Town of Mount Crested Butte, Colorado

Financial Statements

December 31, 2022

Town of Mount Crested Butte, Colorado
Financial Statements
For the Year Ended December 31, 2022

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Financial Statements
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INDEPENDENT AUDITOR'S REPORT

To the Town Council
Town of Mount Crested Butte, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Mount Crested Butte, Colorado (the "Town"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the Table of Contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town as of December 31, 2022 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The Town's management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for one year after the date that the financial statements are issued.

Paul J. Backes, CPA, CGMA
Michael N. Jenkins, CA, CPA, CGMA
Matthew D. Miller, CPA

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

U.S. GAAP require that the Management's Discussion and Analysis in Section B be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. GAAS, 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.

Required Supplementary Information (continued)

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by U.S. GAAP. The budgetary comparison information in section E is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining non-major fund financial statements, individual fund budgetary comparison information, and the *Local Highway Finance Report* in Section F are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
July 26, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Town of Mount Crested Butte, Colorado

Management's Discussion and Analysis
December 31, 2022

As management of the Town of Mount Crested Butte, Colorado (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2022.

Financial Highlights:

- The assets of the Town exceeded its liabilities and deferred inflows at the close of the 2022 fiscal year by $29,656,141 (net position). Of this amount, the unrestricted net position of $10,735,254 may be used to meet the Town's ongoing obligations to citizens and creditors.

- The Town's total net position increased in the 2022 fiscal year by $3,925,077.

- At December 31, 2022, the unassigned fund balance of the General Fund was $1,828,659, or approximately 40% of budgeted fiscal year 2023 General Fund expenditures.

Overview of the Financial Statements

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

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

The Statement of Net Position presents information on all the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information showing how the 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 related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, public works, and culture and recreation. The Town currently has no business-type activities.

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

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirement. Currently, the Town has governmental funds, but does not have activities reported in proprietary funds.

Overview of the Financial Statements (continued)

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Reconciliations are provided for both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances to facilitate this comparison between governmental funds and government-wide governmental activities.

As required by Colorado statutes, the Town is required to adopt an annual appropriated budget for all of its funds. Budgetary comparison schedules have been provided for the General Fund and all other funds to demonstrate compliance.

The basic governmental fund financial statements – together with reconciliations to the government-wide financial statements – can be found on pages C3 through C6 of this report.

Notes to the Financial Statements: The notes provide additional information (e.g., background of entity, accounting policies used by Town, etc.) that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found in Section D of this report.

Other Information: As previously discussed, the Town adopts annual appropriated budgets for all its funds in accordance with Colorado statues. The budgetary comparison schedules have been provided for all its funds to demonstrate compliance with the budget law and are found on pages E1 through E6 and F3 through F5. In addition, the *Local Highway Finance Report* – other supplementary information required by Colorado statutes – is presented on pages F6 and F7.

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Government-wide Financial Analysis

As previously mentioned, the government-wide financial statements are designed to provide readers with a broad overview and long-term analysis of the Town's finances, in a manner similar to a private-sector business.

The following schedule shows the Town's net position for 2022 and 2021:

Town of Mount Crested Butte's Net Position

	Governmental Activities	
	2022	**2021**
Assets:		
Current and other assets	$ 16,831,033	13,426,660
Capital assets, net	20,084,757	18,614,655
Total Assets	36,915,790	32,041,315
Liabilities:		
Current liabilities	3,408,528	2,506,265
Long-term liabilities	1,525,668	1,432,236
Total Liabilities	4,934,196	3,938,501
Deferred Inflows of Resources:		
Property taxes	2,325,453	2,371,750
Net Position:		
Net investment in capital assets	18,534,512	17,022,858
Restricted	386,375	279,394
Unrestricted	10,735,254	8,428,812
Total Net Position	$ 29,656,141	25,731,064

Net position may serve over time as a useful indicator of a government's financial position. For the Town, governmental assets exceeded liabilities and deferred inflows of resources by $29,656,141 at December 31, 2022. Traditionally, the largest portion of any municipality's investments is in its capital assets used to deliver and provide services to its residents and visitors. Thus, the Town's investment in capital assets accounted for 62% of its total net position at the end of 2022. Net investment in capital assets is not an available source of payment for future spending. Of the remaining $11,121,629 in net position at December 31, 2022, $386,375 is restricted for the statutory TABOR reserve and other purposes, while a total of $10,735,254 is unrestricted and available to meet the Town's ongoing operating obligations. As subsequently discussed, the Town's unrestricted net position increased by $2,306,442 during 2022.

At the end of the 2022 fiscal year, the Town is able to report positive net position balances for the government as a whole in all categories. This same report can also be made for the prior fiscal year.

Government-wide Financial Analysis (continued)

The following table summarizes information relating to the Town's Statement of Activities:

Town of Mount Crested Butte's Changes in Net Position

	Governmental Activities	
	2022	**2021**
REVENUES:		
Program revenues:		
Charges for services	$ 2,074,899	962,895
Operating grants and contributions	342,719	323,348
Capital grants and contributions	9,097	157,518
General revenues:		
Property and specific ownership taxes	2,442,875	2,089,784
Sales and use taxes	5,239,972	3,811,649
Lodging tax	1,162,668	834,584
Admission tax	1,471,231	1,273,452
Other taxes	110,588	121,874
Interest earnings	(13,587)	9,833
Other revenues	22,500	1,205
Total Revenues	12,862,962	9,586,142
EXPENSES:		
General government	3,369,199	1,868,884
Public safety	1,260,721	1,184,087
Public works	3,342,494	2,472,914
Culture and recreation	889,798	834,380
Interest	75,673	77,175
Total Expenses	8,937,885	6,437,440
Change in Net Position	3,925,077	3,148,702
Net Position - Beginning	25,731,064	22,582,362
Net Position - Ending	$ 29,656,141	25,731,064

Both 2022 and 2021 saw an increase in net position, as revenues exceeded expenses in both periods.

Revenues increased by $3,276,820 or 34% between 2021 and 2022, primarily due increases in sales tax, lodging tax, and admissions tax from increased economic activity.

The Town's total 2022 expenses increased by $2,500,445 or 38.8% from 2021.

Budget Amendments: The Town adopted budget amendments during 2022 to reflect changes in anticipated activity levels during the year.

Financial Analysis of the Town's Funds

Budget Variances in the General Fund: In total, the Town's General Fund ended 2022 $243,819 better than budgeted, as revenues were $223,827 higher than anticipated, while expenditures were $559,819 more than budgeted, and net other financing sources/uses were $500,000 higher than projected.. The General Fund budgetary comparison schedules can be found on pages E1 and E2 in the 2022 financial report.

Significant Variances in the General Fund:

	Final Budget	Actual	Final Budget Variance Positive (Negative)	Reason
Revenues:				
Taxes:				
Sales and use taxes	4,423,347	4,301,850	(121,497)	Economic activity increased slightly less than expected
License, permits, and fees:				
Building permits	155,000	317,632	162,632	Large construction project with high dollar permit
Planning and zoning fees	96,000	183,494	87,494	Large construction project with high dollar permit
Expenditures:				
General government:				
General	1,330,562	1,484,830	(154,268)	Higher legal fees related to settlement, trash service, and computer maintenance expense over budget
Legislative	270,343	375,487	(105,144)	Over budget on master plan, higher expenditures of community grants
Public works:				
Streets	571,484	657,591	(86,107)	Unexpected backhoe and loader repairs

Capital Assets: During 2022, capital assets increased by $1,470,101 on a net basis. Additional information, as well as a detailed classification of the Town's net capital assets, can be found in the Notes to the Financial Statements in section D of this report.

Long-term Liabilities: As of the end of the 2022 fiscal year, the Town's long-term liabilities increased by $93,432 from 2021, primarily due to the addition of equipment financing, less scheduled debt principal payments during 2022. Additional information, as well as a detailed classification of the Town's long-term liabilities, can be found in the Notes to the Financial Statements in section D of this report.

Next Year's Budget and Rates: The Town's General Fund balance at the end of the fiscal year 2022 was $2,445,940; an increase of $962,029 from 2021. The Town's budget appropriation for 2023 anticipates a net increase of $165,866 in the General Fund balance, with budgeted revenues of $5,591,463 and expenditures of $4,625,597, and net transfers of $800,000.

Economic and Other Factors

The Town's major revenues are sales tax, building revenues, property tax, and admissions taxes. In 2022, the Town had big increases in sales tax and building revenue. Sales tax collections increased by over 30%. Starting in 2020, we have seen increases in both lodging rates and online retail sales, which has been a big contributor to the increase in sales tax revenues. The Town collected almost $2,000,000 in building-related revenues in 2022, with 11 new construction permits and over 63 miscellaneous permits. 2022 building-related revenue collections were $1,200,000 higher than in 2021.

Economic and Other Factors (continued)

The Town annually updates its five-year plan. One of the plan's main objectives is to maintain the General Fund balance at 30%-50% of operating expenditures, and any funds over that are transferred to the Capital Fund to cover capital expenditures such as road repairs, recreation path, and the purchase of capital equipment. The General Fund will transfer approximately $3,200,000 to the Capital Fund over the next 5 years for capital expenditures. With the County reassessing property values every two years, the Town expects property taxes to increase 45% in 2024 and 20% in 2026. Sales taxes in the plan are expected to increase 3% per year from 2023 through 2027.

The Housing Fund's major revenue stream comes from the 2.9% Excise Lodging Tax. The projected revenues for the next 5 years are $6,300,000. The Town expects to have 22 Affordable Housing units completed in the next two years.

Request for Information: This financial report is designed to provide a general overview of the Town's finances for all those with an interest in such matters. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Town of Mount Crested Butte
PO Box 5800
911 Gothic Road
Mt. Crested Butte, Colorado 81225
Attention: Finance Director

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Town of Mount Crested Butte, Colorado
Statement of Net Position
December 31, 2022

	Governmental Activities
Assets:	
Cash and investments - Unrestricted	9,825,498
Cash and investments - Restricted	71,741
Receivables, net:	
Property taxes	2,325,453
Sales taxes	567,948
Other	636,048
Notes receivable	135,076
Prepaid items	165,540
Investment in joint venture	3,103,729
Capital assets, not being depreciated	6,420,346
Capital assets, net of accumulated depreciation	13,664,411
Total Assets	36,915,790
Liabilities:	
Accounts payable	749,516
Accrued liabilities	84,166
Interest payable	10,617
Deposits and escrow	2,321,556
Compensated absences:	
Due within one year	54,524
Due in more than one year	163,572
Debt payable:	
Due within one year	188,149
Due in more than one year	1,362,096
Total Liabilities	4,934,196
Deferred Inflows of Resources:	
Property taxes	2,325,453
Net Position:	
Net investment in capital assets	18,534,512
Restricted:	
TABOR emergency reserve	380,000
Restricted for debt service	6,375
Unrestricted	10,735,254
Total Net Position	29,656,141

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

Town of Mount Crested Butte, Colorado
Statement of Activities
For the Year Ended December 31, 2022

		Program Revenues			Net (Expenses) Revenues and Change in Net Position
	Expenses	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**
Functions/Programs:					
Governmental activities:					
General government	3,369,199	1,945,860	136,443	9,097	(1,277,799)
Public safety	1,260,721	15,361	206,276	-	(1,039,084)
Public works	3,342,494	-	-	-	(3,342,494)
Culture and recreation	889,798	113,678	-	-	(776,120)
Interest on long-term debt	75,673	-	-	-	(75,673)
Total - Governmental activities	8,937,885	2,074,899	342,719	9,097	(6,511,170)
General revenues:					
Taxes:					
Property and specific ownership taxes					2,442,875
Sales and use taxes					5,239,972
Lodging tax					1,162,668
Admissions tax					1,471,231
Other taxes					110,588
Investment earnings					(13,587)
Gain on asset disposition					22,500
Total - General revenues					10,436,247
Change in Net Position					3,925,077
Net Position - Beginning					25,731,064
Net Position - Ending					29,656,141

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

FUND FINANCIAL STATEMENTS

Town of Mount Crested Butte, Colorado
Balance Sheet
Governmental Funds
December 31, 2022

		Special Revenue Funds					
	General Fund	Admissions Tax Fund	Downtown Development Authority Fund	Housing Authority Fund	Capital Projects Fund	Other Non-major Funds	Total Governmental Funds
Assets:							
Cash and investments - Unrestricted	3,995,899	1,532,127	2,421,130	1,340,229	193,106	343,007	9,825,498
Cash and investments - Restricted	71,741	-	-	-	-	-	71,741
Receivables							
Property taxes	592,261	-	1,096,156	-	637,036	-	2,325,453
Sales and use taxes	567,948	-	-	-	-	-	567,948
Accounts and other taxes	208,066	368,819	-	-	59,163	-	636,048
Notes receivable	-	-	-	135,076	-	-	135,076
Prepaid items	165,540	-	-	-	-	-	165,540
Total Assets	5,601,455	1,900,946	3,517,286	1,475,305	889,305	343,007	13,727,304
Liabilities:							
Accounts payable	157,532	155,098	-	9,977	205,599	221,310	749,516
Accrued liabilities	84,166	-	-	-	-	-	84,166
Deposits and escrow	2,321,556	-	-	-	-	-	2,321,556
Total Liabilities	2,563,254	155,098	-	9,977	205,599	221,310	3,155,238
Deferred Inflows of Resources:							
Property taxes	592,261	-	1,096,156	-	637,036	-	2,325,453
Fund Balances:							
Nonspendable	165,540	-	-	135,076	-	-	300,616
Restricted	380,000	-	-	-	14,802	6,375	401,177
Committed	71,741	1,745,848	2,421,130	1,330,252	31,868	115,322	5,716,161
Unassigned	1,828,659	-	-	-	-	-	1,828,659
Total Fund Balances	2,445,940	1,745,848	2,421,130	1,465,328	46,670	121,697	8,246,613
Total Liabilities, Deferred Inflows, and Fund Balances	5,601,455	1,900,946	3,517,286	1,475,305	889,305	343,007	13,727,304

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

Town of Mount Crested Butte, Colorado
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2022

Total Governmental Fund Balances		8,246,613
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Cost of capital assets	30,091,667	
Less accumulated depreciation	(10,006,909)	
		20,084,758
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.		3,103,728
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.		
Revenue bonds	(1,295,000)	
Equipment notes	(255,245)	
Accrued interest	(10,617)	
Accrued compensated absences	(218,096)	
		(1,778,958)
Net Position of Governmental Activities		29,656,141

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

Town of Mount Crested Butte, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2022

		Special Revenue Funds					
	General Fund	Admissions Tax Fund	Downtown Development Authority Fund	Housing Authority Fund	Capital Projects Fund	Other Non-major Funds	Total Governmental Funds
Revenues:							
Taxes	5,060,577	1,471,231	1,204,543	1,162,668	630,970	829,011	10,359,000
Intergovernmental	411,053	-	-	-	9,097	-	420,150
Licenses, permits, and fees	924,813	-	-	668,262	-	52,971	1,646,046
Charges for services	309,575	-	-	36,749	-	-	346,324
Investment income	69,819	-	-	-	-	-	69,819
Miscellaneous	20,540	-	-	-	-	-	20,540
Total Revenues	6,796,377	1,471,231	1,204,543	1,867,679	640,067	881,982	12,861,879
Expenditures:							
Current:							
General government	2,210,905	1,011,272	-	-	13,959	-	3,236,136
Public safety	1,212,937	-	-	-	-	-	1,212,937
Public works	1,116,299	-	57,863	1,853,125	-	-	3,027,287
Culture and recreation	294,207	45,701	-	-	-	787,560	1,127,468
Capital outlay	-	-	1,950	-	1,664,720	96,585	1,763,255
Debt service:							
Principal	-	-	-	-	82,854	125,000	207,854
Interest	-	-	-	-	-	71,269	71,269
Other	-	-	-	-	-	750	750
Total Expenditures	4,834,348	1,056,973	59,813	1,853,125	1,761,533	1,081,164	10,646,956
Excess (Deficiency) of Revenues Over Expenditures	1,962,029	414,258	1,144,730	14,554	(1,121,466)	(199,182)	2,214,923
Other Financing Sources (Uses):							
Sale of assets	-	-	-	-	22,500	-	22,500
Debt proceeds	-	-	-	-	338,100	-	338,100
Transfers in	-	-	-	-	1,000,000	200,000	1,200,000
Transfers (out)	(1,000,000)	-	-	-	(200,000)	-	(1,200,000)
Total Other Financing Sources (Uses)	(1,000,000)	-	-	-	1,160,600	200,000	360,600
Net Change in Fund Balances	962,029	414,258	1,144,730	14,554	39,134	818	2,575,523
Fund Balances - Beginning	1,483,911	1,331,590	1,276,400	1,450,774	7,536	120,879	5,671,090
Fund Balances - Ending	2,445,940	1,745,848	2,421,130	1,465,328	46,670	121,697	8,246,613

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

Town of Mount 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, 2022

Net Change in Fund Balance of Governmental Funds		2,575,523
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the difference between capital outlay and depreciation:		
Depreciation expense	(987,237)	
Capital outlay	2,457,339	
		1,470,102
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.		49,215
The issuance of long-term debt (i.e., certificates of participation and capital leases) provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This is the amount of principal repayments less debt proceeds reported in the governmental funds.		
Dept proceeds	(338,100)	
Principal repayments	207,855	
		(130,245)
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	(35,114)	
Change in accrued interest	(4,404)	
		(39,518)
Change in Net Position of Governmental Activities		3,925,077

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 Mount 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 an elected Town Council. The Town provides services including general government, public safety, public works, and parks services. 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.

The accompanying financial statements present the primary government and its component units; entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Town's operations. The Town reports the Downtown Development Authority as a blended component unit special revenue fund.

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, and administration functions are classified as governmental activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the Town's governmental functions. 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. 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 *Admissions Tax Fund* accounts for the admissions tax revenues that are set aside to support the Town's marketing, event sponsorship, and transportation needs.

The *Downtown Development Authority* accounts for the Town's blended component unit, the Downtown Development Authority ("the "DDA"). The DDA has a dedicated mill levy to fund operations.

The *Housing Fund* helps establish affordable housing and provides down payment assistance to the Town's employees. This fund is primarily funded through development in-lieu of fees.

The *Capital Projects Fund* accounts for the financial resources and expenditures of the Town's mill levy restricted for capital projects and equipment.

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.

The Town had no business-type activities in 2022.

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. An 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 various functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for Town functions.

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.

E. Financial Statement Accounts

1. Cash, Cash Equivalents, and Investments

The Town pools deposits and investments 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.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

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

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

- 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. At December 31, 2022, the Town did not consider any such allowance necessary.

3. Joint Venture

The Town's 50% equity interest in the Mount Express joint venture (as discussed in note IV.B.) 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.

4. Capital Assets

Capital assets, which include land, buildings and 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.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

4. Capital Assets (continued)

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

Building and improvements	25 - 40 years
Infrastructure	10 - 50 years
Vehicles and heavy equipment	5 - 15 years
Office furniture and equipment	5 - 10 years

5. Long-term Debt

Long-term debt is reported as a liability on the government-wide 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.

6. Compensated Absences

The Town allows employees to accumulate earned but unused vacation and sick pay benefits. In the government-wide statements, vacation pay is accrued when incurred and reported as a liability of the governmental activities. In the governmental funds, vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources are not reported as expenditures.

7. Deferred Outflows of Resources and Inflows of Resources

Deferred outflows of resources represent a consumption of net assets 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 assets 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 this 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.

8. 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.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

8. Fund Equity (continued)

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.

9. 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

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 2022.

(1) For the 2022 budget year, prior to August 25, 2021, 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 2021 fiscal year, the Town Manager submitted to the Town Council a budget and accompanying message.

(3) Prior to December 15, 2021, the Town computed and certified to the County Commissioners a levy rate that derived the necessary property taxes as computed in the proposed budget.

(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 2021 were collected in 2022, and taxes certified in 2022 will be collected in 2023. 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, Capital Projects Fund, Transportation Fund, and Debt Service Fund exceeded their respective appropriations for 2022, 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.

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment (continued)

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 $380,000 of the December 31, 2022 year-end fund balance in the General Fund for this purpose, which is the approximate required reserve amount.

At an April 5, 1994 election, the Town's voters passed the following ballot question:

Shall the Town of Mt. Crested Butte be authorized to collect and increase fiscal year spending such that the full revenues generated during 1993 and each subsequent year thereafter by its existing sales and use tax and from all other sources other than municipal taxes, without any increase in sales and use tax rates, to be expended without limitation under Article. X, Section 20 of the Colorado Constitution, for (a) snow removal; (b) street sweeping; (c) street construction, repair, and maintenance (d) capital improvements; (e) police protection; (f) storm drainage; (g) parks and recreation; (h) transportation; and (i) other municipal services; and without limiting in any year the amount of other revenues that may be collected and spent by the Town of Mt. Crested Butte under Article X, Section 20, of the Colorado Constitution, or any other law, provided that there shall be no increase in the Town's existing sales and use tax rates unless approved by a majority of the Town of Mt. Crested Butte voters voting on any such proposed increase?

In addition, at an April 4, 2000 election, the Town's electorate passed the following ballot question:

Shall the Town of Mt. Crested Butte, Colorado, taxes be increased $245,000 in the first fiscal year (2001) and annually thereafter in such amounts as are received each year by the imposition of an additional mill levy, not to exceed five (5) mills, upon taxable property within the town, commencing with tax year 2000, an continuing thereafter, such revenues to be collected, retained, and spent for the purposes of defraying salary expenses of the Town of Mt. Crested Butte police department and other Town of Mt. Crested Butte employees, acquisition of equipment, and/or other lawful municipal purposes, as voter approved revenue change and an exception to the limits which would otherwise apply under Article X, Section 20, of the Colorado Constitution or any other law?

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

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, 2022, the carrying value of the Town's deposits was $9,897,239 and the bank balance of these accounts was $10,059,692.

At the end of 2022, the Town held deposits and investments with the following maturities:

	Standard & Poor's Rating (Fitch)	Carrying Amounts	Maturities Less than one year	Less than five years
Deposits:				
Petty cash	Not Rated	$ 43	43	-
Checking	Not Rated	1,868,092	1,868,092	-
Savings and money market	Not Rated	6,457,147	6,457,147	-
Non-negotiable certificates of deposit	Not Rated	814,680	814,680	-
US Treasuries	AA+	757,277	-	757,277
Total		$ 9,897,239	9,139,962	757,277

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

Cash and investments - Unrestricted	$ 9,825,498
Cash and investments - Restricted	71,741
	$ 9,897,239

The Town's restricted cash of $71,741 is held for future police benefits.

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

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

IV. Detailed Notes on all Funds (continued)

A. Deposits and Investments (continued)

At December 31, 2022, the Town had the following recurring fair value measurements:

		Fair Value Measurements Using		
Investments Measured at Fair Value	**Total**	**Level 1**	**Level 2**	**Level 3**
US Treasuries	$ 757,277	757,277	-	-

Debt securities classified in Level 1 are valued using prices quoted in active markets for those securities. Negotiable certificates of deposit classified in Level 2 are valued using matrix pricing, based on the securities' relationship to benchmark quoted prices.

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.

B. Investment in Joint Venture

Mountain Express is a joint venture of the Town and Town of Crested Butte, established to provide bus service to the Crested Butte ski area and throughout the towns. The Town and the Town of Crested Butte contribute 95% of their respective municipal 1% sales tax adopted for transportation services to Mountain Express. The Town also contributes 25% of its 4% admissions tax designated for transportation. In 2022, the board approved an additional 10% contribution of the admissions tax.

The separately-issued financial statements of Mountain Express as of and for the year ended December 31, 2022 are available from the Town.

