the important work planned by the Town over the next year. The four key outcomes identified in the Strategic Plan are:

- Support a strong community, building on strengths as a year-round mountain resort community;
- Preserve and enhance the natural environment;
- Develop inclusive & diverse economic, educational & cultural opportunities;
- Provide a responsive, cutting-edge & effective government

2020 Budget Highlights

The annual *Strategic Plan* is a component of the annual budget. The *Strategic Plan* identifies new projects, programs and policies for the calendar year which are a priority for the Avon community. The budget allocates the finances required to implement the *Strategic Plan* projects, programs and policies. The *Strategic Plan* provides clear direction to Council and Staff for tasks that go beyond routine annual operations.

The Avon Town Council adopts the *Strategic Plan* as part of the annual budget. Complex projects often require multi-year efforts and may include tasks from the prior year which carry-over, as well as tasks initiated this year that cannot be completed within a calendar year. Implementation of the *Strategic Plan* schedule can be impacted by unanticipated priorities, such as new or emerging policy issues, development applications which require intensive review and public involvement, and new opportunities with potential to benefit the Avon community. Council may amend or re-prioritize the Strategic Plan at any time.

The 2020 budget has been developed to address priorities identified in the *Strategic Plan* with major emphasis on community planning and design, climate action initiative, multi-modal improvements, areas of environmental concern, and improving governmental operations.

The Town's net assessed valuation increased by 9.66% in 2019, to a total gross value of 252,640,660. The Town's mill rate for general operating purposes will remain at 8.956 mills. The Town does not have a debt service mill levy.

Sales tax revenues for 2020 are projected to increase by 1.6% or \$139,641 over revised 2019 estimates, which were revised up by \$217,435, or 2.6% from the original adopted 2019 budget. The increase is projected to come from general increases in the price of consumer goods and from an increase in sales tax licensees resulting from changes in regulations at the Colorado Dept. of Revenue. The new regulations state that sales tax must be collected and remitted on the jurisdiction's tax rate at the *point of delivery* for the taxable good when taxable goods are

delivered to a Colorado address outside the retailer's jurisdiction. Also anticipated are additional sales taxes from out-of-state merchants who voluntarily license with and remit sales tax based on economic nexus with the Town, as defined by the recent Supreme Court case, Wayfair vs. South Dakota. In November 2018 the Town's voters passed a ballot question that levies a \$3 per pack excise tax on the sale of cigarettes and a 40% sales tax on the sale of other tobacco and nicotine products. These taxes are estimated to generate \$385,000 in revenues for 2020.

The Town's total 2020 appropriations for all funds equals \$34,979,599. Total estimated revenues for 2019 are \$32,409,881 and estimated total ending fund balances are \$16,367,639.

Requests for Information

This financial report is designed to provide a general overview of the Town of Avon's finances for all those with an interest in the Town's fiscal management. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Town of Avon, Colorado, PO Box 975, Avon, CO 81620.

Scott Wright

Scott Wright, CPA, CPFO
Asst. Town Manager / Finance Director

TOWN OF AVON, COLORADO

STATEMENT OF NET POSITION DECEMBER 31, 2019

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 8,242,719	\$ 2,106	\$ 8,244,825
Investments	11,816,507	-	11,816,507
Receivables	8,920,095	191,414	9,111,509
Internal Balances	100,000	(100,000)	-
Prepaid Expenses	-	192,713	192,713
Inventory	-	529,035	529,035
Restricted Assets - Cash and Cash Equivalents	1,806,196	-	1,806,196
Capital Assets, net of accumulated depreciation:			
Nondepreciable	15,131,370	411,834	15,543,204
Depreciable	62,930,210	12,416,537	75,346,747
Total Assets	108,947,097	13,643,639	122,590,736
LIABILITIES			
Accounts Payable	470,780	110,410	581,190
Accrued Liabilities	218,360	42,619	260,979
Retainages Payable	3,586	-	3,586
Accrued Interest Payable	48,003	8,298	56,301
Deposits and Reserves	1,608,586	-	1,608,586
Noncurrent Liabilities:			
Due Within One Year	1,789,894	264,182	2,054,076
Due In More Than One Year	16,646,269	2,230,210	18,876,479
Total Liabilities	20,785,478	2,655,719	23,441,197
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	2,045,905	41,597	2,087,502
Gain on Advance Refunding of Debt	-	4,496	4,496
Total Deferred Inflows of Resources	2,045,905	46,093	2,091,998
NET POSITION			
Net Investment in Capital Assets	60,035,630	10,401,752	70,437,382
Restricted For:			
Emergencies	805,865	-	805,865
Debt Service	1,162,093	-	1,162,093
Capital Improvements	657,821	-	657,821
Urban Renewal	(29,251)	-	(29,251)
Purposes of Grantors	691,828	-	691,828
Unrestricted	22,791,728	540,075	23,331,803
Total Net Position	\$ 86,115,714	\$ 10,941,827	\$ 97,057,541

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

TOWN OF AVON, COLORADO

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government, Finance and Administration	\$ 5,968,157	\$ 280,165	\$ -	\$ -
Community Development	557,539	843,810	16,375	-
Public Safety	4,310,801	60,017	73,498	815
Public Works and Utilities	8,134,954	484,271	-	-
Recreation	2,160,389	1,385,312	-	-
Interest and Fiscal Charges on Long-term Debt	617,694	-	-	-
Total Governmental Activities	21,749,534	3,053,575	89,873	815
Business-type Activities:				
Mobility	2,502,195	368,390	245,980	-
Fleet Maintenance	1,780,524	1,276,478	-	-
Total Business-type Activities	4,282,719	1,644,868	245,980	-
Total Primary Government	\$ 26,032,253	\$ 4,698,443	\$ 335,853	\$ 815

General Revenues:
 Property Taxes
 Real Estate Transfer Taxes
 Sales and Accommodation Taxes
 Other Taxes
 Unrestricted Investment Earnings
 Grants and Contributions Not Restricted
 to Specific Programs
 Miscellaneous
 Contributions and Transfers

Total General Revenues and Transfers

Increase (Decrease) in Net Position

Net Position - Beginning of Year

Net Position - End of Year

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

Net (Expense) Revenue and
Changes in Net Position

Governmental Activities	Business-type Activities	Total
\$ (5,687,992)	\$ -	\$ (5,687,992)
302,646	-	302,646
(4,176,471)	-	(4,176,471)
(7,650,683)	-	(7,650,683)
(775,077)	-	(775,077)
(617,694)	-	(617,694)
<u>(18,605,271)</u>	<u>-</u>	<u>(18,605,271)</u>
-	(1,887,825)	(1,887,825)
-	(504,046)	(504,046)
-	(2,391,871)	(2,391,871)
<u>(18,605,271)</u>	<u>(2,391,871)</u>	<u>(20,997,142)</u>
3,226,470	41,630	3,268,100
5,001,145	-	5,001,145
11,438,117	-	11,438,117
990,898	-	990,898
549,998	-	549,998
968,549	-	968,549
847,185	-	847,185
(1,761,539)	1,761,539	-
<u>21,260,823</u>	<u>1,803,169</u>	<u>23,063,992</u>
2,655,552	(588,702)	2,066,850
<u>83,460,162</u>	<u>11,530,529</u>	<u>94,990,691</u>
<u>\$ 86,115,714</u>	<u>\$ 10,941,827</u>	<u>\$ 97,057,541</u>

TOWN OF AVON, COLORADO

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2019

	General Fund	Avon Urban Renewal Fund	Debt Service Fund	Capital Projects Fund
ASSETS				
Cash and Cash Equivalents	\$ 1,193,182	\$ -	\$ 16,418	\$ 2,321,206
Investments	6,547,782	-	-	5,268,725
Receivables:				
- Interest	33,283	-	-	31,478
- Taxes	4,206,616	-	-	591,051
- Accounts	57,599	-	-	-
- Intergovernmental	137,947	31,140	-	-
- Employees	8,579	-	-	-
Due from Other Funds	103,650	-	-	-
Notes Receivable	-	-	-	-
Restricted Assets - Cash and Cash Equivalents	-	628,240	520,135	657,821
Total Assets	\$ 12,288,638	\$ 659,380	\$ 536,553	\$ 8,870,281
LIABILITIES				
Accounts Payable	\$ 220,111	\$ 56,741	\$ 2,700	\$ 144,344
Accrued Liabilities	217,501	-	-	-
Retainages Payable	-	-	-	3,586
Due to Other Funds	-	3,650	-	-
Deposits and Reserves	1,606,586	-	-	-
Total Liabilities	2,044,198	60,391	2,700	147,930
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Notes Receivable	-	-	-	-
Unavailable Revenue - Property Taxes	2,045,905	-	-	-
Total Deferred Inflows of Resources	2,045,905	-	-	-
FUND BALANCES				
Restricted For:				
Emergencies	805,865	-	-	-
Urban Renewal	-	(29,251)	-	-
Water Projects	-	-	-	-
Community Enhancement	-	-	-	-
Capital Improvements	-	-	-	657,821
Debt Service	-	628,240	533,853	-
Committed For:				
Capital Improvements	-	-	-	8,064,530
Exterior Energy Offset Programs	-	-	-	-
Waste Reduction Programs	-	-	-	-
Assigned For:				
Affordable Housing	-	-	-	-
Unassigned	7,392,670	-	-	-
Total Fund Balances	8,198,535	598,989	533,853	8,722,351
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 12,288,638	\$ 659,380	\$ 536,553	\$ 8,870,281

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

**RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCE TO NET POSITION OF
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2019**

Other Governmental Funds	Total
\$ 1,391,107	\$ 4,921,913
-	11,816,507
-	64,761
-	4,797,667
83,072	140,671
210,646	379,733
-	8,579
-	103,650
6,375	6,375
-	1,806,196
<u>\$ 1,691,200</u>	<u>\$ 24,046,052</u>
\$ 3,767	\$ 427,663
859	218,360
-	3,586
-	3,650
2,000	1,608,586
<u>6,626</u>	<u>2,261,845</u>
6,375	6,375
-	2,045,905
<u>6,375</u>	<u>2,052,280</u>
-	805,865
-	(29,251)
525,747	525,747
166,081	166,081
-	657,821
-	1,162,093
-	8,064,530
65,044	65,044
88,733	88,733
832,594	832,594
-	7,392,670
<u>1,678,199</u>	<u>19,731,927</u>
<u>\$ 1,691,200</u>	<u>\$ 24,046,052</u>

Total Governmental Fund Balances	\$ 19,731,927
<i>Amounts reported for governmental activities in the Statement of Net Position are different because:</i>	
Capital assets used in governmental activities are not financial resources and therefore are not reported as an asset in the governmental funds.	
- Capital assets	135,833,108
- Accumulated depreciation	(62,383,576)
	<u>73,449,532</u>
Some liabilities, including bonds, notes and leases payable, and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.	
- Tax Increment Revenue Bonds payable	(7,053,286)
- Certificates of Participation payable	(10,395,000)
- Unamortized bond premium	(266,468)
- Compensated absences payable	(410,213)
	<u>(18,124,967)</u>
Notes receivable are not available to pay for current period expenditures and are deferred in the governmental funds.	6,375
Long-term receivables which are not available to pay for current period expenditures and are not reported in the governmental funds.	3,522,309
Accrued interest payable is recognized for governmental activities but is not due and payable in the current period and therefore is not reported as a liability in the governmental funds.	(48,003)
The internal service fund is used by management to charge the rental cost of certain vehicles and equipment to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the statement of net position.	7,578,541
Net Position of Governmental Activities	<u>\$ 86,115,714</u>

TOWN OF AVON, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	General Fund	Avon Urban Renewal Fund	Debt Service Fund	Capital Projects Fund
Revenues				
Taxes	\$ 14,269,010	\$ 1,386,475	\$ -	\$ 5,001,145
Licenses and Permits	752,345	-	-	-
Intergovernmental	1,059,237	-	-	97,395
Charges for Services	1,726,980	-	-	-
Fines and Forfeitures	51,535	-	-	-
Investment Earnings	358,588	15,425	13,172	162,316
Other Revenues	536,178	-	-	25,410
Total Revenues	18,753,873	1,401,900	13,172	5,286,266
Expenditures				
Current:				
General Govt., Finance & Administration	4,872,293	52,615	-	-
Community Development	509,129	-	-	-
Public Safety	3,984,465	-	-	-
Public Works and Utilities	4,330,597	-	-	-
Recreation	1,703,007	-	-	-
Capital Improvements	-	-	-	3,532,547
Debt Service:				
Principal	-	595,997	650,000	89,905
Interest	-	252,558	362,707	8,897
Fiscal Charges	-	700	9,360	-
Total Expenditures	15,399,491	901,870	1,022,067	3,631,349
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,354,382	500,030	(1,008,895)	1,654,917
Other Financing Sources (Uses)				
Transfers In	240,111	-	1,007,932	375,000
Transfers Out	(1,700,000)	(375,000)	-	(1,248,043)
Total Other Financing Sources (Uses)	(1,459,889)	(375,000)	1,007,932	(873,043)
Net Change in Fund Balances	1,894,493	125,030	(963)	781,874
Fund Balances, Beginning of Year	6,304,042	473,959	534,816	7,940,477
Fund Balances, End of year	\$ 8,198,535	\$ 598,989	\$ 533,853	\$ 8,722,351

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

**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, 2019**

Other Governmental Funds	Total
\$ -	\$ 20,656,630
-	752,345
-	1,156,632
454,881	2,181,861
-	51,535
497	549,998
277,047	838,635
<u>732,425</u>	<u>26,187,636</u>
57,829	4,982,737
12,000	521,129
-	3,984,465
67,128	4,397,725
-	1,703,007
-	3,532,547
-	1,335,902
-	624,162
-	10,060
<u>136,957</u>	<u>21,091,734</u>
595,468	5,095,902
-	1,623,043
-	(3,323,043)
-	(1,700,000)
595,468	3,395,902
1,082,731	16,336,025
<u>\$ 1,678,199</u>	<u>\$ 19,731,927</u>

Net change in fund balances - Total Governmental Funds \$ 3,395,902

*Amounts reported for governmental activities in the
Statement of Activities are different because:*

Governmental funds report capital outlays as expenditures. However, for governmental activities, those capital outlays other than noncapitalizable items are shown in the Statement of Activities and the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:

- Capital outlay	2,617,166
- Depreciation	<u>(4,126,174)</u>
	<u>(1,509,008)</u>

Expenses reported in the Statement of Activities that do not require the use of current financial resources are not reported as expenditures in governmental funds.

- Loss on Disposal of Capital Assets	(755,833)
- Change in compensated absences payable	(49,294)
- Change in accrued interest payable on outstanding bonds	3,339
- Amortization of bond premium	13,191
	<u>(788,597)</u>

Payment received on affordable housing notes receivable are reported as revenue in the governmental funds, but the repayment reduces notes receivable in the Statement of Net Position

(11,100)

Repayment of bond and lease principal are reported an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:

- Certificates of Participation retirements	650,000
- Tax Increment Revenue Bond principal retirements	595,997
	<u>1,245,997</u>

The internal service fund is used by management to charge the rental cost of certain vehicles and equipment to individual funds. The decrease in net position of the internal service fund is included in governmental activities.

322,358

Change in Net Positon of Governmental Activities

\$ 2,655,552

TOWN OF AVON, COLORADO

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2019

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Mobility Fund	Fleet Maintenance Fund	Totals	
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 1,852	\$ 254	\$ 2,106	\$ 3,320,806
Receivables:				
- Taxes	41,597	-	41,597	-
- Intergovernmental	16,033	133,784	149,817	-
Deferred Expense	192,713	-	192,713	-
Due From Other Funds	352,500	-	352,500	-
Inventory	-	529,035	529,035	-
Total Current Assets	604,695	663,073	1,267,768	3,320,806
Noncurrent Assets:				
Capital Assets:				
- Land	281,450	130,384	411,834	-
- Buildings	10,205,612	5,639,287	15,844,899	3,170,860
- Machinery and Equipment	4,030,934	302,608	4,333,542	7,284,436
- Accumulated Depreciation	(4,449,781)	(3,312,123)	(7,761,904)	(5,843,248)
Total Noncurrent Assets	10,068,215	2,760,156	12,828,371	4,612,048
Total Assets	10,672,910	3,423,229	14,096,139	7,932,854
LIABILITIES				
Current Liabilities:				
Accounts Payable	16,444	93,966	110,410	43,117
Accrued Liabilities	24,632	17,987	42,619	-
Accrued Interest Payable	-	8,298	8,298	-
Compensated Absences Payable	36,736	35,533	72,269	-
Due to Other Funds	-	452,500	452,500	-
Certificates of Participation - Current	-	157,496	157,496	-
Capital Leases Payable - Current	34,417	-	34,417	74,947
Total Current Liabilities	112,229	765,780	878,009	118,064
Noncurrent Liabilities:				
Certificates of Participation	-	2,039,648	2,039,648	-
Capital Leases Payable	190,562	-	190,562	236,249
Total Noncurrent Liabilities	190,562	2,039,648	2,230,210	236,249
Total Liabilities	302,791	2,805,428	3,108,219	354,313
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	41,597	-	41,597	-
Gain on Advance Refunding of Debt	-	4,496	4,496	-
Total Deferred Inflows of Resources	41,597	4,496	46,093	-
NET POSITION				
Net Investment in Capital Assets	9,843,236	558,516	10,401,752	4,300,852
Unrestricted	485,286	54,789	540,075	3,277,689
Total Net Position	\$ 10,328,522	\$ 613,305	\$ 10,941,827	\$ 7,578,541

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

TOWN OF AVON, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Mobility Fund	Fleet Maintenance Fund	Totals	
Operating Revenues:				
Charges for Services	\$ 251,825	\$ 1,273,949	\$ 1,525,774	\$ 690,588
Other Operating Revenues	116,565	410	116,975	19,650
Total Operating Revenues	368,390	1,274,359	1,642,749	710,238
Operating Expenses:				
Cost of Operations	1,905,423	1,537,430	3,442,853	23
Depreciation and Amortization	584,473	141,616	726,089	810,987
Total Operating Expenses	2,489,896	1,679,046	4,168,942	811,010
Operating Income (Loss)	(2,121,506)	(404,687)	(2,526,193)	(100,772)
Nonoperating Revenues (Expenses):				
Taxes	41,630	-	41,630	-
Operating Grants	245,980	-	245,980	-
Gain (Loss) on Disposal of Capital Assets	(3,824)	2,119	(1,705)	62,291
Interest Expense	(8,475)	(101,478)	(109,953)	-
Total Nonoperating Revenues (Expenses)	275,311	(99,359)	175,952	62,291
Income (Loss) Before Contributions and Transfers	(1,846,195)	(504,046)	(2,350,241)	(38,481)
Capital Contributions and Transfers				
Contributed Capital In (Out)	61,539	-	61,539	360,839
Transfers In (Out)	1,150,000	550,000	1,700,000	-
Total Capital Contributions and Transfers	1,211,539	550,000	1,761,539	360,839
Change in Net Position	(634,656)	45,954	(588,702)	322,358
Net Position, Beginning of Year	10,963,178	567,351	11,530,529	7,256,183
Net Position, End of Year	\$ 10,328,522	\$ 613,305	\$ 10,941,827	\$ 7,578,541

