TOWN OF VAIL

Financial Statements
December 31, 2023

Town of Vail, Colorado
Financial Report
December 31, 2023

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TOWN OF VAIL

INDEPENDENT AUDITOR'S REPORT

M & A

McMahan and Associates, L.L.C.
Certified Public Accountants and Consultants

Chapel Square, Bldg C
245 Chapel Place, Suite 300
P.O. Box 5850, Avon, CO 81620

Web Site: www.mcmahancpa.com
Main Office: (970) 845-8800
Facsimile: (970) 845-8108
E-mail: mcmahan@mcmahancpa.com

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Town Council
Town of Vail, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Vail, Colorado (the "Town"), as of and for the year ended December 31, 2023, 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 accompanying financial statements 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 Vail, Colorado as of December 31, 2023, 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 ("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") and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. 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.

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 supplementary 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 accompanying supplementary information in section F (including individual fund budgetary schedules, internal service fund combining statements, budgetary schedules for project expenditures, and the *Local Highway Finance Report*), section G (the Town's *Undertaking to Provide Continuing Disclosure*), and section H (the Schedule of Expenditures of Federal Awards as required by Title 2, U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* included in the Single Audit Section) are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information in sections F, G, and H 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. The information in sections F and H 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 U.S. GAAS. In our opinion, the information in sections F and H is fairly stated in all material aspects in relation to the financial statements as a whole. The information included in the Town's *Undertaking to Provide Continuing Disclosure* in section G has not been subjected to the auditing procedures applied in the audit of the Town's basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated September 13, 2024 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and on compliance.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
September 13, 2024

TOWN OF VAIL

MANAGEMENT'S DISCUSSION AND ANALYSIS

Town of Vail, Colorado

Management's Discussion and Analysis
December 31, 2023

As management of the Town of Vail, 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, 2023.

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 include 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.

Financial Highlights:

- The assets of the Town exceeded its liabilities at the close of the 2023 fiscal year by $433,933,748 (net position). Of this amount, $3,273,000 is restricted for TABOR emergency reserves and $17,686,191 is restricted by enabling legislation.
- The Town's total net position increased in the 2023 fiscal year by $32,101,292 which was attributable to increase from governmental activities of $21,958,020 and an increase of $10,143,272 from business-type activities.
- At December 31, 2023, the fund balance of the General Fund was $61,440,888. Of that amount, $2,886,206 was restricted for TABOR emergency reserves.

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 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. uncollected grant revenues or 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) and those that are supported by external revenues (business-type activities). The governmental activities of the Town include general government, public safety, public works, transportation, culture and recreation, and economic development. The business-type activities of the Town consist of housing conducted through Timber Ridge Apartments and the Residences at Main Vail Apartments, and dispatch services, conducted through Vail Public Safety Communications (both enterprise funds of the Town).

The government-wide financial statements include not only the Town itself (known as the primary government), but also a legally separate marketing district (Vail Local Marketing District) and a legally separate urban renewal authority (Vail Reinvestment Authority). Because these component units function for all practical purposes as departments of the Town, their financial position and activities have been included as an integral part of the primary government.

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

Overview of the Financial Statements (continued)

Fund Financial Statements: A fund is an accounting entity that has a set of self-balancing accounts that records all financial transactions for specific activities or governmental functions. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Town's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

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

The Town's governmental funds include the General Fund in addition to four Special Revenue Funds and two Capital Projects Funds. The Town's Special Revenue Funds are the Vail Marketing Fund and Housing Fund– as well as the Vail Local Marketing District and the Vail Reinvestment Authority, which are component units of the Town. The Capital Projects Funds include the Capital Projects Fund and the Real Estate Transfer Tax Fund.

The Housing Fund was created in 2022 to account for an additional 0.5% sales tax dedicated to housing programs, initiatives, and projects. During the November 2021 election, Vail voters voted in favor of this tax, which became effective on January 1st, 2022. The 0.5% housing sales tax applies to all items except food for home consumption and will sunset on December 31, 2052.

The Town adopts an annual appropriated budget for all governmental funds. A budgetary comparison statement has been provided for all funds to demonstrate compliance with the state budget statute.

The basic governmental fund financial statements can be found on pages C3 and C4 of this report.

Proprietary Funds: The Town reports two categories of proprietary funds – Internal Service and Enterprise. The Heavy Equipment Fund and Health Insurance Fund are internal service funds, while Timber Ridge, Residences at Main Vail, and the Dispatch Services Fund are reported as Enterprise Funds. As their name implies, the internal service funds provide services to the Town's governmental activities. Timber Ridge provides affordable rental housing to people who work in Vail and the Dispatch Services Fund provides dispatch services to emergency service agencies throughout Eagle County. The Residences at Main Vail Fund is a deed-restricted for-rent housing development in the construction phase but is scheduled to begin operations in the fall of 2023. Enterprise fund functions are presented as business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages C5 through C7 of this report. The Town also presents a budgetary comparison for its proprietary funds.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements, for the Town's pension plan, can be found on pages C8 and C9 of this report.

Overview of the Financial Statements (continued)

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages D1 through D29 of this report.

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.

Net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, governmental assets exceeded liabilities by $408,984,048 at the close of the most recent fiscal year. Approximately 59% of the Town's governmental net position are invested in capital assets (land, buildings, equipment), less related outstanding debt. Since the Town uses these capital assets to provide services to citizens, these assets are not available for future spending, including provision of resources to repay the debt.

The table below shows the Town's net position for 2023 and 2022. More information on the standard and the restatement is on pg. D29 of the notes.

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and other assets	$ 206,208,146	$ 182,136,041	$ 8,945,423	$ 17,154,051	$ 223,362,197	$ 405,498,238
Capital assets(net)	241,766,426	240,039,287	44,168,592	27,169,644	285,935,018	267,208,931
Total assets	447,974,572	422,175,328	53,114,015	44,323,695	509,297,215	672,707,169
Long-term liabilities outstanding	5,408,316	18,323,295	24,005,993	24,520,885	29,414,309	42,844,180
Other liabilities	26,899,059	11,275,263	2,947,155	3,462,932	29,846,214	14,738,195
Total liabilities	32,307,375	29,598,558	26,953,148	27,983,817	59,260,523	57,582,375
Deferred inflows	7,545,729	5,713,062	318,587	-	7,864,316	5,713,062
Net Position:						
Invested in capital assets, net of related debt	224,743,723	221,436,296	14,837,813	7,164,831	239,581,536	228,601,127
Restricted	20,865,191	3,003,346	94,000	-	20,959,191	3,003,346
Unrestricted	162,512,554	162,424,066	10,910,467	8,534,177	173,423,021	170,958,243
Total net position	$ 408,121,468	$ 386,863,708	$ 25,842,280	$ 15,699,008	$ 433,963,748	$ 402,562,716

The Town's current assets and capital assets from governmental activities increased during 2023. Current assets increased mainly due to a $17.6M judge-issued deposit litigation related to land acquisition litigation. Other major construction projects and asset additions during the year included paver installation for a new walking path at West Betty Ford Way, six employee housing unit purchases, design for the redevelopment of Dobson arena expected to begin construction in the spring of 2025, and the first phase of updated "smart" lighting at the Main Vail roundabout.

The Town's long-term liabilities from governmental activities decreased mainly due to payments on annual debt obligations on the Vail Reinvestment Authority bonds and the public works streets facility site and Improvement lease. Other liabilities increased, mainly due to the timing of a cash transfer between the town and its pension administrator for the end-of-year payroll distribution.

Current assets from business activities reflected a $8.2M decrease as cash bond proceeds were utilized to complete of the Residences at Main Vail. This was offset by an increase in capital assets due to the completion of this new employee housing project. In October of 2021, the Town issued $22,260,000 of Certificates of Participation. The net interest rate on these certificates is 2.76% and matures on December 1, 2032. Construction for this project began in November of 2021 and was completed in the fall of 2023. The construction and financing of this project are accounted for in the Residences at Main Vail Enterprise Fund. Liabilities from business activities slightly decreased from the prior year due to payment on the Residences at Main Vail bonds.

The Timber Ridge Enterprise Fund $8.0M notes payable to the Town mature in 2033. The promissory note balance is reported as “internal balances” in the government-wide presentation on page C1. Details of the promissory notes due from the Timber Ridge Enterprise Fund are found in note IV.F of this report.

The chart below provides financial information from the Town’s Statement of Activities for the years 2023 and 2022. More information on the standard and the restatement is on pg. D29 of the notes.

Town of Vail's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenue:						
Program Revenue						
Charges for services	$ 15,556,924	$ 13,565,609	$ 4,786,153	$ 4,219,198	$ 20,343,077	$ 17,784,807
Operating grants	5,186,829	6,425,807	2,536,370	967,375	7,723,199	7,393,182
Capital grants	-	450,450	2,064,080	-	2,064,080	450,450
General Revenue						
Property and ownership tax	10,696,807	12,343,640	-	-	10,696,807	12,343,640
Sales and lodging tax	57,173,104	55,514,987	-	-	57,173,104	55,514,987
Other taxes	16,433,425	17,951,880	-	-	16,433,425	17,951,880
Interest and other revenue	7,847,791	191,139	409,348	163,186	8,257,139	354,325
Gain on disposal of capital assets	(422,815)	-	(79,568)	-	(502,383)	-
Miscellaneous	1,895,018	1,186,763	42,346	50,936	1,937,364	1,237,699
Transfers	(6,097,806)	(1,335,758)	6,097,806	1,335,758	-	-
Total Revenue	108,269,277	106,294,517	15,856,535	6,736,453	124,125,812	113,030,970
Expenses:						
General government	12,722,342	11,429,559	-	-	12,722,342	7,883,434
Public safety	17,108,392	14,843,157	3,347,405	2,844,765	20,455,797	14,386,446
Public works and transportation	30,747,564	28,741,716	-	-	30,747,564	21,947,104
Culture and recreation	15,250,814	10,532,483	-	-	15,250,814	10,547,405
Economic development	10,189,768	9,444,803	-	-	10,189,768	7,588,736
Housing	-	-	2,365,858	1,733,009	2,365,858	982,222
Interest	292,377	314,195	-	-	292,377	526,383
Total Expenses	86,311,257	75,305,913	5,713,263	4,577,774	92,024,520	63,861,730
Change in Net Position	21,958,020	30,988,604	10,143,272	2,158,679	32,101,292	49,169,240
Net Position January 1 (restated)	386,163,448	355,174,844	15,699,008	13,540,329	401,862,456	368,715,173
Net Position December 31	$ 408,121,468	$ 386,163,448	$ 25,842,280	$ 15,699,008	$ 433,963,748	$ 401,862,456

Financial Analysis of the Town’s Funds

Governmental Activities: Governmental activities increased the Town’s net position by $21,958,020, down approximately $9 million or 29% from 2022. During 2021 and 2022, Vail experienced a remarkable economic recovery from the pandemic with record revenues across many of the town's major revenue sources, including sales tax, real estate transfer tax, lift tax, and use tax. This was caused by a number of factors including increased visitation as visitors looked for outdoor destinations, historically high inflation, and historical low interest rates. During 2023, interest rates increased, inflation began to slow, and Vail has begun to see a normalization in revenue collections with modest increases in revenues compared to the prior year with the exception of interest revenue. Expenditures increased $11M or 14.6% mainly due to cost increases in operating, construction, and capital expenditures.

The following items represent significant governmental activities during 2023:

- General 4% sales tax collections increased by 3.4% or $1.4 million compared to the prior year. Sales tax collections by category increased by the following: retail increased 2.1% or $336,868, lodging increased 1.0% or $175,597, food and beverage increased 3.6% or $344,727, and other increased 8.5% or $231,983
- Housing sales tax collections totaled $5.1 million during 2023, a 2.4% or $121,324 increased compared to the prior year.

- The 1.4% marketing tax on lodging totaled $5.5M in 2023 compared to $5.4M in 2022, an increase of 1.0% or $51,654.
- The town collected $8.0 million of Real Estate Transfer Tax, a $1.6 million decrease compared to the prior year. During 2020 and 2021, real estate sales saw a dramatic increase, both in dollar volume and number of transactions with RETT collections totaling $10.5M and $13.4M respectively. During 2022, interest rates increased, affecting the number of transactions; however, property values remained high. 2022 collections totaled $9.6M. 2023 collections continued to normalize as interest rates remained high.
- Construction use tax remained from in 2023 as construction costs continued to increase. Collections totaled $1.8 million, a 4.0% or $68,845 increase compared to 2022.
- Lift tax increased 1.0% or 62,815 over prior year.
- Parking revenues totaled $9.4 million, a 15% or $1.2 million increase compared to prior year. Prior to the 2022/2023 winter season, a new pricing structure was put in place for both daily and pass parking sales with the goal of changing parker behavior. This increase reflects two ski seasons or one calendar year on the new increased pricing structure.

Business-type Activities: Business-type activities are comprised of Timber Ridge Enterprise Fund, a fund providing deed- restricted for rent housing for those working in Vail, the Residences at Main Vail Enterprise Fund, a new affordable housing project that began operations in the fall of 2023, and Vail Public Safety Communications Center, an enterprise fund providing dispatch services to emergency service agencies throughout Eagle County.

The following items represent significant business activities during 2023:

- In September of 2023, The Residences at Main Vail, Residences at Main Vail for Rent deed-restricted housing project began operations. The Resicens at Main Vail is a 72 one and tow bedroom arpatment complx for Vail's local workforce. Revenues for the first four months of operations totaled $543,026.
- During 2023, the design for the redevelopment of Timber Ridge began. Timber Ridge was first constructed in 1981 and is reaching the end of its life. Timber Ridge will begin to be redeveloped in August of 2024 and will be a new for sales deed restricted apartment complex consisting of 284 studios to four-bedroom units. During 2023, Timber Ridge was fully operational, but operations wound down in April of 2024 to prepare for redevelopment.

The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $177,165,440, an increase of $18,758,820 from the prior year's ending fund balances primarily due to increased investment revenues due to the current interest rate environment combined with conservative spending. The town has also been very intentional about the timing of capital project spending in order to be able to save and pay for some significant housing capital projects expected over the next several years, including the redevelopment of Timber Ridge, which will utilize reserves within the Housing Fund and General Fund.

Financial Analysis of the Town's Funds (continued)
The following details ending fund balances for Governmental Funds over the past five years:

Fund	2019	2020	2021	2022	2023
General Fund	$36,306,665	$38,547,757	$44,426,288	$53,449,555	$61,440,888
Housing Fund	-	-	-	13,957,070	19,870,982
Capital Projects Fund	50,099,177	53,843,487	59,841,742	52,565,769	53,257,917
Real Estate Transfer Tax	14,684,013	20,353,072	28,077,540	29,923,875	31,877,953
Vail Marketing Fund	386,835	387,124	409,749	416,323	360,109
Vail Local Marketing District	1,350,108	2,078,809	2,710,863	3,901,319	3,463,798
Vail Reinvestment Authority	2,582,892	4,917,063	2,548,036	4,892,971	6,884,186
Total	$105,409,690	$120,127,312	$138,014,218	$159,106,882	$177,155,833

The General Fund ended 2023 with a fund balance of $61,440,888, an increase of $7,991,333 from prior year. The change in fund balance was mainly due to investment income of $3.2 million. Also contributing to the fund balance increase was the growth in parking revenues. Going into the 2022/2023 ski season, the Town approved a new increased pricing structure impacting both daily parking rates and parking pass rates with the goal to modify parker behavior and promote more sustainable ways of travel such as carpooling or bus transportation. This was the first full fiscal year or two ski seasons (2022/2023 and 2023/2024) influenced by the change in price structure.

The Capital Projects Fund had a fund balance of $53,257,927 at the end of 2023, an increase of $1,392,419. This was mainly due to an increase in investment income. Additionally, capital project expenditures decreased during 2023 compared to 2022 to save up for several significant housing capital projects expected to occur over the next several years.

The Capital Projects Fund also accounts for the debt service of a $15.2 million lease purchase agreement to finance the construction of the new public works streets building. The total cost of this project was $20.9 million. The annual debt service payment totaled $1.2 million in 2023. Additional information on the site lease can be found in the Notes to the Financial Statements on Page D22.

The Real Estate Transfer Tax Fund ended 2022 with a fund balance of $31,887,550, an increase of $1,963,675 compared to prior year. The increase in fund balance is a result of real estate transfer tax collections which totaled $7.9 million, combined with delayed timing of construction projects.

The Housing Fund is a new fund as of January 1, 2022 and was created due to a new 0.5% sales tax supported by Town of Vail voters during the November 2021 election. This tax is dedicated towards community housing projects, programs, and initiatives in or around the Town of Vail. This tax generated nearly $5.1 million during 2023. The fund had a fund balance of $19.9M at the end of 2023 and will be utilized to fund the redevelopment of Timber Ridge beginning in 2024.

The Vail Local Marketing District ended the year with a fund balance of $3,463,798, a decrease of $437,521, or 11% from the prior year. This is attributed to an increase in marketing funding.

The Vail Reinvestment Authority (VRA) was added in 2004 to administer an urban renewal authority established in the Lionshead area of the Town. The incremental property taxes generated a total of $4.6M million in 2023, a decrease of $800k from the prior year due to an abatement appeal reducing and refunding the assessed value of one of the largest properties within the district for tax years 2019,2020,2021 and 2022. The property tax revenue provides a funding mechanism for capital improvements within the district by covering annual debt service payments of $678,307 relating to $11.9 million in bonds originally issued in 2010. The bonds funded several projects including the Red Sandstone parking structure, the Sandstone Underpass, Zeke M. Piece Skate Park, and the new Lionshead Transit and Welcome Center. In June 2020, the town took advantage of favorable interest rates, and the bonds were refunded with through a Tax Increment Revenue Refunding Loan. The loan has a 1.19% interest rate and an outstanding balance of $5.2M.

The loan will mature June 1, 2030. During 2022, the fund balance was used to fund large projects within district including the second and final phase of the new roundabout on Frontage Road near the Lionshead parking structure.

