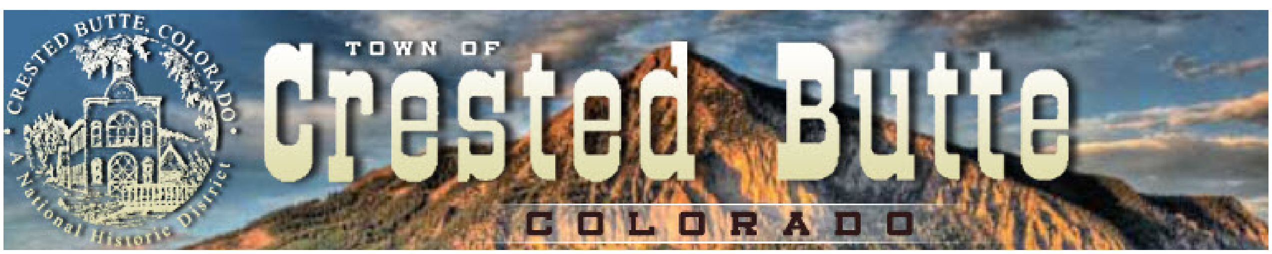
Town of Crested Butte, Colorado

Financial Statements

December 31, 2020



Town of Crested Butte, Colorado
Financial Statements
For the Year Ended December 31, 2020

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Town of Crested Butte, Colorado
Financial Statements
For the Year Ended December 31, 2020
(continued)

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M & A

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INDEPENDENT AUDITOR'S REPORT

To the Mayor and Town Council
Town of Crested Butte, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Crested Butte, Colorado (the "Town"), as of and for the year ended December 31, 2020, which collectively comprise the Town's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Member: American Institute of Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT
To the Mayor and Town Council
Town of Crested Butte, Colorado

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Crested Butte, Colorado as of December 31, 2020, 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 the Management's Discussion and Analysis in Section B be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Management's Discussion and Analysis in Section B in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

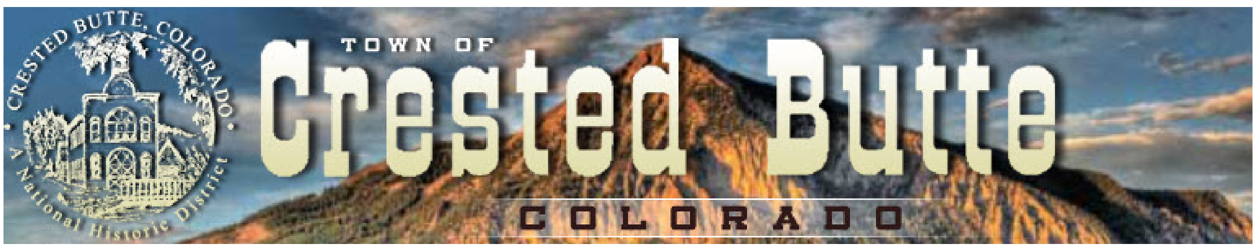
The budgetary comparison information in Section E, as listed in the accompanying table of contents, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison 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 as a whole. The individual fund budgetary comparison information and the *Local Highway Finance Report* in Section F, as listed in the accompanying table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The individual fund budgetary comparison information and the *Local Highway Finance Report* in Section F are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with 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.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
September 16, 2021

MANAGEMENT'S DISCUSSION AND ANALYSIS



MANAGEMENT'S DISCUSSION AND ANALYSIS
Year Ended December 31, 2020

Our discussion and analysis of the Town of Crested Butte's financial performance provides an overview of the Town of Crested Butte's financial activities for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our basic financial statements to better understand the financial position of the Town of Crested Butte.

A. FINANCIAL HIGHLIGHTS

- The Town's assets exceed liabilities and deferred inflows by $55,353,461 (i.e., net position) at the end of the year, an increase of $3,302,124 from the prior year.
- Governmental activities reported unrestricted net position of $22,100,066 an increase of $6,905,689 in comparison to prior year.
- The Town's unassigned fund balance for the General Fund, which includes the Sales Tax Fund under Governmental Accounting Standards Board (GASB) Statement 54 reporting requirements, was $7,816,665 an increase of $1,585,904 in comparison to prior year.
- The Town of Crested Butte's total long-term liabilities were $4,971,559 at the end of year. This debt is all associated with upgrades to the Water and Wastewater treatment plants.

B. PROJECT HIGHLIGHTS

- Climate Action Plan implementations began
- Upgrades to the Wastewater Treatment Plant completed.
- Managed through the Coronavirus pandemic, with no significant reduction is Town services or staffing.

C. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town of Crested Butte's basic financial statements. The basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains 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 our finances in a manner similar to a private sector business.

The statement of net position presents information on all assets, liabilities and deferred inflows, 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 financial position is improving or deteriorating.

The statement of activities presents information showing how the government'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 cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions 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 include general government, public safety, streets and highways, culture and recreation and community development. The business type activities include sewer and water.

Fund financial statements. A fund is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The Town's funds can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that is available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are described in a reconciliation statement.

Proprietary Funds. Proprietary funds are maintained as follows:

Enterprise funds are used to report the same functions presented as business-type activities in the government wide financial statements, only in more detail. The Town reports its water and sewer operations as an enterprise fund.

Notes to 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.

D. GOVERNMENT-WIDE FINANCIAL ANALYSIS

On December 31, 2020, total net position was $55,353,461, an increase of $3,302,124 from the prior year. This increase was largely due to increases in cash position and investment in joint venture along with capital asset purchases during the year. Additionally, the Town significantly reduced spending to mitigate potential negative financial impacts associated with the pandemic.

A large portion of net position is the investment in capital assets (net of related debt) which accounts for 48% of total net position. This amount reflects the investment in all capital assets less any related outstanding debt used to acquire those assets. These capital assets are used to provide services to citizens and are not available for future spending.

Unrestricted net position is the part of net position that can be used to finance day to day operations without constraints, represents 51% of total net position.

The following table summarizes the Town's net position:

Town of Crested Butte's Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Assets:						
Current and other assets	$ 26,289,681	$ 22,091,801	$ 6,181,218	$ 4,230,942	$ 32,470,899	$ 26,322,743
Capital assets	21,481,009	22,050,108	10,533,272	10,724,803	32,014,281	32,774,911
Total Assets	47,770,690	44,141,909	16,714,490	14,955,745	64,485,180	59,097,654
Liabilities:						
Other liabilities	2,427,956	1,968,518	394,294	668,502	2,822,250	2,637,020
Long-term liabilities	117,131	106,859	4,993,138	3,255,117	5,110,269	3,361,976
Total Liabilities	2,545,087	2,075,377	5,387,432	3,923,619	7,932,519	5,998,996
Deferred Inflows of Resources:						
Property taxes	1,199,200	1,183,792	-	-	1,199,200	1,183,792
Net Position:						
Net investment in capital assets	21,481,009	22,050,108	5,273,532	7,281,480	26,754,541	29,331,588
Restricted	445,328	1,231,815	-	-	445,328	1,231,815
Unrestricted	22,100,066	17,600,817	6,053,526	3,750,646	28,153,592	21,351,463
Total Net Position	$ 44,026,403	$ 40,882,740	$ 11,327,058	$ 11,032,126	$ 55,353,461	$ 51,914,866

The following table summarizes the Town's changes in net position:

Town of Crested Butte's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
REVENUES:	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Program revenues:						
Charges for services	$ 1,006,869	873,529	1,934,221	1,728,521	2,941,090	2,602,050
Operating grants and contributions	167,510	160,436	-	-	167,510	160,436
Capital grants and contributions	-	349,241	471,831	1,415,001	471,831	1,764,242
General revenues:						
Sales and use taxes	5,590,620	5,197,654			5,590,620	5,197,654
Real estate transfer tax	3,285,614	1,827,826			3,285,614	1,827,826
Property taxes	1,210,849	1,023,251	-	-	1,210,849	1,023,251
Specific ownership taxes	305,555	211,198	-	-	305,555	211,198
Franchise taxes	42,657	45,361	-	-	42,657	45,361
Miscellaneous taxes	613,893	409,760	-	-	613,893	409,760
Investment earnings	64,240	204,424	58,639	-	122,879	204,424
Gain on asset disposition	5,320	(39,405)	-	-	5,320	(39,405)
Miscellaneous	107,991	82,690	-	128,602	107,991	211,292
Total Revenues	12,401,118	10,345,965	2,464,691	3,272,124	14,865,809	13,618,089
EXPENSES:						
General government	2,442,944	3,790,373	-	-	2,442,944	3,790,373
Public safety	1,101,470	993,450	-	-	1,101,470	993,450
Public works	1,104,766	1,221,266	-	-	1,104,766	1,221,266
Community development	781,295	1,277,529	-	-	781,295	1,277,529
Culture and recreation	2,273,792	1,447,634	-	-	2,273,792	1,447,634
Affordable housing	777,829	-	-		777,829	-
Transportation	911,830	-	-	-	911,830	-
Interest on long-term debt	-	2,179			-	2,179
Sewer, water and sanitation	-	-	2,169,759	2,028,505	2,169,759	2,028,505
Total Expenses	9,393,926	8,732,431	2,169,759	2,028,505	11,563,685	10,760,936
Change in Net Position	3,007,192	1,613,534	294,932	1,243,619	3,302,124	2,857,153
Net Position - Beginning (restated)	41,019,211	38,279,557	11,032,126	9,788,507	52,051,337	49,057,713
Net Position - Ending	$ 44,026,403	$ 39,893,091	$ 11,327,058	$ 11,032,126	$ 55,353,461	$ 51,914,866