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

TOWN OF AVON, COLORADO

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Mobility Fund	Fleet Maintenance Fund	Totals	
Cash Flows From Operating Activities				
Cash Received from Customers and Users	\$ 232,917	\$ 536,171	\$ 769,088	\$ -
Cash Received from Interfund Services Provided	22,887	644,894	667,781	690,588
Cash Payments to Suppliers	(608,754)	(698,581)	(1,307,335)	(23)
Cash Payments to Employees	(915,589)	(853,106)	(1,768,695)	-
Cash Payments for Interfund Services Used	(370,721)	(7,064)	(377,785)	-
Other Operating Revenues	115,565	410	115,975	19,650
Net Cash Provided by (Used in) Operating Activities	<u>(1,523,695)</u>	<u>(377,276)</u>	<u>(1,900,971)</u>	<u>710,215</u>
Cash Flows From Noncapital Financing Activities				
Taxes Received	41,630	-	41,630	-
Grants Received	245,980	-	245,980	-
Net Borrowings (To) From Other Funds	(52,500)	52,500	-	-
Transfers In from Other Funds	1,150,000	550,000	1,700,000	-
Net Cash Provided by Noncapital Financing Activities	<u>1,385,110</u>	<u>602,500</u>	<u>1,987,610</u>	<u>-</u>
Cash Flows From Capital Financing Activities				
Acquisition and Construction of Capital Assets	-	(12,205)	(12,205)	(780,113)
Proceeds from Sales of Capital Assets	6,176	2,120	8,296	38,263
Interest Paid on Long-term Debt	(8,475)	(104,827)	(113,302)	-
Principal Paid on Long-term Debt	(33,280)	(150,000)	(183,280)	-
Net Cash Used in Capital Financing Activities	<u>(35,579)</u>	<u>(264,912)</u>	<u>(300,491)</u>	<u>(741,850)</u>
Net Decrease in Cash and Cash Equivalents	(174,164)	(39,688)	(213,852)	(31,635)
Cash and Cash Equivalents, Beginning of Year	<u>176,016</u>	<u>39,942</u>	<u>215,958</u>	<u>3,352,441</u>
Cash and Cash Equivalents, End of Year	<u>\$ 1,852</u>	<u>\$ 254</u>	<u>\$ 2,106</u>	<u>\$ 3,320,806</u>

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

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Transit Fund	Fleet Maintenance Fund	Totals	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating Income (Loss)	<u>\$ (2,121,506)</u>	<u>\$ (404,687)</u>	<u>\$ (2,526,193)</u>	<u>\$ (100,772)</u>
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities				
Depreciation and Amortization	584,473	141,616	726,089	810,987
Change in Assets and Liabilities:				
Decrease in Accounts Receivable	2,039	-	2,039	-
(Increase) Decrease in Intergovernmental Receivable	1,940	(43,706)	(41,766)	-
Increase in Deferred Expense	1,957	-	1,957	-
Increase in Inventory	-	(29,847)	(29,847)	-
Decrease in Accounts Payable	(674)	(45,289)	(45,963)	-
Increase in Accrued Liabilities	1,747	3,706	5,453	-
Increase (Decrease) in Comp. Absences Payable	6,329	931	7,260	-
Total Adjustments	<u>597,811</u>	<u>27,411</u>	<u>625,222</u>	<u>810,987</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ (1,523,695)</u></u>	<u><u>\$ (377,276)</u></u>	<u><u>\$ (1,900,971)</u></u>	<u><u>\$ 710,215</u></u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Noncash Transactions Affecting Financial Position				
Contributions of Capital Assets from				
Governmental Activities	\$ 61,539	\$ -	\$ 61,539	\$ 270,935
Capital Assets Disposed	(10,000)	-	(10,000)	(47,777)
Principal on Capital Leases Paid from				
Governmental Activities	-	-	-	89,904
Amortization of Premium and Gain on Advance				
Refunding of Debt	-	2,910	2,910	-
	<u>\$ 51,539</u>	<u>\$ 2,910</u>	<u>\$ 54,449</u>	<u>\$ 313,062</u>

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2019

The financial statements of the Town of Avon have been prepared in conformity with generally accepted accounting principles (“GAAP”) as applied to governmental entities. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting board for establishing governmental accounting and financial reporting principles. The following notes are an integral part of the Town’s Comprehensive Annual Financial Report.

Note 1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

Primary Government. The Town of Avon, Colorado, was incorporated as a Town on April 24, 1978. On June 13, 1978, the citizenry voted to become a Home Rule City, as authorized by Article 20 of the Colorado State Constitution. The Town operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety, highways and streets, culture-recreation, public improvements, community development, planning and zoning, transportation, and general administrative services.

As required by generally accepted accounting principles, these financial statements present the Town of Avon (the primary government) and its component unit for which the Town is considered financially accountable. Financial accountability exists if the Town appoints a voting majority of an organization’s governing board and is able to impose its will on the organization, or if the organization provided benefits to, or imposes financial burdens upon the Town. Blended component units, although legally separate entities, are, in substance, part of the Town’s operations, so data from these units are combined with data of the Town.

The Town’s blended component unit are –

Avon Urban Renewal Authority (AURA) – The AURA is a body corporate duly organized and existing as an urban renewal authority established by the Town of Avon, Colorado pursuant to the Urban Renewal Law of the State of Colorado for undertaking certain urban renewal activities within the Town. The boundaries of the AURA are coterminous with the boundaries of the Town. The bylaws of the AURA provide that the members of the Avon Town Council shall constitute the Commissioners of the AURA. The Mayor of the Town services as Chairman, the Mayor Pro-Tem serves as Vice Chairman, the Town Manager serves as the Executive Director and Secretary, the Finance Director serves as Treasurer, and the Town Clerk serves as the AURA Clerk. For financial reporting purposes, the AURA is blended into the Town’s financial statements and is reported in a single special revenue fund as a blended component unit. A separate budget is adopted for the AURA, however separate financial statements of the AURA are not issued.

Avon General Improvement District No. 1 – The Town of Avon General Improvement District No. 1 was organized on August 28, 2007, by adoption of Ordinance No. 07-07. The services to be provided within and for the District include transportation and recreation

services and include the property known as Lots 1 and 2 of the final plat of the Chateau St. Claire subdivision, now commonly known as the Ascent. The members of the Avon Town Council constitute the Board of the District. The District levies a property tax to be used for transportation operations. For financial reporting purposes, the District is blended into the Town's financial statements and is reported in the Mobility enterprise fund as a blended component unit. Separate budgets and financial statements of the District are not adopted or issued.

B. Government-wide and Fund Financial Statements

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 non-fiduciary activities of the Town (the primary government) and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. Generally, interfund activity has been eliminated from the government-wide financial statements except for interfund services provided and used.

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

Fund Financial Statements. Fund financial statements report detailed information about the Town with the focus on major funds rather than on reporting funds by type. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

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

Measurement Focus and Basis of Accounting. The government-wide financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements. Revenues are recognized when earned and expenses are recognized when the liability is incurred regardless of the timing of related cash flows. Depreciation is computed and recorded as an operating expense. Expenditures for property, plant and

TOWN OF AVON, COLORADO

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equipment are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days). The major sources of revenue which are susceptible to accrual are property taxes, accommodations and sales taxes, and certain intergovernmental revenues. Expenditures generally are recorded when the liability is incurred, as under full 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.

Financial Statement Presentation – Fund Accounting. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts which are segregated for the purpose of accounting for specific activities. The Town uses funds to report results of operations and financial position, and demonstrate compliance with legal, contractual and regulatory requirements.

The Town's funds are classified into two broad fund categories and six generic fund types for financial reporting purposes: Governmental funds include the general, special revenue, debt service, and capital projects funds. Proprietary funds include enterprise funds and an internal service fund.

The Town's major governmental funds are:

- *General Fund* – This is the Town's primary operating fund. It is used to account for all activities of the Town not required to be accounted for in some other fund.
- *Avon Urban Renewal Fund* – This fund is used to account for the receipt of tax increment revenues and the activities of redevelopment that are undertaken by the Avon Urban Renewal Authority, including issuing debt and constructing public improvements.
- *Debt Service Fund* – This fund is used to account for the accumulation of resources and payment of principal and interest on the Town's general obligation and sales tax revenue bonds.
- *Capital Projects Fund* – This fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all the Town's enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal

service 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 nonoperating revenues and expenses.

The Town's major proprietary funds are:

- *Mobility Fund* – This fund is used to account for the activities involved in operating the Town's transportation system.
- *Fleet Maintenance Fund* – This fund is used to account for the accumulation and allocation of costs associated with the maintenance of vehicles and rolling stock for the Town and certain other third-party governmental entities.

The Town's only internal service fund is the Equipment Replacement Fund. This fund is used to account for the rental of certain vehicles and equipment to other departments for the accumulation of funds for future replacement.

D. Budget Information

Budgets are adopted on a basis consistent with generally accepted accounting principles for all funds, except for proprietary funds which are budgeted on the modified accrual basis of accounting. According to the Town's Charter, all appropriations except for capital projects or special revenue funds lapse at fiscal year-end. However, as a matter of practice, the Town adopts annual budgets for all funds. During the year, changes may be made to budgets by adoption of supplemental amendments by resolution of the Town Council.

E. Assets, Liabilities, and Deferred Outflows/Inflows of Resources

Cash, Cash Equivalents, and Investments. The Town concentrates the cash resources of its various funds to facilitate the management of cash. The balance in this concentration account is available to meet the Town's current operating requirements. Cash resources more than current requirements is invested in various interest-bearing securities and disclosed as part of the Town's investments. Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within 3 months of the date acquired by the Town.

Town Charter and Colorado State statutes authorize the Town to invest its excess funds in direct U.S. Government treasury and agency securities, bonds and other obligations of states and political subdivisions, corporate bonds, and local government investment pools. Investments are stated at fair value. The change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. Investment income is recognized when earned.

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Inventories. Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of any governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

Restricted Assets. Restricted assets in the amount of \$628,240 are reported in the Avon Urban Renewal Fund. This consists of a \$628,240 required debt service reserve for purposes of the Authority's 2013 Tax Increment Revenue Bonds.

Restricted assets in the amount of \$520,135 are reported in the Debt Service Fund. This amount consists of a \$508,700 required debt service reserve for the Series 2010 Certificates of Participation, \$11,026 in a base rental fund for the Series 2010 Certificates of Participation, \$177 in a base rental fund for the Series 2014B Certificates of Participation, and \$232 in a base rental fund for the Series 2016 Certificates of Participation. These reserves are all held in UMB Bank's trust department.

Restricted assets in the amount of \$657,821 are reported in the Capital Project Fund. This consists of \$657,821 held in an escrow account with FirstBank for accumulating funds for asphalt overlay in the Village at Avon pursuant to the Town's lawsuit settlement agreement with Traer Creek Metropolitan District and the developer.

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

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. It is the Town's policy to capitalize expenditures with a cost greater than \$5,000 and an estimated useful life of more than one year. All purchased capital assets are stated at cost or estimated historical cost if actual historical records are not available. Donated capital assets and donated works of art and similar items are recorded at acquisition value at the date of contribution. Major outlays for capital improvement projects are capitalized as projects are completed.

The Town's infrastructure consists of streets and roads, bridges, storm drainage, water rights and storage, heat recovery system, irrigation ditches, bike paths, and public parking. The costs of normal maintenance and repair that do not add to the value of the asset or extend the estimated useful life are not capitalized but charged to operations as incurred. Depreciation of property, plant and equipment is computed using the straight-line method over the following estimated useful lives:

Buildings	10-50 years
Utilities	10-50 years
Machinery and Equipment	3-15 years
Infrastructure	10-100 years

Deferred Inflows of Resources. The government-wide and proprietary funds statement of net position and governmental funds balance sheet 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 Town has two types of items that qualify for reporting in this category: deferred gain on advance refunding of debt and unavailable revenue. In the government-wide and proprietary funds statement of net position *deferred gain on advance refunding of debt* is the result of the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the life of the refunding bonds. The other type of item, *unavailable revenue*, is reported in the government-wide and proprietary fund statement of net position and in the governmental funds balance sheet. The Town reports *unavailable revenues* from two sources: property tax and notes receivable. *Unavailable revenue - notes receivable* arises only under a modified accrual basis of accounting and as such is only reported in the governmental funds balance sheet. *Unavailable revenue – property taxes* is reported in the government-wide and proprietary funds statement of net position and in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-term Obligations. In the government-wide and proprietary fund statement of net position 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 straight-line method, which approximates the 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, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. 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 are reported as debt service expenditures.

F. Property Taxes

Property taxes are levied by the Town Council. The levy is based on the assessed valuation of property located within the Town as determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners. The County Treasurer collects the property taxes during the ensuing calendar year and remits the taxes collected to the Town on a monthly basis.

Property taxes are payable in full by April 30, or if in two equal installments, by February 28 and June 15. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. Property taxes, net of

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estimated uncollectible taxes, are recorded as receivable in the year levied and offset to deferred inflows of resources as unavailable revenue since they typically do not meet the availability criterion.

G. Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused personal time off (a combination of vacation and holidays) and sick pay benefits. There is no liability for unpaid accumulated sick leave since the Town's policy is to not pay for accumulated sick leave when employees separate from service. The liability for compensated absences is recorded as a non-current liability in the government-wide financial statements.

The current portion of this debt is estimated based on historical trends. In the fund financial statements, governmental funds report a compensated liability payable only if it has matured, for example, as a result of employee resignations and retirements, while the proprietary funds report the liability as it is incurred. Within the governmental funds, the General Fund typically is used to liquidate any liabilities for compensated absences.

H. Fund Equity

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory or prepaid charges) or are required to be maintained intact;
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority. In Avon's case this is an ordinance adopted by the Town Council. To be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or an official or body to which the governing body delegates the authority;
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Town establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by the Town Council through adoption or amendment of the budget as intended for a specific purpose (such as the purchase of capital assets, construction, debt service, or other purposes).

When fund balance resources are available for a specific purpose in more than one classification, it is the Town's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. The Town considers all unassigned fund balances to be "reserves" for future operations or capital replacement as defined within Article X, Section 20 of the Constitution of the State of Colorado (see Note 10).

I. Statements of Cash Flows

For purposes of the statement of cash flows, the Town considers all highly liquid investments with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

J. Debt Costs

Unamortized premiums of \$293,612 are reflected in noncurrent liabilities. Premiums are amortized over the remaining lives of the related debt issues using the effective interest method.

Note 2. Legal Compliance – Budgets

No later than October 15th, the Town Manager submits to the Mayor and Town Council a proposed budget for the calendar year commencing the following January 1st. The budget is prepared by fund, department, program and project and includes information on the prior year, current estimates and requested appropriations and estimated revenues for the upcoming year.

The Town Council holds public hearings and may change appropriations except for expenditures required by law for debt service or for estimated cash deficits. No change to the budget may increase the authorized expenditures to any amount greater than the total amount of funds available. The Town Council must adopt the budget by resolution prior to December 15th. Once adopted, the Town Council may at any time, by resolution, amend the budget. In addition, the Town Manager may transfer part or all of any unencumbered appropriation balance among programs within a department. A department is defined by the Town as a distinct, principal or specialized division (e.g. the Department of Public Works).

Expenditures may not legally exceed budgeted appropriations at the fund level. Budgetary comparisons in the accompanying combined financial statements and in the individual fund statements are presented at a lower-than-required level of control to facilitate detailed financial analysis. The Avon Urban Renewal Fund, Disposable Paper Bag Fee Fund, Debt Service Fund, Mobility Fund, and Fleet Maintenance Fund expenditures exceeded budgeted appropriations during 2019. This may be a violation of Colorado budget law.

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NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2019

Note 3. Cash and Investments

Cash and investments as of December 31, 2019 are classified in the accompanying financial statements as follows:

Cash and Cash Equivalents	\$ 8,254,825
Investments	11,816,507
Restricted Assets - Cash and Cash Equivalents	<u>1,806,196</u>
Total	<u>\$ 21,877,528</u>

Cash and investments as of December 31, 2019 consist of the following:

Cash on Hand	\$ 4,925
Demand Deposits	1,180,817
Other Deposits with Financial Institutions	1,350,475
Local Government Investment Pools	7,524,804
Investments	<u>11,816,507</u>
Total	<u>\$ 21,877,528</u>

Investments Authorized by the Town of Avon Investment Policy

The table below identifies the investment types that are authorized for the Town by the Town's investment policy. The table also identifies certain provision of the Town's investment policy that address interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Of Portfolio</u>	<u>Maximum Investment In One Issuer</u>
U.S. Government Treasury Securities	5 years	None	None
U.S. Government Agency Securities	5 years	None	None
Repurchase Agreements	180 days	None	None
Commercial Paper	270 days	20%	5%
General Obligation Debt	5 years	None	None
Revenue Obligation Debt	5 years	None	None
Local Government Investment Pools	N/A	None	None

Fair Value of Investments

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

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

At December 31, 2019, the Town had the following recurring fair value measurements:

<u>Investments Measured at Fair Value</u>	<u>Total</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
U.S. Government Treasury Securities	\$ 2,481,480	\$ 2,481,480	\$ -	\$ -
Federal Instrumentality Securities	<u>9,691,517</u>	<u>9,691,517</u>	-	-
Total	<u>\$11,816,507</u>	<u>\$11,816,507</u>	<u>\$ -</u>	<u>\$ -</u>

<u>Investments Measured at Net Asset Value</u>	<u>Total</u>
Colostrust	<u>\$ 7,524,804</u>

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

- U.S. Government treasury securities, U.S. Government agency securities, and commercial paper: quoted prices for identical securities in markets that are not active;
- Corporate and municipal bonds: quoted prices for similar securities in active markets;
- Repurchase agreements, negotiable certificates of deposit, and collateralized debt obligations: matrix pricing based on the securities' relationship to benchmark quoted prices.

At December 31, 2019, unrealized gains were \$74,248 which reflects changes in the fair market value of investments.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The investment policy of the Town states that, to the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. Unless matched to a specific cash flow requirement, the Town will not invest in securities maturing more than five years from the date of purchase. In addition, the Town shall maintain at least 15% of its total investment portfolio in investments maturing in 120 days or less. At least 10% of the portfolio shall be invested in overnight investments or securities that can be sold to raise cash on one day's notice.

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2019

Information about the sensitivity of the fair values of the Town's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Town's investments by maturity:

		Weighted Average Maturity (in Years)
U.S. Government Treasury Notes	\$ 3,744,885	1.291
U.S. Government Agency Securities:		
Federal Home Loan Bank	4,041,519	1.138
Federal Home Loan Mortgage Corp.	1,009,040	1.143
Federal National Mortgage Assn.	1,511,197	1.030
Federal Farm Credit Bank	1,509,866	0.843
Colotrust	<u>7,524,804</u>	NA
Total	<u>\$ 19,341,311</u>	

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Presented below is the minimum rating, as required by the Town's investment policy, for investments of the Town as of December 31, 2019.

Ratings <u>Standard & Poor's</u>	<u>Investment</u>
AAAm	Colotrust
AA+	US Treasury
AA+	Government National Mortgage Assoc.
AA+	Federal Farm Credit Bank
AA+	Federal Home Loan Bank
AA+	Federal Home Loan Mortgage Corporation
AA+	Federal National Mortgage Corporation

Concentration of Credit Risk

Except for commercial paper investments, the investment policy of the Town contains no limitations on the amount that can be invested in any one issuer. Commercial paper issuers are limited to no more than 5% of the Town's portfolio. The Town had no investments in commercial paper at December 31, 2019.

