TOWN OF VAIL

Financial Statements
December 31, 2024

Town of Vail, Colorado
Financial Report
December 31, 2024

Table of Contents

Town of Vail, Colorado
Financial Report
December 31, 2024

Table of Contents
(Continued)

Town of Vail, Colorado
Financial Report
December 31, 2024

Table of Contents
(Continued)

Single Audit Reports and Schedules:

TOWN OF VAIL

INDEPENDENT AUDITOR'S REPORT

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, 2024, 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, 2024, 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 June 11, 2025 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
June 11, 2025

TOWN OF VAIL

MANAGEMENT'S DISCUSSION AND ANALYSIS

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, 2024.

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 2024 fiscal year by $475,140,502 (net position). Of this amount, $3,620,000 is restricted for TABOR emergency reserves.
- The Town's total net position increased in the 2024 fiscal year by $42,207,149 which was attributable to an increase from governmental activities of $46,553,092 and a decrease of $4,345,943 from business-type activities.
- At December 31, 2024, the fund balance of the General Fund was $73,816,203. Of that amount, $3,178,101 was restricted for TABOR emergency reserves, and $20,115,596 is nonspendable for a receivable tied to housing unit sales expected in late 2025 and 2026. Full repayment in cash is not guaranteed. Additional information on this transaction is located in the notes.

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, in addition to 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 record 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 1, 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 and the Residences at Main Vail provide workforce deed-restricted rental housing to people who work in Vail. During 2024, Timber Ridge was vacated and operations closed as the town moved forward to redevelop the property into 302 deed-restricted for-sale units. The units are expected to be available in late 2025. The Dispatch Services Fund provides dispatch services to emergency service agencies throughout Eagle County. 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.

Overview of the Financial Statements (continued)

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.

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 $448,684,426 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 the provision of resources to repay the debt.

The table below shows the Town's net position for 2024 and 2023. More information on a new accounting standard and resulting restatement is on page D29 of the notes.

	Governmental Activities		Business-type Activities		Total	
	2024	**2023**	**2024**	**2023**	**2024**	**2023**
Current and other assets	$ 213,413,756	$ 206,208,146	$ 17,213,939	$ 8,945,423	$ 222,359,179	$ 428,567,325
Capital assets(net)	278,563,244	241,766,426	33,610,986	44,168,592	312,174,230	285,935,018
Total assets	491,977,000	447,974,572	50,824,925	53,114,015	534,533,409	714,502,343
Long-term liabilities outstanding	5,459,997	5,408,316	23,470,369	24,005,993	28,930,366	29,414,309
Other liabilities	25,162,077	26,899,059	5,898,480	2,947,155	31,060,557	29,846,214
Total liabilities	30,622,074	32,307,375	29,368,849	26,953,148	59,990,923	59,260,523
Deferred inflows	7,670,500	7,545,729	-	318,587	7,670,500	7,864,316
Net Position:						
Invested in capital assets, net of related debt	263,085,259	224,743,723	10,014,000	14,837,813	273,099,259	239,581,536
Restricted	3,590,101	20,865,191	38,000	94,000	3,628,101	20,959,191
Unrestricted	187,009,066	162,512,554	11,404,076	10,910,467	198,413,142	173,423,021
Total net position	$ 453,684,426	$ 408,121,468	$ 21,456,076	$ 25,842,280	$ 475,140,502	$ 433,963,748

The Town's current assets from governmental activities increased by $2.2M during 2024. The cash balance decreased by $7.5 million, primarily due to the use of reserves to fund housing development projects. However, this reduction was offset by increased interfund receivables between governmental and business-type activities. Specifically, the General Fund and Housing Fund provided loans to the Timber Ridge Fund to support the redevelopment of the property. These amounts are recorded as receivables in the General Fund and Housing Fund. Capital assets increased by $36.8M, which included significant asset additions such as the purchase of the Booth Heights open space land parcel, six new hybrid buses, and the replacements of a fire truck.

The Town's liabilities from governmental activities decreased mainly due to payments on annual debt obligations on the Vail Reinvestment Authority bonds, the Residences at Main Vail bonds, and the public works streets facility site and improvement lease.

Current assets related to business-type activities increased by $13.3 million. This change primarily reflects a $40.4 million construction receivable related to the reimbursement from the developer for the expected unit sales at the redeveloped Timber Ridge property. This receivable is offset by a $29.8 million interfund payable owed to the Town's General Fund and Housing Fund, which advanced funds to support the project. Capital assets related to business-type activities decreased by $10.6 million, primarily due to the transfer of the Timber Ridge land parcel to a developer as part of the redevelopment project.

Business activities liabilities increased in total by $2.4M due to year-end payable due to the developer of the Timber Ridge development.

The Timber Ridge Enterprise Fund has an $8.0M note payable to the Town maturing 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. This note it expected to be paid back in full early in 2026, utilizing sales revenues from the newly redeveloped unit sales.

The Timber Ridge Enterprise Fund received cash transfers in from both the General Fund and the Capital Projects Fund to support the redevelopment of the property. These transfers are reported as "internal balances" in the governmental presentation (see page C1). The Timber Ridge Fund contributed $39.0 million in cash towards the total project cost and is expected to be reimbursed through the sale of deed-restricted, for-sale properties. The anticipated proceeds from these sales are recorded as a “loan receivable” on the government-wide statements.

The chart below provides financial information from the Town’s Statement of Activities for the years 2024 and 2023.

Town of Vail's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenue:						
Program Revenue						
Charges for services	$ 16,843,296	$ 15,556,924	$ 5,307,122	$ 4,786,153	$ 22,150,418	$ 20,343,077
Operating grants	3,925,892	5,186,829	1,167,993	2,536,370	5,093,885	7,723,199
Capital grants	4,343,035	-	-	2,064,080	4,343,035	2,064,080
General Revenue						
Property and ownership tax	15,182,352	10,696,807	-	-	15,182,352	10,696,807
Sales and lodging tax	58,295,272	57,173,104	-	-	58,295,272	57,173,104
Other taxes	17,894,174	16,433,425	-	-	17,894,174	16,433,425
Interest and other revenue	8,656,064	7,847,791	207,230	409,348	8,863,294	8,257,139
Gain on disposal of capital assets	(1,170,648)	(422,815)	267,356	(79,568)	(903,292)	(502,383)
Miscellaneous	2,490,674	1,895,018	-	42,346	2,490,674	1,937,364
Transfers	4,746,735	(6,097,806)	(4,746,735)	6,097,806	-	-
Total Revenue	131,206,846	108,269,277	2,202,966	15,856,535	133,409,812	124,125,812
Expenses:						
General government	12,223,969	12,722,342	-	-	12,223,969	12,722,342
Public safety	18,054,112	17,108,392	3,557,860	3,347,405	21,611,972	20,455,797
Public works and transportation	32,330,700	30,747,564	-	-	32,330,700	30,747,564
Culture and recreation	10,718,354	15,250,814	-	-	10,718,354	15,250,814
Economic development	11,058,773	10,189,768	-	-	11,058,773	10,189,768
Housing	-	-	2,991,049	2,365,858	2,991,049	2,365,858
Interest	267,846	292,377	-	-	267,846	292,377
Total Expenses	84,653,754	86,311,257	6,548,909	5,713,263	91,202,663	92,024,520
Change in Net Position	46,553,092	21,958,020	(4,345,943)	10,143,272	42,207,149	32,101,292
Net Position January 1	407,131,334	386,163,448	25,802,019	15,699,008	432,933,353	401,862,456
Net Position December 31	$ 453,684,426	$ 408,121,468	$ 21,456,076	$ 25,842,280	$ 475,140,502	$ 433,963,748

Overview of the Financial Statements (continued)

Effective January 1, 2024, the Town implemented GASB Statement No. 101, *Compensated Absences,* which restated beginning balances for estimated sick leave liabilities as follows:

	12/31/2023 As Previously Reported	Restatement: Increase / (Decrease)	12/31/2023 As Restated
Government-wide:			
Governmental activities	$ 408,121,468	$ (990,134)	$ 407,131,334
Business-type activities	25,842,280	(40,261)	25,802,019
Total	$ 433,963,748	$ (1,030,395)	$ 432,933,353
Governmental Funds:			
Internal service funds:			
Heavy Equipment Fund	$ 9,250,187	(70,131)	$ 9,180,056
Enterprise Funds:			
Dispatch Fund	$ 3,559,520	(40,261)	$ 3,519,259

Financial Analysis of the Town's Funds

Governmental Activities: Governmental activities increased the Town's net position by $46,553,092 in 2024, representing an increase of approximately $20.6 million, or 98%, compared to the prior year. This includes a $26.0 million revenue receivable from the Timber Ridge Fund, based on the assumption that the Town will receive a full cash reimbursement from the sales of Timber Ridge units, offsetting its $40.0 million contribution to the project. These funds are not guaranteed to be reimbursed in cash. The sales of the units are expected in late 2025 and into 2026.

Revenues across all categories and programs saw modest growth, with the most significant increases driven by higher property tax collections of $4.5 million, reflecting the 2024 reassessment and increased capital grant revenues of $1.8 million. These increases were partially offset by a reduction in transfers to business-type activities of $5.9 million.

2023 experienced rising interest rates, easing inflation, and the normalization of revenue collections following the pandemic. These trends continued into 2024. Expenditures decreased by $2.6 million, or 3.0%, primarily due to the Town's strategic focus on major capital projects and redevelopment initiatives.

The following items represent significant governmental activities during 2024:

- **General 4% sales tax collections totaled $42.2M an increase of 0.4% compared to 2023.** Sales tax collections by category increased as follows:
  - *Retail* decreased by 1.2% or $82,495
  - *Lodging* increased by 1.8% or $307,539
  - *Food and beverage* increased 3.3% or $330,682
  - *Other* decreased 7.3% or $216,158
- **The 0.5% housing sales tax collections totaled $5.1 million during 2024, consistent with the prior year.** This is aligned with general sales tax collections.
- **The 1.4% marketing tax on lodging totaled $5.5 million in 2024, flat with 2023 and reflecting a normalization in revenue collections.**
- **The Town collected $9.3 million of Real Estate Transfer Tax (RETT) in 2024**, a $1.4 million increase compared to 2023. RETT collections have gradually normalized following the surge in real estate activity during 2020 and 2021. While interest rates remained high, property values continued to hold, contributing to sustained and increased revenue levels.
- **Construction use tax collections remained strong in 2024**, totaling $3.1M, an increase of $540,437 compared to 2023. Use tax collections were generally related to a mix of residential and commercial improvements but did not generate any major revenue during the year.

Financial Analysis of the Town's Funds (continued)

- **Lift ticket admissions tax totaled $6.7M in 2024 an increase of 3.0% or $209,118 over the prior year**. The increase is primarily attributable to higher pass sale prices for both the 2023/2024 and early 2024/2025 winter seasons
- **Parking revenues totaled $9.4 million, flat with the prior year.** This reflects the full-year impact of revised pricing strategies implemented before the 2022/2023 ski season to manage parking demand and behavior.

Business-type Activities: Business-type activities include the Timber Ridge Enterprise Fund, which provides deed-restricted rental housing for individuals working in Vail; the Residences at Main Vail Enterprise Fund, a new deed-restricted rental housing project that began operations in fall 2023; and the Vail Public Safety Communications Center Enterprise Fund, which delivers dispatch services to emergency service agencies across Eagle County.

The following items represent significant business activities during 2024:

- In September 2023, The Residences at Main Vail, a deed-restricted housing project for rent, began operations. The Residences at Main Vail is a 72-unit one—and two-bedroom apartment complex for Vail's local workforce. 2024 was the first full year of operations, with revenues totaling $1,827,872 and budget basis change in bet position of $191,984.
- In August 2023, redevelopment began on Timber Ridge, a deed-restricted rental property. It is being developed into 302 deed-restricted for-sale units, ranging from one to four bedrooms, with availability starting in late 2025/early 2026. The Town partnered with a private developer on the $163.2 million project, contributing $38.6 million in cash, land, and a new transit stop. As units are sold, the Town expects to be reimbursed $49.1 million, covering its cash contribution, land value, and the remaining Timber Ridge loan balance.

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 $184,862,847, an increase of $7,697,407 from the prior year's ending fund balances primarily due to increased grant revenues for capital projects, property tax revenues reflective of an assessment year. Revenues increased by $12.5 million; however, that was offset by an increase in expenditures as the Town's strategic plan focused on significant capital projects including the redevelopment of Timber Ridge, predevelopment for the West Middle Creek housing project, and predevelopment costs for Dobson ice arena renovation. West Middle Creek and Dobson Arean will begin construction phase in 2025. The following details ending fund balances for Governmental Funds over the past five years:

Fund	2020	2021	2022	2023	2024
General Fund	$38,547,757	$44,426,288	$53,449,555	$61,440,888	$73,816,203
Housing Fund	-	-	13,957,070	19,870,982	28,019,076
Capital Projects Fund	53,843,487	59,841,742	52,565,769	53,257,917	53,933,003
Real Estate Transfer Tax	20,353,072	28,077,540	29,923,875	31,877,953	15,184,790
Vail Marketing Fund	387,124	409,749	416,323	360,109	124,901
Vail Local Marketing District	2,078,809	2,710,863	3,901,319	3,463,798	3,213,340
Vail Reinvestment Authority	4,917,063	2,548,036	4,892,971	6,884,186	10,571,534
Total	$120,127,312	$138,014,218	$159,106,882	$177,155,833	$184,862,847

The General Fund ended 2024 with a fund balance of $73,816,203, an increase of $12,375,315 from the prior year. This increase is due to the recognition of the receivable from the sales of Timber Ridge; however, those sales are not final or guaranteed. Without the receivable, the General Fund would reflect a decrease of fund balance of $7,740,281.

Financial Analysis of the Town's Funds (continued)

Overall revenues have normalized after record increases in sales tax, real estate transfer tax, and construction use tax over the past several years. During 2024, there were no significant changes to the revenue structure.