E. FINANCIAL ANALYSIS OF GOVERNMENT FUNDS

Governmental funds. The focus of government funds is to provide information on near term inflows, outflows and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2020, the Town's governmental funds reported combined ending fund balance of $20,198,446, an increase of $3,528,925 over prior year. Of the combined ending fund balance for all governmental funds 39% of this amount or $7,816,665, constitutes unassigned fund balance, which is available for appropriation at the Town's discretion. The Town has four major governmental funds. They are General, General Capital, Affordable Housing and Street and Alley. The Town has one other governmental fund, the Conservation Trust Fund which accounts for the funds received from the Colorado State Lottery Commission.

The General Fund is the primary operating fund for the Town of Crested Butte. Under the fund reporting requirements of GASB 54, the sales tax fund is now combined into the General fund for reporting purposes. At the end of 2020, unassigned fund balance for the General Fund was $7,816,665. This unassigned fund balance is approximately 146% of the total 2020 expenditures of the combined General Fund. The unassigned fund balance increased by $1,585,904 during 2020.

The General Capital Fund accounts for general capital acquisitions and maintenance expenditures. Real estate transfer taxes and use tax revenues are its major sources of revenue. At the end of 2020, the General Capital Fund balance available for capital projects was $8,597,469, an increase of $1,619,554.

The Affordable Housing Fund accounts for development of affordable housing units, including acquisition and maintenance expenditures for Town owned units and infrastructure development for affordable housing area within Town. Its main source of revenue is an excise tax assessed on short term rentals in Town. Other sources of revenue include fee assessment on certain building permits within Town, and grants. Its total fund balance was $833,197 at the end of 2020, an increase of $77,016. The increase was largely due to an increase in the amount of excise tax collected and payment in lieu collections.

The Street and Alley Fund accounts for construction and maintenance expenditures on the Town's streets, alleys, right of ways, sidewalks and parking lots. Its main source of revenue is a dedicated property tax. Its total fund balance was $2,505,787 at the end of 2020, an increase of $442,435. A significant portion of the increase was due to street and parking maintenance projects.

Proprietary funds. The Town has one enterprise fund which accounts for sewer, water, and trash operations. Year-end unrestricted net position of the sewer and water fund amounted to $6,053,526 in 2020, an increase of $2,302,880. The increase was primarily related to receipt of debt proceeds related to the water treatment plant upgrades. Year-end total net position amounted to $11,327,058 in 2020, an increase of $294,932.

F. BUDGETARY HIGHLIGHTS

During the year, the Town received Colorado Water Resources and Power Development Authority loan proceeds for a Water Treatment Plant upgrade that was self-financed during 2019. Self-financing of the WTP upgrade was necessary during 2019 to stay within TABOR guidelines.

In addition, Town Council approved $1,311,500 in expense management actions to offset potential revenue losses due to the pandemic.

Revenues and expenditures in all funds were closely monitored throughout the year.

G. CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The Town of Crested Butte invested $677,300 in capital assets for its governmental and business type activities in 2020. As required by GASB34, the investment in capital assets includes land, buildings, improvements other than buildings, equipment, water systems, sewer systems and infrastructure.

Long-term Debt. At the end of 2020, the total outstanding long-term debt of the Town was $4,971,559, an increase of $1,730,862 from 2019. The total amount attributable to business-type activities is $4,971,559.

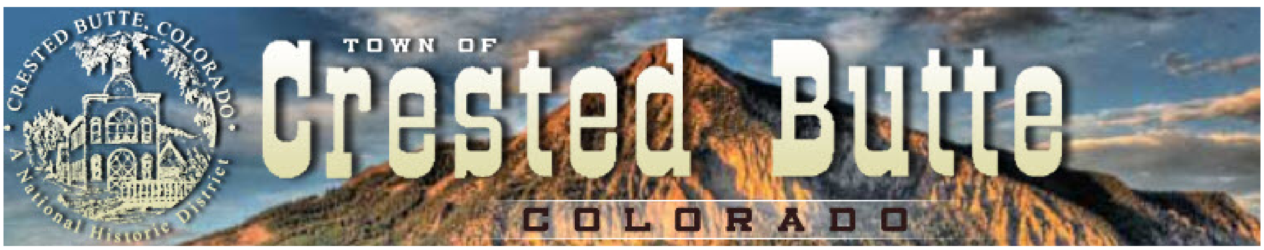
H. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

- The Town of Crested Butte continues to maintain strong reserve balances.
- Real estate transfer tax is the majority of revenue for the General Capital Fund. The real estate market in 2020 was up significantly, with both commercial and residential. This increase was driven by the "Zoom Boom" of remote workers, real estate investment, and general supply and demand factors. The 2021 budget anticipates real estate transfer tax to be consistent with 2020. Actual 2021 real estate transfer tax has exceeded budget through mid-year. This continues to be fueled by high stock markets, lower taxes, remote workers, and a pandemic-driven flight to rural areas. Average housing prices are increasing significantly in light of the local supply / demand equation.
- We budgeted sales tax collections for 2021 to be up 2% from 2020. The local economy, and associated sales tax collections, were trending positively, primarily due to expanded tourism during both peak and shoulder seasons.
- The construction market, which generates building fees, use and sales tax revenues, sewer/water tap-in fees and affordable housing fees, was up in 2020, despite the pandemic. The total valuation of construction projects increased, largely due to high priced new residential units and affordable housing. We anticipate construction activity to be consistent in 2021, especially for high priced residential projects.
- The 2021 budget has appropriations for several large one-time projects: renewable energy projects that support Council's Climate Action Plan, the refurbishment of Henderson Park, and Affordable Housing projects.
- The 2021 budget anticipates producing a total surplus of $647,523.

I. REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Crested Butte's finances. If you have questions about this report or need additional financial information, contact the Town of Crested Butte, Finance Department, PO Box 39, Crested Butte, Colorado 81224.

GOVERNMENT-WIDE FINANCIAL STATEMENTS



Town of Crested Butte, Colorado
Statement of Net Position
December 31, 2020

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and investments - Unrestricted	21,776,494	5,933,632	27,710,126
Cash and investments - Restricted	1,575	-	1,575
Receivables, net:			
Taxes	1,991,611	-	1,991,611
Other governments	55,922	-	55,922
Other	-	227,034	227,034
Inventories	-	20,552	20,552
Investment in joint venture	2,464,079	-	2,464,079
Capital assets, not being depreciated	10,584,137	27,610	10,611,747
Capital assets, net of accumulated depreciation	10,896,872	10,505,662	21,402,534
Total Assets	47,770,690	16,714,490	64,485,180
Liabilities:			
Accounts payable	232,419	66,390	298,809
Accrued payroll and related liabilities	131,029	17,808	148,837
Deposits payable	2,064,508	2,700	2,067,208
Interest payable	-	19,215	19,215
Compensated absences:			
Due in more than one year	117,131	21,579	138,710
Debt payable:			
Due within one year	-	288,181	288,181
Due in more than one year	-	4,971,559	4,971,559
Total Liabilities	2,545,087	5,387,432	7,932,519
Deferred Inflows of Resources:			
Property taxes	1,199,200	-	1,199,200
Net Position:			
Net investment in capital assets	21,481,009	5,273,532	26,754,541
Restricted:			
TABOR emergency reserve	365,000	-	365,000
Conservation Trust Fund	80,328	-	80,328
Unrestricted	22,100,066	6,053,526	28,153,592
Total Net Position	44,026,403	11,327,058	55,353,461

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

Town of Crested Butte, Colorado
Statement of Activities
For the Year Ended December 31, 2020