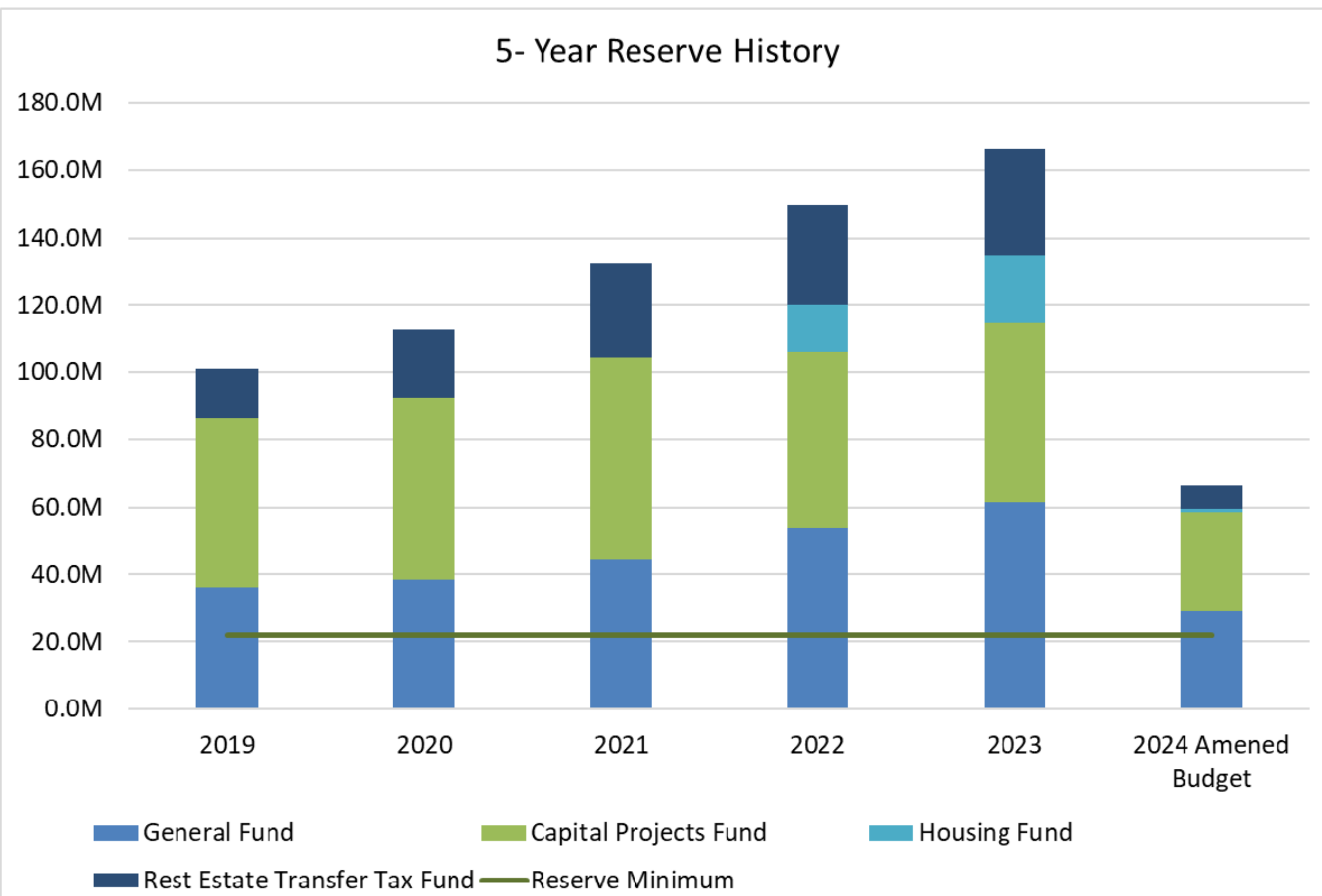
Financial Analysis of the Town's Funds (continued)

The Vail Marking Fund funds and tracks Town of Vail event spending. The Marketing Fund generated $354,366 in revenues from business licenses and also received a $2.0 million transfer from the Town's General Fund, which funded $2.5 million in annual event spending.

Proprietary Funds: The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

During 2021, the town began construction on a 72 unit one- and two-bedroom housing project, the Residences at Main Vail, to provide affordable rental housing to people who live or work in Vail. The construction, financing, and operations for this housing project are accounted for in the Residences at Main Vail Enterprise Fund. This project cost $30.4 million of which the majority is funded by $22,260,000 of Certificates of Participation issued in October of 2021. During 2023, this project was completed, and operations began in September. In addition, $1.2M was made towards debt service. Information on the Series 2021 Certificates of Participation is included in the Notes to the Financial Statements on page D23.

Reserves: The Town's reserves continue to be strong. During 2023, the government fund reserves totaled $177,165,440 million, an increase of $18.7 million or a 11.8% from the prior year. These reserves are expected to help cash-fund some major near-future capital projects that are a priority for both the community and Town Council and identified in the council's strategic plan. In the past, the Town's strong reserve levels have enabled Town Council to cash-fund past major capital projects. The Town considers the General Fund, Capital Projects Fund, Real Estate Transfer Tax Fund, and Housing Fund reserves available to spend. The chart below shows the town's available fund balances across these funds. Within these funds available funds above the town reserves policy totaled $144.4M however available reserves are expected to decrease to $44.6M in 2024 with the completion of current ongoing projects and several new significant projects including the redevelopment of Timber Ridge and Dobson ice arena.



Financial Analysis of the Town's Funds (continued)

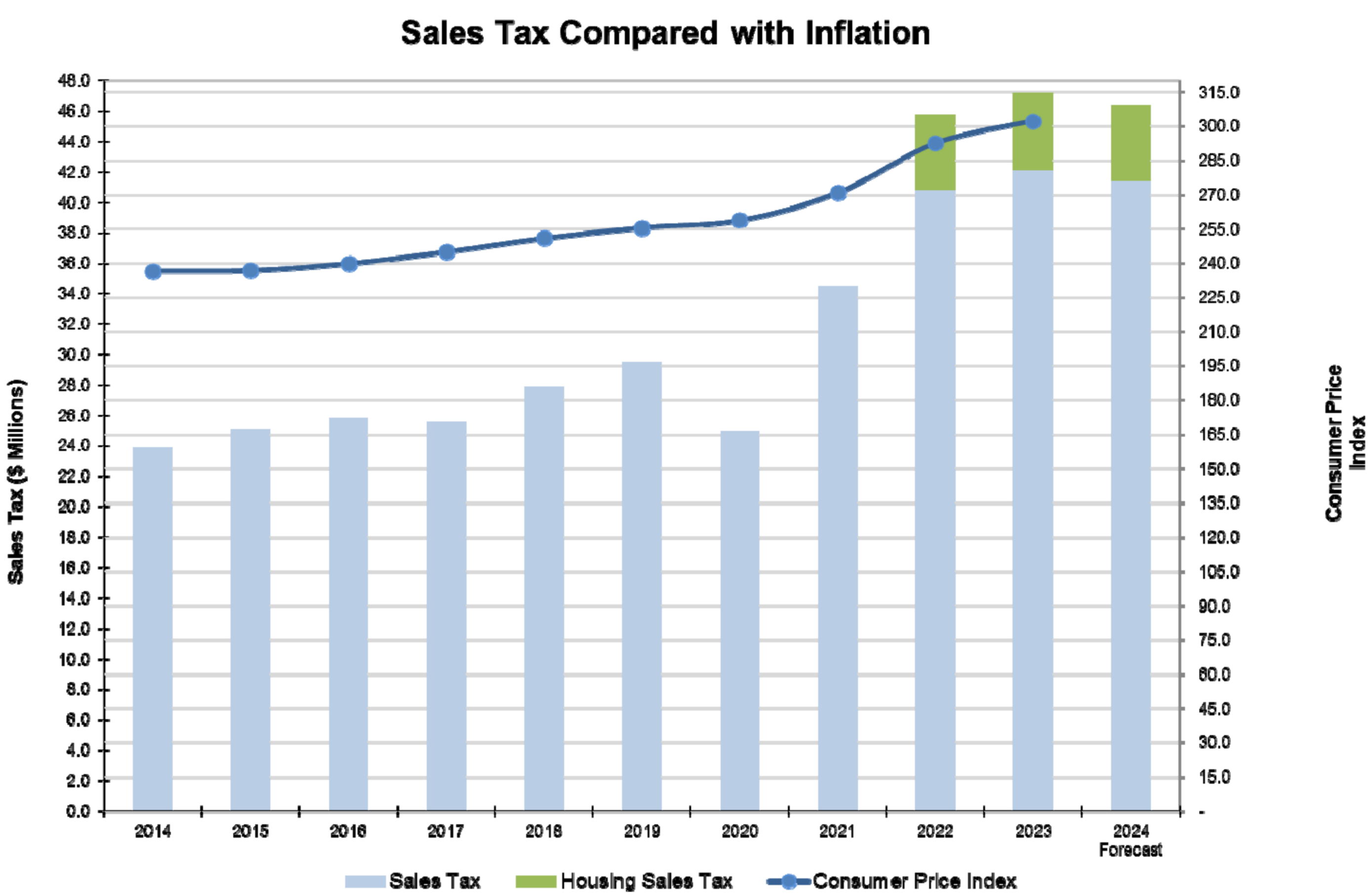
Long-term Debt: In 2021, the town issued $22,260,000 of Certificates of Participation to fund the Residences at Main Vail workforce housing project. The interest rates on the Series 2021 Certificates have an interest rate of 2.76% and are payable on June 1 and December 1 through 2051. At the end of 2023, the Certificates of Participation has a balance of $12.6 million, of which $435,000 of principal will be due within one year.

During 2021, the town also entered into a Site and Improvement Lease and Lease purchase agreement to finance the construction of a new Public Works streets facility. The loan bears interest at 1.75% and are payable on June 1 and December 1 through 2035. At the end of 2023, the lease had a balance of $12.4 million, of which $940,000 of principal will be due within one year.

As of the end of the current fiscal year, the Vail Reinvestment Authority had $4,536,000 of tax increment revenue refunding loan, of which $626,000 of bond principal is due within one year.

Additional information regarding the Town and Authority's debt can be found in the Notes to the Financial Statements in footnote IV.G of this report.

Sales Tax: Sales tax is the Town's largest revenue generator. During 2023, the Town had a 4% general sales tax to support governmental operations, including capital expenditures. The Town collected a total of $42.1 million, an increase of $1.4M million, or 3.4% compared to the prior year. During the 2021 November election, Vail voters, approved a 0.5% increase in sales tax on all items, excluding food for home consumption. The increase in sales tax began being collected in January 2022 and is dedicated to funding community housing initiatives, housing development, and housing programs. The following chart shows changes in the general sales tax for the past ten years. The new housing sales tax is also represented in the chart below.



Financial Analysis of the Town's Funds (continued)

Next Year's Budget and Rates: The Town's General Fund balance at the end of the current 2023 fiscal year was $61,440,888 representing 98% of annual revenue compared to Town Council's directive of a minimum of 35%.

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 footnote IV.C of this report.

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 the government's finances. Questions concerning any of the information provided in this report should be addressed to the Town of Vail, Finance Director, 75 S. Frontage Road, Vail, Colorado 81657.

TOWN OF VAIL

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Town of Vail, Colorado
Statement of Net Position
December 31, 2023

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and investments	147,410,690	3,034,216	150,444,906
Unrestricted cash and investments	13,428,496	4,907,317	18,335,813
Cash - Restricted	593,763	385,004	978,767
Receivables (net of allowance for uncollectible accounts):			
Property taxes assessed	7,545,729	-	7,545,729
Other taxes	9,391,466	-	9,391,466
Other governments	958,240	-	958,240
Other	1,207,453	48,326	1,255,779
Inventory	1,240,263	-	1,240,263
Prepaid expenses	1,491,203	3,741	1,494,944
Restricted escrow deposit	17,643,985	-	17,643,985
Interest receivable	26,858	-	26,858
Internal balances	4,297,222	(4,297,222)	-
Lease receivable	-	4,864,041	4,864,041
Loans receivable:			
Collectible in more than one year	972,778	-	972,778
Capital assets not being depreciated	51,226,521	5,520,842	56,747,363
Capital assets being depreciated, net of accumulated depreciation	190,539,905	38,647,750	229,187,655
Total Assets	447,974,572	53,114,015	501,088,587
Liabilities:			
Accounts payable	7,022,133	1,838,568	8,860,701
Due to other governments	244,679	-	244,679
Retainage payable	66,703	-	66,703
Accrued salaries and wages	1,377,938	91,904	1,469,842
Interest payable	22,714	92,174	114,888
Other unearned revenue	4,231,055	212,590	4,443,645
Deposits payable	245,701	237,442	483,143
Compensated absences:			
Due within one year	642,136	39,477	681,613
Due in more than one year	1,498,316	92,112	1,590,428
Bonds payable:			
Due within one year	626,000	435,000	1,061,000
Due in more than one year	3,910,000	23,913,881	27,823,881
Financed purchase obligation:			
Due within one year	940,000	-	940,000
Due in more than one year	11,480,000	-	11,480,000
Total Liabilities	32,307,375	26,953,148	59,260,523
Deferred Inflow of Resources:			
Lease revenue	-	318,587	318,587
Unavailable property taxes	7,545,729	-	7,545,729
Total Deferred Inflow of Resources	7,545,729	318,587	7,864,316
Net Position:			
Net investment in capital assets	224,743,723	14,837,813	239,581,536
Restricted for:			
Emergencies	3,179,000	94,000	3,273,000
Other purposes	17,686,191	-	17,686,191
Unrestricted	162,512,554	10,910,467	173,423,021
Total Net Position	408,121,468	25,842,280	433,963,748

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

Town of Vail, Colorado
Statement of Activities
For the Year Ended December 31, 2023

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
	Expenses	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Governmental Activities:							
General government	12,722,342	5,051,101	2,718,028	-	(4,953,213)		(4,953,213)
Public safety	17,108,392	308,555	-	-	(16,799,837)		(16,799,837)
Public works and transportation	30,747,564	9,598,600	1,074,127	-	(20,074,837)		(20,074,837)
Culture and recreation	15,250,814	244,302	825,149	-	(14,181,363)		(14,181,363)
Economic development	10,189,768	354,366	569,525	-	(9,265,877)		(9,265,877)
Interest on long-term debt	292,377	-	-	-	(292,377)		(292,377)
Total - Governmental Activities	86,311,257	15,556,924	5,186,829	-	(65,567,504)		(65,567,504)
Business-type Activities:							
Dispatch services	3,347,405	2,111,958	1,170,535	-		(64,912)	(64,912)
Housing (Timber Ridge)	1,120,707	2,131,169	-	114,080		1,124,542	1,124,542
Residences at Main Vail	1,245,151	543,026	1,365,835	1,950,000		2,613,710	2,613,710
Total - Business-type Activities	5,713,263	4,786,153	2,536,370	2,064,080		3,673,340	3,673,340
Totals	92,024,520	20,343,077	7,723,199	2,064,080	(65,567,504)	3,673,340	(61,894,164)

	Governmental Activities	Business-type Activities	Total
General Revenues:			
Taxes:			
Sales and use taxes	51,683,992	-	51,683,992
Real estate transfer taxes	7,994,852	-	7,994,852
Lodging taxes	5,489,112	-	5,489,112
Property and specific ownership taxes	10,696,807	-	10,696,807
Ski area lift ticket admissions tax	6,536,433	-	6,536,433
Franchise taxes	1,348,479	-	1,348,479
Tobacco taxes	553,661	-	553,661
Investment earnings	7,847,791	409,348	8,257,139
Gain on disposal of capital assets	(422,815)	(79,568)	(502,383)
Miscellaneous	1,895,018	42,346	1,937,364
Transfers	(6,097,806)	6,097,806	-
Total - General Revenues and Transfers	87,525,524	6,469,932	93,995,456
Change in Net Position	21,958,020	10,143,272	32,101,292
Net Position - January 1 (restated)	386,163,448	15,699,008	401,862,456
Net Position - December 31	408,121,468	25,842,280	433,963,748

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

FUND FINANCIAL STATEMENTS

Town of Vail, Colorado
Balance Sheet
Governmental Funds
December 31, 2023

		Special Revenue Funds				Capital Projects Funds		
	General Fund	Vail Marketing Fund	Vail Local Marketing District	Vail Reinvestment Authority	Housing Fund	Capital Projects Fund	Real Estate Transfer Tax Fund	Total Governmental Funds
Assets:								
Equity in pooled cash and investments	53,675,069	575,949	-	-	20,057,111	50,172,259	14,737,792	139,218,180
Cash and cash equivalents - Unrestricted	14,242	-	3,060,774	10,353,480	-	-	-	13,428,496
Receivables, net:								
Property taxes assessed	7,545,729	-	-	-	-	-	-	7,545,729
Other taxes	7,654,325	100,000	991,485	-	732,983	-	12,674	9,491,467
Other governments	906,012	-	1,726	-	-	-	50,194	957,932
Other	763,799	-	-	-	-	327,734	4,346	1,095,879
Due from other funds	362,726	-	-	-	-	1,856,724	-	2,219,450
Loans receivable	972,778	-	-	-	-	4,297,222	-	5,270,000
Inventories	-	-	-	-	777,840	-	-	777,840
Prepaid expenses	138,002	-	39,943	-	-	1,224,954	28,205	1,431,104
Restricted escrow deposits	-	-	-	-	-	-	17,643,985	17,643,985
Total Assets	72,032,682	675,949	4,093,928	10,353,480	21,567,934	57,878,893	32,477,196	199,080,062
Liabilities and Fund Balances:								
Liabilities:								
Accounts payable	1,189,880	112,111	376,380	-	1,696,952	1,016,243	227,442	4,619,008
Due to other governments	63,375	-	-	1,503,594	-	5,267	172,977	1,745,213
Due to other funds	-	-	253,750	1,965,700	-	-	-	2,219,450
Retainage payable	-	-	-	-	-	66,703	-	66,703
Accrued payroll and related liabilities	1,241,764	-	-	-	-	-	-	1,241,764
Unearned revenue	305,345	203,729	-	-	-	3,532,753	189,227	4,231,054
Deposits payable	245,701	-	-	-	-	-	-	245,701
Total Liabilities	3,046,065	315,840	630,130	3,469,294	1,696,952	4,620,966	589,646	14,368,893
Deferred Inflows of Resources:								
Property taxes	7,545,729	-	-	-	-	-	-	7,545,729
Fund Balances:								
Non-spendable	1,110,780	-	39,943	-	777,840	5,522,176	28,205	7,478,944
Restricted	2,886,206	-	169,000	166,000	-	-	17,643,985	20,865,191
Committed	21,916,441	360,109	3,254,855	-	19,093,142	42,661,251	14,215,360	101,501,158
Assigned	-	-	-	6,718,186	-	5,074,500	-	11,792,686
Unassigned	35,527,461	-	-	-	-	-	-	35,527,461
Total Fund Balances	61,440,888	360,109	3,463,798	6,884,186	19,870,982	53,257,927	31,887,550	177,165,440
Total Liabilities and Fund Balances	72,032,682	675,949	4,093,928	10,353,480	21,567,934	57,878,893	32,477,196	

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.	235,173,249
Other long-term assets and unearned charges are not available as current financial resources and, therefore, are not reported in the funds.	620,624
Internal service funds are used by management to charge the costs of heavy equipment and health insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.	14,324,714
Long-term liabilities, including bonds payable, interest payable, financed purchases, and compensated absences within governmental activities are not due and payable in the current period and, therefore, are not reported in the funds.	(19,162,559)
Net Position of Governmental Activities	408,121,468