Investments in any one issuer (other than U.S. Treasury obligations, mutual funds, and local government investment pools) that represent 5% or more of total Town investments are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>	<u>% of Total Investments</u>
Federal Home Loan Bank	Federal Instrumentality Securities	\$ 4,041,519	20.896%
Federal National Mortgage Assn.	Federal Instrumentality Securities	1,511,197	7.813%
Federal Farm Credit Bank	Federal Instrumentality Securities	1,509,866	7.806%
Federal Home Loan Mortgage Corp.	Federal Instrumentality Securities	1,009,040	5.217%

Custodial Credit Risk

Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Town would not be able to recover its deposits or would not be able to recover collateral securities that are in the possession of an outside party.

The Town’s deposits are entirely covered by federal depository insurance (“FDIC”) or by collateral held under Colorado’s Public Deposit Protection Act (“PDPA”). The FDIC insures the first \$250,000 of the Town’s deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA. The Colorado Public Deposit Protection Act (PDPA) requires that cash be deposited in eligible public depositories and that deposits in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds with the Town being a named participant in the single institution collateral pool. The minimum pledging requirement is 102% of the uninsured deposits. The Colorado State Banking Board verifies the market value at least monthly. Bank assets (usually securities) are required by PDPA to be delivered to a third-party institution for safekeeping and pledged to the Colorado Division of Banking. Based on the above, the Colorado State Auditor has concluded that there is no custodial risk for public deposits collateralized under PDPA. The carrying amount of the Town’s demand deposits was \$1,180,817 at year end.

Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the Town would not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Town’s investment policy provides that all investment securities, except certificates of deposit, local government investment pools, and money market funds purchased by the Town shall be settled on a delivery versus payment basis and will be delivered by either book entry or physical delivery and will be held in third-party safekeeping by the Town’s approved custodian bank, its correspondent bank or the Depository Trust Company. An approved Safekeeping Agreement must be executed with each custodian bank prior to utilizing that bank’s safekeeping services.

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NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2019

Local Government Investment Pools

Local government investment pools are trusts established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the trusts. The trusts value their shares based on a stable net value of \$1.00 per share. A designated custodial bank serves as custodian pursuant to a custodian agreement. The custodian acts as safekeeping agent for the trusts' investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the trusts.

As of December 31, 2019, the Town of Avon held investments in the Colorado Local Government Liquid Asset Trust (Colotrust Plus portfolio). The Plus portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities as well as in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. At December 31, 2019, the Town's investments in Colotrust Plus were 38.9% of the Town's investment portfolio.

Note 4. Capital Assets

Capital asset activity for the year ended December 31, 2019 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land and Land Improvements	\$ 11,640,671	\$ -	\$ -	\$ 11,640,671
Public Art	1,361,400	-	-	1,361,400
Water Rights	1,792,959	-	-	1,792,959
Construction in Progress	<u>2,767,425</u>	<u>2,254,688</u>	<u>(4,685,773)</u>	<u>336,340</u>
Total Capital Assets, Not Being Depreciated	<u>17,562,455</u>	<u>2,254,688</u>	<u>(4,685,773)</u>	<u>15,131,370</u>
Capital Assets, Being Depreciated:				
Buildings	29,790,122	359,223	(2,827,714)	27,321,631
Utilities	4,747,375	23,799	-	4,771,174
Machinery and Equipment	6,541,106	1,177,264	(433,934)	7,284,436
Infrastructure	<u>87,114,564</u>	<u>4,665,229</u>	<u>-</u>	<u>91,779,793</u>
Total Capital Assets, Being Depreciated	<u>128,193,167</u>	<u>6,225,515</u>	<u>(3,261,648)</u>	<u>131,157,034</u>
Less Accumulated Depreciation:				
Buildings	(10,804,429)	(1,015,797)	2,071,882	(9,748,344)
Utilities	(1,667,161)	(226,254)	-	(1,893,415)
Machinery and Equipment	(3,874,310)	(618,865)	374,858	(4,118,317)
Infrastructure	<u>(49,390,502)</u>	<u>(3,076,246)</u>	<u>-</u>	<u>(52,466,748)</u>
Total Accumulated Depreciation	<u>(65,736,402)</u>	<u>(4,937,162)</u>	<u>2,446,740</u>	<u>(68,226,824)</u>
Total Capital Assets, Being Depreciated, Net	<u>62,456,765</u>	<u>1,288,353</u>	<u>(814,908)</u>	<u>62,930,210</u>
Governmental Activities Capital Assets, Net	<u>\$ 80,019,220</u>	<u>\$ 3,543,041</u>	<u>\$(5,500,681)</u>	<u>\$ 78,061,580</u>

Business-type Activities:	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets, Not Being Depreciated:				
Land	\$ 411,834	\$ -	\$ -	\$ 411,834
Construction in Progress	<u>215,750</u>	<u>-</u>	<u>(215,750)</u>	<u>-</u>
Total Capital Assets, Not Being Depreciated	<u>627,584</u>	<u>-</u>	<u>(215,750)</u>	<u>411,834</u>
Capital Assets, Being Depreciated:				
Buildings	15,567,610	277,289	-	15,844,899
Machinery and Equipment	<u>4,656,135</u>	<u>12,207</u>	<u>(334,800)</u>	<u>4,333,542</u>
Total Capital Assets, Being Depreciated	<u>20,223,745</u>	<u>289,496</u>	<u>(334,800)</u>	<u>20,178,441</u>
Less Accumulated Depreciation:				
Buildings and Facilities	(4,305,056)	(408,916)	-	(4,713,972)
Machinery and Equipment	<u>(3,055,559)</u>	<u>(317,173)</u>	<u>324,800</u>	<u>(3,047,932)</u>
Total Accumulated Depreciation	<u>(7,360,615)</u>	<u>(726,089)</u>	<u>324,800</u>	<u>(7,761,904)</u>
Total Capital Assets, Being Depreciated, Net	<u>12,863,130</u>	<u>(726,089)</u>	<u>(10,000)</u>	<u>12,416,537</u>
Business-type Activities Capital Assets, Net	<u>\$ 13,490,714</u>	<u>\$ (436,593)</u>	<u>\$ (225,750)</u>	<u>\$ 12,828,371</u>

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

Governmental Activities:	
General Government	\$ 375,868
Community Development	4,017
Public Safety	427,810
Public Works and Utilities, including general infrastructure assets	3,749,718
Recreation and Culture	<u>379,749</u>
Total Depreciation Expense – Governmental Activities	<u>\$ 4,937,162</u>
Business-type Activities:	
Transportation	\$ 584,473
Fleet Maintenance	<u>141,616</u>
Total Depreciation Expense – Business-type Activities	<u>\$ 726,089</u>

Note 5. Long-term Debt

Revenue Bonds and Loans – Avon Urban Renewal Authority. Pursuant to the Urban Renewal Plan adopted for the Town Center West Urban Renewal Project Area (Project Area), generally known as Avon Town Center West, the Avon Urban Renewal Authority issued \$25 million in Series 2008 Tax Increment Adjustable Rate Revenue Bonds (Series 2008 Bonds) in February 2008 for financing the cost of constructing traffic, street and pedestrian improvements. In 2009, the Avon Urban Renewal Authority entered into a Series 2009 Variable Rate Loan Agreement (Series 2009 Loan) in the amount of \$7,200,000 with Vectra Bank for refinancing the Authority's Series 2008 Tax Increment Adjustable Rate

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Revenue Bonds. Net proceeds from the Series 2009 Loan, along with unused proceeds and the reserve account balance from the Series 2008 bonds, were used to redeem the Series 2008 bonds.

In 2013, the Avon Urban Renewal Authority issued Series 2013 Tax Increment Revenue Bonds to refinance outstanding obligations of the Authority and to finance certain capital improvements. The 2013 Bonds have a reserve requirement of \$628,240. If, at any time, the balance of the Reserve Account is less than the Reserve Requirement the Town Council has agreed to consider but is not obligated to, replenish the Reserve Account balance to the Reserve Requirement. The Bonds shall be subject to optional redemption on any interest payment date with a redemption price of the Bonds not exceeding 101% of the principal amount so redeemed.

In 2017, the Avon Urban Renewal Authority issued Series 2017 Tax Increment Revenue Bonds to finance tenant improvements related to the future occupancy of a new Town Hall. The 2013 and 2017 Bonds constitute a pledge of, and an irrevocable first lien (but not an exclusive first lien), on all pledged revenues. Pledged revenues include the portion of the ad valorem proprietary taxes produced by the levies at the rates fixed each year by the governing bodies of the various taxing jurisdictions within the Urban Renewal Project Area. The levies are assessed upon that portion of the valuation for assessment of all taxable property in excess of a defined property tax base amount. The pledged revenues are reduced by a) any County collection fee (b) tax increment revenues required to be remitted by the Authority to the Confluence Metropolitan District pursuant to the Avon Station/Confluence IGA; and (c) ad valorem property taxes produced by a mill levy of any special district formed after May 28, 2009. Pledged revenues also include all amounts appropriated to the Authority to replenish reserves along with applicable investment earnings and any other legally available moneys which the Town determines, in its sole discretion, to deposit in the Bond Account. Revenue bonds and loans outstanding at December 31, 2019, are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
General Government – Avon Urban Renewal Authority	2.9% - 3.52%	<u>\$ 7,053,286</u>

Annual debt service requirements to maturity for revenue bonds outstanding at December 31, 2019, are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Avon Urban Renewal Authority</u>	
	<u>Principal</u>	<u>Interest</u>
2020	\$ 616,063	\$ 232,532
2021	636,278	211,829
2022	656,647	190,444
2023	677,175	168,371
2024	702,867	145,607
2025-2029	3,285,794	356,915
2030-2031	<u>478,462</u>	<u>17,704</u>
Total	<u>\$ 7,053,286</u>	<u>\$ 1,323,402</u>

Certificates of Participation. In 1998, the Town of Avon Finance Authority issued Certificates of Participation to finance the cost of constructing a fleet maintenance facility. The Certificates evidence assignments of proportionate interest in rights to receive payments pursuant to an annually terminable Lease Purchase and Sublease Agreement, dated as of July 1, 1998, between the Authority as lessor, and the Town of Avon as lessee. In 1999, the fleet maintenance facility was completed and the proceeds from the Certificates that were used directly in the construction of the fleet maintenance facility in the amount of \$5,141,250 (approximately 75%) were capitalized in the Fleet Maintenance Fund.

On November 16, 2010, the Town issued \$6,680,000 of Series 2010 Certificates of Participation with interest rates of 2% to 5%. The Certificates evidence a proportionate interest in the base rentals and other revenues under an annually renewable lease purchase agreement dated as of November 1, 2010, between UMB Bank, solely in its capacity as trustee under the Indenture, as lessor, and the Town of Avon, as lessee. These Certificates were used to refund the outstanding 1998 Certificates of Participation in the aggregate principal amount of \$3,990,000. The refunding resulted in an economic gain of \$43,298 with a cash flow savings of \$904,642. The remaining funds from the 2010 Certificates were used as matching funds for the construction of the Avon Regional Transit Facility, which was completed and placed into service in October 2013.

On January 14, 2015, the Town issued \$3,800,000 of Series 2014B Certificates of Participation with an interest rate of 3.03% to finance the cost of street improvements. The Certificates evidence a proportionate interest in the base rentals and other revenues under an annually renewable lease purchase agreement dated as of January 14, 2015, between UMB Bank, N.A., solely in its capacity as trustee under the Indenture, as lessor, and the Town of Avon, as lessee.

On May 3, 2016, the Town held a special election concerning the financing for a joint public safety facility in partnership with the Eagle River Fire Protection District. The election was successful and on August 2, 2016, the Town issued \$6,300,000 of Series 2016 Certificates of Participation with interest rates of 2% to 4%. The Certificates evidence a proportionate interest in the base rentals and other revenues under an annually renewable lease purchase agreement dated as of August 2, 2016, between UMB Bank, N.A., solely in its capacity as trustee under the Indenture, as lessor, and the Town of Avon, as lessee.

Certificates of Participation outstanding at December 31, 2019, are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
General Government – Refunding and Capital	2.0% - 5.0%	<u>\$12,565,000</u>

Annual debt service requirements to maturity for Certificates of Participation outstanding at December 31, 2019, are as follows:

TOWN OF AVON, COLORADO

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Year Ending December 31	Governmental Activities		Business Activities	
	Principal	Interest	Principal	Interest
2020	\$ 675,000	\$ 342,413	\$ 155,000	\$ 99,575
2021	695,000	324,167	160,000	94,150
2022	710,000	302,944	170,000	86,150
2023	735,000	281,219	180,000	77,650
2024	755,000	255,591	185,000	68,650
2025-2029	4,180,000	885,061	1,075,000	204,750
2030-2034	2,215,000	253,019	245,000	11,025
2035	<u>430,000</u>	<u>12,900</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 10,395,000</u>	<u>\$ 2,657,314</u>	<u>\$ 2,170,000</u>	<u>\$ 641,950</u>

Capital Lease Obligations. The following leases are renewable on an annual basis, at the option of the Town, for consecutive one-year periods. Upon final payment, title to the leased assets will pass to the Town.

- Lease obligation for equipment with a total cost of \$168,986 and a book value net of accumulated depreciation at December 31, 2019 of \$91,675. Due in ten semi-annual installments of \$13,139 through July 2021. Amortization is based on an interest rate of 2.10%. The Town may terminate the lease by paying the applicable purchase option on any scheduled payment. Balance at December 31, 2019 is \$51,207.
- Lease obligation for equipment with a total cost of \$355,818 and a book value net of accumulated depreciation at December 31, 2019 of \$316,051. Due in seven annual installments of \$55,720 through November 2024. Amortization is based on an interest rate of 2.35%. The Town may terminate the lease by paying the applicable purchase option on any scheduled payment. Balance at December 31, 2019 is \$259,988.
- Lease obligation for equipment with a total cost of \$258,258 and a book value net of accumulated depreciation at December 31, 2019 of \$236,736. Due in fourteen semi-annual installments of \$20,877 through August 2025. Amortization is based on an interest rate of 3.39%. The Town may terminate the lease by paying the applicable purchase option on any scheduled payment. Balance at December 31, 2019 is \$224,978.

Annual debt service requirements to maturity for Capital Lease Obligations outstanding at December 31, 2019, are as follows:

Year Ending December 31	Governmental Activities		Business Activities	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 74,946	\$ 7,053	\$ 34,417	\$ 7,338
2021	76,647	5,352	35,594	6,161
2022	51,969	3,751	36,811	4,944
2023	53,191	2,529	38,069	3,685
2024	54,441	1,279	39,371	2,384
2025	-	-	40,717	1,038
Total	<u>\$ 311,194</u>	<u>\$ 19,964</u>	<u>\$ 224,979</u>	<u>\$ 25,550</u>

Changes in Long-term Liabilities. Long-term liability activity for the year ended December 31, 2019, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds Payable:					
Revenue Bonds	\$ 7,649,283	\$ -	\$ 595,997	\$ 7,053,286	\$ 616,063
Certificates of Participation	<u>11,045,000</u>	<u>-</u>	<u>650,000</u>	<u>10,395,000</u>	<u>675,000</u>
	18,694,283	-	1,245,997	17,448,286	1,291,063
Bond Premium	<u>279,659</u>	<u>-</u>	<u>13,191</u>	<u>266,468</u>	<u>13,671</u>
Total Bonds Payable	18,973,942	-	1,259,188	17,714,754	1,304,734
Capitalized Leases Payable	401,100	-	89,905	311,195	74,947
Compensated Absences	<u>360,919</u>	<u>753,232</u>	<u>703,938</u>	<u>410,213</u>	<u>410,213</u>
Governmental Activity Long-term Liabilities	<u>\$19,735,961</u>	<u>\$ 753,232</u>	<u>\$ 2,053,031</u>	<u>\$18,436,162</u>	<u>\$ 1,789,894</u>
Business-type Activities:					
Certificates of Participation	\$ 2,320,000	\$ -	\$ 150,000	\$ 2,170,000	\$ 155,000
Bond Premium	<u>29,640</u>	<u>-</u>	<u>2,496</u>	<u>27,144</u>	<u>2,496</u>
Total Bonds Payable	2,349,640	-	152,496	2,197,144	157,496
Capitalized Leases Payable	258,258	-	33,279	224,979	34,417
Compensated Absences	<u>65,009</u>	<u>129,614</u>	<u>122,354</u>	<u>72,269</u>	<u>72,269</u>
Business-type Activity Long-term Liabilities	<u>\$ 2,672,907</u>	<u>\$ 129,614</u>	<u>\$ 308,129</u>	<u>\$ 2,494,392</u>	<u>\$ 264,182</u>

Conduit Debt Obligations. The Town has sponsored the issuance of revenue bonds in prior years to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. Neither the Town, the State of Colorado, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying general purpose financial statements. Conduit debt obligations at December 31, 2019, are described as follows:

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Eaglebend Dowd Affordable Housing Corporation. The Eaglebend Dowd Affordable Housing Corporation (Dowd) was formed on March 24, 1998, to help provide for affordable housing within Eagle County. Dowd operates a 50-unit apartment project within Eagle County. The Town approved the formation and the issuance of the revenue bonds to finance the project and will obtain full legal title to the land, buildings and equipment upon payment in full of the bonds. The Town, however, is in no way obligated to pay the debt service on the bonds.

In 2003, the Town approved the issuance by Dowd of \$9,520,000 in Series 2003 Refunding Revenue Bonds to defease the outstanding Series 1998A Revenue Bonds by placing the proceeds of the Series 2003 bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. In August 2013, Dowd issued \$8,450,000 in Series 2013 Multifamily Housing Project Refunding Revenue Bonds to refund the Series 2003 Bonds. In November 2014, Dowd issued \$8,850,000 of Multifamily Housing Project Refunding Revenue Bonds, Series 2014A to refund and defease the Series 2013 bonds. As of December 31, 2019, there was \$7,361,478 outstanding in Series 2014A Multifamily Housing Project Refunding Revenue Bonds, and \$1,600,000 outstanding in Series 1998 B&C Subordinate Revenue Bonds.

Defeased Debt. Certain other bonds previously issued by the Town have been defeased by the issuance of refunding bonds. As of December 31, 2019, there are no amounts outstanding on any refunded bonds.

Note 6. Employee Retirement Plans

Full-time Employees. The Town maintains two single-employer, defined contribution pension plans for full-time employees: (1) the Town of Avon Police Officers Money Purchase Pension Plan of which there are 26 participants, and (2) the Town of Avon General Employee Money Purchase Pension Plan of which there are 121 participants as of December 31, 2019. Plan administration and recordkeeping of these plans is provided by The Principal Financial Group.

A defined contribution pension plan has terms that specify how contributions to an individual's account are to be determined rather than the amount of pension benefits the individual is to receive. In a defined contribution plan, the pension benefits a participant will receive depend only on the amount contributed to the participant's account, earnings on investments of those contributions, and forfeitures of other participant's benefits that may be allocated to the participant's account.

All full-time employees are required to participate in one of the above retirement plans upon employment with the Town. The type of plan that an employee participates in is dependent on the type of employee (police officer or general government employee). Town ordinance provides that both the employee and the Town will contribute an amount equal to 11% of the employee's base salary each month.