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs:							
Governmental activities:							
General government	2,442,944	240,685	153,849	-	(2,048,410)		(2,048,410)
Public safety	1,101,470	55,348	-	-	(1,046,122)		(1,046,122)
Public works	1,104,766	-	-	-	(1,104,766)		(1,104,766)
Community development	781,295	559,731	-	-	(221,564)		(221,564)
Culture and recreation	2,273,792	75,260	13,661	-	(2,184,871)		(2,184,871)
Affordable housing	777,829	75,845	-	-	(701,984)		(701,984)
Transportation	911,830	-	-	-	(911,830)		(911,830)
Total - Governmental activities	9,393,926	1,006,869	167,510	-	(8,219,547)		(8,219,547)
Business-type activities:							
Sewer, water and sanitation	2,169,759	1,934,221	-	471,831		236,293	236,293
Total - Business-type activities	2,169,759	1,934,221	-	471,831		236,293	236,293
Total	11,563,685	2,941,090	167,510	471,831	(8,219,547)	236,293	(7,983,254)
General revenues:							
Taxes:							
Sales and use taxes					5,590,620	-	5,590,620
Real estate transfer tax					3,285,614	-	3,285,614
Property taxes					1,210,849	-	1,210,849
Specific ownership taxes					305,555	-	305,555
Franchise taxes					42,657	-	42,657
Miscellaneous taxes					613,893	-	613,893
Investment earnings					64,240	58,639	122,879
Gain on asset disposition					5,320	-	5,320
Miscellaneous					107,991		107,991
Total - General revenues and transfers					11,226,739	58,639	11,285,378
Change in Net Position					3,007,192	294,932	3,302,124
Net Position - January 1 (Restated)					41,019,211	11,032,126	52,051,337
Net Position - December 31					44,026,403	11,327,058	55,353,461

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

FUND FINANCIAL STATEMENTS

Town of Crested Butte, Colorado
Balance Sheet
Governmental Funds
December 31, 2020

	General Fund	Affordable Housing Fund	General Capital Fund	Street and Alley Fund	Conservation Trust Fund	Total Governmental Funds
Assets:						
Cash and investments - Unrestricted	9,715,469	833,229	8,622,045	2,525,423	80,328	21,776,494
Cash and investments - Restricted	1,575	-	-	-	-	1,575
Receivables:						
Taxes	1,066,698	-	-	924,913	-	1,991,611
Intergovernmental	50,217	-	1,825	3,880	-	55,922
Total Assets	10,833,959	833,229	8,623,870	3,454,216	80,328	23,825,602
Liabilities:						
Accounts payable	210,336	32	14,441	7,610	-	232,419
Accrued payroll and related liabilities	107,263	-	11,860	11,906	-	131,029
Deposits payable	2,060,408	-	100	4,000	-	2,064,508
Total Liabilities	2,378,007	32	26,401	23,516	-	2,427,956
Deferred Inflows of Resources:						
Property taxes	274,287	-	-	924,913	-	1,199,200
Fund Balances:						
Restricted	365,000	-	-	-	80,328	445,328
Committed	-	833,197	8,597,469	2,505,787	-	11,936,453
Unassigned	7,816,665	-	-	-	-	7,816,665
Total Fund Balance	8,181,665	833,197	8,597,469	2,505,787	80,328	20,198,446
Total Liabilities, Deferred Inflows, and Fund Balances	10,833,959	833,229	8,623,870	3,454,216	80,328	23,825,602

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

Town of Crested Butte, Colorado
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2020

Total Governmental Fund Balances		20,198,446
Amounts reported for governmental activities in the Statement of Net Position are different because:		
The Town has an equity interest in Mountain Express. Equity investments related to governmental activities are not currently available financial resources and, therefore, are not reported in the funds.		2,464,079
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of capital assets	31,675,157	
Less: Accumulated depreciation	(10,194,148)	
		21,481,009
Long-term liabilities and deferred inflows of resources, including debt payable, interest payable, compensated absences and pension related deferred inflows of resources, are not due and payable in the current period and, therefore, are not reported in the funds.		
Accrued compensated absences		(117,131)
Net Position of Governmental Activities		44,026,403

Town of Crested Butte, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020

	General Fund	Affordable Housing Fund	General Capital Fund	Street and Alley Fund	Conservation Trust Fund	Total Governmental Funds
Revenues:						
Taxes	5,599,309	386,966	809,203	969,221	-	7,764,699
Real estate transfer tax	-	-	3,285,614	-	-	3,285,614
Licenses, permits, and fees	546,121	-	-	-	-	546,121
Intergovernmental revenue	157,268	-	-	-	13,661	170,929
Charges for services	317,693	75,845	-	-	-	393,538
Housing payments in lieu	-	87,781	-	-	-	87,781
Investment income	60,661	-	978	2,574	27	64,240
Miscellaneous	31,439	-	32,352	19,085	-	82,876
Total Revenues	6,712,491	550,592	4,128,147	990,880	13,688	12,395,798
Expenditures:						
General government	1,811,854	-	-	-	-	1,811,854
Public safety	1,022,634	-	-	-	-	1,022,634
Public works	592,830	-	-	-	-	592,830
Streets	-	-	-	427,996	-	427,996
Community development	713,140	-	-	-	-	713,140
Culture and recreation	226,332	-	-	-	-	226,332
Affordable housing	-	148,901	-	-	-	148,901
Transportation	969,469	-	-	-	-	969,469
Capital outlay	-	324,675	2,513,913	120,449	-	2,959,037
Total Expenditures	5,336,259	473,576	2,513,913	548,445	-	8,872,193
Excess (Deficiency) of Revenues Over Expenditures	1,376,232	77,016	1,614,234	442,435	13,688	3,523,605
Other Financing Sources (Uses):						
Sale of assets	-	-	5,320	-	-	5,320
Total Other Financing Sources (Uses)	-	-	5,320	-	-	5,320
Net Change in Fund Balances	1,376,232	77,016	1,619,554	442,435	13,688	3,528,925
Fund Balances - January 1 (Restated)	6,805,433	756,181	6,977,915	2,063,352	66,640	16,669,521
Fund Balances - December 31	8,181,665	833,197	8,597,469	2,505,787	80,328	20,198,446

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

Town of Crested Butte, Colorado
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
For the Year Ended December 31, 2020

Net Change in Fund Balances of Governmental Funds		3,528,925
Amounts reported for governmental activities in the Statement of Activities are different because:		
The change in equity interest in joint venture does not provide or use current financial resources and, therefore, is not reported as revenue or expenditure in the governmental funds.		57,639
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the difference between capital outlay and depreciation:		
Depreciation expense	(902,042)	
Capital outlay	332,942	
		(569,100)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Change in accrued compensated absences		(10,272)
Change in Net Position of Governmental Activities		3,007,192

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

Town of Crested Butte, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2020

	Business-type Activities Sewer, Water, and Sanitation Enterprise Fund
Assets:	
Current assets:	
Cash and investments - Unrestricted	5,933,632
Accounts receivable	227,034
Inventories	20,552
Total - Current assets	6,181,218
Noncurrent assets:	
Capital assets, not being depreciated	27,610
Capital assets, net of accumulated depreciation	10,505,662
Total - Noncurrent assets	10,533,272
Total Assets	16,714,490
Liabilities:	
Current liabilities:	
Accounts payable	66,390
Accrued payroll and related liabilities	17,808
Deposits payable	2,700
Interest payable	19,215
Current portion of long-term debt	288,181
Total - Current liabilities	394,294
Noncurrent liabilities:	
Compensated absences, net of current portion	21,579
Debt, net of current portion	4,971,559
Total - Noncurrent liabilities	4,993,138
Total Liabilities	5,387,432
Net Position:	
Net investment in capital assets	5,273,532
Unrestricted	6,053,526
Total Net Position	11,327,058

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

Town of Crested Butte, Colorado
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2020

	Business-type Activities
	Sewer, Water, and Sanitation Enterprise Fund
Operating Revenues:	
Charges for services	1,934,221
Total Operating Revenues	1,934,221
Operating Expenses:	
Operations and maintenance	1,489,386
Administrative fee	65,000
Depreciation	535,889
Total Expenses	2,090,275
Operating Income (Loss)	(156,054)
Non-operating Revenues (Expenses):	
Investment income	58,639
Interest expense	(79,484)
Total Non-operating Revenues (Expenses)	(20,845)
Income before Capital Contributions	(176,899)
Capital Contributions:	
Tap fees	471,831
Change in Net Position	294,932
Net Position - January 1	11,032,126
Net Position - December 31	11,327,058

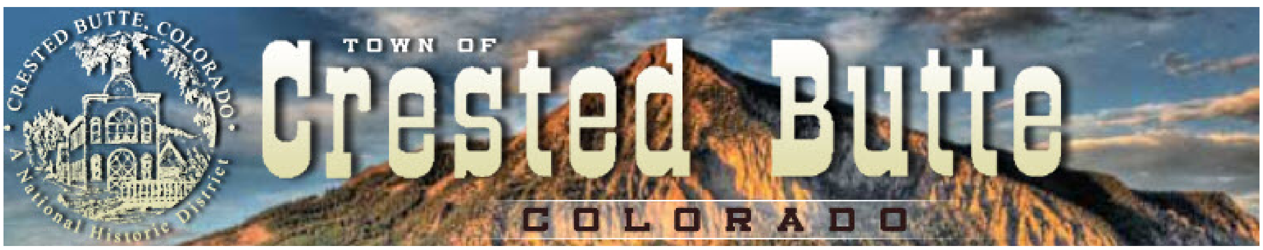
The accompanying notes are an integral part of these financial statements.