The Capital Projects Fund had a fund balance of $53,933,003 at the end of 2024, an increase of $675,086. Revenues within the capital projects fund reflected a modest increase compared to the prior year with the exception of state and federal bus grants totaling $4.3M. Additionally, capital project expenditures increased $10,635,727 or 72% compared to prior year. Several significant capital projects utilizing fund balance during 2025 include underground utility improvements, bus replacements, a new transit stop, parking structure structural improvements, employee housing unit purchases, and exploration of a geothermal energy system. 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 2024. 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 2024 with a fund balance of $15,184,790, a decrease of $16,693,163 compared to the prior year. The decrease in fund balance is related to the purchase of the Booth Heights open space parcel. The total cost of this land acquisition was $19.8 million.

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 to community housing projects, programs, and initiatives in or around the Town of Vail. This tax generated $5.1 million during 2024. The fund had a fund balance of $28.0M at the end of 2024, an increase of $8,14,8094. Similar to the General Fund, a receivable for the sales revenue for new deed-restricted housing of $5.8M was accrued. Without this receivable, the fund would reflect a use of fund balance of $2,664,661. In 2025, fund balances in the housing fund has been allocated towards the InDeed deed restriction program, purchasing homes and deed restricting them through the town's buy down program, and lastly towards the development of a parcel of land called West Middle Creek into deed restricted for rent units.

The Vail Local Marketing District ended the year with a fund balance of $3,213,340, a decrease of $250,458, or 7.2% from the prior year. This is attributed to an increase in marketing spend and improvements to data and website.

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 $6.8M million in 2023, an increase of $2.5M from the prior year due to assessment rate increases. The property tax revenue provides a funding mechanism for capital improvements within the district by covering annual debt service payments of $676,004 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 through a Tax Increment Revenue Refunding Loan. The loan has a 1.19% interest rate and an outstanding balance of $3.9M.

The loan will mature June 1, 2030. During 2024, funds were used for predevelopment costs related to the redevelopment of Dobson Arena. The remaining fund balances, as well as future incremented generated tax revenues through the authority expiration in June 2030, are expected to go towards refunding the town for the Dobson redevelopment, estimated to cost a total of $54.0M.

The Vail Marketing Fund funds and tracks Town of Vail event spending. The Marketing Fund generated $345,095 in revenues from business licenses and a $1,745,858 transfer from the General Fund to support events. Total 2025 revenues were $2.1M, and event spending totaled $2.3M.

Financial Analysis of the Town's Funds (continued)

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

In September of 2023, the town completed the construction of a 72-unit one and two-bedroom deed-restricted housing project., The Residences at Main Vail project was completed, and operations began in September. In addition, $1.2M was made towards debt service. 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. Information on the Series 2021 Certificates of Participation is included in the Notes to the Financial Statements on page D23. During 2024, revenues totaled $20.0 of which the majority was related to rent collections. Operating expenditures related the property totaled $1.5M with debt service payments related to the COP totaling $681.6K.

The Timber Ridge Fund is used to account for the operations of the Timber Ridge for rental deed-restricted housing. During 2024, this property was vacated to be redeveloped into 302 residential units including studio, one, two, three, or four-bedroom living spaces. All homes will be 100% deed-restricted for local workers. The total cost of the project is projected to be XX with the town contributing $40.0M to the development. The $40.0M is expected to be reimbursed through the sales of the units beginning in late 2025 and into 2026.

Reserves: The Town's reserves continue to be strong. During 2024 governmental reserve balances totaled $179.9 million however only $25.8 million of that is unassigned. Reserve balances increased $2.7 million. However, without the anticipated receivable from the sales of Timber Ridge units that would reflect as a decrease in fund balances of 23.3 million. Looking to 2025, General Fund, Capital Projects Fund and Housing Fund 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

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 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 2024, the Certificates of Participation has a balance of $21.1 million, of which $450,000 of principal will be due within one year.

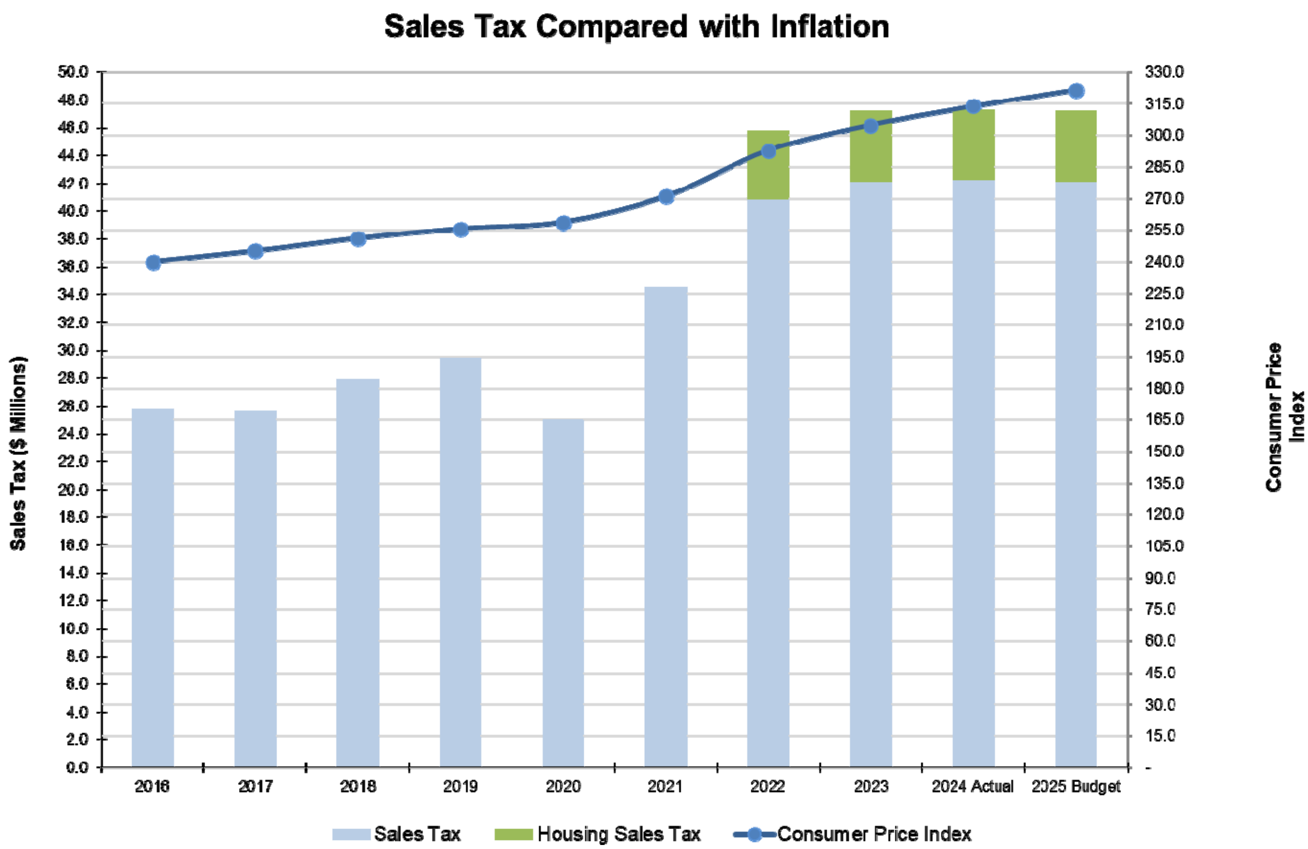
During 2021, the town also entered into lease-purchase agreement to finance the construction of a new Public Works streets facility. The loan bears interest at 1.75% and are payable on June 1 and December 1 through 2035. At the end of 2023, the lease had a balance of $11.5 million, of which $955,000 of principal will be due within one year.

As of the end of the current fiscal year, the Vail Reinvestment Authority had $3.9 million of tax increment revenue refunding loan, of which $636,000 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.

Financial Analysis of the Town's Funds (continued)

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 $42.2 million, flat with 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.



Next Year's Budget and Rates: The Town's General Fund balance at the end of the current 2025 fiscal year was $42,955,537 representing 66% of annual revenue compared to Town Council's directive of a minimum of 25%.

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.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Town of Vail, Colorado
Statement of Net Position
December 31, 2024

	Governmental Activities	Business-type Activities	Total
Assets:			
Equity in pooled cash and investments	137,610,286	3,335,465	140,945,751
Unrestricted cash and investments	15,702,213	7,930,849	23,633,062
Cash - Restricted	798,780	318,858	1,117,638
Receivables (net of allowance for uncollectible accounts):			
Property taxes assessed	7,670,500	-	7,670,500
Other taxes	9,263,000	-	9,263,000
Other governments	1,260,498	-	1,260,498
Other	1,528,951	22,537	1,551,488
Inventory	1,304,549	-	1,304,549
Prepaid expenses	2,379,372	11,062	2,390,434
Interest receivable	24,349	-	24,349
Internal balances	34,824,065	(34,824,065)	-
Loans receivable:			
Collectible in more than one year	1,047,193	40,419,233	41,466,426
Capital assets not being depreciated	76,780,557	171,020	76,951,577
Capital assets being depreciated, net of accumulated depreciation	201,782,687	33,439,966	235,222,653
Total Assets	491,977,000	50,824,925	542,801,925
Liabilities:			
Accounts payable	5,001,166	4,928,822	9,929,988
Due to other governments	504,807	-	504,807
Retainage payable	87,985	-	87,985
Accrued salaries and wages	1,574,915	32,697	1,607,612
Interest payable	20,714	88,214	108,928
Unearned revenue	4,609,023	206,469	4,815,492
Deposits payable	310,611	146,351	456,962
Compensated absences:			
Due within one year	936,856	45,927	982,783
Due in more than one year	2,185,997	107,162	2,293,159
Bonds payable:			
Due within one year	636,000	450,000	1,086,000
Due in more than one year	3,274,000	23,363,207	26,637,207
Financed purchase obligation:			
Due within one year	955,000	-	955,000
Due in more than one year	10,525,000	-	10,525,000
Total Liabilities	30,622,074	29,368,849	59,990,923
Deferred Inflow of Resources:			
Unavailable property taxes	7,670,500	-	7,670,500
Net Position:			
Net investment in capital assets	263,085,259	10,014,000	273,099,259
Restricted for:			
Emergencies	3,582,000	38,000	3,620,000
Other purposes	8,101	-	8,101
Unrestricted	187,009,066	11,404,076	198,413,142
Total Net Position	453,684,426	21,456,076	475,140,502

Town of Vail, Colorado
Statement of Activities
For the Year Ended December 31, 2024

		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	12,223,969	6,033,077	2,607,201	-	(3,583,691)		(3,583,691)
Public safety	18,054,112	556,129	-	-	(17,497,983)		(17,497,983)
Public works and transportation	32,330,700	9,610,257	737,525	4,343,035	(17,639,883)		(17,639,883)
Culture and recreation	10,718,354	298,738	570,566	-	(9,849,050)		(9,849,050)
Economic development	11,058,773	345,095	10,600	-	(10,703,078)		(10,703,078)
Interest on long-term debt	267,846	-	-	-	(267,846)		(267,846)
Total - Governmental Activities	84,653,754	16,843,296	3,925,892	4,343,035	(59,541,531)		(59,541,531)
Business-type Activities:							
Dispatch services	3,557,860	2,289,610	1,167,993	-		(100,257)	(100,257)
Housing (Timber Ridge)	785,284	1,027,797	-	-		242,513	242,513
Residences at Main Vail	2,205,765	1,989,715	-	-		(216,050)	(216,050)
Total - Business-type Activities	6,548,909	5,307,122	1,167,993	-		(73,794)	(73,794)
Totals	91,202,663	22,150,418	5,093,885	4,343,035	(59,541,531)	(73,794)	(59,615,325)

	Governmental Activities	Business-type Activities	Total
General Revenues:			
Taxes:			
Sales and use taxes	52,778,700	-	52,778,700
Real estate transfer taxes	9,349,910	-	9,349,910
Lodging taxes	5,516,572	-	5,516,572
Property and specific ownership taxes	15,182,352	-	15,182,352
Ski area lift ticket admissions tax	6,745,551	-	6,745,551
Franchise taxes	1,258,322	-	1,258,322
Tobacco taxes	540,391	-	540,391
Investment earnings	8,656,064	207,230	8,863,294
Gain on disposal of capital assets	(1,170,648)	267,356	(903,292)
Miscellaneous	2,490,674	-	2,490,674
Transfers	4,746,735	(4,746,735)	-
Total - General Revenues and Transfers	106,094,623	(4,272,149)	101,822,474
Change in Net Position	46,553,092	(4,345,943)	42,207,149
Net Position - January 1 (restated)	407,131,334	25,802,019	432,933,353
Net Position - December 31	453,684,426	21,456,076	475,140,502