Employees hired prior to September 30, 1990, become vested in accordance with a vesting schedule which is dependent on the type of employee and hire date. All employees hired after September 30, 1990, start partial vesting after two years of service and are fully vested after five years of service. In addition, if an employee reaches normal retirement age, dies, or becomes totally and permanently disabled his account becomes fully vested regardless of length of service. Forfeitures by employees who leave employment before being fully vested are applied, first, to offset administrative expenses of the plans, and second, to reduce matching employer contributions. Forfeitures totaling \$46,849 were used in 2019 for administrative expenses. No forfeitures were used to reduce matching employer contributions.

Contributions made by employees and the Town for the three years ended December 31, 2019, are as follows:

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Employee Contributions	<u>\$ 747,006</u>	<u>\$ 681,141</u>	<u>\$ 659,359</u>
Town Contributions	<u>\$ 747,006</u>	<u>\$ 681,141</u>	<u>\$ 659,359</u>

Both the Town and the covered employees each made the required 11% contributions to the plans. There are no liabilities for benefits beyond the Town's matching payments. No changes in the various plan's provisions occurred in 2019.

Part-time, Temporary and Seasonal Employees. On October 14, 1997, the Town adopted a PTS Retirement Plan administered by the ICMA Retirement Corporation and established under Section 457 of the Internal Revenue Code that pertains to deferred compensation plans. Plan administration and recordkeeping of this plans was transferred to The Principal Financial Group in November 2017. The PTS plan is designed specifically for employees who are part-time, temporary, or seasonal, and is defined as a Social Security replacement retirement plan. The PTS plan allows participants to defer federal and state income taxes on savings until retirement. The PTS plan requires a minimum contribution of 7.5% of an employee's salary per plan year. This 7.5% may be the employee's contribution, the employer's contribution or a combination of both. The Town elected to have 3.75% contributed by the employee and 3.75% matched by the Town. Employees also have the option to contribute additional amounts.

Upon separation of service, participants may withdraw the account balance in a lump-sum payment, roll the account balance over into another 457 plan, or continue to allow the account balance earn interest tax free. Taxes are paid when funds are withdrawn from the plan.

Contributions made by plan members and the Town for the three years ended December 31, 2019, are as follows:

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	<u>2019</u>	<u>2018</u>	<u>2017</u>
Employees	<u>\$37,312</u>	<u>\$37,081</u>	<u>\$33,993</u>
Town	<u>\$42,997</u>	<u>\$31,397</u>	<u>\$26,697</u>

Both the Town and the covered employees each made the required 3.75% contributions to the plan. There are no liabilities for benefits beyond the Town's matching payments. As of December 31, 2019, there were 222 participants in this plan.

Note 7. 457 Deferred Compensation Plan

The Town offers its full-time employees an optional supplemental deferred compensation plan created in accordance with Internal Revenue Code Section 457. Plan administration and recordkeeping is provided by The Principal Financial Group. The 457 plan allows eligible participants the opportunity to accumulate additional retirement savings with certain tax advantages. Deposits into the 457 plan are not subject to state or federal income taxes at the time of deposit, and earnings on these deposits are deferred until withdrawn. As of December 31, 2019, there were 41 participants in the 457 plan.

Note 8. Employee Health Care

The Town has a self-insurance plan for employee health and dental care. A third-party administrator processes individual employee claims and negotiates excess stop-loss insurance policies. Excess stop-loss insurance policies are purchased to cover individual claims in excess of \$35,000 and aggregate total yearly claims in excess of \$1,710,852. Settled benefit claims did not exceed the aggregate total yearly claims for 2019. As of December 31, 2019, the Town held reserves for future claims in the amount of \$1,123,095.

The following represents the changes in the claims reserve for the Town for 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Claims Reserve for Future Claims, Beginning of Year	\$ 808,857	\$ 449,162
Current Year Deposits for Estimated Claims	1,737,333	1,677,369
Excess Stop Loss Refunds for Specific (Individual) Claims	116,532	241,761
Claim Payments	<u>(1,539,627)</u>	<u>(1,559,435)</u>
Claims Reserve for Future Claims, End of Year	<u>\$ 1,123,095</u>	<u>\$ 808,857</u>

Note 9. Interfund Receivables, Payables and Transfers

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are reported in the fund financial statements as "due to/from other funds". These interfund receivables and payables are expected to be repaid within the next year. The composition of these interfund balances as of December 31, 2019, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Fleet Maintenance Fund	\$ 100,000
General Fund	Avon Urban Renewal Fund	3,650
Mobility Fund	Fleet Maintenance Fund	<u>352,500</u>
Total		<u>\$ 456,150</u>

Interfund Transfers:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 240,111	\$ 1,700,000
Urban Renewal Authority Fund	-	375,000
Debt Service	1,007,932	-
Capital Projects Fund	375,000	1,248,043
Mobility Enterprise Fund	1,150,000	-
Fleet Maintenance Enterprise Fund	550,000	-
Transfers of Non-financial Resources:		
Mobility Enterprise Fund	61,539	-
Internal Service Fund	<u>360,839</u>	<u>-</u>
Total	<u>\$ 3,745,421</u>	<u>\$ 3,323,043</u>

In the fund financial statements, total transfers in of \$3,745,421 are greater than total transfers out of \$3,323,043 because of the treatment of transfers of non-financial resources to the Mobility enterprise fund and the internal service fund. During the year, capital assets purchased in 2019 related to governmental funds, with book values of \$61,539 and \$270,935 were transferred to the Mobility enterprise fund and internal service fund, respectively. In addition, capital lease principal payments of \$89,904 were made on behalf of the internal service fund. No amounts were reported in the governmental funds as the amounts did not involve the transfer of financial resources. However, the internal service fund reported a transfer in for the capital resources received.

Note 10. Commitments and Contingencies

Litigation. The Town is a party to various legal proceedings. Town management believes ultimate disposition of those subsequent pending claims and legal proceedings will not likely have a material adverse effect, if any, on the financial condition of the Town.

Construction Contract Commitments. As of December 31, 2019, the Town had one construction contract commitment outstanding in the amount of \$3,586.

Intergovernmental Agreement. The Town entered into an Intergovernmental Agreement (IGA) with the Eagle River Fire Protection District (Fire District) on April 28, 2015 for jointly designing, financing, and constructing a Joint Public Safety Facility in the Town of Avon. The IGA expires on June 2, 2020. The IGA provides for many covenants and mutual agreements including temporary financing, design, construction bid process, construction

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NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2019

financing, sale and conveyance of land, and construction. As of December 31, 2019, there have been three amendments to the IGA including entering into a memorandum of agreement regarding cost sharing, and the waiver of various fees by both parties.

Tax, Spending and Debt Limitations. Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments. Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

In November 1997, voters within the Town passed a ballot issue which permanently authorizes the Town, without an election, to act on all spending and revenue raising measures which are limited by TABOR. In addition, voters authorized the Town to keep and spend all revenue collected by the Town regardless of any limitation contained in TABOR. The only exceptions are proposed sales or use tax rate increases and property tax rate increases which must be submitted to the voters, unless otherwise allowed by law.

Enterprises, defined as government-owned business authorized to issue revenue bonds and receiving less than 10 percent of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. TABOR also requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The Town has established an emergency reserve in the General Fund for the year ended December 31, 2019 in the amount of \$805,865.

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

Note 11. Risk Management

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

The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA is a joint self-insurance pool created by intergovernmental agreement of 230 municipalities and 47 special districts to provide property, general and automobile liability and public officials coverage to its members. CIRSA is governed by a seven-member Board elected by and from its members.

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and that amounts are available from insurance providers under excess specific and aggregate insurance contracts.

Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so. The Town's annual contribution to CIRSA amounted to \$220,407 for 2019. The Town has not been informed of any excess losses that may have been incurred by the pool.

The Town continues to carry commercial insurance coverage for other risks of loss including workers compensation. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Note 12. Upper Eagle Regional Water Authority

The Town is a participant in the Upper Eagle Regional Water Authority. The Authority was formed pursuant to an establishing contract on September 18, 1984, by the following municipal and quasi-municipal corporations (Members) located in Eagle County, Colorado.

- Arrowhead Metropolitan District
- Beaver Creek Metropolitan District
- Berry Creek Metropolitan District
- Eagle-Vail Metropolitan District
- Edwards Metropolitan District
- Town of Avon
-

The Authority also provides water services to the Cordillera and Bachelor Gulch developments through contracts with Members. The Authority was formed to make the best practicable use of the Members' joint resources in supplying water to the members and to further develop water resources and facilities in Eagle County. The Authority may not be terminated so long as bonds, notes or other obligations are outstanding, unless provision for full payment of such obligations has been made. At December 31, 2019, the Authority had debt with maturities through the year 2039.

The Town has a service contract with the Authority whereby the Authority provides and bills residents of the Town with water at a rate which is expected to cover its costs in providing water services and other functions. Such costs specifically include debt service requirements, depreciation, and operations and maintenance, including maintenance of the Town's water distribution system. As part of the agreement, the Town conveyed its water distributions facilities and leased its water rights, associated easements and improvements to the Authority at no cost. In consideration, the Authority has agreed to maintain the

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2019

associated improvements and to administer and protect the Town’s plan for augmentation and water decrees at no cost.

During 2019, the Authority collected \$155,156 in water surcharges for the Town.

Note 13. Tax Abatements

The Town has entered into various agreements in order to meet development goals within certain areas of Town. The following areas have continuing development requirements or abatement agreements requiring disclosure.

<u>Development Area</u>	<u>Revenues Impacted</u>	<u>Governing Document</u>	<u>Amount</u>	<u>Requirements</u>
Village at Avon PUD	Sales Tax, Accommodation Tax, Real Estate Transfer Tax	Consolidated, Amended and Restated Annexation and Development Agreement	\$4,290,261	100% tax credit against sales, accommodations and real estate transfer taxes paid within the development area.
Riverfront PUD	Property Tax Increment	Intergovernmental Agreement	\$ 367,203	100% tax rebate of incremental property taxes received from Avon Station Metropolitan District, excluding Lot B.

Note 14. Major Taxpayers

For the year ended December 31, 2019 forty-two percent (42%) of the Town’s sales tax revenues were received from the ten highest-paying companies.

Note 15. Subsequent Events

Bond Refunding. On May 1, 2020 the Avon Urban Renewal Authority entered into a loan agreement with Sterling National Bank to issue the Series 2020 Tax Increment Revenue Refunding Loan in the amount of \$4,111,000 in order to refund (along with the existing 2013 bond reserve of \$628,240) the outstanding Series 2013 Tax Increment Revenue Bonds in the aggregate principal amount of \$4,560,000. The refunding resulted in an economic gain of \$176,403 with a cash flow savings of \$804,643. The new loan carries an interest rate of 2.11% and matures on December 1, 2028.

Private Placement Agreement. On March 11, the Town of Avon accepted a proposal from JPMorgan Chase Bank in the form of a binding “Term Sheet” to privately place \$3,987,000 of Refunding Lease Purchase Certificates of Participation in order to refund the outstanding Series 2010 Certificates of Participation. The interest rate of the refunding certificates is locked in at a rate of 1.23% with closing to occur no later than September 2, 2020.

TOWN OF AVON, COLORADO

REQUIRED SUPPLEMENTAL INFORMATION

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

(BUDGETARY BASIS) - BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 13,446,397	13,939,346	\$ 14,269,010	\$ 329,664
Licenses and Permits	344,100	984,734	752,345	(232,389)
Intergovernmental	925,585	968,734	1,059,237	90,503
Charges for Services	1,569,376	1,626,654	1,726,980	100,326
Fines and Forfeitures	65,200	49,500	51,535	2,035
Investment Earnings	175,000	275,000	358,588	83,588
Other Revenues	437,500	453,572	536,178	82,606
Total Revenues	16,963,158	18,297,540	18,753,873	456,333
Expenditures				
Current:				
General Govt., Finance & Administration	4,869,430	4,737,011	4,872,293	(135,282)
Community Development	470,392	525,015	509,129	15,886
Public Safety	3,889,510	3,919,153	3,984,465	(65,312)
Public Works	4,438,103	4,456,975	4,330,597	126,378
Recreation	1,634,493	1,709,361	1,703,007	6,354
Contingency	100,000	45,000	-	45,000
Total Expenditures	15,401,928	15,392,515	15,399,491	(6,976)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,561,230	2,905,025	3,354,382	449,357
Other Financing Sources (Uses)				
Transfers In:				
Capital Projects Fund	240,111	240,111	240,111	-
Transfers Out:				
Capital Projects Fund	(120,000)	-	-	-
Mobility Enterprise Fund	(1,200,000)	(1,150,000)	(1,150,000)	-
Fleet Maintenance Enterprise Fund	(550,000)	(550,000)	(550,000)	-
Total Other Financing Sources (Uses)	(1,629,889)	(1,459,889)	(1,459,889)	-
Net Change in Fund Balances	(68,659)	1,445,136	1,894,493	449,357
Fund Balances, Beginning of Year	5,871,198	6,304,042	6,304,042	-
Fund Balances, End of year	\$ 5,802,539	\$ 7,749,178	\$ 8,198,535	\$ 449,357

TOWN OF AVON, COLORADO

REQUIRED SUPPLEMENTAL INFORMATION AVON URBAN RENEWAL AUTHORITY FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 1,421,535	\$ 1,413,471	\$ 1,386,475	\$ (26,996)
Investment Earnings	15,700	15,700	15,425	(275)
Total Revenues	<u>1,437,235</u>	<u>1,429,171</u>	<u>1,401,900</u>	<u>(27,271)</u>
Expenditures				
Current:				
General Government	46,096	43,404	52,615	(9,211)
Debt Service:				
Principal	595,998	595,998	595,998	-
Interest	252,556	252,556	252,557	(1)
Fiscal Charges	500	1,000	700	300
Total Expenditures	<u>895,150</u>	<u>892,958</u>	<u>901,870</u>	<u>(8,912)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	542,085	536,213	500,030	(36,183)
Other Financing Sources (Uses)				
Transfers Out:				
Capital Project Fund	<u>(400,000)</u>	<u>(375,000)</u>	<u>(375,000)</u>	<u>-</u>
Net Change in Fund Balances	142,085	161,213	125,030	(36,183)
Fund Balances, Beginning of Year	<u>497,102</u>	<u>473,959</u>	<u>473,959</u>	<u>-</u>
Fund Balances, End of year	<u>\$ 639,187</u>	<u>\$ 635,172</u>	<u>\$ 598,989</u>	<u>\$ (36,183)</u>

TOWN OF AVON, COLORADO

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION DECEMBER 31, 2019

Note 1. Budgetary Information

An annual budget is legally adopted on a basis consistent with generally accepted accounting principles for all funds, with the exception of proprietary funds which are budgeted on the modified accrual basis of accounting. Appropriations lapse at fiscal year-end except for capital projects and special revenue funds which may have project-length budgets that carryover from year-to-year. However, as a matter of practice, the Town adopts annual budgets for all funds. The budget is prepared by fund, department, program, object and project. Expenditures may not legally exceed budgeted appropriations at the fund level.

The Town Council holds public hearings and may change appropriations except for expenditures required by law for debt service or for estimated cash deficits. No change to the budget may increase the authorized expenditures to any amount greater than the total amount of funds available. The Town Council must adopt the budget by resolution prior to December 15th. Once adopted, the Town Council may at any time, by resolution, amend the budget. In addition, the Town Manager may transfer part or all of any unencumbered appropriation balance among programs within a department. A department is defined by the Town as a distinct, principal or specialized division (e.g. the Department of Public Works).

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

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

Water Fund – This fund is used to account for the cost of maintaining certain water-related assets and for the receipt of water surcharges and tap fees within the Town limits.

Community Enhancement Fund – This fund is used to account for revenues received from a franchisee and restricted for use for beautification projects, energy conservation projects, equipment and technology upgrades for schools, scholarship funds, acquisition of open space and/or park land and development thereof, sponsorship of special community events, and undergrounding of overhead electric and other utility lines.

Affordable Housing Fund – This fund is used to accumulate and account for resources received and restricted for use in the Town’s affordable housing program.

Exterior Energy Offset Fund – This fund is used to account for fees collected at building permit to create financial assistance, rebates, and incentives to promote energy efficient projects within the Town of Avon. Fees are established based on a formula using BTUs required for certain amenities over a 20-year period.

Disposable Paper Bag Fee Fund - This fund is used to account for fees received by the Town from retailers who are required to pay ten cents (\$0.10) for each disposable paper bag used during a retail purchase. Effective May 1, 2018 it became unlawful for retailers to provide plastic bags to customers at point of sale. The intent is to encourage the use of reusable bags. Fees are restricted for use to programs and education related to waste reduction, and for providing reusable bags to Town residents and guests.