Town of Crested Butte, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

	Business-type Activities — Sewer, Water, and Sanitation Enterprise Fund
Cash Flows From Operating Activities:	
Cash received from customers	2,105,906
Cash paid to suppliers for goods and services	(1,359,257)
Cash paid to employees	(469,394)
Cash payments for internal services	(65,000)
Net Cash Provided (Used) by Operating Activities	212,255
Cash Flows From Capital and Related Financing Activities:	
Tap fees received	471,831
Interest paid	(72,079)
Debt proceeds received	2,025,600
Principal repayments on debt	(209,182)
Acquisition of capital assets	(344,358)
Net Cash Provided (Used) by Capital and Related Financing Activities	1,871,812
Cash Flows From Investing Activities:	
Interest received	58,639
Net Cash Provided (Used) by Investing Activities	58,639
Net Change in Cash and Cash Equivalents	2,142,706
Cash and Investments - Beginning	3,790,926
Cash and Investments - Ending	5,933,632
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating income (loss)	(156,054)
Adjustments:	
Depreciation expense	535,889
(Increase) decrease in accounts receivable	175,235
(Increase) decrease in inventory	17,196
Increase (decrease) in accounts payable	(362,627)
Increase (decrease) in accrued benefits	6,166
Increase (decrease) in deposits payable	(3,550)
Total Adjustments	368,309
Net Cash Provided (Used) by Operating Activities	212,255

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

NOTES TO THE FINANCIAL STATEMENTS



I. Summary of Significant Accounting Policies

The Town of Crested Butte, Colorado (the “Town”) was incorporated in 1974, under the provisions of Article XX of the Colorado Constitution and Municipal Home Rule Act of 1971. The Town operates under a Council-Manager form of government. The Town’s major operations include public safety, highways and streets, culture, and recreation, planning and zoning, community development, public improvements, administration, transportation, and sewer, water, and sanitation utilities. The Town is located in Gunnison County, Colorado.

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

A. Reporting Entity

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

Based on the criteria above, the Town is not financially accountable for any other entity nor is the Town a component unit of any other government.

B. Government-wide and Fund Financial Statements

The Town’s basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town’s major funds).

Government-wide financial statements report on information of all of the activities of the Town. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town’s public safety, public works, culture and recreation, community development, transportation, and administration functions are classified as governmental activities. The sewer, water, and sanitation functions are classified as business-type activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town’s governmental functions and business-type activities. The governmental functions are also supported by general government revenues (sales taxes, property and specific ownership taxes, investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues and operating and capital grants. Program revenues must be directly associated with the governmental function or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The government-wide focus is on the sustainability of the Town as an entity and the change in the Town’s net position resulting from the current year’s activities.

I. Summary of Significant Accounting Policies (continued)

C. Fund Financial Statements

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

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

The Town reports the following major governmental funds:

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

The *Affordable Housing Fund* is used to finance the development and preservation of affordable housing.

The *General Capital Fund* accounts for general government capital projects, outlays, and maintenance as well as open space acquisitions. It is financed primarily by real estate transfer taxes and sales and use tax revenues.

The *Street and Alley Fund* accounts for all expenditures for streets, alleys, and sidewalks. Its revenue stream is mostly property taxes.

The Town reports the following non-major governmental fund:

The *Conservation Trust Fund* accounts for State of Colorado lottery funds to be used for parks and recreation services and capital.

The Town reports the following major proprietary or business-type fund:

The *Sewer, Water and Sanitation Fund Enterprise Fund ("Enterprise Fund")* accounts for sewer, water, and trash collection operations.

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

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

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

I. Summary of Significant Accounting Policies (continued)

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

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. “Available” means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt and compensated absences are recorded only when payment is due.

Franchise fees, licenses, and interest associated with current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Sales and lodging taxes collected by vendors at year end on behalf of the Town are also recognized as revenue if collected within 30 days after year end. Expenditure driven grants are recognized as revenue when qualified expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the Town.

3. Financial Statement Presentation

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments where the amounts are reasonably equivalent to the value of the interfund services provided and other charges between the Town's sewer, water and sanitation functions and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the sewer, water, and sanitation function.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Town’s enterprise fund are the operation of the sewer and water systems and contracting for trash collection within the Town. Operating expenses for the enterprise fund include operating expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts

1. Cash, Cash Equivalents, and Investments

The Town pools deposits and investment of all funds. Each fund's share of the pool is readily identified by the Town's internal records.

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

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

The Town follows Colorado state statutes as an investment policy, which permits investments in the following type of obligations:

- U.S. Treasury obligations (maximum maturity of 60 months)
- Federal instrumentality securities (maximum maturity of 60 months)
- FDIC-insured certificates of deposit (maximum maturity of 18 months)
- Corporate bonds (maximum maturity of 36 months)
- Prime commercial paper (maximum maturity of 9 months)
- Eligible banker's acceptances
- Repurchase agreements
- General obligations and revenue obligations
- Local government investment pools
- Money market mutual funds

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts.

3. Inventory and Prepaid Items

All inventories are valued at cost using the first-in, first-out method. The costs of governmental fund type inventories are recorded as expenditures when consumed rather than when purchased.

The Town uses the consumption method to account for prepaid items. Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

4. Joint Venture

The Town's 50% equity interest in the Mount Express joint venture (as discussed in note IV.C.) has been recorded in the governmental activities column of the Statement of Net Position.

The Town's initial investment in the joint venture was recorded as an expenditure in the General Fund at the time the investment was made.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

5. Capital Assets

Capital assets, which include land, buildings, improvements, equipment, vehicles, and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements.

Capital assets are defined by the Town as assets with an initial cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at cost where historical records are available and at an estimated historical cost where no historical record exists. Donated capital assets are recorded at acquisition value.

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

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is expensed as incurred.

Capital assets (excluding land, certain intangibles, and projects in progress) are depreciated, using the straight-line method, over the following estimated useful lives:

Buildings	50 years
Building improvements	20 - 30 years
Infrastructure, plant and systems	15 - 40 years
Vehicles	5 - 15 years
Equipment	5 - 10 years

6. Long-term Debt

Long-term debt is reported as a liability on the government-wide and proprietary fund type financial statements.

At the governmental fund reporting level, debt proceeds are reported as other financing sources and uses. Debt issuance costs are reported as expenditures/expense when incurred.

7. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the obligated governmental fund. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the governmental-activities column in the government-wide financial statements. Vested or accumulated vacation leave of the proprietary fund type is recorded as an expense and liability of that fund as the benefits accrue to employees.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

8. Deferred Outflows of Resources and Deferred Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The Town has no items that qualify for reporting under this category on the government-wide Statement of Net Position.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The Town has one item that qualifies for reporting in the category. Property taxes, reported in the governmental Balance Sheet and on the Statement of Net Position, are deferred and recognized as an inflow of resources in the period that the amounts become available.

9. Fund Equity

Governmental accounting standards establish fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications include Non-spendable, Restricted, Committed, Assigned and Unassigned. These classifications reflect not only the nature of the funds, but also provide clarity to the level of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned fund balance is limited to negative residual fund balance. For further details on the various fund balance classifications, refer to Note IV.F.

10. Net Position

Net position represents the difference between assets and liabilities, and deferred inflows of resources. Net position can be reported in three categories: net investment in capital assets, restricted, and unrestricted. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowings used for the acquisition or construction of improvements on those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

11. Tap Fees

Sewer and water tap fees substantially represent a contribution from developers or individuals for existing or contemplated new facilities to serve new customers. Therefore, such amounts are treated as systems development fees and are recorded as capital contributions in the Statement of Revenues, Expenses and Changes in Net Position.

I. Summary of Significant Accounting Policies (continued)

F. Significant Accounting Policies

1. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the Town's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

2. Restricted and Unrestricted Resources

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

II. Reconciliation of Government-wide and Fund Financial Statements

These financial statements include a reconciliation between the total fund balances of all governmental funds as presented on the Governmental Funds Balance Sheet and the net position of governmental activities as reported in the government-wide Statement of Net Position. Additionally, these financial statements include a reconciliation between the total net change in fund balances of all governmental funds as presented on the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the change in net position of governmental activities as reported in the government-wide Statement of Activities.