Town of Vail, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

		Special Revenue Funds				Capital Projects Funds		
	General Fund	Vail Marketing Fund	Vail Local Marketing District	Vail Reinvestment Authority	Housing Fund	Capital Projects Fund	Real Estate Transfer Tax Fund	Total Governmental Funds
Revenues:								
Taxes	39,428,649	-	5,489,112	4,613,220	5,075,762	20,174,642	7,994,852	82,776,237
Permits and licenses	2,948,115	354,366	-	-	-	-	-	3,302,481
Intergovernmental revenue	4,089,676	-	-	-	-	-	680,969	4,770,645
Charges for services	12,520,082	-	-	-	-	170,392	188,521	12,878,995
Investment income	3,179,219	14,518	125,984	434,719	304,854	2,358,673	1,058,070	7,476,037
Miscellaneous	216,154	100,000	-	469,525	1,021,104	49,371	210,134	2,066,288
Total Revenues	62,381,895	468,884	5,615,096	5,517,464	6,401,720	22,753,078	10,132,546	113,270,683
Expenditures:								
General government	11,420,681	-	-	-	-	-	-	11,420,681
Public safety	15,450,257	-	-	-	-	-	790,688	16,240,945
Public works and transportation	21,704,580	-	-	-	3,173,372	14,611,918	3,284,274	42,774,144
Culture and recreation	1,525,819	-	-	-	-	-	4,291,569	5,817,388
Economic development	2,044,423	2,475,759	4,642,617	991,218	-	-	-	10,154,017
Debt service:								
Principal	-	-	-	620,000	-	920,000	-	1,540,000
Interest	-	-	-	58,307	-	234,784	-	293,091
Total Expenditures	52,145,760	2,475,759	4,642,617	1,669,525	3,173,372	15,766,702	8,366,531	88,240,266
Excess (Deficiency) of Revenues Over Expenditures	10,236,135	(2,006,875)	972,479	3,847,939	3,228,348	6,986,376	1,766,015	25,030,417
Other Financing Sources (Uses):								
Sale of assets	6,547	-	-	-	(164,436)	45,000	-	(112,889)
Debt issuance costs	-	-	-	-	-	(1,250)	-	(1,250)
Transfers in	210,000	2,050,000	-	-	3,700,000	1,956,062	197,660	8,113,722
Transfers (out)	(2,461,349)	(99,338)	(1,410,000)	(1,856,724)	(850,000)	(7,593,769)	-	(14,271,180)
Total Other Financing Sources (Uses)	(2,244,802)	1,950,662	(1,410,000)	(1,856,724)	2,685,564	(5,593,957)	197,660	(6,271,597)
Net Change in Fund Balances	7,991,333	(56,213)	(437,521)	1,991,215	5,913,912	1,392,419	1,963,675	18,758,820
Fund Balances - January 1 (restated)	53,449,555	416,322	3,901,319	4,892,971	13,957,070	51,865,508	29,923,875	158,406,620
Fund Balances - December 31	61,440,888	360,109	3,463,798	6,884,186	19,870,982	53,257,927	31,887,550	177,165,440

Net Change in Fund Balances of Governmental Funds	18,758,820
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 amount by which capital outlay exceeded depreciation expense, net of disposals and transfers, for the year.	1,106,710
Internal service funds are used by management to charge the cost of heavy equipment and health insurance to individual funds. This is the amount of internal service fund change in net position for the year.	775,030
Repayment of bond and lease principal are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount of principal repayments.	1,540,000
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. By contrast, debt proceeds provide current financial resources to governmental funds, but have no effect on net position.	(68,177)
Some expenses reported in the Statement of Activities - such as changes in accrued interest and compensated absences - do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(154,363)
Change in Net Position of Governmental Activities	21,958,020

Town of Vail, Colorado
Proprietary Funds
Statement of Net Position
December 31, 2023

	Business-type Activities				
	Enterprise Funds				Governmental
	Timber Ridge	Dispatch Services Fund	Residences at Main Vail	TOTAL	Activities - Internal Service Funds
Assets:					
Current Assets:					
Equity in pooled cash and investments	-	3,034,216	-	3,034,216	8,192,510
Cash and cash equivalents - Unrestricted	3,565,679	-	1,341,638	4,907,317	-
Accounts receivable, net of allowance for uncollectibles	16,530	885	30,911	48,326	11,882
Inventory	-	-	-	-	462,423
Prepaid expenses	3,741	-	-	3,741	60,100
Total - Current Assets	3,585,950	3,035,101	1,372,549	7,993,600	8,726,915
Non-current Assets:					
Cash and cash equivalents - Restricted	94,192	-	290,812	385,004	-
Lease receivable	4,864,041	-	-	4,864,041	-
Property, plant, and equipment, net of accumulated depreciation	9,591,381	767,299	33,809,912	44,168,592	6,593,177
Total - Non-current Assets	14,549,614	767,299	34,100,724	49,417,637	6,593,177
Total Assets	18,135,564	3,802,400	35,473,273	57,411,237	15,320,092
Liabilities:					
Current Liabilities:					
Accounts payable	909,009	19,387	910,172	1,838,568	902,597
Accrued salaries and wages	-	91,904	-	91,904	36,174
Interest payable	26,858	-	65,316	92,174	-
Unearned revenue	13,707	-	198,883	212,590	-
Deposits payable	94,192	-	143,250	237,442	-
Current portion of bonds payable	-	-	435,000	435,000	-
Current portion of notes payable	401,508	-	-	401,508	-
Current portion of compensated absences	-	39,477	-	39,477	16,982
Total - Current Liabilities	1,445,274	150,768	1,752,621	3,348,663	955,753
Non-current Liabilities:					
Bonds payable, net of current portion	-	-	23,913,881	23,913,881	-
Notes payable, net of current portion	3,895,714	-	-	3,895,714	-
Compensated absences, net of current portion	-	92,112	-	92,112	39,625
Total - Non-current Liabilities	3,895,714	92,112	23,913,881	27,901,707	39,625
Total Liabilities	5,340,988	242,880	25,666,502	31,250,370	995,378
Deferred Inflow of Resources:					
Lease revenue	318,587	-	-	318,587	-
Net Position:					
Net investment in capital assets	5,294,159	767,299	8,776,355	14,837,813	6,593,177
Unrestricted	7,181,830	2,792,221	1,030,416	11,004,467	7,731,537
Total Net Position	12,475,989	3,559,520	9,806,771	25,842,280	14,324,714

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

Town of Vail, Colorado
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2023

	Business-type Activities				
	Enterprise Funds				Governmental Activities - Internal Service Funds
	Timber Ridge	Dispatch Services Fund	Residences at Main Vail	TOTAL	
Operating Revenues:					
Charges for services - Internal	-	669,317	-	669,317	8,899,113
Charges for services - External	-	1,442,641	-	1,442,641	934,460
Rents	1,676,624	-	463,945	2,140,569	-
Ground lease	454,545	-	-	454,545	-
Insurance reimbursements	-	-	-	-	89,754
Other	42,346	-	79,081	121,427	-
Total Operating Revenues	2,173,515	2,111,958	543,026	4,828,499	9,923,327
Operating Expenses:					
Operations	693,825	3,228,996	294,820	4,217,641	3,261,754
Health claims and premiums	-	-	-	-	5,974,087
Depreciation	361,929	118,409	248,501	728,839	1,024,535
Total Operating Expenses	1,055,754	3,347,405	543,321	4,946,480	10,260,376
Operating Income (Loss)	1,117,761	(1,235,447)	(295)	(117,981)	(337,049)
Non-Operating Revenues (Expenses):					
Intergovernmental revenues	-	1,170,535	1,365,835	2,536,370	24,718
Gain (loss) on disposal of assets	-	(79,568)	-	(79,568)	155,211
Investment income	80,694	130,738	197,916	409,348	374,227
Interest expense	(64,953)	-	(698,330)	(763,283)	-
Financing fees	-	-	(3,500)	(3,500)	-
Total Non-Operating Revenues (Expenses)	15,741	1,221,705	861,921	2,099,367	554,156
Income (Loss) Before Transfers and Capital Contributions	1,133,502	(13,742)	861,626	1,981,386	217,107
Transfers, net	850,000	154,037	5,093,769	6,097,806	59,652
Capital contributions, net	114,080	-	1,950,000	2,064,080	498,271
Change in Net Position	2,097,582	140,295	7,905,395	10,143,272	775,030
Net Position - January 1	10,378,407	3,419,225	1,901,376	15,699,008	13,549,684
Net Position - December 31	12,475,989	3,559,520	9,806,771	25,842,280	14,324,714

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

Town of Vail, Colorado
Proprietary Funds
Statement of Cash Flows
For the Year Ended December 31, 2023

	Business-type Activities				
	Enterprise Funds				Governmental Activities - Internal Service Funds
	Timber Ridge	Dispatch Services Fund	Residences at Main Vail	TOTAL	
Cash Flows From Operating Activities:					
Cash received from other funds	-	669,317	-	669,317	8,899,110
Cash received from tenants for rent	1,565,269	-	775,167	2,340,436	-
Other cash receipts	42,346	1,442,641	79,081	1,564,068	1,034,577
Cash paid for goods and services	146,634	(675,140)	(1,954,266)	(2,482,772)	(7,870,065)
Cash paid to employees	-	(2,494,097)	-	(2,494,097)	(1,228,388)
Net Cash Provided (Used) by Operating Activities	1,754,249	(1,057,279)	(1,100,018)	(403,048)	835,234
Cash Flows From Non-Capital Financing Activities:					
Transfer (to) other funds	(395,574)	-	-	(395,574)	-
Transfer from other funds	850,000	154,037	5,093,769	6,097,806	59,652
Cash received from operating grants	-	1,170,535	1,365,835	2,536,370	24,718
Net Cash Provided (Used) by Non-Capital Financing Activities	454,426	1,324,572	6,459,604	8,238,602	84,370
Cash Flows From Capital and Related Financing Activities:					
Cash received on disposal of fixed assets	-	-	-	-	176,958
Principal repaid on bonds and notes		-	(515,674)	(515,674)	-
Interest paid	(67,425)	-	(699,713)	(767,138)	-
Financing fees paid	-	-	(3,500)	(3,500)	-
Acquisition and construction of capital assets	(848,253)	-	(14,895,020)	(15,743,273)	(1,168,437)
Net Cash Provided (Used) by Capital and Related Financing Activities	(915,678)	-	(16,113,907)	(17,029,585)	(991,479)
Cash Flows From Investing Activities:					
Interest on investments	80,694	130,738	197,916	409,348	374,227
Net Cash Provided (Used) by Investing Activities	80,694	130,738	197,916	409,348	374,227
Net Increase (Decrease) in Cash and Cash Equivalents	1,373,691	398,031	(10,556,405)	(8,784,683)	302,352
Cash and Cash Equivalents - January 1	2,286,180	2,636,185	12,188,855	17,111,220	7,890,158
Cash and Cash Equivalents - December 31	3,659,871	3,034,216	1,632,450	8,326,537	8,192,510
Cash and Cash Equivalents at December 31 is Comprised of:					
Equity in pooled cash and investments	-	3,034,216	-	3,034,216	8,192,510
Cash and cash equivalents - Unrestricted	3,565,679	-	1,341,638	4,907,317	-
Cash and cash equivalents - Restricted	94,192	-	290,812	385,004	-
Total - Cash and Cash Equivalents	3,659,871	3,034,216	1,632,450	8,326,537	8,192,510
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income/(Loss)	1,117,761	(1,235,447)	(295)	(117,981)	(337,049)
Adjustments:					
Depreciation	361,929	118,408	248,501	728,838	1,024,535
(Increase) decrease in accounts receivable	-	-	-	-	10,364
(Increase) decrease in rent receivable	(146,348)	-	(30,911)	(177,259)	-
(Increase) decrease in inventory	-	-	-	-	(57,134)
(Increase) decrease in prepaid expenses	(3,222)	-	-	(3,222)	-
Increase (decrease) in accounts payable	843,681	6,483	(1,659,446)	(809,282)	192,113
Increase (decrease) in tenant security deposits	(47,819)	-	143,250	95,431	-
Increase (decrease) in prepaid rent	(49,450)	-	198,883	149,433	-
Increase (decrease) in deferred inflows	(322,283)	-	-	(322,283)	
Increase (decrease) in accrued wages and benefits	-	53,277	-	53,277	2,405
Total Adjustments	636,488	178,168	(1,099,723)	(285,067)	1,172,283
Net Cash Provided (Used) by Operating Activities	1,754,249	(1,057,279)	(1,100,018)	(403,048)	835,234
Non-cash Investing, Capital and Financing Activities:					
Assets contributed by Capital Projects Fund	114,080	-	1,950,000	2,064,080	498,271

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

Town of Vail, Colorado
Pension Trust Funds
Statement of Fiduciary Net Position
December 31, 2023

	Pension Trust	Deferred Compensation Plan
Assets:		
Cash and investments - Restricted	94,496,354	26,290,790
Loans to participants	330,328	-
Total Assets	94,826,682	26,290,790
Net Position:		
Held in trust for pension benefits and other purposes	94,826,681	26,290,790
Total Net Position	94,826,681	26,290,790

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

Town of Vail, Colorado
Pension Trust Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended December 31, 2023

	Pension Trust	Deferred Compensation Plan
Additions:		
Contributions:		
Contributions	4,127,393	2,175,811
Net investment earnings:		
Investment earnings	12,969,346	3,594,539
Investment expenses	(106,591)	(15,114)
Net investment earnings	12,862,755	3,579,425
Total Additions	16,990,148	5,755,236
Deductions:		
Benefits paid	6,389,764	3,806,945
Total Deductions	6,389,764	3,806,945
Change in Net Position	10,600,384	1,948,291
Net Position - January 1	84,226,297	24,342,499
Net Position - December 31	94,826,681	26,290,790

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 Vail, Colorado (the "Town") was incorporated in 1972, 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, public works and transportation, culture and recreation, economic development, administration (general government), and housing.

The Town's financial statements are prepared in accordance with 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 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. There are two blended component units reported in the Town's financial statements: Vail Local Marketing District ("VLMD"), and Vail Reinvestment Authority ("VRA"). The financial statements of these entities can be obtained from the Town's administrative offices. A third blended component unit, Town of Vail General Improvement District No. 1, is a dormant entity and, therefore, has no financial statements to report.

1. Vail Local Marketing District

VLMD was authorized on November 2, 1999 by a general election that established a 1.4% tax on lodging within the Town's boundaries, beginning January 1, 2000. Proceeds from the tax are to be used for organization, management, promotion, and marketing of public events, for business recruitment, and for tourism promotion. Town Council members also act as VLMD's Board of Directors. VLMD is reported as a special revenue fund.

2. Vail Reinvestment Authority

VRA was created on November 4, 2003 pursuant to the Colorado Urban Renewal Law (C.R.S. 31-25-1) to oversee development and redevelopment of identified blighted areas within the Town. The Town Council approved the formation of VRA at a public hearing, and filed applicable certification of compliance with the Division of Local Government. Its operations are governed by a Board of Commissioners comprised solely of members of the Town Council. VRA is reported as a special revenue fund.

I. Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

3. Town of Vail General Improvement District No. 1

On October 3, 2006, the Town Council accepted a petition requesting formation of Town of Vail General Improvement District No. 1. The District is a public, or quasi-municipal, subdivision of the state of Colorado and a body corporate with the powers set forth in Part 6, Article 25, Title 31 of the Colorado Revised Statutes. The Town Council is the ex-officio Board of Directors of the District. Services provided by the District include (a) programming, regulating, and generally administering public functions to be conducted on the public plaza which will be constructed as part of the Solaris redevelopment project and (b) maintaining the plaza to the extent that the Solaris Metropolitan District fails to do so.

At a special election on November 7, 2006, the eligible electors of the District authorized imposition of a mill levy of not more than fifteen mills in any year for the purpose of funding the administration, operation, and maintenance of the District's facilities should the Solaris Metropolitan District fail to do so.

As of December 31, 2023, the District had not begun operations or imposed a mill levy, resulting in no financial statements to be reported.

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 non-fiduciary activities of the Town and its component units. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The Town's public safety, public works and transportation, culture and recreation, economic development, and administration functions are classified as governmental activities. Timber Ridge, Residences at Main Vail, and emergency dispatch services of the Town 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, 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. Resources restricted within this fund relate to TABOR reserve requirements (see Note III.C) and Police Confiscation funds.

The *Vail Marketing Fund* accounts for the collection of business license fees which are specifically restricted for expenditures related to the marketing of the Town.

The *Vail Local Marketing District* accounts for collection of lodging taxes, which are restricted for VLMD's activities.

The *Vail Reinvestment Authority* accounts for the collection of Tax Increment Financing revenues which are restricted for use for the activities of VRA.

The *Capital Projects Fund* accounts for and reports financial resources that are restricted by outside parties (i.e., a portion of the Town's sales tax as well as restricted intergovernmental grants and awards received) as well as amounts committed by Council for expenditures of capital outlay, including the acquisition or construction of capital facilities and other capital assets. It excludes those types of capital-related cash outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

The *Real Estate Transfer Tax Fund* is used to account for the collection of a real estate transfer tax which is specifically restricted per Town ordinance for acquiring, maintaining, and improving real property for parks, recreation, open space, and for supporting sustainable environmental practices.

The *Housing Fund* accounts for the collection of a 0.5% sales tax dedicated to housing projects, programs, and initiatives.

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

The *Timber Ridge Enterprise Fund* ("Timber Ridge") accounts for the activities of the 198-unit rental housing project located in the Town (the "Project"). The property will begin redevelopment in 2024.

The *Dispatch Services Fund* accounts for the emergency dispatch services provided by the Town within Eagle County, Colorado.

The *Residences at Main Vail Fund* accounts for the 72 one- and two-bedroom unit rental housing project constructed by the Town.

I. Summary of Significant Accounting Policies (continued)

C. Fund Financial Statements (continued)

Additionally, the Town reports the following fund types:

Internal service funds account for the repair and maintenance costs and purchase of Town vehicles and equipment, excluding buses and fire trucks. In addition, internal service funds are used to account for the health insurance plan provided to Town employees.

Fiduciary funds are used to account for the accumulation of resources for pension benefit payments to qualified Town employees and to account for assets held for employees in accordance with the provisions of Internal Revenue Code section 457. No budget is adopted for the Town's fiduciary trust funds.

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 and fiduciary 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. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

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. The Town considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities and acquisitions under financed purchases are reported as other financing sources.

I. Summary of Significant Accounting Policies (continued)

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

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 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 are reported.