TOWN OF AVON, COLORADO

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS DECEMBER 31, 2019

	Special Revenue Funds			
	Water Fund	Community Enhancement Fund	Affordable Housing Fund	Exterior Energy Offset Fund
ASSETS				
Cash and Cash Equivalents	\$ 324,675	\$ 83,009	\$ 835,878	\$ 67,444
Receivables:				
- Accounts	-	83,072	-	-
- Intergovernmental	202,014	-	-	-
Notes Receivable	-	-	6,375	-
Total Assets	<u>\$ 526,689</u>	<u>\$ 166,081</u>	<u>\$ 842,253</u>	<u>\$ 67,444</u>
LIABILITIES				
Accounts Payable	\$ 83	\$ -	\$ 1,284	\$ 2,400
Accrued Liabilities	859	-	-	-
Deposits and Reserves	-	-	2,000	-
Total Liabilities	<u>942</u>	<u>-</u>	<u>3,284</u>	<u>2,400</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Notes Receivable	-	-	6,375	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>6,375</u>	<u>-</u>
FUND BALANCES				
Restricted For:				
Water Projects	525,747	-	-	-
Community Enhancement	-	166,081	-	-
Affordable Housing Programs	-	-	832,594	-
Exterior Energy Offset Programs	-	-	-	65,044
Waste Reduction Programs	-	-	-	-
Total Fund Balances	<u>525,747</u>	<u>166,081</u>	<u>832,594</u>	<u>65,044</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 526,689</u>	<u>\$ 166,081</u>	<u>\$ 842,253</u>	<u>\$ 67,444</u>

Disposable Paper Bag Fee Fund	Total Nonmajor Governmental Funds
\$ 80,101	\$ 1,391,107
-	83,072
8,632	210,646
-	6,375
<u>\$ 88,733</u>	<u>\$ 1,691,200</u>
\$ -	3,767
-	859
-	2,000
-	6,626
-	6,375
-	6,375
-	525,747
-	166,081
-	832,594
-	65,044
88,733	88,733
<u>88,733</u>	<u>1,678,199</u>
<u>\$ 88,733</u>	<u>\$ 1,691,200</u>

TOWN OF AVON, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2019

	Special Revenue Funds			
	Water Fund	Community Enhancement Fund	Affordable Housing Fund	Exterior Energy Offset Fund
Revenues				
Charges for Services	\$ 407,973	\$ -	\$ 46,908	\$ -
Investment Earnings	-	-	497	-
Other Revenues	-	83,072	120,374	-
Total Revenues	407,973	83,072	167,779	-
Expenditures				
Current:				
General Government	-	-	51,734	-
Community Development	-	-	-	12,000
Public Works and Utilities	67,128	-	-	-
Total Expenditures	67,128	-	51,734	12,000
Excess (Deficiency) of Revenues Over (Under) Expenditures	340,845	83,072	116,045	(12,000)
Other Financing Sources (Uses):				
Transfers Out:				
Capital Projects Fund	-	-	-	-
Net Change in Fund Balances	340,845	83,072	116,045	(12,000)
Fund Balances, Beginning of Year	184,902	83,009	716,549	77,044
Fund Balances, End of year	\$ 525,747	\$ 166,081	\$ 832,594	\$ 65,044

Disposable Paper Bag Fee Fund	Total Nonmajor Governmental Funds
\$ -	\$ 454,881
-	497
<u>73,601</u>	<u>277,047</u>
<u>73,601</u>	<u>732,425</u>
6,095	57,829
-	12,000
<u>-</u>	<u>67,128</u>
<u>6,095</u>	<u>136,957</u>
67,506	595,468
<u>-</u>	<u>-</u>
67,506	595,468
<u>21,227</u>	<u>1,082,731</u>
<u>\$ 88,733</u>	<u>\$ 1,678,199</u>

TOWN OF AVON, COLORADO

WATER FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$ 180,000	\$ 180,000	\$ 407,973	\$ 227,973
Total Revenues	180,000	180,000	407,973	227,973
Expenditures				
Current:				
Public Works and Utilities	114,991	114,991	67,128	47,863
Total Expenditures	114,991	114,991	67,128	47,863
Excess (Deficiency) of Revenues Over (Under) Expenditures	65,009	65,009	340,845	275,836
Other Financing Sources (Uses)				
Transfers Out:				
Capital Projects Fund	(160,000)	-	-	-
Net Change in Fund Balances	(94,991)	65,009	340,845	275,836
Fund Balances, Beginning of Year	99,200	184,902	184,902	-
Fund Balances, End of year	\$ 4,209	\$ 249,911	\$ 525,747	\$ 275,836

TOWN OF AVON, COLORADO

COMMUNITY ENHANCEMENT FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Other Revenues	\$ 80,000	\$ 80,000	\$ 83,072	\$ 3,072
Total Revenues	80,000	80,000	83,072	3,072
Expenditures				
Current:				
Public Works and Utilities	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	80,000	80,000	83,072	3,072
Other Financing Sources (Uses)				
Transfers Out:				
Capital Projects Fund	(80,000)	-	-	-
Net Change in Fund Balances	-	80,000	83,072	3,072
Fund Balances, Beginning of Year	80,000	83,009	83,009	-
Fund Balances, End of year	\$ 80,000	\$ 163,009	\$ 166,081	\$ 3,072

TOWN OF AVON, COLORADO

AFFORDABLE HOUSING FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$ 35,000	\$ 35,000	\$ 46,908	\$ 11,908
Investment Earnings	519	519	497	(22)
Other Revenues	3,223	3,223	120,374	117,151
Total Revenues	38,742	38,742	167,779	129,037
Expenditures				
Current:				
General Government	10,000	60,000	51,734	8,266
Total Expenditures	10,000	60,000	51,734	8,266
Net Change in Fund Balances	28,742	(21,258)	116,045	137,303
Fund Balances, Beginning of Year	593,027	716,549	716,549	-
Fund Balances, End of year	\$ 621,769	\$ 695,291	\$ 832,594	\$ 137,303

TOWN OF AVON, COLORADO

EXTERIOR ENERGY OFFSET FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Licenses and Permits	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Expenditures				
Current:				
Community Development	-	12,000	12,000	-
Total Expenditures	<u>-</u>	<u>12,000</u>	<u>12,000</u>	<u>-</u>
Net Change in Fund Balances	5,000	(7,000)	(12,000)	(5,000)
Fund Balances, Beginning of Year	<u>37,768</u>	<u>83,552</u>	<u>77,044</u>	<u>(6,508)</u>
Fund Balances, End of year	<u>\$ 42,768</u>	<u>\$ 76,552</u>	<u>\$ 65,044</u>	<u>\$ (11,508)</u>

TOWN OF AVON, COLORADO

DISPOSABLE PAPER BAG FEE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Other Revenues	\$ 18,000	\$ 70,000	\$ 73,601	\$ 3,601
Total Revenues	<u>18,000</u>	<u>70,000</u>	<u>73,601</u>	<u>3,601</u>
Expenditures				
Current:				
General Government	5,000	5,000	6,095	(1,095)
Total Expenditures	<u>5,000</u>	<u>5,000</u>	<u>6,095</u>	<u>(1,095)</u>
Net Change in Fund Balances	13,000	65,000	67,506	2,506
Fund Balances, Beginning of Year	<u>18,000</u>	<u>21,227</u>	<u>21,227</u>	<u>-</u>
Fund Balances, End of year	<u>\$ 31,000</u>	<u>\$ 86,227</u>	<u>\$ 88,733</u>	<u>\$ 2,506</u>

TOWN OF AVON, COLORADO

DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Investment Earnings	\$ 12,725	\$ 12,725	\$ 13,172	\$ 447
Total Revenues	<u>12,725</u>	<u>12,725</u>	<u>13,172</u>	<u>447</u>
Expenditures				
Debt Service:				
Principal	650,000	650,000	650,000	-
Interest	362,707	362,707	362,707	-
Fiscal Charges	<u>6,500</u>	<u>7,950</u>	<u>9,360</u>	<u>(1,410)</u>
Total Expenditures	<u>1,019,207</u>	<u>1,020,657</u>	<u>1,022,067</u>	<u>(1,410)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,006,482)	(1,007,932)	(1,008,895)	(963)
Other Financing Sources (Uses)				
Transfers In:				
Capital Projects Fund	<u>1,006,482</u>	<u>1,007,932</u>	<u>1,007,932</u>	<u>-</u>
Net Change in Fund Balances	-	-	(963)	(963)
Fund Balances, Beginning of Year	<u>535,590</u>	<u>534,816</u>	<u>534,816</u>	<u>-</u>
Fund Balances, End of year	<u>\$ 535,590</u>	<u>\$ 534,816</u>	<u>\$ 533,853</u>	<u>\$ (963)</u>

TOWN OF AVON, COLORADO

CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes:				
Real Estate Transfer Tax	\$ 2,775,000	\$ 2,775,000	\$ 5,001,145	\$ 2,226,145
Intergovernmental	40,000	120,000	97,395	(22,605)
Investment Earnings	43,750	100,000	162,316	62,316
Other Revenues	80,000	-	25,410	25,410
Total Revenues	2,938,750	2,995,000	5,286,266	2,291,266
Expenditures				
Capital Projects:				
Facilities	1,269,000	1,868,700	1,140,725	727,975
Land and Land Improvements	460,577	564,371	280,654	283,717
Roads and Streets	871,000	2,235,765	1,988,206	247,559
Utility Projects	321,000	404,659	122,962	281,697
Communications and Technology	125,000	-	-	-
Contingency	100,000	-	-	-
Debt Service:				
Capital Leases	98,802	98,802	98,802	-
Total Expenditures	3,245,379	5,172,297	3,631,349	1,540,948
Excess (Deficiency) of Revenues Over (Under) Expenditures	(306,629)	(2,177,297)	1,654,917	3,832,214
Other Financing Sources (Uses)				
Transfers In:				
General Fund	120,000	-	-	-
Avon Urban Renewal Fund	90,000	375,000	375,000	-
Water Fund	160,000	-	-	-
Community Enhancement Fund	80,000	-	-	-
Transfers Out:				
General Fund	(240,111)	(240,111)	(240,111)	-
Debt Service Fund	(1,010,207)	(1,007,932)	(1,007,932)	-
Total Other Financing Sources (Uses)	(800,318)	(873,043)	(873,043)	-
Net Change in Fund Balances	(1,106,947)	(3,050,340)	781,874	3,832,214
Fund Balances, Beginning of Year	5,614,158	7,940,477	7,940,477	-
Fund Balances, End of Year	\$ 4,507,211	\$ 4,890,137	\$ 8,722,351	\$ 3,832,214

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the Town Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered through user charges; or where the Town Council has decided that periodic determination of net income is appropriate for accountability purposes.

Mobility Fund – This fund is used to account for the activities involved in operating the Town's transportation system.

Fleet Maintenance Fund – This fund is used to account for the accumulation and allocation of costs associated with the maintenance of vehicles and rolling stock for the Town and certain other third-party governmental entities.

TOWN OF AVON, COLORADO

MOBILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 41,592	\$ 41,532	\$ 41,630	\$ 98
Intergovernmental	1,046,000	246,000	245,980	(20)
Charges for Services	270,806	270,806	251,825	(18,981)
Other Revenue	153,645	153,645	116,565	(37,080)
Total Revenues	1,512,043	711,983	656,000	(55,983)
Expenditures:				
Administration	286,200	259,051	328,445	(69,394)
Operations	2,087,011	1,048,847	1,115,523	(66,676)
Wash Bay	169,092	179,092	147,625	31,467
Mobility Programs	373,720	376,376	355,585	20,791
Total Expenditures	2,916,023	1,863,366	1,947,178	(83,812)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,403,980)	(1,151,383)	(1,291,178)	(139,795)
Other Financing Sources (Uses):				
Transfers In:				
General Fund	1,200,000	1,150,000	1,150,000	-
Sales of Capital Assets	-	-	6,176	6,176
Total Other Financing Sources (Uses)	1,200,000	1,150,000	1,156,176	6,176
Net Change in Fund Balances	(203,980)	(1,383)	(135,002)	(133,619)
Fund Balances, Beginning of Year	590,306	620,288	620,288	-
Fund Balances, End of Year	\$ 386,326	\$ 618,905	\$ 485,286	\$ (133,619)

Fund Balances at December 31, 2019, is computed as follows:

Current Assets	\$ 604,695
Less: Current Liabilities and Deferred Inflows of Resources	(153,826)
Add: Current Portion of Capital Leases Payable	34,417
Fund Balances - December 31, 2019	\$ 485,286

**RECONCILIATION OF NET CHANGE IN FUND BALANCES (BUDGETARY BASIS)
TO CHANGE IN NET POSITION (GAAP BASIS)**

Net Change in Fund Balances (Budgetary Basis) \$ (135,002)

**Adjustments to Reconcile Budgetary
Basis to GAAP Basis**

Principal Paid on Capital Leases	33,280
Transfers In of Non-financial Resources	61,539
Book Value of Capital Assets Disposed	(10,000)
Depreciation	<u>(584,473)</u>

Total Adjustments (499,654)

Change in Net Position (GAAP Basis) \$ (634,656)

TOWN OF AVON, COLORADO

FLEET MAINTENANCE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services:				
Third-party Fleet Maintenance Charges	\$ 651,402	\$ 651,402	\$ 579,877	\$ (71,525)
Departmental Fleet Maintenance Services	553,389	553,389	644,894	91,505
Fuel Mark-up	10,000	10,000	49,179	39,179
Other Revenues	-	-	410	410
Total Revenues	1,214,791	1,214,791	1,274,360	59,569
Expenditures:				
Fleet Maintenance	1,801,273	1,773,462	1,804,023	(30,561)
Total Expenditures	1,801,273	1,773,462	1,804,023	(30,561)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(586,482)	(558,671)	(529,663)	29,008
Other Financing Sources (Uses):				
Transfers In:				
General Fund	550,000	550,000	550,000	-
Sales of Capital Assets	-	-	2,120	2,120
Total Other Financing Sources (Uses)	550,000	550,000	552,120	2,120
Net Change in Fund Balances	(36,482)	(8,671)	22,457	31,128
Fund Balances, Beginning of Year	55,808	32,334	32,334	-
Fund Balances, End of Year	\$ 19,326	\$ 23,663	\$ 54,791	\$ 31,128

Fund Balances at December 31, 2019, is computed as follows:

Current Assets	\$ 663,075
Less: Current Liabilities	(765,780)
Add: Current Portion of Certificates of Participation	157,496
Fund Balances - December 31, 2019	<u>\$ 54,791</u>

**RECONCILIATION OF NET CHANGE IN FUND BALANCES (BUDGETARY BASIS)
TO CHANGE IN NET POSITION (GAAP BASIS)**

Net Change in Fund Balances (Budgetary Basis) \$ 22,457

**Adjustments to Reconcile Budgetary
Basis to GAAP Basis**

Capitalization of Capital Assets	12,205
Principal Paid on Certificates of Participation	150,000
Amortization of Premium and Gain on Advance Refunding of Debt	2,910
Depreciation	<u>(141,616)</u>
Total Adjustments	<u>23,499</u>
Change in Net Position (GAAP Basis)	<u><u>\$ 45,956</u></u>

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INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Town and to other government units, on a cost reimbursement basis.

Equipment Replacement Fund – This fund is used to account for the rental of certain vehicles and equipment to other departments for the accumulation of funds for future replacement.

TOWN OF AVON, COLORADO

EQUIPMENT REPLACEMENT FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2019

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services:				
Equipment Replacement Charges	\$ 683,687	\$ 683,687	\$ 690,588	\$ 6,901
Other Revenues	27,750	27,750	19,650	(8,100)
Total Revenues	711,437	711,437	710,238	(1,199)
Expenditures:				
Capital Outlay:				
Fleet and Heavy Equipment	547,973	547,973	541,668	6,305
Recreation Center Equipment & Improvements	200,397	230,073	200,364	29,709
Computer and Office Equipment	57,881	68,760	64,483	4,277
Machinery and Equipment	37,571	37,571	16,733	20,838
Total Expenditures	843,822	884,377	823,248	61,129
Excess (Deficiency) of Revenues Over (Under) Expenditures	(132,385)	(172,940)	(113,010)	59,930
Other Financing Sources (Uses):				
Sales of Capital Assets	35,000	35,000	38,263	3,263
Net Change in Fund Balances	(97,385)	(137,940)	(74,747)	63,193
Fund Balances, Beginning of Year	3,332,770	3,352,436	3,352,436	-
Fund Balances, End of Year	\$ 3,235,385	\$ 3,214,496	\$ 3,277,689	\$ 63,193

Fund Balances at December 31, 2019, is computed as follows:

Current Assets	\$ 3,320,806
Less: Current Liabilities	(118,064)
Add: Current Portion of Capital Leases Payable	74,947
Fund Balances - December 31, 2019	\$ 3,277,689

**RECONCILIATION OF NET CHANGE IN FUND BALANCES (BUDGETARY BASIS)
TO CHANGE IN NET POSITION (GAAP BASIS)**

Net Change in Fund Balances (Budgetary Basis)	<u>\$ (74,747)</u>
Basis to GAAP Basis	
Capitalization of Capital Assets	895,030
Book Value of Capital Assets Disposed	(47,777)
Transfers In of Non-financial Resources	360,839
Depreciation	<u>(810,987)</u>
Total Adjustments	<u>397,105</u>
Change in Net Position (GAAP Basis)	<u><u>\$ 322,358</u></u>

MISCELLANEOUS SCHEDULES

TOWN OF AVON, COLORADO

DEBT SCHEDULE DECEMBER 31, 2019

Purpose	Schedule of Indebtedness					Payments Due In 2020	
	Date	Interest	Maturity	Amount	Amount	Principal	Interest
	Issued	Rate	Date	Issued	Outstanding		
Revenue Bonds:							
Series 2013, Avon URA Tax Increment Revenue Bonds	11/27/13	3.52%	12/1/28	\$ 6,825,000	\$ 4,560,000	\$ 440,000	\$ 160,512
Series 2017, Avon URA Tax Increment Revenue Bonds	1/5/17	2.90%	12/1/31	3,000,000	2,493,286	176,063	72,020
Total Revenue Bonds				<u>9,825,000</u>	<u>7,053,286</u>	<u>616,063</u>	<u>232,532</u>
Certificates of Participation:							
Series 2010, Certificates of Participation	11/16/10	2.00%-5.00%	12/1/30	6,680,000	4,300,000	310,000	197,300
Series 2014B, Certificates of Participation	1/14/15	3.03%	12/1/29	3,800,000	2,710,000	235,000	82,113
Series 2016, Certificates of Participation	8/2/16	2.00%-4.00%	12/1/35	6,300,000	5,555,000	285,000	162,575
Total Certificates of Participation				<u>16,780,000</u>	<u>12,565,000</u>	<u>830,000</u>	<u>441,988</u>
Capital Lease Obligations							
Master Lease-Purchase, US Bancorp	7/25/14	2.10%	7/15/21	170,246	51,207	25,336	943
Master Lease-Purchase, Clayton Holdings	10/5/17	2.35%	11/27/24	355,818	259,988	49,610	6,110
Master Lease-Purchase, Clayton Holdings	8/24/18	3.39%	8/24/25	258,258	224,979	34,417	7,338
Total Capital Lease Obligations				<u>784,322</u>	<u>536,174</u>	<u>109,363</u>	<u>14,391</u>
Total Long-term Debt				<u>\$ 27,389,322</u>	<u>\$ 20,154,460</u>	<u>\$ 1,555,426</u>	<u>\$ 688,911</u>

TOWN OF AVON, COLORADO

DETAILED SCHEDULE OF GENERAL FUND EXPENDITURES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2019

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government:				
Mayor and Town Council	\$ 262,117	\$ 283,745	\$ 279,585	\$ 4,160
Boards and Commissions	16,049	16,049	13,112	2,937
Town Attorney	155,000	155,000	212,972	(57,972)
Town Clerk	120,800	129,367	132,617	(3,250)
Municipal Court	155,008	90,920	93,189	(2,269)
Town Manager	386,895	349,305	364,059	(14,754)
Community Relations	202,582	203,196	202,096	1,100
Special Events	820,734	848,692	825,625	23,067
Community Grants	201,000	201,000	197,117	3,883
Subtotal General Government	2,320,185	2,277,274	2,320,372	(43,098)
Human Resources:				
Human Resources	537,456	506,632	511,699	(5,067)
Finance and Information Technology:				
Finance	997,181	936,944	926,999	9,945
Information Systems	431,091	431,244	459,548	(28,304)
Nondepartmental	583,517	584,917	653,675	(68,758)
Subtotal Finance and Administration	2,011,789	1,953,105	2,040,222	(87,117)
Total General Government, Finance and Administration	4,869,430	4,737,011	4,872,293	(135,282)
Community Development:				
Planning	293,353	343,353	329,204	14,149
Building Inspection	177,039	181,662	179,925	1,737
Total Community Development	470,392	525,015	509,129	15,886

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Safety: Police				
Administration	\$ 795,463	\$ 846,756	\$ 825,044	\$ 21,712
Patrol	2,778,057	2,756,693	2,851,415	(94,722)
Investigations	315,990	315,704	308,006	7,698
Total Public Safety	3,889,510	3,919,153	3,984,465	(65,312)
Public Works and Engineering				
<i>Engineering:</i>				
Engineering	275,025	275,025	265,778	9,247
Buildings and Facilities	1,169,504	1,251,071	1,278,756	(27,685)
<i>Public Works:</i>				
Roads and Bridges	2,321,714	2,300,456	2,283,864	16,592
Parks and Grounds	671,860	630,423	502,199	128,224
Total Public Works	4,438,103	4,456,975	4,330,597	126,378
Recreation:				
Administration	244,297	246,250	246,864	(614)
Adult Programs	62,701	62,136	52,994	9,142
Aquatics	629,604	685,108	686,992	(1,884)
Fitness	136,807	140,349	137,542	2,807
Guest Services	336,180	339,421	347,129	(7,708)
Youth Programs	161,580	153,951	149,110	4,841
Community Swim Program	63,324	82,146	82,376	(230)
Total Recreation	1,634,493	1,709,361	1,703,007	6,354
TOTAL EXPENDITURES	\$ 15,301,928	\$ 15,347,515	\$ 15,399,491	\$ (51,976)