III. Stewardship, Compliance, and Accountability

A. Budgetary Information

An annual budget and appropriation ordinance is adopted by Town Council in accordance with the Town's Home Rule Charter.

Annual appropriations are adopted for all funds. Expenditures may not legally exceed appropriations at the fund level. All appropriations lapse at year-end.

The Town followed these procedures in preparing, approving, and enacting its budget for 2020.

(1) For the 2020 budget year, prior to August 25, 2019, the County Assessor sent to the Town a certified assessed valuation of all taxable property within the Town's boundaries.

(2) Prior to the end of the 2019 fiscal year, the Town Manager submitted to the Town Council a budget and accompanying message.

(3) Prior to December 15, 2019, the Town computed and certified to the County Commissioners a levy rate that derived the necessary property taxes as computed in the proposed budget.

III. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

(4) After a required publication of "Notice of Proposed Budget", the Town adopted the proposed budget and an appropriation resolution which legally appropriated expenditures for the upcoming year.

(5) After adoption of the budget ordinance, the Town may make the following changes: a) transfer appropriated money between funds; b) approve supplemental appropriations to the extent of revenues in excess of those estimated in the budget; c) approve emergency appropriations; and d) reduce appropriations for which originally estimated revenues are insufficient.

Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2019 were collected in 2020, and taxes certified in 2020 will be collected in 2021. Taxes are due on January 1 in the year of collection; however, they may be paid in either one installment (no later than April 30) or two equal installments (not later than February 28 and June 15) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of 1% per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16.

Expenditures/expenses in the General Fund exceeded appropriations for the year, which may be a violation of Colorado state budget statutes.

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax, and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. The reserve is calculated at 3% of fiscal year spending for fiscal years ending after December 31, 1995. Fiscal year spending excludes bonded debt service and enterprise spending. The Town has reserved $365,000 of the December 31, 2020 year-end fund balance in the General Fund for this purpose, which is the approximate required reserve amount.

The Town's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

IV. Detailed Notes on all Funds

A. Deposits and Investments

1. Deposits

The Town's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). Amounts on deposit in excess of $250,000, the FDIC-insured limit at each participating institution, must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The collateral pool is to be maintained by another institution or held in trust for all the uninsured public as a group. The fair value of the collateral must equal or exceed 102% of the uninsured deposits. At December 31, 2020, bank balance of the Town's accounts was $16,633,477.

At the end of 2020, the Town held deposits and investments with the following maturities:

	Standard & Poor's Rating (Fitch)	Carrying Amounts	Maturities: Less than one year	Maturities: Less than five years
Deposits:				
Petty cash	Not Rated	$ 475	$ 475	$ -
Checking	Not Rated	2,494,984	2,494,984	-
Savings	Not Rated	13,824,023	13,824,023	-
Certificates of deposit*	Not Rated	386,182	386,182	-
Investments:				
Investment pools	AAAm (AAAf)	11,006,037	11,006,037	-
Total		$ 27,711,701	$ 27,711,701	$ -

**Non-negotiable*

The Town's cash and investments are presented on the Statement of Net Position as follows:

Reconciliation to Statement of Net Position:	
Cash and investments - Unrestricted	$ 27,710,126
Cash and investments - Restricted	1,575
Total	$ 27,711,701

2. Investments

The Town measures and records its investments using fair value measurement guidelines established by GAAP. At December 31, 2020, the Town had the following recurring fair value measurements:

Investments Measured at Net Asset Value	**Total**
COLOTRUST	$ 11,006,037
Total	$ 11,006,037

IV. Detailed Notes on all Funds (continued)

A. Deposits and Investments (continued)

2. Investments (continued)

Interest Rate Risk: As a means of limiting its exposure to interest rate risk, the Town diversifies its investments by security type and institution. The Town also coordinates the maturities of its investments to closely match cash flow needs and invests in securities with limited, shorter-term maturities.

Credit Risk: State law limits investments to those authorized by State statutes, including U.S. agencies and 2a7-like pools. The Town's investment policy is to apply the prudent-investor rule: investments are made as a prudent person would be expected to act with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Pools: The Town's holdings in investment pools are comprised of balances with COLOTRUST, which is an investment vehicle established for local government entities in Colorado to pool surplus funds. It operates similarly to money market funds, whereby each share is equal in value to $1. Investments of the trust consist of U.S. Treasury bills, notes, and note strips, and repurchase agreements collateralized by U.S. Treasury securities. The Town has no regulatory oversight for the pool. Investment balances in the pools are not subject to limitations or restrictions on withdrawals.

B. Receivables

Receivables as of December 31, 2020 for the Town's funds, including applicable allowances for uncollectible accounts, were as follows:

	General Fund	General Capital Fund	Street and Alley Fund	Sewer, Water and Sanitation Enterprise Fund	Total
Property tax	$ 274,287	$ -	$ 924,913	$ -	$ 1,199,200
Sales tax	792,411	-	-		792,411
Intergovernmental	50,217	1,825	3,880	-	55,922
Other	-	-	-	227,034	227,034
Gross Receivables	1,116,915	1,825	928,793	227,034	2,274,567
Less: Allowance for uncollectibles	-	-	-	-	-
Net Receivables	$ 1,116,915	$ 1,825	$ 928,793	$ 227,034	$ 2,274,567

C. Investment in Joint Venture

Mountain Express is a joint venture of the Town and the Town of Mt. Crested Butte ("Mt. Crested Butte"). Mountain Express provides bus service to the Crested Butte ski area and throughout the towns. The Town and Mt. Crested Butte contribute 95% of their respective municipal 1% sales tax adopted for transportation services to Mountain Express. Mt. Crested Butte also contributes 25% of the proceeds of its 4% admissions tax designated for transportation.

The separately-issued financial statements of Mountain Express as of and for the year ended December 31, 2020 are available from the Town.

IV. Detailed Notes on all Funds (continued)

C. Investment in Joint Venture (continued)

Mountain Express's financial information as of and for the year ended December 31, 2020 is summarized as follows:

Assets:	
Cash and investments	$ 1,236,515
Other assets	3,833,145
Total assets	5,069,660
Total liabilities	141,503
Net position	$ 4,928,157
Total contributions and other revenues	$ 2,459,969
Total expenses and distributions	(2,216,977)
Change in net position	$ 242,992

D. Capital Assets

Governmental capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 10,584,137	$ -	$ -	$ 10,584,137
Construction in progress	782,458	-	(782,458)	-
Total Capital Assets Not Being Depreciated	11,366,595	-	(782,458)	10,584,137
Capital Assets Being Depreciated:				
Buildings and improvements	4,973,667	596,996	-	5,570,663
Other improvements	4,581,811	282,739	-	4,864,550
Infrastructure and improvements	5,632,583	-	-	5,632,583
Equipment and vehicles	4,787,559	235,665	-	5,023,224
Total Capital Assets Being Depreciated	19,975,620	1,115,400	-	21,091,020
Less Accumulated Depreciation For:				
Buildings and improvements	(1,698,118)	(137,869)	-	(1,835,987)
Other improvements	(1,923,959)	(151,868)	-	(2,075,827)
Infrastructure and improvements	(2,790,848)	(272,216)	-	(3,063,064)
Equipment and vehicles	(2,879,181)	(340,089)	-	(3,219,270)
Total Accumulated Depreciation	(9,292,106)	(902,042)	-	(10,194,148)
Total Capital Assets Being Depreciated, Net	10,683,514	213,358	-	10,896,872
Governmental Activities Capital Assets, Net	$ 22,050,109	$ 213,358	$ (782,458)	$ 21,481,009

IV. Detailed Notes on all Funds (continued)

D. Capital Assets (continued)

Business-type capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities:				
Capital Assets Not Being Depreciated:				
Land	$ 27,610	$ -	$ -	$ 27,610
Construction in progress	6,010,552	76,971	(6,087,523)	-
Total Capital Assets Not Being Depreciated	6,038,162	76,971	(6,087,523)	27,610
Capital Assets Being Depreciated:				
Buildings	149,980	-	-	149,980
Other improvements	63,634	-	-	63,634
Water plant and distribution system	4,434,404	2,454,541	-	6,888,945
Sewer plant and distribution system	6,728,355	3,690,180	-	10,418,535
Equipment and vehicles	1,357,570	210,189	(18,553)	1,549,206
Total Capital Assets Being Depreciated	12,733,943	6,354,910	(18,553)	19,070,300
Less Accumulated Depreciation For:				
Buildings and improvements	(80,796)	(3,323)	-	(84,119)
Other improvements	(41,192)	(1,146)	-	(42,338)
Water plant and distribution system	(2,955,195)	(254,123)	-	(3,209,318)
Sewer plant and collection system	(3,932,607)	(196,331)	-	(4,128,938)
Equipment and vehicles	(1,037,512)	(80,966)	18,553	(1,099,925)
Total Accumulated Depreciation	(8,047,302)	(535,889)	18,553	(8,564,638)
Total Capital Assets Being Depreciated, Net	4,686,641	5,819,021	-	10,505,662
Business-type Activities Capital Assets, Net	$ 10,724,803	$ 5,895,992	$ (6,087,523)	$ 10,533,272

IV. Detailed Notes on all Funds (continued)

D. Capital Assets (continued)

Depreciation expense for 2020 was charged to Town functions as follows:

Governmental Activities:		
General government	$	422,237
Public safety		78,836
Public works		162,072
Culture and recreation		228,947
Affordable housing		9,950
Total Depreciation Expense - Governmental Activities	$	902,042
Business-type Activities:		
Water	$	276,720
Sewer		259,169
Total Depreciation Expense - Business-type Activities	$	535,889

E. Long-term Liabilities

The Town has entered into loan agreements with the Colorado Water Resources and Power Development Authority ("CWPRDA") to fund improvements to the Town's sewer and water plants and related sewer collection and water distribution systems.