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

TOWN OF VAIL

FUND FINANCIAL STATEMENTS

Town of Vail, Colorado
Balance Sheet
Governmental Funds
December 31, 2024

		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	46,645,526	598,591	-	-	15,906,304	50,824,793	15,831,241	129,806,455
Cash and cash equivalents - Unrestricted	16,544	-	2,547,983	13,137,686	-	-	-	15,702,213
Receivables, net:								
Property taxes assessed	7,670,500	-	-	-	-	-	-	7,670,500
Other taxes	7,498,953	-	1,018,316	-	745,731	-	-	9,263,000
Other governments	845,662	-	-	-	-	101,649	313,187	1,260,498
Other	936,227	10,000	-	-	-	311,228	111,999	1,369,454
Due from other funds	20,246,607	-	-	-	10,812,755	2,425,271	-	33,484,633
Loans receivable	1,047,193	-	-	-	-	3,895,714	-	4,942,907
Inventories	-	-	-	-	785,808	-	-	785,808
Prepaid expenses	29,985	-	36,378	-	-	2,252,909	-	2,319,272
Total Assets	84,937,197	608,591	3,602,677	13,137,686	28,250,598	59,811,564	16,256,427	206,604,740
Liabilities and Fund Balances:								
Liabilities:								
Accounts payable	1,316,796	264,305	389,337	9,870	231,522	1,409,981	905,776	4,527,587
Due to other governments	52,870	3,334	-	-	-	361,226	87,377	504,807
Due to other funds	-	-	-	2,556,282	-	-	-	2,556,282
Retainage payable	-	-	-	-	-	78,121	9,864	87,985
Accrued payroll and related liabilities	1,475,098	-	-	-	-	-	-	1,475,098
Unearned revenue	295,119	216,051	-	-	-	4,029,233	68,620	4,609,023
Deposits payable	310,611	-	-	-	-	-	-	310,611
Total Liabilities	3,450,494	483,690	389,337	2,566,152	231,522	5,878,561	1,071,637	14,071,393
Deferred Inflows of Resources:								
Property taxes	7,670,500	-	-	-	-	-	-	7,670,500
Fund Balances:								
Non-spendable	21,192,474	-	36,378	-	11,598,563	6,148,623	-	38,976,038
Restricted	3,178,101	-	181,000	231,000	-	-	-	3,590,101
Committed	23,644,286	124,901	2,995,962	-	16,420,513	45,354,880	15,184,790	103,725,332
Assigned	-	-	-	10,340,534	-	2,429,500	-	12,770,034
Unassigned	25,801,342	-	-	-	-	-	-	25,801,342
Total Fund Balances	73,816,203	124,901	3,213,340	10,571,534	28,019,076	53,933,003	15,184,790	184,862,847
Total Liabilities and Fund Balances	84,937,197	608,591	3,602,677	13,137,686	28,250,598	59,811,564	16,256,427	206,604,740

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

Town of Vail, Colorado
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2024

Total Governmental Fund Balances		184,862,847
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.		271,547,034
Other long-term assets and unearned charges are not available as current financial resources and, therefore, are not reported in the funds.		
Accrued interest income	24,349	
Pension forfeiture receivable	798,780	
		823,129
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.		14,940,853
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.		
Compensated absences and retirement bonus	(3,078,723)	
Refinancing loan	(3,910,000)	
Lease purchase financing	(11,480,000)	
Accrued interest payable	(20,714)	
		(18,489,437)
Net Position of Governmental Activities		453,684,426

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

Town of Vail, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2024

		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	42,118,034	-	5,516,572	7,069,100	5,110,322	20,661,554	9,349,910	89,825,492
Permits and licenses	3,588,340	345,095	-	-	-	-	-	3,933,435
Intergovernmental revenue	4,046,162	-	-	-	-	4,343,035	397,095	8,786,292
Charges for services	13,247,998	-	-	-	-	168,826	197,894	13,614,718
Investment income	3,904,454	9,381	240,117	612,766	754,888	2,076,221	721,472	8,319,299
Miscellaneous	200,991	10,600	-	-	724,949	39,182	290,223	1,265,945
Total Revenues	67,105,979	365,076	5,756,689	7,681,866	6,590,159	27,288,818	10,956,594	125,745,181
Expenditures:								
General government	11,444,908	-	-	-	-	-	-	11,444,908
Public safety	16,167,525	-	-	-	-	-	639,579	16,807,104
Public works and transportation	22,650,191	-	-	-	6,251,044	25,247,645	21,524,393	75,673,273
Culture and recreation	1,536,881	-	-	-	-	-	4,414,416	5,951,297
Economic development	1,840,549	2,271,483	6,007,147	893,243	-	-	138,695	11,151,117
Debt service:								
Principal	-	-	-	626,000	-	940,000	-	1,566,000
Interest	-	-	-	50,004	-	218,592	-	268,596
Total Expenditures	53,640,054	2,271,483	6,007,147	1,569,247	6,251,044	26,406,237	26,717,083	122,862,295
Excess (Deficiency) of Revenues Over Expenditures	13,465,925	(1,906,407)	(250,458)	6,112,619	339,115	882,581	(15,760,489)	2,882,886
Other Financing Sources (Uses):								
Sale of assets	14,537	-	-	-	-	54,500	-	69,037
Debt issuance costs	-	-	-	-	-	(1,250)	-	(1,250)
Transfers in	945,247	1,745,858	-	-	7,808,979	2,548,224	2,976	13,051,284
Transfers (out)	(2,050,394)	(74,659)	-	(2,425,271)	-	(2,808,979)	(945,247)	(8,304,550)
Total Other Financing Sources (Uses)	(1,090,610)	1,671,199	-	(2,425,271)	7,808,979	(207,505)	(942,271)	4,814,521
Net Change in Fund Balances	12,375,315	(235,208)	(250,458)	3,687,348	8,148,094	675,076	(16,702,760)	7,697,407
Fund Balances - January 1	61,440,888	360,109	3,463,798	6,884,186	19,870,982	53,257,927	31,887,550	177,165,440
Fund Balances - December 31	73,816,203	124,901	3,213,340	10,571,534	28,019,076	53,933,003	15,184,790	184,862,847

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

Town of Vail, Colorado
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities
For the Year Ended December 31, 2024

Net Change in Fund Balances of Governmental Funds		7,697,407
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 disposals and transfers, for the year.		36,373,781
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.		686,270
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.		1,566,000
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
Accrued interest income	(2,510)	
Pension forfeitures	205,019	
		202,509
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.		27,125
Change in Net Position of Governmental Activities		46,553,092

Town of Vail, Colorado
Proprietary Funds
Statement of Net Position
December 31, 2024

	Business-type Activities				
	Enterprise Funds				Governmental Activities - Internal Service Funds
	Timber Ridge	Dispatch Services Fund	Residences at Main Vail	TOTAL	
Assets:					
Current Assets:					
Equity in pooled cash and investments	-	3,335,465	-	3,335,465	7,803,831
Cash and cash equivalents - Unrestricted	7,363,988	-	566,861	7,930,849	-
Accounts receivable, net of allowance for uncollectibles	-	749	21,788	22,537	159,497
Inventory	-	-	-	-	518,741
Prepaid expenses	-	11,062	-	11,062	60,100
Total - Current Assets	7,363,988	3,347,276	588,649	11,299,913	8,542,169
				10,812,755	
Non-current Assets:					
Cash and cash equivalents - Restricted	3,272	-	315,586	318,858	-
Loan receivable	40,419,233	-	-	40,419,233	-
Property, plant, and equipment, net of accumulated depreciation	-	653,077	32,957,909	33,610,986	7,016,209
Total - Non-current Assets	40,422,505	653,077	33,273,495	74,349,077	7,016,209
Total Assets	47,786,493	4,000,353	33,862,144	85,648,990	15,558,378
Liabilities:					
Current Liabilities:					
Accounts payable	4,882,744	10,579	35,499	4,928,822	473,579
Accrued salaries and wages	-	32,697	-	32,697	5,816
Interfund payable	30,928,351	-	-	30,928,351	-
Interest payable	24,348	-	63,866	88,214	-
Unearned revenue	-	-	206,469	206,469	-
Deposits payable	-	-	146,351	146,351	-
Current portion of bonds payable	-	-	450,000	450,000	-
Current portion of notes payable	407,530	-	-	407,530	-
Current portion of compensated absences	-	45,927	-	45,927	41,439
Total - Current Liabilities	36,242,973	89,203	902,185	37,234,361	520,834
Non-current Liabilities:					
Bonds payable, net of current portion	-	-	23,363,207	23,363,207	-
Notes payable, net of current portion	3,488,184	-	-	3,488,184	-
Compensated absences, net of current portion	-	107,162	-	107,162	96,691
Total - Non-current Liabilities	3,488,184	107,162	23,363,207	26,958,553	96,691
Total Liabilities	39,731,157	196,365	24,265,392	64,192,914	617,525
Net Position:					
Net investment in capital assets	-	653,077	9,360,923	10,014,000	7,016,209
Restricted for emergencies	38,000	-	-	38,000	-
Unrestricted	8,017,336	3,150,911	235,829	11,404,076	7,924,644
Total Net Position	8,055,336	3,803,988	9,596,752	21,456,076	14,940,853

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, 2024

	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	-	691,448	-	691,448	8,356,471
Charges for services - External	-	1,598,162	-	1,598,162	904,326
Rents	573,251	-	1,827,762	2,401,013	-
Ground lease	454,546	-	-	454,546	-
Insurance reimbursements	-	-	-	-	735,981
Other	-	-	161,953	161,953	32,933
Total Operating Revenues	1,027,797	2,289,610	1,989,715	5,307,122	10,029,711
Operating Expenses:					
Operations	545,185	3,443,639	668,599	4,657,423	3,384,739
Health claims and premiums	-	-	-	-	5,595,069
Depreciation	181,161	114,221	852,003	1,147,385	1,198,120
Total Operating Expenses	726,346	3,557,860	1,520,602	5,804,808	10,177,928
Operating Income (Loss)	301,451	(1,268,250)	469,113	(497,686)	(148,217)
Non-Operating Revenues (Expenses):					
Intergovernmental revenues	-	1,167,993	-	1,167,993	23,342
Gain (loss) on disposal of assets	267,356	-	-	267,356	152,141
Investment income	69,478	131,721	6,031	207,230	339,275
Interest expense	(58,938)	-	(681,663)	(740,601)	-
Financing fees	-	-	(3,500)	(3,500)	-
Total Non-Operating Revenues (Expenses)	277,896	1,299,714	(679,132)	898,478	514,758
Income (Loss) Before Transfers and Capital Contributions	579,347	31,464	(210,019)	400,792	366,541
Transfers, net	(5,000,000)	253,265	-	(4,746,735)	-
Capital contributions, net	-	-	-	-	319,729
Change in Net Position	(4,420,653)	284,729	(210,019)	(4,345,943)	686,270
Net Position - January 1 (restated)	12,475,989	3,519,259	9,806,771	25,802,019	14,254,583
Net Position - December 31	8,055,336	3,803,988	9,596,752	21,456,076	14,940,853

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, 2024

	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	-	691,448	-	691,448	8,356,471
Cash received from tenants for rent	5,481,882	-	1,847,569	7,329,451	-
Other cash receipts	-	1,598,298	161,953	1,760,251	1,525,625
Cash paid for goods and services	(25,776,411)	(730,145)	(1,543,269)	(28,049,825)	(8,104,118)
Cash paid to employees	-	(2,811,331)	-	(2,811,331)	(1,379,992)
Net Cash Provided (Used) by Operating Activities	(20,294,529)	(1,251,730)	466,253	(21,080,006)	397,986
Cash Flows From Non-Capital Financing Activities:					
Transfer (to) other funds	(5,401,508)	-	-	(5,401,508)	-
Transfer from other funds	30,928,351	253,265	-	31,181,616	-
Cash received from operating grants	-	1,167,993	-	1,167,993	23,342
Net Cash Provided (Used) by Non-Capital Financing Activities	25,526,843	1,421,258	-	26,948,101	23,342
Cash Flows From Capital and Related Financing Activities:					
Cash received on disposal of fixed assets	-	-	-	-	359,482
Principal repaid on bonds and notes	-	-	(535,674)	(535,674)	-
Interest paid	(61,448)	-	(683,113)	(744,561)	-
Financing fees paid	-	-	(3,500)	(3,500)	-
Acquisition and construction of capital assets	(1,532,955)	-	-	(1,532,955)	(1,508,764)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,594,403)	-	(1,222,287)	(2,816,690)	(1,149,282)
Cash Flows From Investing Activities:					
Interest on investments	69,478	131,721	6,031	207,230	339,275
Net Cash Provided (Used) by Investing Activities	69,478	131,721	6,031	207,230	339,275
Net Increase (Decrease) in Cash and Cash Equivalents	3,707,389	301,249	(750,003)	3,258,635	(388,679)
Cash and Cash Equivalents - January 1	3,659,871	3,034,216	1,632,450	8,326,537	8,192,510
Cash and Cash Equivalents - December 31	7,367,260	3,335,465	882,447	11,585,172	7,803,831
Cash and Cash Equivalents at December 31 is Comprised of:					
Equity in pooled cash and investments	-	3,335,465	-	3,335,465	7,803,831
Cash and cash equivalents - Unrestricted	7,363,988	-	566,861	7,930,849	-
Cash and cash equivalents - Restricted	3,272	-	315,586	318,858	-
Total - Cash and Cash Equivalents	7,367,260	3,335,465	882,447	11,585,172	7,803,831
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating income / (loss)	301,451	(1,268,250)	469,113	(497,686)	(148,217)
Adjustments:					
Depreciation	181,161	114,221	852,003	1,147,385	1,198,120
(Increase) decrease in accounts receivable	(29,208,701)	136	-	(29,208,565)	(147,615)
(Increase) decrease in rent receivable	4,880,571	-	9,120	4,889,691	-
(Increase) decrease in inventory	-	-	-	-	(56,318)
(Increase) decrease in prepaid expenses	3,741	(11,062)	-	(7,321)	-
Increase (decrease) in accounts payable	3,973,734	(8,808)	(874,670)	3,090,256	(429,017)
Increase (decrease) in tenant security deposits	(94,192)	-	3,101	(91,091)	-
Increase (decrease) in prepaid rent	(13,707)	-	7,586	(6,121)	-
Increase (decrease) in deferred inflows	(318,587)	-	-	(318,587)	
Increase (decrease) in accrued wages and benefits	-	(77,967)	-	(77,967)	(18,967)
Total Adjustments	(20,595,980)	16,520	(2,860)	(20,582,320)	546,203
Net Cash Provided (Used) by Operating Activities	(20,294,529)	(1,251,730)	466,253	(21,080,006)	397,986
Non-cash Investing, Capital and Financing Activities:					
Assets contributed by Capital Projects Fund	-	-	-	-	319,729

Town of Vail, Colorado
Pension Trust Funds
Statement of Fiduciary Net Position
December 31, 2024

	Pension Trust	Deferred Compensation Plan
Assets:		
Cash and investments - Restricted	102,391,751	29,509,928
Loans to participants	383,451	-
Total Assets	102,775,202	29,509,928
Net Position:		
Held in trust for pension benefits and other purposes	102,775,202	29,509,928
Total Net Position	102,775,202	29,509,928

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, 2024

	Pension Trust	Deferred Compensation Plan
Additions:		
Contributions:		
Contributions	5,006,838	9,981,249
Net investment earnings:		
Investment earnings	11,224,152	3,278,103
Investment expenses	(161,092)	(49,773)
Net investment earnings	11,063,060	3,228,330
Total Additions	16,069,898	13,209,579
Deductions:		
Benefits paid	8,121,377	9,990,441
Total Deductions	8,121,377	9,990,441
Change in Net Position	7,948,521	3,219,138
Net Position - January 1	94,826,681	26,290,790
Net Position - December 31	102,775,202	29,509,928

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

TOWN OF VAIL

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, 2024, 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 Town began redevelopment of the property 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 include 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

The Town estimates how much of vacation or sick leave is more likely than not to be used as paid leave and recognizes that portion as a liability for 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 and sick 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 and sick leave of the proprietary fund type is recorded as an expense and liability of that fund as the benefits accrue to employees.

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts 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 one item 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. 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.

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. 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.

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.

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 Funds Balance Sheet and the Government-wide Statement of Net Position

These financial statements include a reconciliation between the total fund balances of all governmental funds presented on the Governmental Funds Balance Sheet and the net position of governmental activities reported on 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 $271,547,034 difference is related to property, plant and equipment of $473,814,316 less accumulated depreciation of $202,267,281.

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 $823,128 difference is comprised of pension forfeitures of $798,780 and interest receivable of $24,348.

Net position totaling $14,940,853 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 $18,489,437 difference is related to bonds and notes payable of $15,390,000; accrued compensated absences of $2,984,723; retirement bonus payable of $94,000; and interest payable of $20,714.

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

These financial statements include a reconciliation between the total net change in fund balances of all governmental funds presented on the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the change in net position of governmental activities 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 $36,373,781 difference is comprised of capital outlay of $49,953,404 less depreciation expense of $12,773,122; net book value of disposed assets of $806,501 and net book value of transferred assets of $0.

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	$ (671,985)	$ 420,449	$ 191,984	$ (158,062)
add/(less):				
Capital contributions	-	-	-	319,729
Interfund advances	(30,928,351)	-	-	-
Loan principal repayment to Capital Projects Fund	401,508	-	-	-
Lease receivable repayment	(5,000,000)	-	-	-
Bond principal payments	-	-	450,000	-
Reimbursable capital outlays	31,691,980	-	-	-
Change in accrued compensated absences	-	(21,499)	-	(81,522)
Capitalized assets	-	-	-	1,828,533
Net book value of disposed assets	267,356	-	-	(206,830)
Depreciation	(181,161)	(114,221)	(852,003)	(1,198,120)
Change in Net Position - GAAP Basis	$ (4,420,653)	$ 284,729	$ (210,019)	$ 503,728

III. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

The Town followed these procedures in preparing, approving, and enacting its budget for 2024:

(1) For the 2024 budget year, prior to August 25, 2023, 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 2023 fiscal year, the Town Manager submitted to the Town Council a budget and accompanying message.
(3) Prior to December 15, 2023, 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 2023 were collected in 2024 and taxes certified in 2024 will be collected in 2025. 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 2024:

(1) On or before September 30, 2023, 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 7, 2023.
(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, 2023. The Board adopted the 2024 budget on November 17, 2023.
(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 2024:

(1) For the 2024 budget year, prior to August 25, 2023, 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 2024 budget on November 7, 2023.
(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, 2024 fund balance in the General Fund and the Vail Reinvestment Authority Fund for this purpose in the amounts of $3,170,000 and $231,000, 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 $181,000 of its fund balance for emergencies, which is the approximate required reserve at December 31, 2024.

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 $39,066,460. The difference between the bank balance and book balance is primarily due to deposits in transit or outstanding checks at December 31, 2024.

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, 2024, 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	$ 20,958,103	$ -	$ 20,958,103	$ -
US Agency bonds	9,170,990	-	9,170,990	-
Mortgage pools	29,178,536	-	-	29,178,536
Total	$ 59,307,629	$ -	$ 30,129,093	$ 29,178,536
Investments Measured at Net Asset Value:				
COLOTRUST	$ 65,494,400			

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	28%

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			$ 16,544
Demand deposits			40,877,878
Certificates of deposit		<1 year	19,548,927
Certificates of deposit		<5 years	1,409,176
Total - Deposits			$ 61,852,525
Investments:			
US Agency bonds			$ 9,170,990
Mortgage pools	AA+	N/A	29,178,536
COLOTRUST	AAAm	N/A	65,494,400
Pension and Section 457 investments	N/A	N/A	132,285,130
Total - Investments			$ 236,129,056
Total deposits and investments			$ 297,981,581
Reconciliation to Statement of Net Position:			
Equity in pooled cash and investments			$ 140,945,751
Cash and cash equivalents - Unrestricted			23,633,062
Cash and cash equivalents - Restricted			1,117,638
Fiduciary funds			132,285,130
Total			$ 297,981,581

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	$ 7,670,500	$ -	$ -	$ -	$ -	$ -
Other taxes	7,498,953	-	1,018,316	745,731	-	-
Other governments	845,662	-	-	-	101,649	313,187
Other	971,227	10,000	-	-	311,228	111,999
Receivables - Gross	16,986,342	10,000	1,018,316	745,731	412,877	425,186
Less: Allowance for uncollectibles	(35,000)	-	-	-	-	-
Receivables, net	$ 16,951,342	$ 10,000	$ 1,018,316	$ 745,731	$ 412,877	$ 425,186

	Timber Ridge	Dispatch Services Fund	Residences at Main Vail	Heavy Equipment Fund	Health Insurance Fund	Total
Receivables:						
Property taxes	$ -	$ -	$ -	$ -	$ -	$ 7,670,500
Other taxes	-	-	-	-	-	9,263,000
Other governments	-	-	-	-	-	1,260,498
Other	-	749	21,788	61,418	98,079	1,586,488
Receivables - Gross	-	749	21,788	61,418	98,079	30,593,241
Less: Allowance for uncollectibles	-	-	-	-	-	(35,000)
Receivables, net	$ -	$ 749	$ 21,788	$ 61,418	$ 98,079	$ 30,558,241

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 $4,609,023 at December 31, 2024 and is comprised of the following:

	General Fund	Vail Marketing Fund	Capital Projects Fund	Real Estate Transfer Tax Fund	Total
Unearned revenues:					
Business licenses	$ -	$ 216,051	$ -	$ -	$ 216,051
Art projects	-	-	-	15,826	15,826
Environmental programs	-	-	-	52,794	52,794
Parking fees	131,714	-	-	-	131,714
Library grants	70,297	-	-	-	70,297
Police programs	93,108	-	-	-	93,108
Construction projects	-	-	4,029,233	-	4,029,233
	$ 295,119	$ 216,051	$ 4,029,233	$ 68,620	$ 4,609,023

Unearned revenue for construction projects in the Capital Projects Fund includes $2,126,062 collected from Holy Cross Energy for community enhancement to place utilities underground and $1,903,171 collected from developers for road improvements. The revenue will be recognized in the year the money is spent.

IV. Detailed Notes on all Funds (continued)

B. Receivables (continued)

Loans receivable for governmental activities at December 31, 2024 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, 2024 was $1,047,193.

During 2024, the Town executed an agreement with Triumph Timber Ridge, LLC ("the Developer") detailing the Town's participation in the Developer's redevelopment of the Timber Ridge Apartments into deed-restricted employee housing. As part of the agreement, the Timber Ridge Enterprise Fund contributed land of $10,446,722 and construction services totaling $29,972,511 in 2024 to the Developer, and recorded a cost reimbursement receivable which is to be repaid from future proceeds on sales of the new deed-restricted units. Under the terms of the agreement, net sales proceeds are designated to pay half the Developer's fee and construction loan prior to repaying contributions by the Town; consequently, this is reported as a long-term loan receivable.

C. Capital Assets

Capital asset activity for the Town's governmental activities during 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land	$ 24,814,199	$ 19,787,339	$ -	$ 44,601,538
Art	3,016,276	62,600	-	3,078,876
Construction in process	6,234,314	7,190,928	(2,014,644)	11,410,598
Intangibles	17,161,732	527,813	-	17,689,545
Total Capital Assets, Not Being Depreciated	51,226,521	27,568,680	(2,014,644)	76,780,557
Capital Assets, Being Depreciated:				
Buildings and improvements	149,029,991	8,564,388	(31,333)	157,563,046
Infrastructure and improvements	187,636,414	3,511,846	(305,639)	190,842,621
Equipment and vehicles	56,822,733	14,151,671	(5,525,872)	65,448,532
Total Capital Assets Being Depreciated	393,489,138	26,227,905	(5,862,844)	413,854,199
Less Accumulated Depreciation For:				
Buildings and improvements	(66,360,037)	(3,527,145)	5,948	(69,881,234)
Infrastructure and improvements	(103,240,739)	(6,121,762)	172,098	(109,190,403)
Equipment and vehicles	(33,348,457)	(4,322,335)	4,670,917	(32,999,875)
Total Accumulated Depreciation	(202,949,233)	(13,971,242)	4,848,963	(212,071,512)
Total Capital Assets Being Depreciated, Net	190,539,905	12,256,663	(1,013,881)	201,782,687
Governmental Activities Capital Assets, Net	$ 241,766,426	$ 39,825,343	$ (3,028,525)	$ 278,563,244

IV. Detailed Notes on all Funds (continued)

C. Capital Assets

Capital asset activity for the Town's business-type activities during 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type Activities				
Capital Assets, Not Being Depreciated:				
Land	$ 4,570,520	$ -	$ -	$ 171,020
Construction in process	950,322	17,795,341	(18,745,663)	-
Total Capital Assets, Not Being Depreciated	5,520,842	17,795,341	(18,745,663)	171,020
Capital Assets, Being Depreciated:				
Buildings and improvements	43,276,243	-	(9,429,160)	33,847,083
Infrastructure and improvements	901,374	-	(901,374)	-
Equipment	1,411,423	-	(31,891)	1,379,532
Total Capital Assets Being Depreciated	45,589,040	-	(10,362,425)	35,226,615
Less Accumulated Depreciation For:				
Buildings and improvements	(5,921,252)	(1,027,573)	5,855,846	(1,092,979)
Infrastructure and improvements	(414,525)	-	414,525	-
Equipment	(605,513)	(119,812)	31,655	(693,670)
Total Accumulated Depreciation	(6,941,290)	(1,147,385)	6,302,026	(1,786,649)
Total Capital Assets Being Depreciated, Net	38,647,750	(1,147,385)	(4,060,399)	33,439,966
Business-type Activities Capital Assets, Net	$ 44,168,592	$ 16,647,956	$ (22,806,062)	$ 33,610,986

Depreciation expense for 2024 was charged to functions of the Town as follows:

Governmental Activities:	
General government	$ 1,285,694
Public safety	553,667
Public works and transportation	9,717,253
Culture and recreation	2,403,571
Total Depreciation Expense - Governmental Activities	$ 13,971,242
Business-type Activities:	
Dispatch services	$ 114,221
Housing	1,033,164
Total Depreciation - Business-type Activities	$ 1,147,385

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, 2024, the Town had $88,769,213 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 leased the Property to Lion's Ridge for a 50-year term, during which time Lion's Ridge was to construct and lease deed-restricted apartments on the Property.

Pursuant to the Ground Lease, the Town granted Lion's Ridge an option to purchase the Property at any time prior to December 31, 2024. During 2024, Lion's Ridge exercised the purchase option and, consequently, the lease receivable was $0 at December 31, 2024.

E. Interfund Receivables, Payables, and Transfers

At December 31, 2024, VRA owed the Capital Projects Fund $2,425,271 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. VRA also owed the General Fund management fees totaling $131,011 at December 31, 2024.

Timber Ridge Enterprise Fund Interfund Payables

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 $61,447 of interest to the Town during 2024 and, as of December 31, 2024, had recorded $24,348 of accrued interest payable to the Town. The outstanding principal balance of the note at December 31, 2024 was $3,895,714.

Remaining debt service requirements for this promissory note at December 31, 2024 are as follows:

	Principal	Interest	Total
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	432,538	30,184	462,722
2030 - 2034	1,796,009	54,382	1,850,391
Totals	$ 3,895,714	$ 268,759	$ 4,164,473

Timber Ridge anticipates that the remaining balance of this note will be paid with repayments received on Timber Ridge's loan receivable from Triumph Timber Ridge, LLC (as described in Note IV.B).

IV. Detailed Notes on all Funds (continued)

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

Timber Ridge Enterprise Fund Interfund Payables (continued)

During 2024 and in connection with the agreement for redevelopment of the Timber Ridge property, the General Fund and Housing Fund advanced $20,115,596 and $10,812,755, respectively, to the Timber Ridge Enterprise Fund to fund costs of the project. Both advances are expected to be repaid with proceeds from the sale of the new deed-restricted units to be constructed.

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 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.

IV. Detailed Notes on all Funds (continued)

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

2. 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.

3. 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 and sick pay earned by employees at December 31, 2024 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 $1,030,394 at December 31, 2024 has been reflected in the Town's financial statements as the amount that is more likely than not to be used as paid sick leave.

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, 2024.

IV. Detailed Notes on all Funds (continued)

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

Long-term liability activity for the year ended December 31, 2024 was as follows:

	Beginning Balance (Restated)	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Tax Increment Revenue Refunding Loan, Series 2020	$ 4,536,000	$ -	$ (626,000)	$ 3,910,000	$ 636,000
Lease Purchase Financing, Series 2021	12,420,000	-	(940,000)	11,480,000	955,000
Compensated absences *	3,130,587	-	(7,734)	3,122,853	936,856
Total Governmental Activities Long-term Liabilities	$ 20,086,587	$ -	$ (1,573,734)	$ 18,512,853	$ 2,527,856
Business-type Activities:					
2021 Certificates of Participation	$ 21,530,000	$ -	$ (435,000)	$ 21,095,000	$ 450,000
Debt issuance premium	2,818,881	-	(100,674)	2,718,207	-
Compensated absences *	171,850	-	(18,761)	153,089	45,927
Total Business-type Activities Long-term Liabilities	$ 24,520,731	$ -	$ (554,435)	$ 23,966,296	$ 495,927

* The changes in the compensated absences liabilities are presented as a net change.

Debt service requirements for the governmental activities at December 31, 2024 were as follows:

	Principal	Interest	Total
Governmental Activities:			
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	183,101	1,843,101
2029	1,688,000	157,751	1,845,751
2030-2034	6,069,000	447,146	6,516,146
2035-2039	1,135,000	39,820	1,174,820
Total Governmental Activities	$ 15,390,000	$ 1,525,309	$ 16,915,309

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, 2024 were as follows:

	Principal	Interest	Total
Business-Type Activities:			
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	530,000	689,788	1,219,788
2030-2034	2,975,000	3,114,138	6,089,138
2035-2039	3,620,000	2,469,338	6,089,338
2040-2044	4,405,000	1,685,138	6,090,138
2045-2049	5,310,000	776,019	6,086,019
2050-2051	2,340,000	92,531	2,432,531
Total Business-type Activities	$ 21,095,000	$ 11,781,300	$ 32,876,300

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.

During 2024, the General Fund and Housing Fund advanced $20,115,596 and $10,812,755, respectively, to the Timber Ridge Enterprise Fund, as described in Note IV.E. These amounts are considered non-spendable, as proceeds needed to repay the advances are not expected to be received until 2026 or later. Additionally, these amounts are subject to economic risks and uncertainties in connection with the construction of the project and subsequent unit sales.

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.

IV. Detailed Notes on all Funds (continued)

J. Fund Balance Disclosures (continued)

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.

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.

Components of fund balance classifications reported on the governmental funds balance sheet at December 31, 2024 are as follows:

	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	$ 1,047,193	$ -	$ -	$ -	$ -	$ -	$ -
Loans to other funds	20,115,296	-	-	-	10,812,755	3,895,714	-
Prepaid items	29,985	-	36,378	-	-	2,252,909	-
Inventories	-	-	-	-	785,808	-	-
Total - Nonspendable	$ 21,192,474	$ -	$ 36,378	$ -	$ 11,598,563	$ 6,148,623	$ -
Restricted:							
Settlement escrow	$ -	$ -	$ -	$ -		$ -	$ -
TABOR emergency reserve	3,170,000	-	181,000	231,000	-	-	-
Police funds	8,101	-	-	-	-	-	-
Total - Restricted	3,178,101	-	181,000	231,000	-	-	$ -
Committed:							
Employee housing ownership program	$ 157,193	$ -	$ -	$ -		$ -	$ -
Capital projects	-	-	-	-	-	45,354,880	-
Parks and recreation	-	-	-	-	-	-	15,184,790
Housing	-	-	-	-	16,420,513	-	-
Operating reserve	23,487,093	-	-	-	-	-	-
Destination marketing	-	124,901	2,995,962	-	-	-	-
Total - Committed	$ 23,644,286	$ 124,901	$ 2,995,962	$ -	$ 16,420,513	$ 45,354,880	$ 15,184,790
Assigned:							
Capital maintenance	$ -	$ -	$ -	$ -	$ -	$ 2,429,500	$ -
Debt service	-	-	-	10,340,534	-	-	-
Total - Assigned	$ -	$ -	$ -	$ 10,340,534	$ -	$ 2,429,500	$ -

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

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 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 the IRS allowed maximum. 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.

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, 2024 of $102,391,751 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 2024 covered payroll was $30,913,055 of which $27,347,050 was for permanent employees and $3,566,055 was for seasonal staff. Total 2024 payroll for all Town employees was $32,273,062.

V. Other Information (continued)

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 $29,509,928 at December 31, 2024. 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.

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").

V. Other Information (continued)

D. Risk Management (continued)

The following is a summary of the changes in the balances of the claims liability during 2024:

Claims liability, beginning of year	$	591,375
Current year claims		(4,576,381)
Claims payments		4,385,006
Claims liability, end of year	$	400,000

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, 2024.

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, 2024.

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

The bonds, which mature in 2038, 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 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 for Implementation of Accounting Standard

Effective January 1, 2024, the Town implemented GASB Statement No. 101, *Compensated Absences* ("GASB 101"), which requires that the Town recognize a liability for all forms of compensated absences not paid upon an employee's separation from service, including sick leave. Under GASB 101, compensated absence liability is based on historical data about the accumulation and forfeiture of leave balances, rather than solely on termination payouts. The implementation of GASB 101 was applied retroactively, with restatement of opening 2024 fund balances / net position as follows:

	12/31/2023 As Previously Reported	Restatement: Increase / (Decrease)	12/31/2023 As Restated
Government-wide:			
Governmental activities	$ 408,121,468	$ (990,134)	$ 407,131,334
Business-type activities	25,842,280	(40,261)	25,802,019
Total	$ 433,963,748	$ (1,030,395)	$ 432,933,353
Governmental Funds:			
Internal service funds:			
Heavy Equipment Fund	$ 9,250,187	(70,131)	$ 9,180,056
Enterprise Funds:			
Dispatch Fund	$ 3,559,520	(40,261)	$ 3,519,259

H. Subsequent Event – West Middle Creek Project

In March 2025, the Town created Vail Home Partners Corporation ("VHP"), a Colorado non-profit organization, for the purposes of financing and building the West Middle Creek Project (the "Project"), consisting of approximated 268 deed-restricted units for workforce housing. In May 2025, VHP issued $126,035,000 in non-rated housing revenue bonds and the Town issued $63,155,000 in Certificates of Participation to help fund development of the Project. In addition, the Town contributed $10,000,000 to VHP to assist development. VHP's initial Board of Directors is consists of senior management of the Town.

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
General sales taxes	25,327,000	25,327,000	25,327,000	-	24,853,000
Property and ownership taxes	8,445,000	8,445,000	8,104,076	(340,924)	6,077,562
Ski area lift ticket admissions tax	6,675,000	7,014,135	6,745,551	(268,584)	6,536,433
Franchise tax	1,281,056	1,281,056	1,258,322	(22,734)	1,348,479
Tobacco tax	551,250	551,250	540,391	(10,859)	553,661
Penalties and interest on delinquent taxes	68,850	68,850	142,694	73,844	59,514
Total - Taxes	42,348,156	42,687,291	42,118,034	(569,257)	39,428,649
Permits and Licenses:					
Construction fees	969,651	1,145,661	1,169,903	24,242	1,020,566
Contractors' licenses	55,272	80,272	62,550	(17,722)	63,850
Other permits and licenses	1,807,110	2,234,274	2,355,887	121,613	1,863,699
Total - Permits and Licenses	2,832,033	3,460,207	3,588,340	128,133	2,948,115
Intergovernmental:					
County sales tax	1,465,600	1,527,600	1,546,306	18,706	1,527,100
County road and bridge	753,826	786,982	1,090,781	303,799	784,612
Additional motor vehicle registration fees	28,755	28,755	25,444	(3,311)	25,055
Highway users tax	225,000	225,000	261,812	36,812	226,494
Other county sources	87,500	87,500	96,852	9,352	86,000
Other state sources	547,500	1,521,603	716,535	(805,068)	814,387
Federal sources	236,152	289,159	308,432	19,273	626,028
Total - Intergovernmental	3,344,333	4,466,599	4,046,162	(420,437)	4,089,676
Charges for Services:					
Management fees - Vail Local Marketing District	160,000	275,000	239,887	(35,113)	175,000
Internal service charge	597,343	655,861	719,757	63,896	631,630
Out of district fire response	73,469	73,469	100,417	26,948	91,880
Parking	8,930,196	8,953,976	9,425,892	471,916	9,431,577
Fines and forfeitures	204,117	204,117	498,731	294,614	335,041
Rents	1,757,238	1,789,266	1,927,709	138,443	1,589,795
Other charges, services, and sales	199,179	261,898	335,605	73,707	265,159
Total - Charges for Services	11,921,542	12,213,587	13,247,998	1,034,411	12,520,082
Investment Income:					
Earnings on investments	500,000	4,620,303	3,904,454	(715,849)	3,179,219
Miscellaneous:					
Miscellaneous	618,199	256,700	200,991	(55,709)	216,154
Total Revenues	61,564,263	67,704,687	67,105,979	(598,708)	62,381,895

(Continuing)

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

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023
(Continued)

	2024				2023
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Expenditures:					
General Government:					
Town officials	2,367,371	2,524,491	2,143,559	380,932	3,024,938
Administrative	7,784,921	7,050,397	6,108,917	941,480	5,777,964
Community development	3,910,551	4,483,681	3,192,432	1,291,249	2,617,779
Total - General Government	14,062,843	14,058,569	11,444,908	2,613,661	11,420,681
Public Safety:					
Police department	8,693,183	9,413,609	9,131,483	282,126	8,823,063
Fire department	6,576,025	7,290,452	7,036,042	254,410	6,627,194
Total - Public Safety	15,269,208	16,704,061	16,167,525	536,536	15,450,257
Public Works and Transportation:					
Highways and streets	7,026,204	7,388,544	6,699,675	688,869	6,527,425
Transportation	7,266,251	7,709,031	7,070,317	638,714	6,807,613
Parking operations	2,553,067	2,718,567	2,346,262	372,305	2,140,313
Facility maintenance	6,578,553	6,585,428	6,533,937	51,491	6,229,229
Total - Public Works and Transportation	23,424,075	24,401,570	22,650,191	1,751,379	21,704,580
Culture and Recreation:					
Special recreation facilities	302,900	302,900	339,855	(36,955)	307,798
Library	1,252,795	1,324,884	1,197,026	127,858	1,218,021
Total - Culture and Recreation	1,555,695	1,627,784	1,536,881	90,903	1,525,819
Economic Development:					
Contributions, marketing, and special events	1,993,012	2,065,812	1,840,549	225,263	2,044,423
Total Expenditures	56,304,833	58,857,796	53,640,054	5,217,742	52,145,760
Excess (Deficiency) of Revenues Over Expenditures	5,259,430	8,846,891	13,465,925	4,619,034	10,236,135
Other Financing Sources (Uses):					
Sale of assets	-	-	14,537	14,537	6,547
Transfers in	-	664,356	945,247	280,891	210,000
Transfers (out)	(30,649,840)	(33,173,583)	(2,050,394)	31,123,189	(2,461,349)
Total Other Financing Sources (Uses)	(30,649,840)	(32,509,227)	(1,090,610)	31,418,617	(2,244,802)
Net Change in Fund Balance	(25,390,410)	(23,662,336)	12,375,315	36,037,651	7,991,333
Fund Balance - January 1	48,411,078	61,440,888	61,440,888	-	53,449,555
Fund Balance - December 31	23,020,668	37,778,552	73,816,203	36,037,651	61,440,888

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Permits and Licenses:					
Business licenses	345,000	345,000	345,095	95	354,366
Investment Income:					
Interest on investments	250	10,250	9,381	(869)	14,518
Miscellaneous:					
Project reimbursements/shared costs	-	-	10,600	10,600	100,000
Total Revenues	345,250	355,250	365,076	9,826	468,884
Expenditures:					
Economic Development:					
Special events	2,348,760	2,176,131	1,414,931	761,200	1,620,528
Commission on special events	811,648	911,270	839,297	71,973	712,513
Cultural heritage	-	-	-	-	125,000
Administration fee	17,250	17,250	17,255	(5)	17,718
Total Expenditures	3,177,658	3,104,651	2,271,483	833,168	2,475,759
Excess (Deficiency) of Revenues Over Expenditures	(2,832,408)	(2,749,401)	(1,906,407)	842,994	(2,006,875)
Other Financing Sources (Uses):					
Transfers in	2,600,000	2,600,000	1,745,858	(854,142)	2,050,000
Transfers (out)	-	(73,007)	(74,659)	(1,652)	(99,338)
Total Other Financing Sources (Uses)	2,600,000	2,526,993	1,671,199	(855,794)	1,950,662
Net Change in Fund Balance	(232,408)	(222,408)	(235,208)	(12,800)	(56,213)
Fund Balance - January 1	310,362	360,109	360,109	-	416,322
Fund Balance - December 31	77,954	137,701	124,901	(12,800)	360,109

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Lodging tax	5,395,000	5,395,000	5,516,572	121,572	5,489,112
Investment Income:					
Interest on investments	65,000	65,000	240,117	175,117	125,984
Total Revenues	5,460,000	5,460,000	5,756,689	296,689	5,615,096
Expenditures:					
Economic Development:					
Destination	1,313,370	1,773,230	1,799,800	(26,570)	1,196,357
Front Range	250,000	289,560	271,989	17,571	229,148
Groups and meetings	320,667	320,667	303,475	17,192	275,511
Marketing	2,638,671	2,763,811	2,167,624	596,187	2,076,270
Event liaison	26,000	26,000	26,000	-	26,000
Purchased services	1,222,492	1,460,295	1,438,259	22,036	839,331
Total Expenditures	5,771,200	6,633,563	6,007,147	626,416	4,642,617
Excess (Deficiency) of Revenues Over Expenditures	(311,200)	(1,173,563)	(250,458)	923,105	972,479
Other Financing Sources (Uses):					
Transfers (out)	-	-	-	-	(1,410,000)
Net Change in Fund Balance	(311,200)	(1,173,563)	(250,458)	923,105	(437,521)
Fund Balance - January 1	4,660,153	3,463,798	3,463,798	-	3,901,319
Fund Balance - December 31	4,348,953	2,290,235	3,213,340	923,105	3,463,798

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

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Property tax	7,774,000	7,774,000	7,069,100	(704,900)	4,613,220
Investment Income:					
Interest on investments	5,000	5,000	612,766	607,766	434,719
Other:					
Shared costs/project reimbursements	-	-	-	-	469,525
Total Revenues	7,779,000	7,779,000	7,681,866	(97,134)	5,517,464
Expenditures:					
Economic Development:					
Administration	137,000	137,000	131,011	5,989	108,976
Treasurer's fees	233,220	233,220	216,072	17,148	185,306
Professional fees	10,000	10,000	270	9,730	-
Vail Square Metro District	896,280	896,280	545,890	350,390	696,936
Total - Economic Development	1,276,500	1,276,500	893,243	383,257	991,218
Debt Service:					
Principal	626,000	626,000	626,000	-	620,000
Interest	50,254	50,254	50,004	250	58,307
Total - Debt Service	676,254	676,254	676,004	250	678,307
Total Expenditures	1,952,754	1,952,754	1,569,247	383,507	1,669,525
Excess (Deficiency) of Revenues Over Expenditures	5,826,246	5,826,246	6,112,619	286,373	3,847,939
Other Financing Sources (Uses):					
Transfers (out)	(200,000)	(4,613,840)	(2,425,271)	2,188,569	(1,856,724)
Net Change in Fund Balance	5,626,246	1,212,406	3,687,348	2,474,942	1,991,215
Fund Balance - January 1	6,884,187	6,884,187	6,884,186	(1)	4,892,971
Fund Balance - December 31	12,510,433	8,096,593	10,571,534	2,474,941	6,884,186

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Sales tax	4,950,000	4,950,000	5,110,322	160,322	5,075,762
Investment Income:					
Interest on investments	-	700,000	754,888	54,888	304,854
Miscellaneous:					
Project reimbursements/shared costs	-	675,000	675,000	-	1,000,000
Employee Housing Fee-in-Lieu	-	46,199	46,199	-	17,104
Miscellaneous	-	-	3,750	3,750	4,000
Total - Miscellaneous	-	721,199	724,949	3,750	1,021,104
Total Revenues	4,950,000	6,371,199	6,590,159	218,960	17,214,475
Expenditures:					
Public Works:					
Subsidy on deed restricted unit sales	-	-	398,358	(398,358)	164,436
Capital projects and acquisition	11,500,000	15,923,045	5,852,686	10,070,359	3,173,372
Total - Public Works	11,500,000	15,923,045	6,251,044	9,672,001	3,337,808
Total Expenditures	11,500,000	15,923,045	6,251,044	9,672,001	3,337,808
Excess (Deficiency) of Revenues Over Expenditures	(6,550,000)	(9,551,846)	339,115	9,890,961	13,876,667
Other Financing Sources (Uses):					
Sale of assets	-	6,095,455	-	(6,095,455)	-
Transfers in	2,500,000	2,808,799	7,808,979	5,000,180	3,700,000
Transfers (out)	-	(10,812,755)	-	10,812,755	(850,000)
Total Other Financing Sources (Uses)	2,500,000	(1,908,501)	7,808,979	9,717,480	2,850,000
Net Change in Fund Balance	(4,050,000)	(11,460,347)	8,148,094	19,608,441	16,726,667
Fund Balance - January 1	4,871,792	19,870,982	19,870,982	-	13,957,070
Fund Balance - December 31	821,792	8,410,635	28,019,076	19,608,441	30,683,737

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

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Sales tax	15,523,000	15,523,000	17,588,236	2,065,236	17,641,761
Construction use tax	2,040,000	3,118,670	3,073,318	(45,352)	2,532,881
Franchise tax	205,000	1,126,672	-	(1,126,672)	-
Total - Taxes	17,768,000	19,768,342	20,661,554	893,212	20,174,642
Intergovernmental:					
State grants	750,000	3,600,276	2,511,915	(1,088,361)	-
Federal grants	-	3,825,482	1,831,120	(1,994,362)	-
Total - Intergovernmental	750,000	7,425,758	4,343,035	(3,082,723)	-
Charges for Services:					
Leases - Vail Commons	172,270	172,270	168,826	(3,444)	170,392
Investment Income:					
Interest on investments	758,543	2,424,038	2,076,221	(347,817)	2,358,673
Miscellaneous:					
Project reimbursements/shared costs	558,562	774,437	39,182	(735,255)	49,371
Total Revenues	20,007,375	30,564,845	27,288,818	(3,276,027)	22,753,078
Expenditures:					
Public Works:					
Capital projects and acquisition	17,390,600	52,746,748	25,247,645	27,499,103	14,611,918
Debt Service:					
Principal payments	940,000	940,000	940,000	-	920,000
Interest	218,592	218,592	218,592	-	234,784
Total - Debt Service	1,158,592	1,158,592	1,158,592	-	1,154,784
Total Expenditures	18,549,192	53,905,340	26,406,237	27,499,103	15,766,702
Excess (Deficiency) of Revenues Over Expenditures	1,458,183	(23,340,495)	882,581	24,223,076	6,986,376
Other Financing Sources (Uses):					
Debt issuance costs	-	-	(1,250)	1,250	(1,250)
Sale of assets	-	-	54,500	54,500	45,000
Transfers in	200,000	4,735,210	2,548,224	(2,186,986)	1,956,062
Transfers (out)	(2,500,000)	(2,808,799)	(2,808,979)	(180)	(7,593,769)
Total Other Financing Sources (Uses)	(2,300,000)	1,926,411	(207,505)	(2,133,916)	(5,593,957)
Net Change in Fund Balance	(841,817)	(21,414,084)	675,076	22,089,160	1,392,419
Fund Balance - January 1	21,986,276	53,257,927	53,257,927	-	51,865,508
Fund Balance - December 31	21,144,459	31,843,843	53,933,003	22,089,160	53,257,927

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Real estate transfer tax	7,000,000	8,212,318	9,349,910	1,137,592	7,994,852
Intergovernmental Revenue:					
Lottery revenue	30,000	30,000	29,511	(489)	32,959
Other county revenue	-	547,243	342,584	(204,659)	314,227
Other state revenue	240,000	273,717	25,000	(248,717)	333,783
Total - Intergovernmental Revenue	270,000	850,960	397,095	(453,865)	680,969
Charges for Services:					
Recreation amenities fee	10,000	10,000	6,609	(3,391)	5,858
Land lease to Vail Recreation District	175,151	175,151	191,285	16,134	182,663
Total - Charges for Services	185,151	185,151	197,894	12,743	188,521
Investment Income:					
Interest on investments	68,667	758,571	721,472	(37,099)	1,058,070
Miscellaneous:					
Project reimbursements	75,000	85,200	26,581	(58,619)	72,513
Donations	-	38,156	146,890	108,734	71,666
Other	50,000	104,280	116,752	12,472	65,955
Total - Miscellaneous	125,000	227,636	290,223	62,587	210,134
Total Revenues	7,648,818	10,234,636	10,956,594	721,958	10,132,546
Expenditures:					
Public Safety:					
Fire suppression	805,414	933,603	639,579	294,024	790,688
Public Works:					
Capital projects	2,990,812	30,198,554	21,524,393	8,674,161	3,684,017
Culture and Recreation:					
Project management	350,000	410,616	467,495	(56,879)	-
Park maintenance	2,377,002	2,455,201	1,876,953	578,248	1,860,139
Environmental sustainability	2,177,297	2,705,080	1,892,343	812,737	1,853,528
Art in public places	218,525	218,525	177,625	40,900	178,159
Total - Culture and Recreation	5,122,824	5,789,422	4,414,416	1,375,006	3,891,826
Economic Development					
Contributions	138,695	138,695	138,695	-	-
Total Expenditures	9,057,745	37,060,274	26,717,083	10,343,191	8,366,531
Excess (Deficiency) of Revenues Over Expenditures	(1,408,927)	(26,825,638)	(15,760,489)	11,065,149	1,766,015
Other Financing Sources (Uses):					
Transfers in	-	2,880	2,976	96	197,660
Transfers (out)	(282,199)	(664,356)	(945,247)	(280,891)	-
Total Other Financing Sources (Uses)	(282,199)	(661,476)	(942,271)	(280,795)	197,660
Net Change in Fund Balance	(1,691,126)	(27,487,114)	(16,702,760)	10,784,354	1,963,675
Fund Balance - January 1	8,405,293	31,887,550	31,887,550	-	29,923,875
Fund Balance - December 31	6,714,167	4,400,436	15,184,790	10,784,354	31,887,550

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Rents	466,438	568,225	573,251	5,026	1,676,624
Ground lease	-	-	454,546	454,546	454,545
Other	3,681	3,681	-	(3,681)	42,346
Total Operating Revenues	470,119	571,906	1,027,797	455,891	2,173,515
					10,812,755
Operating Expenses:					
Operating expenses	171,872	385,438	358,673	26,765	693,825
Capital outlay	38,597,773	40,988,509	31,878,492	9,110,017	848,254
Total Operating Expenses	38,769,645	41,373,947	32,237,165	9,136,782	1,542,079
Operating Income (Loss)	(38,299,526)	(40,802,041)	(31,209,368)	9,592,673	631,436
Non-operating Revenues (Expenses):					
Interest on investments	12,500	66,500	69,478	2,978	80,694
Interest expense	(61,447)	(61,447)	(58,938)	2,509	(64,953)
Loan principal repayment - Capital Projects Fund	(401,508)	(401,508)	(401,508)	-	(395,574)
Lease receivable repayment	-	-	5,000,000	5,000,000	-
Contributed capital	-	-	-	-	114,080
Total Non-operating Revenue (Expenses)	(450,455)	(396,455)	4,609,032	5,005,487	(265,753)
Income (Loss) Before Transfers - Budget Basis	(38,749,981)	(41,198,496)	(26,600,336)	14,598,160	365,683
Transfers in	37,049,840	41,335,095	30,928,351	(10,406,744)	850,000
Transfers (out)	-	-	(5,000,000)	(5,000,000)	-
Change in Net Position - Budget Basis	(1,700,141)	136,599	(671,985)	(808,584)	1,215,683
Reconciliation to GAAP Basis:					
Adjustments:					
Loan principal repayment - Capital Projects Fund			401,508		395,574
Lease receivable repayment			(5,000,000)		-
Interfund advances			(30,928,351)		-
Capitalized assets			-		848,254
Reimbursable capital outlays			31,691,980		-
Net book value of disposed assets			267,356		-
Depreciation			(181,161)		(361,929)
Total Adjustments			(3,748,668)		881,899
Change in Net Position - GAAP Basis			(4,420,653)		2,097,582

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Charges and Fees:					
Dispatch service fee	691,448	691,448	691,448	-	669,317
Dispatching contracts	1,598,162	1,598,162	1,598,162	-	1,442,641
Total Operating Revenues	2,289,610	2,289,610	2,289,610	-	2,111,958
Operating Expenses:					
Public Safety:					
Salaries and benefits	2,867,908	2,921,108	2,733,364	187,744	2,547,374
Operating expenses	613,342	627,742	591,686	36,056	566,787
Capital outlay	-	894,200	97,090	797,110	85,145
Total Operating Expenses	3,481,250	4,443,050	3,422,140	1,020,910	3,199,306
Operating (Loss) - Budget Basis	(1,191,640)	(2,153,440)	(1,132,530)	1,020,910	(1,087,348)
Non-operating Revenues:					
Operating grant - Intergovernmental	-	-	-	-	103,000
Operating grant - E-911 Board	1,167,993	1,167,993	1,167,993	-	1,067,535
Interest on investments	5,000	125,000	131,721	6,721	130,738
Total Non-operating Revenues	1,172,993	1,292,993	1,299,714	6,721	1,301,273
Income (Loss) before Transfes - Budget Basis	(18,647)	(860,447)	167,184	1,027,631	213,925
Transfers in	-	253,266	253,265	(1)	154,037
Change in Net Position - Budget Basis	(18,647)	(607,181)	420,449	1,027,630	367,962
Reconciliation to GAAP Basis:					
Adjustments:					
Change in accrued compensated absences			(21,499)		(29,690)
Net book value of disposed assets			-		(79,568)
Depreciation			(114,221)		(118,409)
Total Adjustments			(135,720)		(227,667)
Change in Net Position - GAAP Basis			284,729		140,295

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

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Rents	1,721,300	1,721,300	1,827,762	106,462	463,945
Other	124,230	270,230	161,953	(108,277)	79,081
Total Operating Revenues	1,845,530	1,991,530	1,989,715	(1,815)	543,026
Operating Expenses:					
Operating expenses	567,994	776,013	668,599	107,414	294,820
Capital outlay	51,639	51,639	-	51,639	16,845,019
Total Operating Expenses	619,633	827,652	668,599	159,053	17,139,839
Operating Income (Loss)	1,225,897	1,163,878	1,321,116	157,238	(16,596,813)
Non-operating Revenues (Expenses):					
Intergovernmental grants	500	500	-	(500)	1,365,835
Interest on investments	500	500	6,031	5,531	197,916
Interest expense	(783,788)	(783,788)	(681,663)	102,125	(698,330)
Capital contributions	-	-	-	-	1,950,000
Bond principal payments	-	-	(450,000)	(450,000)	(435,000)
Financing fees	(3,000)	(3,000)	(3,500)	(500)	(3,500)
Total Non-operating Revenue (Expenses)	(785,788)	(785,788)	(1,129,132)	(343,344)	2,376,921
Income (Loss) before Transfes - Budget Basis	440,109	378,090	191,984	(186,106)	(14,219,892)
Transfers in	-	-	-	-	5,093,769
Change in Net Position - Budget Basis	440,109	378,090	191,984	(186,106)	(9,126,123)
Reconciliation to GAAP Basis:					
Adjustments:					
Bond principal payments			450,000		435,000
Capitalized assets			-		16,845,019
Depreciation			(852,003)		(248,501)
Total Adjustments			(402,003)		17,031,518
Change in Net Position - GAAP Basis			(210,019)		7,905,395

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Charges and Fees:					
Operating charges	3,395,928	3,395,928	2,979,408	(416,520)	2,863,212
Replacement charges	1,237,015	1,243,890	1,377,065	133,175	1,236,178
Total - Charges and Fees	4,632,943	4,639,818	4,356,473	(283,345)	4,099,390
Insurance reimbursements	5,000	55,409	50,410	(4,999)	89,754
Other	20,000	20,000	3,941	(16,059)	-
Total Operating Revenues	4,657,943	4,715,227	4,410,824	(304,403)	4,189,144
Operating Expenses:					
Public Works:					
Vehicle maintenance and fuel	3,609,871	3,683,371	3,207,019	476,352	3,198,779
Capital outlay	1,501,976	2,729,522	1,828,533	900,989	1,643,111
Total Operating Expenses	5,111,847	6,412,893	5,035,552	1,377,341	4,841,890
Operating Income (Loss) - Budget Basis	(453,904)	(1,697,666)	(624,728)	1,072,938	(652,746)
Non-operating Revenues:					
Intergovernmental revenues	-	20,000	23,342	3,342	24,718
Interest on investments	1,500	76,500	84,353	7,853	102,033
Proceeds from sale of assets	196,227	196,227	358,971	162,744	217,443
Total Non-operating Revenues	197,727	292,727	466,666	173,939	344,194
Income (Loss) before Transfes - Budget Basis	(256,177)	(1,404,939)	(158,062)	1,246,877	(308,552)
Transfers in	-	-	-	-	59,652
Change in Net Position - Budget Basis	(256,177)	(1,404,939)	(158,062)	1,246,877	(248,900)
Reconciliation to GAAP Basis:					
Adjustments:					
Contribution from Capital Projects Fund			319,729		498,271
Change in accrued compensated absences			(81,522)		(1,847)
Capitalized assets			1,828,533		1,643,111
Net book value of disposed assets			(206,830)		(62,232)
Depreciation			(1,198,120)		(1,024,535)
Total Adjustments			661,790		1,052,768
Change in Net Position - GAAP Basis			503,728		803,868

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

	2024				2023
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Operating Revenues:					
Charges and Fees:					
Insurance premiums - Employer contributions	4,398,910	4,398,910	3,999,998	(398,912)	4,799,723
Insurance premiums - Employee contributions	941,864	941,864	904,326	(37,538)	934,460
Insurer proceeds	500,000	500,000	685,571	185,571	-
Other	-	-	28,992	28,992	-
Total Operating Revenues	5,840,774	5,840,774	5,618,887	(221,887)	5,734,183
Operating Expenses:					
General Government:					
Operations:					
Administrative fees	110,000	110,000	96,198	13,802	61,128
Health claims and premiums:					
Health claims	5,202,407	5,202,407	4,438,346	764,061	4,389,906
Premiums	901,760	901,760	1,156,723	(254,963)	1,584,181
	6,104,167	6,104,167	5,595,069	509,098	5,974,087
Total Operating Expenses	6,214,167	6,214,167	5,691,267	522,900	6,035,215
Operating Income (Loss)	(373,393)	(373,393)	(72,380)	301,013	(301,032)
Non-operating Revenues:					
Interest on investments	75,000	225,000	254,922	29,922	272,194
Change in Net Position	(298,393)	(148,393)	182,542	330,935	(28,838)

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

Town of Vail, Colorado
Internal Service Funds
Combining Statement of Net Position
December 31, 2024

	Heavy Equipment Fund	Health Insurance Fund	Total
Assets:			
Current Assets:			
Equity in pooled cash and investments	2,301,037	5,502,794	7,803,831
Accounts receivable, net of allowance for uncollectibles	61,418	98,079	159,497
Inventory	518,741	-	518,741
Prepaid expenses	-	60,100	60,100
Total - Current Assets	2,881,196	5,660,973	8,542,169
Non-current Assets:			
Property, plant, and equipment, net of accumulated depreciation	7,016,209	-	7,016,209
Total Assets	9,897,405	5,660,973	15,558,378
Liabilities:			
Current Liabilities:			
Accounts payable	69,675	403,904	473,579
Accrued salaries and wages	5,816	-	5,816
Current portion of compensated absences	41,439	-	41,439
Total - Current Liabilities	116,930	403,904	520,834
Non-current Liabilities:			
Compensated absences, net of current portion	96,691	-	96,691
Total Liabilities	213,621	403,904	617,525
Net Position:			
Net investment in capital assets	7,016,209	-	7,016,209
Unrestricted	2,667,575	5,257,069	7,924,644
Total Net Position	9,683,784	5,257,069	14,940,853

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, 2024

	Heavy Equipment Fund	Health Insurance Fund	Total
Operating Revenues:			
Charges for services - Internal	4,356,473	3,999,998	8,356,471
Charges for services - External	-	904,326	904,326
Insurance reimbursements	50,410	685,571	735,981
Other	3,941	28,992	32,933
Total Operating Revenues	4,410,824	5,618,887	10,029,711
Operating Expenses:			
Operations	3,288,541	96,198	3,384,739
Health claims and premiums	-	5,595,069	5,595,069
Depreciation	1,198,120	-	1,198,120
Total Operating Expenses	4,486,661	5,691,267	10,177,928
Operating Income (Loss)	(75,837)	(72,380)	(148,217)
Non-operating Revenues (Expenses):			
Intergovernmental revenues	23,342	-	23,342
Gain (loss) on disposal of assets	152,141	-	152,141
Investment income	84,353	254,922	339,275
Total Non-operating Revenues (Expenses)	259,836	254,922	514,758
Income (Loss) Before Transfers and Capital Contributions	183,999	182,542	366,541
Capital contributions, net	319,729	-	319,729
Change in Net Position	503,728	182,542	686,270
Net Position - January 1 (restated)	9,180,056	5,074,527	14,254,583
Net Position - December 31	9,683,784	5,257,069	14,940,853

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

Town of Vail, Colorado
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2024

	Heavy Equipment Fund	Health Insurance Fund	Total
Cash Flows From Operating Activities:			
Cash received from other funds	4,356,473	3,999,998	8,356,471
Other cash receipts	4,815	1,520,810	1,525,625
Cash paid for goods and services	(2,221,267)	(5,882,851)	(8,104,118)
Cash paid to employees	(1,379,992)	-	(1,379,992)
Net Cash Provided (Used) by Operating Activities	760,029	(362,043)	397,986
Cash Flows From Non-Capital Financing Activities:			
Cash received from operating grants	23,342	-	23,342
Net Cash Provided (Used) by Non-Capital Financing Activities	23,342	-	23,342
Cash Flows From Capital and Related Financing Activities:			
Cash received from disposal of fixed assets	359,482	-	359,482
Acquisition and construction of capital assets	(1,508,764)	-	(1,508,764)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,149,282)	-	(1,149,282)
Cash Flows From Investing Activities:			
Interest on investments	84,353	254,922	339,275
Net Cash Provided (Used) by Investing Activities	84,353	254,922	339,275
Net Change in Cash and Cash Equivalents	(281,558)	(107,121)	(388,679)
Cash and Cash Equivalents - January 1	2,582,595	5,609,915	8,192,510
Cash and Cash Equivalents - December 31	2,301,037	5,502,794	7,803,831
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	(75,837)	(72,380)	(148,217)
Adjustments:			
Depreciation	1,198,120	-	1,198,120
(Increase) decrease in accounts receivable	(49,536)	(98,079)	(147,615)
(Increase) decrease in inventory	(56,318)	-	(56,318)
Increase (decrease) in accounts payable	(237,433)	(191,584)	(429,017)
Increase (decrease) in accrued wages and benefits	(18,967)	-	(18,967)
Total Adjustments	835,866	(289,663)	546,203
Net Cash Provided (Used) by Operating Activities	760,029	(362,043)	397,986
Non-cash Investing, Capital and Financing Activities:			
Assets contributed by Capital Projects Fund	319,729	-	319,729

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

		2024			2023
Project Number	**Project Name**	**Final Budget**	**Actual**	**Variance Positive (Negative)**	**Actual**
CBI021	Donovan Park Pavilion	50,000	-	50,000	-
CBI026	Welcome Center Maintenance	121,778	-	121,778	254,222
CBI027	Public Works Remodel	114,543	96,485	18,058	60,494
CBI028	Building Energy Enhacements	50,000	-	50,000	-
CEP001	Fire Truck Purchase	-	-	-	543,853
CEP002	Hybrid Bus Battery Replacement	165,000	-	165,000	-
CEP004	Replace Buses	7,850,000	5,710,950	2,139,050	1,866
CEP005	Computer Hardware	75,000	74,146	854	71,626
CEP007	Phone System Upgrade	-	-	-	58,016
CEP008	Parking Entry System	327,191	93,979	233,212	199,889
CEP010	Network Upgrades	150,000	81,424	68,576	60,068
CEP018	Web Page / E Commerce	70,000	67,955	2,045	62,744
CEP022	Audio Visual	180,000	156,391	23,609	183,891
CEP026	Fire Equipment	5,296	5,295	1	27,732
CEP030	Vehicle Expansion	326,815	340,127	(13,312)	285,447
CEP031	Software Licensing	865,000	816,031	48,969	734,771
CEP033	Data Centers	1,900,000	1,867,070	32,930	159,197
CEP036	Business Systems	90,000	89,034	966	-
CEP038	Police Equipment	229,204	228,604	600	394,336
CEP044	Bus Wash Equipment	650,000	588,270	61,730	-
CEP048	Electric Bus Station/Infrastructure	993,783	724,992	268,791	3,237
CEP050	Public Safety IT Equipment	40,000	31,179	8,821	27,174
CEP051	Loading and Delivery Equipment	126,815	124,885	1,930	171,185
CEP052	Electric Bus Signage	15,025	-	15,025	150,245
CEP053	CyberSecurity	125,000	101,371	23,629	120,238
CEP054	Electric Vehicle Pilot Program	78,615	66,500	12,115	48,885
CEP055	Forcible Entry Training Prop	-	-	-	18,000
CEP056	Kringle Crossing Holiday Village	73,007	74,659	(1,652)	88,028
CEP057	Terradyne Public Safety Vehicle	145,000	145,000	-	-
CEP058	Ladder Truck Purchase	1,704,059	1,634,297	69,762	-
CEP059	Type 3 Truck Purchase	19,250	19,727	(477)	-
CEP061	Parking Entry System Capital Maintenance	77,146	22,145	55,001	-
CHP002	TOV Employee Rental Units	5,224,136	3,389,931	1,834,205	3,557,822
CHP003	TOV Employee Rental Unit Maint	280,000	227,369	52,631	271,235
CMP007	Traffic Impact Fee and Transportation Master Updates	33,943	26,490	7,453	224,161
CMT003	Bus Shelter Replacement	232,583	226,218	6,365	55,906
CMT004	Capital Street Maintenance	1,640,000	1,552,187	87,813	1,331,669
CMT005	Facility Capital	2,355,187	1,960,095	395,092	677,911
CMT007	Parking Structure Maintenance	940,000	225,977	714,023	557,945
CMT009	Energy Enhancements	114,130	51,258	62,872	109,282
CMT010	Underground Utilities	4,187,838	6,280	4,181,558	12,162
CMT017	Slifer Plaza/Fountain/Storm Sewer	70,714	-	70,714	-
CMT018	Public Works Shop Building Maintenance	180,000	-	180,000	-
CMT022	Seibert Fountain	27,082	-	27,082	-
CMT023	Snowmelt Boilers	2,151,634	66,040	2,085,594	478,366
CMT026	Bus Barn Sprinkler Upgrades	600,000	-	600,000	-
CMT027	Vail Mobility Hub Expansion	1,500,000	-	1,500,000	-
CMT028	Geothermal Energy System	400,000	5,104	394,896	-
COT002	Street Light Improvement Pgm	440,000	-	440,000	-
COT004	Fiber Optic Connection	795,626	75,677	719,949	357,923
COT015	Red Sandstone Parking Garage	70,000	-	70,000	-
COT021	Broadband (THOR)	110,000	107,658	2,342	106,399
COT031	Civic Area Redevelopment (Dobson)	3,896,275	2,153,744	1,742,531	1,160,725
COT032	Children's Garden of Learning Relocation	32,248	-	32,248	49,917
COT034	West Vail and Town Center Roundabout Lighting Upgrade	1,236,697	747,758	488,939	713,303
COT035	Vail, Lionshead Village, and Ford Park Bollards	483,536	93,789	389,747	121,464
COT036	Timber Ridge Transit Stop	1,908,277	-	1,908,277	-
CSC010	Way Finding / Variable Message Signs	8,146	1,215	6,931	143,491
CSC012	Village Streetscape	2,933,961	330,948	2,603,013	-
CSC016	Guest Service Enhancements	751,270	55,813	695,457	-
CSC017	Pedestrian Safety Enhancements	366,213	-	366,213	-
CSR007	Neighborhood Road Reconstruction	1,588,809	35,115	1,553,694	26,896
CSR008	Neighborhood Bridges	1,085,599	677,562	408,037	407,600
CSR009	Frontage Road Enhancements (Vail Valley Medical Center)	235,317	-	235,317	14,673
VRA022	Lionshead Streetscape & Snowmelt Replace	250,000	70,901	179,099	496,614
	Total	52,746,748	25,247,645	27,499,103	14,611,918

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

Town of Vail, Colorado
Capital Projects Funds
Real Estate Transfer Tax Fund
Schedule of Project Expenditures - Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

		2024			2023
Project Number	**Project Name**	**Final Budget**	**Actual**	**Variance Positive (Negative)**	**Actual**
RFP005	Alpine Gardens Pledge	-	-	-	76,888
RFP009	Ford Park Playground Improvements	497,804	70,277	427,527	13,557
RFP019	Ford Park Landscape Enhacement	5,946	-	5,946	-
RFP020	Ford Park Master Plan	-	-	-	168,483
RFP022	Ford Park Betty Ford Way Pavers	50,000	-	50,000	53,727
RFP023	Ford Park Lighting Control System	-	-	-	132,111
RFP024	Ford Park Synthetic Turf Replacement	472,000	-	472,000	-
RFP025	Ford Park Master Plan Capital Design	200,000	91	199,909	-
RMG012	Gore Creek Signage	222,165	199,078	23,087	119,985
RMG013	Gore Creek Promenade Rehabilitation	368,897	40,437	328,460	-
RMT001	Recreation Path Maintenance	175,000	25,645	149,355	89,098
RMT002	Tree Maintenance	145,000	138,606	6,394	38,381
RMT005	Street Furniture	107,000	19,656	87,344	4,987
RMT006	Eagle River Watershed Council	-	-	-	42,000
RMT009	Park Capital Maintenance	219,000	158,205	60,795	94,137
RMT016	Tennis Center Improvements	150,854	-	150,854	34,531
RMT018	Dobson Ice Arena	643,731	15,397	628,334	19,339
RMT019	Gymnastics Center	711,494	350,436	361,058	71,946
RMT021	Golf Clubhouse	12,484	23,393	(10,909)	71,114
RMT022	Golf Rec Enhancement Account	539,321	-	539,321	-
RMT024	Athletic Fields	116,547	42,057	74,490	132,041
RMT025	Nature Center	383,522	-	383,522	-
RMT027	Golf Course - Other Improvements	432,069	-	432,069	15,056
RMT028	Dowd Junction Repairs (Flood Repairs)	817,663	363,869	453,794	482,463
RMT030	East Vail Interchange Improvements	204,543	-	204,543	4,900
RMT035	Nature Center Capital Maint	8,064	1,379	6,685	-
RMT036	Recreation Facility Maint	22,000	-	22,000	-
RMT039	Fire Free Five- TOV Buildings	80,000	49,644	30,356	105,321
RMT040	Recycling Center Capital Maintenance	16,500	16,406	94	-
RMT041	Slifer Fountain Feature Repair	75,000	-	75,000	-
RMT042	Middle Creek Restoration	75,000	-	75,000	-
RMT044	Sole Power App Development	50,000	42,000	8,000	-
RPA002	Booth Heights Open Space Acquisition	18,821,514	18,842,091	(20,577)	-
RPI010	Water Quality Infrastructure	195,007	-	195,007	604,993
RPI011	Streambank Restoration	35,000	2,500	32,500	39,297
RPI013	Stephans Park Safety Improvements	19,904	13,250	6,654	10,096
RPI015	Turf Grass Reduction	150,000	64,164	85,836	193,995
RPI018	Kindel Park/Mill Creek Streamtract Improvements	-	-	-	12,730
RPI020	Donovan Park Improvements	20,000	-	20,000	65,658
RPI022	Athletic Field Restroom/Storage Building	1,000,000	-	1,000,000	-
RPI023	Trailhead Port-a-let Enclosures	53,130	12,630	40,500	29,870
RPI024	Children's Fountain Water Quality Improvements	-	-	-	16,503
RPI025	Kindel Park/Mill Creek Riparian Planting, Pedestrian Circulation	-	-	-	22,002
RPI026	Golden Peak Pickelball Sound Barriers	1,498	-	1,498	-
RPI027	Pirateship Park Safety Improvements	300,000	221,138	78,862	1,935
RPI028	Gore Creek Promenade Steps	40,000	-	40,000	-
RPT022	Adopt-a-Trail	-	-	-	17,500
RPT028	Booth Lake Trailhead Parking Restroom	2,500	-	2,500	175,921
RPT029	Bike Safety	10,000	609	9,391	10,503
RPT030	Bike Path Signage	46,081	-	46,081	1,935
RPT031	Pedestrian Bridge Projects	882,988	189,620	693,368	163
RPT032	Recreation Path Safety Improvements	75,000	43,338	31,662	-
RRT001	Public Art	173,167	62,600	110,567	12,000
RRT006	Public Art - Winterfest	79,383	35,416	43,967	40,502
RRT007	Public Art - Pete Seibert Memorial	11,692	500	11,192	500
RRT009	Public Art- Art Space	1,420,375	479,961	940,414	102,673
RRT011	Pepi's Memorial	-	-	-	85,110
RRT012	Artist in Residency Capital Acquisitions	20,000	-	20,000	-
RSS007	Village Landscape Enhacements	25,000	-	25,000	31,036
RSS008	E-Bike Share Infrastructure	14,711	-	14,711	39,287
	Total	30,198,554	21,524,393	8,674,161	3,284,274

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, 2024
With Comparative Actual Amounts For the Year Ended December 31, 2023

		2024			2023
Project Number	**Project Name**	**Final Budget**	**Actual**	**Variance Positive (Negative)**	**Actual**
CHF001	Buy-Down Housing	1,650,904	-	1,650,904	-
CHF003	Vail InDEED	3,019,645	134,000	2,885,645	532,000
CHF009	Colorado Department of Transportation East Vail Parcel	2,650,000	3,644	2,646,356	69,339
CHF010	Residences at Main Vail Developer Opportunity Fee	50,000	-	50,000	1,950,000
CHF022	Timber Ridge Redevelopment (Western Half)	80,920	-	80,920	114,080
CHF023	West Middle Creek Development	3,942,046	3,084,127	857,919	507,953
CHF024	Pitkin Creek Park 14A	5,816	-	5,816	-
CHF027	Colorado Department of Transportation Eagle-Vail Parcel	50,000	-	50,000	-
CHF028	Pitkin Creek Unit #3B	785,814	-	785,814	-
CHF029	West Middle Creek CDOT Parcel Acquisition	3,270,000	2,630,735	639,265	-
CHF030	East Vail Parcel Development	400,000	180	399,820	-
CHF031	East Vail Carnie Parcel Acquisition	17,900	-	17,900	-
	Total	15,923,045	5,852,686	10,070,359	3,173,372

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

TOWN OF VAIL

LOCAL HIGHWAY FINANCE REPORT

LOCAL HIGHWAY FINANCE REPORT	City or County:	Vail
	YEAR ENDING : December 2024	
This Information From The Records Of Town of Vail:	Prepared By: Carlie Smith	Phone: 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	6,970,254
3. Other local imposts (from page 2)	1,490,863
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)	8,461,117
B. Private Contributions	138,645
C. Receipts from State government (from page 2)	287,255
D. Receipts from Federal Government (from page 2)	-
E. Total receipts (A.7 + B + C + D)	8,887,017

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	1,247,815
2. Maintenance:	2,869,604
3. Road and street services:	
a. Traffic control operations	228,830
b. Snow and ice removal	1,824,960
c. Other	
d. Total (a. through c.)	2,053,790
4. General administration & miscellaneous	452,354
5. Highway law enforcement and safety	2,263,454
6. Total (1 through 5)	8,887,017
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)	8,887,017

(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
-	8,887,017	8,887,017	-	-

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2024

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	1,490,863	g. Other Misc. Receipts	
6. Total (1. through 5.)	1,490,863	h. Other	
c. Total (a. + b.)	1,490,863	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	261,812	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	25,443	d. Federal Transit Admin	
d. Other (Specify)	-	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	25,443	g. Total (a. through f.)	-
4. Total (1. + 2. + 3.f)	287,255	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		47,929	47,929
c. Construction:			
(1). New Facilities			-
(2). Capacity Improvements			-
(3). System Preservation		1,199,886	1,199,886
(5). Total Construction (1) + (2) + (3) + (4)	-	1,199,886	1,199,886
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	1,247,815	1,247,815
			(Carry forward to page 1)

Notes and Comments:

FORM FHWA-536 (Rev.1-05) PREVIOUS EDITIONS OBSOLETE

UNDERTAKING TO PROVIDE CONTINUING DISCLOSURE

Town of Vail, Colorado
Issuer's Annual Report
Tables I - III
December 31, 2024

TABLE I
Vail Reinvestment Authority History of Pledged Revenues

	2020	2021	2022	2023	2024
Pledged Revenues	6,236,307	6,055,710	5,613,818	4,820,528	7,135,976

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
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
2023	2024	292,577,650	-2.1%	156,253,010	136,324,640

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

Tax Areas	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024
202	50.751	51.434	51.389	47.562	47.298
203	49.542	50.199	50.265	46.707	46.444
204	56.436	57.241	59.284	52.584	53.403
206	50.751	51.434	51.389	47.562	47.298
207	85.751	86.434	86.389	70.562	70.298
208	72.626	73.309	73.264	62.359	62.095
216	-	-	-	-	-
225	-	-	-	-	-

Town of Vail, Colorado
Issuer's Annual Report
Tables IV and V
December 31, 2024

TABLE IV
Largest Taxpayers in the Authority

Taxpayer Name	2024 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	4.9%
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	2,795,870	1.0%
Telemark Ventures LLC	2,429,480	0.8%
Blue Ice 21 LLC	2,424,870	0.8%
Vail Landmark LLC	2,054,480	0.7%
Total	292,609,530	

TABLE V
2024 Preliminary Assessed Valuation of Classes of Property in the Authority

Class	Total Assessed Valuation	Percentage of Total Assessed Valuation
Residential	211,286,130	72%
Commercial	77,856,920	27%
Vacant	1,692,470	1%
State assessed	1,086,040	0%
Multifamily	687,970	0%
Total	292,609,530	100%

Town of Vail, Colorado
Issuer's Annual Report
Table VI
December 31, 2024

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

	2020	2021	2022	2023	2024
Revenues:					
Other:					
Property tax	6,851,562	6,789,616	6,296,288	6,177,288	7,113,319
Interest on investments	21,328	31,824	11,585	434,719	612,766
Interest subsidy (Build America Bonds)	100,098	-	-	-	(44,219)
Abatement				(1,564,069)	-
Shared costs/project reimbursements	-	-	-	469,525	-
Total Revenues	6,972,988	6,821,440	6,307,873	5,517,464	7,681,866
Expenditures:					
Economic Development:					
Administration	121,842	120,007	111,613	108,976	131,011
Fiscal agent fees	1,720	-	-	-	-
Treasurer's fees	205,547	203,691	188,891	185,306	216,072
Professional fees	1,353	-	215	-	270
Vail Square Metro District	736,681	765,730	694,055	696,936	545,890
Total Economic Development:	1,067,143	1,089,428	994,774	991,217	893,244
Debt Service:					
Principal	7,715,000	618,000	612,000	620,000	626,000
Interest	327,914	72,316	64,168	58,307	50,004
Total Debt Service:	8,042,914	690,316	676,168	678,307	676,004
Total Expenditures	9,110,057	1,779,744	1,670,942	1,669,524	1,569,247
Excess (Deficiency) of Revenues Over Expenditures	(2,137,069)	5,041,696	4,636,931	3,847,939	6,112,619
Other Financing Sources (Uses):					
Debt proceeds	6,386,000	-	-	-	-
Issuance costs	(105,360)	-	-	-	-
Transfers out	(1,809,400)	(7,410,723)	(2,291,996)	(1,856,724)	(2,425,271)
Total Other Financing Sources (Uses)	4,471,240	(7,410,723)	(2,291,996)	(1,856,724)	(2,425,271)
Net Change in Fund Balance	2,334,171	(2,369,027)	2,344,935	1,991,215	3,687,348
Fund Balance - January 1	2,582,892	4,917,063	2,548,036	4,892,971	6,884,186
Fund Balance - December 31	4,917,063	2,548,036	4,892,971	6,884,186	10,571,535

Town of Vail, Colorado
Issuer's Annual Report
Tables VII and VIII
December 31, 2024

TABLE VII
2024 Budget Summary and Actual Comparison / 2025 Budget
Vail Reinvestment Authority

	2024 Budget	2024 Actual	2025 Budget
Revenues:			
Other:			
Property tax	7,774,000	7,113,319	7,140,550
Interest on investments	5,000	612,766	50,000
Abatement	-	(44,219)	-
Total Revenues	7,779,000	7,681,866	7,190,550
Expenditures:			
Economic Development:			
Administration	137,000	131,011	131,511
Treasurer's fees	233,220	216,072	214,217
Professional fees	10,000	270	10,000
Vail Square Metro District	896,280	545,890	548,050
Total Economic Development:	1,276,500	893,244	903,778
Debt Service:			
Principal	626,000	626,000	4,497,028
Interest	50,254	50,004	815,268
Total Debt Service:	676,254	676,004	5,312,296
Total Expenditures	1,952,754	1,569,247	6,216,074
Excess (Deficiency) of Revenues over Expenditures	5,826,246	6,112,619	974,476
Other Financing Sources (Uses):			
Debt proceeds		-	24,730,000
Issuance costs	-	-	(80,000)
Transfers out	(4,613,840)	(2,425,271)	(29,091,633)
Total Other Financing Sources (Uses)	(4,613,840)	(2,425,271)	(4,441,633)
Net Change in Fund Balance	1,212,406	3,687,348	(3,467,157)
Fund Balance - January 1	6,884,186	6,884,186	10,571,535
Fund Balance - December 31	8,096,592	10,571,535	7,104,378

TABLE VIII
Outstanding Revenue Obligations

Issue	**Outstanding Principal**
Vail Reinvestment Authority Tax Increment Revenue Refunding Loan, Series 2020	3,910,000
Total	3,910,000

TOWN OF VAIL

SINGLE AUDIT REPORTS and SCHEDULES

M & A

McMahan and Associates, L.L.C.

Certified Public Accountants and Consultants

Web Site: www.McMahanCPA.com Main Office: (970) 845-8800

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, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements and have issued our report thereon dated June 11, 2025.

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.

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
June 11, 2025

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, 2024. 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, 2024.

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
June 11, 2025

Town of Vail, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2024

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:	
Bus and Bus Facilities Grants Program	ALN 20.526
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, 2024

Note: There were no findings for the fiscal year ended December 31, 2023.

Town of Vail, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2024

Program Title	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures
Department of Transportation:			
Passed through Colorado Department of Transportation:			
CARES Act 5311 A/O Award	20.509	23-HTR-ZL-00074	236,152
Bus and Bus Facilities Grants Program	20.526	24-HTR-ZL-00250	1,831,120
Total - Department of Transportation			2,067,272
Department of Justice:			
Rural Violent Crime Reduction Initiative for Law Enforcement Agencies	16.039		62,354
Total - Department of Justice			62,354
TOTALS			$ 2,129,626

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2024

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 2024.

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.