TOWN OF AVON, COLORADO

DETAILED SCHEDULE OF GENERAL FUND REVENUES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2019

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Taxes:				
General Property Tax	\$ 1,874,034	\$ 1,874,034	\$ 1,839,155	\$ (34,879)
General Property Tax - Delinquent Collections	500	828	828	-
General Property Tax - Interest and Penalties	1,500	1,500	1,745	245
Abatements	-	(1,733)	(1,733)	-
Specific Ownership Tax	105,000	116,481	113,657	(2,824)
Sales Tax	8,510,145	8,727,580	9,093,254	365,674
Utility Tax	105,000	113,922	107,293	(6,629)
Accommodations Tax	1,373,418	1,446,734	1,486,842	40,108
Penalties and Interest	35,000	35,000	53,597	18,597
Sales Tax Audit Assessments	10,000	10,000	-	(10,000)
VAA Retail Sales Fee	826,800	800,000	804,424	4,424
Cigarette Excise Tax	150,000	220,000	189,305	(30,695)
Tobacco Tax	25,000	155,000	146,016	(8,984)
Franchise Fees	430,000	440,000	434,627	(5,373)
Total Taxes	13,446,397	13,939,346	14,269,010	329,664
Licenses and Permits:				
Liquor Licenses	12,500	10,000	9,669	(331)
Business Licenses	95,000	100,000	108,450	8,450
Contractor's Licenses	10,500	25,000	20,242	(4,758)
Tobacco / Cigarette Retailers License	2,500	1,500	3,000	1,500
Booting/Towing Licenses	-	450	650	200
Building Permits	215,000	842,220	601,406	(240,814)
Plumbing Permits	-	464	464	-
Road Cut Permits	8,000	4,500	8,464	3,964
Mobile Vendor Cart Permits	600	600	-	(600)
Total Licenses and Permits	344,100	984,734	752,345	(232,389)
Intergovernmental:				
<i>Federal:</i>				
Click It or Ticket	5,500	2,225	2,937	712
Bullet Proof Vest Grant	2,000	1,600	815	(785)
<i>State:</i>				
High Visibility Grants	20,000	25,000	23,220	(1,780)
POST I70 Training Grants	14,350	21,920	41,931	20,011
DOLA Grants	-	25,000	16,375	(8,625)
<i>Local Government/Other Agency</i>				
Eagle River Youth Coalition	5,000	5,000	5,410	410

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Intergovernmental:				
<i>State/County Shared Revenue:</i>				
Conservation Trust	\$ 72,000	\$ 73,500	\$ 75,461	\$ 1,961
Motor Vehicle Registration	24,800	24,800	24,538	(262)
Highway User's Tax	181,675	187,929	227,971	40,042
County Sales Tax	463,500	465,000	504,522	39,522
Road & Bridge Fund	135,760	135,760	135,352	(408)
State Severance Tax	1,000	1,000	705	(295)
Total Intergovernmental	925,585	968,734	1,059,237	90,503
Charges for Services:				
<i>General Government:</i>				
Photocopying Charges	100	100	-	(100)
License Hearing Fees	100	100	-	(100)
Other Fees and Charges	2,000	2,000	2,331	331
Credit Card and Paper Filing Fees	2,500	2,500	3,268	768
<i>Special Events:</i>				
Concession Sales	-	24,000	23,274	(726)
Sponsorships	20,000	20,500	18,500	(2,000)
Event Fees	5,450	10,700	8,901	(1,799)
Special Event Admission Fees	13,500	4,500	4,329	(171)
<i>Community Development:</i>				
Plan Check Fees	50,000	81,537	199,699	118,162
Subdivision Review Fees	-	-	270	270
Design Review Fees	22,000	22,000	16,435	(5,565)
Animal Control Fees	150	150	-	(150)
Impact Fee Administrative Fees	1,500	1,500	5,294	3,794
<i>Public Safety:</i>				
Police Reports	500	600	854	254
Off-duty Police Employment	25,000	36,000	38,539	2,539
Fingerprinting Fees	-	1,000	1,200	200
VIN Inspection Fees	750	750	1,010	260
False Alarm Fees	75	75	50	(25)
National Night Out	2,500	2,500	1,060	(1,440)
DUI Reimbursement	35,000	30,000	16,654	(13,346)

TOWN OF AVON, COLORADO

DETAILED SCHEDULE OF GENERAL FUND REVENUES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2019 (CONTINUED)

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<i>Avon Recreation Center:</i>				
Admission Fees	\$ 915,000	\$ 980,000	\$ 1,008,326	\$ 28,326
Program Fees	94,580	49,585	60,785	11,200
Facility Rentals	42,500	14,532	18,600	4,068
Merchandise Sales	8,500	8,500	8,341	(159)
Other Recreation Center Services	10,000	10,000	10,011	11
Fitness Program Revenues	50,125	50,125	49,290	(835)
Swim Team Revenue	-	28,400	-	(28,400)
Private Lessons	-	33,000	36,938	3,938
<i>General Recreation:</i>				
Adult Program Revenues	24,921	20,000	18,646	(1,354)
Cabin Equipment Rentals	25,000	25,000	32,744	7,744
Athletic Field Rentals	2,000	2,000	1,750	(250)
Youth Program Revenues	215,625	165,000	139,881	(25,119)
Total Charges for Services	1,569,376	1,626,654	1,726,980	100,326
Fines and Forfeitures:				
Court Fines - Traffic	40,000	20,000	23,975	3,975
Court Fines - Criminal	11,000	13,100	10,300	(2,800)
Court Fines - Parking	3,000	3,000	4,452	1,452
Court Costs	6,000	4,000	3,618	(382)
Jury Fees	100	100	-	(100)
Bond Forfeitures	100	100	-	(100)
Police Training Surcharge	5,000	3,200	3,190	(10)
Police Forfeitures	-	6,000	6,000	-
Total Fines and Forfeitures	65,200	49,500	51,535	2,035
Investment Earnings	175,000	275,000	358,588	83,588
Miscellaneous Revenues:				
Recreational Amenity Fees	275,000	285,000	300,928	15,928
Bond Issuance Fee	10,000	10,072	10,012	(60)
Lease of Town-owned Property	52,500	58,500	82,125	23,625
Miscellaneous Nonclassified Revenues	100,000	100,000	143,113	43,113
Total Miscellaneous Revenues	437,500	453,572	536,178	82,606
TOTAL REVENUES	\$ 16,963,158	\$ 18,297,540	\$ 18,753,873	\$ 456,333

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TOWN OF AVON, COLORADO

SCHEDULE OF CAPITAL PROJECT FUND PROJECT EXPENDITURES (BUDGETARY BASIS) - BUDGET AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED DECEMBER 31, 2019

Project Description	Actual Amounts			Total Project Budget	Variance with Budget - Positive (Negative)
	Prior Years	Current Year	Total		
CAPITAL IMPROVEMENT PROJECTS					
Facilities:					
<i>General Government Facilities:</i>					
New Town Hall	\$ 4,699,516	\$ 165,337	\$ 4,864,853	\$ 4,774,516	\$ (90,337)
Old Town Hall Demolition:	-	12,833	12,833	600,000	587,167
Fiber - Pavillion to NTH	-	46,192	46,192	70,000	23,808
Powerline Undergrounding	-	9,058	9,058	80,000	70,942
<i>Transportation Facilities:</i>					
ARTF Solar Panels	215,750	42,508	258,258	258,258	-
Avon Station ECO Transit Shelter	-	97,395	97,395	120,000	22,605
<i>Cultural and Recreational Facilities:</i>					
Nottingham Park Pavilion Retractable Door	32,228	219,967	252,195	322,928	70,733
Recreation Center Weight Room Expansion	-	456,983	456,983	500,000	43,017
<i>Other Facilities</i>					
Hahnwald Barn Predesign / Feasibility Study	106,015	25,398	131,413	135,000	3,587
2120 Saddleridge Loop Improvements	-	36,160	36,160	61,000	24,840
Land and Land Improvements:					
Nottingham Park Zone C Imp. - Playground	751,616	30,549	782,165	872,266	90,101
Eagle River Whitewater Park Repair	31,390	184,368	215,758	221,390	5,632
Nottingham Park Fitness Court	145,850	49,441	195,291	210,221	14,930
Wildfire Mitigation	-	5,250	5,250	40,000	34,750
O'Neil Spur Park Improvements	-	1,988	1,988	20,000	18,012
Roads and Streets:					
<i>Streetscape Improvements:</i>					
Post Blvd. Irrigation Wet Well	-	43,403	43,403	45,000	1,597
Avon Rd. / I70 Overpass Aesthetics Imp.	8,245	220	8,465	1,048,245	1,039,780
Benchmark Rd. On-street Parking Imp.	-	37,952	37,952	440,000	402,048

Project Description	Actual Amounts			Total Project Budget	Variance with Budget - Positive (Negative)
	Prior Years	Current Year	Total		
CAPITAL IMPROVEMENT PROJECTS					
Roads and Streets (Continued)					
<i>Street Maintenance and Repair:</i>					
Annual Guardrail Repair	\$ -	\$ 36,560	\$ 36,560	\$ 40,000	\$ 3,440
Nottingham Rd. Repaving	968,481	1,917	970,398	1,097,500	127,102
Eaglebend Dr. Resurfacing	-	1,040	1,040	300,000	298,960
Yoder Ave. Asphalt Overlay	-	3,930	3,930	550,000	546,070
<i>Street Improvements:</i>					
West B/C Blvd. RR Crossing Improvements	31,621	199,111	230,732	231,621	889
East and West B/C Blvd. Street Rebuild	2,513,935	1,474,308	3,988,243	4,025,943	37,700
<i>Recreational Trails Program:</i>					
Riverfront Trail Connector	10,698	227,717	238,415	220,000	(18,415)
Water Projects:					
Nottingham Rd. Debris Flow Study and Imp.	41,341	122,962	164,303	425,000	260,697
	<u>\$ 9,556,686</u>	<u>\$ 3,532,547</u>	<u>\$ 13,089,233</u>	<u>\$ 16,708,888</u>	<u>\$ 3,619,655</u>
Total Capital Improvement Projects					

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Avon
		YEAR ENDING : December 2019
This Information From The Records Of: Town of Avon, Colorado	Prepared By: Phone:	Amy Greer 970-748-4044

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	2,763,585
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	47,094
2. General fund appropriations	3,130,809	b. Snow and ice removal	703,610
3. Other local imposts (from page 2)	113,657	c. Other	
4. Miscellaneous local receipts (from page 2)	1,235,206	d. Total (a. through c.)	750,704
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	426,332
a. Bonds - Original Issues		6. Total (1 through 5)	3,940,620
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	232,280
7. Total (1 through 6)	4,479,671	b. Redemption	575,655
B. Private Contributions		c. Total (a. + b.)	807,935
C. Receipts from State government (from page 2)	268,884	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	4,748,555	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	807,935
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	4,748,555

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	7,243,778		575,655	6,668,123
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
		4,748,555	4,748,555		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2019	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	113,657	g. Other Misc. Receipts	
6. Total (1. through 5.)	113,657	h. Other RETT	1,235,206
c. Total (a. + b.)	113,657	i. Total (a. through h.)	1,235,206
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	227,971	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	24,538	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant	16,375	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	40,913	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	268,884	3. Total (1. + 2.g)	
			(Carry forward to page 1)
		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			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)		0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)		0	0
			(Carry forward to page 1)
Notes and Comments:			

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STATISTICAL SECTION

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

Financial Trends (Pages 92-100) – These schedules contain trend information to help readers understand how the Town's financial performance and well-being have changed over time.

Revenue Capacity (Pages 101-105) – These schedules contain information to help readers understand and assess the factors affecting the Town's ability to generate its own-source revenues, specifically property taxes.

Debt Capacity (Pages 106-109) – These schedules present information to help readers understand and assess the Town's debt burden and ability to issue additional debt.

Demographic and Economic Information (Pages 110-112) – These schedules offer demographic and economic information to help readers understand the environment in which the Town's financial activities take place and to provide information that facilitates comparisons of financial statement information over time and among other local governments.

Operating Information (Pages 113-115) – These schedules contain service and infrastructure information to help readers understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

TOWN OF AVON, COLORADO

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

	Fiscal Year			
	2010	2011	2012	2013
Governmental Activities				
Net Investment in Capital Assets	\$ 35,651,654	\$ 34,738,700	\$ 36,904,217	\$ 34,774,531
Restricted For:				
Emergencies	503,650	447,963	428,947	476,619
Debt Service	1,055,410	1,047,077	1,015,589	1,139,575
Capital Improvements	3,000,722	2,972,175	2,530,266	4,635,904
Urban Renewal	-	242,620	216,002	367,082
Purposes of Grantors	-	2,725,334	2,238,966	2,007,140
Unrestricted	15,935,700	14,345,936	13,544,676	10,217,136
Total Governmental Activities Net Position	<u>\$ 56,147,136</u>	<u>\$ 56,519,805</u>	<u>\$ 56,878,663</u>	<u>\$ 53,617,987</u>
Business-type Activities				
Net Investment in Capital Assets	\$ 2,154,069	\$ 1,815,425	\$ 1,761,245	\$ 12,583,125
Unrestricted	1,219,055	1,256,004	943,960	783,529
Total Business-type Activities Net Position	<u>\$ 3,373,124</u>	<u>\$ 3,071,429</u>	<u>\$ 2,705,205</u>	<u>\$ 13,366,654</u>
Primary Government				
Net Investment in Capital Assets	\$ 37,805,723	\$ 36,554,125	\$ 38,665,462	\$ 47,357,656
Restricted	4,559,782	7,435,169	6,429,770	8,626,320
Unrestricted	17,154,755	15,601,940	14,488,636	11,000,665
Total Primary Government Net Position	<u>\$ 59,520,260</u>	<u>\$ 59,591,234</u>	<u>\$ 59,583,868</u>	<u>\$ 66,984,641</u>

Source: Town of Avon Finance Department

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 64,112,399	\$ 60,000,945	\$ 58,088,785	\$ 56,693,531	\$ 60,092,867	\$ 60,035,630
598,376	552,335	664,805	688,786	693,001	805,865
1,136,228	1,157,629	1,169,163	1,175,301	1,163,056	1,162,093
3,386,451	6,198,817	5,921,087	3,373,917	702,390	657,821
305,379	404,048	555,167	717,740	(124,281)	(29,251)
929,226	1,106,628	142,100	192,173	267,911	691,828
<u>10,466,381</u>	<u>11,283,921</u>	<u>16,341,288</u>	<u>20,329,098</u>	<u>20,665,218</u>	<u>22,791,728</u>
<u>\$ 80,934,440</u>	<u>\$ 80,704,323</u>	<u>\$ 82,882,395</u>	<u>\$ 83,170,546</u>	<u>\$ 83,460,162</u>	<u>\$ 86,115,714</u>
\$ 12,097,298	\$ 11,633,282	\$ 11,430,538	\$ 11,424,412	\$ 10,877,907	\$ 10,401,752
843,503	859,368	908,749	710,428	652,622	540,075
<u>\$ 12,940,801</u>	<u>\$ 12,492,650</u>	<u>\$ 12,339,287</u>	<u>\$ 12,134,840</u>	<u>\$ 11,530,529</u>	<u>\$ 10,941,827</u>
\$ 76,209,697	\$ 71,634,227	\$ 69,519,323	\$ 68,117,943	\$ 70,970,774	\$ 70,437,382
6,355,660	9,419,457	8,452,322	6,147,917	2,702,077	3,288,356
<u>11,309,884</u>	<u>12,143,289</u>	<u>17,250,037</u>	<u>21,039,526</u>	<u>21,317,840</u>	<u>23,331,803</u>
<u>\$ 93,875,241</u>	<u>\$ 93,196,973</u>	<u>\$ 95,221,682</u>	<u>\$ 95,305,386</u>	<u>\$ 94,990,691</u>	<u>\$ 97,057,541</u>

TOWN OF AVON, COLORADO

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

	Fiscal Year			
	2010	2011	2012	2013
Expenses				
Governmental Activities:				
General Government	\$ 2,832,514	\$ 3,539,636	\$ 3,400,499	\$ 2,836,303
Community Development	644,968	519,631	421,554	365,960
Public Safety	2,409,115	2,569,100	2,554,404	2,551,559
Public Works and Utilities	5,948,003	5,821,879	5,479,239	4,814,364
Recreation and Culture	2,437,556	2,276,473	2,737,458	3,851,812
Interest and Fiscal Charges on Long-term Debt	637,344	575,100	516,160	600,367
Total Governmental Activity Expenses	14,909,500	15,301,819	15,109,314	15,020,365
Business-type Activities:				
Transportation	1,175,818	1,123,640	1,083,097	1,193,289
Fleet Maintenance	2,076,364	1,618,698	1,382,954	1,608,295
Total Business-type Activity Expenses	3,252,182	2,742,338	2,466,051	2,801,584
Total Primary Government Expenses	\$ 18,161,682	\$ 18,044,157	\$ 17,575,365	\$ 17,821,949
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 59,768	\$ 259,609	\$ 183,969	\$ 135,448
Community Development	216,263	230,570	225,778	485,406
Public Safety	376,440	248,442	52,649	54,205
Public Works and Utilities	407,391	524,047	278,662	256,749
Recreation and Culture	1,207,964	1,208,130	1,116,947	1,064,314
Operating Grants and Contributions	51,048	59,329	39,607	39,217
Capital Grants and Contributions	1,855,346	247,368	1,715,337	7,823,132
Total Governmental Activity Program Revenues	4,174,220	2,777,495	3,612,949	9,858,471
Business-type Activities:				
Charges for Services	2,081,674	1,520,018	1,135,929	1,450,388
Capital Grants and Contributions	-	-	305,351	90,494
Total Business-type Activity Program Revenues	2,081,674	1,520,018	1,441,280	1,540,882
Total Primary Government Program Revenues	\$ 6,255,894	\$ 4,297,513	\$ 5,054,229	\$ 11,399,353
Net (Expense) Revenue				
Governmental Activities	\$ (10,735,280)	\$ (12,524,324)	\$ (11,496,365)	\$ (5,161,894)
Business-type Activities	(1,170,508)	(1,222,320)	(1,024,771)	(1,260,702)
Total Primary Government Net Expense	\$ (11,905,788)	\$ (13,746,644)	\$ (12,521,136)	\$ (6,422,596)