1. Water Pollution Control Revolving Fund

- On May 25, 2010, the Town entered into a loan agreement in the principal amount of $1,900,000, with interest at 2.0% per annum. Blended principal and interest payments are due May 1 and November 1 annually to maturity on November 1, 2030.

- On March 10, 2020, the Town entered into a loan agreement in the principal amount of $2,025,600, with interest at 2.5% per annum. Blended principal and interest payments are due May 1 and November 1 annually to maturity on May 1, 2040.

2. Drinking Water Revolving Fund

- On February 29, 2012, the Town entered into a loan agreement in the principal amount of $400,000, with interest at 2.0% per annum. Blended principal and interest payments are due May 1 and November 1 annually to maturity on May 1, 2032.

- On May 1, 2017 the Town entered into a loan agreement in the principal amount of $2,500,000, with interest at 2.0% per annum. Blended principal and interest payments are due May 1 and November 1 annually to maturity on May 1, 2037.

IV. Detailed Notes on all Funds (continued)

E. Long-term Liabilities (continued)

3. Annual Debt Service Requirements

Aggregate annual debt service requirements to maturity for business activities are as follows:

	Principal	Interest	Total
2021	$ 288,182	$ 113,756	$ 401,938
2022	294,387	107,551	401,938
2023	300,726	101,212	401,938
2024	307,204	94,734	401,938
2025	313,823	88,115	401,938
2026 - 2030	1,673,553	336,136	2,009,689
2031 - 2035	1,297,839	171,256	1,469,095
2036 - 2040	784,026	39,910	823,936
Total	$ 5,259,740	$ 1,052,670	$ 6,312,410

4. Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Compensated absences	$ 106,859	$ 10,272	$ -	$ 117,131	$ -
Total Governmental Activities Long-term Liabilities	$ 106,859	$ 10,272	$ -	$ 117,131	$ -
Business-type Activities:					
Water Pollution Control Revolving Fund:					
2010 Loan	$ 892,256	$ -	$ (73,286)	$ 818,970	$ 74,760
2020 Loan	-	2,025,600	(6,557)	2,019,043	81,483
Drinking Water Revolving Fund:					
2012 Loan	272,960	-	(19,426)	253,534	19,816
2017 Loan	2,278,106	-	(109,913)	2,168,193	112,122
Loans, net	3,443,322	2,025,600	(209,182)	5,259,740	288,181
Compensated absences	14,420	7,159	-	21,579	-
Total Business-type Activities Long-term Liabilities	$ 3,457,742	$ 2,032,759	$ (209,182)	$ 5,281,319	$ 288,181

IV. Detailed Notes on all Funds (continued)

F. Fund Balance Disclosures

The Town classifies governmental fund balances as follows:

Non-spendable – includes fund balance amounts inherently non-spendable since they represent inventories and prepaid items.

Spendable Fund Balance:

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

Committed - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority, which is the Town Council. The Town Council must take formal action through either an ordinance or a resolution – both of which are equally binding – to establish, modify or rescind committed fund balance amounts.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Town Council or its management designees. The Town Manager has the authority to establish, modify or rescind assigned fund balance to a specific department or project within a fund, as stated in the Town's adopted financial policies.

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

The Town's restricted amounts are to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents or contracts that prohibit this, such as grant agreements that require dollar for dollar spending. Additionally, the Town would first use committed, then assigned, and lastly unassigned amounts when expenditures are made.

IV. Detailed Notes on all Funds (continued)

F. Fund Balance Disclosures (continued)

As of December 31, 2020, fund balances are composed of the following:

Classification	General Fund	Affordable Housing Fund	General Capital Fund	Street and Alley Fund	Conservation Trust Funds	Total Governmental Funds
Restricted:						
TABOR emergency reserve	$ 365,000	$ -	$ -	$ -	$ -	$ 365,000
Conservation Trust	-	-	-	-	80,328	80,328
Committed:						
Affordable housing	-	833,197	-	-	-	833,197
Capital projects	-	-	8,597,469	-	-	8,597,469
Streets and parking	-	-	-	2,505,787	-	2,505,787
Unassigned	7,816,665	-	-	-	-	7,816,665
Total	$ 8,181,665	$ 833,197	$ 8,597,469	$ 2,505,787	$ 80,328	$ 20,198,446

V. Other Information

A. Segment information

The Town has separate revenue loans to finance system improvements in the sewer and water departments. The two departments are accounted for in a single fund (the Sewer, Water and Sanitation Enterprise Fund) but the lender relies on the revenue generated by the individual activities for repayment. Summary 2020 financial information for each department is presented below:

Condensed Statement of Net Position

	Sewer	Water
Assets:		
Current assets	$ 2,852,104	$ 2,316,294
Capital assets, net	3,869,033	6,664,239
Total Assets	6,721,137	8,980,533
Liabilities:		
Current liabilities	238,852	129,832
Non-current liabilities	2,811,072	2,182,067
Total Liabilities	3,049,924	2,311,898
Net Position:		
Net investment in capital assets	881,870	4,391,662
Unrestricted	2,789,343	2,276,973
Total Net Position	$ 3,671,213	$ 6,668,635

V. Other Information (continued)

A. Segment information (continued)

**Condensed Statement of Revenues,
Expenses, and Changes in Net Position**

	Sewer	Water
Operating Revenues:		
Charges for services	$ 895,455	$ 720,778
Depreciation expense	259,169	276,720
Operating expenses	774,292	426,681
Total operating expenses	1,033,461	703,401
Operating Income (Loss)	(138,006)	17,377
Non-operating Revenues (Expenses):		
Investment income	27,147	21,852
Interest expense	(68,916)	(10,568)
Capital Contributions:		
Tap fees	255,052	216,779
Change in Net Position	75,277	245,440
Net Position - January 1	3,595,936	6,423,195
Net Position - December 31	$ 3,671,213	$ 6,668,635

B. Defined Contribution Pension Plan

The Town participates in the Colorado Retirement Association (“CRA”), a multiple-employer public employee retirement system, which is a qualified plan as defined by Internal Revenue Code section 401(a) and Colorado Revised Statutes section 24-54. The plan provides retirement benefits through a defined contribution plan to participating Colorado counties, municipalities, and special districts. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. CRA administers this plan on behalf of the Town.

State statute assigns the authority to establish and amend the benefit provisions of the plans that participate in CRA to the respective employer governments.

V. Other Information (continued)

B. Defined Contribution Pension Plan (401a) continued

There are no unfunded past service liabilities. After one year of service, all employees are required to participate in the plan after the first paid wages. The Town is required to contribute 6% - 12% of employee base pay, excluding overtime. The employee is required to contribute based on the following schedule:

Years of Service	Required Contribution Percentage
On date of 1st Anniversary up to date of 5th Anniversary	6%
On date of 5th Anniversary up to date of 8th Anniversary	7%
On date of 8th Anniversary up to date of 10th Anniversary	8%
On date of 12th Anniversary up to date of 15th Anniversary	10%
On date of 15th Anniversary	12%

All contributions, both Town and employee, and investment earnings are 100% vested upon participation; as such, there are no forfeitures.

The contribution requirements of the retirement plan participants and the Town are established, and may be amended, by the Town Council. During 2020, the Town matched employees' contributions of $206,560 with required employer contributions of $206,560. The Town's total payroll for 2020 was $3,050,834 and covered payroll was $2,583,256.