Mountain Express' financial information as of and for the year ended December 31, 2022 is summarized as follows:

Assets:	
Cash and investments	$ 3,076,033
Other assets	3,340,427
Total assets	$ 6,416,460
Total liabilities	$ 209,005
Net position	$ 6,207,455
Total contributions and other revenues	$ 3,221,844
Total expenses and distributions	(3,123,414)
Change in net position	$ 98,430

IV. Detailed Notes on all Funds (continued)

C. Capital Assets

Governmental capital asset activity for the year ended December 31, 2022 was as follows:

	Beginning Balance	Additions	Deletions and Transfers	Ending Balance
Governmental activities:				
Capital Assets Not Being Depreciated:				
Land	$ 6,420,346	-	-	6,420,346
Capital Assets, Not Being Depreciated	6,420,346	-	-	6,420,346
Capital Assets Being Depreciated:				
Buildings and improvements	2,936,231	1,671,896	-	4,608,127
Infrastructure	16,199,495	-	-	16,199,495
Vehicles and heavy equipment	1,880,475	785,443	(129,297)	2,536,621
Office furniture and equipment	327,077	-	-	327,077
Total Capital Assets Being Depreciated	21,343,278	2,457,339	(129,297)	23,671,320
Less Accumulated Depreciation For:				
Buildings and improvements	(357,950)	(116,902)	-	(474,852)
Infrastructure	(6,982,763)	(679,418)	-	(7,662,181)
Vehicles and heavy equipment	(1,486,377)	(188,838)	129,297	(1,545,918)
Office furniture and equipment	(321,879)	(2,079)	-	(323,958)
Total Accumulated Depreciation	(9,148,969)	(987,237)	129,297	(10,006,909)
Capital Assets, Net of Accumulated Depreciation	12,194,309	1,470,102	-	13,664,411
Governmental Activities Capital Assets, Net	$ 18,614,655	1,470,102	-	20,084,757

Depreciation expense for 2022 was charged to Town functions as follows:

Governmental Activities:	
General government	$ 185,012
Public safety	47,784
Public works	204,552
Culture and recreation	549,889
Total Depreciation Expense - Governmental Activities	$ 987,237

D. Interfund Receivables, Payables, and Transfers

The following interfund transfers occurred during the year ended December 31, 2022:

Transferred From	Transferred To	Amount Transferred	Purpose of Transfer
General Fund	Capital Projects	$ 1,000,000	Fund capital projects
Capital Projects	Debt Service	200,000	Fund revenue bond debt service

IV. Detailed Notes on all Funds (continued)

E. Long-term Liabilities

1. 2010 Revenue Bonds

On March 23, 2010, the Town issued Sales and Use Tax Revenue Bonds, Series 2010 (the "Series 2010 Bonds"), in the principal amount of $2,450,000 to finance various infrastructure improvements. Interest on the Series 2010 Bonds is payable semi-annually in June and December at a rate of 5.25% per annum, with principal payments due annually in December through maturity in 2030. Debt service on the Series 2010 Bonds are made from the Debt Service Fund, and funded through a transfer from the Capital Projects Fund.

Aggregate annual debt service requirements to maturity on the Series 2010 Bonds as of December 31, 2022 are as follows:

	Principal	Interest	Total
2023	$ 135,000	64,444	199,444
2024	140,000	57,225	197,225
2025	150,000	49,613	199,613
2026	155,000	41,606	196,606
2027	165,000	33,206	198,206
2028 - 2030	550,000	44,100	594,100
Total	$ 1,295,000	290,194	1,585,194

2. Equipment Note

During October 2022, the Town entered into an equipment financing agreement in the principal amount of $670,280 with JPMorgan Chase Bank for the purchase of the purchase of a loader and plow truck. Payments are due annually in October, from 2022 through maturity in 2031, and bear interest of 5.057% per annum.

As of December 31, 2022, the Town has drawn $338,180 for the purchase of a loader, and has $332,180 in authorized but unissued debt remaining for the purchase of a plow truck.

Annual debt service requirements to maturity on the note are as follows:

	Principal	Interest	Total
2023	$ 53,149	29,706	82,855
2024	55,836	27,018	82,855
2025	58,660	24,195	82,855
2026	61,627	21,228	82,855
2027	64,743	18,112	82,855
2028 - 2031	293,410	38,009	331,419
Total	$ 587,425	158,268	745,693

IV. Detailed Notes on all Funds (continued)

E. Long-term Liabilities (continued)

3. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2022 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
2010 Revenue bonds	$ 1,420,000	-	(125,000)	1,295,000	135,000
Equipment note	-	338,180	(82,935)	255,245	53,149
Accrued compensated absences	182,982	35,114	-	218,096	54,524
Total Governmental Activities Long-term Liabilities	$ 1,602,982	373,294	(207,935)	1,768,341	242,673

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, prepaid items, and long-term portions of loans receivable.

Spendable Fund Balances:

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.

IV. Detailed Notes on all Funds (continued)

F. Fund Balance Disclosures (continued)

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.

As of December 31, 2022, fund balances are composed of the following:

Classification	General Fund	Admissions Tax Fund	Downtown Development Authority Fund	Housing Authority Fund	Capital Projects Fund	Non-major Funds	Total Governmental Funds
Non-spendable:							
Prepaids	$ 165,540	-	-	-	-	-	165,540
Long-term receivables	-	-	-	135,076	-	-	135,076
Restricted:							
TABOR emergency reserve	380,000	-	-	-	-	-	380,000
Conservation Trust	-	-	-	-	14,802	-	14,802
Debt service	-	-	-	-	-	6,375	6,375
Committed:							
Marketing and event sponsorship	-	1,309,386	-	-	-	-	1,309,386
Transportation	-	436,462	-	-	-	-	436,462
Downtown Development	-	-	2,421,130	-	-	-	2,421,130
Police benefits	71,741	-	-	-	-	-	71,741
Housing	-	-	-	1,330,252	-	-	1,330,252
Other purposes	-	-	-	-	31,868	115,322	147,190
Unassigned	1,828,659	-	-	-	-	-	1,828,659
Total	$ 2,445,940	1,745,848	2,421,130	1,465,328	46,670	121,697	8,246,613

V. Other Information

A. Section 401(a) 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.

There are no unfunded past service liabilities. Qualified year-round, full-time Town employees are required to participate in the plan after the first paid wages. The Town is required to contribute 10% of employee compensation, and the employee is required to contribute 8%. The Town's contribution for each employee, including earnings thereon allocated to the employee's account, vest at the rate of 20% for each year of participation in the plan. Town contributions and earnings forfeited by employees who leave employment before fully vesting are returned to the Town.