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 3,186,870	\$ 3,042,126	\$ 3,291,190	\$ 3,500,101	\$ 3,661,274	\$ 5,968,157
463,821	1,341,706	1,202,097	1,617,329	1,454,581	557,539
2,792,174	3,039,333	3,214,680	3,703,871	3,983,349	4,310,801
7,179,132	8,458,218	9,656,808	9,026,700	9,448,309	8,134,954
2,061,033	1,430,648	1,584,531	1,684,492	1,978,431	2,160,389
504,343	639,267	754,238	796,462	720,441	617,694
<u>16,187,373</u>	<u>17,951,298</u>	<u>19,703,544</u>	<u>20,328,955</u>	<u>21,246,385</u>	<u>21,749,534</u>
1,686,778	1,979,505	1,963,223	2,253,558	2,272,401	2,502,195
1,609,134	1,506,138	1,623,046	1,655,774	1,720,433	1,780,524
<u>3,295,912</u>	<u>3,485,643</u>	<u>3,586,269</u>	<u>3,909,332</u>	<u>3,992,834</u>	<u>4,282,719</u>
<u>\$ 19,483,285</u>	<u>\$ 21,436,941</u>	<u>\$ 23,289,813</u>	<u>\$ 24,238,287</u>	<u>\$ 25,239,219</u>	<u>\$ 26,032,253</u>
\$ 163,429	\$ 219,364	\$ 239,199	\$ 294,431	\$ 272,153	\$ 280,165
279,179	380,130	369,867	396,731	395,239	843,810
66,662	69,629	99,862	64,275	93,646	60,017
564,090	764,549	698,195	287,151	233,982	484,271
1,092,276	1,238,395	1,334,056	1,519,254	1,458,802	1,385,312
52,151	11,713	104,217	84,761	75,430	89,873
1,027,911	61,779	1,816,456	31,237	491,600	815
<u>3,245,698</u>	<u>2,745,559</u>	<u>4,661,852</u>	<u>2,677,840</u>	<u>3,020,852</u>	<u>3,144,263</u>
1,645,083	1,670,213	1,557,439	1,482,770	1,564,465	1,644,868
-	-	100,000	328,000	75,000	245,980
<u>1,645,083</u>	<u>1,670,213</u>	<u>1,657,439</u>	<u>1,810,770</u>	<u>1,639,465</u>	<u>1,890,848</u>
<u>\$ 4,890,781</u>	<u>\$ 4,415,772</u>	<u>\$ 6,319,291</u>	<u>\$ 4,488,610</u>	<u>\$ 4,660,317</u>	<u>\$ 5,035,111</u>
\$ (12,941,675)	\$ (15,205,739)	\$ (15,041,692)	\$ (17,651,115)	\$ (18,225,533)	\$ (18,605,271)
<u>(1,650,829)</u>	<u>(1,815,430)</u>	<u>(1,928,830)</u>	<u>(2,098,562)</u>	<u>(2,353,369)</u>	<u>(2,391,871)</u>
<u>\$ (14,592,504)</u>	<u>\$ (17,021,169)</u>	<u>\$ (16,970,522)</u>	<u>\$ (19,749,677)</u>	<u>\$ (20,578,902)</u>	<u>\$ (20,997,142)</u>

TOWN OF AVON, COLORADO

CHANGES IN NET POSITION (CONTINUED) LAST TEN FISCAL YEARS

	Fiscal Year			
	2010	2011	2012	2013
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes	\$ 4,195,297	\$ 3,672,307	\$ 3,027,319	\$ 3,039,132
Real Estate Transfer Taxes	2,159,525	1,616,982	1,707,648	1,574,502
Sales and Accommodation Taxes	5,748,325	6,190,839	6,340,557	7,249,935
Other Taxes	1,268,120	1,323,246	499,114	625,756
Unrestricted Investment Earnings	163,991	87,099	37,827	21,296
Loss on Disposal of Capital Assets	-	-	(30,857)	-
Grants and Contributions Not Restricted to Specific Programs	854,130	857,474	839,112	864,231
Miscellaneous	442,522	372,222	344,503	408,142
Capital Contributions	907,500	-	-	(10,955,776)
Transfers	(1,532,175)	(950,000)	(910,000)	(926,000)
Total Governmental Activities	14,207,235	13,170,169	11,855,223	1,901,218
Business-type Activities:				
Property Taxes	41,580	40,371	40,032	40,375
Capital Contributions	(907,500)	-	-	10,955,776
Loss on Disposal of Capital Assets	-	-	(291,485)	-
Transfers	1,532,175	950,000	910,000	926,000
Total Business-type Activities	666,255	990,371	658,547	11,922,151
Total Primary Government	\$ 14,873,490	\$ 14,160,540	\$ 12,513,770	\$ 13,823,369
Change in Net Position				
Governmental Activities	\$ 3,471,955	\$ 645,845	\$ 358,858	\$ (3,260,676)
Business-type Activities	(504,253)	(231,949)	(366,224)	10,661,449
Total Primary Government	\$ 2,967,702	\$ 413,896	\$ (7,366)	\$ 7,400,773

Source: Town of Avon Finance Department

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 2,873,055	\$ 2,904,509	\$ 3,315,020	\$ 2,876,177	\$ 3,260,557	\$ 3,226,470
3,764,526	2,369,314	3,497,602	4,411,530	3,621,125	5,001,145
8,089,010	8,754,673	9,540,260	9,437,658	10,595,905	11,438,117
1,197,603	1,208,352	1,389,896	1,385,171	641,144	990,898
45,844	53,161	139,665	178,997	398,998	549,998
-	-	-	-	-	-
883,884	482,769	513,912	913,784	932,146	968,549
500,925	529,843	558,618	589,767	772,766	847,185
24,063,281	-	(150,215)	(103,403)	-	(61,539)
(1,160,000)	(1,326,999)	(1,584,994)	(1,750,415)	(1,707,492)	(1,700,000)
40,258,128	14,975,622	17,219,764	17,939,266	18,515,149	21,260,823
40,079	40,280	40,258	40,297	41,566	41,630
24,897	-	150,215	103,403	-	61,539
-	-	-	-	-	-
1,160,000	1,326,999	1,584,994	1,750,415	1,707,492	1,700,000
1,224,976	1,367,279	1,775,467	1,894,115	1,749,058	1,803,169
\$ 41,483,104	\$ 16,342,901	\$ 18,995,231	\$ 19,833,381	\$ 20,264,207	\$ 23,063,992
\$ 27,316,453	\$ (230,117)	\$ 2,178,072	\$ 288,151	\$ 289,616	\$ 2,655,552
(425,853)	(448,151)	(153,363)	(204,447)	(604,311)	(588,702)
\$ 26,890,600	\$ (678,268)	\$ 2,024,709	\$ 83,704	\$ (314,695)	\$ 2,066,850

TOWN OF AVON, COLORADO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year			
	2010	2011	2012	2013
Revenues				
Taxes	\$ 12,728,883	\$ 12,083,403	\$ 11,574,638	\$ 12,489,325
Licenses and Permits	215,635	219,265	207,670	336,548
Intergovernmental	2,760,524	1,164,171	2,594,056	8,324,980
Charges for Services	1,474,968	1,593,303	1,473,552	1,556,262
Fines and Forfeitures	147,057	197,103	151,533	104,736
Investment Earnings	163,991	87,099	37,827	21,296
Other Revenues	442,522	368,568	380,647	531,738
Total Revenues	17,933,580	15,712,912	16,419,923	23,364,885
Expenditures				
Current:				
General Government and Housing	2,560,405	3,411,329	3,088,911	2,762,979
Community Development	598,692	519,268	421,133	369,158
Public Safety	2,354,235	2,516,612	2,551,488	2,539,475
Public Works and Utilities	3,224,695	3,429,238	3,192,763	1,911,225
Recreation and Culture	2,144,447	2,054,477	2,148,410	3,328,177
Capital Improvements	5,554,096	1,023,914	4,087,083	11,837,101
Debt Service:				
Principal	1,495,000	1,195,000	1,240,000	7,300,000
Interest	543,331	526,288	470,455	423,487
Fiscal Charges	70,657	56,614	43,622	39,145
Bond Issuance Costs	77,695	-	-	133,330
Total Expenditures	18,623,253	14,732,740	17,243,865	30,644,077
Excess (Deficiency) of Revenues Over (Under) Expenditures	(689,673)	980,172	(823,942)	(7,279,192)
Other Financing Sources (Uses)				
Transfers In	1,945,004	1,090,335	1,591,071	2,081,160
Transfers Out	(3,477,179)	(2,040,335)	(2,501,071)	(3,007,160)
Debt Issuance Proceeds	3,310,000	-	-	6,851,367
Payments to Escrow Agent	(92,067)	-	-	-
Sales of Capital Assets	-	-	-	1,151
Total Other Financing Sources (Uses)	1,685,758	(950,000)	(910,000)	5,926,518
Net Change in Fund Balances	\$ 996,085	\$ 30,172	\$ (1,733,942)	\$ (1,352,674)
Debt Service as a Percentage of Noncapital Expenditures	14.76%	12.39%	12.60%	39.77%

Source: Town of Avon Finance Department

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 15,924,194	\$ 15,236,848	\$ 17,742,776	\$ 18,148,536	\$ 18,118,731	\$ 20,656,630
210,636	335,741	259,997	374,311	398,860	752,345
1,963,946	989,546	2,868,277	1,029,782	1,499,176	1,156,632
1,757,625	1,682,724	1,772,510	2,005,812	1,927,701	2,181,861
131,513	129,356	91,014	94,311	52,220	51,535
45,827	53,158	139,665	178,997	398,998	549,998
503,354	532,353	651,603	664,037	748,101	838,635
<u>20,537,095</u>	<u>18,959,726</u>	<u>23,525,842</u>	<u>22,495,786</u>	<u>23,143,787</u>	<u>26,187,636</u>
3,084,616	2,916,095	3,119,007	3,379,282	3,636,761	4,982,737
456,063	1,348,166	1,201,086	1,505,073	1,342,798	521,129
2,726,711	3,007,164	3,122,942	3,416,991	3,690,530	3,984,465
3,799,489	4,080,272	5,067,825	4,318,222	4,310,596	4,397,725
1,654,078	1,147,149	1,293,277	1,436,483	1,585,571	1,703,007
7,927,709	3,284,852	8,864,565	6,721,147	8,449,771	3,532,547
1,491,042	1,264,966	1,382,506	1,239,743	1,371,210	1,335,902
453,883	503,269	473,674	746,385	666,120	624,162
51,007	41,289	54,071	81,625	63,337	10,060
-	80,569	147,270	41,162	-	-
<u>21,644,598</u>	<u>17,673,791</u>	<u>24,726,223</u>	<u>22,886,113</u>	<u>25,116,694</u>	<u>21,091,734</u>
<u>(1,107,503)</u>	<u>1,285,935</u>	<u>(1,200,381)</u>	<u>(390,327)</u>	<u>(1,972,907)</u>	<u>5,095,902</u>
4,888,511	4,361,441	2,819,319	5,508,421	3,266,471	1,623,043
(6,048,511)	(5,138,440)	(4,404,313)	(7,258,836)	(5,016,471)	(3,323,043)
-	3,800,000	6,300,000	3,080,204	258,258	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>(1,160,000)</u>	<u>3,023,001</u>	<u>4,715,006</u>	<u>1,329,789</u>	<u>(1,491,742)</u>	<u>(1,700,000)</u>
<u>\$ (2,267,503)</u>	<u>\$ 4,308,936</u>	<u>\$ 3,514,625</u>	<u>\$ 939,462</u>	<u>\$ (3,464,649)</u>	<u>\$ 3,395,902</u>
12.95%	11.37%	10.95%	10.85%	10.65%	10.61%

TOWN OF AVON, COLORADO

FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year				
	2010	2011	2012	2013	2014
General Fund					
Nonspendable	\$ 7,710	\$ -	\$ -	\$ 7,442	\$ -
Restricted	503,650	447,963	428,947	476,619	598,376
Assigned	-	413,251	413,251	413,251	325,000
Unassigned	3,581,941	3,329,981	3,134,327	4,369,187	3,540,922
Total General Fund	4,093,301	4,191,195	3,976,525	5,266,499	4,464,298
All Other Governmental Funds					
Nonspendable	-	-	-	-	270
Restricted	6,930,731	6,987,206	6,045,396	2,803,943	2,370,833
Committed	3,968,735	4,100,746	3,656,294	3,624,653	3,386,451
Assigned	1,066,626	810,418	680,408	1,307,854	513,594
Unassigned	-	-	-	-	-
Total All Other Governmental Funds	\$ 11,966,092	\$ 11,898,370	\$ 10,382,098	\$ 7,736,450	\$ 6,271,148

	Fiscal Year				
	2015	2016	2017	2018	2019
General Fund					
Nonspendable	\$ 13,061	\$ 86,136	\$ -	\$ -	\$ -
Restricted	552,335	664,805	688,786	693,001	805,865
Assigned	47,878	-	-	-	-
Unassigned	5,046,651	5,312,950	5,125,805	5,611,041	7,392,670
Total General Fund	5,659,925	6,063,891	5,814,591	6,304,042	8,198,535
All Other Governmental Funds					
Nonspendable	-	-	-	-	-
Restricted	2,668,305	7,787,517	5,459,131	1,979,076	2,482,491
Committed	6,198,817	4,493,621	7,941,466	7,336,358	8,218,307
Assigned	517,335	516,183	585,486	716,549	832,594
Unassigned	-	-	-	-	-
Total All Other Governmental Funds	\$ 9,384,457	\$ 12,797,321	\$ 13,986,083	\$ 10,031,983	\$ 11,533,392

Source: Town of Avon Finance Department

Notes:

(1) Fiscal years 2006 through 2010 have been reclassified with implementation of GASB Statement No. 54 in fiscal year 2011.

TOWN OF AVON, COLORADO

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

Year	Property Tax				Specific Ownership
	General	Avon Urban Renewal Authority	Penalties, Interest & Abatements	Delinquent Taxes	
2010	\$ 3,208,908	\$ 978,437	\$ 6,566	\$ 1,387	\$ 117,354
2011	2,683,995	1,005,682	(42,784)	25,414	93,596
2012	2,209,790	743,212	1,805	(19,593)	92,105
2013	2,158,148	777,838	5,421	875	96,850
2014	2,039,463	784,986	(64,246)	6	112,848
2015	2,027,434	756,471	7,124	172	113,308
2016	2,284,282	1,026,248	4,491	-	119,483
2017	1,733,823	1,136,777	5,555	22	99,498
2018	1,829,624	1,428,646	1,106	181	105,234
2019	1,839,155	1,386,475	12	828	113,657

Year	Real Estate Transfer Tax	Sales Tax	Utility Tax	Accommodations Tax	Village at Avon Retail Sales Fee
2010	\$ 2,159,525	\$ 5,120,543	\$ 146,852	\$ 627,782	\$ -
2011	1,616,982	5,461,559	125,155	746,026	-
2012	1,707,648	5,607,160	127,060	733,397	-
2013	1,574,502	6,374,134	110,474	888,867	118,622
2014	3,764,526	7,093,469	109,441	995,540	683,833
2015	2,369,314	7,622,097	106,786	1,132,576	697,924
2016	3,497,602	8,250,381	102,643	1,289,879	735,280
2017	4,448,666	8,104,582	102,279	1,333,939	763,915
2018	3,621,125	8,475,940	105,881	1,334,306	785,659
2019	5,001,145	9,146,851	107,293	1,486,842	804,424

Year	Cigarette Excise Tax	Tobacco Tax	Franchise Fees	Total
2010	\$ -	\$ -	\$ 361,530	\$ 12,728,883
2011	-	-	367,778	12,083,403
2012	-	-	372,054	11,574,638
2013	-	-	383,594	12,489,325
2014	-	-	404,328	15,924,194
2015	-	-	403,642	15,236,848
2016	-	-	432,488	17,742,777
2017	-	-	419,479	18,148,536
2018	-	-	430,029	18,117,731
2019	189,305	146,016	434,627	20,656,630

Source: Town of Avon Finance Department

TOWN OF AVON, COLORADO

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Levy Year	Collection Year	Vacant Land	Residential Property	Commercial Property	Other Property	Total Gross Assessed Value
2009	2010	\$ 23,830,510	\$ 138,215,140	\$ 98,306,000	\$ 3,079,680	\$ 263,431,330
2010	2011	23,241,510	138,877,350	97,287,710	3,127,070	262,533,640
2011	2012	17,238,450	101,871,140	73,141,140	3,361,120	195,611,850
2012	2013	15,456,680	102,328,980	71,704,020	3,441,730	192,931,410
2013	2014	16,403,340	90,703,150	67,157,140	4,576,530	178,840,160
2014	2015	15,183,630	92,056,060	66,419,690	4,280,110	177,939,490
2015	2016	14,261,780	121,724,600	70,940,420	3,929,820	211,061,910
2016	2017	13,201,140	123,870,280	69,822,570	4,310,460	211,204,450
2017	2018	12,927,680	129,786,330	79,660,040	4,387,310	226,761,360
2018	2019	11,625,280	131,277,920	83,581,320	3,901,750	230,386,270

Levy Year	Collection Year	Less TIF District Increment (1)	Total Net Assessed Value	Direct Tax Rate	Actual Taxable Value	Value as a Percentage of Actual Value
2009	2010	\$ 17,517,540	\$ 245,913,790	11.208	\$ 2,125,079,840	12.40%
2010	2011	17,481,590	245,052,050	11.220	2,127,634,050	12.34%
2011	2012	12,538,960	183,072,890	12.072	1,566,445,080	12.49%
2012	2013	12,511,160	180,420,250	11.983	1,564,516,920	12.33%
2013	2014	12,105,380	166,734,780	12.258	1,406,594,920	12.71%
2014	2015	11,501,900	166,437,590	12.207	1,417,405,720	12.55%
2015	2016	16,476,380	194,585,530	11.765	1,806,178,690	11.69%
2016	2017	17,221,870	193,982,580	8.956	1,825,187,770	11.57%
2017	2018	21,857,430	204,903,930	8.956	2,104,646,220	10.77%
2018	2019	21,475,340	208,910,930	8.956	2,121,154,740	10.86%

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

Notes: Property tax rates are stated in mills per \$1,000 of assessed valuation. Other property includes state assessed, agricultural, and abatements and corrections.

(1) The Avon Urban Renewal Authority was established in August, 2007.

TOWN OF AVON, COLORADO

DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS

Taxing Entity	Collection Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Town of Avon										
General Operating	8.956	8.956	8.956	8.956	8.956	8.956	8.956	8.956	8.956	8.956
General Obligation Debt Service	2.252	2.264	3.116	3.027	3.302	3.251	2.809	0.000	0.000	0.000
Total Direct	11.208	11.220	12.072	11.983	12.258	12.207	11.765	8.956	8.956	8.956
Eagle County										
8.499	8.499	8.499	8.499	8.499	8.499	8.499	8.499	8.499	8.499	8.499
Colleges and School Districts										
Colorado Mountain College	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997	4.013
Eagle County School District RE-50J	19.402	19.474	21.601	21.362	20.826	21.517	20.331	25.209	24.912	24.240
Metropolitan Districts										
Avon Metropolitan District	2.535	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Avon Station Metropolitan District	45.000	45.000	58.000	58.000	58.000	58.000	58.000	63.000	65.585	65.572
Confluence Metropolitan District	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mountain Vista Metropolitan District	25.000	25.000	25.000	25.000	25.000	25.000	25.000	25.000	26.155	26.354
Village Metropolitan District	15.000	40.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000
Other Special Districts										
Avon General Improvement District No. 1	9.396	9.396	15.288	15.288	17.557	17.557	14.077	14.005	14.005	14.005
Eagle River Fire Protection District	5.550	5.550	5.650	7.553	9.238	9.392	8.205	9.740	9.828	9.766
Eagle Valley Library District	2.750	2.750	2.750	2.750	2.750	2.750	2.750	2.750	2.750	2.763
Eagle River Water and Sanitation District	0.795	0.796	0.932	0.931	0.946	0.954	1.375	1.385	1.302	0.766
Colorado River Water Conservancy District	0.166	0.188	0.228	0.242	0.254	0.253	0.243	0.253	0.254	0.235
Eagle County Health Services District	1.780	1.768	1.764	2.023	2.006	2.019	2.008	2.755	2.753	2.781

Source: Eagle County Assessor's Office, Abstract of Assessment

Notes: Property tax rates are stated in mills per \$1,000 of assessed valuation. The Town's general operating mill rate may be increased only by a majority approval of the Town's residents during a general election. Rates for debt service are set based on each year's debt service requirements.

TOWN OF AVON, COLORADO

PRINCIPAL PROPERTY TAX PAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Town of Avon Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town of Avon Assessed Value
CSB Properties Holdings LLC	\$ 10,554,390	1	4.58%			
Traer Creek-WMT LLC	6,172,680	2	2.68%	\$ 7,508,370	3	3.31%
Riverfront Village Hotel, LLC	5,092,790	3	2.21%	10,980,010	1	1.33%
Avon MOB LLC	4,930,820	4	2.14%			
Traer Creek-HD LLC	4,348,210	5	1.89%	5,081,380	7	2.38%
Prime Group Mountain Center LLC	4,257,480	6	1.85%			
Avon Wynfield LLC	4,222,470	7	1.83%	2,957,460	9	1.31%
Beaver Creek Vacation Ownership Plan	3,907,150	8	1.70%			
Points of Colorado - Time Share	3,245,000	9	1.41%	8,368,800	2	2.94%
Mountain Vista Condominium Assoc Inc.	2,816,510	10	1.22%			
Dillon Real Estate Co, Inc	2,790,230	11	1.21%	2,174,780	13	0.96%
Prime Group Avon LLC	2,281,780	12	0.99%			
Christie Lodge Assoc Ltd	2,262,400	13	0.98%	2,063,870	14	2.92%
Riverfront Mtn Villas Condominium	2,048,400	14	0.89%			
CH Retail Fund II/Bvr Crk Nttingham Sta	1,983,740	15	0.86%			
Avon Partners II, LLC	-	NA	0.00%	5,398,100	5	2.34%
Traer Creek-L2 LLC	-	NA	0.00%	5,412,970	4	2.67%
Chapel Square Ventures LP	-	NA	0.00%	5,296,510	6	1.76%
CSC Land LLC	-	NA	0.00%	4,295,830	8	1.34%
ARI Mountain Center LLC	-	NA	0.00%	2,870,840	10	1.31%
Traer Creek-RP LLC	-	NA	0.00%	2,414,760	11	0.88%
Riverview Park Assoc., Inc	-	NA	0.00%	2,204,950	12	0.92%
East Avon-Hudson LLC	-	NA	0.00%	1,560,930	15	0.69%
Total Assessed Value of the Fifteen Largest Taxpayers	60,914,050		26.44%	68,589,560		26.04%
Total Gross Assessed Value of Other Taxpayers	169,472,220		73.56%	194,841,770		73.96%
Total Gross Assessed Value of All Taxpayers	\$ 230,386,270		100.00%	\$ 263,431,330		100.00%

Source: Eagle County Assessor's Office

TOWN OF AVON, COLORADO

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Levy Year	Collection Year	(1) Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	(2) Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections To Total Tax Levy
2009	2010	\$ 3,285,710	\$ 3,208,908	97.66%	\$ 1,387	\$ 3,210,295	97.70%
2010	2011	2,789,855	2,704,440	96.94%	4,970	2,709,409	97.12%
2011	2012	2,250,055	2,209,593	98.20%	(19,296)	2,190,298	97.34%
2012	2013	2,202,287	2,160,634	98.11%	875	2,161,509	98.15%
2013	2014	2,083,835	2,042,508	98.02%	6	2,042,514	98.02%
2014	2015	2,071,895	2,029,571	97.96%	172	2,029,743	97.97%
2015	2016	2,329,489	2,286,146	98.14%	-	2,286,146	98.14%
2016	2017	1,777,498	1,736,538	97.70%	22	1,736,560	97.70%
2017	2018	1,876,652	1,829,624	97.49%	181	1,829,805	97.50%
2018	2019	1,912,703	1,839,155	96.15%	828	1,839,983	96.20%

Source: Town of Avon Finance Department

Notes: (1) Taxes are due and payable on January 1 based on the prior year's assessed valuation.

(2) Information on outstanding delinquent taxes is not available.

TOWN OF AVON, COLORADO

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities					
	General Obligation Bonds	Special Assessment Bonds	Revenue Bonds	Certificates of Participation	Loans	Capital Leases
2010	\$ 2,842,835	\$ -	\$ 1,670,000	\$ 3,310,000	\$ 6,825,000	\$ 335,205
2011	2,411,440	-	1,275,000	3,195,000	6,565,000	420,063
2012	1,960,045	-	870,000	3,075,000	6,295,000	476,227
2013	1,498,650	-	7,270,000	2,950,000	-	516,378
2014	1,017,255	-	6,520,000	2,825,000	-	547,990
2015	520,860	-	6,200,000	6,280,000	-	438,024
2016	-	-	5,790,000	12,235,000	-	325,518
2017	-	-	8,225,362	11,675,000	-	566,231
2018	-	-	7,649,283	11,324,659	-	401,100
2019	-	-	7,053,286	10,661,468	-	311,195

Fiscal Year	Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	Certificates of Participation	Capital Leases			
2010	\$ 3,419,606	\$ 8,621	\$ 18,411,267	0.73%	\$ 2,856
2011	3,302,110	377,753	17,546,366	0.70%	2,477
2012	3,174,614	326,774	16,177,660	0.64%	2,531
2013	3,047,119	303,251	15,585,398	0.62%	2,440
2014	2,914,623	244,259	14,069,127	0.56%	2,195
2015	2,777,127	185,937	16,401,948	0.65%	2,534
2016	2,605,000	125,825	21,081,343	0.84%	3,241
2017	2,465,000	63,864	22,995,457	0.92%	3,603
2018	2,349,640	258,258	21,982,940	0.88%	3,361
2019	2,197,144	224,979	20,448,072	0.81%	3,126

Source: Town of Avon Finance Department

TOWN OF AVON, COLORADO

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT DECEMBER 31, 2019

Government Unit	Debt Outstanding	Estimated Percentage Applicable ^a	Estimated Share of Overlapping Debt
Debt Repaid With Property Taxes			
Confluence Metropolitan District	\$ 21,875,000	100.00%	\$ 21,875,000
Eagle County School District RE-50J	257,475,315	7.64%	19,670,065
Eagle River Fire Protection District	23,605,554	22.23%	5,246,515
Other Debt			
Eagle County	13,479,086	7.64%	1,029,747
Traer Creek Metropolitan District	27,397,000	100.00%	27,397,000
Subtotal - Overlapping debt			75,218,327
Town of Avon Direct Debt			-
Total Direct and Overlapping Debt			<u>\$ 75,218,327</u>

Source: Various Governmental Entities, Eagle County Finance Department

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

^a The basic approach to estimating the applicable percentage of overlapping debt was to divide the assessed value of the portion overlapping the Town to the total assessed value of the overlapping entity.

TOWN OF AVON, COLORADO

RATIO OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN LAST TEN FISCAL YEARS

	Fiscal Year			
	2010	2011	2012	2013
General Bonded Debt Outstanding General Obligation Bonds	\$ 2,805,000	\$ 2,380,000	\$ 2,380,000	\$ 1,480,000
Actual Taxable Property Value	2,125,079,840	2,127,634,050	1,566,445,080	1,564,516,920
Net Assessed Value	245,913,790	245,052,050	183,072,890	180,420,250
Percentage of General Bonded Debt Outstanding to Actual Taxable Property Value	0.13%	0.11%	0.15%	0.09%
Town of Avon Population	6,447	7,085	6,393	6,388
Per Capita	\$ 435	\$ 336	\$ 372	\$ 232
Legal Debt Limit	\$ 61,478,448	\$ 61,263,013	\$ 45,768,223	\$ 45,105,062
Total Debt Applicable to Limit	(2,805,000)	(2,380,000)	(2,380,000)	(1,480,000)
Legal Debt Margin	\$ 58,673,448	\$ 58,883,013	\$ 43,388,223	\$ 43,625,062
Total Debt Applicable to the Limit as a Percentage of Legal Debt Limit	4.56%	3.88%	5.20%	3.28%

Source: Eagle County Assessor's Office, State of Colorado Division of Local Governments

Fiscal Year						
2014	2015	2016	2017	2018	2019	
\$ 1,005,000	\$ 515,000	\$ -	\$ -	\$ -	\$ -	
1,406,594,920	1,417,405,720	1,806,178,690	1,825,187,770	2,104,646,220	2,121,154,740	
166,734,780	166,437,590	194,585,530	193,982,580	204,903,930	208,910,930	
0.07%	0.04%	0.00%	0.00%	0.00%	0.00%	0.00%
6,410	6,472	6,505	6,383	6,541	6,365	
\$ 157	\$ 80	\$ -	\$ -	\$ -	\$ -	
\$ 41,683,695	\$ 41,609,398	\$ 48,646,382	\$ 48,495,645	\$ 51,225,982	\$ 52,227,732	
(1,005,000)	(515,000)	-	-	-	-	
\$ 40,678,695	\$ 41,094,398	\$ 48,646,382	\$ 48,495,645	\$ 51,225,982	\$ 52,227,732	
2.41%	1.24%	0.00%	0.00%	0.00%	0.00%	

TOWN OF AVON, COLORADO

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Year	Town of Avon Population	Eagle County Population	Eagle County Personal Income (In \$1,000's)	Eagle County Per Capita Personal Income	Eagle County Median Age	Eagle County RE-50J School Enrollment	Denver / Boulder Consumer Price Index	Eagle County Unemployment Rate
2010	6,447	52,197	\$ 2,533,900	\$ 44,709	36.60	6,181	212.4	8.80%
2011	7,085	54,212	2,521,062	48,618	36.30	6,344	220.3	8.70%
2012	6,393	51,874	2,515,096	48,485	35.20	6,244	224.6	8.20%
2013	6,388	53,811	2,005,000	48,750	36.00	6,549	230.8	5.20%
2014	6,410	52,460	2,644,828	50,416	36.20	6,713	237.2	4.75%
2015	6,472	53,605	3,065,540	57,927	36.50	6,546	240.0	2.10%
2016	6,505	53,989	3,297,869	61,522	36.70	6,901	246.6	2.81%
2017	6,383	52,576	3,486,688	64,581	35.60	6,959	254.9	2.22%
2018	6,518	51,364	N/A	70,384	39.00	6,882	261.9	2.59%
2019	6,365	55,127	N/A	N/A	36.50	6,902	267.4	2.25%

N/A - Information not available.

Information was compiled by the Demographic Section of the Colorado Division of Local Government, Bureau of Labor Statistics and U.S. Census Bureau. School Enrollment was obtained by Eagle County School District Administration Office based on June Enrollment. Per Capita Personal Income obtained from Bureau of Economic Analysis, Regional Economic Accounts.

TOWN OF AVON, COLORADO

PRINCIPAL EMPLOYERS CURRENT YEAR AND NINE YEARS AGO

Employer	2019		2010	
	Employees	Rank	Employees	Rank
Westin Riverfront Resort & Spa	278	1	230	2
Wal-Mart	246	2	261	1
City Market	139	3	108	5
Maya, Mexican Kitchen	132	4	NA	NA
Eagle River Water & Sanitation	120	5	94	7
Home Depot	112	6	110	4
Christie Lodge	105	7	78	9
Town of Avon	96	8	96	6
Colorado Mountain Medical - Avon	71	9	NA	NA
Sheraton Mountain Vista	47	10	83	8
Finnegan's	NA	NA	63	10
Restaurant Avondale	NA	NA	127	3

Sources: Various Town of Avon businesses, Department of Labor

TOWN OF AVON, COLORADO

COMMERCIAL AND RESIDENTIAL CONSTRUCTION LAST TEN FISCAL YEARS

Year	Total Permits Issued	Commercial Construction		Residential Construction		Total Building Construction Value
		Square Footage	Value	No. of Units	Value	
2010	112	16,517	\$ 3,215,036	7	\$ 9,806,550	\$ 13,021,586
2011	125	2,210	922,600	9	8,412,190	9,334,790
2012	126	54,250	11,400,000	8	2,448,500	13,848,500
2013	159	217,293	27,121,876	12	9,027,760	36,149,636
2014	156	-	1,500,000	10	13,735,900	15,235,900
2015	153	114,614	14,336,000	10	6,970,000	21,306,000
2016	158	90,309	21,525,147	7	8,551,360	30,076,507
2017	167	60,043	29,298,052	6	18,930,069	48,228,121
2018	164	93,579	37,542,440	20	15,120,198	52,662,638
2019	5	18,168	3,174,739	21	62,013,031	65,187,770

Source: Town of Avon Community Development Department

TOWN OF AVON, COLORADO

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of December 31				
	2010	2011	2012	2013	2014
General Government					
Administration	3.75	3.75	2.75	3.75	4.75
Special Events	1.00	1.00	1.00	1.00	1.00
Human Resources	2.00	2.00	2.00	2.00	2.00
Finance	8.00	8.00	8.00	8.00	8.00
Nondepartmental	5.00	3.00	1.00	1.00	1.00
Community Development	6.75	5.00	4.00	3.00	3.00
Police	22.00	20.00	20.00	20.00	20.00
Public Works:					
Engineering	3.00	3.00	2.00	2.00	2.00
Buildings and Facilities	3.75	2.75	2.75	3.00	3.00
Roads and Bridges, Parks	16.25	16.25	15.25	16.00	14.00
Transportation	4.50	4.35	4.35	4.00	4.00
Fleet Maintenance	13.10	9.25	7.25	8.00	8.00
Recreation	7.00	8.00	9.00	6.00	7.00
Total	<u>96.10</u>	<u>86.35</u>	<u>79.35</u>	<u>77.75</u>	<u>77.75</u>
	2015	2016	2017	2018	2019
General Government					
Administration	4.75	4.60	4.60	5.00	6.00
Special Events	1.00	1.00	2.00	2.00	2.00
Human Resources	3.00	3.00	3.00	3.75	3.75
Finance	8.00	8.00	8.00	9.00	9.00
Nondepartmental	1.00	1.00	1.00	1.00	1.00
Community Development	3.00	3.00	3.00	3.00	3.75
Police	20.00	20.40	20.40	21.50	22.50
Public Works:					
Engineering	2.00	2.00	2.00	2.00	2.00
Buildings and Facilities	4.00	4.00	5.00	5.00	5.00
Roads and Bridges, Parks	14.00	15.00	16.00	15.00	16.00
Transportation	6.00	6.00	6.00	8.00	8.00
Fleet Maintenance	8.00	8.00	8.00	8.00	8.00
Recreation	9.00	9.00	10.00	10.00	10.00
Total	<u>83.75</u>	<u>85.00</u>	<u>89.00</u>	<u>93.25</u>	<u>97.00</u>

Source: Town of Avon Budget

TOWN OF AVON, COLORADO

OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

	Fiscal Year			
	2010	2011	2012	2013
Town of Avon Facilities and Services:				
Miles of Streets	23.73	23.73	23.73	23.73
Number of Street Lights	454	632	632	632
Culture and Recreation:				
Miles of Bike/Pedestrian Paths	5.60	8.75	8.75	8.75
Miles of dirt, singletrack trails	0.00	0.00	0.00	0.00
Parks / Lakes	5/1	5/1	5/1	5/1
Park Acreage	672	672	672	672
Tennis/Volleyball /Basketball Courts/Pickleball Courts	4 / 3 / 3	4 / 2 / 3	4 / 2 / 3	4 / 2 / 3 / 2
Recreation Centers	1	1	1	1
Softball / Soccer Fields	1 / 2	1 / 2	1 / 2	1 / 2
Playgrounds	4	4	4	4
Performance Art Pavilion				
Police Protection:				
Number of Stations	1	1	1	1
Number of Police Personnel and Officers	20	18	20	20
Number of Patrol Units	15	15	16	16
Number of Law Violations:				
General Ordinance Violations	157	218	396	207
Traffic Violations	831	1,204	495	285
Parking Violations	379	285	110	165
Facilities and Services Not Included in the Reporting Entity:				
Libraries:				
Number of Libraries / Volumes	1 / 80,054	1 / 83,008	1 / 82,193	1 / 79,405
Water System:				
Miles of Water Mains	24.99	24.99	24.99	24.99
Number of Service Connections	3,802	3,799	3,814	3,831
Daily Average Consumption in Gallons	672,789	687,099	589,567	675,728
Maximum Daily Capacity of Plant in Gallons	10MGD	10MGD	10MGD	10MGD
Sanitary Sewer System:				
Miles of Sanitary Sewers	33.44	33.44	33.44	33.44
Number of Treatment Plants	1	1	1	1
Number of Service Connections	3,916	3,933	3,953	3,969
Maximum Daily Capacity of Treatment Plant in Gallons	4.3MGD	4.3MGD	4.3MGD	4.3MGD
Education:				
Number of Elementary Schools / Instructors	1 / 23	1 / 23	1 / 23	1 / 27
Fire Protection:				
Number of Stations	9	9	8	5
Number of Fire Personnel and Officers	56	55	55	66
Number of Calls Answered	2,167	2,198	2,089	2,244
Number of Inspections Conducted	141	166	190	154

Fiscal Year					
2014	2015	2016	2017	2018	2019
23.73	23.73	23.73	23.73	23.73	23.73
613	619	634	646	646	666
8.82	8.82	9.32	9.32	9.36	9.44
11.00	11.00	11.00	11.00	11.00	11.00
5/1	5/1	5/1	5/2	5/2	5/2
672	672	672	672	672	672
4 / 2 / 3 / 2	4 / 2 / 3 / 2	4 / 2 / 3 / 2	4 / 2 / 3 / 2	4 / 2 / 3 / 2	4 / 2 / 3 / 2
1	1	1	1	1	1
1 / 2	1 / 2	1 / 2	1 / 2	1 / 2	1 / 2
4	4	4	4	4	4
1	1	1	1	1	1
1	1	1	1	1	1
20	21	23	23	23	22
16	15	15	15	15	15
438	384	419	91	118	82
372	314	543	446	142	226
366	282	234	147	59	160
1 / 80,239	1 / 79,226	1 / 77,490	1 / 78,779	1 / 77,137	1 / 75,963
24.99	24.99	24.99	24.99	24.99	24.99
3,897	3,917	3,917	3,980	3,980	4,019
706,833	706,833	709,478	712,521	718,731	725,684
10MGD	10MGD	10MGD	10MGD	10MGD	10MGD
33.44	33.44	33.44	33.44	33.44	33.44
1	1	1	1	1	1
4,038	4,086	4,086	4,118	4,118	4,157
4.3MGD	4.3MGD	4.3MGD	4.3MGD	4.3MGD	4.3MGD
1 / 25	1 / 27	1 / 47	1 / 62	1 / 44	1 / 39
5	5	6	6	5	5
64	67	68	68	70	70
2,357	636	670	644	554	564
154	122	175	179	166	134

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