As the Town is not the trustee and does not administer the plan, the plan is not included in the financial statements. The Town has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

C. Deferred Compensation

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code section 457. The plan, available to all Town employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until separation from service or death.

The Town has no liability for the soles under the plan, does not administer the plan and is not the trustee of the plan; therefore, the plan is not included in the financial statements.

The plan's deferral limit was $19,500 in 2020 with a catchup provision for an additional $6,500 for participants over 50.

V. Other Information (continued)

D. Risk Management

1. Colorado Intergovernmental Risk Sharing Agency

The Town is also exposed to the risks of loss related to torts; theft of, damage to, and destruction of assets; and errors and omissions. To address such risks, the Town is a participant in a public entity risk pool administered by Colorado Intergovernmental Risk Sharing Agency ("CIRSA").

CIRSA's operations are funded by contributions from member governments. Coverage is provided in the amount of $500,000 per claim or occurrence for property, $600,000 per claim or occurrence for liability, and $150,000 per claim or occurrence for crime. CIRSA has also acquired additional excess coverage from outside sources. While the Town may be liable for any losses in excess of this coverage, the Town does not anticipate such losses at December 31, 2020. The deductible amount paid by the Town for each incident in 2020 was $1,000; there is no change in coverage from past years. All settlements for the year ended December 31, 2020 were under the maximum coverage allowed.

Surpluses or deficits realized by CIRSA for any given year are subject to change for such reasons as interest earnings on invested amounts for those years and funds, re-estimation of losses for those years and funds, and credits or distributions from surplus for those years and funds.

The Town's share of CIRSA's assets, liabilities, and fund equity as of December 31, 2020 is as follows:

Property and Casualty Pool	Equity Ratio	Share of Surplus (Deficit) Dec. 31/20
Operating Fund	0.59%	$ 42,379
Loss Fund	0.46%	101,131
Pooled Excess Fund	0.10%	(7,192)
Reserve Fund	0.41%	38,034

CIRSA's combined financial information as of and for the year ended December 31, 2020 (the latest year for which audited data is available) is summarized as follows:

Assets:	
Cash and investments	$ 85,609,779
Other assets	8,563,951
Total assets	94,173,730
Total liabilities	35,750,846
Net position	$ 58,422,884
Total contributions and other revenues	$ 33,496,772
Total expenses and distributions	(24,091,402)
Change in net position	$ 9,405,370

V. Other Information (continued)

D. Risk Management (continued)

1. Colorado Intergovernmental Risk Sharing Agency (continued)

A copy of CIRSA's audit report can be obtained by writing to CIRSA, 3665 Cherry Creek North Drive, Denver, CO 80209, or by calling (800)-228-7136.

2. Workers Compensation and Health Insurance

The Town is exposed to various risks of loss related to workers' compensation, unemployment, and general liability. The Town has acquired commercial coverage for these risks and any settled claims are not expected to exceed the commercial insurance coverage. There is no change in coverage from past years, and settlements have not exceeded coverage for each of the past three fiscal years.

E. Claims and Contingencies

1. Legal Claims

During the normal course of business, the Town incurs claims and other assertions against it from various agencies and individuals. The Town and legal counsel intend to vigorously defend such claims. In the opinion of the Town's management, such claims would not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the Town at December 31, 2020.

2. Federal and State Grants and Financial Sources

The Town participates in federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any to be immaterial.

F. Intergovernmental Agreements

1. Gunnison/Hinsdale Combined Emergency Telephone Service Authority

Gunnison/Hinsdale Combined Emergency Telephone Service Authority (the "E911 Authority") was formed October 2, 1987, under an intergovernmental agreement to provide emergency telephone service. The Town is one of eleven members. The E911 Authority agreement directs the appointment of the eight-member board. The Town has no fiscal benefit or burden relative to the E911 Authority.

2. Gunnison Valley Regional Housing Authority

Gunnison Valley Regional Housing Authority ("GVRHA") was formed August 15, 2017, under an intergovernmental agreement to provide services related to obtainable housing in the communities of the four member governments. The Town contributed $58,750 to GVRHA for the year ended December 31, 2020, under the provisions of the intergovernmental agreement.

V. Other Information (continued)

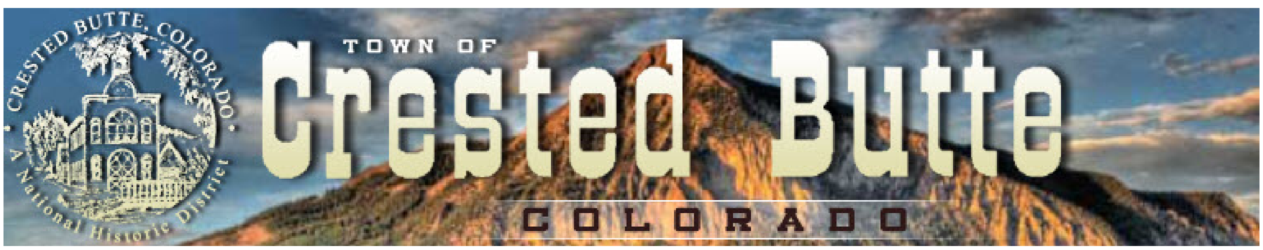
G. Authorized Debt

At the November 8, 2016 election, the Town's voters approved Ballot Issue 2A authorizing the issuance of debt up to of $2,110,000, with a total repayment of $2,785,000, for the purpose of preventing mining on Mt. Emmons. As of December 31, 2020, the Town has no debt issued per this authorization.

H. Restatement

The beginning fund balance for the General Fund has been increased to reflect the offset of development agreement deposits against related expenditures paid by the Town in 2017, 2018 and 2019 totaling $136,469.

REQUIRED SUPPLEMENTARY INFORMATION



Town of Crested Butte, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:				
Taxes:				
General property	265,000	265,000	295,077	30,077
Specific ownership	65,000	65,000	305,555	240,555
Sales	4,035,704	4,035,704	4,781,417	745,713
Franchise fees	36,500	36,500	42,657	6,157
Tobacco	9,000	9,000	173,478	164,478
Other	-	-	1,125	1,125
Total - Taxes	4,411,204	4,411,204	5,599,309	1,188,105
License, permits, and fees:				
Vacation rental licenses	27,625	27,625	243,179	215,554
Business and liquor licenses	39,100	39,100	36,464	(2,636)
Building permits	110,500	110,500	157,671	47,171
Occupation licenses	54,000	54,000	68,089	14,089
Non-business licenses/permits	39,850	39,850	40,718	868
Total - License, permits, and fees	271,075	271,075	546,121	275,046
Intergovernmental:				
Grants	-	-	153,849	153,849
Motor vehicle registration	6,500	6,500	3,419	(3,081)
Total - Intergovernmental	6,500	6,500	157,268	150,768
Charges for services:				
Energy mitigation fee	20,000	20,000	40,965	20,965
Vehicle maintenance	18,000	18,000	18,000	-
Recreation fees	57,380	57,380	53,808	(3,572)
Rent	70,000	70,000	85,111	15,111
Public safety services and fines	60,600	60,600	54,809	(5,791)
Administration fees	65,000	65,000	65,000	-
Total - Charges for services	290,980	290,980	317,693	26,713
Investment income	140,000	140,000	60,661	(79,339)
Miscellaneous:				
Other	3,000	3,000	31,439	28,439
Total Revenues	5,122,759	5,122,759	6,712,491	1,589,732

(Continued)

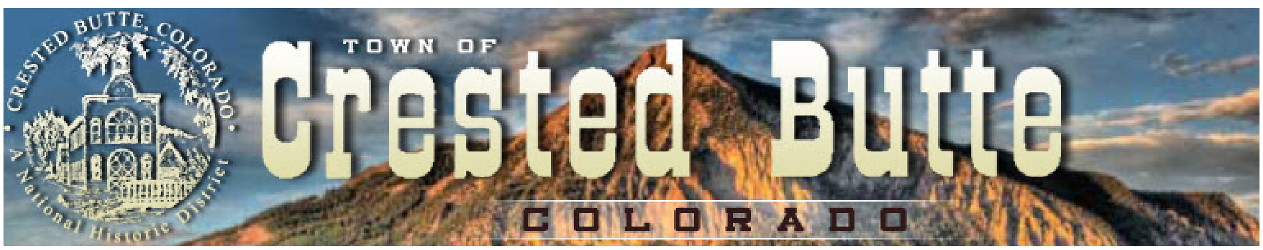
Town of Crested Butte, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
General Fund
For the Year Ended December 31, 2020
(Continued)