V. Other Information (continued)

A. Section 401(a) Defined Contribution Pension Plan (continued)

The Town's total covered payroll for the year ended December 31, 2022 was $2,157,929. For 2022, the Town contributed $218,865 and employees contributed $172,817 to the plan.

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.

B. Section 457 Deferred Compensation Plan

The Town offers its employees a deferred compensation plan (the "457 Plan") created in accordance with Internal Revenue Code section 457 and administered by CRA. The 457 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 termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the 457 Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of plan participants and their beneficiaries.

During 2022, employee contributions to the 457 Plan totaled $56,351.

C. Risk Management

1. 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.

2. 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, 2022. The deductible amount paid by the Town for each incident in 2022 was $1,000; there is no change in coverage from past years. All settlements for the year ended December 31, 2022 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.

V. Other Information (continued)

C. Risk Management (continued)

2. Colorado Intergovernmental Risk Sharing Agency (continued)

The Town's share of CIRSA's assets, liabilities and fund equity as of December 31, 2022 is as follows:

Property and Casualty Pool	Equity Ratio	Share of Surplus / (Deficit) 12/31/22
Operating Fund	0.128%	$ 21,197
Loss Fund	0.329%	76,216
Pooled Excess Fund	0.095%	(22,694)
Reserve Fund	0.214%	17,716

CIRSA's combined financial information as of and for the year ended December 31, 2022 (the latest year for which audited data is available) is summarized as follows:

Assets:	
Cash and investments	$ 84,448,127
Other assets	12,479,376
Total assets	$ 96,927,503
Total liabilities	$ 52,728,701
Net position	$ 44,198,802
Total contributions and other revenues	$ 32,686,577
Total expenses and distributions	(44,606,905)
Change in net position	$(11,920,328)

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

D. 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, 2022.

V. Other Information (continued)

D. Claims and Contingencies (continued)

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.

E. Intergovernmental Agreements

1. Gunnison/Hinsdale Combined Emergency Telephone Service Authority

Gunnison/Hinsdale Combined Emergency Telephone Service Authority (the “E911 Authority”) was formed in October 1987, under an intergovernmental agreement (“IGA”) to provide emergency telephone service. The Town is one of 11 members of the E911 Authority, with appointment of the 8-member Board directed by the IGA. 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 in August 2017, under an intergovernmental agreement (the “IGA”) to provide services related to obtainable housing in the communities of the four member governments. The Town contributed $58,750 to GVRHA in 2022, as specified in the IGA.

3. Gunnison County Law Enforcement Support

The Town is party to an intergovernmental agreement with Gunnison County, under which the Town provides law enforcement services in certain unincorporated portions of Gunnison County. The term of the current agreement runs through 2024, unless sooner terminated by either party. As specified in the agreement, the Town received $152,598 in 2022 as compensation for its services, with fees in future years to increase in accordance with the Consumer Price Index (not to exceed 4% per contract year).

F. Subsequent Event Disclosure

On December 20, 2022, the Town entered into a General Mutual Release and Settlement Agreement, whereby Homestead Housing, LLC is to convey all property rights to the Homestead Property and Homestead Development to the Town for $750,000 at closing on April 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

Town of Mount 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, 2022
(With Comparative Actual Amounts For 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Property tax	589,000	589,000	629,175	40,175	510,072
Specific ownership taxes	75,000	75,000	87,297	12,297	79,660
Sales and use taxes	2,720,000	4,423,347	4,301,850	(121,497)	3,089,801
Franchise tax	37,000	37,000	40,500	3,500	51,215
Other taxes	1,500	1,500	1,755	255	2,440
Total - Taxes	3,422,500	5,125,847	5,060,577	(65,270)	3,733,188
Intergovernmental:					
Cigarette tax	4,600	4,600	3,601	(999)	3,473
Highway users	54,621	54,621	54,980	359	58,540
Clerk/Motor vehicle fees	7,500	7,500	9,752	2,252	6,205
Mineral lease	40,000	40,000	53,679	13,679	6,801
State and federal grants	169,369	169,369	136,443	(32,926)	169,818
Sheriff reimbursement	153,363	153,363	152,598	(765)	146,728
Total - Intergovernmental	429,453	429,453	411,053	(18,400)	391,565
License, permits, and fees:					
Liquor licenses	2,700	2,700	6,962	4,262	2,117
Building permits	155,000	155,000	317,632	162,632	257,398
Planning and zoning fees	96,000	96,000	183,494	87,494	92,582
Business licenses	20,000	20,000	28,719	8,719	203,974
Other licenses and fees	312,500	312,500	388,006	75,506	-
Total - License, permits, and fees	586,200	586,200	924,813	338,613	556,071
Charges for services:					
Utility charges	148,000	148,000	150,842	2,842	149,687
Other charges for services	160,000	160,000	158,733	(1,267)	99,397
Total - Charges for services	308,000	308,000	309,575	1,575	249,084
Investment income	35,000	35,000	69,819	34,819	9,460
Miscellaneous:					
Traffic fines	17,000	17,000	10,307	(6,693)	7,813
Other fines	11,000	11,000	4,353	(6,647)	4,571
Other miscellaneous revenue	60,050	60,050	5,880	(54,170)	6,361
Total - Miscellaneous	88,050	88,050	20,540	(67,510)	18,745
Total Revenues	4,869,203	6,572,550	6,796,377	223,827	4,958,113

(Continued)

Town of Mount 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, 2022
(Continued)

	2022				2021
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Expenditures:					
General government:					
General	1,305,825	1,330,562	1,484,830	(154,268)	1,145,038
Town center	134,133	134,133	174,742	(40,609)	65,601
Town hall	106,000	106,000	168,697	(62,697)	64,768
Legislative	270,343	270,343	375,487	(105,144)	181,101
Judicial	3,150	3,150	3,600	(450)	3,075
Elections	5,000	5,000	3,549	1,451	3,427
Total - General government	1,824,451	1,849,188	2,210,905	(361,717)	1,463,010
Public safety:					
Police	1,125,934	1,145,934	1,212,937	(67,003)	1,139,367
Public works:					
Community development	411,612	441,612	458,708	(17,096)	289,362
Streets	571,484	571,484	657,591	(86,107)	561,529
Total - Public works	983,096	1,013,096	1,116,299	(103,203)	850,891
Culture and recreation:					
Parks	266,311	266,311	294,207	(27,896)	272,091
Capital outlay	-	-	-	-	37,378
Total Expenditures	4,199,792	4,274,529	4,834,348	(559,819)	3,762,737
Excess (Deficiency) of Revenues Over Expenditures	669,411	2,298,021	1,962,029	(335,992)	1,195,376
Other Financing Sources (Uses):					
Transfers (out)	(700,000)	(1,500,000)	(1,000,000)	500,000	(548,848)
Net Change in Fund Balance	(30,589)	798,021	962,029	164,008	646,528
Fund Balance - January 1	1,404,100	1,404,100	1,483,911	79,811	837,383
Fund Balance - December 31	1,373,511	2,202,121	2,445,940	243,819	1,483,911

Town of Mount Crested Butte, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Special Revenue Fund - Admissions Tax Fund
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Admissions tax	1,294,000	1,294,000	1,471,231	177,231	1,273,452
Total Revenues	1,294,000	1,294,000	1,471,231	177,231	1,273,452
Expenditures:					
General government:					
Economic development	289,500	289,500	436,341	(146,841)	151,115
Transportation	905,800	905,800	574,931	330,869	666,812
Total - General government	1,195,300	1,195,300	1,011,272	184,028	817,927
Culture and recreation	34,000	34,000	45,701	(11,701)	-
Total Expenditures	1,229,300	1,229,300	1,056,973	172,327	817,927
Net Change in Fund Balance	64,700	64,700	414,258	349,558	455,525
Fund Balance - January 1	972,785	972,785	1,331,590	358,805	876,065
Fund Balance - December 31	1,037,485	1,037,485	1,745,848	708,363	1,331,590

Town of Mount Crested Butte, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Special Revenue Fund - Downtown Development Authority
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Property tax	1,120,000	1,120,000	1,095,433	(24,567)	950,342
Sales and use taxes	40,280	40,280	109,110	68,830	56,903
Total Revenues	1,160,280	1,160,280	1,204,543	44,263	1,007,245
Expenditures:					
Public works:					
Community development	180,000	180,000	57,863	122,137	89,164
Capital outlay	-	-	1,950	(1,950)	15,673
Total Expenditures	180,000	180,000	59,813	120,187	104,837
Net Change in Fund Balance	980,280	980,280	1,144,730	164,450	902,408
Fund Balance - January 1	1,277,454	1,277,454	1,276,400	(1,054)	373,992
Fund Balance - December 31	2,257,734	2,257,734	2,421,130	163,396	1,276,400

Town of Mount Crested Butte, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Special Revenue Fund - Housing Authority
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Lodging sales tax	824,000	1,134,000	1,162,668	28,668	834,584
License, permits, and fees:					
Planning and zoning fees	75,000	675,000	668,262	(6,738)	135,238
Charges for services:					
Rents	6,000	36,000	36,749	749	3,469
Total Revenues	905,000	1,845,000	1,867,679	22,679	973,291
Expenditures:					
Public works:					
Community development	1,172,000	2,000,000	1,853,125	146,875	559,926
Total Expenditures	1,172,000	2,000,000	1,853,125	146,875	559,926
Net Change in Fund Balance	(267,000)	(155,000)	14,554	169,554	413,365
Fund Balance - January 1	1,845,849	1,845,849	1,450,774	(395,075)	1,037,409
Fund Balance - December 31	1,578,849	1,690,849	1,465,328	(225,521)	1,450,774

Town of Mount Crested Butte, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Capital Projects Fund
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Property taxes	594,000	594,000	630,970	36,970	549,709
Intergovernmental:					
Federal grants	-	-	-	-	149,999
Conservation Trust lottery	7,000	7,000	9,097	2,097	7,519
Total - Intergovernmental	7,000	7,000	9,097	2,097	157,518
Miscellaneous:					
Other miscellaneous revenue	-	-	-	-	1,205
Total Revenues	601,000	601,000	640,067	39,067	708,432
Expenditures:					
General government:					
Treasurer's fees	-	-	13,959	(13,959)	11,732
Capital outlay	1,075,000	1,375,000	1,664,720	(289,720)	915,561
Debt service:					
Principal	-	-	82,854	(82,854)	-
Total Expenditures	1,075,000	1,375,000	1,761,533	(386,533)	927,293
Excess (Deficiency) of Revenues Over Expenditures	(474,000)	(774,000)	(1,121,466)	(347,466)	(218,861)
Other Financing Sources (Uses):					
Sale of assets	-	-	22,500	22,500	-
Debt proceeds	-	-	338,100	338,100	-
Transfers in	700,000	1,500,000	1,000,000	(500,000)	348,848
Transfers (out)	(200,000)	(200,000)	(200,000)	-	-
Total Other Financing Sources (Uses)	500,000	1,300,000	1,160,600	(139,400)	348,848
Net Change in Fund Balance	26,000	526,000	39,134	(486,866)	129,987
Fund Balance (Deficit) - January 1	167,622	167,622	7,536	(160,086)	(122,451)
Fund Balance - December 31	193,622	693,622	46,670	(646,952)	7,536

SUPPLEMENTARY INFORMATION

Town of Mount Crested Butte, Colorado
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2022

	Special Revenue Fund	Capital Projects Fund		Total
	Transportation Fund	Exaction Fee Fund	Debt Service Fund	Non-major Governmental Funds
Assets:				
Cash and investments - Unrestricted	281,973	54,659	6,375	343,007
Total Assets	281,973	54,659	6,375	343,007
Liabilities:				
Accounts payable	221,310	-	-	221,310
Total Liabilities	221,310	-	-	221,310
Fund Balances:				
Restricted	-	-	6,375	6,375
Committed	60,663	54,659	-	115,322
Total Fund Balances	60,663	54,659	6,375	121,697
Total Liabilities and Fund Balances	281,973	54,659	6,375	343,007

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

Town of Mount Crested Butte, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2022

	Special Revenue Fund	Capital Projects Fund		Total
	Transportation Fund	Exaction Fee Fund	Debt Service Fund	Non-major Governmental Funds
Revenues:				
Taxes	829,011	-	-	829,011
Licenses, permits, and fees	-	52,971	-	52,971
Total Revenues	829,011	52,971	-	881,982
Expenditures:				
Current:				
Culture and recreation	787,560	-	-	787,560
Capital outlay	-	96,585	-	96,585
Debt service:				
Principal	-	-	125,000	125,000
Interest	-	-	71,269	71,269
Other	-	-	750	750
Total Expenditures	787,560	96,585	197,019	1,081,164
Excess (Deficiency) of Revenues Over Expenditures	41,451	(43,614)	(197,019)	(199,182)
Other Financing Sources (Uses):				
Transfers in	-	-	200,000	200,000
Net Change in Fund Balances	41,451	(43,614)	2,981	818
Fund Balances - January 1	19,212	98,273	3,394	120,879
Fund Balances - December 31	60,663	54,659	6,375	121,697

Town of Mount Crested Butte, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Special Revenue Fund - Transportation Fund
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Sales tax	591,250	850,000	829,011	(20,989)	664,944
Total Revenues	591,250	850,000	829,011	(20,989)	664,944
Expenditures:					
Culture and recreation	591,688	850,000	787,560	62,440	631,697
Total Expenditures	591,688	850,000	787,560	62,440	631,697
Net Change in Fund Balance	(438)	-	41,451	41,451	33,247
Fund Balance (Deficit) - January 1	3,664	3,664	19,212	15,548	(14,035)
Fund Balance - December 31	3,226	3,664	60,663	56,999	19,212

Town of Mount Crested Butte, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Capital Projects Fund - Exaction Fee Fund
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Licenses, permits, and fees:					
Planning and zoning fees	29,972	29,972	52,971	22,999	20,660
Total Revenues	29,972	29,972	52,971	22,999	20,660
Expenditures:					
Capital outlay	125,000	125,000	96,585	28,415	-
Total Expenditures	125,000	125,000	96,585	28,415	-
Net Change in Fund Balance	(95,028)	(95,028)	(43,614)	51,414	20,660
Fund Balance - January 1	103,613	103,613	98,273	(5,340)	77,613
Fund Balance - December 31	8,585	8,585	54,659	46,074	98,273

Town of Mount Crested Butte, Colorado
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
Debt Service Fund
For the Year Ended December 31, 2022
(With Comparative Actual Amounts For 2021)

	2022				2021
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Expenditures:					
Debt service:					
Principal	125,000	125,000	125,000	-	120,000
Interest	71,000	71,000	71,269	(269)	77,700
Other	750	750	750	-	750
Total Expenditures	196,750	196,750	197,019	(269)	198,450
Excess (Deficiency) of Revenues Over Expenditures	(196,750)	(196,750)	(197,019)	(269)	(198,450)
Other Financing Sources (Uses):					
Transfers in	200,000	200,000	200,000	-	200,000
Net Change in Fund Balance	3,250	3,250	2,981	(269)	1,550
Fund Balance - January 1	3,394	3,394	3,394	-	1,844
Fund Balance - December 31	6,644	6,644	6,375	(269)	3,394

LOCAL HIGHWAY FINANCE REPORT

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

Form Approved
OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/22

This Information From The Records Of:	Prepared By:
Town of Mt. Crested Butte	M. Karl Trujillo

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	$ 1,217,379.70
3. Other local imposts (from page 2)	$ 719,947.84
4. Miscellaneous local receipts (from page 2)	$ 15,361.36
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)	$ 1,952,688.90
B. Private Contributions	
C. Receipts from State government (from page 2)	$ 63,363.59
D. Receipts from Federal Government (from page 2)	$ 110,091.20
E. Total receipts (A.7 + B + C + D)	$ 2,126,143.69

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	$ 611,472.22
2. Maintenance:	$ 139,734.13
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	$ 93,682.95
c. Other	
d. Total (a. through c.)	$ 93,682.95
4. General administration & miscellaneous	
5. Highway law enforcement and safety	$ 1,209,985.64
6. Total (1 through 5)	$ 2,054,874.94
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	$ 71,268.75
b. Redemption	
c. Total (a. + b.)	$ 71,268.75
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	$ -
3. Total (1.c + 2.c)	$ 71,268.75
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total expenditures (A.6 + B.3 + C + D)	$ 2,126,143.69

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	$ 1,420,000.00	$ -	$ 125,000.00	$ 1,295,000.00
1. Bonds (Refunding Portion)				$ -
B. Notes (Total)				$ -

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
$ -	$ 2,126,143.69	$ 2,126,143.69	$ -	$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/22

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 Assesments	$ 639,484.27	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	$ 10,306.50
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	$ 5,054.86
5. Specific Ownership &/or Other	$ 80,463.57	g. Other Misc. Receipts	
6. Total (1. through 5.)	$ 80,463.57	h. Other	
c. Total (a. + b.)	$ 719,947.84	i. Total (a. through h.)	$ 15,361.36
(Carry forward to page 1)		*(Carry forward to page 1)*	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes (from Item I.C.5.)	$ 59,832.56	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	$ 3,531.03	c. HUD	
c. Motor Vehicle Registrations		d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal	$ 110,091.20
f. Total (a. through e.)	$ 3,531.03	g. Total (a. through f.)	$ 110,091.20
4. Total (1. + 2. + 3.f)	$ 63,363.59	3. Total (1. + 2.g)	$ 110,091.20
(Carry forward to page 1)		*(Carry forward to page 1)*	

III. EXPENDITURES 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			$ -
c. Construction:			
(1). New Facilities			$ -
(2). Capacity Improvements			$ -
(3). System Preservation		$ 611,472.22	$ 611,472.22
(4). System Enhancement And Operation			$ -
(5). Total Construction (1)+(2)+(3)+(4)	$ -	$ 611,472.22	$ 611,472.22
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	$ -	$ 611,472.22	$ 611,472.22
(Carry forward to page 1)			

Notes and Comments:

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