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 revenue of the Town’s enterprise funds are rents from individuals employed in the Town and charges for services related to emergency dispatch. Operating expenses for the enterprise fund includes operating expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

E. Financial Statement Accounts Presentation

1. Equity in Pooled Cash and Investments

The Town has a policy of central cash management whereby cash balances of each of the Town’s funds are pooled in and invested in certain investments for all funds except the Pension Trust Fund and the Deferred Compensation Plan Fund. Additionally, the component units do not participate in the Town’s central cash management.

Equity in pooled cash and investments include demand deposits, short-term investments with original maturities of three months or less from the date of acquisition, and long-term investments in U.S. government obligations. Investments are stated at fair market value.

2. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include cash on hand and investments with original maturities of three months or less from the date of acquisition.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts Presentation (continued)

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

Cash equivalents are both readily convertible to cash and are so near their maturity that they present insignificant risk of change in value due to interest rate changes.

Restricted cash and cash equivalents represent certain proceeds of debt issuances, as well as certain resources set aside for their repayments because their use is limited by the applicable covenants. Restricted assets also include certain deposits that have been limited as to usage pursuant to escrow and similar agreements.

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

The Town's investment policy permits investments in the following types of obligations:

- U.S. Treasury obligations
- Government agency securities
- FDIC-insured certificates of deposit
- Colorado investment pools
- Money market mutual funds
- Taxable municipal securities

3. Receivables

Receivables are reported net of an allowance for uncollectible accounts.

Loans receivable in governmental funds consist of housing and other loans that are generally not expected or scheduled to be collected in the subsequent year.

4. Inventory

Inventory is valued at cost using the first-in / first-out ("FIFO") method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased. The Housing Fund records inventory for affordable housing units held for sale.

5. 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.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts Presentation (continued)

6. Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as “due from other funds” or “due to other funds” on the balance sheet when they are expected to be liquidated within one year. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

7. 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 exceeding 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 the acquisition value as of the date received.

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 fixed assets, as applicable.

Capital outlay for projects is capitalized as projects are constructed. Costs related to the construction of assets include engineering, legal, surveying and landscaping that were incurred from the beginning of construction until the assets were substantially complete are capitalized. Interest incurred during the construction phase is expensed as incurred.

Capital assets (excluding land and art) are depreciated using the straight-line method, over the estimated useful life.

8. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as expenditure and a fund liability of the governmental fund that will pay it. 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. In accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences,* no liability is recorded for non-vesting accumulating rights to receive sick pay benefits.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts Presentation (continued)

9. Deferred Outflows 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 two items that qualify for reporting in this category, unavailable revenue from property taxes reported in the governmental balance sheet and on the Statement of Net Position, and long-term lease revenue reported in the business-type funds. Property taxes are assessed in one year as a lien on the property, but not collected by the governmental unit until the subsequent year. Therefore, these amounts are deferred and recognized as an inflow from resources in the period that amounts become available. Deferred inflows attributable to lease revenues are discussed in Note I.E.11, below.

10. Unearned Revenue

For governmental funds, unearned revenues arise when potential revenue does not meet both the “measurable” and “available” criteria for recognition in the current period. For proprietary funds, unearned revenues arise when potential revenue is unearned. In subsequent periods, when revenue recognition criteria are met, or when the Town has legal claim to the resources, the liability for unearned revenue is removed and revenue is recognized.

11. Leases

The Town is a lessor for the lease of land, as further described in Note IV.D. The Town recognizes a lease receivable and a deferred inflow of resources in the government-wide and proprietary fund financial statements.

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received.

The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the lease term.

Key estimates and judgments include how the Town determines (1) the discount rate used to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The Town uses its estimated incremental borrowing rate as the discount rate for leases, and the lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts Presentation (continued)

11. Leases (continued)

The Town monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

12. Fund Balance Classifications

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 restriction placed upon fund balance. Fund balance can have different levels 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 is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note IV.J.

	General Fund	Vail Marketing Fund	Vail Local Marketing Disctict	Vail Reinvestment Authority	Housing Fund	Capital Projects Fund	Real Esate Transfer Tax Fund
Nonspendable:							
Non-current receivables	$ 972,778	$ -	$ -	$ -	$ -	$ -	$ -
Loans to other funds	-	-	-	-	-	4,297,222	-
Prepaid items	138,002	-	39,943	-	-	1,224,954	28,205
Inventories	-	-	-	-	777,840	-	-
Total - Nonspendable	1,110,780	-	39,943	-	777,840	5,522,176	28,205
Restricted:							
Settlement escrow	-	-	-	-		-	17,643,985
TABOR emergency reserve	2,844,000	-	169,000	166,000	-	-	-
Police funds	42,206	-	-	-	-	-	-
Total - Restricted	2,886,206	-	169,000	166,000	-	-	17,643,985
Committed:							
Capital projects	-	-	-	-	-	42,661,251	-
Parks and recreation	-	-	-	-	-	-	14,215,360
Housing	-	-	-	-	19,093,142	-	-
Operating reserve	21,833,663	-	-	-	-	-	-
Destination marketing	-	360,109	3,254,855	-	-	-	-
Total - Committed	21,916,441	360,109	3,254,855	-	19,093,142	42,661,251	14,215,360
Assigned:							
Capital maintenance	-	-	-	-	-	5,074,500	-
Debt service	-	-	-	6,718,186	-	-	-
Total - Assigned	$ -	$ -	$ -	$ 6,718,186	$ -	$ 5,074,500	$ -

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. Credit Risk

The receivables of the various funds of the Town are primarily due from other governments. Management believes that the credit risk related to the receivables is minimal.

3. 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

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position

The governmental fund Balance Sheet includes a reconciliation between the total fund balances of governmental funds and net position of governmental activities as reported in the government-wide Statement of Net Position. One element of that reconciliation explains "*Capital assets used in governmental activities are not financial resources and, therefore are not reported in the funds.*" This $235,173,249 difference is related to property, plant and equipment of $428,745,152 less accumulated depreciation of $193,571,903.

Another element of that reconciliation explains "*Other long-term assets and unearned charges are not available as current financial resources and, therefore, are not reported in the funds.*" This $620,624 difference is comprised of pension forfeitures of $659,465 and interest receivable of $26,858.

Net position totaling $14,260,629 for internal service funds used by management to charge the costs of heavy equipment and health insurance to individual funds is included in the governmental activities in the Statement of Net Position.

Additionally, the reconciliation states that "*Long-term liabilities, including bonds payable, interest payable, financed purchases, and compensated absences within governmental activities are not due and payable in the current period and, therefore, are not reported in the funds.*" This $19,162,559 difference is related to bonds and notes payable of $16,956,000; accrued compensated absences of $2,083,845; retirement bonus payable of $100,000; and interest payable of $22,714.

II. Reconciliation of Government-wide and Fund Financial Statements (continued)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes a reconciliation between the net change in fund balances of governmental funds and the change in net position of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains "*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 $1,106,710 difference is comprised of capital outlay of $13,956,585 less depreciation expense of $12,384,738; net book value of disposed assets of $465,137 and net book value of transferred assets of $-.

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.

Budgets are prepared on the basis of GAAP for all funds, except the Timber Ridge Enterprise Fund, the Dispatch Services Enterprise Fund, the Residences at Main Vail Enterprise Fund, and the Heavy Equipment Internal Service Fund. As required by Colorado statutes, all funds have legally adopted budgets and appropriations. Total expenditures for each fund may not exceed the amounts appropriated. Appropriations for a fund may be increased if offset by unanticipated revenues. All appropriations lapse at year-end.

The budgets for these funds have been adopted on a non-GAAP budget and are reconciled to GAAP below:

	Timber Ridge Enterprise Fund	Dispatch Services Fund	Residences at Main Vail Fund	Heavy Equipment Fund
Change in Net Position - Budget Basis	$ 1,215,683	$ 367,962	$ (9,126,123)	$ (248,900)
add/(less):				
Capital contributions	-	-	-	498,271
Loan principal repayment to Capital Projects Fund	395,574	-	-	-
Bond principal payments			435,000	
Change in accrued compensated absences	-	(29,690)	-	(1,847)
Capitalized assets	848,254	-	16,845,019	1,643,111
Net book value of disposed assets	-	(79,568)	-	(62,232)
Depreciation	(361,929)	(118,409)	(248,501)	(1,024,535)
Change in Net Position - GAAP Basis	$ 2,097,582	$ 140,295	$ 7,905,395	$ 803,868

III. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

The Town followed these procedures in preparing, approving, and enacting its budget for 2023:

(1) For the 2023 budget year, prior to August 25, 2022, the County Assessor sent the Town a certified assessed valuation of all taxable property within the Town's boundaries.
(2) Prior to the end of the 2022 fiscal year, the Town Manager submitted to the Town Council a budget and accompanying message.
(3) Prior to December 15, 2022, 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 ordinance 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.

Property taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2022 were collected in 2023 and taxes certified in 2023 will be collected in 2024. 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 one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16.

VLMD's budget timetable varies from the Town's. VLMD followed these procedures in preparing, approving, and enacting its budget for 2023:

(1) On or before September 30, 2022, VLMD must submit to the Board a recommended budget that details the revenues necessary to meet VLMD's operating requirements. This was done on September 20, 2022.
(2) After appropriate public notice and a required public hearing, the Board must adopt the proposed budget and a resolution that legally appropriated expenditures for the upcoming year on or before December 5, 2022. The Board adopted the 2023 budget on December 6, 2022.
(3) After adoption of the initial budget resolution, VLMD may make the following changes: a) approve supplemental appropriations to the extent of revenues in excess of those estimated in the budget; b) approve emergency appropriations; and c) reduce appropriations for which originally estimated revenues are insufficient.

III. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

VRA's budget timetable generally aligns with Town's in order to reflect reimbursements for capital projects within the VRA district. VRA followed these procedures in preparing, approving, and enacting its budget for 2023:

(1) For the 2023 budget year, prior to August 25, 2022, the County Assessor sent the Town a certified assessed valuation of all taxable property within the VRA's boundaries.
(2) After appropriate public notice and a required public hearing, the VRA must adopt the proposed budget and a resolution that legally appropriated expenditures for the upcoming year. This resolution generally aligns with the Town's second reading of the budget ordinance. The VRA adopted the 2023 budget on October 12, 2022.
(3) After adoption of the initial budget resolution, VRA may make the following changes: a) approve supplemental appropriations to the extent of revenues in excess of those estimated in the budget; b) approve emergency appropriations; and c) reduce appropriations for which originally estimated revenues are insufficient.

During the year, supplemental appropriations were necessary for certain of the funds of the Town, VLMD, and VRA. The budgetary comparison schedules reflect the original budget and the final budget after legally authorized revisions were made.

Expenditures in the Residences at Main Vail Enterprise Fund exceeded budgeted appropriations for the year, which may be a violation of Colorado's Budget Law.

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 a portion of the December 31, 2023 fund balance in the General Fund and the Vail Reinvestment Authority Fund for this purpose in the amounts of $2,844,000 and $166,000, respectively, which are the approximate required reserves.

II. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment (continued)

The initial base for local government spending and revenue limits is December 31, 1992 fiscal year spending. Future spending and revenue limits are determined based on the prior year's fiscal year spending adjusted for inflation in the prior calendar year plus annual local growth. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions. Revenue, if any, in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue.

On November 16, 1993, voters of the Town approved the collection and expenditure of all revenues generated, including reduction in debt service during 1993 and each subsequent year (not including revenue generated from ad valorem property taxes) without any increase in such tax rates and the expenditure of such revenues for debt service, municipal operations, and capital projects, effective January 1, 1994.

On November 7, 2000, the Town's electorate approved the collection and expenditure of all revenues received from ad valorem property taxes levied in 2000 and each year thereafter.

The remaining restrictions of the TABOR Amendment apply, which are:

- Voter approval of all new taxes and tax rate increases;
- Voter approval for new or additional Town debt;
- No increase or imposition of a new real estate transfer tax; and,
- All election requirements remain in effect.

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.

C. TABOR Amendment – Vail Local Marketing District

As required by TABOR, VLMD has reserved $169,000 of its fund balance for emergencies, which is the approximate required reserve at December 31, 2023.

The ballot question approved by VLMD voters on November 2, 1999, which established the 1.4% tax on lodging within the Town's boundaries, also authorized VLMD to collect and spend the proceeds of the lodging tax, investment income, and all other revenues, without regard to the limitations imposed by TABOR, effective January 1, 2000.

VLMD'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 will require judicial interpretation.

IV. Detailed Notes on all Funds

A. Deposit and Investments

Pursuant to its charter, the Town has adopted, by ordinance, an investment policy governing the types of institutions and investments with which it may deposit funds and transact business. Under this policy, the Town may invest in federally insured banks, debt obligations of the U.S. Government, its agencies and instrumentalities, governmental mutual funds and pools including 2a7-like pools, and repurchase agreements subject to policy requirements.

The Town also accounts for the operations of the employees' pension plans that are administered by select employees acting as trustees who are governed by a trust agreement. The trust agreement gives the trustees considerable latitude with investment alternatives. As a result, all pension investments are considered legal under the trust agreement.

The Town’s deposits and certificates of deposit are entirely covered by federal depository insurance (FDIC) or by collateral held under Colorado Public Deposit Protection Act (“PDPA”). The FDIC insures the first $250,000 of the Town’s deposits at each financial institution. Deposit balances over $250,000 are collateralized as required by PDPA. As of year-end, the bank balance of the Town’s deposits was $39,330,282. The difference between the bank balance and book balance is primarily due to deposits in transit or outstanding checks at December 31, 2023.

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

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

At December 31, 2023, 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**
Certificates of deposit	$ 20,091,518	$ -	$ 20,091,518	$ -
US Treasuries	996,614	-	996,614	-
US Agency bonds	16,610,967	-	16,610,967	-
Supranational bonds	1,033,764	-	1,033,764	-
Mortgage pools	16,864,533	-	-	16,864,533
Total	$ 55,597,396	$ -	$ 38,732,863	$ 16,864,533
Investments Measured at Net Asset Value:				
COLOTRUST	$ 71,015,161			

IV. Detailed Notes on all Funds (continued)

A. Deposit and Investments (continued)

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

- U.S. Treasuries, U.S. Agencies, and Commercial Paper: quoted prices for identical securities in markets that are not active;
- Negotiable Certificates of Deposit: matrix pricing based on the securities relationship to benchmark quoted prices;

Debt securities, namely mortgage pools, classified in Level 3 are valued using an appraisal service.

Pools: The Town has invested in the Colorado Government Liquid Asset Trust ("COLOTRUST"), which is an investment vehicle established for local government entities in Colorado to pool surplus funds. They operate similarly to a money market fund and each share is equal in value to $1. Investments of the trusts consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST is rated AAAm by Standard and Poor's.

Interest Rate Risk: As a means of limiting its exposure to interest rate risk, the Town diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer. The Town coordinates its investments maturities to closely match cash flow needs and invests primarily in securities with a maximum investment term less than five years from the purchase date. As a result of the limited length of maturities the Town has limited its interest rate risk.

Credit Risk: The Town's general investment policy is to apply the prudent-person 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.

Concentration of Credit Risk: The Town diversifies its investments by security type and institution. Credit quality distribution for investments, with credit exposure as a percentage of total investments, are as follows at year end:

Investment Type	Rating	Percentage
COLOTRUST	AAAm	31%

IV. Detailed Notes on all Funds (continued)

A. Deposit and Investments (continued)

At year end, the Town had the following investments and maturities:

Type	Rating	Maturities	Carrying Value
Deposits:			
Cash on hand			$ 1,430
Demand deposits			41,076,291
Certificates of deposit		<1 year	18,148,073
Certificates of deposit		<5 years	1,943,445
Total - Deposits			$ 61,169,239
Investments:			
US Treasuries	AA+	<5 years	$ 996,614
US Agency bonds			16,610,967
Supranational bonds			1,033,764
Mortgage pools	AA+	N/A	16,864,533
COLOTRUST	AAAm	N/A	73,084,369
Pension and Section 457 investments	N/A	N/A	121,117,472
Total - Investments			$ 229,707,719
Total deposits and investments			$ 290,876,958

Reconciliation to Statement of Net Position:	
Equity in pooled cash and investments	$ 150,444,906
Cash and cash equivalents - Unrestricted	18,335,813
Cash and cash equivalents - Restricted	978,767
Fiduciary funds	121,117,472
Total	$ 290,876,958

Investments in the Deferred Compensation Plan and the Pension Trust funds are held by trustees and are not categorized because they are not evidenced by specific securities that exist in physical or book form.

IV. Detailed Notes on all Funds (continued)

B. Receivables

Receivables as of year-end for the Town's funds, including applicable allowances for uncollectible accounts, are as follows:

	General Fund	Vail Marketing Fund	Vail Local Marketing District	Housing Fund	Capital Projects Fund	Real Estate Transfer Tax Fund
Receivables:						
Property taxes	$ 7,545,729	$ -	$ -	$ -	$ -	$ -
Other taxes	7,654,325	100,000	991,485	732,983	-	12,674
Other governments	906,012	-	1,726	-	-	50,194
Other	798,799	-	-	-	327,734	4,346
Lease receivable (*see Note IV.D*)	-	-	-	-	-	-
Receivables - Gross	16,904,865	100,000	993,211	732,983	327,734	67,214
Less: Allowance for uncollectibles	(35,000)	-	-	-	-	-
Receivables, net	$ 16,869,865	$ 100,000	$ 993,211	$ 732,983	$ 327,734	$ 67,214

	Timber Ridge	Dispatch Services Fund	Heavy Equipment Fund	Residences at Main Vail	Total
Receivables:					
Property taxes	$ -	$ -	$ -	$ -	$ 7,545,729
Other taxes	-	-	-	-	9,491,467
Other governments	-	-	-	-	957,932
Other	16,530	885	11,882	30,911	1,191,087
Lease receivable (*see Note IV.D*)	4,864,041	-	-	-	4,864,041
Receivables - Gross	4,880,571	885	11,882	30,911	24,050,256
Less: Allowance for uncollectibles	-	-	-	-	(35,000)
Receivables, net	$ 4,880,571	$ 885	$ 11,882	$ 30,911	$ 24,015,256

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Total unearned revenue for governmental activities totaled $4,231,055 at December 31, 2023 and is comprised of the following:

	General Fund	Vail Marketing Fund	Capital Projects Fund	Real Estate Transfer Tax Fund	Total
Unearned revenues:					
Business licenses	$ -	$ 203,729	$ -	$ -	$ 203,729
Art projects	-	-	-	10,826	10,826
Environmental programs	-	-	-	178,401	178,401
Federal grants	18,078	-	-	-	18,078
Parking fees	134,763	-	-	-	134,763
Library grants	62,381	-	-	-	62,381
Police programs	90,123	-	-	-	90,123
Construction projects	-	-	3,532,753	-	3,532,753
	$ 305,345	$ 203,729	$ 3,532,753	$ 189,227	$ 4,231,054

IV. Detailed Notes on all Funds (continued)

B. Receivables (continued)

Unearned revenue for construction projects in the Capital Projects Fund includes $1,696,109 collected from Holy Cross Energy for community enhancement to place utilities underground. The other $1,836,644 was collected from developers for road improvements. The revenue will be recognized in the year the money is spent.

Loans receivable at December 31, 2023 are comprised of amounts due under the Town's EHOP Program, which assists qualified full-time Town employees with the purchase of a primary residence within certain geographic boundaries, by providing secured, non-interest bearing loans. Repayment of loans made under the EHOP Program is over a maximum 15-year term, including the principal balance plus a portion of any recognized appreciation in the value of the underlying property. All such advances may be repaid at any time by the borrower-employee. The balance of EHOP Program loans receivable at December 31, 2023 was $972,778.

C. Capital Assets

Capital asset activity for the Town's governmental activities during 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 24,814,189	$ 10	$ -	$ 24,814,199
Art	2,975,660	40,616	-	3,016,276
Construction in process	3,509,638	5,015,221	(2,290,545)	6,234,314
Intangibles	16,465,296	696,436	-	17,161,732
Total Capital Assets, Not Being Depreciated	47,764,783	5,752,283	(2,290,545)	51,226,521
Capital Assets, Being Depreciated:				
Buildings and improvements	144,148,245	5,251,245	(369,499)	149,029,991
Infrastructure and improvements	184,840,611	3,324,039	(528,236)	187,636,414
Equipment and vehicles	54,210,258	3,718,553	(1,106,078)	56,822,733
Total Capital Assets Being Depreciated	383,199,114	12,293,837	(2,003,813)	393,489,138
Less Accumulated Depreciation For:				
Buildings and improvements	(63,082,059)	(3,362,593)	84,615	(66,360,037)
Infrastructure and improvements	(97,375,228)	(6,129,818)	264,307	(103,240,739)
Equipment and vehicles	(30,467,323)	(3,916,862)	1,035,728	(33,348,457)
Total Accumulated Depreciation	(190,924,610)	(13,409,273)	1,384,650	(202,949,233)
Total Capital Assets Being Depreciated, Net	192,274,504	(1,115,436)	(619,163)	190,539,905
Governmental Activities Capital Assets, Net	$ 240,039,287	$ 4,636,847	$ (2,909,708)	$ 241,766,426

IV. Detailed Notes on all Funds (continued)

C. Capital Assets

Capital asset activity for the Town's business-type activities during 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital Assets, Not Being Depreciated:				
Land	$ 4,570,520	$ -	$ -	$ 4,570,520
Construction in process	17,042,373	17,795,341	(33,887,392)	950,322
Total Capital Assets, Not Being Depreciated	21,612,893	17,795,341	(33,887,392)	5,520,842
Capital Assets, Being Depreciated:				
Buildings and improvements	9,429,160	33,847,083	-	43,276,243
Infrastructure and improvements	889,362	12,012	-	901,374
Equipment	1,538,624	40,310	(167,511)	1,411,423
Total Capital Assets Being Depreciated	11,857,146	33,899,405	(167,511)	45,589,040
Less Accumulated Depreciation For:				
Buildings and improvements	(5,360,069)	(561,183)	-	(5,921,252)
Infrastructure and improvements	(366,977)	(47,548)	-	(414,525)
Equipment	(573,349)	(120,108)	87,944	(605,513)
Total Accumulated Depreciation	(6,300,395)	(728,839)	87,944	(6,941,290)
Total Capital Assets Being Depreciated, Net	5,556,751	33,170,566	(79,567)	38,647,750
Business-type Activities Capital Assets, Net	$ 27,169,644	$ 50,965,907	$ (33,966,959)	$ 44,168,592

Depreciation expense for 2023 was charged to functions of the Town as follows:

Governmental Activities:	
General government	$ 1,005,105
Public safety	492,617
Public works and transportation	9,399,253
Culture and recreation	2,510,622
Total Depreciation Expense - Governmental Activities	$ 13,409,273
Business-type Activities:	
Dispatch services	$ 118,409
Housing	610,430
Total Depreciation - Business-type Activities	$ 728,839

Depreciation on capital assets is recorded using the following estimated useful lives:

	Years
Buildings	25 - 40
Building improvements	7 - 25
Infrastructure	5 - 50
Vehicles	5 - 15
Equipment	5 - 25

At December 31, 2023, the Town had $88,593,647 of fully-depreciated assets.

IV. Detailed Notes on all Funds (continued)

D. Lease Receivable

In September, 2014, the Town executed a Ground Lease and a Development Agreement with Lion’s Ridge Apartment Homes, LLC (“Lion’s Ridge”) with respect to the land on the eastern half of the Timber Ridge development (the “Property”). Under the terms of the Ground Lease, the Town leases the Property to Lion’s Ridge for a 50-year term, during which time Lion’s Ridge will construct and lease deed-restricted apartments on the Property. Pursuant to the Ground Lease, the Town grants Lion’s Ridge an option to purchase the Property at any time prior to December 31, 2024. The Town is reasonably certain Lion’s Ridge will exercise the option, and has calculated the lease receivable and related deferred inflows accordingly.

The future principal and interest lease payments as of December 31, 2023 were as follows:

	Principal	Interest	Total
2024	3,692,067	135,959	3,828,026
Totals	$ 3,692,067	$ 135,959	$ 3,828,026

Total outstanding current interest receivable on the lease is $1,171,974.

E. Interfund Receivables, Payables, and Transfers

At December 31, 2023, VRA owed the Capital Projects Fund $1,856,724 to complete Frontage Road improvements between the municipal building and the Lionshead parking structure, capital maintenance to the boulder wall and east slope near the Children's Garden of Learning, street scape maintenance in the village core areas, planning and design for the redevelopment of Dobson arena, and structural repairs at the Lionshead parking structure. The VRA also owed the General Fund management fees totaling $108,976.

The Timber Ridge Enterprise Fund has a promissory note payable to the Town which is reflected as an internal balance between the governmental activities and business-type activities categories on the Statement of Net Position. The note had an original principal balance of $8 million, bears interest at 1.5% per annum, calls for blended annual payments, and matures in December 2033. Timber Ridge remitted $67,425 of interest to the Town during 2023 and, as of December 31, 2023, had recorded $26,858 of accrued interest payable to the Town. The outstanding principal balance of the note at December 31, 2023 was $4,297,222.

Remaining debt service requirements for the $8 million promissory note are as follows:

	Principal	Interest	Total
2024	$ 401,508	$ 61,447	$ 462,955
2025	407,530	55,379	462,909
2026	413,643	49,220	462,863
2027	419,848	42,969	462,817
2028	426,146	36,624	462,770
2029 - 2033	2,228,547	84,566	2,313,113
Totals	$ 4,297,222	$ 330,206	$ 4,627,428

IV. Detailed Notes on all Funds (continued)

E. Interfund Receivables, Payables, and Transfers (continued)

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and, 3) provide additional resources for current operations or debt service.

All transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

F. Long-term Liabilities – Governmental Activities

The Town has the following long-term debt outstanding for governmental activities:

1. Vail Reinvestment Authority Tax Increment Revenue Bonds, Series 2010B

VRA issued $8,270,000 of Taxable Tax Increment Revenue Bonds (Direct Pay Build America Bonds) dated November 4, 2010 (the “2010B Bonds”). Proceeds from the 2010B Bonds will be used to finance the acquisition, construction and installation of an urban renewal project(s).

The interest rate on the 2010B Bonds ranges from 5.269% to 6.659% per annum, and is payable June 1 and December 1 annually from June 1, 2011 through June 1, 2030. Principal payments are payable June 1 and December 1 annually from June 1, 2019 through June 1, 2030.

VRA receives a federal subsidy known as the “BAB Credit” equal to 35% of corresponding interest as provided under the American Recovery and Reinvestment Act of 2009. This “BAB Credit” decreased by 8.7% beginning December 1, 2013 due to federal budget reductions. As of June 1, 2014 the “BAB Credit” decreased by 7.3% due to federal budget reductions. As of October 1, 2015, the refundable credit decreased by 6.8%, and as of October 1, 2016 reduced by 6.8%.

The 2010B Bonds are special limited obligations of VRA, equitably and ratably secured by an irrevocable pledge of the Trust Estate, funded by pledged incremental property tax revenues.

2010B Bonds maturing on or before June 1, 2020 are not subject to optional redemption prior to their respective maturity dates. The 2010B Bonds maturing on and after June 1, 2021 are subject to redemption prior to their respective maturity dates at the option of VRA at a price equal to the principal amount plus accrued interest to the redemption date without a premium. All 2010B Bonds are subject to mandatory sinking fund redemption.

In June 2020, the 2010B Bonds were refunded through the Refunding Loan, Series 2020.

IV. Detailed Notes on all Funds (continued)

F. Long-term Liabilities – Governmental Activities (continued)

2. Vail Reinvestment Authority Tax Increment Revenue Refunding Loan, Series 2020

VRA issued a $6,386,000 Tax Increment Revenue Refunding Loan, Series 2020 (the "Series 2020 Refunding Loan"), the proceeds of which were used to refund all outstanding 2010B Bonds. The Series 2020 Refunding Loan, which is secured by a pledge of VRA's property tax revenues, is a special limited obligation of VRA and not the Town. The interest rate on the Series 2020 Refunding Loan is 1.19% per annum, and is payable June 1 and December 1 annually from December 1, 2020 through maturity on June 1, 2030. Principal payments are due annually, beginning in June 2021, through maturity in June 2030. The Series 2020 Refunding Loan is not subject to prepayment at the Town's option.

The Town realized a net present value savings of $1,115,124 on the refunding of the 2010B Bonds.

3. Certificates of Participation, Series 2021

The Town issued $22,260,000 of Certificates of Participation dated October 27, 2021 (the "the Series 2021 Certificates"), with proceeds used to finance the acquisition, construction, installation, and equipping of rental workforce housing. The interest rates on the Series 2021 Certificates range from 2.65% to 4% and are payable on June 1 and December 1 through 2051. The Series 2021 Certificates maturing on or after December 1, 2032 are subject to redemption prior to maturity at the option of the Town, and on any date thereafter, at par plus accrued interest to the redemption date, with no redemption premium. Certificates maturing December 1, 2041, 2046, and 2051 are subject to a mandatory sinking fund redemption at a price equal to the principal amount thereof, plus accrued interest to the redemption date.

4. Lease Purchase Financing, Series 2021

During 2021, the Town entered into a Site and Improvement Lease and a Lease Purchase Agreement with Truist Bank ("Truist"), a North Carolina Banking Corporation, for $15,190,000 to finance the construction of additions and renovations to the respect to property currently utilized as the Town's Public Works facility (the "Site"). The loan bears interest at 1.75% and are payable on June 1 and December 1 through 2035.

G. Long-term Liabilities – Compensated Absences

The Town has a policy allowing the accumulation of paid vacation and sick leave, subject to certain maximum limits. In accordance with GAAP, the Town's approximate liability for vacation pay earned by employees at December 31, 2023 has been reflected in the proprietary type fund financial statements and in the governmental activities column of the government-wide financial statements. Accumulated sick pay of approximately $4,790,563 at December 31, 2023 has not been reflected in the Town's financial statements as the amount is partially insured by an independent insurance company and the amounts are not payable at termination.

IV. Detailed Notes on all Funds (continued)

H. Long-term Liabilities – Refunded

In prior years, the Town defeased certain general obligations and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. The bonds intended to be refunded by the refunding issues remain a contingent liability of the Town until retired; however, they are not included for the purposes of calculating debt limits of the Town. The amount of debt considered defeased cannot be readily determined as of December 31, 2023.

I. Long-term Liabilities - Activity and Debt Service Schedules

Long-term liability activity for the year ended December 31, 2023 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Tax Increment Revenue Refunding Loan, Series 2020	$ 6,386,000	$ -	$ (1,850,000)	$ 4,536,000	$ 626,000
Lease Purchase Financing, Series 2021	13,340,000	-	(920,000)	12,420,000	940,000
Compensated absences	1,535,093	605,359	-	2,140,452	642,136
Total Governmental Activities Long-term Liabilities	$ 21,261,093	$ 605,359	$ (2,770,000)	$ 19,096,452	$ 2,208,136
Business-type Activities:					
2021 Certificates of Participation	$ 21,945,000	$ -	$ (415,000)	$ 21,530,000	$ 435,000
Debt issuance premium	2,919,556	-	(100,675)	2,818,881	-
Compensated absences	101,898	29,691	-	131,589	39,477
Total Business-type Activities Long-term Liabilities	$ 24,966,454	$ 29,691	$ (515,675)	$ 24,480,470	$ 474,477

Debt service requirements for the governmental activities at December 31, 2023 were as follows:

	Principal	Interest	Total
Governmental Activities:			
2024	$ 1,566,000	$ 280,666	$ 1,846,666
2025	1,591,000	256,849	1,847,849
2026	1,611,000	232,605	1,843,605
2027	1,636,000	208,037	1,844,037
2028	1,660,000	208,037	1,868,037
2029-2033	6,637,000	555,529	7,192,529
2034-2038	2,255,000	89,188	2,344,188
Total Governmental Activities	$ 16,956,000	$ 1,830,910	$ 18,786,910

General obligation bonds issued for governmental activity purposes are liquidated by the Debt Service Fund, whereas general obligation bonds issued for component unit purposes are liquidated by the component unit.

IV. Detailed Notes on all Funds (continued)

I. Long-term Liabilities - Activity and Debt Service Schedules (continued)

Debt service requirements for the business-type activities at December 31, 2023 were as follows:

	Principal	Interest	Total
Business-Type Activities:			
2024	$ 435,000	$ 783,788	$ 1,218,788
2025	450,000	766,388	1,216,388
2026	470,000	748,388	1,218,388
2027	490,000	729,588	1,219,588
2028	505,000	709,988	1,214,988
2029-2033	2,865,000	3,228,738	6,093,738
2034-2038	3,480,000	2,608,538	6,088,538
2039-2043	4,235,000	1,854,538	6,089,538
2044-2048	5,135,000	951,650	6,086,650
2049-2051	3,465,000	183,488	3,648,488
Total Business-type Activities	$ 21,530,000	$ 12,565,088	$ 34,095,088

J. 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 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's original budget legislation begins with combining historical data, assessment of needs for the upcoming year and the Town's platform to review, and/or make changes to each department's budget. The budget is formally presented to the Town Council via an advertised public process for review, revisions and final approval by year-end. All subsequent budget requests made during the year, after Town Council approval, must be presented via a public process and again approved by Town Council.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. Fund balance may be assigned by Town Council or its management designees.

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)

J. 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.

The Town has a minimum fund balance policy of 35% of annual General Fund revenues.

In 2023, the Town reported restricted fund balance of $17,643,985 in the Real Estate Transfer Tax fund for payments to acquire the real property known as the Booth Heights land site. The amount is held in escrow with the courts and has not been accepted or received by the respondent-landowner.

V. Other Information

A. Pension Plans

The Town offers two defined contribution pension plans to cover all permanent paid employees of the Town. The Town established these qualified money purchase pension plans under Internal Revenue Code section 401(a), and may amend all of the plan provisions. The first plan covers all full time and qualified seasonal employees other than sworn police officers and firefighters; the second plan covers all full time and qualified seasonal employees of the Town's Police and Fire departments. The plan provisions are the same for both plans.

In defined contribution plans, benefits depend solely on amounts contributed to the plans plus investment earnings. Employees are eligible to participate in the plans from the date of employment or the effective date of the plans, January 1, 1983, whichever is later. The plans provide for contributions to be made by the Town of 12.6% of regular compensation for the first year of employment and 17.6% thereafter. For employees hired after April 1, 1986, the Town's contribution is 11.15% of regular compensation for the first year, and 16.15% thereafter.

Employees have the option to make voluntary contributions of up to 10% of their compensation. In the event of continued long-term disability of an employee, the Town's disability insurance will continue to make contributions to the plan for the employee through age 60 at the rate on the date of disability.

For employees hired before July 1, 1986, vesting of the Town's contributions is 77.5% after the first year of employment with an additional vesting of 7.5% per year through the fourth year, when vesting is 100%. For employees hired after June 30, 1986, vesting of the Town's contributions to the employees is 20% after the first year of employment with additional vesting of 20% per year through the fifth year, when vesting is 100%. If an employee dies, becomes disabled, or attains the age of 60, their entire interest in the plans becomes vested; normal retirement age is 60 with early retirement at age 50 and four years of service.

In 1991, the Town established a defined contribution pension plan for seasonal employees who work for the Town longer than 6 weeks. Seasonal employees are required to contribute 6% of regular compensation to the plan and the Town contributes 1.5%. Seasonal employees are 100% vested after their first contribution.

V. Other Information (continued)

A. Pension Plans (continued)

Employees covered under the regular and seasonal pension plans do not participate in the Social Security system. The annual pension cost is the Town's contributions less forfeitures from the prior year. The plans' invested assets at December 31, 2023 of $94,496,354 are stated at market value. All earnings, losses, expenses and changes in the fair market value of the trust fund will be apportioned at least annually among the participants in proportion to each participant's current share of the Trust Investment Fund. The Town has no liability for unfunded future vested employee benefits.

The trustees and administrators of the plans are the Retirement Board. The Retirement Board determines investment options made available to participants, in adherence with an adopted investment policy statement.

The total amount of the Town's 2023 covered payroll was $28,797,128 of which $25,699,301 was for permanent employees and $3,097,827 was for seasonal staff. Total 2023 payroll for all Town employees was $30,418,833.

B. Retirement Savings Plan – Deferred Compensation Plan – IRC 457

The Town offers its employees a deferred compensation plan (the "457 Plan") created in accordance with Internal Revenue Code section 457. 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 the 457 Plan participants and their beneficiaries.

The modified accrual basis of accounting is used for the 457 Plan.

The trustees and administrators of the 457 Plan are the Retirement Board, which comprises members of the Town's administration. The Retirement Board determines investment options made available to participants, in adherence to an adopted investment policy statement.

The Town has no liability for losses under the 457 Plan but does have the duty of due care that would be required of an ordinary prudent investor.

The total assets of the 457 Plan were $26,290,790 at December 31, 2023. The assets were invested in mutual funds, as previously described.

Pursuant to the Town's adoption of GASB Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, the 457 Plan has been included in these financial statements as an expendable trust fund.

C. Cafeteria Plan

The Town offers a cafeteria compensation plan organized under section 125 of the Internal Revenue Code, which includes dependent care and health expense reimbursement. No cost to the Town is recognized as the plan is a salary reduction plan.

V. Other Information (continued)

D. Risk Management

The Town is exposed to various risks of loss related to workers' compensation, general liability, unemployment, torts, theft of, damage to, and destruction of assets, and errors and omissions. The Town carries commercial coverage for these risks and claims and does not expect claims to exceed their coverage.

The Town offers health insurance to certain employees through the Town's self-funded health plan with excess coverage underwritten by a commercial carrier. Liabilities for retained risk claims are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported ("IBNR").

The following is a summary of the changes in the balances of the claims liability during 2023:

Claims liability, beginning of year	$ 306,695
Current year claims	(4,033,826)
Claims payments	4,318,506
Claims liability, end of year	$ 591,375

E. Commitments and Contingencies

1. Legal Claims

During the normal course of business, the Town may incur claims and other assertions against it from various agencies and individuals. Management of the Town and their legal representatives feel none of these claims or assertions are significant enough that they would materially affect the fairness of the presentation of the financial statements at December 31, 2023.

2. Federal Funds

Funds received from Federal grants and programs are subject to audit and disallowance on ineligible costs. Management of the Town feels any potential questioned or disallowed costs would not materially affect the fairness of the presentation of the financial statements at December 31, 2023.

F. Conduit Debt – Town of Vail, Colorado Multifamily Housing Revenue Bonds (Middle Creek Village Apartments Project), Series 2003A, 2003B and 2003-T

These bonds were issued in 2003 in an aggregate principal amount of $16,850,000 to finance construction of multi-family housing projects within the Town. The bonds mature in 2038. The bonds are solely payable from, and are secured by, a pledge of revenue from loan agreements between the Town and Middle Creek Village, LLC (as borrower). The borrower's obligation is secured by Deeds of Trust, Security Agreements, Financing Statements and assignment of rents and leases. The bonds are a special limited obligation of the Town, payable solely from the specified revenues of the projects, and do not constitute debt or indebtedness of the Town.

V. Other Information (continued)

G. Restatement

The Town has restated opening 2023 Government-Wide net position for governmental activities and opening 2023 fund balance in the Capital Projects Fund to reflect a change in reporting of franchise fees collected in previous years to deferred revenues. These adjustments to fund balance / net position were as follows:

Government-Wide Net Position, as previously reported	$ 386,863,709
Record deferred franchise fees	(700,261)
Government-Wide Net Position - Beginning of Year (restated)	$ 386,163,448
Capital Projects Fund Balance, as previously reported	$ 52,565,769
Record deferred franchise fees	(700,261)
Capital Projects Fund Balance - Beginning of Year (restated)	$ 51,865,508

TOWN OF VAIL

REQUIRED SUPPLEMENTARY INFORMATION

Town of Vail, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				2022
	Original Budget	**Final Budget**	**Actual**	**Final Budget Variance Positive (Negative)**	**Actual**
Revenues:					
Taxes:					
General sales taxes	21,080,000	24,852,700	24,853,000	300	24,771,000
Property and ownership taxes	6,070,410	6,070,410	6,077,562	7,152	6,041,413
Ski area lift ticket admissions tax	5,895,506	6,234,550	6,536,433	301,883	6,473,618
Franchise tax	1,177,755	1,177,755	1,348,479	170,724	1,325,361
Tobacco tax	525,000	525,000	553,661	28,661	549,445
Penalties and interest on delinquent taxes	48,627	48,627	59,514	10,887	58,446
Total - Taxes	34,797,298	38,909,042	39,428,649	519,607	39,219,283
Permits and Licenses:					
Construction fees	1,060,694	1,060,694	1,020,566	(40,128)	969,651
Contractors' licenses	55,272	55,272	63,850	8,578	59,700
Other permits and licenses	1,612,547	1,912,547	1,863,699	(48,848)	1,465,688
Total - Permits and Licenses	2,728,513	3,028,513	2,948,115	(80,398)	2,495,039
Intergovernmental:					
County sales tax	1,190,000	1,538,000	1,527,100	(10,900)	1,537,472
County road and bridge	753,826	782,523	784,612	2,089	795,229
Additional motor vehicle registration fees	28,191	28,191	25,055	(3,136)	28,105
Highway users tax	223,323	223,323	226,494	3,171	228,525
Other county sources	287,500	297,500	86,000	(211,500)	187,500
Other state sources	344,832	960,288	814,387	(145,901)	808,348
Federal sources	229,274	2,062,843	626,028	(1,436,815)	1,810,435
Total - Intergovernmental	3,056,946	5,892,668	4,089,676	(1,802,992)	5,395,614
Charges for Services:					
Management fees - Vail Local Marketing District	160,000	160,000	175,000	15,000	145,000
Internal service charge	581,143	611,143	631,630	20,487	711,534
Out of district fire response	41,616	41,616	91,880	50,264	82,120
Parking	7,769,724	8,578,500	9,431,577	853,077	8,153,534
Fines and forfeitures	210,700	321,500	335,041	13,541	230,774
Rents	1,415,001	1,462,486	1,589,795	127,309	1,418,890
Other charges, services, and sales	217,221	258,588	265,159	6,571	281,635
Total - Charges for Services	10,395,405	11,433,833	12,520,082	1,086,249	11,023,487
Investment Income:					
Earnings on investments	150,000	1,416,026	3,179,219	1,763,193	169,375
Miscellaneous:					
Miscellaneous	318,000	328,445	216,154	(112,291)	261,189
Total Revenues	51,446,162	61,008,527	62,381,895	1,373,368	58,563,987

(Continuing)

Town of Vail, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022
(Continued)

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Expenditures:					
General Government:					
Town officials	2,151,231	3,147,726	3,024,938	122,788	2,388,333
Administrative	7,648,269	8,736,667	5,777,964	2,958,703	5,710,327
Community development	3,475,165	4,015,569	2,617,779	1,397,790	2,691,258
Total - General Government	13,274,665	15,899,962	11,420,681	4,479,281	10,789,918
Public Safety:					
Police department	8,025,497	8,654,000	8,823,063	(169,063)	7,560,233
Fire department	5,924,074	6,625,086	6,627,194	(2,108)	6,005,342
Total - Public Safety	13,949,571	15,279,086	15,450,257	(171,171)	13,565,575
Public Works and Transportation:					
Highways and streets	6,563,120	6,811,296	6,527,425	283,871	5,622,398
Transportation	6,386,905	6,762,933	6,807,613	(44,680)	6,527,048
Parking operations	2,218,345	2,445,795	2,140,313	305,482	2,002,102
Facility maintenance	6,070,109	6,148,887	6,229,229	(80,342)	5,592,784
Total - Public Works and Transportation	21,238,479	22,168,911	21,704,580	464,331	19,744,332
Culture and Recreation:					
Special recreation facilities	299,850	299,850	307,798	(7,948)	301,992
Library	1,161,184	1,241,050	1,218,021	23,029	1,233,919
Total - Culture and Recreation	1,461,034	1,540,900	1,525,819	15,081	1,535,911
Economic Development:					
Contributions, marketing, and special events	1,847,756	2,319,448	2,044,423	275,025	1,853,272
Total Expenditures	51,771,505	57,208,307	52,145,760	5,062,547	47,489,008
Excess (Deficiency) of Revenues Over Expenditures	(325,343)	3,800,220	10,236,135	6,435,915	11,074,979
Other Financing Sources (Uses):					
Sale of assets	-	-	6,547	6,547	65,226
Transfers out	(2,700,000)	(8,838,697)	(2,461,349)	6,377,348	(2,116,938)
Total Other Financing Sources (Uses)	(2,700,000)	(8,838,697)	(2,244,802)	6,593,895	(2,051,712)
Net Change in Fund Balance	(3,025,343)	(5,038,477)	7,991,333	13,029,810	9,023,267
Fund Balance - January 1	49,753,859	53,449,555	53,449,555	-	44,426,288
Fund Balance - December 31	46,728,516	48,411,078	61,440,888	13,029,810	53,449,555

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

Town of Vail, Colorado
Vail Marketing Fund - Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Permits and Licenses:					
Business licenses	345,000	345,000	354,366	9,366	362,978
Investment Income:					
Interest on investments	250	250	14,518	14,268	(3,334)
Miscellaneous:					
Project reimbursements/shared costs	-	100,000	100,000	-	127,500
Total Revenues	345,250	445,250	468,884	23,634	487,144
Expenditures:					
Economic Development:					
Special events	2,172,312	2,232,017	1,620,528	611,489	1,589,724
Commission on special events	811,648	811,648	712,513	99,135	689,698
Cultural heritage	125,000	125,000	125,000	-	8,000
Administration fee	17,250	17,250	17,718	(468)	18,149
Total Expenditures	3,126,210	3,185,915	2,475,759	710,156	2,305,571
Excess (Deficiency) of Revenues Over Expenditures	(2,780,960)	(2,740,665)	(2,006,875)	733,790	(1,818,427)
Other Financing Sources (Uses):					
Transfers (out)	-	(100,295)	(99,338)	957	-
Transfers in	2,700,000	2,735,000	2,050,000	(685,000)	1,825,000
Total Other Financing Sources (Uses)	2,700,000	2,634,705	1,950,662	(684,043)	1,825,000
Net Change in Fund Balance	(80,960)	(105,960)	(56,213)	49,747	6,573
Fund Balance - January 1	407,124	416,322	416,322	-	409,749
Fund Balance - December 31	326,164	310,362	360,109	49,747	416,322

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

Town of Vail, Colorado
Vail Local Marketing District - Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Lodging tax	4,500,000	5,305,000	5,489,112	184,112	5,472,949
Investment Income:					
Interest on investments	1,000	36,000	125,984	89,984	2,730
Total Revenues	4,501,000	5,341,000	5,615,096	274,096	5,475,679
Expenditures:					
Economic Development:					
Destination	1,110,500	1,035,420	1,196,357	(160,937)	951,881
Front Range	355,000	415,880	229,148	186,732	267,708
Groups and meetings	300,705	300,705	275,511	25,194	229,324
Marketing	2,067,970	2,728,640	2,076,270	652,370	1,842,896
Event liaison	26,000	26,000	26,000	-	25,000
Purchased services	839,825	940,145	839,331	100,814	968,414
Total Expenditures	4,700,000	5,446,790	4,642,617	804,173	4,285,223
Excess (Deficiency) of Revenues Over Expenditures	(199,000)	(105,790)	972,479	1,078,269	1,190,456
Other Financing Sources (Uses):					
Transfers (out)	(1,400,000)	(1,410,000)	(1,410,000)	-	-
Total Other Financing Sources (Uses)	(1,400,000)	(1,410,000)	(1,410,000)	-	-
Net Change in Fund Balance	(1,599,000)	(1,515,790)	(437,521)	1,078,269	1,190,456
Fund Balance - January 1	3,175,898	3,901,317	3,901,319	2	2,710,863
Fund Balance - December 31	1,576,898	2,385,527	3,463,798	1,078,271	3,901,319

Town of Vail, Colorado
Vail Reinvestment Authority - Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Property tax	6,311,000	4,737,495	4,613,220	(124,275)	6,296,288
Investment Income:					
Interest on investments	5,400	255,400	434,719	179,319	11,585
Other:					
Shared costs/project reimbursements	-	469,525	469,525	-	-
Total Revenues	6,316,400	5,462,420	5,517,464	55,044	6,307,873
Expenditures:					
Economic Development:					
Administration	112,000	112,000	108,976	3,024	111,613
Treasurer's fees	189,330	189,330	185,306	4,024	188,891
Professional fees	10,000	10,000	-	10,000	215
Vail Square Metro District	689,670	689,670	696,936	(7,266)	694,055
Capital outlay	-	-	-	-	-
Total - Economic Development	1,001,000	1,001,000	991,218	9,782	994,774
Debt Service:					
Principal	620,000	620,000	620,000	-	612,000
Interest	62,166	62,166	58,307	3,859	64,168
Total - Debt Service	682,166	682,166	678,307	3,859	676,168
Total Expenditures	1,683,166	1,683,166	1,669,525	13,641	1,670,942
Excess (Deficiency) of Revenues Over Expenditures	4,633,234	3,779,254	3,847,939	68,685	4,636,931
Other Financing Sources (Uses):					
Transfers out	(2,550,000)	(7,081,546)	(1,856,724)	5,224,822	(2,291,996)
Net Change in Fund Balance	2,083,234	(3,302,292)	1,991,215	5,293,507	2,344,935
Fund Balance - January 1	4,879,094	4,892,971	4,892,971	-	2,548,036
Fund Balance - December 31	6,962,328	1,590,679	6,884,186	5,293,507	4,892,971

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

Town of Vail, Colorado
Housing Fund - Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Sales tax	4,125,000	4,858,410	5,075,762	217,352	4,954,438
Investment Income:					
Interest on investments	-	-	304,854	304,854	-
Miscellaneous:					
Project reimbursements/shared costs	-	1,000,000	1,000,000	-	2,040,000
Employee Housing Fee-in-Lieu	-	17,104	17,104	-	52,425
Miscellaneous	-	-	4,000	4,000	6,750
Total - Miscellaneous	-	1,017,104	1,021,104	4,000	2,099,175
Total Revenues	4,125,000	5,875,514	6,401,720	526,206	7,053,613
Expenditures:					
Public Works:					
Capital projects and acquisition	3,500,000	17,856,876	3,173,372	14,683,504	587,090
Total Expenditures	3,500,000	17,856,876	3,173,372	14,683,504	587,090
Excess (Deficiency) of Revenues Over Expenditures	625,000	(11,981,362)	3,228,348	15,209,710	6,466,523
Other Financing Sources (Uses):					
Sale of assets	-	1,054,000	(164,436)	(1,218,436)	(362,157)
Transfers in	3,700,000	3,700,000	3,700,000	-	7,852,704
Transfers (out)	-	(1,000,000)	(850,000)	150,000	-
Total Other Financing Sources (Uses)	3,700,000	3,754,000	2,685,564	(1,068,436)	7,490,547
Net Change in Fund Balance	4,325,000	(8,227,362)	5,913,912	14,141,274	13,957,070
Fund Balance - January 1	923,532	13,957,070	13,957,070	-	-
Fund Balance - December 31	5,248,532	5,729,708	19,870,982	14,141,274	13,957,070

SUPPLEMENTARY INFORMATION

Town of Vail, Colorado
Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual (Restated)
Revenues:					
Taxes:					
Sales tax	12,920,000	15,232,300	17,641,761	2,409,461	16,536,790
Construction use tax	2,000,000	2,200,000	2,532,881	332,881	2,189,830
Franchise tax	1,000,000	1,000,000	-	(1,000,000)	-
Total - Taxes	15,920,000	18,432,300	20,174,642	1,742,342	18,726,620
Intergovernmental:					
County revenues	-	111,333	-	(111,333)	445,009
State grants	250,000	2,606,276	-	(2,606,276)	-
Federal grants	-	3,464,882	-	(3,464,882)	5,441
Total - Intergovernmental	250,000	6,182,491	-	(6,182,491)	450,450
Charges for Services:					
Leases - Vail Commons	164,067	164,067	170,392	6,325	123,409
Investment Income:					
Interest on investments	530,347	1,530,347	2,358,673	828,326	82,246
Miscellaneous:					
Project reimbursements/shared costs	-	7,500	49,371	41,871	41,683
Miscellaneous	-	-	-	-	460
Total - Miscellaneous	-	7,500	49,371	41,871	42,143
Total Revenues	16,864,414	26,316,705	22,753,078	(3,563,627)	19,424,868
Expenditures:					
Public Works:					
Capital projects and acquisition	21,434,818	50,141,378	14,611,918	35,529,460	19,314,285
Debt Service:					
Principal payments	920,000	920,000	920,000	-	905,000
Interest	234,784	234,784	234,784	-	250,712
Total - Debt Service	1,154,784	1,154,784	1,154,784	-	1,155,712
Total Expenditures	22,589,602	51,296,162	15,766,702	35,529,460	20,469,997
Excess (Deficiency) of Revenues Over Expenditures	(5,725,188)	(24,979,457)	6,986,376	31,965,833	(1,045,129)
Other Financing Sources (Uses):					
Debt issuance costs	-	-	(1,250)	1,250	(1,250)
Sale of assets	-	-	45,000	45,000	314,724
Transfers in	2,550,000	7,230,204	1,956,062	(5,274,142)	2,311,996
Transfers (out)	(3,325,000)	(8,600,444)	(7,593,769)	1,006,675	(9,074,465)
Total Other Financing Sources (Uses)	(775,000)	(1,370,240)	(5,593,957)	(4,223,717)	(6,448,995)
Net Change in Fund Balance	(6,500,188)	(26,349,697)	1,392,419	27,742,116	(7,494,124)
Fund Balance - January 1 (restated)	20,581,199	47,872,974	51,865,508	3,992,534	59,359,632
Fund Balance - December 31	14,081,011	21,523,277	53,257,927	31,734,650	51,865,508

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

Town of Vail, Colorado
Real Estate Transfer Tax Fund - Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Real estate transfer tax	7,000,000	7,600,000	7,994,852	394,852	9,603,456
Intergovernmental Revenue:					
Lottery revenue	30,000	30,000	32,959	2,959	30,714
Other county revenue	-	780,500	314,227	(466,273)	40,000
Other state revenue	270,000	367,500	333,783	(33,717)	7,240
Total - Intergovernmental Revenue	370,000	1,178,000	680,969	(497,031)	77,954
Charges for Services:					
Recreation amenities fee	10,000	10,000	5,858	(4,142)	6,190
Land lease to Vail Recreation District	173,417	173,417	182,663	9,246	181,507
Total - Charges for Services	183,417	183,417	188,521	5,104	187,697
Investment Income:					
Interest on investments	19,176	604,176	1,058,070	453,894	45,786
Miscellaneous:					
Project reimbursements	50,000	63,039	72,513	9,474	25,128
Donations	-	71,721	71,666	(55)	23,287
Other	-	99,895	65,955	(33,940)	77,762
Total - Miscellaneous	50,000	234,655	210,134	(24,521)	126,177
Total Revenues	7,622,593	9,800,248	10,132,546	332,298	10,041,070
Expenditures:					
Public Safety					
Fire suppression	944,272	1,170,379	790,688	379,691	784,150
Public Works:					
Capital projects	2,814,559	30,544,135	3,284,274	27,259,861	3,710,782
Culture and Recreation:					
Project management	350,000	380,000	399,743	(19,743)	480,173
Park maintenance	2,234,540	2,317,946	1,860,139	457,807	1,726,336
Environmental sustainability	1,622,202	2,565,402	1,853,528	711,874	1,437,864
Art in public places	165,888	182,615	178,159	4,456	164,976
Total - Culture and Recreation	4,372,630	5,445,963	4,291,569	1,154,394	3,809,349
Total Expenditures	8,131,461	37,160,477	8,366,531	28,793,946	8,304,281
Excess (Deficiency) of Revenues Over Expenditures	(508,868)	(27,360,229)	1,766,015	29,126,244	1,736,789
Other Financing Sources (Uses):					
Transfers in	-	5,841,645	197,660	(5,643,985)	109,546
Total Other Financing Sources (Uses)	-	5,841,645	197,660	(5,643,985)	109,546
Net Change in Fund Balance	(508,868)	(21,518,584)	1,963,675	23,482,259	1,846,335
Fund Balance - January 1	6,624,542	29,923,875	29,923,875	-	28,077,540
Fund Balance - December 31	6,115,674	8,405,291	31,887,550	23,482,259	29,923,875

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

Town of Vail, Colorado
Timber Ridge Fund - Enterprise Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Rents	1,865,753	1,814,753	1,676,624	(138,129)	1,812,816
Ground lease	-	-	454,545	454,545	454,545
Other	14,724	14,724	42,346	27,622	50,736
Total Operating Revenues	1,880,477	1,829,477	2,173,515	344,038	2,318,097
Operating Expenses:					
Operating expenses	515,617	723,217	693,825	29,392	510,985
Capital outlay	-	850,000	848,254	1,746	3,450
Total Operating Expenses	515,617	1,573,217	1,542,079	31,138	514,435
Operating Income (Loss)	1,364,860	256,260	631,436	375,176	1,803,662
Non-operating Revenues (Expenses):					
Interest on investments	180	180	80,694	80,514	7,024
Interest expense	(70,392)	(70,392)	(64,953)	5,439	(70,879)
Loan principal repayment - Capital Projects Fund	(392,607)	(392,607)	(395,574)	(2,967)	(389,728)
Contributed capital	-	-	114,080	114,080	-
Total Non-operating Revenue (Expenses)	(462,819)	(462,819)	(265,753)	197,066	(453,583)
Income (Loss) Before Transfers	902,041	(206,559)	365,683	572,242	1,350,079
Transfers in	-	850,000	850,000	-	-
Change in Net Position - Budget Basis	902,041	643,441	1,215,683	572,242	1,350,079
Reconciliation to GAAP Basis:					
Adjustments:					
Loan principal repayment - Capital Projects Fund			395,574		389,728
Capitalized assets			848,254		3,450
Depreciation			(361,929)		(361,541)
Total Adjustments			881,899		31,637
Change in Net Position - GAAP Basis			2,097,582		1,381,716

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

Town of Vail, Colorado
Dispatch Services Fund - Enterprise Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Charges and Fees:					
Dispatch service fee	669,317	669,317	669,317	-	652,938
Dispatching contracts	1,444,427	1,444,427	1,442,641	(1,786)	1,298,899
Total Operating Revenues	2,113,744	2,113,744	2,111,958	(1,786)	1,951,837
Operating Expenses:					
Public Safety:					
Salaries and benefits	2,576,635	2,833,672	2,547,374	286,298	2,215,602
Operating expenses	596,611	596,611	566,787	29,824	466,206
Capital outlay	87,528	192,528	85,145	107,383	27,528
Total Operating Expenses	3,260,774	3,622,811	3,199,306	423,505	2,709,336
Operating (Loss) - Budget Basis	(1,147,030)	(1,509,067)	(1,087,348)	421,719	(757,499)
Non-operating Revenues:					
Operating grant - Intergovernmental	-	103,000	103,000	-	11,103
Operating grant - E-911 Board	1,067,535	1,067,535	1,067,535	-	956,272
Project reimbursements	-	-	-	-	200
Earnings on investments	658	50,658	130,738	80,080	6,481
Total Non-operating Revenues	1,068,193	1,221,193	1,301,273	80,080	974,056
Income (Loss) Before Transfers	(78,837)	(287,874)	213,925	501,799	216,557
Transfers in	-	154,037	154,037	-	113,998
Change in Net Position - Budget Basis	(78,837)	(133,837)	367,962	501,799	330,555
Reconciliation to GAAP Basis:					
Adjustments:					
Change in accrued compensated absences			(29,690)		11,896
Net book value of disposed assets			(79,568)		-
Depreciation			(118,409)		(147,325)
Total Adjustments			(227,667)		(135,429)
Change in Net Position - GAAP Basis			140,295		195,126

Town of Vail, Colorado
Residences at Main Vail Fund - Enterprise Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				2022
	Original Budget	**Final Budget**	**Actual**	**Final Budget Variance Positive (Negative)**	**Actual**
Operating Revenues:					
Rents	725,802	409,931	463,945	54,014	-
Other	48,000	48,000	79,081	31,081	-
Total Operating Revenues	773,802	457,931	543,026	85,095	-
Operating Expenses:					
Operating expenses	362,305	325,494	294,820	30,674	-
Capital outlay	-	14,957,038	16,845,019	(1,887,981)	13,096,898
Total Operating Expenses	362,305	15,282,532	17,139,839	(1,857,307)	13,096,898
Operating Income (Loss)	411,497	(14,824,601)	(16,596,813)	(1,772,212)	(13,096,898)
Non-operating Revenues (Expenses):					
Intergovernmental grants	-	155,967	1,365,835	1,209,868	-
Interest on investments	-	155,967	197,916	41,949	149,681
Interest expense	(800,388)	(800,388)	(698,330)	102,058	(788,354)
Capital contributions	-	-	1,950,000	1,950,000	-
Bond principal payments	-	-	(435,000)	(435,000)	(315,000)
Financing fees	-	(3,000)	(3,500)	(500)	(1,250)
Total Non-operating Revenue (Expenses)	(800,388)	(491,454)	2,376,921	2,868,375	(954,923)
Income (Loss) Before Transfers	(388,891)	(15,316,055)	(14,219,892)	1,096,163	(14,051,821)
Transfers in	825,000	6,250,444	5,093,769	(1,156,675)	1,221,760
Change in Net Position - Budget Basis	436,109	(9,065,611)	(9,126,123)	(60,512)	(12,830,061)
Reconciliation to GAAP Basis:					
Adjustments:					
Bond principal payments			435,000		315,000
Capitalized assets			16,845,019		13,096,898
Depreciation			(248,501)		-
Total Adjustments			17,031,518		13,411,898
Change in Net Position - GAAP Basis			7,905,395		581,837

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

Town of Vail, Colorado
Heavy Equipment Fund - Internal Service Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Charges and Fees:					
Operating charges	3,078,196	3,112,002	2,863,212	(248,790)	2,537,204
Replacement charges	1,145,933	1,145,933	1,236,178	90,245	986,149
Total - Charges and Fees	4,224,129	4,257,935	4,099,390	(158,545)	3,523,353
Insurance reimbursements	5,000	85,081	89,754	4,673	54,753
Other	20,000	20,000	-	(20,000)	-
Total Operating Revenues	4,249,129	4,363,016	4,189,144	(173,872)	3,578,106
Operating Expenses:					
Public Works:					
Vehicle maintenance and fuel	3,446,628	3,574,189	3,198,779	375,410	3,073,977
Capital outlay	1,355,886	2,692,942	1,643,111	1,049,831	1,351,972
Total Operating Expenses	4,802,514	6,267,131	4,841,890	1,425,241	4,425,949
Operating Income (Loss) - Budget Basis	(553,385)	(1,904,115)	(652,746)	1,251,369	(847,843)
Non-operating Revenues:					
Intergovernmental revenues	-	-	24,718	24,718	28,406
Earnings on investments	810	39,810	102,033	62,223	2,689
Proceeds from sale of assets	294,238	294,238	217,443	(76,795)	188,745
Total Non-operating Revenues:	295,048	334,048	344,194	10,146	219,840
Transfers in	-	59,652	59,652	-	48,394
Change in Net Position - Budget Basis	(258,337)	(1,510,415)	(248,900)	1,261,515	(579,609)
Reconciliation to GAAP Basis:					
Adjustments:					
Contribution from Capital Projects Fund			498,271		350,031
Change in accrued compensated absences			(1,847)		(422)
Capitalized assets			1,643,111		1,351,972
Net book value of disposed assets			(62,232)		(8,105)
Depreciation			(1,024,535)		(932,215)
Total Adjustments			1,052,768		761,261
Change in Net Position - GAAP Basis			803,868		181,652

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

Town of Vail, Colorado
Health Insurance Fund - Internal Service Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

	2023				2022
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Charges and Fees:					
Insurance premiums	4,748,921	4,748,921	4,799,723	50,802	4,748,921
Insurance premiums - Employee contributions	993,081	993,081	934,460	(58,621)	790,302
Total Operating Revenues	5,742,002	5,742,002	5,734,183	(7,819)	5,539,223
Operating Expenses:					
General Government:					
Health claims	4,675,739	4,675,739	4,389,906	285,833	3,378,056
Premiums	1,690,000	1,690,000	1,584,181	105,819	1,463,391
Administrative fees	118,820	118,820	61,128	57,692	52,043
Total Operating Expenses	6,484,559	6,484,559	6,035,215	449,344	4,893,490
Operating Income (Loss)	(742,557)	(742,557)	(301,032)	441,525	645,733
Non-operating Revenues:					
Earnings on investments	15,000	115,000	272,194	157,194	10,924
Change in Net Position	(727,557)	(627,557)	(28,838)	598,719	656,657

Town of Vail, Colorado
Internal Service Funds
Combining Statement of Net Position
December 31, 2023

	Heavy Equipment Fund	Health Insurance Fund	Total
Assets:			
Current Assets:			
Equity in pooled cash and investments	2,582,595	5,609,915	8,192,510
Accounts receivable, net of allowance for uncollectibles	11,882	-	11,882
Inventory	462,423	-	462,423
Prepaid expenses	-	60,100	60,100
Total - Current Assets	3,056,900	5,670,015	8,726,915
Non-current Assets:			
Property, plant, and equipment, net of accumulated depreciation	6,593,177	-	6,593,177
Total Assets	9,650,077	5,670,015	15,320,092
Liabilities:			
Current Liabilities:			
Accounts payable	307,109	595,488	902,597
Accrued salaries and wages	36,174	-	36,174
Current portion of compensated absences	16,982	-	16,982
Total - Current Liabilities	360,265	595,488	955,753
Non-current Liabilities:			
Compensated absences, net of current portion	39,625	-	39,625
Total Liabilities	399,890	595,488	995,378
Net Position:			
Net investment in capital assets	6,593,177	-	6,593,177
Unrestricted	2,657,010	5,074,527	7,731,537
Total Net Position	9,250,187	5,074,527	14,324,714

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

Town of Vail, Colorado
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2023

	Heavy Equipment Fund	Health Insurance Fund	Total
Operating Revenues:			
Charges for services - Internal	4,099,390	4,799,723	8,899,113
Charges for services - External	-	934,460	934,460
Insurance reimbursements	89,754	-	89,754
Total Operating Revenues	4,189,144	5,734,183	9,923,327
Operating Expenses:			
Operations	3,200,626	61,128	3,261,754
Health claims and premiums	-	5,974,087	5,974,087
Depreciation	1,024,535	-	1,024,535
Total Operating Expenses	4,225,161	6,035,215	10,260,376
Operating Income (Loss)	(36,017)	(301,032)	(337,049)
Non-operating Revenues (Expenses):			
Intergovernmental revenues	24,718	-	24,718
Gain (loss) on disposal of assets	155,211	-	155,211
Investment income	102,033	272,194	374,227
Total Non-operating Revenues (Expenses)	281,962	272,194	554,156
Income (Loss) Before Transfers and Capital Contributions	245,945	(28,838)	217,107
Transfers In	59,652	-	59,652
Capital contributions, net	498,271	-	498,271
Change in Net Position	803,868	(28,838)	775,030
Net Position - January 1	8,446,319	5,103,365	13,549,684
Net Position - December 31	9,250,187	5,074,527	14,324,714

Town of Vail, Colorado
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2023

	Heavy Equipment Fund	Health Insurance Fund	Total
Cash Flows From Operating Activities:			
Cash received from other funds	4,099,390	4,799,720	8,899,110
Other cash receipts	98,974	935,603	1,034,577
Cash paid for goods and services	(2,123,055)	(5,747,010)	(7,870,065)
Cash paid to employees	(1,228,388)	-	(1,228,388)
Net Cash Provided (Used) by Operating Activities	846,921	(11,687)	835,234
Cash Flows From Non-Capital Financing Activities:			
Cash received from operating grants	24,718	-	24,718
Transfer from other funds	59,652	-	59,652
Net Cash Provided (Used) by Non-Capital Financing Activities	84,370	-	84,370
Cash Flows From Capital and Related Financing Activities:			
Cash received from disposal of fixed assets	176,958	-	176,958
Acquisition and construction of capital assets	(1,168,437)	-	(1,168,437)
Net Cash Provided (Used) by Capital and Related Financing Activities	(991,479)	-	(991,479)
Cash Flows From Investing Activities:			
Interest on investments	102,033	272,194	374,227
Net Cash Provided (Used) by Investing Activities	102,033	272,194	374,227
Net Change in Cash and Cash Equivalents	41,845	260,507	302,352
Cash and Cash Equivalents - January 1	2,540,750	5,349,408	7,890,158
Cash and Cash Equivalents - December 31	2,582,595	5,609,915	8,192,510
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	(36,017)	(301,032)	(337,049)
Adjustments:			
Depreciation	1,024,535	-	1,024,535
(Increase) decrease in accounts receivable	9,220	1,144	10,364
(Increase) decrease in inventory	(57,134)	-	(57,134)
Increase (decrease) in accounts payable	(96,088)	288,201	192,113
Increase (decrease) in accrued wages and benefits	2,405	-	2,405
Total Adjustments	882,938	289,345	1,172,283
Net Cash Provided (Used) by Operating Activities	846,921	(11,687)	835,234
Non-cash Investing, Capital and Financing Activities:			
Assets contributed by Capital Projects Fund	498,271	-	498,271

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

Town of Vail, Colorado
Capital Projects Fund
Schedule of Project Expenditures - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

Project Number	Project Name	2023 Final Budget	2023 Actual	2023 Variance Positive (Negative)	2022 Actual
CBI021	Donovan Park Pavilion	25,000	-	25,000	8,781
CBI026	Welcome Center Maintenance	351,000	254,222	96,778	1,003
CBI027	Public Works Remodel	175,037	60,493	114,544	1,570,279
CBI028	Building Energy Enhacements	25,000	-	25,000	-
CEP001	Fire Truck Purchase	2,267,162	543,853	1,723,309	841,573
CEP002	Hybrid Bus Battery Replacement	165,000	-	165,000	-
CEP004	Replace Buses	9,846,643	1,866	9,844,777	3,357
CEP005	Computer Hardware	75,000	71,626	3,374	68,589
CEP007	Phone System Upgrade	100,000	58,016	41,984	-
CEP008	Parking Entry System	526,898	199,889	327,009	1,018,512
CEP010	Network Upgrades	65,000	60,068	4,932	64,388
CEP011	Document Imaging	-	-	-	7,640
CEP018	Web Page / E Commerce	65,000	62,744	2,256	79,354
CEP019	Public Safety System	-	-	-	4,287
CEP022	Audio Visual	185,000	183,891	1,109	109,013
CEP026	Fire Equipment	27,000	27,732	(732)	227,384
CEP030	Vehicle Expansion	641,418	285,447	355,971	354,318
CEP031	Software Licensing	905,000	734,771	170,229	721,847
CEP033	Data Centers	160,000	159,197	803	129,299
CEP036	Business Systems	125,000	-	125,000	-
CEP038	Police Equipment	486,058	394,336	91,722	211,333
CEP044	Bus Wash Equipment	300,000	-	300,000	-
CEP047	Event Equipment	12,022	11,310	712	-
CEP048	Electric Bus Station/Infrastructure	397,020	3,237	393,783	5,655
CEP050	Public Safety IT Equipment	150,000	27,174	122,826	25,020
CEP051	Loading and Delivery Equipment	250,000	171,185	78,815	8,666
CEP053	Electric Bus Signage	165,270	150,245	15,025	-
CEP054	CyberSecurity	150,000	120,238	29,762	-
CEP055	Electric Vehicle Pilot Program	127,500	48,885	78,615	-
CEP056	Forcible Entry Training Prop	18,000	18,000	-	-
CEP057	Kringle Crossing Holiday Village	88,273	88,028	245	-
CHP002	TOV Employee Rental Units	4,781,958	3,557,822	1,224,136	8,667,415
CHP003	TOV Employee Rental Unit Maint	402,725	271,235	131,490	-
CMP007	Traffic Impact Fee and Transportation Master Updates	273,104	224,161	48,943	108,681
CMT003	Bus Shelter Replacement	258,489	55,906	202,583	1,511
CMT004	Capital Street Maintenance	1,350,000	1,331,669	18,331	1,108,882
CMT005	Facility Capital	2,326,398	677,911	1,648,487	375,696
CMT007	Parking Structure Maintenance	1,290,000	557,945	732,055	739,172
CMT009	Energy Enhancements	170,912	109,282	61,630	78,382
CMT010	Underground Utilities	2,500,000	12,162	2,487,838	17,932
CMT017	Slifer Plaza/Fountain/Storm Sewer	70,714	-	70,714	703
CMT018	Public Works Shop Building Maintenance	180,000	-	180,000	-
CMT022	Seibert Fountain	27,082	-	27,082	806
CMT023	Snowmelt Boilers	1,780,000	478,366	1,301,634	262,858
CMT026	Bus Barn Sprinkler Upgrades	100,000	-	100,000	-
COT002	Street Light Improvement Pgm	365,000	-	365,000	-
COT004	Fiber Optic Connection	953,549	357,923	595,626	96,451
COT021	I-70 Fiber Optics	110,000	106,399	3,601	97,824
COT031	Civic Area Redevelopment (Dobson)	5,057,000	1,160,725	3,896,275	43,000
COT032	Children's Garden of Learning Relocation	82,165	49,917	32,248	243,380
COT033	Pepi's Memorial	6,000	-	6,000	-
COT034	West Vail and Town Center Roundabout Lighting Upgrade	1,950,000	713,303	1,236,697	-
COT035	Vail, Lionshead Village, and Ford Park Bollards	650,000	121,464	528,536	-
CSC010	Way Finding / Variable Message Signs	143,500	143,491	9	-
CSC012	Village Streetscape	1,433,961	-	1,433,961	66,039
CSC016	Guest Service Enhancements	759,407	-	759,407	-
CSC017	Pedestrian Safety Enhancements	366,213	-	366,213	8,788
CSC023	Oversized Vehicle Parking Lot	-	-	-	9,660
CSC024	Bighorn Turnaround	-	-	-	304,583
CSR007	Neighborhood Road Reconstruction	1,615,701	26,907	1,588,794	147,474
CSR008	Neighborhood Bridges	1,493,199	407,600	1,085,599	(42,162)
CSR009	Frontage Road Enhancements (Vail Valley Medical Center)	250,000	14,673	235,327	1,516,912
VRA018	Lionshead Parking Structure Landscape Renovations	20,000	-	20,000	-
VRA022	Lionshead Streetscape & Snowmelt Replace	1,500,000	496,614	1,003,386	-
	Total	50,141,378	14,611,928	35,529,450	19,314,285

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

Town of Vail, Colorado
Special Revenue Funds
Real Estate Transfer Tax Fund
Schedule of Project Expenditures - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

		2023			2022
Project Number	**Project Name**	**Final Budget**	**Actual**	**Variance Positive (Negative)**	**Actual**
RFP005	Alpine Gardens Pledge	76,888	76,888	-	74,649
RFP006	Ford Park Management Plan	-	-	-	72,169
RFP009	Ford Park Playground Improvements	243,361	13,557	229,804	6,639
RFP019	Ford Park Landscape Enhacement	5,946	-	5,946	-
RFP020	Ford Park Master Plan	168,792	168,483	309	14,328
RFP022	Ford Park Betty Ford Way Pavers	116,507	53,727	62,780	1,083,493
RFP023	Ford Park Lighting Control System	180,000	132,111	47,889	42,010
RFP024	Ford Park Synthetic Turf Replacement	472,000	-	472,000	-
RMG011	Solar Project	-	-	-	104,038
RMG012	Gore Creek Signage	310,150	119,985	190,165	38,350
RMG013	Gore Creek Promenade Rehabilitation	408,897	-	408,897	200
RMT001	Recreation Path Maintenance	172,242	89,098	83,144	132,475
RMT002	Tree Maintenance	56,253	38,381	17,872	46,511
RMT005	Street Furniture	77,009	4,987	72,022	6,367
RMT006	Eagle River Watershed Council	42,000	42,000	-	42,000
RMT009	Park Capital Maintenance	176,747	94,137	82,610	207,106
RMT016	Tennis Center Improvements	172,124	34,531	137,593	3,387
RMT018	Dobson Ice Arena	645,734	19,339	626,395	10,106
RMT019	Gymnastics Center	291,345	71,946	219,399	11,444
RMT021	Golf Clubhouse	69,890	71,114	(1,224)	40,901
RMT022	Golf Rec Enhancement Account	354,924	-	354,924	-
RMT024	Athletic Fields	239,226	132,041	107,185	-
RMT025	Nature Center	383,522	-	383,522	-
RMT027	Golf Course - Other Improvements	425,105	15,056	410,049	397,520
RMT028	Dowd Junction Repairs (Flood Repairs)	1,300,126	482,463	817,663	32,029
RMT030	East Vail Interchange Improvements	209,443	4,900	204,543	-
RMT036	Recreation Facility Maint	44,000	-	44,000	-
RMT037	Eagle Valley Land Trust	-	-	-	5,000
RMT039	Fire Free Five- TOV Buildings	195,617	105,321	90,296	154,383
RMT040	Recycling Center Capital Maintenance	16,500	-	16,500	-
RPA001	Property Acquisition	-	-	-	(217)
RPA002	Booth Heights Open Space Acquisition	17,643,985	-	17,643,985	-
RPI007	Streamtract Education/Mitigation	-	-	-	40,548
RPI010	Water Quality Infrastructure	1,721,064	604,993	1,116,071	111,477
RPI011	Streambank Restoration	147,983	39,297	108,686	52,017
RPI012	Private Streambank	-	-	-	31,792
RPI013	Stephans Park Safety Improvements	15,000	10,096	4,904	-
RPI015	Turf Grass Reduction	220,000	193,995	26,005	182,254
RPI016	Sunbird Park Fountain Repairs	3,430	-	3,430	-
RPI018	Kindel Park/Mill Creek Streamtract Improvements	249,862	12,730	237,132	-
RPI019	Mayors Park Capital Maintenance	2,500	-	2,500	39,579
RPI020	Donovan Park Improvements	207,000	65,658	141,342	-
RPI022	Athletic Field Restroom/Storage Building	1,000,000	-	1,000,000	-
RPI023	Trailhead Port-a-let Enclosures	38,000	29,870	8,130	-
RPI024	Children's Fountain Water Quality Improvements	50,000	16,503	33,497	-
RPI026	Golden Peak Pickelball Sound Barriers	23,500	22,002	1,498	-
RPI027	Pirateship Park Safety Improvements	2,000	1,935	65	-
RPT022	Adopt-a-Trail	17,500	17,500	-	17,500
RPT028	Booth Lake Trailhead Parking Restroom	194,667	175,921	18,746	264,283
RPT029	Bike Safety	16,473	10,503	5,970	8,527
RPT030	Bike Path Signage	48,016	1,935	46,081	11,983
RPT031	Pedestrian Bridge Projects	333,151	163	332,988	166,849
RRT001	Public Art	435,167	12,000	423,167	53,793
RRT006	Public Art - Winterfest	89,885	40,502	49,383	4,861
RRT007	Public Art - Pete Seibert Memorial	12,192	500	11,692	500
RRT008	Nature Center Operations	-	-	-	106,187
RRT009	Public Art- Art Space	863,048	102,673	760,375	19,211
RRT010	Vail Holiday Lighting	-	-	-	28,514
RRT011	Pepi's Memorial	102,000	85,110	16,890	-
RSS006	Vail Transit Center Landscape	20,000	-	20,000	4,383
RSS007	Village Landscape Enhacements	179,364	31,036	148,328	41,636
RSS008	E-Bike Share Infrastructure	54,000	39,287	14,713	-
	Total	30,544,135	3,284,274	27,259,861	3,710,782

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

Town of Vail, Colorado
Housing Fund
Schedule of Project Expenditures - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2023
With Comparative Actual Amounts For the Year Ended December 31, 2022

		2023			2022
Project Number	**Project Name**	**Final Budget**	**Actual**	**Variance Positive (Negative)**	**Actual**
CHF001	Buy-Down Housing	1,586,280	-	1,586,280	4,845
CHF003	Vail InDEED	1,212,089	532,000	680,089	582,245
CHF009	Colorado Department of Transportation East Vail Parcel	2,650,000	69,339	2,580,661	-
CHF010	Residences at Main Vail Developer Opportunity Fee	2,000,000	1,950,000	50,000	-
CHF020	Vail Heights #10- Resale	667	-	667	-
CHF022	Timber Ridge Redevelopment (Western Half)	1,910,000	114,080	1,795,920	-
CHF023	West Middle Creek Development	7,670,000	507,953	7,162,047	-
CHF023	Pitkin Creek Park #14A- Resale	777,840	-	777,840	-
CHF027	Colorado Department of Transportation Eagle-Vail Parcel	50,000	-	50,000	-
	Total	17,856,876	3,173,372	14,683,504	587,090

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

TOWN OF VAIL

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: Vail
		YEAR ENDING : December 2023
This Information From The Records Of Town of Vail:	Prepared By: Phone:	Carlie Smith 970-479-2119

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	6,180,141
3. Other local imposts (from page 2)	1,141,599
4. Miscellaneous local receipts (from page 2)	-
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)	7,321,740
B. Private Contributions	138,645
C. Receipts from State government (from page 2)	251,550
D. Receipts from Federal Government (from page 2)	-
E. Total receipts (A.7 + B + C + D)	7,711,935

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	166,250
2. Maintenance:	2,820,118
3. Road and street services:	
a. Traffic control operations	262,000
b. Snow and ice removal	1,743,997
c. Other	
d. Total (a. through c.)	2,005,997
4. General administration & miscellaneous	556,533
5. Highway law enforcement and safety	2,163,036
6. Total (1 through 5)	7,711,935
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)	7,711,935

(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
-	7,711,935	7,711,935	-	-

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado YEAR ENDING (mm/yy): December 2023

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & 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	1,141,599	g. Other Misc. Receipts	
6. Total (1. through 5.)	1,141,599	h. Other	
c. Total (a. + b.)	1,141,599	i. Total (a. through h.)	-
	(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	226,494	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	25,055	d. Federal Transit Admin	
d. Other (Specify)	-	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	25,055	g. Total (a. through f.)	-
4. Total (1. + 2. + 3.f)	251,550	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		13,013	13,013
c. Construction:			
(1). New Facilities			-
(2). Capacity Improvements			-
(3). System Preservation		153,238	153,238
(5). Total Construction (1) + (2) + (3) + (4)	-	153,238	153,238
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	166,250	166,250
			(Carry forward to page 1)

Notes and Comments:

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

Town of Vail, Colorado
Issuer's Annual Report
Tables I - III
December 31, 2023

TABLE I
Vail Reinvestment Authority History of Pledged Revenues

	2019	2020	2021	2022	2023
Pledged Revenues	5,467,621	6,236,307	6,055,710	5,613,818	4,820,528

TABLE II
Vail Reinvestment Authority History of Assessed Valuations

Levy Year	Collection Year	Total Assessed Valuation	Percent Change	Valuation Allocable to Base	Valuation Allocable to Increment
2018	2019	253,332,420	17.0%	134,268,000	119,064,420
2019	2020	252,718,220	-0.2%	134,124,120	118,594,100
2020	2021	231,261,240	-8.5%	134,124,120	97,137,120
2021	2022	226,791,680	-1.9%	122,738,940	104,052,740
2022	2023	298,805,890	31.8%	120,349,530	178,456,360

TABLE III
Mill Levies Affecting Property Owners within the Vail Reinvestment Authority Plan Area

Tax Areas	2018/2019	2019/2020	2020/2021	2020/2021	2022/2023
202	50.9190	50.751	51.434	51.389	47.562
203	49.7260	49.542	50.199	50.265	46.707
204	56.5760	56.436	57.241	59.284	52.584
206	50.9190	50.751	51.434	51.389	47.562
207	85.9190	85.751	86.434	86.389	70.562
208	72.7940	72.626	73.309	73.264	62.359
216	-	-	-	-	-
225	-	-	-	-	-

Town of Vail, Colorado
Issuer's Annual Report
Tables IV and V
December 31, 2023

TABLE IV
Largest Taxpayers in the Authority

Taxpayer Name	2023 Preliminary Assessed Valuation	Percentage of Total Assessed Valuation
Diamondrock LLC	24,633,280	8.4%
Arrrabelle at Vail Square LLC	20,219,130	6.9%
Ritz-Carlton Development Co. Inc.	14,235,010	4.8%
Lion Vail LLC	7,529,450	2.6%
Vail Corp	5,784,360	2.0%
A Belle Vail Co LLC	4,285,210	1.5%
Lazier Lionshead LLC	3,335,710	1.1%
Vail Marriott Resort & Spa	3,084,870	1.0%
Blue Ice 21 LLC	2,424,870	0.8%
Lazier Lionshead Parcel LLC	2,079,340	0.7%
Landmark Commercial Dev. Co	2,054,480	0.7%
Total	294,566,840	

TABLE V
2023 Preliminary Assessed Valuation of Classes of Property in the Authority

Class	Total Assessed Valuation	Percentage of Total Assessed Valuation
Residential	211,323,220	72%
Commercial	79,876,730	27%
Vacant	1,692,470	1%
State assessed	986,450	0%
Multifamily	687,970	0%
Total	294,566,840	100%

Town of Vail, Colorado
Issuer's Annual Report
Table VI
December 31, 2023

TABLE VI
History of Revenues, Expenditures and Changes in Fund Balance
Vail Reinvestment Authority

	2019	2020	2021	2022	2023
Revenues:					
Other:					
Property tax	5,825,058	6,851,562	6,789,616	6,296,288	6,177,288
Interest on investments	3,793	21,328	31,824	11,585	434,719
Interest subsidy (Build America Bonds)	164,876	100,098	-	-	-
Abatement	-	-	-	-	(1,564,069)
Shared costs/project reimbursements	-	-	-	-	469,525
Total Revenues	5,993,727	6,972,988	6,821,440	6,307,873	5,517,464
Expenditures:					
Economic Development:					
Administration	105,654	121,842	120,007	111,613	108,976
Fiscal agent fees	1,470	1,720	-	-	-
Treasurer's fees	174,754	205,547	203,691	188,891	185,306
Professional fees	1,445	1,353	-	215	-
Vail Square Metro District	526,106	736,681	765,730	694,055	696,936
Total Economic Development:	809,429	1,067,143	1,089,428	994,774	991,217
Debt Service:					
Principal	555,000	7,715,000	618,000	612,000	620,000
Interest	501,433	327,914	72,316	64,168	58,307
Total Debt Service:	1,056,433	8,042,914	690,316	676,168	678,307
Total Expenditures	1,865,862	9,110,057	1,779,744	1,670,942	1,669,524
Excess (Deficiency) of Revenues Over Expenditures	4,127,865	(2,137,069)	5,041,696	4,636,931	3,847,939
Other Financing Sources (Uses):					
Debt proceeds	-	6,386,000	-	-	-
Issuance costs	-	(105,360)	-	-	-
Transfers out	(3,804,281)	(1,809,400)	(7,410,723)	(2,291,996)	(1,856,724)
Total Other Financing Sources (Uses)	(3,804,281)	4,471,240	(7,410,723)	(2,291,996)	(1,856,724)
Net Change in Fund Balance	323,584	2,334,171	(2,369,027)	2,344,935	1,991,215
Fund Balance - January 1	2,259,308	2,582,892	4,917,063	2,548,036	4,892,971
Fund Balance - December 31	2,582,892	4,917,063	2,548,036	4,892,971	6,884,186

Town of Vail, Colorado
Issuer's Annual Report
Tables VII and VIII
December 31, 2023

TABLE VII
2023 Budget Summary and Actual Comparison / 2024 Budget
Vail Reinvestment Authority

	2023 Budget	2023 Actual	2024 Budget
Revenues:			
Other:			
Property tax	6,311,000	6,177,288	7,774,000
Interest on investments	255,400	434,719	5,000
Abatement	(1,573,505)	(1,564,069)	-
Shared costs/project reimbursements	469,525	469,525	-
Total Revenues	5,462,420	5,517,464	7,779,000
Expenditures:			
Economic Development:			
Administration	112,000	108,976	137,000
Treasurer's fees	189,330	185,306	233,220
Professional fees	10,000	-	10,000
Vail Square Metro District	689,670	696,936	896,280
Total - Economic Development	1,001,000	991,217	1,276,500
Debt Service:			
Principal	620,000	620,000	626,000
Interest	62,166	58,307	50,254
Total - Debt Service	682,166	678,307	676,254
Total Expenditures	1,683,166	1,669,524	1,952,754
Excess (Deficiency) of Revenues over Expenditures	3,779,254	3,847,939	5,826,246
Other Financing Sources (Uses):			
Transfers out	(7,081,546)	(1,856,724)	(200,000)
Net Change in Fund Balance	(3,302,292)	1,991,215	5,626,246
Fund Balance - January 1	4,892,971	4,892,971	6,884,186
Fund Balance - December 31	1,590,679	6,884,186	12,510,432

TABLE VIII
Outstanding Revenue Obligations

Issue	Outstanding Principal
Vail Reinvestment Authority Tax Increment Revenue Refunding Loan, Series 2020	4,536,000
Total	4,536,000

TOWN OF VAIL

SINGLE AUDIT REPORTS and SCHEDULES

M & A

McMahan and Associates, L.L.C.
Certified Public Accountants and Consultants

Chapel Square, Bldg C
245 Chapel Place, Suite 300
P.O. Box 5850, Avon, CO 81620

Web Site: www.mcmahancpa.com
Main Office: (970) 845-8800
Facsimile: (970) 845-8108
E-mail: mcmahan@mcmahancpa.com

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Mayor and Members of Town Council
Town of Vail, Colorado

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Vail, Colorado (the “Town”) as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Town’s basic financial statements and have issued our report thereon dated September 13, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit on the financial statements, we considered the Town’s internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Town’s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Town’s financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Member: American Institute of Certified Public Accountants

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

Avon: (970) 845-8800
Aspen: (970) 544-3996
Frisco: (970) 668-3481

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
September 13, 2024

M & A

McMahan and Associates, L.L.C.
Certified Public Accountants and Consultants

Chapel Square, Bldg C
245 Chapel Place, Suite 300
P.O. Box 5850, Avon, CO 81620

Web Site: www.mcmahancpa.com
Main Office: (970) 845-8800
Facsimile: (970) 845-8108
E-mail: mcmahan@mcmahancpa.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Mayor and Members of Town Council
Town of Vail, Colorado

Opinion on Each Major Federal Program

We have audited the compliance of the Town of Vail, Colorado (the "Town") with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Town's major federal programs for the year ended December 31, 2023. The Town's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Town complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS"); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2, U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with U.S. GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Town's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
September 13, 2024

Town of Vail, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2023

Part I – Summary of Auditor's Results

Financial Statements:

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Noncompliance material to financial statements noted	None noted

Federal Awards:

Internal control over major programs:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2, U.S. Code of Federal Regulations, Part 200	No
Major programs:	
American Rescue Plan Act	ALN 21.027
Dollar threshold used to identify Type A from Type B programs:	$750,000
Identified as low-risk auditee	No

Part II – Findings Related to Financial Statements

Findings related to financial statements as required by *Government Auditing Standards*	None noted
Auditor-assigned reference number	Not applicable

Part III – Findings Related to Federal Awards

Internal control findings	None noted
Compliance findings	None noted
Questioned costs	None noted
Auditor-assigned reference number	Not appliable

Town of Vail, Colorado
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2023

Note: There were no findings for the fiscal year ended December 31, 2022.

Town of Vail, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2023

Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures
Department of Treasury:			
Passed through Colorado Department of Local Affairs:			
American Rescue Plan Act	21.027		$ 1,365,835
Total - Department of Treasury			1,365,835
Department of Transportation:			
Passed through Colorado Department of Transportation:			
CARES Act 5311 A/O Award	20.509	23-HTR-ZL-00074	566,508
Total - Department of Transportation			566,508
Department of Justice:			
Rural Violent Crime Reduction Initiative for Law Enforcement Agencies	16.039		59,520
Total - Department of Justice			59,520
TOTALS			$ 1,991,863

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2023

Note 1. Basis of Presentation:
The Schedule of Expenditures of Federal Awards includes the federal grant activity of the Town of Vail, Colorado (the "Town") and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Therefore, some amounts presented in this schedule or used in this schedule may differ from amounts presented in or used in the preparation of the Town's general purpose financial statements.

Note 2. Determining the Value of Non-cash Awards Expended:
The Town had no non-cash awards expended during 2023.

Note 3. Indirect Facilities and Administration costs
The Town does not use the 10% de minimis cost rate allowed in in §200.414, *Indirect (F&A) Costs*, of the Uniform Guidance. Instead, the Town prepares an annual cost allocation plan to allocate indirect costs.