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Expenditures:				
General government:				
Administrative	185,832	185,832	175,066	10,766
Clerk	198,236	198,236	190,850	7,386
Court	7,362	7,362	8,131	(769)
Finance	401,525	401,525	399,472	2,053
General	316,100	316,100	767,588	(451,488)
Legal	188,100	188,100	183,868	4,232
Legislative	71,991	71,991	86,879	(14,888)
Total - General government	1,369,146	1,369,146	1,811,854	(442,708)
Public safety	1,045,099	1,045,099	1,022,634	22,465
Public works	800,182	800,182	592,830	207,352
Community development	683,008	683,008	713,140	(30,132)
Culture and recreation	288,151	288,151	226,332	61,819
Transportation:				
Mountain Express	834,296	834,296	967,473	(133,177)
Other	-	-	1,996	(1,996)
Total - Transportation	834,296	834,296	969,469	(135,173)
Total Expenditures	5,019,882	5,019,882	5,336,259	(316,377)
Net Change in Fund Balance	102,877	102,877	1,376,232	1,273,355
Fund Balance - January 1 (Restated)	3,772,324	3,772,324	6,805,433	3,033,109
Fund Balance - December 31	3,875,201	3,875,201	8,181,665	4,306,464

Town of Crested Butte, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Special Revenue Fund - Affordable Housing Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:				
Excise tax	255,000	255,000	386,966	131,966
Charges for services	44,555	44,555	75,845	31,290
Housing payment in lieu	40,000	40,000	87,781	47,781
Total Revenues	339,555	339,555	550,592	211,037
Expenditures:				
Affordable housing	408,500	408,500	148,901	259,599
Capital outlay	200,000	200,000	324,675	(124,675)
Total Expenditures	608,500	608,500	473,576	134,924
Net Change in Fund Balance	(268,945)	(268,945)	77,016	345,961
Fund Balance - January 1	316,560	316,560	756,181	439,621
Fund Balance - December 31	47,615	47,615	833,197	785,582

SUPPLEMENTARY INFORMATION



Town of Crested Butte, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Capital Projects Funds - General Capital Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:				
Sales and use taxes	616,941	616,941	809,203	192,262
Real estate transfer tax	1,100,000	1,100,000	3,285,614	2,185,614
Grants	559,151	50,000	-	(50,000)
Investment income	7,000	7,000	978	(6,022)
Miscellaneous	49,600	22,512	32,352	9,840
Total Revenues	2,332,692	1,796,453	4,128,147	2,331,694
Expenditures:				
Capital outlay	2,527,937	2,626,215	2,513,913	112,302
Total Expenditures	2,527,937	2,626,215	2,513,913	112,302
Excess (Deficiency) of Revenues Over Expenditures	(195,245)	(829,762)	1,614,234	2,443,996
Other Financing Sources (Uses):				
Sale of asset	5,000	5,000	5,320	320
Net Change in Fund Balance	(190,245)	(824,762)	1,619,554	2,444,316
Fund Balance - January 1	2,364,701	2,364,701	6,977,915	4,613,214
Fund Balance - December 31	2,174,456	1,539,939	8,597,469	7,057,530

Town of Crested Butte, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Capital Project Funds - Street and Alley Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:				
General property taxes	924,345	924,345	915,772	(8,573)
Highway users taxes	51,774	51,774	53,449	1,675
Investment income	-	-	2,574	2,574
Miscellaneous	3,000	3,000	19,085	16,085
Total Revenues	979,119	979,119	990,880	11,761
Expenditures:				
Streets	463,792	463,792	427,996	35,796
Capital outlay	496,500	496,500	120,449	376,051
Total Expenditures	960,292	960,292	548,445	411,847
Net Change in Fund Balance	18,827	18,827	442,435	423,608
Fund Balance - January 1	1,073,138	1,073,138	2,063,352	990,214
Fund Balance - December 31	1,091,965	1,091,965	2,505,787	1,413,822

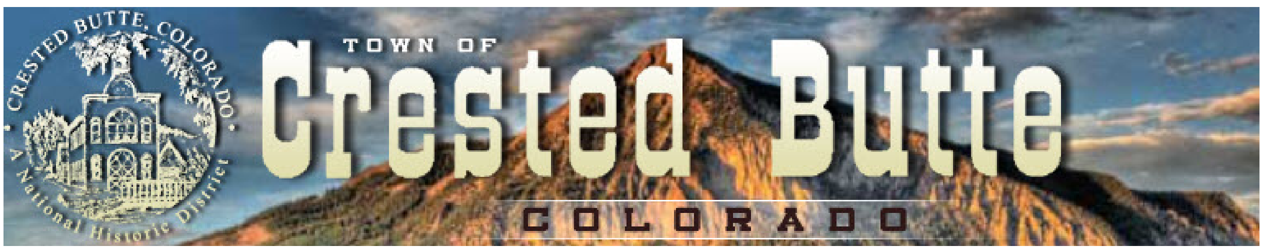
Town of Crested Butte, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Special Revenue Fund - Conservation Trust Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues:				
Intergovernmental - Lottery proceeds	11,800	11,800	13,661	1,861
Investment income	20	20	27	7
Total Revenues	11,820	11,820	13,688	1,868
Expenditures:				
Culture and recreation	-	-	-	-
Total Expenditures	-	-	-	-
Net Change in Fund Balance	11,820	11,820	13,688	1,868
Fund Balance - January 1	76,910	76,910	66,640	(10,270)
Fund Balance - December 31	88,730	88,730	80,328	(8,402)

Town of Crested Butte, Colorado
Schedule of Revenues, Expenses and Change in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
Enterprise Fund - Sewer, Water, and Sanitation Fund
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Operating Revenues:				
Charges for services	1,811,228	2,643,342	1,934,221	(709,121)
Total Operating Revenues	1,811,228	2,643,342	1,934,221	(709,121)
Operating Expenses:				
Operations and maintenance	1,340,796	1,276,703	1,384,374	(107,671)
Administrative fee	65,000	65,000	65,000	-
Capital outlay	891,000	691,001	449,370	241,631
Total Expenses	2,296,796	2,032,704	1,898,744	133,960
Operating Income (Loss)	(485,568)	610,638	35,477	(575,161)
Non-operating Revenues (Expenses):				
State and federal grants	200,000	200,000	-	(200,000)
Investment income	100,000	100,000	58,639	(41,361)
Principal repayment	(250,000)	(250,000)	(209,182)	40,818
Interest expense	(77,500)	(77,500)	(79,484)	(1,984)
Debt proceeds	1,225,000	1,225,000	2,025,600	800,600
Total Non-operating Revenues (Expenses)	1,197,500	1,197,500	1,795,573	598,073
Capital Contributions:				
Tap fees	300,000	300,000	471,831	171,831
Change in Net Position - Budget Basis	1,011,932	2,108,138	2,302,881	194,743
Reconciliation to GAAP Basis:				
Adjustments:				
Debt proceeds			(2,025,600)	
Principal repayment			209,182	
Capitalized assets			344,358	
Depreciation			(535,889)	
Change in Net Position - GAAP Basis			294,932	

LOCAL HIGHWAY FINANCE REPORT



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

Financial Planning 02/01
Form # 350-050-36

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Crested Butte
		YEAR ENDING : December 2020
This Information From The Records Of (example - City of _ or County of _ Town of Crested Butte	Prepared By: Phone:	Rob Zillioux 970-349-5338

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	1,191,803
4. Miscellaneous local receipts (from page 2)	4,659
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	-
7. Total (1 through 6)	1,196,462
B. Private Contributions	
C. Receipts from State government (from page 2)	49,709
D. Receipts from Federal Government (from page 2)	-
E. Total receipts (A.7 + B + C + D)	1,246,171

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	141,349
2. Maintenance:	161,869
3. Road and street services:	
a. Traffic control operations	5,971
b. Snow and ice removal	[redacted]
c. Other	
d. Total (a. through c.)	154,851
4. General administration & miscellaneous	99,723
5. Highway law enforcement and safety	
6. Total (1 through 5)	557,793
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	-
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	-
3. Total (1.c + 2.c)	-
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	557,793

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
2,662,366	1,246,171	557,793	3,350,744	-

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2020

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	915,628	a. Interest on investments	2,574
b. Other local imposts:		b. Traffic Fines & Penalities	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	276,175	g. Other Misc. Receipts	
6. Total (1. through 5.)	276,175	h. Other	2,085
c. Total (a. + b.)	1,191,803	i. Total (a. through h.)	4,659
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	49,709	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		d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	-	g. Total (a. through f.)	-
4. Total (1. + 2. + 3.f)	49,709	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			-
b. Engineering Costs		18,159	18,159
c. Construction:			
(1). New Facilities			-
(2). Capacity Improvements			-
(3). System Preservation		123,190	123,190
(4). System Enhancement & Operation			-
(5). Total Construction (1) + (2) + (3) + (4)	-	123,190	123,190
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	141,349	141,349
			(Carry forward to page 1)

Notes and Comments: