

PITKIN COUNTY, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT

Year ended December 31, 2008

Prepared by
Finance Department

John Redmond
Finance Director

Pitkin County, Colorado
Comprehensive Annual Financial Report
For the Year Ended December 31, 2008

TABLE OF CONTENTS

	Page
INTRODUCTORY SECTION	
Organization Chart and List of Officials	vi
Letter of Transmittal	vii
Certificate of Achievement	xvi
 FINANCIAL SECTION	
Report of Independent Certified Public Accountants	3
Management’s Discussion and Analysis	5
 Basic Financial Statements	
Government-Wide Financial Statements:	
Statement of Net Assets	18
Statement of Activities	20
 Governmental Fund Financial Statements:	
Governmental Funds - Balance Sheet	22
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	23
Statement of Revenues, Expenditures and Changes in Fund Balances Governmental Funds.....	24
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	25
 Proprietary Fund Financial Statements:	
Statement of Net Assets – Proprietary Funds.....	26
Statement of Revenues, Expenses and Changes in Fund Net Assets – Proprietary Funds.....	27
Statement of Cash Flows – Proprietary Funds	28
 Fiduciary Fund Financial Statements:	
Statement of Fiduciary Net Assets – Fiduciary Funds.....	30
Statement of Changes in Fiduciary Net Assets – Retirement Trust Fund	31
 Component Unit Statements	
Combining Statement of Net Assets – Component Units	32
Combining Statement of Activities – Component Units	33
 Notes to the Basic Financial Statements	 36

Pitkin County, Colorado
Comprehensive Annual Financial Report
For the Year Ended December 31, 2008

TABLE OF C O N T E N T S (CONTINUED)

	Page
Required Supplementary Information	
Schedules of Revenues, Expenditures and Changes in Fund Balances – Actual and Budget	
Major Funds:	
General Fund	68
Road and Bridge Fund	69
Transportation Sales & Use Tax Fund	70
Open Space and Trails Fund	71
Notes to the Required Supplemental Information	72
 Supplemental Information:	
Combining and Individual Non-Major Fund Statements and Schedules –	
Governmental Funds:	
Combining Balance Sheet Non-Major Governmental Funds	74
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Non-major Governmental Funds	75
 Special Revenue Funds	
Combining Balance Sheet Non-major Special Revenue Funds	78
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Non-major Special Revenue Funds	80
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	
Social Services Fund.....	82
Translator Fund.....	83
Healthy Community Fund	84
Conservation Trust Fund	85
Ambulance District Fund	86
Employee Housing Impact Fund	87
Redstone Ranch Acres Improvement District Fund.....	88
Twining Flats Improvement District Fund.....	89
 Debt Service Funds:	
Combining Balance Sheet Non-major Debt Service Funds	92
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	
Non-major Debt Service Funds	93
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual	
County GO Debt Service Fund	94
Transit Debt Service Fund	95
Pitkin County Capital Leasing Corporation Fund	96

Pitkin County, Colorado
Comprehensive Annual Financial Report
For the Year Ended December 31, 2008

TABLE OF CONTENTS (CONTINUED)

	Page
Proprietary Funds – Enterprise	
Comparative Statement of Revenues, Expenses and Changes in Fund Net Assets	
Airport Fund	100
Airport Fund Budget (Budgetary Basis) and Actual (U.S. GAAP Basis)	101
Solid Waste Center Fund	102
Solid Waste Center Fund Budget (Budgetary Basis) and Actual (U.S. GAAP Basis).....	103
Fiduciary Funds – Agency Funds	
Combining Statement of Changes in Assets and Liabilities – Agency Funds.....	105
Component Units	
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual	
Pitkin County Library District	108
Emergency Telephone Authority.....	109
Combined Schedule of Cash and Investments	112
Combined Schedule of Governmental Revenue by Source	116
Local Highway Finance Report	122
STATISTICAL SECTION	
Description of Statistical Trends.....	125
Net Assets by Component	126
Changes in Net Assets	128
Fund Balance – Governmental Funds	130
Changes in Fund Balance – Governmental Funds.....	132
Program Revenues by Functions/Program	134
Tax Revenues by Source	136
Assessed Value and Actual Value of Taxable Property	138
Direct and Overlapping Property Tax Rates	140
Principal Property Taxpayers	142
Property Tax Levies and Collections	143
Sales Tax Revenue Bond Coverage.....	144
Ratio of Net General Bonded Debt to Assessed Value and net Bonded Debt Per Capita	144
Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures.....	144
Ratio of Outstanding Debt by Type	145
Overlapping and Direct Governmental Activities Debt.....	146

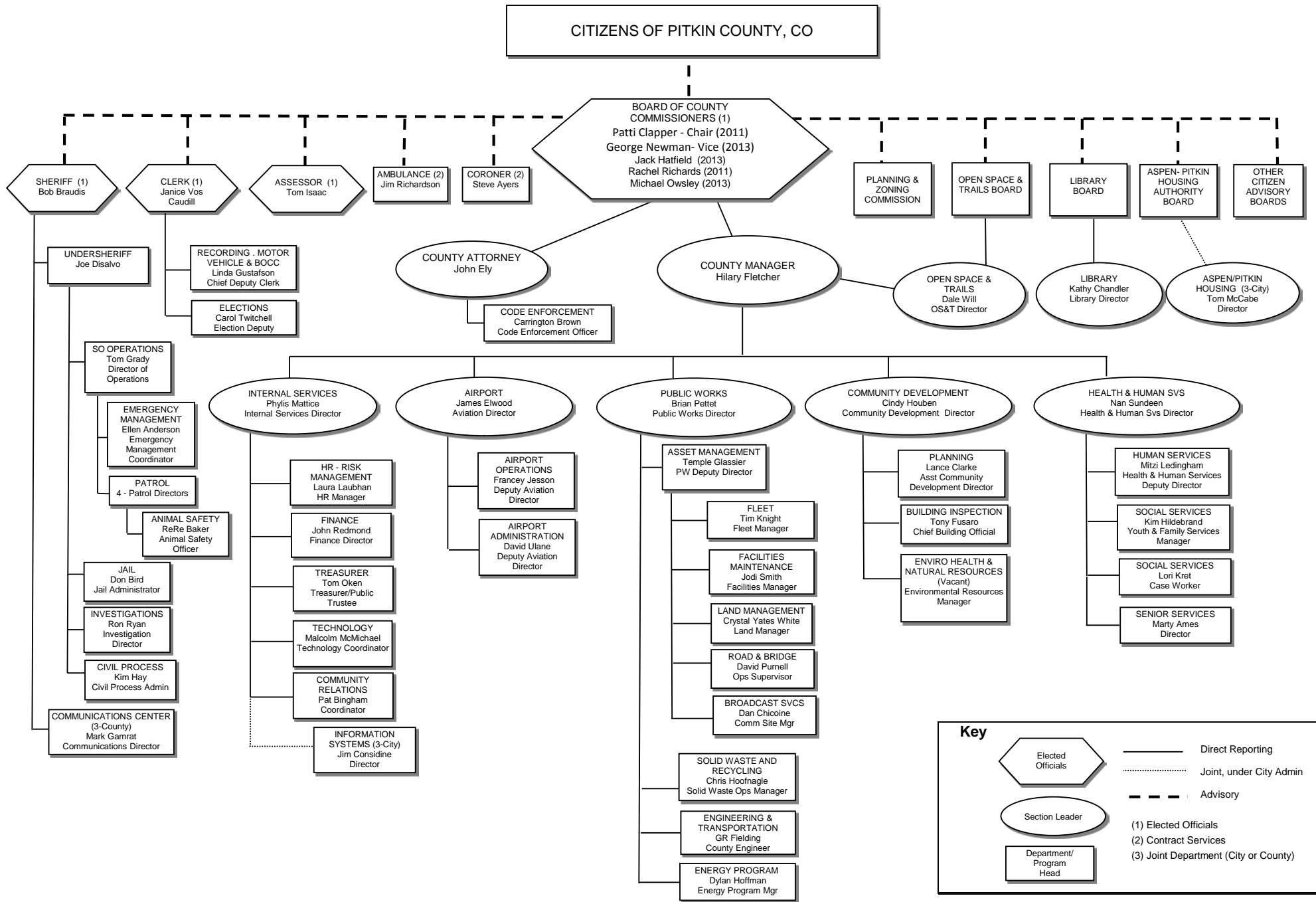
Pitkin County, Colorado
Comprehensive Annual Financial Report
For the Year Ended December 31, 2008

TABLE OF C O N T E N T S (CONTINUED)

	Page
STATISTICAL SECTION (CONTINUED)	
Legal Debt Margin Information.....	148
Demographic and Economic Statistics	150
Principal Employers	151
Sales Tax Collections	152
Annual Skier Days by Area	154
Full-Time Equivalent County Government	155
Operating Indicators by Function/Program.....	156
Airport Operations and Enplaned Passengers	157
Construction, Bank Deposits and Property Value	158
Capital Asset Statistics by Function/Program.....	160

2008
Annual Financial Report

INTRODUCTORY SECTION



LETTER OF TRANSMITTAL

September 20, 2009

To the Citizens of Pitkin County, Colorado:

We submit, for your information and review, the Comprehensive Annual Financial Report of Pitkin County, Colorado, for the fiscal year ended December 31, 2008.

REPORT PREPARATION AND CONTENT

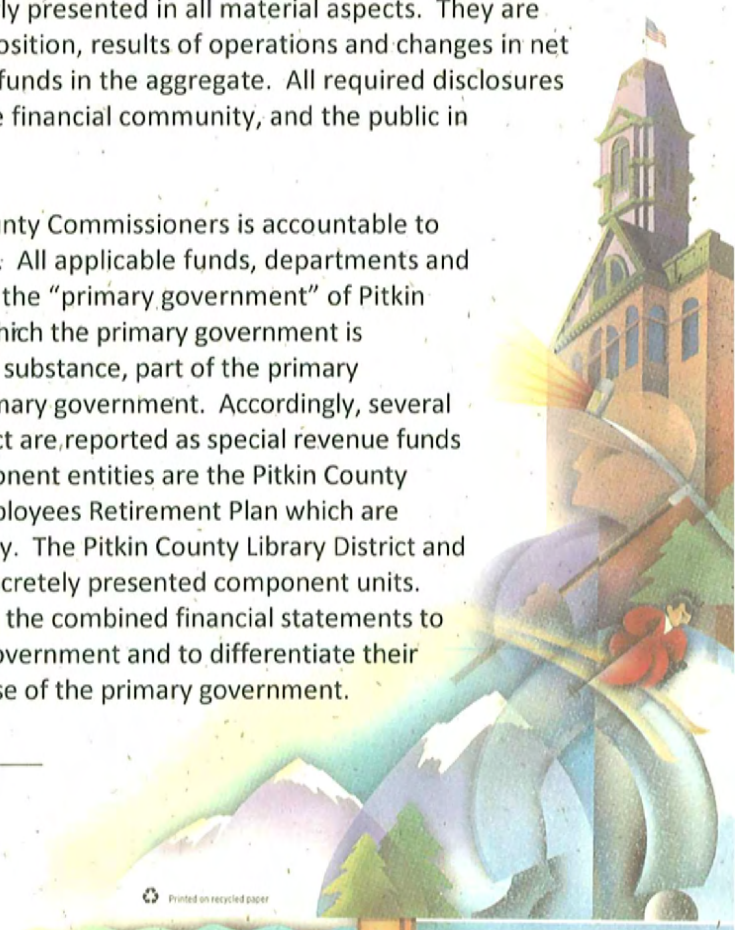
The County's Annual Financial Report was prepared by the Finance Department. The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County.

The basic financial statements are accompanied by an introduction, overview, and analysis, referred to as "Management's Discussion and Analysis" (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found in the Financial Section immediately following the independent auditors' report.

Management of the County has established a comprehensive internal control framework that has enabled the county to compile sufficient reliable information for the preparation of the financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The cost of any entities' internal controls should not outweigh the benefits and accordingly, the County's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatements.

Management believes that the financial statements are fairly presented in all material aspects. They are presented in a manner designed to set forth the financial position, results of operations and changes in net assets or fund balances, of the major funds and non-major funds in the aggregate. All required disclosures have been included to assist the members of the Board, the financial community, and the public in understanding the County's financial affairs.

This report includes all activities for which the Board of County Commissioners is accountable to the citizens of Pitkin County, financially, or by State Statute. All applicable funds, departments and offices are included in these financial statements as part of the "primary government" of Pitkin County. Component units are legally separate entities for which the primary government is financially accountable. Blended component entities, are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, several road improvement districts and the Aspen Ambulance District are reported as special revenue funds of the primary government. Also included as blended component entities are the Pitkin County Capital Leasing Corporation and the Pitkin County Public Employees Retirement Plan which are reported as debt service and pension trust funds, respectively. The Pitkin County Library District and the Emergency Telephone Authority fund are reported as discretely presented component units. These component units are reported in a separate column in the combined financial statements to emphasize that they are legally separate from the primary government and to differentiate their financial position and changes in financial position from those of the primary government.



INDEPENDENT AUDIT

Colorado law requires the County's financial statements be audited by independent certified public accountants licensed to practice in the State of Colorado. Eide Bailly LLP, a Colorado licensed Certified Public Accounting firm, has audited the County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for issuing an unqualified opinion that the County's financial statements for the year ended December 31, 2008 are fairly presented in conformity with U.S. Generally Accepted Accounting Principles. The independent auditors' report is presented in the front of the financial section of this report.

The independent audit of the County's financial statements was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, especially as they relate to the administration of federal awards. Single Audit schedules and the auditors' reports are available under separate cover.

PROFILE OF PITKIN COUNTY

Location and demographics. Pitkin County, formed in 1881, is located approximately 210 miles west of Denver and 120 miles east of Grand Junction in the Colorado Rocky Mountains. The County encompasses 973 square miles, of which approximately 80% is publicly owned and is controlled by the U.S. Forest Service and the Bureau of Land Management. Estimated population of the County is 16,607. Recreation, tourism, real estate and construction dominate the local economic activity of the County, including the three incorporated municipalities, Aspen, Snowmass Village, and Basalt, located therein.

County Services. The County provides the general government, public safety, road and bridge, and health and welfare services required by state statute. In addition, it provides the following services: airport, TV and FM translators, solid waste landfill and recycling, animal safety, ambulance, and open space and trails. To promote greater efficiency, the City of Aspen (City) and Pitkin County provide several services through joint departments and agencies. These include information systems, dispatch communications, housing operations and the animal shelter. The accompanying financial statements include the County's proportionate share of the joint departments.

County Operating Structure. The County is a quasi-municipal corporation and political subdivision of the State. The County exercises and provides all mandatory county powers and functions as provided by law and has all rights and powers delegated under the constitution and laws of the State for exercise by counties, particularly Title 30, Colorado Revised Statutes, as amended. In addition, the County has adopted the Pitkin County Home Rule Charter, pursuant to Article XIV, Section 16 of the Colorado Constitution and the laws of the State. The County charter became effective on July 1, 1978, following an approving election, and establishes the organization and structure of County government.

The governing body of the County is the Board of County Commissioners (BOCC). All powers, duties, and functions of the County are vested in the BOCC, which may delegate all of such responsibilities except the legislative function. Policymaking and legislative authority are vested in the BOCC, which consists of a five-member board. The BOCC is responsible, among other things, for passing ordinances and resolutions, adopting the budget, appointing committees and hiring the County's manager and attorney. The County manager is responsible for carrying out the policies and ordinances of the BOCC, for overseeing the day-to-day operations of the County and for appointing the department heads. The County Charter provides that the Board shall consist of five members who are qualified electors and have resided within the County for not less than one year prior to election. Commissioners reside in separate districts but are elected at large to serve for staggered four-year terms. Commissioners may serve only three consecutive terms. The other elected County officials are the Assessor, Clerk and Recorder, and Sheriff.

Budget and financial policies. The County is legally required to adopt annual budgets for all governmental and proprietary funds. Expenditures may not legally exceed appropriations at the fund level, but administrative control of the budget is exercised at the "section" level. Approval by the Board of County Commissioners is required for changes in the total budget of any fund. Budget sufficiency is verified by the finance department for orders exceeding \$25,000 before release of the order to the vendor. Purchase orders and contracts are recorded as encumbrances in order to reserve that portion of the applicable appropriation. Encumbered amounts lapse at year-end. However outstanding encumbrances generally are re-appropriated as a supplemental to the following year's budget. Budget appropriations lapse at the end of each year.

As part of its annual budget process, the County updates a five-year plan including review of a ten-year capital replacement schedule. In balancing its budget the Board of County Commissioners has adopted the following funding priority order: (1) debt service, (2) basic operations, (3) capital replacement, and (4) capital and service improvements. The County also maintains a minimum fund balance of at between 5% and 15% of the general fund operating revenues in a contingency fund balance to respond to a natural disaster or in the event of declining sales tax revenues.

Cash Management. Except when otherwise required by trust agreements, the operating cash of all funds is pooled into one bank account to simplify the investment of all idle funds. To facilitate investment decisions, the County adopted an investment policy establishing objectives in the following priority: safety, liquidity, and yield. All deposits are collateralized as specified by the Colorado Public Deposit Protection Act. Except for the cash on hand in the Treasurer's office, all funds were fully invested during the year in the primary depository bank account. The negotiated interest rate on our primary account is periodically adjusted to meet or exceed the highest rate that we can obtain from alternative liquid investments, such as institutional money market mutual funds, U.S. Treasury securities, U.S. Instrumentality securities, time deposits or money market funds. The average rate of return on these investments was 5.6 percent for 2008, generating \$2,100,021 income for the primary government and \$50,606, and \$19,394 for the Library and the Emergency Telephone Authority, the County's component units, respectively. In addition the Library District lost \$938,225 on its \$3.9 million endowment fund that is invested in various bond and stock mutual funds. See note 1-E-1 to the financial statements for additional details pertaining to the County's investments.

Risk Management. The County uses a combination of self-insurance and purchased commercial insurance to safeguard against certain losses and risks. The goal of the risk management program is to minimize harm to physical, human, fiscal and environmental resources of the County and to minimize the total cost of the risk to Pitkin County. The County maintains a proactive approach to loss prevention as the most cost-effective method to manage insurance costs. The County's claim experience has a direct impact on premiums and

losses paid, making it necessary to adequately control claims through heightened safety training, aggressive claims management and a philosophy of preventive safety throughout the organization.

The property and general liability program provides for the County to assume a portion of self-insured losses. The County self insures the first \$50,000 of each property loss and has an aggregate stop loss of \$200,000 for general liability claims. Insurance for airport general liability and for useful public service volunteers is purchased. The County has self-insured its workers' compensation insurance since 1993. This program self-funds up to \$325,000 per claim with insurance covering any excess amounts. The County maintains a surety bond and a \$350,000 fund balance reserve to cover loss exposures that may occur.

Beginning in 2004 the County maintains a partially self-funded employee health and dental plan. The County's health insurance program assumes a maximum of \$75,000 per member up to an aggregate of approximately \$2.3 million per year with insurance covering any excess. The Dental plan is capped at \$1,200 annually per covered member.

Economic Conditions. Winter and summer tourism, second homeowners, construction and real estate are the primary factors in the County's economy. The County's tourist industry is among the largest economic drivers for the County. The County's tourist industry is among the largest and least seasonal of any Colorado county with substantial ski resort facilities. Revenue from the County's 2% sales tax in the six winter months of December through April accounts for 59% of the annual total while the months of May through November account for 41% of the annual total. The County estimates that spending by area residents and second homeowners accounts for approximately 48% of total sales tax collections. (This estimate is derived by annualizing sales tax collection figures for May. May collections may be attributed primarily to local area residents because both sales tax collections and lodging occupancy rates in the County are lowest in May.)

The following table summarizes indicators of three major components of the local economy: the construction industry as measured by building permit valuations, tourism as measured by taxable retail sales, and real estate sales value estimated from the County Clerk's document fee collections.

Historical Construction, Tourism, and Real Estate Indicators
(expressed in millions)

	Building Permit Value (millions)		Taxable Retail Sales		Real Estate Sales (millions)	
2004	\$ 127.7	3.0%	\$ 591,599,500	0.8%	\$ 1,130.2	6.9%
2005	172.3	34.9%	708,917,400	19.8%	2,262.2	100.2%
2006	241.0	39.9%	760,173,700	7.2%	2,690.2	18.9%
2007	227.2	-5.7%	796,908,395	4.8%	2,549.6	-5.2%
2008	283.2	24.6%	804,431,750	0.9%	1,365.5	-46.4%

After the construction industry in the County slowed slightly in 2007, total building permit valuations increased nearly 25% in 2008. This was due in large part to the construction of the Snowmass Base Village, a significant multi-year development at the base of the Snowmass Ski Area. Base Village construction began during the summer of 2005 and is scheduled to be completed beyond 2011. Building permit valuations have decreased by 40% through June of 2009 compared to the same period in 2008.

After decreasing in 2001 and 2002, taxable retail sales rebounded over the next five years with an annual average increase of 6.3%. 2008's increase of 0.9% reflected a strong growth in the first four months of the

year with declining revenues from October through December. Sales tax revenue continues to decrease, with taxable retail sales through June of 2009 down 19.8% compared to the same period in 2008.

Real estate sales declined by 46.4% in 2008 after more than doubling in the three years from 2003 to 2006. The doubling resulted from significant appreciation in real estate values as well as an increase in the volume of sales. The slowdown has continued in 2009 with a 32.9% decrease through June compared to the same period in 2008. Realtors attribute the slowdown mostly to a fall in the number of sales as sellers have not decreased asking prices while buyers refuse to pay full price.

MAJOR EVENTS & ACCOMPLISHMENTS

Pitkin County focuses its work through a strategic plan that helps guide decision-making and resource allocations. The following are some of the County's accomplishments during 2008 that support the plan's strategic statements (listed in bold italics).

- ❖ ***Growth - Pitkin County will continue to actively plan for and manage growth in our County. Reflecting the community's desired level and composition of growth, Pitkin County will facilitate responsible change which fosters a healthy and economically viable community while maintaining a sustainable balance with our natural resources (air, water, land, wildlife). Goals for achieving a responsible growth strategy overlap with many regional and neighborhood issues addressed elsewhere in this Plan.***
 - **Aspen Area Community Plan** - The City of Aspen and Pitkin County continue to work together on updating AACCP (Aspen Area Community Plan). This includes working on the completion of an existing conditions report that analyzes transportation-related projects in the AABC/ Airport, Buttermilk areas and lower Castle Creek.
 - **Aspen Airport Business Center Plan** – A parallel and coordinated planning effort to the AACCP is a specific sub area plan for the area west of Maroon Creek with a focus on the Aspen Airport Business Center. The plan will include transportation design alternatives for the internal road system for the AABC and the Highway 82 corridor relative to the State Corridor Access Plan.
 - **Transferable Development Rights** – As of December 2008, there are over 7000 acres of land preserved in Pitkin County as a result of transferrable development rights.
 - **Open Space and Trails** – Work continues on a number of Open Space Master Plans and open space purchases. There is an anticipated 1000 acres of new open space and conservation easements that will result from these Master Plans and purchases.
 - **Emma Master Plan** - The Emma Master Plan has been adopted.

- ❖ ***Regionalism – Pitkin County will work with citizen groups and other jurisdictions in order to identify a shared vision(s) for the region. We recognize and respect that different, yet coordinated, approaches are necessary for various areas of the region. Pitkin County will actively seek opportunities to participate with regional partners in order to address region wide issues such as rivers, landscapes and economies.***
 - **Eagle County Agreement** - We continue to work with Eagle County Health and Human Services to provide public assistance/income maintenance services to Pitkin County residents. We have negotiated a three-year IGA for these services with Eagle County. With their large staff and supervisory expertise, the arrangement with Eagle County brings more capacity to the program than Pitkin County's sole technician can provide.

- ❖ ***Regional Transportation – Pitkin County’s role in transportation efforts is to work regionally to solve highway congestion problems and identify and implement viable transportation alternatives that will meet the County’s needs and ensure quality of life. Additionally, the County will actively manage the Airport in a manner that encourages commercial service that meets the needs and character of the community.***
 - **Airport Terminal Planning** -The existing conditions survey and the vehicular traffic studies have been completed as a part of the Terminal Area Plan.
 - **Runway Extension Planning** -The aviation activity forecasts of operations and enplanements were completed for the Master Plan update. The purpose and need statement for the environmental assessment was completed in 2008 and approved by the FAA in 2009.
 - **State Highway 82 Bus Lane Extension** - Construction for the transition of High Occupancy Vehicle Lane (HOV) to a dedicated bus lane was completed in 2008.
 - **Smith Way Improvements** - Public Works Staff and Colorado Department of Transportation (CDOT) engineers completed the design process which includes an expanded median and an up-valley acceleration lane for people turning from Smith Way onto State Highway 82 heading toward Aspen. This work was completed in 2009.
 - **Rio Grande Trail Improvement** – The Open Space and Trails (OST) Fund continues to plan and make improvements to the Rio Grande Trail to facilitate commuting via trail. These improvements will improve the trail from Upper River Road to McClain Flats Road. Construction is to commence in 2010. OST has seen a substantial increase in use of the Rio Grande Trail.

- ❖ ***Workforce Housing - Pitkin County will create and protect affordable housing for its citizens. Pitkin County, in association with the larger valley wide community, is committed to participating in affordable opportunities for all the employees of the Roaring Fork Valley, which contribute to the health of the social and economic fabric of the Roaring Fork Valley.***
 - **Workforce Housing Plan** – Housing continues as a critical issue as we attempt to recruit all levels of staff. A work group consisting of Pitkin County staff is working to identify affordable housing units for Pitkin County employees. The BOCC committed 50% of their impact fee funds for the development of housing of Pitkin County employees and 50% for community employees eligible for affordable housing. The County formalized its Employee Housing Ownership Program and will be funding up to fifteen \$20,000 interest-free loans for employee’s primary residences.
 - **Library Housing Needs** - The Library Board set aside \$120,000 for housing for its employees.

- ❖ ***Environmental Protection – Pitkin County will preserve and protect the integrity of the Roaring Fork watershed and all of its natural resources. Ecological health will be a priority in our decision making and we will advocate its importance in the decision making of others.***
 - **Noxious Weeds** - Community Relations, along with the Land Management Department, initiated a Noxious Weeds Awareness campaign that included promotion of a “weed pull day,” programs to “pay” for weeds, etc. A half hour CGTV program was produced about noxious weeds.
 - **Building Energy Savings** - Last year Pitkin County embarked on a Building Energy Savings Project by hiring EEI and Honeywell to modify and install new equipment within the County buildings. EEI discovered numerous opportunities to improve energy efficiency along with comfort and indoor air quality. Control and operational changes tend to be relatively low cost and provide quick paybacks through energy

cost savings. The project is scheduled to be completed by the end of April of 2009. Estimated potential annual energy savings for implementation of control and operational changes are \$32,000 annually.

- **Healthy Rivers & Streams** - A 0.1% sales tax was approved by voters in November to fund adequate stream-flow and water quality. This is expected to raise greater than \$600,000 annually.
- **Natural Resource Conservation Service (NRCS) Environmental Quality Incentive Program (EQIP) Grant** - Land Management Staff secured \$20,000 from a NRCS grant to help landowners with money to eradicate noxious weeds. This money was available for all agriculturally listed properties in Pitkin County to be used with a 50% local match.
- **Environmental Health/Natural Resources Regional Work** - Environmental Health/Natural Resources continues its work on oil and gas development issues with NWCCOG-Q/Q, the Roaring Fork Conservancy and assisting with the BLM's Resource Management Planning Process, as well as working on replacement housing alternatives with Basalt for the Roaring Fork Mobile Home Park.

❖ ***Safe and Healthy Community - Pitkin County is committed to the mutual pursuit of a peaceful, safe, and healthy environment that promotes meaningful standards of rural mountain resort living for all.***

- **Network of Care** - Pitkin County has developed a Pitkin County "network of care". Network of Care is a highly interactive, single information website where consumers, community-based organizations and government staff can go to easily access a wide variety of important information. The resources in this "virtual community" include a fast, comprehensive Service Directory; links to pertinent Web sites from across the nation; a comprehensive, easy-to-use Library; a political advocacy tool; and community message boards. The two specific areas of focus for our sites include Adult and Disabled Services and Youth and Family Services. Both service providers and the public will benefit from this information-sharing tool. Our Directory will include both Pitkin County services and services in the Roaring Fork Valley.
- **Healthy Community Fund** - The Citizen Grant Review Committee recommended 2008 grant funding for 56 programs (54 nonprofits, county senior services and contract management) in the amount of \$1,270,177, broken down as follows:
 - 28 Health & Human Service agency proposals in the amount of \$1,107,779.
 - 28 Community Non-Profit proposals in the amount of \$162,398.
- **Prescription Drug Cards** - 273 individuals have used the Pitkin County National Association of Counties (NACo) prescription drug cards since August, 2008, representing a 26% increase in usage. NACo's data is unable to distinguish how many people in one family may be using the cards, as one card is distributed per family. 51 cards were used in January, 2009, as opposed to 18 in January, 2008, an increase of 65% in 12 months.
- **Needy Family Assistance** - The BOCC approved the Pitkin County TANF (Temporary Aid to Needy Family's) policies in November of 2008 which established contracts with two local private therapists and one community organization (Aspen Counseling Center) to provide counseling to needy individuals/families making less than \$75,000.

❖ ***Community Involvement - Pitkin County will actively seek Community Involvement by creating and maintaining opportunities to engage, include, and incorporate caucus, neighborhood,***

municipalities, interest groups and individual participation, interests and feedback. Pitkin County will honor and respect these opportunities while continuing to work to balance and protect community visions and mandates. As a result we will make all County services accountable to our customers and establish a higher value of our services.

- **Service days** – EAG (Employee Advocacy Group) initiated the benefit of paid time off for employees to participate in community service. The BOCC approved 16 hours a year of service paid time-off. HR has a growing list of opportunities for volunteerism.
- **Flu Shots** - Community Relations initiated a Flu Season/Flu Shot awareness campaign in October and November complete with a cruiser bike giveaway in a drawing from names of people who got flu shots from Community Health. The outreach included press releases, advertising and a TV show taped at an actual flu shot clinic.
- **Pitkin County Alert System** - Community Relations recently assisted in raising community awareness concerning the launch of the Pitkin County Alert System, which is a community notification system that allows officials to be immediately contacted during a major crisis or emergency and can deliver important emergency alerts, notifications and updates to the community ,
- **Website Updates**
 - Web project - The update process for the joint City/County web site continues. A project consultant is under contract to lead the revision. The project is expected to be complete by mid 2009.
 - The Adult Services Librarians are preparing to launch a new feature on the library's web page (www.pitcolib.org) called "Webfeat." This is a federated search engine which allows users to search multiple library databases all at once; much as people are used to being able to search the Internet immediately by using a search engine such as Google.

❖ ***Organizational Excellence - The community depends on Pitkin County to be responsible stewards of the public trust. Pitkin County will do everything responsibly within our means to utilize public resources efficiently, ethically and intelligently.***

- **Data Center** – Working with key and knowledgeable staff members from Information Technology (IT), Public Works, Communications, Internal Services, and the Sheriff's Department a potential Data Center location was identified behind the Jail. Facility staff are working with a consultant to lead the land use approval process for this facility.
- **Wireless Project** – The pilot project to provide limited wireless access points to the County network for employees was a great success. IT staff are evaluating additional locations for expanding this access option.
- **Organizational Training** – Human Resources worked with the City of Aspen and Aspen Valley Hospital to coordinate training programs of interest to the organizations' supervisors and employees in order to gain cost efficiency in hiring professional trainers.

❖ ***Fiscal Sustainability - Pitkin County will develop revenue sources and partner with other entities to (1) ensure that growth and change pay their way, (2) fund achievement of the Strategic Plan's goals, and (3) financially sustain services valued by the community. While maintaining an internal focus on efficiency and productivity, we will increase our external focus on public and partner involvement.***

- **Revenue Development Strategies** - The Financial Summit provided revenue development strategies to fund 10 unfunded Strategic Plan Action items. A team of County staff worked to provide community outreach on potential revenue ballot questions to increase revenue for unfunded or underfunded priorities via financial newsletter, polling, and public forums. Two priorities, roads and water, were recommended by staff to advance to the ballot in November. The BOCC directed staff to draft ballot questions for them to consider.
- **Budget** - A balanced 2009 budget and 5-year plan were adopted despite declining revenue forecasts for sales tax and community development fees. Staff committed to providing the Board with quarterly budget status reports through the year.
- **Community Development Fees** - A study of the structure and rates of Community Development fees was begun in 2008 and is continuing in 2009.
- **Use Tax** - Modifications to use tax administration were implemented resulting in substantial changes to forms and processes. Collections increased dramatically in 2008 and are expected to continue into 2009 as audits and outreach programs increase compliance.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pitkin County, Colorado, for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2007. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Pitkin County, Colorado has received a Certificate of Achievement for the last twenty-six consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for award consideration.

We thank the entire staff of the Finance Department for their dedicated work on this report and acknowledge their significant accomplishment in meeting the criteria for earning the Certificate of Achievement.

Respectfully submitted,



John Redmond
Finance Director



Hilary Fletcher
County Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Pitkin County
Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

**2008
Annual Financial Report**

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

The Board of County Commissioners
Pitkin County, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pitkin County, Colorado, as of and for the year ended December 31, 2008 which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Pitkin County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pitkin County, Colorado, as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 3-F to the financial statements, the County restated its 2008 beginning balance for the Airport capital assets to account for the disposal of assets and associated accumulated depreciation and loss on disposal of assets that occurred in prior years. This restatement eliminated the net book value loss in the 2008 Airport fund at the fund level and also in the government wide statement of activities.

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In accordance with *Government Auditing Standards*, we have also issued our report dated August 24, 2009 on our consideration of Pitkin County'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 of 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* and should be considered in assessing the results of our audit.

The accompanying required supplementary information, such as Management's Discussion and Analysis on pages 5 through 16 and the budgetary comparison information on pages 67 through 72 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Pitkin County's basic financial statements. The introductory section, combining and individual fund financial statements, Local Highway Finance Report and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and budgetary schedules, and Local Highway Finance Report have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Eide Bailly LLP

Golden, CO
August 24, 2009

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of Pitkin County for the calendar year ended December 31, 2008. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures. We also encourage readers to consider the information presented here in conjunction with the letter of transmittal beginning on page vii of this report.

FINANCIAL HIGHLIGHTS

- The County's assets exceeded its liabilities by \$239,915,772 (net assets) at the end of 2008, reflecting increase of \$12,528,604 (5.2%) in net assets during 2008.
- The County's governmental funds reported total ending fund balance of \$45,590,896 this year. Of this year-end total, approximately \$37.0 million is unreserved, and \$8.6 million is legally reserved by state statute for emergencies, local laws for mitigation of developmental impacts, debt service and insurance claims. Of the unreserved portion, \$19.5 million is in special revenue funds and may only be used for the purpose specified. The remaining unreserved \$17.5 million is in the general fund and includes \$6.3 million set aside for subsequent years' expenditures and \$11.2 million designated by management for use as detailed in Note 3-L.
- The total ending fund balances of governmental funds show a decrease of \$2,471,592. The Transit Sales and Use Tax Fund used fund balance of \$5.8 million and the Open Space and Trails fund increased fund balance by \$2 million. A \$7.4 million contribution to the State for improvements to the entrance to Aspen explains the decline in the fund balance in the transit fund, and the Open Space and Trails fund increased fund balance by \$2.1 million. The Open Space and Trails are program acquires property to preserve open space and construct trails so expenditures are variable depending on when land acquisition opportunities become available. This Open Space and Trails fund had a deficit fund balance of 1.4 million at the end of 2007, so this surplus covered that deficit.
- The above financial highlights are explained in more detail in the "financial analysis" section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. Supplemental information such as combining fund statements and budget-to-actual comparisons appear after the basic financial statements and complete the financial section of the report. The financial section is then followed by a statistical section.

Government-wide Financial Statements

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall financial status. Financial reporting at this

December 31, 2008

level uses a perspective similar to that found in the private sector utilizing accrual accounting and elimination or reclassification of activities between funds.

The **Statement of Net Assets** is the government-wide statement of position presenting information that includes all of the County's assets and liabilities, with the difference reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall financial health of the County would extend to other factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

The **Statement of Activities** reports how the County's net assets changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County, that are principally supported by taxes, from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include primarily general government, public safety, public works, culture and recreations, and health and welfare. Business-type activities include the airport and the solid waste center (landfill and recycling).

The government-wide financial statements are presented on pages 18 through 21 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of this report.

The County has three types of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different in that these statements report short-term calendar-year accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 22 through 25 of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the County charges customers a fee. The two County proprietary funds are classified as enterprise funds and encompass the same functions reported as business-type activities in the government-wide statements: airport and solid waste center.

The basic enterprise fund financial statements are presented on pages 26 through 29 of this report.

Fiduciary funds are reported only in the fund financial statements and include the County employees' retirement plan and agency funds for which the County has stewardship responsibility. Fiduciary funds are not included in the government-wide financial statements because the resources of these funds are not available to support the County's operations.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 36 of this report.

Required and Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information to demonstrate compliance with the County's adopted and final revised budget. Budgetary comparison statements are included as "required supplementary information," beginning on page 67, for the general fund and the three major special revenue funds. Budgetary comparison schedules for all other governmental funds can be found under "other supplementary information" along with other combining and individual fund statements and schedules.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

The County implemented the new financial reporting model used in this report beginning with the fiscal year ended December 31, 2003. Over time, as year-to-year financial information is accumulated on a consistent basis, changes in net assets may be observed and used to discuss the changing financial position of the County as a whole.

Net Assets

The County's net assets at calendar year-end are \$239,915,772. The County reported positive balances in net assets for both governmental and business-type activities. Total net assets are comprised of the following:

- (1) Capital assets, net of related debt, of \$188,169,521 include property and equipment, net of accumulated depreciation, and reduced for outstanding debt related to the purchase or construction of capital assets.
- (2) Net assets of \$40,164,452 are restricted to use for the following purposes by constraints imposed from outside the County such as debt covenants, grant conditions, laws, or voter-approved funding:

Open Space and Trails	\$ 357,824
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December 31, 2008

Transportation	8,470,343
Airport	10,511,384
Affordable Housing	8,851,035
Highway 82 Improvements	547,179
Debt Service	185,560
Statutory Reserve for Emergencies	1,531,840
Ambulance Service	1,065,919
Postclosure and deposits	2,897,819
Other program purposes	5,745,549

- (3) Unrestricted net assets of \$11,581,799 represent the portion available to maintain the County's general obligations to citizens and creditors of which \$924,738 is held by business-type activities and \$10,657,061 is held in governmental activities.

The following table provides a summary of the County's net assets:

	Summary of Net Assets					
	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Assets:						
Current assets	\$ 71,409,593	\$ 74,860,045	\$ 15,343,802	\$ 11,366,294	\$ 86,753,395	\$ 86,226,339
Restricted and other assets	296,410	324,901	2,897,819	2,799,824	3,194,229	3,124,725
Noncurrent assets	136,797,137	123,859,743	73,531,111	75,474,771	210,328,248	199,334,514
Total assets	208,503,140	199,044,689	91,772,732	89,640,889	300,275,872	288,685,578
Liabilities						
Current liabilities	28,253,239	27,399,139	1,227,128	1,356,859	29,480,367	28,755,998
Long-term liabilities	26,339,316	27,779,139	4,540,417	4,763,273	30,879,733	32,542,412
Total Liabilities	54,592,555	55,178,278	5,767,545	6,120,132	60,360,100	61,298,410
Net assets:						
Invested in capital assets, net of debt	116,498,275	102,497,894	71,671,246	73,322,031	188,169,521	175,819,925
Restricted	26,755,249	30,144,212	13,409,203	9,149,480	40,164,452	39,293,692
Unrestricted	10,657,061	11,224,305	924,738	1,049,246	11,581,799	12,273,551
Total net assets	\$ 153,910,585	\$ 143,866,411	\$ 86,005,187	\$ 83,520,757	\$ 239,915,772	\$ 227,387,168

The County maintains a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 2.5 to 1 and 12.5 to 1 for business-type activities. For the County overall, the current ratio is 2.9 to 1.

Note that approximately 76% of the governmental activities' net assets are invested in capital net of related debt. The County uses these capital assets to provide services to its citizens. However, with business-type activities, the County has spent approximately 83% of its net assets on capital. Capital assets in the business-type activities not only provide services, but they also generate revenues. Capital assets comprise 78% of the County's total net assets.

December 31, 2008

Changes in Net Assets

Net assets increased by \$10,044,174 for governmental activities and by \$2,484,430 for business-type activities. Acquisition of capital assets accounts for the majority of this increase for both the governmental and business-type activities. Open Space and Trails properties accounted for the majority of the increase in governmental activities. Properties added to the County's assets included the Flying Dog 4 Ranch, Morrow property, Sawmill Hill I and II, Argeros property, Wilkinson property, the Darrien easement and Emma historical town site. Additions for the business type activities include the acquisition of snow removal equipment and landscaping improvements that were made at the airport. The County's overall financial position improved during calendar year 2008.

The following table provides a summary of the County's changes in net assets:

Summary of Changes in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenues:						
Program:						
Charges for services	\$ 6,932,424	\$ 9,121,901	\$ 12,552,687	\$ 10,885,721	\$ 19,485,111	\$ 20,007,622
Operating grants	2,999,026	2,683,108	708,180	719,838	3,707,206	3,402,946
Capital grants	8,179,497	1,470,619	3,373,242	12,437,396	11,552,739	13,908,015
General:						
Taxes	40,806,392	37,940,005	-	-	40,806,392	37,940,005
Investment earnings	2,100,021	3,014,757	575,780	611,004	2,675,801	3,625,761
Gain on Sale of Fixed assets	-	-	702,250	-	702,250	-
Total revenues	61,017,360	54,230,390	17,912,139	24,653,959	78,929,499	78,884,349
Program Expenses:						
General government	8,441,523	8,160,025	-	-	8,441,523	8,160,025
Public safety	7,781,623	7,215,619	-	-	7,781,623	7,215,619
Public works	24,468,535	16,778,835	-	-	24,468,535	16,778,835
Health and welfare	3,634,941	3,198,700	-	-	3,634,941	3,198,700
Culture and recreation	3,220,314	1,110,754	-	-	3,220,314	1,110,754
Conservation	17,947	13,812	-	-	17,947	13,812
Housing and development	245,997	195,534	-	-	245,997	195,534
Interest and other debt items	1,332,285	1,373,501	-	-	1,332,285	1,373,501
Airport	-	-	9,311,279	7,098,923	9,311,279	7,098,923
Solid waste	-	-	4,960,238	4,355,822	4,960,238	4,355,822
Total expenses	49,143,165	38,046,780	14,271,517	11,454,745	63,414,682	49,501,525
Excess (deficiency)	11,874,195	16,183,610	3,640,622	13,199,214	15,514,817	29,382,824
Transfers	270,000	270,000	(270,000)	(270,000)	-	-
Change in net assets	12,144,195	16,453,610	3,370,622	12,929,214	15,514,817	29,382,824
Beginning net assets	143,866,411	130,427,558	83,520,757	70,591,543	227,387,168	201,019,101
Prior period adjustment	-	-	(886,192)	-	(886,192)	-
Ending net assets	\$ 156,010,606	\$ 146,881,168	\$ 86,005,187	\$ 83,520,757	\$ 242,015,793	\$ 230,401,925

December 31, 2008

Governmental Revenues

Program revenues provided 36% to the support of governmental operations. This means that the County's taxpayers and other general governmental revenues fund 64% of the governmental activities. Sales and use taxes provided \$19.5 million or 33.1% of the County's total governmental revenues. Property taxes are the second largest revenue source totaling \$18.4 million or 31.2% of the total governmental revenues. Total revenues from property tax collections increased \$3.3 million. \$3 million to this increase was dedicated to the Open Space and Trails program for which the voters have authorized a fixed mill levy rate. Much of the sales and use tax is restricted to use for mass transit and much of the property tax is restricted to open space and trails. The general fund and road and bridge funds retain about 33% of these two revenue sources totaling \$12.6 million. Investment income provided another \$2.1 million to support governmental activities.

Governmental Functional Expenses

The public works, general government and public safety functions make up approximately 82.8% of the total governmental activities expenses. Public works totals 49.8% of total governmental expenses with 23.0% from the county road and bridge fund (including depreciation of approximately \$1.2 million), 75.2% going to transportation needs of the County and 1.8% to TV/FM translators. General government, which includes the County's administrative and community development costs as well as numerous service agencies, totaled 17.2% of the total governmental expenses. Finally, public safety accounted for approximately 15.8% of the total costs.

The following table presents the cost of each of the County's programs, including the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden placed on the County's taxpayers by each of these functions. After reducing gross expenses by program revenues, note that general government's percentage declines from 17% to 8% of total net expenses. The public works function's net costs increase to 72%, however, because this function does not generate substantial program revenues.

Governmental Activities

	Total Cost of Services	% of Total	Net Cost of Services	% of Total
General government	\$ 8,441,523	17.2%	\$ 2,483,690	8.0%
Public safety	7,781,623	15.8%	6,282,472	20.2%
Public works	24,468,535	49.8%	22,553,641	72.7%
Health and welfare	3,634,941	7.4%	2,461,345	7.9%
Culture and recreation	3,220,314	6.6%	(3,367,081)	-10.9%
Conservation	17,947	0.0%	(111,887)	-0.4%
Housing and development	245,997	0.5%	(602,247)	-1.9%
Interest and other debt items	1,332,285	2.7%	1,332,285	4.3%
Total	\$ 49,143,165	100%	\$ 31,032,218	100%

Business-Type Activities

The primary major enterprise fund is the County's airport. The operating revenues for this fund increased 38% from 2007 and operating expenses increased 31.9% from 2007. Operating revenues increased because the

December 31, 2008

airport was closed for two months in the spring of 2007 for the reconstruction of the runway. The costs associated with the preliminary planning stage for airport terminal improvements explains the majority of the increase in operating expenses because these costs are not capitalized. Significant improvements to the runway and the addition of a new operations facility building explain the increase in depreciation costs. During 2008, airport management took a close review of assets and wrote off many fully depreciated items that resulted in a net loss of \$886,192. This loss was reported as a prior period adjustment whereby capital assets of \$8,849,212 with accumulated depreciation of \$7,963,020 were eliminated from the airport asset records. Runway infrastructure accounted for the majority of this change. This fund reported an operating loss of approximately \$.6 million with a \$2.7 million increase in net assets after adding non-operating items and capital contributions.

The Solid Waste Center fund showed net operating income of \$771,000, which was about half of the net income reported in 2007. Significant sales of recycled aggregate material (gravel and soil) in 2007 accounted for higher revenues and expenses in 2007.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Governmental Funds

Pitkin County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As described earlier, the County's governmental funds provide information on short-term inflows and outflows, as well as available recourses for future spending. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

The general, road and bridge, transportation sales and use tax, and open space and trails funds are the County's four major governmental funds.

General Fund

The general fund is the County's primary operating fund and accounts for all transactions not accounted for in other funds. It accounts for many of the County's core services, such as law enforcement, planning, clerk and recorder and elections, buildings and general administrative functions. As the County's major operating fund, the general fund accounts for ordinary operating expenditures financed primarily by property taxes, sales taxes and charges for services.

The County's fund balance of the general fund decreased from \$25.8 million to \$25.0 million. This balance includes a contingency fund balance of \$4 million. Unreserved fund balance of \$17.5 million also includes \$5.7 million to plan and fund future building needs, \$3.1 million designated to complete projects begun in 2008 but not completed and \$3.2 million to fund other discretionary projects or unforeseen revenue shortfalls in future years. The remaining unreserved fund balance is designated for other uses as detailed in Note 3-L. The \$735,000 decrease in general fund balance in 2008 can be explained by the replacement of seven sheriff's vehicles, law enforcement software upgrade, site improvement to Ajax mountain translator equipment and building improvements to the Senior Center and Health and Human Services building.

The following table summarizes ending fund balance in the general fund over the last five years.

December 31, 2008

**Historical Fund Balance - General Fund
(expressed in millions)**

Year	General Fund		Total Fund Balance	Unreserved Fund Balance		Contingency Fund Balance				
	Revenues			Amount	% of Revenues	Amount	% of Revenues			
2004	\$	15.7	\$	14.7	\$	12.1	77%	\$	4.0	25%
2005		18.8		21.2		12.4	66%		4.0	21%
2006		18.7		25.7		19.5	104%		4.0	21%
2007		19.3		25.8		18.4	95%		4.0	21%
2008		18.7		25.0		17.5	94%		4.0	21%

Road and Bridge Fund

The road and bridge fund accounts for monies generated by property taxes, state highway users funds, local road impact fees, and other sources that are used for road repair and maintenance and capital improvements. In addition, the general fund allocated general sales taxes of \$2.9 million to the road and bridge fund to support operations, repair and construction activities. Approximately \$547,000 of the \$3.6 million fund balance is from a dedicated use tax that sunsetted in 1999 and is dedicated to fund improvements to State Highway 82. In 2008, the County asked voters for additional funding to maintain road infrastructure. This proposal was narrowly defeated and will result in a severe reduction in funding available for capital improvements.

Transportation Sales and Use Tax Fund

The transportation sales and use tax fund collects taxes that help support the Roaring Fork Transportation Authority (RFTA) and other transit needs. The 1% County wide transportation sales tax is distributed to RFTA, the City of Aspen and the Town of Snowmass Village. A ½% transportation sales and use tax is also maintained in this fund. This fund has an ending fund balance of \$8.8 million, which is entirely from the proceeds of the ½% sales and use tax that can only be used for transit projects. During 2008, this fund contributed to the State for the construction of the entrance to Aspen Project to replace the Maroon Creek bridge and construct a dedicated bus lane from Buttermilk to the round-a-bout to improve public transportation traffic flow during peak hours.

Open Space and Trails Fund

The fund balance of the Open Space and Trails fund is dedicated 75% to open space acquisition, 14% to trails improvements and 11% to property maintenance, so the fund balance of this fund fluctuates depending on the capital acquisitions made in any year. Property tax revenues were sufficient to cover the \$1.4 million fund balance deficit from 2007 and generate \$700,000 fund balance. Acquisitions of open space properties account for the expenditures in this fund. Significant acquisitions occurred in 2007 and 2008. During 2008 open space acquisitions included the Flying Dog 4 Ranch, Morrow property, Sawmill Hill I and II, Argeros property, Wilkinson property, the Darrien easement and Emma historical town site.

Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. Therefore, the analysis is presented above under business-type activities.

Fiduciary Funds – Retirement Fund

The County withdrew from Social Security and the Colorado County Officials and Employees Retirement Association in 1983 and formed a replacement retirement plan, the Pitkin County Public Employees Retirement Plan (PCPERP). The retirement plan offers employees four model-portfolio and thirteen mutual fund investment choices. The portfolio options are comprised of a diversified mix of the mutual funds, selected to meet the objectives of each option. Great West Retirement services provides participant record keeper services and Wells Fargo Bank acts as trustee for investments of the County’s retirement plan. PCPERP is a defined contribution plan, and consequently there are no unfunded liabilities. The following table lists the allocation of investments for each portfolio option and the annual investment return.

Model Portfolio Investment Options

Asset Allocation	Conservative Growth	Moderate Growth	Growth	Aggressive Growth
Core Bond Fund	60%	33%	15%	5%
Large Cap Stock Funds	20%	34%	28%	48%
Mid Cap Stock funds	3%	8%	9%	5%
Small cap Stock Funds	2%	4%	9%	5%
Foreign Sock Funds	9%	11%	27%	20%
Real Estate Fund	3%	5%	5%	7%
Commodity Fund	3%	5%	7%	10%
2008 annual investment return	-20.5%	-4.9%	-34.5%	-38.2%

GENERAL FUND BUDGETARY HIGHLIGHTS

In December 2007, the Board of County Commissioners appropriated \$19.4 million for 2008 general fund expenditures. The general fund budget was amended twice during the year. The final budget anticipated a decrease of \$4.1 million to the general fund balance.

2008 General Fund Budget

	Original Budget	Amendments	Final Budget
Revenue and other financing sources	\$ 18,835,669	\$ 811,841	\$ 19,647,510
Expenditures and other financing uses	19,483,768	4,916,701	24,400,469
	\$ (648,099)	\$ (4,104,860)	\$ (4,752,959)

Midyear budget amendments included:

- Money for projects unfinished in 2007 netted to \$3.6 million of expenditures. Earmarks in the 2007 budget provided the funding for these projects. Significant projects included: the installation of an e-recording system for the clerk’s office (\$95,720); a transfer of sales tax revenue to cover road and bridge projects (\$42,094); a carry forward of the attorneys’ litigation pool (\$204,360); a software upgrade and microfilm conversion for the treasurer’s office (\$96,532); website improvement planning (\$94,848); a carry forward of the growing technology funding pool with the refund of unspent department funds to the pool (\$1,126,969); the return of departments’ unspent budget to the computer and printer contingency pool (\$105,588); a facility energy consultant (\$85,000); associated SCAAP grant expenditures (\$98,994); jail HVAC and roof replacement projects (\$178,249); a facilities study (\$89,136); the Redstone coke oven restoration project (\$156,528); Senior Center renovation and various projects related to the senior services program (\$252,077); and updating the Aspen Area Community Plan and

December 31, 2008

other community development projects (\$344,632). The balance represents projects under \$50,000 for various projects in multiple departments of the general fund.

- Several new projects approved during the year netted to an additional \$338,429 in expenditures. Large projects are as follows: The BOCC approved \$150,000 for technical and legal services to verify and enforce water rights. \$300,000 was allocated for an employee housing loan program. Free bus service between Aspen and Snowmass cost \$597,000. The Payment in Lieu of Taxes program was fully funded at the federal level that resulted in \$353,000 in additional revenue. The balance represents projects under \$50,000 for various projects in multiple departments of the general fund

The final budget assumed a use of fund balance totaling \$4.7 million, however actual expenditures exceeded revenue in the General Fund by only \$734,961. The budgets for projects begun but not completed in 2008 will be appropriated in 2009, totaling \$3.6 million, which accounts for the majority of this difference.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2008, was \$136,648,377 and \$73,534,111 respectively. The net investment increased by 10.5% for governmental activities and decreased 1.4% for business-type activities. The overall increase was 6.0% for the County as a whole. See Note 3-F for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

	Capital Assets					
	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	Restated 2007	2008	2007
Non-depreciable assets:						
Land	\$ 94,661,158	\$ 80,855,594	\$ 10,879,235	\$ 10,530,840	\$ 105,540,393	\$ 91,386,434
Construction in progress	4,150,178	7,659,721	21,122,848	40,680,171	25,273,026	48,339,892
Total non-depreciable	<u>98,811,336</u>	<u>88,515,315</u>	<u>32,002,083</u>	<u>51,211,011</u>	<u>130,813,419</u>	<u>139,726,326</u>
Depreciable assets:						
Buildings	23,880,428	23,835,477	19,264,148	6,699,677	43,144,576	30,535,154
Improvements other than buildings	1,435,745	1,341,918	34,178,796	25,917,267	35,614,541	27,259,185
Machinery and equipment	11,397,742	10,041,146	7,559,457	7,105,639	18,957,199	17,146,785
Infrastructure	40,319,141	37,365,865	-	-	40,319,141	37,365,865
Total depreciable assets	<u>77,033,056</u>	<u>72,584,406</u>	<u>61,002,401</u>	<u>39,722,583</u>	<u>138,035,457</u>	<u>112,306,989</u>
Less accumulated depreciation	<u>39,196,015</u>	<u>37,395,294</u>	<u>19,473,373</u>	<u>16,342,015</u>	<u>58,669,388</u>	<u>53,737,309</u>
Book value - depreciable assets	<u>37,837,041</u>	<u>35,189,112</u>	<u>41,529,028</u>	<u>23,380,568</u>	<u>79,366,069</u>	<u>58,569,680</u>
Percentage depreciated	49%	48%	68%	59%	57%	52%
Book value - all assets	<u>\$ 136,648,377</u>	<u>\$ 123,704,427</u>	<u>\$ 73,531,111</u>	<u>\$ 74,591,579</u>	<u>\$ 210,179,488</u>	<u>\$ 198,296,006</u>

At December 31, 2008, the depreciable capital assets for governmental activities were 49% depreciated compared to 48% at December 31, 2007. This comparison indicates that the County is replacing its assets at approximately the same rate as they are depreciating, which is a positive indicator. However, more than half

December 31, 2008

the value of the assets have been used which indicates that the County needs to continue planning its replacement of capital assets.

The major additions to the governmental assets included several open space acquisitions property included Sawmill Hill I & II, Historic Emma Town site, Flying Dog 4 Ranch, Ryan, Argeros, Morrow, and Wilkinson properties, the acquisitions of a new law enforcement software system replacement of two Road and Bridge graders and 7 sheriffs vehicles.

For the County’s business type activities, the asset values were 59% depreciated at December 31, 2007 and 68% at December 31, 2008. The overall decrease in the value of airport assets is due to the elimination of older runway improvements that were removed from the airport inventory because of significant infrastructure improvements were made the previous year. The airport also replaced improved signage in the terminal building, added runway sensors to the runway, and acquired a high speed broom to improve efficiency of snow removal at the airport. The airport has recently begun replacing and improving the buildings and runways at the facility. Plans to replace the terminal building are underway in anticipation of the depletions of its assets.

Long-term Debt

At the end of the calendar year, the County had lease certificates of participation totaling \$915,000, general obligation bonds and notes of \$19,916,323 and sales tax revenue bonds totaling \$6,320,000 outstanding. The airport has a low-interest loan from the State with an outstanding balance of \$1,859,865. Citing the County’s strong financial position, Moody’s Investor Service upgraded the County’s general obligation bond rating to Aa2 from Aa3 in 2006 and upgraded the sales tax revenue bond rating to A+ from A. In 2008 Standard and Poor’s for the County’s Certificate of Participation was increased from A to AA in 2008.

	Outstanding Borrowings						% Change
	Governmental Activities		Business-type Activities		Totals		
	2008	2007	2008	2007	2008	2007	
Lease COPs	\$ 915,000	\$ 1,195,000	\$ -	\$ -	\$ 915,000	\$ 1,195,000	-23%
General obligation bonds	19,860,000	20,731,692	-	-	19,860,000	20,731,692	-4%
Revenue bonds and loans	6,320,000	6,670,000	1,859,865	2,152,740	8,179,865	8,822,740	-7%
Special assessment bonds	56,323	61,692	-	-	56,323	61,692	-9%
Landfill closure and postclosure care	-	-	2,866,715	2,772,779	2,866,715	2,772,779	3%
Claims	723,899	702,199	-	-	723,899	702,199	3%
Compensated absences	1,080,303	1,081,205	144,631	163,206	1,224,934	1,244,411	-2%
Total	\$ 28,955,525	\$ 30,441,788	\$ 4,871,211	\$ 5,088,725	\$ 33,826,736	\$ 35,530,513	-5%

See Note 3-I for additional information about the County’s long-term debt. We discuss the landfill closure and postclosure care liability in Note 3-J.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the County's Finance Director at 530 East Main Street, Suite 201, Aspen, Colorado or by telephone at (970) 920-5225.

BASIC FINANCIAL STATEMENTS

Pitkin County, Colorado
Statement of Net Assets
December 31, 2008

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets				
Equity in pooled cash and investments	\$ 45,161,481	\$ 13,409,749	\$ 58,571,230	\$ 1,251,918
Other cash and investments	-	-	-	3,954,876
Receivables:				
Accounts	964,470	1,502,329	2,466,799	75,186
Property taxes	19,149,728	-	19,149,728	2,965,903
Sales taxes	1,708,874	-	1,708,874	-
Intergovernmental	4,427,960	431,724	4,859,684	-
Notes	80	-	80	-
Restricted and other assets				
Equity in pooled cash and investments	146,611	2,897,819	3,044,430	-
Other cash and investments	146,799	-	146,799	-
Total Current Assets	<u>71,706,003</u>	<u>18,241,621</u>	<u>89,947,624</u>	<u>8,247,883</u>
Noncurrent Assets				
Nondepreciable capital assets	96,996,336	32,002,083	128,998,419	194,039
Depreciable capital assets, net	39,652,041	41,529,028	81,181,069	5,178,149
Unamortized bond issuance costs	148,760	-	148,760	-
Total Noncurrent Assets	<u>136,797,137</u>	<u>73,531,111</u>	<u>210,328,248</u>	<u>5,372,188</u>
Total Assets	<u>208,503,140</u>	<u>91,772,732</u>	<u>300,275,872</u>	<u>13,620,071</u>
Liabilities				
Current Liabilities				
Accounts payable	1,787,950	751,548	2,539,498	70,359
Contracts payable	27,078	44,300	71,378	-
Accrued liabilities	752,106	10,984	763,090	338
Intergovernmental payable	3,469,983	38,887	3,508,870	385
Accrued interest payable	146,821	19,511	166,332	-
Deposits	662,844	31,104	693,948	-
Unearned revenue	19,415,146	-	19,415,146	2,965,903
Claims payable	289,560	-	289,560	-
Compensated absences payable	216,061	28,926	244,987	17,274
General obligation bonds payable	830,691	-	830,691	-
Revenue bonds payable	365,000	301,868	666,868	-
Lease certificates of participation	290,000	-	290,000	-
Total Current Liabilities	<u>28,253,239</u>	<u>1,227,128</u>	<u>29,480,367</u>	<u>3,054,259</u>
Long-Term Liabilities:				
Closure and postclosure care obligations	-	2,866,715	2,866,715	-
Claims payable (net of current portion)	434,339	-	434,339	-
Compensated absences payable (net of current portion)	864,242	115,705	979,947	69,094
General obligation bonds payable (net of current portion)	18,460,734	-	18,460,734	-
Revenue bonds payable (net of current portion)	5,955,000	1,557,997	7,512,997	-
Lease certificates of participation (net of current portion)	625,000	-	625,000	-
Total Long-Term Liabilities	<u>26,339,316</u>	<u>4,540,417</u>	<u>30,879,733</u>	<u>69,094</u>
Total Liabilities	<u>54,592,555</u>	<u>5,767,545</u>	<u>60,360,100</u>	<u>3,123,353</u>
Net Assets				
Invested in capital assets, net of related debt	116,498,275	71,671,246	188,169,521	5,372,188
Restricted for:				
Open space	357,824	-	357,824	-
Transportation	8,470,343	-	8,470,343	-
Affordable housing	8,851,035	-	8,851,035	-
Highway 82 construction	547,179	-	547,179	-
Statutory reserve for emergencies	1,531,840	-	1,531,840	74,312
Debt service	185,560	-	185,560	-
Ambulance District	1,065,919	-	1,065,919	-
Airport	-	10,511,384	10,511,384	-
Postclosure and deposits	-	2,897,819	2,897,819	-
Other program purposes	5,745,549	-	5,745,549	3,948,775
Unrestricted	10,657,061	924,738	11,581,799	1,101,443
Total Net Assets	<u>\$ 153,910,585</u>	<u>\$ 86,005,187</u>	<u>\$ 239,915,772</u>	<u>\$ 10,496,718</u>

See accompanying notes to the basic financial statements

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Pitkin County, Colorado
Statement of Activities
For the Year Ended December 31, 2008

Functions/Programs	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 8,441,523	\$ 4,899,997	\$ 869,488	\$ 188,348
Public safety	7,781,623	356,337	1,142,814	-
Public works	24,468,535	347,218	95,023	1,472,653
Health and welfare	3,634,941	347,874	825,722	-
Culture and recreation	3,220,314	68,899	-	6,518,496
Conservation of natural resources	17,947	63,855	65,979	-
Housing and development	245,997	848,244	-	-
Interest	1,332,285	-	-	-
Total Governmental Activities	49,143,165	6,932,424	2,999,026	8,179,497
Business-Type Activities:				
Airport	9,311,279	7,000,933	708,180	3,373,242
Solid Waste Center	4,960,238	5,551,754	-	-
Total Business-Type Activities	14,271,517	12,552,687	708,180	3,373,242
Total - Primary Government	\$ 63,414,682	\$ 19,485,111	\$ 3,707,206	\$ 11,552,739
Component Units				
Emergency Telephone Authority	292,351	369,614	-	-
Pitkin County Library District	3,107,006	11,177	72,942	-
Total - Component Units	\$ 3,399,357	\$ 380,791	\$ 72,942	\$ -
General Revenues				
Property taxes levied for:				
General government purposes				
Debt service				
Sales taxes				
Other taxes				
Gain on sale of capital assets				
Investment earnings				
Total General Revenues				
Transfers				
Total General Revenues and Transfers				
Change in Net Assets				
Net Assets Beginning of Year				
Prior Period Adjustment				
Net Assets End of Year				

See accompanying notes to the basic financial statements

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			
Governmental Activities	Business-Type Activities	Total	Component Units
\$ (2,483,690)	\$ -	\$ (2,483,690)	\$ -
(6,282,472)	-	(6,282,472)	-
(22,553,641)	-	(22,553,641)	-
(2,461,345)	-	(2,461,345)	-
3,367,081	-	3,367,081	-
111,887	-	111,887	-
602,247	-	602,247	-
(1,332,285)	-	(1,332,285)	-
(31,032,218)	-	(31,032,218)	-
-	1,771,076	1,771,076	-
-	591,516	591,516	-
-	2,362,592	2,362,592	-
(31,032,218)	2,362,592	(28,669,626)	-
-	-	-	77,263
-	-	-	(3,022,887)
-	-	-	(2,945,624)
18,046,485	-	18,046,485	2,812,638
306,838	-	306,838	-
19,515,789	-	19,515,789	-
837,259	-	837,259	128,130
-	702,250	702,250	-
2,100,021	575,780	2,675,801	(868,225)
40,806,392	1,278,030	42,084,422	2,072,543
270,000	(270,000)	-	-
41,076,392	1,008,030	42,084,422	2,072,543
10,044,174	3,370,622	13,414,796	(873,081)
143,866,411	83,520,757	227,387,168	11,369,799
-	(886,192)	(886,192)	-
\$ 153,910,585	\$ 86,005,187	\$ 240,801,964	\$ 10,496,718

Pitkin County, Colorado
Balance Sheet
Governmental Funds
December 31, 2008

	General	Road and Bridge	Transportation Sales and Use Tax	Open Space and Trails	Other Governmental Funds	Total Governmental Funds
Assets						
Equity in pooled cash and investments	\$ 24,476,050	\$ 3,628,333	\$ 9,000,288	\$ 1,036,488	\$ 7,020,322	\$ 45,161,481
Receivables:						
Accounts	871,790	500	92,180	-	-	964,470
Property taxes	5,337,719	391,580	-	10,442,154	2,978,275	19,149,728
Sales taxes	-	-	1,596,874	-	112,000	1,708,874
Intergovernmental	3,651,277	567,978	-	-	208,705	4,427,960
Due from other funds	32,098	-	-	-	-	32,098
Other	80	-	-	-	-	80
Restricted cash and investments						
Equity in pooled cash and investments	-	-	-	-	146,611	146,611
Other cash and investments	146,799	-	-	-	-	146,799
Total Assets	\$ 34,515,813	\$ 4,588,391	\$ 10,689,342	\$ 11,478,642	\$ 10,465,913	\$ 71,738,101
Liabilities and Fund Balances						
Liabilities						
Accounts payable	\$ 674,723	\$ 449,686	\$ 346,120	\$ 258,578	\$ 58,843	\$ 1,787,950
Contracts payable	19,753	7,325	-	-	-	27,078
Accrued liabilities	741,376	9,718	-	1,012	-	752,106
Intergovernmental payable	2,093,371	3,242	1,267,203	61,856	44,311	3,469,983
Due to other funds	-	-	-	-	32,098	32,098
Funds held in trust	609,394	51,950	-	1,500	-	662,844
Deferred revenue	5,339,949	426,580	228,188	10,442,154	2,978,275	19,415,146
Total Liabilities	9,478,566	948,501	1,841,511	10,765,100	3,113,527	26,147,205
Fund Balances						
Reserved for:						
Debt service	105,591	-	-	-	226,790	332,381
Program purposes	7,449,182	-	377,488	355,718	126,970	8,309,358
Unreserved:						
Designated:						
For subsequent years expenditures						
Special revenue funds	-	252,720	-	-	304,063	556,783
For other purposes						
General fund	17,482,474	-	-	-	-	17,482,474
Special revenue funds	-	547,179	-	-	-	547,179
Undesignated, reported in:						
Special revenue funds	-	2,839,991	8,470,343	357,824	6,694,563	18,362,721
Total Fund Balances	25,037,247	3,639,890	8,847,831	713,542	7,352,386	45,590,896
Total Liabilities and Fund Balances	\$ 34,515,813	\$ 4,588,391	\$ 10,689,342	\$ 11,478,642	\$ 10,465,913	\$ 71,738,101

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets
December 31, 2008

Total Governmental Fund Balances	\$	45,590,896
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**Amounts reported for governmental activities in the
statement of net assets are different because:**

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. However, in the statement of net assets, the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense.

Cost of capital assets	\$ 175,844,390	
Less accumulated depreciation	<u>(39,196,013)</u>	136,648,377

Bond premiums, discounts, refunding and issuance costs are reported as expenditures in the fund financial statements but are capitalized on the government-wide statement of net assets.

773,658

Liabilities not due and payable in the current period and therefore are not reported in the funds:

Accrued interest	\$ (146,821)	
Lease certificates of participation	(915,000)	
Sales tax revenue bonds	(6,320,000)	
General obligation bonds	(19,860,000)	
Special assessment bonds payable	(56,323)	
Claims	(723,899)	
Compensated absences	<u>(1,080,303)</u>	<u>(29,102,346)</u>

Net Assets of Governmental Activities	\$	<u><u>153,910,585</u></u>
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See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2008

	General	Road and Bridge	Transportation Sales and Use Tax	Open Space and Trails	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 9,287,481	\$ 3,354,866	\$ 12,039,915	\$ 10,675,316	\$ 3,348,793	\$ 38,706,371
Intergovernmental	1,537,503	1,468,260	-	1,025,396	657,325	4,688,484
Licenses and permits	1,040,534	16,575	-	-	-	1,057,109
Charges for services	5,255,040	19,537	-	10,769	-	5,285,346
Fines and forfeitures	6,079	-	-	1,780	-	7,859
Investment earnings	1,051,010	85,424	535,787	130,517	297,283	2,100,021
Miscellaneous	510,061	212,292	7,230	13,500	835,966	1,579,049
Total Revenues	18,687,708	5,156,954	12,582,932	11,857,278	5,139,367	53,424,239
Expenditures						
Current:						
General government	8,706,359	-	-	-	-	8,706,359
Public safety	7,873,225	-	-	-	489,693	8,362,918
Public works	209,986	4,422,953	18,371,348	-	469,234	23,473,521
Health and welfare	2,530,399	-	-	-	1,487,751	4,018,150
Culture and recreation	101,627	-	-	8,890,797	156,201	9,148,625
Housing and development	245,997	-	-	-	-	245,997
Debt Service:						
Principal retirement	-	-	-	425,000	1,020,369	1,445,369
Interest and fiscal charges	-	-	-	821,440	473,090	1,294,530
Total Expenditures	19,667,593	4,422,953	18,371,348	10,137,237	4,096,338	56,695,469
Excess (Deficiency) of Revenues Over (Under) Expenditures	(979,885)	734,001	(5,788,416)	1,720,041	1,043,029	(3,271,230)
Sale of capital assets	27,408	197,230	-	300,000	5,000	529,638
Transfers in	648,637	-	-	94,000	337,121	1,079,758
Transfers out	(431,121)	-	-	-	(378,637)	(809,758)
Total Other Financing Sources (Uses)	244,924	197,230	-	394,000	(36,516)	799,638
Net Change in Fund Balances	(734,961)	931,231	(5,788,416)	2,114,041	1,006,513	(2,471,592)
Fund Balances Beginning of Year	25,772,208	2,708,659	14,636,247	(1,400,499)	6,345,873	48,062,488
Fund Balances End of Year	\$ 25,037,247	\$ 3,639,890	\$ 8,847,831	\$ 713,542	\$ 7,352,386	\$ 45,590,896

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2008

Net Change In Fund Balances - Total Governmental Funds \$ (2,471,592)

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 the capitalized capital outlay exceeded depreciation expense in the current period.

Depreciation expense	\$ (3,903,460)	
Capital outlay (Net of donated and transferred assets)	9,659,438	5,755,978

Elimination of transfers between governmental funds:

Transfers in	\$ (809,758)	
Transfers out	809,758	-

Book value of capital assets disposed of and reported on the statement of activities but not reported in the governmental funds. (120,128)

Some revenues in the Statement of Activities do not provide current financial resources and therefore are not reported as revenues 5,493,100

Accrued interest expense reported in the statement of activities does not require the use of current financial resources and therefore is not reported as expenditures in governmental funds.

Liability @ 12/31/08	\$ (146,821)	
Liability @ 12/31/07	149,191	2,370

Repayment of general obligation debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 1,445,369

Amortization of bond issuance costs, bond premiums and refunding deferral on the government-wide statement of activities but not reported on the fund (40,125)

Compensated absences and claims reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Liability @ 12/31/08	\$ (1,804,202)	
Liability @ 12/31/07	1,783,404	(20,798)

Change In Net Assets of Governmental Activities \$ 10,044,174

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Net Assets
Proprietary Funds
December 31, 2008

	Business-type Activities -		
	Enterprise Funds		
	Airport	Solid Waste Center	Total
Assets			
Current Assets:			
Equity in pooled cash and investments	\$ 9,564,413	\$ 3,845,336	\$ 13,409,749
Receivables:			
Accounts	1,204,255	298,074	1,502,329
Intergovernmental	431,724	-	431,724
Total Current Assets	11,200,392	4,143,410	15,343,802
Noncurrent Assets:			
Restricted Assets:			
Equity in pooled cash and investments	31,104	2,866,715	2,897,819
Capital Assets:			
Non-depreciable capital assets	31,926,848	75,235	32,002,083
Depreciable capital assets, net	38,486,889	3,042,139	41,529,028
Total Noncurrent Assets	70,444,841	5,984,089	76,428,930
Total Assets	81,645,233	10,127,499	91,772,732
Liabilities			
Current Liabilities:			
Accounts payable	488,294	263,254	751,548
Contracts payable	41,300	3,000	44,300
Accrued liabilities	6,872	4,112	10,984
Intergovernmental payable	-	38,887	38,887
Accrued interest payable	19,511	-	19,511
Deposits	31,104	-	31,104
Compensated absences payable	20,386	8,540	28,926
Loans payable	301,868	-	301,868
Total Current Liabilities	909,335	317,793	1,227,128
Long-Term Liabilities:			
Closure and postclosure care obligations	-	2,866,715	2,866,715
Loans payable (net of current portion)	1,557,997	-	1,557,997
Compensated absences payable (net of current portion)	81,541	34,164	115,705
Total Long-Term Liabilities	1,639,538	2,900,879	4,540,417
Total Liabilities	2,548,873	3,218,672	5,767,545
Net Assets			
Invested in capital assets, net of related debt	68,553,872	3,117,374	71,671,246
Restricted for postclosure and deposits	31,104	2,866,715	2,897,819
Unrestricted	10,511,384	924,738	11,436,122
Total Net Assets	\$ 79,096,360	\$ 6,908,827	\$ 86,005,187

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Revenues,
Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Year Ended December 31, 2008

	Business-type Activities - Enterprise Funds		
	Airport	Solid Waste Center	Total
Operating Revenues			
Charges for services	\$ 2,792,136	\$ 5,551,754	\$ 8,343,890
Rents and franchises	4,206,493	-	4,206,493
Miscellaneous	2,304	-	2,304
Total Operating Revenues	7,000,933	5,551,754	12,552,687
Operating Expenses			
Personal services	1,806,316	857,910	2,664,226
Purchased services	4,148,247	3,363,968	7,512,215
Materials and supplies	265,635	106,711	372,346
Depreciation	3,023,901	358,265	3,382,166
Amortization	-	93,936	93,936
Total Operating Expenses	9,244,099	4,780,790	14,024,889
Operating Income (Loss)	(2,243,166)	770,964	(1,472,202)
Non-Operating Revenues (Expenses)			
Interest	310,458	265,322	575,780
Intergovernmental	708,180	-	708,180
Interest and fiscal charges	(67,180)	-	(67,180)
Gain (Loss) on disposition of capital assets	702,250	(179,448)	522,802
Total Non-Operating Revenues (Expenses)	1,653,708	85,874	1,739,582
Income (Loss) Before Capital Contributions and Transfer	(589,458)	856,838	267,380
Capital contributions	3,373,242	-	3,373,242
Transfers out	-	(270,000)	(270,000)
Change in Net Assets	2,783,784	586,838	3,370,622
Net Assets Beginning of Year	77,198,768	6,321,989	83,520,757
Prior Period Adjustment	(886,192)	-	(886,192)
Net Assets End of Year	\$ 79,096,360	\$ 6,908,827	\$ 86,005,187

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2008

	Business-type Activities -		
	Enterprise Funds		
	Airport	Solid Waste Center	Total
Cash Flows from Operating Activities			
Cash received from customers	\$ 6,426,672	\$ 5,635,666	\$ 12,062,338
Cash payments to employees for services	(1,831,230)	(857,737)	(2,688,967)
Cash payments for goods and services	(4,605,259)	(3,403,447)	(8,008,706)
Net Cash Provided (Used) by Operating Activities	<u>(9,817)</u>	<u>1,374,482</u>	<u>1,364,665</u>
Cash Flows from Noncapital Financing Activities			
Operating grants received	708,180	-	708,180
Transfers out	-	(270,000)	(270,000)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>708,180</u>	<u>(270,000)</u>	<u>438,180</u>
Cash Flows from Capital and Related Financing Activities			
Principal paid on revenue bonds	(292,875)	-	(292,875)
Interest paid on revenue bonds	(71,942)	-	(71,942)
Capital contributions	3,373,242	-	3,373,242
Proceeds from the sale of capital assets	702,250	37,212	739,462
Payments for capital acquisitions	(1,321,978)	(1,219,380)	(2,541,358)
Net Cash (Used) by Capital and Related Financing Activities	<u>2,388,697</u>	<u>(1,182,168)</u>	<u>1,206,529</u>
Cash Flows from Investing Activities			
Investment earnings	310,458	265,322	575,780
Net Increase (Decrease) in Cash and Cash Equivalents	3,397,518	187,636	3,585,154
Cash and Cash Equivalents Beginning of Year	6,197,999	6,524,415	12,722,414
Cash and Cash Equivalents End of Year	<u>\$ 9,595,517</u>	<u>\$ 6,712,051</u>	<u>\$ 16,307,568</u>

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended December 31, 2008

	Business-type Activities -		
	Enterprise Funds		
	Airport	Solid Waste Center	Total
Reconciliation of Operating Loss to Net Cash Provided (Used) by Operating Activities			
Operating Income (Loss)	\$ (2,243,166)	\$ 770,964	\$ (1,472,202)
Adjustments:			
Depreciation	3,023,901	358,265	3,382,166
(Increase) Decrease in Assets:			
Accounts receivable	(764,339)	83,912	(680,427)
Intergovernmental receivable	194,840	-	194,840
Increase (Decrease) in Liabilities:			
Accounts payable	(154,572)	28,345	(126,227)
Contracts payable	(40,864)	-	(40,864)
Accrued liabilities	(24,914)	173	(24,741)
Accrued interest payable	(4,762)	-	(4,762)
Intergovernmental payable	-	38,887	38,887
Deposits	4,059	-	4,059
Closure and post closure care obligations	-	93,936	93,936
Net Cash Provided (Used) by Operating Activities	<u>\$ (9,817)</u>	<u>\$ 1,374,482</u>	<u>\$ 1,364,665</u>

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2008

	<u>Retirement Trust</u>	<u>Agency</u>
Assets		
Equity in pooled cash and investments	\$ 64,192	\$ 3,190,548
Other cash and investments:		
Mutual funds	13,919,261	-
Receivables:		
Accounts	3,080	-
Employee retirement loans	343,359	-
Total Assets	<u>\$ 14,329,892</u>	<u>\$ 3,190,548</u>
Liabilities		
Accounts payable	\$ 259,686	\$ -
Accrued liabilities	-	-
Intergovernmental payable	-	636,172
Funds held for others	-	2,554,376
Total Liabilities	<u>\$ 259,686</u>	<u>\$ 3,190,548</u>
Net Assets		
Held in trust for pension benefits	<u>\$ 14,070,206</u>	

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Changes in Fiduciary Net Assets
Retirement Trust Fund
For the Year Ended December 31, 2008

	2008
Additions	
Employer contributions	\$ 1,594,897
Investment income:	
Dividends and interest	(5,834,840)
Miscellaneous	4,811
	(4,235,132)
Total Additions	
Deductions	
Benefits to plan members	1,200,887
Administrative expenses	30,452
	1,231,339
Total Deductions	
Change in Net Assets	(5,466,471)
Net Assets Beginning of Year	19,536,677
Net Assets End of Year	\$ 14,070,206

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Combining Statement of Net Assets
Component Units
December 31, 2008

	Pitkin County Library District	Emergency Telephone Authority	Total
Assets			
Current Assets			
Equity in pooled cash and investments	\$ 756,027	\$ 495,891	\$ 1,251,918
Other cash and investments	3,954,876	-	3,954,876
Receivables:			
Accounts	-	75,186	75,186
Property taxes	2,965,903	-	2,965,903
Total Current Assets	7,676,806	571,077	8,247,883
Noncurrent Assets:			
Capital assets:			
Nondepreciable capital assets	144,263	49,776	194,039
Depreciable capital assets, net	4,847,876	330,273	5,178,149
Total Noncurrent Assets	4,992,139	380,049	5,372,188
Total Assets	12,668,945	951,126	13,620,071
Liabilities			
Current Liabilities:			
Accounts payable	41,695	28,664	70,359
Accrued liabilities	338	-	338
Intergovernmental payable	385	-	385
Deferred revenue	2,965,903	-	2,965,903
Compensated absences (net of current portion)	17,274	-	17,274
Total Current Liabilities	3,025,595	28,664	3,054,259
Compensated absences	69,094	-	69,094
Total Long-term Liabilities	69,094	-	69,094
Total Liabilities	3,094,689	28,664	3,123,353
Net Assets			
Invested in capital assets, net of related debt	4,992,139	380,049	5,372,188
Restricted for:			
Capital projects	3,948,775	-	3,948,775
Statutory reserve for emergencies	62,642	11,670	74,312
Unrestricted	570,700	530,743	1,101,443
Total Net Assets	\$ 9,574,256	\$ 922,462	\$ 10,496,718

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Combining Statement of Activities
Component Units
For the Year Ended December 31, 2008

	Pitkin County Library District	Emergency Telephone Authority	Total
Expenses			
Public safety	\$ -	\$ 292,351	\$ 292,351
Culture and recreation	3,107,006	-	3,107,006
Total Expenses	<u>3,107,006</u>	<u>292,351</u>	<u>3,399,357</u>
Revenues			
Program revenues:			
Charges for services	11,177	369,614	380,791
Net Program (Expense)	<u>(3,095,829)</u>	<u>77,263</u>	<u>(3,018,566)</u>
General revenues			
Taxes	2,940,768	-	2,940,768
Investment earnings	(887,619)	19,394	(868,225)
Miscellaneous	72,942	-	72,942
Total General Revenues	<u>2,126,091</u>	<u>19,394</u>	<u>2,145,485</u>
Change in Net Assets	(969,738)	96,657	(873,081)
Net Assets Beginning of Year	<u>10,543,994</u>	<u>825,805</u>	<u>11,369,799</u>
Net Assets End of Year	<u>\$ 9,574,256</u>	<u>\$ 922,462</u>	<u>\$ 10,496,718</u>

See accompanying notes to the basic financial statements

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**NOTES TO THE
BASIC FINANCIAL STATEMENTS**

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Pitkin County, Colorado (the "County") is located approximately 210 miles west of Denver and 120 miles east of Grand Junction in the Colorado Rocky Mountains. The County encompasses 973 square miles, of which approximately 80% is publicly owned and is controlled by the U.S. Forest Service and the Bureau of Land Management. Estimated population of the County is 16,420. Tourism is the primary factor in the County's economy, which is noted for such resort communities as the City of Aspen and Town of Snowmass Village.

Pitkin County was formed in 1881 and subsequently became a home rule county on July 1, 1978. The governing body of the County is the five-member Board of County Commissioners ("the Board"). The County provides the following services directly; general administration, sheriff, jail, coroner, roads and bridges, solid waste landfill and recycling center, airport, TV and FM translators, social and health services, trails and open space. The County provides several additional services through other governmental organizations that are excluded or included in the report according to the reporting entity criteria.

Note 1 - Summary of Significant Accounting Policies

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting. The enterprise funds apply only the pronouncements of the Financial Accounting Standards Board (FASB) statements and interpretations issued prior to November 30, 1989 and the relevant pronouncements of GASB after that date.

The most significant of the County's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all departments, boards, agencies and funds that are not legally separate from the County. For the County, this entity includes certain elected officials (e.g., the sheriff, assessor and clerk and recorder).

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

The following are the County's blended component units. Separate financial statements are not prepared for the blended component units.

The **Pitkin County Capital Leasing Corporation** (the Corporation) is a not-for-profit corporation formed to finance the construction of a fleet maintenance facility, the acquisition of certain buses, and the acquisition of the County's administrative office building, all which are leased back to the County and its component units. The operations of the Corporation are reported as a debt service fund. The acquired capital assets and related long-term debt are reported in the governmental activities column of the government-wide statement of net assets.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 1 – Summary of Significant Accounting Policies (continued)

1-A. Reporting Entity (continued)

The **Pitkin County Ambulance District** (the District) exists by virtue of the Pitkin County Home Rule Charter and is governed by the Pitkin County Board of County Commissioners. The District levies property taxes annually and serves the majority of citizens of the County. The operations of the District are reported as a special revenue fund. The District's capital assets are reported in the governmental activities column on the government-wide statement of net assets.

The **Pitkin County Public Employees Retirement Plan** (PCPERP) functions for the benefit of the County's employees. PCPERP is governed by a five-member board which consists of the Administrative Services Director, two employees elected by the participants, and two citizens appointed by the Board of County Commissioners. PCPERP is reported as a pension trust fund.

The County has two General Improvement Districts that were formed upon presentation of a petition of the citizens by the proposed district to the Board of County Commissioners under the authorization of Colorado Revised Statutes. After formation of the district, an election was held to approve annual property tax levy on the properties in the District to fund capital improvement or ongoing maintenance, or both, for the roads within the District. The Board of County Commissioners acts as the Board and issues debt for the Districts. The Redstone Ranch Acres and Twining Flats Improvement Districts are reported as special revenue funds in the governmental activities column of the government-wide statement of net assets.

The component unit columns included on the government-wide financial statements identifies the financial data of the County's discretely presented component units. They are reported separately to emphasize that they are legally separate from the County.

A brief description of the discretely presented component units follows. Separate financial statements are not prepared for discretely presented component units.

Emergency Telephone Authority (the Authority) - Colorado revised statutes allow for local governmental agencies to fund emergency telephone services through a surcharge on residential and business telephones. The County and eight other governmental agencies have entered into an intergovernmental agreement to create the Emergency Telephone Authority to provide 911 services to dispatch emergency services. The Authority is included in the financial statements of the County as a discretely presented component because the Board of County Commissioners approves the Authority's budget. Although the Authority does not issue separate financial statements, the Authority is a single fund entity and all detailed financial data for the Authority is presented in the basic financial statements.

Pitkin County Library District (the District) - A 7-member board that is appointed by the Board of County Commissioners governs the District. The Pitkin County Board of County Commissioners approves the District's budget, tax levy and any debt issuances. Although the District does not issue separate financial statements, the District is a single fund entity and all detailed financial data for the District is presented in the basic financial statements.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 1 – Summary of Significant Accounting Policies (continued)

1-B. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net assets and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the statement of net assets and the statement of activities. These statements report financial information for the County as a whole, excluding fiduciary fund activity. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and County's general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers.

The statement of net assets presents the financial position of the governmental and business-type activities of the County and its discretely presented component units at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions on these program uses. The determining factor for identifying the functional classification for *charges for services* is the function that *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not properly included with program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds.

Major individual governmental and enterprise funds are reported in separate columns.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 1 – Summary of Significant Accounting Policies (continued)

1-B. Basis of Presentation (continued)

Fund Accounting - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

The **General Fund** accounts for all financial resources except those required to be accounted for in another fund. The general fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of the County's Home Rule Charter and the State of Colorado.

The **Road and Bridge Fund** accounts for property tax and intergovernmental revenues that fund improvements and maintenance of County roads and bridges. The voters of the County approved a 3% use tax, which became effective for ten years beginning January 1, 1989. The proceeds of this tax are dedicated solely for County road and State Highway 82 improvements. Although this tax was not reauthorized, the County still has balances from funds collected that are dedicated to Highway 82 improvements.

The **Transportation Sales and Use Tax Fund** accounts for 1 cent sales tax that is passed through the County to public mass transportation and the ½ cent sales and use tax that provides funding to enhance and improve the transportation system (roads and public transit).

The **Open Space and Trails Fund** accounts for a dedicated property tax, which supports acquisition, improvement and management of open space and trails program. A 2.5 mill levy was approved in 1990 and the voters reauthorized a levy of 3.75 in 1999. Authority to issue \$12 million of general obligation indebtedness for the purpose of maintaining and acquiring open space and trails was approved in 1990 and another \$12 million was approved in 1999.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. The proprietary funds are classified as enterprise funds. The following are the major enterprise funds:

The **Airport Fund** accounts for operating and capital improvement of the Aspen-Pitkin County Airport.

The **Solid Waste Center Fund** accounts for the County's landfill and recycling operations, including post-closure liabilities, which are primarily funded by site collections and the sale of recyclables.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 1 – Summary of Significant Accounting Policies (continued)

1-C. Measurement Focus

Fiduciary Funds – Fiduciary fund reporting focuses on net assets. The County’s fiduciary funds include the Pitkin County Public Employees Retirement Plan (PCPERP) retirement trust fund and the Treasurer’s agency funds.

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net assets. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statement of net assets. The statements of changes in fund net assets present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 1 – Summary of Significant Accounting Policies (continued)

1-D. Basis of Accounting (continued)

Revenues - Non-exchange Transactions - Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Property taxes and special assessments are reported as a receivable and a deferred revenue when levied and as a revenue when due for collection in the following year. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes and federal and state grants.

Deferred/Unearned Revenue - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred revenue (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as deferred revenue.

Deferred revenue is reported as “*unearned revenue*” on the government-wide statement of net assets.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities and Fund Equity

1-E-1 Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County. For the purpose of reporting cash flows, cash and cash equivalents are considered to be cash on hand, demand deposits and equity in pooled cash and investments of the County Treasurer.

The County has adopted a formal investment policy to manage its interest rate risk, credit risk and concentration of credit risk. The following is a summary of relevant guidelines from the policy:

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 1 – Summary of Significant Accounting Policies (continued)

1-E. Assets, Liabilities and Fund Equity (continued)

1-E-1 Cash, Cash Equivalents, and Investments (continued)

Eligible Investments

- U.S. Treasury obligations - U.S. Treasury bills, notes and bonds.
- U.S. Agencies and Instrumentalities – as authorized by Colorado Revised Statute (CRS) 24-75.601.1 (1) (a) and (b).
- Time certificates of deposit in state banks or national banks or in state or federally chartered savings and loan associations located in Colorado which are insured by the Federal Deposit Insurance Corporation and which are approved as public fund depositories by the State of Colorado Banking Commissioner or Savings and Loan Commissioner. Depositories must be rated average or better by IDC Financial Publishing or an equivalent rating agency.
- Demand deposit accounts in state banks or national banks located in Colorado which are insured by the Federal Deposit Insurance Corporation and which are approved as public fund depositories by the State of Colorado Banking Commissioner. Depositories must be rated average or better by IDC Financial Publishing or an equivalent rating agency.
- Shares of any local government trust fund (money market mutual fund) established under the provisions of 24-75-701, CRS, as amended.
- Money market funds authorized under CRS, 24-75-601.1 (1) (k).

Diversification

With the exception of U.S. Treasury obligations:

- No more than 60% of the total portfolio shall be invested in any single category of investment.
- Certificates of deposits in any institution shall not exceed ten (10) percent of the total portfolio. The maximum amount maturing with a single institution within thirty (30) days shall not exceed one million dollars (\$1,000,000), excluding the County's primary depository account.
- The maximum amount invested in any single local government surplus fund or money market fund shall not exceed 25% of the total portfolio.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 1 – Summary of Significant Accounting Policies (continued)

1-E. Assets, Liabilities and Fund Equity (continued)

1-E-1 Cash, Cash Equivalents, and Investments (continued)

Maturity

- Investment maturities shall be based on the liquidity needs of the County and the exposure to market risk. At least 10% of the portfolio shall be invested as a liquidity buffer in overnight instruments, depository accounts, money market funds, local government surplus funds, or marketable securities with less than a one-year maturity.
- Investments with a term greater than one-year, shall not exceed three (3) years with no more than 50% being invested in maturities exceeding two years at the time of investment. Any investment with a maturity exceeding three years shall require specific approval from the Board of County Commissioners.

Investments are stated at fair value based on quoted market prices.

A separate policy governs the investment of the Pitkin County Public Employee's Retirement Plan (PCPERP). It is implemented through several mutual funds selected by the Retirement Board and with Wells Fargo Bank as trustee. In addition, separate policies established by the library board govern the investment of the Library endowment funds.

1-E-2 Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

1-E-3 Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." Long-term portions of interfund receivables and payables are classified as advances. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4 Restricted Assets

Certain proceeds from the issuance of bonds, along with other resources, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Bond accounts are used to segregate resources accumulated for debt service payments for the next twelve months. Reserve accounts are used to report resources set aside to make up potential future deficiencies in the bond account. Project accounts are used to segregate resources for specific projects.

The general obligation bonds require a project account. The sales tax revenue bonds require a bond account, a reserve account and a project account. The lease certificates of participation require a project account, a certificate account and a reserve account.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 1 – Summary of Significant Accounting Policies (continued)

1-E. Assets, Liabilities and Fund Equity (continued)

1-E-5 Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide statement of net assets but does not report these assets in the governmental fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide statement of net assets and in the enterprise funds' statement of net assets.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold on non-infrastructure assets of \$5,000 and \$50,000 for infrastructure. The County's infrastructure consists of roads, bridges and airport runways. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise fund is capitalized.

All reported capital assets are depreciated except for land, right-of-ways and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Improvements other than buildings	3 – 25 years	3 – 25 years
Buildings	7 – 75 years	5 – 40 years
Machinery and equipment	3 – 30 years	3 – 25 years
Infrastructure	10 – 100 years	---

1-E-6 Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County's past experience of making termination payments.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "when due."

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 1 – Summary of Significant Accounting Policies (continued)

1-E. Assets, Liabilities and Fund Equity (continued)

1-E-7 Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the these funds. However, compensated absences and claims that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are “due for payment” during the current year. Bonds and capital leases are recognized as a liability in the governmental fund financial statements when due.

1-E-8 Bond Premiums, Discounts and Issuance Costs

On the government-wide statement of net assets and the proprietary fund type statement of net assets, bond premiums and discounts are netted against bonds payable and bond issuance costs are reported as deferred charges. On the government-wide and proprietary fund type financial statements, bond premiums and discounts and bond issuance costs are deferred and amortized over the life of the bonds using the effective interest method.

At governmental fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as expenditure.

1-E-9 Fund Equity

Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net assets.”

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. The County reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available, spendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance that is available for appropriation in future periods. Designations are management’s intent to set aside these resources for specific services.

Net Assets - Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt, consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net asset amount also is adjusted by any bond issuance deferral amounts. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net assets are reported as unrestricted.

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 1 – Summary of Significant Accounting Policies (continued)

1-E. Assets, Liabilities and Fund Equity (continued)

1-E-10 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services at the airport and solid waste center. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of each fund. All other revenues and expenses are classified as non-operating.

1-E-11 Encumbrances

The County uses encumbrance accounting as an extension of its budgetary scheme. Encumbrances are recorded when a purchase order or contract is issued. They are reduced when the related expenditure/expense is made. Encumbrances lapse at year-end but may be reestablished in the subsequent year if the budget related to the encumbrance is approved by the Board of county Commissioners to be reappropriated to the subsequent year.

1-E-12 Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from internal and external contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

1-E-13 Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between governmental and business-type activities on the government-wide statement of activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are also eliminated.

1-E-14 Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-15 Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 2 – Stewardship, Compliance and Accountability

2-A. Budgetary Information – Budgets are required by state law for all governmental and proprietary funds.

The governmental fund-type budgets are adopted on a basis consistent with GAAP. The budgets for proprietary funds are adopted on a non-GAAP modified accrual budgetary basis.

Management can make transfers within a “section” within a fund without board approval. Therefore, the legal level of control is at the fund level, except for the general fund that is at the “section” level. Compliance within the general fund is demonstrated in the following table.

General Fund Section	<u>Original budget</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Administration Facilities	\$ 648,989	\$ 1,122,254	\$ 875,626	\$ 246,628
Administrative Services	4,831,928	6,650,654	4,436,083	2,214,571
Clerk and Elections	1,102,483	1,218,236	3,326,188	(2,107,952)
Environmental Quality	3,124,914	3,899,253	245,997	3,653,256
Housing	184,214	214,214	1,968,474	(1,754,260)
Human Services	1,862,421	2,333,552	7,526,951	(5,193,399)
Public Safety	7,017,266	8,095,495	1,069,151	7,026,344
Public Works	304,680	434,938	219,123	215,815
	<u>\$ 19,076,895</u>	<u>\$ 23,968,596</u>	<u>\$19,667,593</u>	<u>\$ 4,301,003</u>

Any change in total to a fund requires approval of the Board of County Commissioners.

The expenditures exceeded the budgets for the Redstone Ranch Acres Improvement District, Twining Flats Improvement District Funds by \$2,102 and \$1,431 respectively. Redstone Ranch Acres and Twining Flats Improvement districts had sufficient fund balance to cover the amount budgetary shortfall.

2-B. Legal Restriction

In November 1992, voters approved an amendment to the State constitution that specifies various revenue and debt requirements for all governmental entities in Colorado. For example, voter approval is necessary to increase a government’s property tax revenue or overall revenue and spending from one year to the next in excess of the rate of inflation plus a “growth factor” and requires that any revenue collected, kept or spent in violation of these provisions must be refunded with interest. Local voters have approved ballot questions authorizing the County and the Library District to retain all revenues received. Any new tax, tax rate increase, mill levy increase, or extension of an expiring tax which causes a net tax revenue gain requires voter approval. New long-term financial obligations also require voter approval. In addition, the amendment requires governments to establish an emergency reserve equal to 3% of revenues. At December 31, 2008, the following fund balances have been reserved to meet the “emergency reserve” requirement.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 2 – Stewardship, Compliance and Accountability (continued)

2-B. Legal Restriction (continued)

Fund	Amount
General	\$ 671,664
Transportation Sales and Use Tax Fund	377,488
Open Space	355,718
Social Services	21,091
Translator Fund	19,741
Healthy Community Fund	42,405
Conservation Trust Fund	1,403
Ambulance District	12,056
Housing Impact	29,497
Redstone Ranch Acres	259
Twining Flats Improvement District	518
 Total Primary Government	 1,531,840
 Library District	 62,642
Emergency Telephone Authority	11,670
 Total Reporting Entity	 \$ 1,606,152

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

Deposits – At December 31, 2008, the carrying amount of the County’s deposits was \$42,588,507 and the bank balance was \$61,717,006. Of the bank balance, \$1,755,487 was covered by Federal Depository insurance and \$59,961,519 was covered by single institution collateral pools. Additionally, the County had cash on hand of \$9,694 at December 31, 2008.

Colorado Statutes require the County to make deposits in eligible public depositories as defined by the Colorado Public Deposit Protection Act of 1989 (CPDPA). The act requires the eligible depository with public deposits in excess of federal insurance levels to create single institution collateral pools of defined eligible assets. Eligible collateral includes obligations of the United States, the State of Colorado or local Colorado governments and obligations secured by first lien mortgages on real property located in the state. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the pool must be at least equal to 102% of the uninsured deposits. Because deposits covered by CPDPA are collateralized by investment pools, the County’s deposits are not subject to custodian credit risk. The CPDPA also allows financial institutions to purchase a fidelity bond to provide protection for public monies.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-A. Deposits and Investments (continued)

Investments – At December 31, 2008, the County’s investments (excluding fiduciary funds and component units other cash and investments) totaled \$6,640,215.

Credit Risk – Investments

Credit risk is the risk that an issuer or other counter-party to an investment will not fulfill its obligations. The County’s investment policy limits its investment of pooled funds to those investments disclosed in Note 1-E-1. Credit ratings for allowable investments are addressed within the investment policy by reference to the relevant Colorado Statutes.

Interest Rate Risks – Investments

For investments, this is the risk that changes in interest rates will adversely affect fair market values. The County’s policy with respect to the weighted average maturity of its investments is disclosed in Note 1-E-1. At December 31, 2008, the credit ratings and weighted average maturity of the County’s pooled investment portfolio is as follows:

<u>Investments</u>	<u>Fair Value</u>	<u>Standard & Poors Rating</u>	<u>Weighted Average Maturity (Years)</u>
U.S. Agencies & Instrumentalities	\$ 1,067,541	AAA	1.83
Money Market Mutual Funds	5,572,674	AAA	N/A
	<u>\$ 6,640,215</u>		

Custodial Credit Risk – Investments

This is the risk that, in the event of the counterparty’s failure, the County will not be able to recover the value of its investments that are in the possession of an outside party. To minimize custodial credit risk, the County requires SIPC and supplemental insurance coverage of investments held in the County’s accounts at broker-dealers. Also, the County only maintains accounts with primary dealers, i.e., securities broker-dealers and banks that trade in U.S. Government securities with the Federal Reserve Bank of New York.

Concentration of Credit Risk – Investments

Concentration of credit risk is the risk of loss attributed to the concentration of the County’s investments in a single issuer. At December 31, 2008, five percent or more of the county’s investments were in the following issuers:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percentage of Portfolio</u>
Federal Home Loan Bank	\$ 1,067,541	16%
Vanguard Prime Money Market Fund	5,451,089	82%

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-A. Deposits and Investments (continued)

Concentration of Credit Risk – Investments (continued)

Investments – Fiduciary Funds and Component Units Other Cash and Investments

At December 31, 2008, the County’s pension trust fund’s investments included \$13,919,261 of mutual funds held by its third-party trustee, Wells Fargo. In addition, the Pitkin County Library District, a component unit of the County, had mutual fund investments totaling \$3,954,876 held in accounts with the various mutual fund companies and at Charles Schwab & Co., Inc. These entities have developed their own investment policies addressing credit risk independent of the County.

Summary of County’s total cash and investments as reported in accompanying financial statements are as follows:

	Cash and Deposits	Investments
Fund Reporting Level:		
Governmental Funds - Balance Sheet	\$ 45,161,481	\$ -
Governmental Funds - Balance Sheet - Restricted Assets	146,611	146,799
Proprietary Fund Type Statement of Net Assets	13,409,749	-
Proprietary Fund Type Statement of Net Assets - Restricted Assets	2,897,819	-
Component Units - Balance Sheet	1,251,918	3,954,876
Statement of Fiduciary Assets and Liabilities	3,254,740	13,919,261
Total	\$ 66,122,318	\$ 18,020,936

3-B. Receivables

Receivables at December 31, 2008, consisted of taxes, interest, accounts (billings for user charges), and intergovernmental receivables arising from grants.

Receivables and payables are recorded on the County’s financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

3-C. Property Taxes

Property taxes and special assessments are levied on December 15 and attach as a lien on property for the following January 1. They are payable in full by April 30 or in two equal installments due February 28 and June 15. The County bills and collects its own property taxes as well as those for the other taxing districts in the County. Collections for other districts are accounted for in the agency funds.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-D. Sales Taxes

The County has levied a two-percent sales tax since 1970. As approved by the electorate, 43% of the sales tax revenues are retained by the County's general fund, and the remaining 57% is distributed to the City of Aspen and the Towns of Snowmass Village and Basalt based on a formula taking into account the sales tax revenues produced by each of the municipalities for the two previous years.

On July 1, 1985, the County levied an additional one-percent sales tax for the purpose of funding the Roaring Fork Transportation Authority (formerly a component unit known as Roaring Fork Transit Agency) and to secure the payment of principal and interest on bonds issued for transit purposes. Since at that time the total sales tax imposed by any county and city could not exceed four percent, Aspen and Snowmass Village reduced their sales tax levies to 1% from 2%, and the additional County tax was not imposed on the portion of Basalt in the County.

The 1% transit sales tax is distributed 48.131% to the Roaring Fork Transportation Authority and 51.869% to the City of Aspen and the Town of Snowmass Village. The allocations to the City of Aspen and the Town of Snowmass Village are to be divided between the two on the basis of the actual collections within the municipal limits of each. Payments to the Authority, Aspen and Snowmass Village are subordinate to any obligation the County has for any debt service secured by the 1% Transit Sales Tax.

Beginning in 1995, the County levied an additional one-half percent sales and use tax to fund mass transportation improvements. The proceeds of the use tax were first used for the acquisition of the Denver and Rio Grande Railroad right-of-way, and then for other public mass transportation system improvements. The additional sales and use tax revenues may only be spent on projects approved by the Aspen City Council, Town of Snowmass Village Council, and the County Commissioners.

3-E. Commitments

The County had several public works projects (buildings and roads) funded by the General Fund and Road and Bridge funds at year end. In addition there were several trails projects funded by Open Space and Trails and several projects in progress at the airport. The most significant airport project was the reconstruction of the runway. A summary of these projects follows:

<u>Projects</u>	<u>Original Commitments</u>	<u>Spent to Date</u>	<u>Remaining Commitments</u>
General Capital Projects	\$ 1,180,296	\$ 567,944	\$ 612,352
Road and Bridge Project	8,742,290	\$ 7,550,366	1,191,925
Open Space and Trails Projects	290,937	\$ 180,084	110,853
Airport Projects	17,161,773	\$ 13,684,188	3,477,584
Solid Waste Center Projects	1,991,907	\$ (499,860)	2,491,767
Translator Projects	118,070	\$ 61,620	56,450
Ambulance District Projects	29,926	\$ 27,303	2,623
	<u>\$ 29,515,199</u>	<u>\$ 21,571,645</u>	<u>\$ 7,943,554</u>

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-F. Capital Assets

Capital asset activity for the primary government for the year ended December 31, 2008, was as follows:

	Balance 1/1/2008	Additions	Deductions	Balance 12/31/2008
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 80,855,594	\$ 13,805,564	\$ -	\$ 94,661,158
Construction in progress	7,659,721	946,869	4,456,412	4,150,178
Total capital assets not being depreciated	<u>88,515,315</u>	<u>14,752,433</u>	<u>4,456,412</u>	<u>98,811,336</u>
Depreciable capital assets:				
Buildings	23,835,477	1,248,660	1,203,709	23,880,428
Improvements other than buildings	1,341,918	204,352	110,525	1,435,745
Machinery and equipment	10,041,146	2,221,169	864,573	11,397,742
Infrastructure	37,365,865	2,953,276	-	40,319,141
Total depreciable capital assets	<u>72,584,406</u>	<u>6,627,457</u>	<u>2,178,807</u>	<u>77,033,056</u>
 Total capital assets	 <u>161,099,721</u>	 <u>21,379,890</u>	 <u>6,635,219</u>	 <u>175,844,392</u>
Accumulated depreciation:				
Buildings	(13,467,529)	(1,228,074)	(1,203,709)	(13,491,894)
Improvements other than buildings	(737,811)	(59,735)	(110,524)	(687,022)
Machinery and equipment	(5,970,238)	(951,018)	(788,506)	(6,132,750)
Infrastructure	(17,219,716)	(1,664,633)	-	(18,884,349)
Total accumulated depreciation	<u>(37,395,294)</u>	<u>(3,903,460)</u>	<u>(2,102,739)</u>	<u>(39,196,015)</u>
 Governmental activities capital assets, net	 <u>\$ 123,704,427</u>	 <u>\$ 17,476,430</u>	 <u>\$ 4,532,480</u>	 <u>\$ 136,648,377</u>
 Governmental activities depreciation expense				
General government		\$ 666,903		
Public safety		353,871		
Public works		1,845,704		
Health and welfare		200,793		
Culture and recreation		819,077		
Conservation of natural resources		17,112		
Total governmental activities depreciation expense		<u>\$ 3,903,460</u>		

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-F. Capital Assets (continued)

Capital asset activity for the Library component unit for the year ended December 31, 2008, was as follows:

	Balance 1/1/2008	Additions	Deductions	Balance 12/31/2008
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 144,263	\$ -	\$ -	\$ 144,263
Total capital assets not being depreciated	<u>144,263</u>	<u>-</u>	<u>-</u>	<u>144,263</u>
Depreciable capital assets:				
Buildings	6,064,787	-	10,865	6,053,922
Improvements other than buildings	50,818	-	37,146	13,672
Machinery and equipment	2,999,888	158,912	24,707	3,134,093
Total depreciable capital assets	<u>9,115,493</u>	<u>158,912</u>	<u>72,718</u>	<u>9,201,687</u>
Total capital assets	<u>9,259,756</u>	<u>158,912</u>	<u>72,718</u>	<u>9,345,950</u>
Accumulated depreciation:				
Buildings	(2,188,245)	(187,977)	(10,865)	(2,365,357)
Improvements other than buildings	(47,092)	(418)	(37,146)	(10,364)
Machinery and equipment	(1,745,458)	(257,339)	(24,707)	(1,978,090)
Total accumulated depreciation	<u>(3,980,795)</u>	<u>(445,734)</u>	<u>(72,718)</u>	<u>(4,353,811)</u>
Governmental activities capital assets, net	<u>\$ 5,278,961</u>	<u>\$ (286,822)</u>	<u>\$ -</u>	<u>\$ 4,992,139</u>

Capital asset activity for the Emergency Telephone Authority for the year ended December 31, 2008, was as follows:

	Balance 1/1/2008	Additions	Deductions	Balance 12/31/2008
Governmental activities:				
Construction in progress	\$ 162,271	\$ 49,775	\$ 162,271	\$ 49,775
Machinery and equipment	472,710	217,488	5,545	684,653
Depreciation on machinery and equipment	<u>(290,051)</u>	<u>(69,873)</u>	<u>(5,545)</u>	<u>(354,379)</u>
Governmental activities capital assets, net	<u>\$ 344,930</u>	<u>\$ 197,390</u>	<u>\$ 162,271</u>	<u>\$ 380,049</u>

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-F. Capital Assets (continued)

Capital asset activity for the proprietary funds for the year ended December 31, 2008, was as follows:

	Restated Balance			Balance
	1/1/2008	Additions	Deductions	12/31/2008
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 10,530,840	\$ 348,395	\$ -	\$ 10,879,235
Construction in progress	40,677,171	377,561	19,931,884	21,122,848
Total capital assets not being depreciated	<u>51,208,011</u>	<u>725,956</u>	<u>19,931,884</u>	<u>32,002,083</u>
Depreciable capital assets:				
Buildings	6,699,677	12,683,081	118,610	19,264,148
Improvements other than buildings	25,917,267	8,275,781	14,252	34,178,796
Machinery and equipment	7,105,639	733,340	279,522	7,559,457
Total depreciable capital assets	<u>39,722,583</u>	<u>21,692,202</u>	<u>412,384</u>	<u>61,002,401</u>
Total capital assets	<u>90,930,594</u>	<u>22,418,158</u>	<u>20,344,268</u>	<u>93,004,484</u>
Accumulated depreciation:				
Buildings	(3,228,718)	(604,490)	(81,064)	(3,752,144)
Improvements other than buildings	(9,139,427)	(2,161,479)	(8,204)	(11,292,702)
Machinery and equipment	(3,973,870)	(616,197)	(161,540)	(4,428,527)
Total accumulated depreciation	<u>(16,342,015)</u>	<u>(3,382,166)</u>	<u>(250,808)</u>	<u>(19,473,373)</u>
Business-type activities capital assets, net	<u>\$ 74,588,579</u>	<u>\$ 19,035,992</u>	<u>\$ 20,093,460</u>	<u>\$ 73,531,111</u>

In the Airport fund, a net loss of \$886,192 is reported as prior period adjustment as a result of capital assets of \$8,849,212 with accumulated depreciation of \$7,963,020 being written off. The capital assets beginning balance has been restated to reflect this adjustment.

3-G. - Interfund Transfers and Due to/Due from

Transfers are indicative of funding for projects or debt service, subsidies of various County operations and re-allocation of special revenues. All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer. The following schedule briefly summarizes the County's transfer activity.

Transfer to	Tranfers From:			Total
	General Fund	Nonmajor Governmental Funds	Solid Waste Center Fund	
General Fund	\$ -	\$ 378,637	\$ 270,000	\$ 648,637
Open Space and Trails Fund	94,000	-	-	94,000
Nonmajor Governmental Funds	337,121	-	-	337,121
	<u>\$ 431,121</u>	<u>\$ 378,637</u>	<u>\$ 270,000</u>	<u>\$ 1,079,758</u>

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-G. - Interfund Transfers and Due to/Due from (continued)

Short term transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are reported as "due to/due from other funds". At December 31, 2008 the County GO Debt Service fund had a balance due to the General Fund in the amount of \$32,098.

3-H. Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Employees earn one day of sick leave per month with no maximum accumulation. At termination, employees are paid for one-third of their accumulated sick leave in excess of 80 hours and up to 480 hours. Employees earn twenty-two days of vacation leave annually up to five years of service and twenty-eight days thereafter. This vacation leave accrual includes paid holidays. At termination, employees are paid for any accumulated vacation leave.

3-I. Long-Term Debt

County Debt - The following is a summary of the outstanding long-term debt at December 31, 2008:

County Certificates of Participation - \$4,905,000 Master Lease Refunding and Improvement Certificates of Participation, dated December 29, 1998, were issued to provide funding together with other funds of the County to 1) refund \$955,000 outstanding principal balance of Pitkin County, Colorado Master Lease Purchase Agreement Certificates of Participation, Series 1988, 2) advance refund \$3,045,000 outstanding principal amount of the Pitkin County, Colorado Lease Purchase Agreement Certificates of Participation, Series 1991, and 3) defray the costs of certain upgrades and improvements to the County's Emergency 911 System. Proceeds of the Refunded Series 1988 Certificates were issued by the Corporation to finance the acquisition of approximately 9.1 acres of real property and finance the construction of the County Fleet Maintenance Facility. Proceeds of the Refunded Series 1991 Certificates were issued by the Corporation to finance the acquisition of an administrative office building. The County has entered into cancelable long-term lease agreements with the Pitkin County Capital Leasing Corporation, a non-profit corporation for these acquisitions. These leases provide for annual base rental payments in amounts sufficient to meet the annual debt service requirements issued by the non-profit corporation. The payment of principal and interest on the bonds is secured by a reserve fund equaling the lesser of the maximum annual principal and interest payment for the issue of 10 percent of the principal amount outstanding. Accordingly, equity in cash and investments of \$91,500 is reserved, representing 10% of the principal amount outstanding. The leases are financing arrangements that transfer the ownership of the assets to the County at the end of the lease term.

The lease certificates of participation agreement expire in 2011 and bear interest rates ranging from 3.5% to 4.85%. A schedule by years of future minimum lease payments under the lease certificates of participation, December 31, 2008, is presented at the end of this note. The principal balance outstanding as of December 31, 2008 is \$915,000.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-1. Long-Term Debt (continued)

The following is an analysis of the leased property under lease certificates of participation as included in the governmental activities' capital assets.

<u>Classes of property</u>	<u>Capital Assets</u>	<u>Accumulated Depreciation</u>	<u>Net Value</u>
Land	\$ 208,175	\$ -	\$ 208,175
Buildings	4,931,505	1,780,268	3,151,237
Equipment	602,442	602,442	-
	<u>\$ 5,742,122</u>	<u>\$ 2,382,710</u>	<u>\$ 3,359,412</u>

Amortization of leased assets is included in depreciation expense.

County General Obligation Bonds and Notes – In November 1990, the voters of the County authorized the issuance of up to \$12 million of general obligation debt for the acquisition of open space and trails.

On December 1, 2000, \$10,000,000 of Pitkin County General Obligation Refunding and Open Space Acquisition Bonds were issued, of which \$8,795,000 were under the authorization for open space purposes. The bonds bear interest rates from 5.25% to 5.375% and mature at various dates through December 1, 2011. The principal balance outstanding at December 31, 2008 was \$715,000.

The County issued \$9,815,000 of Pitkin County General Obligation Refunding Bonds on December 21, 2006. The proceeds were used to advance refund \$7,890,000 of the Series 2000 Bonds and to provide approximately \$1,560,000 for future open space acquisitions. The Refunded 2000 Bonds will be called for redemption at a redemption price equal to the principal amount plus accrued interest on December 1, 2010.

By refunding the Series 2000 bonds, the County reduced its total debt service payments from 2007 through 2030 by \$1,165,076. The net present value of these savings (difference between the present values of the debt service payments on the old and new debt from the refunding) was \$711,930. The principal balance outstanding at December 31, 2008 was \$9,710,000.

The County issued \$7,685,000 of Pitkin County General Obligation Refunding Bonds in October 16, 2003. A portion of the proceeds was used to refund the Refunded 1991 Bonds, with a principal amount of \$2,480,000 outstanding, and the Refunded 1994 Bonds, with a principal amount of \$5,110,000 outstanding at the time of the transaction. The amount of the refunding debt outstanding at December 31, 2008 is \$5,185,000.

A note in the amount of \$4,250,000 was accepted for the purchase of open space on September 25, 2001 under the authorization for open space purposes. The notes bear an interest rate of 5% at interest only with the principal amount due on September 25, 2021.

This debt is voter approved and is supported by a pledge of the County's full faith and credit. Payments for all general obligation bonds and notes are to be made from a collection of a tax without limitation as to rate or amount on all property subject to taxation by the County sufficient to pay the principal and interest on such bonds as they become due.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-1. Long-Term Debt (continued)

General Improvement Bonds - The Twining Flats General Improvement district issued bonds in 2007 to provide funds for road improvements to the roads in their district. These bonds will be repaid from amounts levied against the property owners benefited by this construction. In the event that a deficiency exists because of unpaid or delinquent taxes at the time a debt service payment is due, Pitkin County must provide resources to cover the deficiency until other resources, for example, foreclosure proceeds, are received. The bonds bear an interest of 5.1% and mature annually through 2016 in amounts from \$3,300 to \$8,560. The principal amount outstanding at December 31, 2008 was \$56,323.

County Sales Tax Revenue Bonds – On November 1, 1998, \$1,960,000 of Sales Tax Revenue Bonds were issued to acquire additional buses for the Roaring Fork Transit Agency (RFTA) and to pay costs associated with the issuance of the bonds. The Series 1998 bonds bear interest at rates from 3.5% to 5.0% and mature annually through 2014 in amounts from \$85,000 to \$170,000. The principal amount outstanding at December 31, 2008 was \$900,000.

On December 1, 2001, \$8,460,000 of Sales Tax Revenue Refunding and Improvement Bonds were issued to finance the acquisition of three new articulated inter-County transit coaches and five new intra-County coaches and related equipment; the construction and equipping of a bus maintenance and storage facility in the City of Glenwood Springs, and the acquisition of the perpetual right to rent 10 two-bedroom apartments in Aspen's Burlingame affordable housing project for use by RFTA's employees. The principal amount outstanding at December 31, 2008 was \$5,420,000.

All Sales Tax Revenue Bonds are special, limited revenue obligations of the County, secured by a pledge of its 1% sales tax for transit purposes. Payment of principal and interest on the bonds is also secured by a reserve fund equaling the lesser of the maximum annual principal and interest payment for the 1998 issue or 10 percent of the principal amount outstanding. Accordingly, equity in cash and investments of \$159,026 is reserved, representing 10% of the principal amount outstanding plus one-sixth of the next interest payment and one-twelfth of the next principal payment. Annual principal and interest payments comprised of approximately 8.8% of net available revenue. Payment of principal and interest on the 2001 Sales Tax Revenue Bonds is secured by a municipal bond insurance policy issued by Municipal Bonds Investors Assurance Association.

County Airport State Loans – On September 30, 2002, the Airport entered into a 10-year loan with the Colorado State Infrastructure Bank. The original loan is for \$1,350,000 and carries an annual interest rate of 2% with payments of \$150,290 annually. The principal amount outstanding as of December 31, 2008 is \$572,267. The purpose of the debt was to finance airport infrastructure improvements.

On April 18, 2005, the Airport entered into a 10-year loan with the Colorado State Infrastructure Bank to fund additional infrastructure. The original loan is for \$840,000 and carries an annual interest rate of 4% with payments of \$103,564 annually. The principal amount outstanding as of December 31, 2008 is \$621,599.

On February 6, 2006, the Airport entered into a 10-year loan with the Colorado State Infrastructure Bank to fund additional infrastructure. The original loan is for \$900,000 and carries an annual interest rate of 4% with payments of \$110,962 annually. The principal amount outstanding as of December 31, 2008 is \$665,999.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-1. Long-Term Debt (continued)

Debt Service Requirements to Maturity - Annual debt service requirements to amortize all obligations outstanding of the primary government, as of December 31, 2008 follow:

Year	Airport Loans		Capital Leases and Lease Certificates of Participation supported by Governmental Funds Revenues		General Obligation Notes and Bonds		Sales Tax Revenue Bonds		Special Assessment Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$ 301,868	\$ 62,949	\$ 290,000	\$ 43,493	\$ 825,000	\$ 861,491	\$ 365,000	\$ 314,310	\$ 5,691	\$ 2,872
2010	311,166	53,651	305,000	30,007	860,000	832,740	380,000	298,968	6,032	2,582
2011	320,780	44,037	320,000	15,520	875,000	800,603	395,000	282,858	6,394	2,275
2012	330,722	34,095	-	-	605,000	767,634	410,000	265,970	6,778	1,948
2013	190,713	23,813	-	-	620,000	743,259	430,000	245,695	7,184	1,603
2014	198,342	16,185	-	-	645,000	719,696	455,000	224,275	7,615	1,237
2015	206,274	8,251	-	-	675,000	695,086	475,000	201,525	8,072	848
2016	-	-	-	-	700,000	668,974	500,000	177,775	8,557	436
2017	-	-	-	-	540,000	641,521	525,000	152,775	-	-
2018	-	-	-	-	560,000	619,921	550,000	125,212	-	-
2019	-	-	-	-	585,000	597,424	580,000	96,338	-	-
2020	-	-	-	-	605,000	573,768	610,000	65,887	-	-
2021	-	-	-	-	4,890,000	549,147	645,000	33,863	-	-
2022	-	-	-	-	660,000	297,623	-	-	-	-
2023	-	-	-	-	685,000	270,302	-	-	-	-
2024	-	-	-	-	720,000	241,702	-	-	-	-
2025	-	-	-	-	485,000	211,500	-	-	-	-
2026	-	-	-	-	505,000	192,100	-	-	-	-
2027	-	-	-	-	530,000	171,900	-	-	-	-
2028	-	-	-	-	555,000	148,050	-	-	-	-
2029	-	-	-	-	580,000	123,075	-	-	-	-
2030	-	-	-	-	610,000	96,975	-	-	-	-
2031	-	-	-	-	230,000	69,525	-	-	-	-
2032	-	-	-	-	240,000	59,175	-	-	-	-
2033	-	-	-	-	250,000	48,375	-	-	-	-
2034	-	-	-	-	265,000	37,125	-	-	-	-
2035	-	-	-	-	275,000	25,200	-	-	-	-
2036	-	-	-	-	285,000	12,825	-	-	-	-
	<u>\$ 1,859,865</u>	<u>\$ 242,981</u>	<u>\$ 915,000</u>	<u>\$ 89,020</u>	<u>\$ 19,860,000</u>	<u>\$ 11,076,716</u>	<u>\$ 6,320,000</u>	<u>\$ 2,485,451</u>	<u>\$ 56,323</u>	<u>\$ 13,801</u>

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-1. Long-Term Debt (continued)

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended December 31, 2008:

	Balance 1/1/08	Additions	Deletions	Balance 12/31/08	Current Portion
Primary Government					
Governmental activities					
Lease certificates of participation	\$ 1,195,000	\$ -	\$ 280,000	\$ 915,000	\$ 290,000
General obligation bonds and notes	20,670,000	-	810,000	19,860,000	825,000
Sales tax revenue bonds	6,670,000	-	350,000	6,320,000	365,000
Special assessment bonds with governmental commitment	61,692	-	5,369	56,323	5,691
Unamortized bond premium	137,127	-	5,286	131,841	-
Deferred refunding loss	(795,594)	-	(38,855)	(756,739)	-
Claims	702,199	21,700	-	723,899	289,560
Compensated absences	1,081,205	1,482,947	1,483,849	1,080,303	216,061
Total governmental activities	<u>29,721,629</u>	<u>1,504,647</u>	<u>2,895,649</u>	<u>28,330,627</u>	<u>1,991,311</u>
Business-type activities					
Airport loans	2,152,740	-	292,875	1,859,865	301,868
Landfill closure and postclosure care	2,772,779	93,936	-	2,866,715	-
Compensated absences	163,206	244,525	263,100	144,631	28,926
Total business-type activities	<u>5,088,725</u>	<u>338,461</u>	<u>555,975</u>	<u>4,871,211</u>	<u>330,794</u>
Component Units					
Compensated absences	83,085	163,599	160,316	86,368	17,274
Total for component units	<u>83,085</u>	<u>163,599</u>	<u>160,316</u>	<u>86,368</u>	<u>17,274</u>
Total Changes in long-term debt	<u>\$ 34,893,439</u>	<u>\$ 2,006,707</u>	<u>\$ 3,611,940</u>	<u>\$ 33,288,206</u>	<u>\$ 2,339,379</u>

The Pitkin County Capital Leasing Corporation fund, a blended component unit of the County, will repay the certificates of participation. The capital lease obligation for the Library District, a discretely presented component unit, was repaid in 2007. The general obligation bonds and notes are being repaid by the open space fund and GO debt service fund. The County's sales tax revenue bonds are being retired from the transit debt service fund.

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. The outstanding claims are being paid by the general fund.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-I. Long-Term Debt (continued)

Conduit Debt - Component Unit - From time to time, the County has issued Mortgage Revenue Bonds and Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of affordable housing projects or industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the individual or private-sector entity served by the bonds issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2008, there were three series Mortgage Revenue Bonds outstanding with an aggregate principal amount payable of \$370,000 and there were two series of Industrial Revenue bonds outstanding with an aggregate principal amount payable of \$49,750,000.

Note 3-J. Landfill Closure and Postclosure Costs

State and federal laws and regulations require the County to place a final cover on its Solid Waste Center landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County is required to report a portions of these closure and postclosure care costs as an operating expense in each period based on landfill capacity. The \$2,886,715 reported as landfill closure and postclosure care liability at December 31, 2008 represents the cumulative amount reported to date based on the use of 60.9% of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$1,841,307 as the remaining estimated capacity is filled. Postclosure care of \$1,638,893 is included in these estimated costs. These amounts are based on what it would cost to perform all closure and postclosure care in 2008. The County expects to close the landfill in the year 2028. Actual cost may be higher due to inflation, changes in technology, or changes in regulations.

The County has complied with State and Federal Laws and regulations that require annual certification of updated closure and postclosure estimates and that it meets the requirements of the local governmental financial test as specified in the regulations pertaining to Solid Waste Disposal Sites and Facilities.

3-K. Pensions

Effective January 1, 1983, the County withdrew from Social Security and the Colorado County Officials and Employees Retirement Association (CCOERA) and formed a replacement retirement plan, the Pitkin County Public Employees Retirement Plan (PCPERP). Both CCOERA and PCPERP are defined contributions plans. In a defined contribution plan benefits depend solely on amounts contributed and earnings allocated to the participant's account. A defined contribution plan has no unfunded liabilities and actuarial valuations are not required.

CCOERA, a multiple employer defined contributions plan, is not included in the County's financial statements since the County has no fiduciary responsibility for the plan. Employees participating in the plan on January 1, 1983 are 100% vested and will receive contributions and interest earnings upon termination.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-K. Pensions (continued)

PCPERP, a single employer defined contribution plan, was formed under the provisions of Colorado Revised Statutes, 24-51-901. All full-time employees of the County and the Library district participate in the plan after six months of employment. The County contributed 12.45% of participants' compensation to the plan during 2008 and purchased replacement insurance coverage for Social Security's life, disability and survivor benefits at a cost of 1.55% of participants' compensation. Participants vest immediately in 50% of the County's contribution and thereafter at the rate of an additional 10% per year of employment. Upon termination of employment a participant's unvested share is forfeited back to the County to fund plan administrative expenses. The PCPERP is included in the accompanying financial statements as the Pension Trust Fund using the accrual basis of accounting. The Stanton Group is responsible for participant record keeping. Employer contributions are recognized as revenues in the period in which employee services are performed, assets are reported at market value, investment income is recognized as earned, and gains and losses on sales are recognized on the transaction date.

The County and Library's total payrolls in 2008 were \$14,619,042. During 2008, they contributed \$1,594,897 to PCPERP, which is 12.45% of eligible salaries totaling \$12,810,418. Employee contributions are not allowed under the plan.

3-L. Net Assets/Fund Balances

Net Assets - Net assets on the government-wide statement of net assets as of December 31, 2008 are as follows:

	Governmental	Business
	Activities	Type
Investments in capital assets, net of related	<u>Activities</u>	<u>Activities</u>
Cost of capital assets	\$ 175,844,392	\$93,004,484
Less accumulated depreciation	<u>39,196,015</u>	<u>19,473,373</u>
Book value	136,648,377	73,531,111
Less capital related debt	20,775,000	1,859,865
Plus bond premiums and discounts	<u>624,898</u>	<u>-</u>
Investments in capital assets, net of related debt	<u>\$ 116,498,275</u>	<u>\$71,671,246</u>

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-L. Net Assets/Fund Balances (continued)

Reserved Fund Balances – The reserved fund balances are as follows:

	<u>Primary Government</u>		<u>Component Units</u>	
	General	Other funds	Pitkin County Library	Emergency Telephone Authority
	Fund			
Reserved for debt service	\$ 105,591	\$ 226,790	\$ -	\$ -
Reserved for workers' compensation insurance claims	350,000	-	-	-
Reserved for funded employee health claims	861,260	-	-	-
Reserved for affordable housing	4,366,756	-	-	-
Reserved for open space	768,877	-	-	-
Reserved for hazardous waste site remediation	405,959	-	-	-
Reserved for air quality mitigation	24,666	-	-	-
Reserved for emergencies	671,664	860,176	62,642	11,670
	<u>\$ 7,554,773</u>	<u>\$ 1,086,966</u>	<u>\$ 62,642</u>	<u>\$ 11,670</u>

Unreserved, Designated Fund Balances

To facilitate its financial planning, the Board of County Commissioners has designated accumulated fund balances for the following purposes:

	<u>Primary Government</u>		<u>Component</u>
	<u>General Fund</u>	<u>Other funds</u>	<u>Units</u>
Appropriated for expenditures in the 2009 budget	\$ -	\$ 556,783	\$ -
Designated to fund discretionary projects in 2009	3,187,142	-	-
Designated to complete projects begun but not completed in 2008	3,099,179	-	-
Designated to balance 5 year budget	800,000	-	-
A minimum fund balance for contingencies has been designated, in excess of that required by the State Constitution, to provide for working capital, interfund loans, unpredictable revenue shortfalls, natural disasters and uninsured losses.	3,328,336	-	-
The excess of contributions over expenditures for Topsy Taxi program	200,218	-	-
Public contributions for a Vietnam Veteran Memorial are designated for maintenance of the monument	4,375	-	-
Asset replacements for information services and dispatch	408,857	-	-
A fund balance to fund future workers' compensation liability and employee health claims	723,896	-	-
A fund balance for improvements to the Health and Human Services Building	-	-	-
A fund balance to fund future building needs	5,730,471	-	-
Balance of 3% use tax proceeds which are dedicated for improvement to State Highway 82 or Maroon Creek Road.	-	547,179	-
A contribution to the library has been designated for future capital projects for library improvements	-	-	3,948,775
Designated Fund Balances	<u>\$ 17,482,474</u>	<u>\$ 1,103,962</u>	<u>\$ 3,948,775</u>

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 3 - Detailed Notes on All Funds (continued)

3-L. Net Assets/Fund Balances (continued)

Fund Balances, County General Obligation Debt

The expenditures exceeded revenues by \$137,098 in the County General Obligation Debt Service Fund resulting in a deficit fund balance of \$32,098. The 2009 property tax collections covered this deficit.

Note 4 - Other Notes

4-A. Risk Management

County Workers' Compensation Self Insurance Program - The County is exposed to various risks of loss related to injuries of employees while on the job. Effective January 1, 1993, the County instituted a limited self-insurance program for workers' compensation losses. Premiums are paid into the general fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. A risk retention of \$325,000 per claim is maintained and funded through the general fund based on annual estimated claims costs and an excess insurance policy covers individual claims that exceed \$325,000. There has been no significant reduction in insurance coverage from the prior year and no settlements exceeding the self-insured retention in any of the last three years. Claims administration and medical services are provided through contract and the County's Human Resources Manager is responsible for overall program management.

The State of Colorado has a strict application and annual renewal process which includes funding verification, excess insurance coverage verification, claims data review and provision of a comprehensive loss prevention and control program as well as self insurer's bond with a bond sum of \$331,000 to cover the County's risk retention portion.

All operating funds of the County, including its component units, participate in the program and make payments to the General Fund based on actuarial estimates of the amounts needed to pay current year claims and to establish a reserve for catastrophic losses. The County also reserves fund balance in the general fund for workers' compensation in the amount of \$350,000. The County's liability for the unpaid claims includes an amount for claims that have been incurred but not reported (IBNR's). Changes in the liability during the past two years are as follows:

	2007	2008
Unpaid claims, January 1	\$ 318,255	\$ 207,258
Incurred claims (including IBNR's)	7,322	156,389
Claims payments	(118,319)	(140,282)
Unpaid claims, December 31	\$ 207,258	\$ 223,365

County General Liability Insurance Program - The County is exposed to risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The property and general liability program provides for the County to assume a portion of self-insured losses. The county self insures the first \$50,000 of each property loss and has an aggregate stop loss of \$200,000 for general liability claims. Excess insurance coverage is purchased to cover claims above these limits. The County funds all claim settlements up to the self-insured limit from general fund resources. There have been no settlements that exceed the County's excess insurance coverage during the past three years. The County currently accounts for all risk management

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 4 - Other Notes (continued)

4-A. Risk Management (continued)

activities in its general fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses included an estimate of claims that have been incurred but not reported. Changes in the liability during the past two years are as follows:

	<u>2007</u>	<u>2008</u>
Unpaid claims, January 1	\$ 142,119	\$ 135,506
Incurred claims (including IBNR's)	157,893	81,307
Claims payments	<u>(164,506)</u>	<u>(130,785)</u>
Unpaid claims, December 31	<u>\$ 135,506</u>	<u>\$ 86,028</u>

County Health Pool - The County is exposed to various risks of loss related to covered health expenses. The County maintains a self-funded health and dental plan. The County has coverage that limits the annual losses at \$75,000 per individual and \$2,883,067 for the year. Changes in the liability during the past two years are as follows:

	<u>2007</u>	<u>2008</u>
Unpaid claims, January 1	\$ 319,907	\$ 359,435
Incurred claims (including IBNR's)	2,390,804	2,938,138
Claims payments	<u>(2,351,276)</u>	<u>(2,883,067)</u>
Unpaid claims, December 31	<u>\$ 359,435</u>	<u>\$ 414,506</u>

There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceed the County's insurance coverage during the past three years.

4-B. Contingent Liabilities

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial.

The County was a defendant in several lawsuits at December 31, 2008. The County is in settlement negotiations on a land use decision. Part of the litigation has been resolved and has been expensed in the 2008 financial statement and the remaining claims should be resolved this calendar year. The total amount of the loss cannot be estimated at this time as no demands have been presented to the County. In the opinion of County management, the outcome of any other contingencies will not have a material effect on the financial position of the County.

Pitkin County, Colorado
Notes to the Basic Financial Statements
December 31, 2008

Note 4 - Other Notes (continued)

4-C. Joint Ventures

Formed in 1982, the Aspen-Pitkin County Housing Authority is governed by a seven-member Board of Directors. The Board of County Commissioners and Aspen City Council appoint three directors each and one director jointly. The purpose of the Authority is to manage and construct projects that are deed restricted as to the amount of rent charged or the amount of appreciation on the for-sale units. The Authority's Board reports to the City and County governing bodies and the City and County share operating costs equally subject to annual appropriation. The County's proportionate share of the 2008 joint net operating expenditures (\$184,142) is reported in the County's financial statements in the General Fund. The majority of the equity in the Authority is the temporary acquisition of a trailer court, which will be sold back to the current renters in the next year or two after subdivision approval from the County is obtained.

The annual financial report for the Housing Authority may be obtained from the Authority at 530 East Main Street, Garden Level, Aspen, Colorado 81611. Following is a summary of financial information for the Housing Authority operating fund from its 2008 general ledger:

Assets	<u>\$ 1,264,826</u>	Revenues	\$ 1,088,994
Liabilities	71,499	Expenses	<u>1,074,629</u>
Equity	<u>1,193,327</u>	Net income	<u>\$ 14,365</u>
	<u>\$ 1,264,826</u>		

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Required Supplementary Information

Major Governmental Funds

General Fund - The General Fund accounts for all transactions not accounted for in other funds. As the County's major operating fund, the General Fund accounts for ordinary operating expenditures financed primarily by property taxes, sales taxes and charges for services.

Road and Bridge Fund - State law empowers the County to levy property tax for the purpose of construction and maintenance of County roads and bridges. This tax, and all state and federal payments to the County for road and bridge purposes, are accounted for in this fund. This fund also accounts for the proceeds of a 3% use tax on building materials and fixtures, and motor vehicle purchases outside of Pitkin County for use within the County. The proceeds of this tax are restricted to improvements to County roads and State Highway 82. Although this tax lapsed in 1999, there are balances that are restricted for the for State Highway 82 improvements.

Transportation Sales and Use Tax Fund - In 1985, the County implemented a 1% tax for public mass transit purposes. The proceeds of this tax are shared with the Roaring Fork Transportation Authority, the City of Aspen, and the Town of Snowmass Village. In 1993, the voters approved a 1/2 cent sales and use tax to provide funding to increase and improve the public mass transportation system.

Open Space and Trails Fund - A property tax supports the acquisition, improvement and management of open space and trails programs. There have been three elections for the Open Space and Trails program. In 1990, the voters approved a 2.5 mill levy for the years 1991 through 2000. In 1999 the voters reauthorized another ten year mill at a constant 3.75 for the years 2001 through 2010. In 2006, the voters approved extending the 3.75 constant levy for another 10 years, or until 2020. In total the three elections also approved the issuance of general obligation debt in the amount of \$44 million. Bonds amounting to \$20.79 million have been issued to date, leaving the County remaining voter authorization to issue up to \$23.21 million of additional general obligation debt to finance the acquisition of open space.

Pitkin County, Colorado
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	<u>2008</u>			<u>2007</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>	<u>Actual</u>
Revenues					
Taxes	\$ 10,321,055	\$ 10,200,408	\$ 9,287,481	\$ (912,927)	\$ 9,636,280
Intergovernmental	963,495	1,891,683	1,537,503	(354,180)	1,243,033
Licenses and permits	882,740	882,740	1,040,534	157,794	990,259
Charges for services	4,654,647	4,655,647	5,255,040	599,393	4,789,260
Fines and forfeitures	7,612	7,612	6,079	(1,533)	8,554
Investment earnings	944,815	944,815	1,051,010	106,195	1,429,284
Miscellaneous	386,769	386,269	510,061	123,792	1,247,822
Total Revenues	<u>18,161,133</u>	<u>18,969,174</u>	<u>18,687,708</u>	<u>(281,466)</u>	<u>19,344,492</u>
Expenditures					
Current:					
General government	8,648,540	11,475,676	8,706,359	(2,769,317)	9,948,033
Public safety	7,405,772	8,458,020	7,873,225	(584,795)	6,757,492
Public works	304,680	426,338	209,986	(216,352)	201,823
Health and welfare	2,458,309	3,128,840	2,530,399	(598,441)	2,349,622
Culture and recreation	75,380	265,508	101,627	(163,881)	63,407
Conservation of natural resources	-	-	-	-	-
Housing and development	184,214	214,214	245,997	31,783	195,534
Total Expenditures	<u>19,076,895</u>	<u>23,968,596</u>	<u>19,667,593</u>	<u>(4,301,003)</u>	<u>19,515,911</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(915,762)</u>	<u>(4,999,422)</u>	<u>(979,885)</u>	<u>(4,582,469)</u>	<u>(171,419)</u>
Other Financing Sources (Uses)					
Sale of capital assets	28,500	32,300	27,408	(4,892)	41,080
Transfers in	646,036	646,036	648,637	2,601	626,410
Transfers out	(406,873)	(431,873)	(431,121)	752	(403,168)
Total Other Financing Sources (Uses)	<u>267,663</u>	<u>246,463</u>	<u>244,924</u>	<u>(1,539)</u>	<u>264,322</u>
Net Change in Fund Balances	<u>\$ (648,099)</u>	<u>\$ (4,752,959)</u>	<u>(734,961)</u>	<u>\$ (4,584,008)</u>	<u>92,903</u>
Fund Balances Beginning of Year			<u>25,772,208</u>		<u>25,679,305</u>
Fund Balances End of Year			<u>\$ 25,037,247</u>		<u>\$ 25,772,208</u>

Pitkin County, Colorado
Road and Bridge Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	<u>2008</u>			<u>2007</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>	<u>Actual</u>
Revenues					
Taxes	\$ 2,865,642	\$ 2,986,289	\$ 3,354,866	\$ 368,577	\$ 2,618,839
Intergovernmental	1,375,356	1,825,586	1,468,260	(357,326)	1,937,266
Licenses and permits	-	-	16,575	16,575	13,530
Charges for services	500	15,950	19,537	3,587	3,585
Investment earnings	50,856	50,856	85,424	34,568	159,536
Miscellaneous	250,000	263,846	212,292	(51,554)	334,243
Total Revenues	<u>4,542,354</u>	<u>5,142,527</u>	<u>5,156,954</u>	<u>14,427</u>	<u>5,066,999</u>
Expenditures					
Current:					
Public works	4,774,378	7,040,083	4,422,953	2,617,130	6,246,302
Total Expenditures	<u>4,774,378</u>	<u>7,040,083</u>	<u>4,422,953</u>	<u>2,617,130</u>	<u>6,246,302</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(232,024)</u>	<u>(1,897,556)</u>	<u>734,001</u>	<u>2,631,557</u>	<u>(1,179,303)</u>
Other Financing Sources					
Sale of capital assets	89,300	89,300	197,230	107,930	74,076
Total Other Financing Sources	<u>89,300</u>	<u>89,300</u>	<u>197,230</u>	<u>107,930</u>	<u>74,076</u>
Net Change in Fund Balances	<u>\$ (142,724)</u>	<u>\$ (1,808,256)</u>	<u>931,231</u>	<u>\$ 2,739,487</u>	<u>(1,105,227)</u>
Fund Balances Beginning of Year			<u>2,708,659</u>		<u>3,813,886</u>
Fund Balances End of Year			<u>\$ 3,639,890</u>		<u>\$ 2,708,659</u>

Pitkin County, Colorado
Transportation Sales and Use Tax Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Taxes	\$ 12,521,256	\$ 12,521,256	\$ 12,039,915	\$ (481,341)	\$ 11,362,470
Intergovernmental	-	-	-	-	-
Investment earnings	472,000	472,000	535,787	63,787	800,374
Miscellaneous	-	-	7,230	7,230	270
Total Revenues	<u>12,993,256</u>	<u>12,993,256</u>	<u>12,582,932</u>	<u>(410,324)</u>	<u>12,163,114</u>
Expenditures					
Current:					
Public works	11,309,508	21,106,932	18,371,348	2,735,584	11,936,781
Total Expenditures	<u>11,309,508</u>	<u>21,106,932</u>	<u>18,371,348</u>	<u>2,735,584</u>	<u>11,936,781</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 1,683,748</u>	<u>\$ (8,113,676)</u>	(5,788,416)	<u>\$ 2,325,260</u>	226,333
Fund Balances Beginning of Year			<u>14,636,247</u>		<u>14,409,914</u>
Fund Balances End of Year			<u>\$ 8,847,831</u>		<u>\$ 14,636,247</u>

Pitkin County, Colorado
Open Space and Trails Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Taxes	\$ 10,756,228	\$ 10,756,228	\$ 10,675,316	\$ (80,912)	\$ 7,594,039
Intergovernmental	-	1,234,406	1,025,396	(209,010)	751,100
Licenses and permits	-	-	-	-	253,198
Charges for services	-	-	10,769	10,769	85,188
Fines and forfeitures	-	-	1,780	1,780	700
Investment earnings	167,495	167,495	130,517	(36,978)	274,004
Miscellaneous	-	-	13,500	13,500	29,917
Total Revenues	10,923,723	12,158,129	11,857,278	(300,851)	8,988,146
Expenditures					
Current:					
Culture and recreation	2,451,183	13,844,594	8,890,797	4,953,797	16,049,158
Debt Service:					
Principal retirement	425,000	425,000	425,000	-	405,000
Interest and fiscal charges	821,440	821,440	821,440	-	810,265
Bond issuance costs	-	-	-	-	-
Total Expenditures	3,697,623	15,091,034	10,137,237	4,953,797	17,264,423
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,226,100	(2,932,905)	1,720,041	4,652,946	(8,276,277)
Other Financing Sources (Uses)					
Sale of capital assets	-	300,000	300,000	-	6,500
Bonds issued	2,600,000	4,660,000	-	(4,660,000)	-
Transfers in	69,000	94,000	94,000	-	69,000
Total Other Financing Sources (Uses)	2,669,000	5,054,000	394,000	(4,660,000)	75,500
Net Change in Fund Balances	\$ 9,895,100	\$ 2,121,095	2,114,041	\$ (7,054)	(8,200,777)
Fund Balances Beginning of Year			(1,400,499)		6,800,278
Fund Balances End of Year			\$ 713,542		\$ (1,400,499)

Pitkin County, Colorado
Note to Required Supplemental Information
For the Year Ended December 31, 2008

Budgetary Information - The budget is prepared in accordance with accounting principles generally accepted in the United States of America by the County's Finance Department and approved by the Board of County Commissioners following a public hearing.

Any change in the total to a fund's budget requires approval of the Board of County Commissioners. All unexpended annual appropriations lapse at year-end, except for projects that have been committed during the year by the issuance of a purchase order. Budgets for these projects are appropriated in the following

Supplemental Information

Combining and Individual Fund

Statements and Schedules

Governmental Funds

Pitkin County, Colorado
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2008

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Total Non-major Governmental Funds
Assets			
Equity in pooled cash and investments	\$ 7,020,045	\$ 277	\$ 7,020,322
Restricted cash and investments	-	146,611	146,611
Receivables:			
Accounts	-	-	-
Property taxes	2,497,825	480,450	2,978,275
Sales taxes	-	112,000	112,000
Intergovernmental	208,705	-	208,705
Total Assets	\$ 9,726,575	\$ 739,338	\$ 10,465,913
Liabilities and Fund Balances			
Liabilities			
Accounts payable	\$ 58,843	\$ -	\$ 58,843
Intergovernmental payable	44,311	-	44,311
Due to other funds	-	32,098	32,098
Deferred revenue	2,497,825	480,450	2,978,275
Total Liabilities	2,600,979	512,548	3,113,527
Fund Balances			
Reserved for:			
Debt service	-	226,790	226,790
Program purposes	126,970	-	126,970
Unreserved:			
Designated for subsequent years expenditures	304,063	-	304,063
Unreserved, undesignated, reported in:			
Special revenue funds	6,694,563	-	6,694,563
Total Fund Balances	7,125,596	226,790	7,352,386
Total Liabilities and Fund Balances	\$ 9,726,575	\$ 739,338	\$ 10,465,913

Pitkin County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2008

	Non-major Special Revenue Funds	Non-major Debt Service Funds	Total Non-major Governmental Funds
Revenues			
Taxes	\$ 2,490,312	\$ 858,481	\$ 3,348,793
Intergovernmental	657,325	-	657,325
Charges for services	-	-	-
Investment earnings	271,699	25,584	297,283
Miscellaneous	835,966	-	835,966
Total Revenues	4,255,302	884,065	5,139,367
Expenditures			
Current:			
Public safety	489,693	-	489,693
Public works	469,234	-	469,234
Health and welfare	1,487,751	-	1,487,751
Culture and recreation	156,201	-	156,201
Debt Service:			
Principal retirement	5,369	1,015,000	1,020,369
Interest and fiscal charges	3,146	469,944	473,090
Total Expenditures	2,611,394	1,484,944	4,096,338
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,643,908	(600,879)	1,043,029
Other Financing Sources (Uses)			
Sale of capital assets	5,000	-	5,000
Bonds issued	-	-	-
Transfers in	-	337,121	337,121
Transfers out	(378,637)	-	(378,637)
Total Other Financing Sources (Uses)	(373,637)	337,121	(36,516)
Net Change in Fund Balances	1,270,271	(263,758)	1,006,513
Fund Balances Beginning of Year	5,855,325	490,548	6,345,873
Fund Balances End of Year	\$ 7,125,596	\$ 226,790	\$ 7,352,386

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Non-Major Governmental Funds Special Revenue Funds

Special revenue funds account for taxes or other earmarked revenues of the County that finance specified activities as required by law or administrative action.

Social Services Fund - The County is required to levy property tax to defray its share of state welfare programs and associated administrative costs. The full cost of these programs, state share and County tax are accounted for in the Social Services Fund.

TV and FM Translator Fund - In 1982, the voters approved a dedicated property tax to fund TV and FM broadcasting services to the public.

Healthy Community Fund - In 2006, the voters approved an increase in property taxes to support contributions to Human Service Agencies and Community Non-profits. The property tax is authorized for six years and will sunset in 2012.

Conservation Trust Fund - State of Colorado distributes a portion of lottery proceeds annually to the County, which is dedicated to parks and open space. State statute requires a separate fund be established to account for these monies.

Ambulance District - Formed in 1982, ambulance service is provided by this District to the area in and around the City of Aspen. The District has contracted with Aspen Valley Hospital to provide these services. The Board of County Commissioners acts as the board of directors for the district and sets the supporting property tax levy.

Employee Housing Impact - In 2005, the Board of County Commissioners established an impact fee on certain developments to mitigate impacts caused by development and land use. The fee benefits properties managed and controlled by county or the Aspen/Pitkin County Housing Authority.

Redstone Ranch Acres and Twining Flats Improvement District - These Districts were formed to improve roads and provide maintenance. The Twining Flats Improvement District issued debt in 2006 to improve roads in the District and also collects property tax to maintain the roads. There is insufficient support in the Redstone Ranch Acres Improvement District for the issuance of bonds so only minor improvements have been completed. The Board of County Commissioners acts as the board of directors for these Districts and sets the supporting property tax levy.

Pitkin County, Colorado
Combining Balance Sheet
Non-major Special Revenue Funds
December 31, 2008

	<u>Social Services</u>	<u>Translator</u>	<u>Healthy Community</u>	<u>Conservation Trust</u>
Assets				
Equity in pooled cash and investments	\$ 74,710	\$ 1,128,944	\$ 368,083	\$ 1,403
Receivables:				
Property taxes	99,978	619,308	1,391,361	-
Intergovernmental	59,007	-	-	-
Total Assets	<u>\$ 233,695</u>	<u>\$ 1,748,252</u>	<u>\$ 1,759,444</u>	<u>\$ 1,403</u>
Liabilities and Fund Balances				
Liabilities				
Accounts payable	\$ 1,683	\$ 39,900	\$ 13,250	\$ -
Intergovernmental payable	44,311	-	-	-
Deferred revenue	99,978	619,308	1,391,361	-
Total Liabilities	<u>145,972</u>	<u>659,208</u>	<u>1,404,611</u>	<u>-</u>
Fund Balances				
Reserved for program purposes	21,091	19,741	42,405	1,403
Unreserved:				
Designated for subsequent years expenditures	66,632	-	-	-
Undesignated	-	1,069,303	312,428	-
Total Fund Balances	<u>87,723</u>	<u>1,089,044</u>	<u>354,833</u>	<u>1,403</u>
Total Liabilities and Fund Balances	<u>\$ 233,695</u>	<u>\$ 1,748,252</u>	<u>\$ 1,759,444</u>	<u>\$ 1,403</u>

Ambulance District	Employee Housing Impact	Redstone Ranch Acres Improvement District	Twining Flats Improvement District	Total Nonmajor Special Revenue Funds
\$ 928,277	\$ 4,508,868	\$ 4,943	\$ 4,817	\$ 7,020,045
361,926	-	8,394	16,858	2,497,825
149,698	-	-	-	208,705
<u>\$ 1,439,901</u>	<u>\$ 4,508,868</u>	<u>\$ 13,337</u>	<u>\$ 21,675</u>	<u>\$ 9,726,575</u>
\$ -	\$ -	\$ 2,250	\$ 1,760	\$ 58,843
-	-	-	-	44,311
361,926	-	8,394	16,858	2,497,825
<u>361,926</u>	<u>-</u>	<u>10,644</u>	<u>18,618</u>	<u>2,600,979</u>
12,056	29,497	259	518	126,970
237,431	-	-	-	304,063
828,488	4,479,371	2,434	2,539	6,694,563
<u>1,077,975</u>	<u>4,508,868</u>	<u>2,693</u>	<u>3,057</u>	<u>7,125,596</u>
<u>\$ 1,439,901</u>	<u>\$ 4,508,868</u>	<u>\$ 13,337</u>	<u>\$ 21,675</u>	<u>\$ 9,726,575</u>

Pitkin County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Special Revenue Funds
For the Year Ended December 31, 2008

	Social Services	Translator	Healthy Community	Conservation Trust
Revenues				
Taxes	\$ 105,162	\$ 613,592	\$ 1,389,280	\$ -
Intergovernmental	594,554	5,000	-	57,771
Investment earnings	3,307	44,425	24,218	893
Miscellaneous	6,100	-	-	-
Total Revenues	709,123	663,017	1,413,498	58,664
Expenditures				
Current:				
Public safety	-	-	-	-
Public works	-	435,196	15,697	-
Health and welfare	649,893	-	837,858	-
Culture and recreation	-	-	156,201	-
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	649,893	435,196	1,009,756	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	59,230	227,821	403,742	58,664
Other Financing Sources (Uses)				
Sale of capital assets	-	-	-	-
Transfers out	-	-	(319,637)	(59,000)
Total Other Financing Sources (Uses)	-	-	(319,637)	(59,000)
Net Change in Fund Balances	59,230	227,821	84,105	(336)
Fund Balances Beginning of Year	28,493	861,223	270,728	1,739
Fund Balances End of Year	\$ 87,723	\$ 1,089,044	\$ 354,833	\$ 1,403

Ambulance District	Housing Impact Fund	Redstone Ranch Acres Improvement District	Twining Flats Improvement District	Total Nonmajor Special Revenue Funds
\$ 356,859	\$ -	\$ 8,420	\$ 16,999	\$ 2,490,312
-	-	-	-	657,325
44,995	153,383	201	277	271,699
-	829,866	-	-	835,966
401,854	983,249	8,621	17,276	4,255,302
489,693	-	-	-	489,693
-	-	10,003	8,338	469,234
-	-	-	-	1,487,751
-	-	-	-	156,201
-	-	-	5,369	5,369
-	-	-	3,146	3,146
489,693	-	10,003	16,853	2,611,394
(87,839)	983,249	(1,382)	423	1,643,908
5,000	-	-	-	5,000
-	-	-	-	(378,637)
5,000	-	-	-	(373,637)
(82,839)	983,249	(1,382)	423	1,270,271
1,160,814	3,525,619	4,075	2,634	5,855,325
\$ 1,077,975	\$ 4,508,868	\$ 2,693	\$ 3,057	\$ 7,125,596

Pitkin County, Colorado
Social Services Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Taxes	\$ 105,930	\$ 105,930	\$ 105,162	\$ (768)	\$ 50,481
Intergovernmental	455,391	455,391	594,554	139,163	331,149
Investment earnings	6,157	6,157	3,307	(2,850)	6,101
Miscellaneous	1,000	1,000	6,100	5,100	500
Total Revenues	568,478	568,478	709,123	140,645	388,231
Expenditures					
Current:					
Health and welfare	710,815	714,175	649,893	64,282	470,966
Total Expenditures	710,815	714,175	649,893	64,282	470,966
Excess (Deficiency) of Revenues Over (Under) Expenditures	(142,337)	(145,697)	59,230	204,927	(82,735)
Other Financing Sources (Uses)					
Sale of capital assets	-	-	-	-	6,500
Total Other Financing Sources	-	-	-	-	6,500
Net Change in Fund Balances	\$ (142,337)	\$ (145,697)	59,230	\$ 204,927	(76,235)
Fund Balances Beginning of Year			28,493		104,728
Fund Balances End of Year			\$ 87,723		\$ 28,493

Pitkin County, Colorado
Translator Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Taxes	\$ 618,405	\$ 618,405	\$ 613,592	\$ (4,813)	\$ 571,579
Intergovernmental	-	-	5,000	5,000	-
Charges for services	-	-	-	-	2,500
Investment earnings	41,285	41,285	44,425	3,140	50,672
Total Revenues	659,690	659,690	663,017	3,327	624,751
Expenditures					
Current:					
Public works	690,782	859,075	435,196	423,879	419,456
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(31,092)</u>	<u>(199,385)</u>	<u>227,821</u>	<u>427,206</u>	<u>205,295</u>
Other Financing Sources (Uses)					
Sale of capital assets	-	-	-	-	900
Total Other Financing Sources (Uses)	-	-	-	-	900
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (31,092)</u>	<u>\$ (199,385)</u>	<u>227,821</u>	<u>\$ 427,206</u>	<u>206,195</u>
Fund Balances Beginning of Year			<u>861,223</u>		<u>655,028</u>
Fund Balances End of Year			<u>\$ 1,089,044</u>		<u>\$ 861,223</u>

Pitkin County, Colorado
Healthy Community Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Taxes	\$ 1,400,000	\$ 1,400,000	\$ 1,389,280	\$ (10,720)	\$ 1,309,075
Investment earnings	24,421	24,421	24,218	(203)	31,206
Total Revenues	<u>1,424,421</u>	<u>1,424,421</u>	<u>1,413,498</u>	<u>(10,923)</u>	<u>1,340,281</u>
Expenditures					
Current:					
Public works	15,697	15,697	15,697	-	15,240
Health and welfare	926,718	926,718	837,858	88,860	795,386
Culture and recreation	145,901	145,901	156,201	(10,300)	122,200
Total Expenditures	<u>1,088,316</u>	<u>1,088,316</u>	<u>1,009,756</u>	<u>78,560</u>	<u>932,826</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>336,105</u>	<u>336,105</u>	<u>403,742</u>	<u>67,637</u>	<u>407,455</u>
Other Financing Sources					
Transfers out	(320,036)	(320,036)	(319,637)	399	(300,226)
Total Other Financing Sources	<u>(320,036)</u>	<u>(320,036)</u>	<u>(319,637)</u>	<u>399</u>	<u>(300,226)</u>
Net Change in Fund Balances	<u>\$ 16,069</u>	<u>\$ 16,069</u>	84,105	<u>\$ 68,036</u>	107,229
Fund Balances Beginning of Year			<u>270,728</u>		<u>163,499</u>
Fund Balances End of Year			<u>\$ 354,833</u>		<u>\$ 270,728</u>

Pitkin County, Colorado
Conservation Trust Fund
Schedule of Revenues and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Intergovernmental	\$ 56,000	\$ 56,000	\$ 57,771	\$ 1,771	\$ 57,461
Investment earnings	-	-	893	893	1,130
Total Revenues	56,000	56,000	58,664	2,664	58,591
Other Financing Uses					
Transfers out	(56,000)	(56,000)	(59,000)	(3,000)	(56,184)
Total Other Financing Uses	(56,000)	(56,000)	(59,000)	(3,000)	(56,184)
Net Change in Fund Balances	\$ -	\$ -	(336)	\$ (336)	2,407
Fund Balances Beginning of Year			1,739		(668)
Fund Balances End of Year			\$ 1,403		\$ 1,739

Pitkin County, Colorado
Ambulance District Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Taxes	\$ 360,000	\$ 360,000	\$ 356,859	\$ (3,141)	\$ 331,663
Investment earnings	47,775	47,775	44,995	(2,780)	63,289
Total Revenues	407,775	407,775	401,854	(5,921)	394,952
Expenditures					
Current:					
Public safety	480,704	715,122	489,693	225,429	423,745
Excess (Deficiency) of Revenues Over (Under) Expenditures	(72,929)	(307,347)	(87,839)	219,508	(28,793)
Other Financing Sources					
Sale of capital assets	-	5,000	5,000	-	-
Net Change in Fund Balances	<u>\$ (72,929)</u>	<u>\$ (302,347)</u>	(82,839)	<u>\$ 219,508</u>	(28,793)
Fund Balances Beginning of Year			<u>1,160,814</u>		<u>1,189,607</u>
Fund Balances End of Year			<u>\$ 1,077,975</u>		<u>\$ 1,160,814</u>

Pitkin County, Colorado
Employee Housing Impact Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Investment earnings	\$ 151,000	\$ 151,000	\$ 153,383	\$ 2,383	\$ 152,310
Miscellaneous	1,300,000	1,300,000	829,866	(470,134)	1,196,091
Total Revenues	1,451,000	1,451,000	983,249	(467,751)	1,348,401
Excess (Deficiency) of Revenues Over Expenditures	1,451,000	1,451,000	983,249	(467,751)	1,348,401
Net Change in Fund Balances	<u>\$ 1,451,000</u>	<u>\$ 1,451,000</u>	983,249	<u>\$ (467,751)</u>	1,348,401
Fund Balances Beginning of Year			3,525,619		2,177,218
Fund Balances End of Year			\$ 4,508,868		\$ 3,525,619

Pitkin County, Colorado
Redstone Ranch Acres Improvement District Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Taxes	\$ 8,417	\$ 8,417	\$ 8,420	\$ 3	\$ 7,999
Investment earnings	292	292	201	(91)	369
Total Revenues	8,709	8,709	8,621	(88)	8,368
Expenditures					
Current:					
Public works	7,901	7,901	10,003	(2,102)	8,053
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 808	\$ 808	(1,382)	\$ (2,190)	315
Fund Balances Beginning of Year			4,075		3,760
Fund Balances End of Year			\$ 2,693		\$ 4,075

Changes in Fund Balances - Budget and Actual
Twining Flats Improvement District Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Taxes	\$ 16,942	\$ 16,942	\$ 16,999	\$ 57	\$ 16,303
Investment earnings	122	122	277	155	411
Total Revenues	17,064	17,064	17,276	212	16,714
Expenditures					
Current:					
Public works	5,807	6,907	8,338	(1,431)	6,529
Debt Service:					
Principal retirement	5,369	5,369	5,369	-	3,308
Interest and fiscal charges	3,146	3,146	3,146	-	4,926
Total Expenditures	14,322	15,422	16,853	(1,431)	14,763
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 2,742	\$ 1,642	423	\$ (1,219)	1,951
Fund Balances Beginning of Year			2,634		683
Fund Balances End of Year			\$ 3,057		\$ 2,634

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Non-Major Governmental Funds

Debt Service Funds

Debt Service funds are used to account for the accumulation of resources for the payment of bond principal and interest which the County is obligated for the payment.

County General Obligation Debt Service Fund - This fund is used to account for the payment of principal and interest on all general obligation debt of the County other than that for open space. In May, 1989, the voters approved the issuance of general obligation bonds totaling \$6,000,000 for the purpose of providing affordable housing for County residents. During 1991 the County issued \$4,590,000 of Pitkin County General Obligation Housing and Refunding Bonds. \$4,145,000 of these bonds was issued under the 1989 authorization for general obligation housing bonds. \$445,000 was used to refund the outstanding balance of the 1982 general obligation bonds. The 1982 bonds were issued to finance the construction of a jail facility. During 1992, the County issued \$1,855,000 in general obligation housing bonds which exhausted the County's authorization under the 1989 approval. Funding for the principal and interest payments is provided by a specific annual property tax levy and by interest earned on tax collections for debt service payments. Revenues generated in excess of actual requirements are legally restricted to servicing this debt.

Transit Debt Service Fund - This fund is used to account for the accumulation of resources and payment of principal and interest on Sales Tax Revenue Bonds (Series 1998, \$1,960,000 and Series 2001, \$8,460,000). These bonds were issued to acquire buses and improve certain facilities for the Roaring Fork Transit Agency and to refund existing sales tax revenue debt. Funding is provided by a 1% County sales tax implemented on July 1, 1985, and by interest earned by the fund.

Pitkin County Capital Leasing Corporation - The Pitkin County Capital Leasing Corporation (the "Corporation") is a not-for-profit corporation formed to finance the construction and acquisition of assets which are leased back to the County and its component units. In 1988, the Corporation issued \$2,990,000 of lease certificates of participation for the construction of the County Fleet Maintenance Facility. In 1991, the Corporation issued \$3,900,000 of lease certificates of participation for the acquisition of an administrative office building. The County refunded the Series 1988 Certificates and advance refunded the Series 1991 Certificates with \$4,905,000 of Series 1998 lease certificates to reduce its total debt service payments over the remaining life of the debt. The general fund transfers base rental payments in an amount sufficient to meet annual debt service payments.

Pitkin County, Colorado
Combining Balance Sheet
Non-major Debt Service Funds
December 31, 2008

	County GO Debt Service	Transit Debt Service	Pitkin County Capital Leasing Corporation	Total Non-major Debt Service Funds
Assets				
Equity in pooled cash and investments	\$ -	\$ -	\$ 277	\$ 277
Restricted cash and investments	-	146,611	-	146,611
Receivables:				
Property taxes	480,450	-	-	480,450
Sales taxes	-	112,000	-	112,000
Total Assets	\$ 480,450	\$ 258,611	\$ 277	\$ 739,338
Liabilities and Fund Balances				
Liabilities				
Due to other funds	\$ 32,098	\$ -	\$ -	\$ 32,098
Deferred revenue	480,450	-	-	480,450
Total Liabilities	512,548	-	-	512,548
Fund Balances				
Reserved for debt service	(32,098)	258,611	277	226,790
Total Fund Balances	(32,098)	258,611	277	226,790
Total Liabilities and Fund Balances	\$ 480,450	\$ 258,611	\$ 277	\$ 739,338

Pitkin County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Debt Service Funds
For the Year Ended December 31, 2008

	County GO Debt Service	Transit Debt Service	Pitkin County Capital Leasing Corporation	Non-major Debt Service Funds
Revenues				
Taxes	\$ 320,817	\$ 537,664	\$ -	\$ 858,481
Investment earnings	9,862	15,722	-	25,584
Total Revenues	330,679	553,386	-	884,065
Expenditures				
Debt Service:				
Principal retirement	385,000	350,000	280,000	1,015,000
Interest and fiscal charges	82,777	330,046	57,121	469,944
Total Expenditures	467,777	680,046	337,121	1,484,944
Excess (Deficiency) of Revenues Over (Under) Expenditures	(137,098)	(126,660)	(337,121)	(600,879)
Other Financing Sources				
Transfers in	-	-	337,121	337,121
Total Other Financing Sources	-	-	337,121	337,121
Net Change in Fund Balances	(137,098)	(126,660)	-	(263,758)
Fund Balances Beginning of Year	105,000	385,271	277	490,548
Fund Balances End of Year	\$ (32,098)	\$ 258,611	\$ 277	\$ 226,790

Pitkin County, Colorado
County GO Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	<u>2008</u>			<u>2007</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>	<u>Actual</u>
Revenues					
Taxes	\$ 323,518	\$ 323,518	\$ 320,817	\$ (2,701)	\$ 450,316
Investment earnings	18,000	18,000	9,862	(8,138)	18,928
Total Revenues	<u>341,518</u>	<u>341,518</u>	<u>330,679</u>	<u>(10,839)</u>	<u>469,244</u>
Expenditures					
Debt Service:					
Principal retirement	385,000	385,000	385,000	-	370,000
Interest and fiscal charges	83,666	83,666	82,777	889	99,981
Total Expenditures	<u>468,666</u>	<u>468,666</u>	<u>467,777</u>	<u>889</u>	<u>469,981</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(127,148)</u>	<u>(127,148)</u>	<u>(137,098)</u>	<u>(9,950)</u>	<u>(737)</u>
Net Change in Fund Balances	<u>\$ (127,148)</u>	<u>\$ (127,148)</u>	<u>(137,098)</u>	<u>\$ (9,950)</u>	<u>(737)</u>
Fund Balances Beginning of Year			<u>105,000</u>		<u>105,737</u>
Fund Balances End of Year			<u>\$ (32,098)</u>		<u>\$ 105,000</u>

Pitkin County, Colorado
Transit Debt Service Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	<u>2008</u>			<u>2007</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>	<u>Actual</u>
Revenues					
Taxes	\$ 641,700	\$ 641,700	\$ 537,664	\$ (104,036)	\$ 976,205
Interest earnings	26,093	26,093	15,722	(10,371)	27,143
Total Revenues	<u>667,793</u>	<u>667,793</u>	<u>553,386</u>	<u>(114,407)</u>	<u>1,003,348</u>
Expenditures					
Debt Service:					
Principal retirement	350,000	350,000	350,000	-	625,000
Interest and fiscal charges	330,095	330,095	330,046	49	352,840
Total Expenditures	<u>680,095</u>	<u>680,095</u>	<u>680,046</u>	<u>49</u>	<u>977,840</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (12,302)</u>	<u>\$ (12,302)</u>	(126,660)	<u>\$ (114,358)</u>	25,508
Fund Balances Beginning of Year			<u>385,271</u>		<u>359,763</u>
Fund Balances End of Year			<u>\$ 258,611</u>		<u>\$ 385,271</u>

Pitkin County, Colorado
Pitkin County Capital Leasing Corporation Fund
Schedule of Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Expenditures					
Debt service:					
Principal retirement	\$ 280,000	\$ 280,000	\$ 280,000	\$ -	\$ 265,000
Interest and fiscal charges	57,873	57,873	57,121	752	69,168
Total Expenditures	337,873	337,873	337,121	752	334,168
(Deficiency) of Revenues					
(Under) Expenditures	(337,873)	(337,873)	(337,121)	752	(334,168)
Other Financing Sources					
Transfers in	337,873	337,873	337,121	752	334,168
Net Change in Fund Balances	\$ -	\$ -	-	\$ -	-
Fund Balances Beginning of Year			277		277
Fund Balances End of Year			\$ 277		\$ 277

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Proprietary Funds Enterprise

Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation and postclosure costs) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through use charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or change in net assets is appropriate for capital maintenance, public policy, management control accountability, or other purposes. The County has two enterprise funds:

Airport Fund - The Airport Fund accounts for the activities of the County's airport.

Solid Waste Center Fund - The Solid Waste Center Fund accounts for the County's landfill and recycling operations, including postclosure liabilities, which are primarily funded by site collections and the sale of recyclables.

Pitkin County, Colorado
Airport Fund
Statement of Revenues,
Expenses and Changes in Fund Net Assets
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	<u>2008</u>	<u>2007</u>
Operating Revenues		
Charges for services	\$ 2,792,136	\$ 1,838,431
Rents and franchises	4,206,493	3,205,394
Miscellaneous	2,304	2,885
Total Operating Revenues	<u>7,000,933</u>	<u>5,046,710</u>
Operating Expenses		
Personal services	1,806,316	1,679,175
Purchased services	4,148,247	2,523,505
Materials and supplies	265,635	196,007
Depreciation	3,023,901	2,608,357
Total Operating Expenses	<u>9,244,099</u>	<u>7,007,044</u>
Operating Loss	(2,243,166)	(1,960,334)
Non-operating Revenues (Expenses)		
Interest revenue	310,458	289,228
Intergovernmental revenue	708,180	719,838
Interest expense and fiscal charge	(67,180)	(76,352)
Net gain (loss) on disposition of capital assets	702,250	(15,527)
Total Non-operating Revenues (Expenses)	<u>1,653,708</u>	<u>917,187</u>
Loss Before Capital Contributions	(589,458)	(1,043,147)
Capital contributions	3,373,242	12,437,396
Change in Net Assets	2,783,784	11,394,249
Net Assets Beginning of Year	77,198,768	65,804,519
Prior Period Adjustment	<u>(886,192.00)</u>	<u>-</u>
Net Assets End of Year	<u>\$ 79,096,360</u>	<u>\$ 77,198,768</u>

Pitkin County, Colorado
Airport Fund
Schedule of Revenues and Expenditures-Budget and Actual
Based on Budgetary Basis for Budget and U.S. GAAP Basis for Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
GAAP-based operating revenues	\$ 6,483,339	\$ 6,483,339	\$ 7,000,933	\$ 517,594	\$ 5,046,709
GAAP-based interest revenues	159,000	159,000	310,458	151,458	289,228
GAAP-based non-operating revenue	373,000	623,000	708,180	85,180	719,838
GAAP-based contributions from federal government and others	5,681,044	8,183,722	3,373,242	(4,810,480)	12,437,396
Total Budgetary-Based Revenues	\$ 12,696,383	\$ 15,449,061	\$ 11,392,813	\$ (4,056,248)	\$ 18,493,171
Expenditures					
GAAP-based operating expenditures	\$ 5,629,318	\$ 5,837,490	\$ 9,244,099	\$ (3,406,609)	\$ 7,007,043
GAAP-based interest expense and fiscal charges	71,942	71,942	67,180	4,762	76,352
Deduct depreciation	-	-	(3,023,901)	3,023,901	(2,608,357)
Add acquisition of property and equipment	6,381,000	8,330,605	1,321,978	7,008,627	13,456,351
Add debt principal retirement	292,875	292,875	292,875	-	284,177
Total Budgetary-Based Expenditures	\$ 12,375,135	\$ 14,532,912	\$ 7,902,231	\$ 6,630,681	\$ 18,215,566
Other Financing Sources (Uses)					
GAAP-based proceeds from sale of capital assets	\$ -	\$ -	\$ 702,250	\$ 702,250	\$ 4,280
Total Budgetary-Based Other Financing Sources (Uses)	\$ -	\$ -	\$ 702,250	\$ 702,250	\$ 4,280

Pitkin County, Colorado
Solid Waste Center Fund
Statement of Revenues,
Expenses and Changes in Fund Net Assets
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	<u>2008</u>	<u>2007</u>
Operating Revenues		
Charges for services	\$ 5,551,754	\$ 5,833,011
Miscellaneous	-	6,000
Total Operating Revenues	<u>5,551,754</u>	<u>5,839,011</u>
Operating Expenses		
Personal services	857,910	749,661
Purchased services	3,363,968	3,171,393
Materials and supplies	106,711	41,148
Depreciation	358,265	302,918
Postclosure	93,936	129,946
Total Operating Expenses	<u>4,780,790</u>	<u>4,395,066</u>
Operating Income (Loss)	<u>770,964</u>	<u>1,443,945</u>
Non-Operating Revenues (Expenses)		
Interest	265,322	321,776
Gain (Loss) on sale of capital assets	(179,448)	39,244
Total Non-Operating Revenues (Expenses)	<u>85,874</u>	<u>361,020</u>
Income (Loss) Before Transfers Out	856,838	1,804,965
Transfers out	<u>(270,000)</u>	<u>(270,000)</u>
Change in Net Assets	586,838	1,534,965
Net Assets Beginning of Year	<u>6,321,989</u>	<u>4,787,024</u>
Net Assets End of Year	<u>\$ 6,908,827</u>	<u>\$ 6,321,989</u>

Pitkin County, Colorado
Solid Waste Center Fund
Schedule of Revenues and Expenditures-Budget and Actual
Based on Budgetary Basis for Budget and U.S. GAAP Basis for Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
GAAP-based operating revenues	\$ 4,580,000	\$ 4,580,000	\$ 5,551,754	\$ 971,754	\$ 5,833,011
GAAP-based interest revenues	256,272	256,272	265,322	9,050	321,776
GAAP-based contributions from local government	-	-	-	-	6,000
Total Budgetary-Based Revenues	\$ 4,836,272	\$ 4,836,272	\$ 5,817,076	\$ 980,804	\$ 6,160,787
Expenditures					
GAAP-based operating expenditures	\$ 3,577,244	\$ 4,986,792	\$ 4,780,790	\$ 206,002	\$ 4,395,067
Deduct depreciation	-	-	(358,265)	358,265	(302,918)
Deduct postclosure accrual	-	-	(93,936)	93,936	(129,946)
Add acquisition of property and equipment	720,754	1,944,623	1,219,380	725,243	734,207
Total Budgetary-Based Expenditures	\$ 4,297,998	\$ 6,931,415	\$ 5,547,969	\$ 1,383,446	\$ 4,696,410
Other Financing Sources (Uses)					
GAAP-based proceeds from sale of capital assets	\$ 54,000	\$ 54,000	\$ 37,214	\$ (16,786)	\$ 39,244
GAAP-based transfer to general fund	(270,000)	(270,000)	(270,000)	-	(270,000)
Total Budgetary-Based Other Financing Sources (Uses)	\$ (216,000)	\$ (216,000)	\$ (232,786)	\$ (16,786)	\$ (230,756)

Fiduciary Funds

Agency Funds

AGENCY FUNDS

Agency funds account for assets held by the County as an agency of individuals, private organizations and/or other governments.

County Clearing Funds - These funds are used to temporarily hold property tax and other collections until the proper allocation to other governmental units, funds or individuals can be determined.

Taxing Districts - The County treasurer collects property taxes for all of the taxing entities in the County. These transactions are accounted for in separate agency funds for each district, but are combined for financial reporting purposes.

Housing Funds - The County finance department acts as trustee for the Aspen/Pitkin County Housing Authority Mortgage Revenue notes.

Other Clearing Funds - This category includes an account used to account for transactions of the County treasurer as paying agent for Aspen Valley Hospital bonds and a fund used to account for activities of the Roaring Fork Transportation Authority.

Pitkin County, Colorado
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2008

County Clearing Funds	Balance January 1, 2008	Additions	Deductions	Balance December 31, 2008
Assets				
Equity in pooled cash and investments	\$ 1,171,288	\$ 99,629,015	\$ 99,388,237	\$ 1,412,066
Liabilities				
Due to other governments	\$ 95,498	\$ 4,838,479	\$ 4,840,475	\$ 93,502
Funds held for others	1,075,790	94,790,536	94,547,762	1,318,564
Total Liabilities	\$ 1,171,288	\$ 99,629,015	\$ 99,388,237	\$ 1,412,066
Taxing Districts				
Assets				
Equity in pooled cash and investments	\$ 216,488	\$ 74,405,245	\$ 74,381,996	\$ 239,737
Liabilities				
Due to other governments	\$ 216,488	\$ 74,405,245	\$ 74,381,996	\$ 239,737
Housing Funds				
Assets				
Equity in pooled cash and investments	\$ 1,195,923	\$ 59,080	\$ 19,191	\$ 1,235,812
Liabilities				
Funds held for others	\$ 1,195,923	\$ 59,080	\$ 19,191	\$ 1,235,812
Other Clearing Funds				
Assets				
Equity in pooled cash and investments	\$ 293,168	\$ 10,080	\$ 315	\$ 302,933
Liabilities				
Due to other governments	\$ 293,168	\$ 10,080	\$ 315	\$ 302,933
Total - All Agency Funds				
Assets				
Equity in pooled cash and investments	\$ 2,876,867	\$ 174,103,420	\$ 173,789,739	\$ 3,190,548
Liabilities				
Due to other governments	\$ 605,154	\$ 79,253,804	\$ 79,222,786	\$ 636,172
Funds held for others	2,271,713	94,849,616	94,566,953	2,554,376
Total Liabilities	\$ 2,876,867	\$ 174,103,420	\$ 173,789,739	\$ 3,190,548

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Component Units

Component units are legally separate organizations for which the County is financially accountable.

Pitkin County Library District - The Library District is responsible for providing public library services to the citizens of the County. The Library District collects property taxes to support its services.

Emergency Telephone Authority - The Emergency Telephone Authority provides 911 services to dispatch emergency services. The Authority's operations are supported by a surcharge on phone service.

Pitkin County, Colorado
Library District
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Taxes	\$ 2,963,498	\$ 2,963,498	\$ 2,940,768	\$ (22,730)	\$ 2,601,200
Charges for services	8,800	8,800	11,177	2,377	8,361
Fines and forfeits	23,150	23,150	23,885	735	22,153
Investment earnings	350,448	350,448	(887,619)	(1,238,067)	512,134
Miscellaneous	15,000	15,000	33,974	18,974	22,378
Total Revenues	<u>3,360,896</u>	<u>3,360,896</u>	<u>2,122,185</u>	<u>(1,238,711)</u>	<u>3,166,226</u>
Expenditures					
Current:					
Culture and recreation	2,850,886	3,013,808	2,816,900	196,908	2,559,180
Total Expenditures	<u>2,850,886</u>	<u>3,013,808</u>	<u>2,816,900</u>	<u>196,908</u>	<u>2,559,180</u>
Excess of Revenues Over (Under) Expenditures	<u>510,010</u>	<u>347,088</u>	<u>(694,715)</u>	<u>(1,041,803)</u>	<u>607,046</u>
Other Financing Sources					
Proceeds from sale of capital assets	-	-	15,082	15,082	15,529
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>15,082</u>	<u>15,082</u>	<u>15,529</u>
Net Change in Fund Balances	<u>\$ 510,010</u>	<u>\$ 347,088</u>	<u>(679,633)</u>	<u>\$ (1,026,721)</u>	<u>622,575</u>
Fund Balances Beginning of Year			<u>5,348,118</u>		<u>4,725,543</u>
Fund Balances End of Year			<u>\$ 4,668,485</u>		<u>\$ 5,348,118</u>
Reconciliation to Statement of Net Assets					
Capital outlays are reported 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 the capitalized capital outlay exceeded depreciation expense in the current period					
Depreciation expense		\$ (4,353,811)			
Capital outlay		<u>9,345,950</u>	\$ 4,992,139		
Compensated absences			<u>(86,368)</u>		
Total Net Assets			<u>\$ 9,574,256</u>		

Pitkin County, Colorado
Emergency Telephone Authority
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2008
(With Comparative Actual Amounts for the Year Ended December 31, 2007)

	2008			2007	
	Original Budget	Final Budget	Actual	Variance Over (Under)	Actual
Revenues					
Charges for services	\$ 354,312	\$ 354,312	\$ 369,614	\$ 15,302	\$ 370,512
Investment earnings	18,804	18,804	19,394	590	23,906
Total Revenues	373,116	373,116	389,008	15,892	394,418
Expenditures					
Current:					
Public Safety	286,137	286,137	327,469	(41,332)	401,355
Total Expenditures	286,137	286,137	327,469	(41,332)	401,355
Excess of Revenues Over (Under)					
Expenditures	\$ 86,979	\$ 86,979	61,539	\$ (25,440)	(6,937)
Fund Balances Beginning of Year			480,874		487,811
Fund Balances End of Year			\$ 542,413		\$ 480,874
Reconciliation to Statement of Net Assets					
Capital outlays are reported 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 the capitalized capital outlay exceeded depreciation expense in the current period					
Depreciation expense		\$ (354,379)			
Capital outlay		734,428	\$ 380,049		
Total Net Assets			\$ 922,462		

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COMBINED SCHEDULE OF CASH AND INVESTMENTS

Pitkin County, Colorado

COMBINED SCHEDULE OF CASH AND INVESTMENTS

December 31, 2008

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Fair Value</u>
Pooled cash and investments			
U.S. Agencies and Instrumentalities			
Federal Home Loan Bank			
Par Value \$1,000,000	4.650%	9/29/2010	\$ 1,067,541
Total U.S. Agencies and Instrumentalities			<u>1,067,541</u>
Bank Certificates of Deposit			
Cache Bank, Greeley	5.360%	5/16/2009	1,000,000
Cache Bank, Greeley	5.400%	9/20/2009	1,000,000
Cache Bank, Greeley	3.970%	7/16/2011	1,000,000
Cache Bank, Greeley	3.920%	9/22/2011	1,000,000
City Wide Bank	4.060%	1/18/2011	1,000,000
City Wide Bank	3.000%	11/21/2011	1,000,000
Horizon Bank, Limon	5.210%	3/15/2009	1,000,000
Horizon Bank, Limon	5.600%	7/14/2009	1,000,000
Horizon Bank, Limon	5.280%	7/18/2010	1,000,000
New Frontier Bank, Greeley	5.200%	11/24/2009	700,000
New Frontier Bank, Greeley	5.210%	1/30/2010	1,000,000
New Frontier Bank, Greeley	4.740%	3/27/2010	1,000,000
New Frontier Bank, Greeley	4.860%	5/30/2010	1,000,000
San Juan Bank	3.850%	3/17/2011	1,000,000
US Bank, Denver (Cincinnati)	4.650%	1/20/2009	1,000,000
US Bank, Denver (Cincinnati)	4.930%	11/24/2009	300,000
US Bank, Denver (Cincinnati)	4.350%	12/14/2010	1,000,000
US Bank, Denver (Cincinnati)	3.750%	5/15/2011	1,000,000
Total Bank Certificates of Deposit			<u>17,000,000</u>
Money Market Demand Deposits			
Alpine Bank, Aspen	4.360%	-	44,686,305
Wells Fargo Bank		-	5,487
Money Market Mutual Funds			
Vanguard Prime Money Market Instl	4.800%	-	5,451,089
Petty cash			9,694
Deposits in transit less bank transfers in process			(444,240)
Less outstanding warrants			<u>(1,653,558)</u>
TOTAL POOLED CASH AND INVESTMENTS			<u>\$ 66,122,318</u>

Pitkin County, Colorado

COMBINED SCHEDULE OF CASH AND INVESTMENTS (CONTINUED)

December 31, 2008

	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Fair Value</u>
Other Cash and Investments			
Institutional Mutual Funds held for Pitkin County Library District			
Cash			\$ 210,398
Allianz Pimco RCM Large Cap Growth			268,535
Vanguard Int Term Bond Index			708,872
Keeley Small Cap Value			123,237
Davis New York Venture			254,079
American Fund Europacific Growth			177,671
MS Instl International Small Cap			82,218
Pimco RCM Total Return Inst			1,429,562
T. Rowe Price Mid-cap			125,801
Thornburg International Value Instl			172,097
Vanguard Total Stock			402,406
Total library other cash and investments			<u>\$ 3,954,876</u>
Retirement Trust Fund			
Mutual Funds held at Wells Fargo Bank, trustee			\$ 13,919,261
Restricted Cash and Investments			
1998 Certificates of Participation			
Money Market Mutual Funds			
Federated Treasury Obligation Money Market Fund	4.050%	-	\$ 121,585
Performance deposit			
Savings account			
Alpine Bank Aspen	1.500%	-	<u>25,214</u>
Total cash and investments			<u>\$ 146,799</u>
TOTAL OTHER CASH AND INVESTMENTS			<u>\$ 18,020,936</u>
		<u>Pooled cash and investments</u>	<u>Other cash and Investments</u>
Fund Reporting Level:			
Governmental Funds - Balance Sheet		\$ 45,161,481	\$ -
Governmental Funds - Balance Sheet - Restricted Assets		146,611	146,799
Proprietary Fund Type Statement of Net Assets		13,409,749	-
Proprietary Fund Type Statement of Net Assets - Restricted Assets		2,897,819	-
Component Units - Balance Sheet		1,251,918	3,954,876
Statement of Fiduciary Assets and Liabilities		<u>3,254,740</u>	<u>13,919,261</u>
Total		<u>\$ 66,122,318</u>	<u>\$ 18,020,936</u>

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COMBINED SCHEDULE OF GOVERNMENTAL REVENUE BY SOURCE

Pitkin County, Colorado

COMBINED SCHEDULE OF GOVERNMENTAL REVENUE BY SOURCE

For the Year Ended December 31, 2008

	MAJOR FUNDS			
	General Fund	Road & Bridge Fund	Transportation Sales and Use Tax Fund	Open Space and Trails Fund
Taxes and special assessments				
Property	\$ 5,083,210	\$ 372,210	\$ -	\$ 10,209,554
Specific ownership	219,863	16,121	-	441,560
General sales tax	3,952,447	2,965,666	11,212,990	-
Selective sales and use tax	20,097	-	826,925	-
Penalties and interest	11,864	869	-	24,202
Total taxes	9,287,481	3,354,866	12,039,915	10,675,316
Intergovernmental revenue				
Federal	967,126	393,897	-	-
State	359,357	1,008,667	-	1,016,059
Other governmental	211,020	65,696	-	9,337
Total intergovernmental revenue	1,537,503	1,468,260	-	1,025,396
Licenses and Permits				
Business	1,036,032	-	-	-
Nonbusiness	4,502	16,575	-	-
Total licenses and permits	1,040,534	16,575	-	-
Charges for services				
General government	4,289,349	-	-	-
Public safety	346,067	-	-	-
Public works	86,049	-	-	-
Health and welfare	176,633	-	-	-
Culture and recreation	42,850	-	-	-
Conservation of natural resources	6,382	-	-	9,456
Housing and development	2,433	-	-	-
Refunds	305,277	19,537	-	1,313
Total charges for services	5,255,040	19,537	-	10,769
Fines and forfeits				
Courts	6,079	-	-	-
Open space violations	-	-	-	1,780
Library	-	-	-	-
Total fines and forfeits	6,079	-	-	1,780
Miscellaneous				
Earnings on deposits and investments	1,051,010	85,424	535,787	130,517
Impact fees	73,268	197,929	-	-
Rents and royalties	296,200	2,996	7,230	13,500
Contributions	83,470	11,367	-	-
Other	57,123	-	-	-
Total miscellaneous	1,561,071	297,716	543,017	144,017
TOTAL REVENUES	\$ 18,687,708	\$ 5,156,954	\$ 12,582,932	\$ 11,857,278

Pitkin County, Colorado

COMBINED SCHEDULE OF GOVERNMENTAL REVENUE BY SOURCE (CONTINUED)

For the Year Ended December 31, 2008

	NON-MAJOR FUNDS			
	Redstone Ranch Acres Improvement District	Twining Flats Improvement District	GO Debt Service Fund	Transit Debt Service Fund
Taxes and special assessments				
Property	\$ 7,988	\$ 16,135	\$ 306,838	\$ -
Specific ownership	359	678	13,288	-
General sales tax	-	-	-	537,664
Selective sales and use tax	-	-	-	-
Penalties and interest	73	186	691	-
Total taxes	<u>8,420</u>	<u>16,999</u>	<u>320,817</u>	<u>537,664</u>
Intergovernmental revenue				
Federal	-	-	-	-
State	-	-	-	-
Other governmental	-	-	-	-
Total intergovernmental revenue	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Licenses and Permits				
Business	-	-	-	-
Nonbusiness	-	-	-	-
Total licenses and permits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Charges for services				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Conservation of natural resources	-	-	-	-
Housing and development	-	-	-	-
Refunds	-	-	-	-
Total charges for services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fines and forfeits				
Courts	-	-	-	-
Open space violations	-	-	-	-
Library	-	-	-	-
Total fines and forfeits	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Miscellaneous				
Earnings on deposits and investments	201	277	9,862	15,722
Impact fees	-	-	-	-
Rents and royalties	-	-	-	-
Contributions	-	-	-	-
Other	-	-	-	-
Total miscellaneous	<u>201</u>	<u>277</u>	<u>9,862</u>	<u>15,722</u>
TOTAL REVENUES	<u>\$ 8,621</u>	<u>\$ 17,276</u>	<u>\$ 330,679</u>	<u>\$ 553,386</u>

(CONTINUED)		COMPONENT UNITS			
Pitkin County Capital Leasing Corporation	Primary Government Combined Total	Pitkin County Library District	Emergency Telephone Authority	Reporting Entity Combined Total	
\$ -	\$ 18,353,323	\$ 2,812,638	\$ -	\$ 21,165,961	
-	793,820	121,663	-	915,483	
-	18,668,767	-	-	18,668,767	
-	847,022	-	-	847,022	
-	43,439	6,467	-	49,906	
-	<u>38,706,371</u>	<u>2,940,768</u>	-	<u>41,647,139</u>	
-	1,960,577	-	-	1,960,577	
-	2,441,854	-	-	2,441,854	
-	286,053	-	-	286,053	
-	<u>4,688,484</u>	-	-	<u>4,688,484</u>	
-	1,036,032	-	-	1,036,032	
-	21,077	-	-	21,077	
-	<u>1,057,109</u>	-	-	<u>1,057,109</u>	
-	4,289,349	-	-	4,289,349	
-	346,067	-	369,614	715,681	
-	86,049	-	-	86,049	
-	176,633	-	-	176,633	
-	42,850	9,307	-	52,157	
-	15,838	-	-	15,838	
-	2,433	-	-	2,433	
-	326,127	1,870	-	327,997	
-	<u>5,285,346</u>	<u>11,177</u>	<u>369,614</u>	<u>5,666,137</u>	
-	6,079	-	-	6,079	
-	1,780	-	-	1,780	
-	-	23,885	-	23,885	
-	<u>7,859</u>	<u>23,885</u>	-	<u>31,744</u>	
-	2,100,021	(887,619)	19,394	1,231,796	
-	1,101,063	-	-	1,101,063	
-	319,926	-	-	319,926	
-	100,937	33,974	-	134,911	
-	57,123	-	-	57,123	
-	<u>3,679,070</u>	<u>(853,645)</u>	<u>19,394</u>	<u>2,844,819</u>	
<u>\$ -</u>	<u>\$ 53,424,239</u>	<u>\$ 2,122,185</u>	<u>\$ 389,008</u>	<u>\$ 55,935,432</u>	

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LOCAL HIGHWAY FINANCE REPORT

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

LOCAL HIGHWAY FINANCE REPORT		City or County:	Pitkin County
		YEAR ENDING :	December 31, 2008
This Information From The Records Of (example - City of _ or County of _): County of Pitkin, Colorado	Prepared By:	John Redmond (970) 920-5225	
Phone:			

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	785,655
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,614,979
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	199,874
2. General fund appropriations (Note 1)	525,207	b. Snow and ice removal	1,306,617
3. Other local imposts (from page 2)	3,608,971	c. Other	2,153
4. Miscellaneous local receipts (from page 2)	339,363	d. Total (a. through c.)	1,508,644
5. Transfers from toll facilities		4. General administration & miscellaneous	532,553
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	520,054
a. Bonds - Original Issues		6. Total (1 through 5)	4,961,885
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	3,546
7. Total (1 through 6)	4,473,541	b. Redemption	5,369
B. Private Contributions	11,367	c. Total (a. + b.)	8,915
C. Receipts from State government (from page 2)	1,037,770	2. Notes:	
D. Receipts from Federal Government (from page 2)	378,394	a. Interest	
E. Total receipts (A.7 + B + C + D)	5,901,072	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	8,915
		C. Payments to State for highways	0
		D. Payments to toll facilities	0
		E. Total disbursements (A.6 + B.3 + C + D)	4,970,800

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	61,692	0	5,369	56,323
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	2,715,368	5,901,072	4,970,800	3,645,640	0

Notes and Comments:

Note 1 General Fund Appropriations:	
Transfer from General Fund	\$ 520,054
Sheriff expenditures for traffic	2,153
Amount Available from Non-highway	3,000
	<u>\$ 525,207</u>

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2008

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	396,242	a. Interest on investments	85,902
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	2,965,667	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	197,929	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	197,230
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	49,133	g. Other Misc. Receipts (Note 2)	56,231
6. Total (1. through 5.)	3,212,729	h. Other (Reimbursements of expense)	
c. Total (a. + b.)	3,608,971	i. Total (a. through h.)	339,363
	(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	920,855	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	378,394
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	35,321	d. Federal Transit Admin	
d. Other (Specify) Ind Pass Grt.	81,594	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal (Safety improvement grant)	
f. Total (a. through e.)	116,915	g. Total (a. through f.)	378,394
4. Total (1. + 2. + 3.f)	1,037,770	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM	OFF NATIONAL HIGHWAY SYSTEM	TOTAL
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs		122,428	122,428
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		143	143
(3). System Preservation		663,084	663,084
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	663,227	663,227
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	785,655	785,655
			(Carry forward to page 1)

Notes and Comments:

Note 2			
Access Permits	\$	16,575	
Contribution		33,722	
Impact Fees		5,934	
Total	\$	56,231	

2008
Annual Financial Report

STATISTICAL SECTION

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

Contents:	Pages
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	126-131
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	134-143
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future	144-148
Demographic and Economic Information These schedules offer demographic indicators to help the reader understand the environment within which the County's financial activities take place.	150-154
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the service the County provides and the activities it performs.	157-160

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The County implemented GASB 34 in 2003. Schedules presenting government-wide information include information beginning in that year.

Pitkin County, Colorado
Net Assets by Component
(Accrual basis of accounting)
(Unaudited)

Last Six Years

	2003	2004	2005
Governmental activities			
Invested in capital assets, net of related debt	\$ 54,508,038	\$ 63,474,673	\$ 71,576,959
Restricted			
Open space	17,233,939	15,046,683	6,751,388
Transportation	12,380,720	14,116,005	12,950,487
Affordable housing	3,608,338	595,506	4,212,900
Highway 82 construction	2,052,508	2,138,165	965,876
Statutory reserve for emergencies	1,030,048	1,058,645	1,243,429
Debt service	661,143	611,194	527,780
Ambulance district	646,015	682,057	874,053
Other program purposes	1,556,636	2,307,180	3,373,721
Unrestricted	9,236,600	11,215,180	14,529,046
Total governmental activities net assets	<u>\$ 102,913,985</u>	<u>\$ 111,245,288</u>	<u>\$ 117,005,639</u>
Business-type activities			
Invested in capital assets, net of related debt	\$ 29,458,287	\$ 43,888,509	\$ 56,204,425
Restricted			
Debt service	445,500	-	-
Airport	5,964,016	4,001,848	5,531,446
Unrestricted	1,978,566	2,114,451	1,523,330
Total business-type activities net assets	<u>\$ 37,846,369</u>	<u>\$ 50,004,808</u>	<u>\$ 63,259,201</u>
Primary government			
Invested in capital assets, net of related debt	\$ 83,966,325	\$ 107,363,182	\$ 127,781,384
Restricted			
Open space	17,233,939	15,046,683	6,751,388
Transportation	12,380,720	14,116,005	12,950,487
Affordable housing	3,608,338	595,506	4,212,900
Highway 82 construction	2,052,508	2,138,165	965,876
Statutory reserve for emergencies	1,030,048	1,058,645	1,243,429
Debt service	1,106,643	611,194	527,780
Ambulance district	646,015	682,057	874,053
Airport	5,964,016	4,001,848	5,531,446
Other program purposes	1,556,636	2,307,180	3,373,721
Unrestricted	11,215,166	13,329,631	16,052,376
Total primary government net assets	<u>\$ 140,760,354</u>	<u>\$ 161,250,096</u>	<u>\$ 180,264,840</u>

Note: Accrual-basis financial information for the County as a whole is only available back to 2003, the year GASB 34 was implemented.

	2006	2007	2008
\$	74,991,785	\$ 102,497,894	\$ 116,498,275
	8,278,566	124,702	357,824
	14,065,044	14,271,354	8,470,343
	5,876,481	7,753,510	8,851,035
	923,449	663,633	547,179
	1,418,544	1,439,952	1,531,840
	487,318	482,170	185,560
	1,178,700	1,148,965	1,065,919
	4,317,613	4,259,926	5,745,549
	18,890,058	11,224,305	10,657,061
<u>\$</u>	<u>130,427,558</u>	<u>\$ 143,866,411</u>	<u>\$ 153,910,585</u>
\$	61,778,381	\$ 73,322,031	\$ 71,671,246
	-	-	-
	6,067,769	6,349,656	10,542,488
	2,745,393	3,849,070	3,791,453
<u>\$</u>	<u>70,591,543</u>	<u>\$ 83,520,757</u>	<u>\$ 86,005,187</u>
\$	136,770,166	\$ 175,819,925	\$ 188,169,521
	8,278,566	124,702	357,824
	14,065,044	14,271,354	8,470,343
	5,876,481	7,753,510	8,851,035
	923,449	663,633	547,179
	1,418,544	1,439,952	1,531,840
	487,318	482,170	185,560
	1,178,700	1,148,965	1,065,919
	6,067,769	6,349,656	10,542,488
	4,317,613	4,259,926	5,745,549
	21,635,451	15,073,375	14,448,514
<u>\$</u>	<u>201,019,101</u>	<u>\$ 227,387,168</u>	<u>\$ 239,915,772</u>

Pitkin County, Colorado
Changes in Net Assets
(Accrual basis of accounting)
(Unaudited)

Last Six Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Expenses:						
Governmental activities:						
General government	\$ 6,571,044	\$ 6,666,755	\$ 6,682,126	\$ 10,292,549	\$ 8,160,025	\$ 8,441,523
Public safety	5,678,755	5,921,598	5,795,503	6,135,841	7,215,619	7,781,623
Public works	10,904,615	11,398,546	17,210,842	14,467,249	16,778,835	24,468,535
Health and welfare	2,184,340	2,183,103	2,529,548	2,700,256	3,198,700	3,634,941
Culture and recreation	1,681,645	2,534,164	1,650,142	2,063,649	1,110,754	3,220,314
Conservation of natural resources	76,831	68,657	21,818	23,677	13,812	17,947
Housing and development	147,024	691,286	4,019,595	184,119	195,534	245,997
Interest	1,653,668	1,556,530	1,555,827	1,442,425	1,373,501	1,332,285
Total governmental activities expenses	<u>28,897,922</u>	<u>31,020,639</u>	<u>39,465,401</u>	<u>37,309,765</u>	<u>38,046,780</u>	<u>49,143,165</u>
Business-type activities:						
Airport	4,905,349	4,995,246	5,919,636	6,212,291	7,098,923	9,311,279
Solid Waste Center	3,494,787	3,334,496	3,952,374	4,073,353	4,355,822	4,960,238
Total business-type activities expenses	<u>8,400,136</u>	<u>8,329,742</u>	<u>9,872,010</u>	<u>10,285,644</u>	<u>11,454,745</u>	<u>14,271,517</u>
Program Revenues						
Governmental activities:						
Charges for services	5,164,629	5,784,487	8,614,961	8,913,243	9,121,901	6,932,424
Operating grants and contributions	2,341,936	2,857,641	2,862,181	2,650,434	2,683,108	2,999,026
Capital grants and contributions	1,011,804	26,765	357,294	2,947,277	1,470,619	8,179,497
Total governmental activities program revenues	<u>8,518,369</u>	<u>8,668,893</u>	<u>11,834,436</u>	<u>14,510,954</u>	<u>13,275,628</u>	<u>18,110,947</u>
Business-type activities:						
Airport	\$ 5,878,604	\$ 16,844,528	\$ 19,511,065	\$ 11,938,198	\$ 18,203,944	\$ 11,082,355
Solid Waste Center	2,769,005	3,757,166	3,609,410	5,475,069	5,839,011	5,551,754
Total business-type activities program revenues	<u>8,647,609</u>	<u>20,601,694</u>	<u>23,120,475</u>	<u>17,413,267</u>	<u>24,042,955</u>	<u>16,634,109</u>
Total primary government program revenues	<u>\$ 17,165,978</u>	<u>\$ 29,270,587</u>	<u>\$ 34,954,911</u>	<u>\$ 31,924,221</u>	<u>\$ 37,318,583</u>	<u>\$ 34,745,056</u>
Net (Expense)/Revenue						
Governmental activities	\$ (20,379,553)	\$ (22,351,746)	\$ (27,630,965)	\$ (22,798,811)	\$ (24,771,152)	\$ (31,032,218)
Business-type activities	247,473	12,271,952	13,248,465	7,127,623	12,588,210	2,362,592
Total primary government net expense	<u>\$ (20,132,080)</u>	<u>\$ (10,079,794)</u>	<u>\$ (14,382,500)</u>	<u>\$ (15,671,188)</u>	<u>\$ (12,182,942)</u>	<u>\$ (28,669,626)</u>
General Revenues and Other Changes in Net Assets						
Governmental activities:						
Property taxes levied for:						
General government purposes	\$ 12,643,095	\$ 12,967,015	\$ 13,212,003	\$ 13,747,326	\$ 14,572,139	\$ 18,046,484
Debt service	532,250	459,499	453,595	438,545	430,048	306,838
Sales taxes	14,210,043	15,476,512	16,983,469	18,230,161	19,215,296	19,515,789
Other taxes	663,118	681,081	728,655	746,686	707,765	837,260
Investment earnings	766,222	828,942	1,743,594	2,788,012	3,014,757	2,100,021
Transfers	270,000	270,000	270,000	270,000	270,000	270,000
Total governmental activities	<u>\$ 29,084,728</u>	<u>\$ 30,683,049</u>	<u>\$ 33,391,316</u>	<u>\$ 36,220,730</u>	<u>\$ 38,210,005</u>	<u>\$ 41,076,392</u>
Business-type activities:						
Investment earnings	\$ 146,360	\$ 156,487	\$ 275,928	\$ 474,719	\$ 611,004	\$ 575,780
Gain on sale of fixed assets	-	-	-	-	-	702,250
Transfers	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)	(270,000)
Total business-type activities	<u>(123,640)</u>	<u>(113,513)</u>	<u>5,928</u>	<u>204,719</u>	<u>341,004</u>	<u>1,008,030</u>
Total primary government	<u>\$ 28,961,088</u>	<u>\$ 30,569,536</u>	<u>\$ 33,397,244</u>	<u>\$ 36,425,449</u>	<u>\$ 38,551,009</u>	<u>\$ 42,084,422</u>
Changes in Net Assets						
Governmental Activities	\$ 8,705,175	\$ 8,331,303	\$ 5,760,351	\$ 13,421,919	\$ 13,438,853	\$ 10,044,174
Business-type activities	123,833	12,158,439	13,254,393	7,332,342	12,929,214	3,370,622
Total primary government	<u>\$ 8,829,008</u>	<u>\$ 20,489,742</u>	<u>\$ 19,014,744</u>	<u>\$ 20,754,261</u>	<u>\$ 26,368,067</u>	<u>\$ 13,414,796</u>

Note: Accrual-basis financial information for the County as a whole is only available back to 2003, the year GASB 34 was implemented.

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Pitkin County, Colorado
Fund Balance, Governmental Funds
(Modified accrual basis of accounting)
(Unaudited)

Last Ten Years

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
General Fund				
Reserved for:				
Debt service	\$ 519,194	\$ 514,164	\$ 392,378	\$ 387,722
Capital projects	235,898	-	-	-
Advances to Library	7,426	-	-	-
Workers' compensation insurance reserve	550,000	550,000	550,000	550,000
Funded employee health claims	-	-	-	-
Affordable housing	938,765	2,256,576	2,103,092	3,678,520
Park dedication fees	102,818	190,043	193,983	276,604
State of Colorado landfill fees retained to remediate State designated hazardous waste sites	115,626	118,819	156,933	195,253
Air Mitigation Program	-	-	-	-
Emergencies	457,944	474,770	468,921	493,495
Unreserved				
Appropriated for expenditures in next year's budget	3,343,462	329,799	1,251,838	176,606
Designated for fund discretionary projects in next	409,331	883,161	-	2,295,377
Designated to complete projects begun but not completed in prior year	949,059	2,267,052	2,382,205	1,632,081
Designated to balance 5 year budget	-	1,113,713	431,047	343,921
Designated to fund contingencies over amount required by state constitution	683,931	653,537	866,672	2,106,505
Revenues from joint water trust for Ruedi Hydropower project to use for water issues	75,899	75,899	-	-
State Lottery funds for open space or recreation	40,928	41,784	40,479	-
The excess of contributions over expenditures for Topsy Taxi program	213,484	220,798	224,186	220,602
Public contributions for Veteran's Memorial	5,819	6,060	6,561	6,756
Translator capital project funds derived from unspent translator property tax mill levy	47,774	128,602	121,617	238,225
Designated Community Development for changes in construction activity	45,328	45,328	-	-
Asset replacement for information services, dispatch, and various other programs	369,182	443,109	414,395	698,463
A fund balance to fund future workers' compensation liability and employee health claims	-	-	-	-
A fund balance to fund future building needs	-	-	-	-
Total General Fund	<u>\$ 9,111,868</u>	<u>\$ 10,313,214</u>	<u>\$ 9,604,307</u>	<u>\$ 13,300,130</u>
All Other Governmental Funds				
Reserved for:				
Debt Service	\$ 852,246	\$ 828,594	\$ 618,833	\$ 677,859
Capital projects	3,955,826	-	-	-
Employees' retirement system	18,630,893	18,490,687	17,657,393	16,746,575
Emergencies	324,462	290,039	638,613	554,429
Unreserved:				
Appropriated for expenditures in next year's budget	4,267,038	402,443	1,033,012	183,168
Designated to complete projects begun but not completed in prior year	-	-	-	-
Balance of 3% use tax proceeds dedicated for improvement to Highway 82	12,484	391,218	1,937,365	1,952,088
Designated, reported in special revenue funds	-	-	-	-
Undesignated, reported in special revenue funds	4,444,356	13,123,916	14,992,000	23,315,055
Total all other governmental funds	<u>\$ 32,487,305</u>	<u>\$ 33,526,897</u>	<u>\$ 36,877,216</u>	<u>\$ 43,429,174</u>
Total all governmental funds	<u>\$ 41,599,173</u>	<u>\$ 43,840,111</u>	<u>\$ 46,481,523</u>	<u>\$ 56,729,304</u>

<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$ 325,308	\$ 262,635	\$ 223,347	\$ 174,536	\$ 140,813	\$ 105,591
-	-	-	-	-	-
-	-	-	-	-	-
700,000	350,000	350,000	350,000	350,000	350,000
-	250,000	340,858	660,017	779,629	861,260
3,608,338	595,506	3,558,436	3,744,338	4,268,343	4,366,756
285,703	349,076	402,360	253,886	772,248	768,877
213,797	231,772	265,511	298,003	362,243	405,959
-	-	-	-	24,666	24,666
483,608	498,891	619,328	649,592	690,175	671,664
-	-	5,234	-	648,099	-
2,397,062	813,422	442,230	4,471,563	2,995,115	3,187,142
1,808,224	1,666,611	2,547,617	3,190,715	3,460,441	3,099,179
777,995	575,122	3,673,074	3,100,000	664,623	800,000
3,516,392	3,501,109	3,428,652	3,350,408	3,309,825	3,328,336
-	-	-	-	-	-
-	-	-	-	-	-
212,290	203,829	198,995	202,602	203,665	200,218
6,850	6,953	7,100	5,368	4,448	4,375
-	-	-	-	-	-
-	-	-	-	-	-
681,831	735,468	633,382	546,970	395,676	408,857
471,662	615,040	719,696	780,280	702,199	723,896
-	4,000,000	3,769,690	3,901,027	6,000,000	5,730,471
<u>\$ 15,489,060</u>	<u>\$ 14,655,434</u>	<u>\$ 21,185,510</u>	<u>\$ 25,679,305</u>	<u>\$ 25,772,208</u>	<u>\$ 25,037,247</u>
\$ 461,916	\$ 466,984	\$ 471,394	\$ 465,777	\$ 490,548	\$ 226,790
-	-	-	-	-	-
22,039,305	25,676,926	18,061,930	19,012,977	19,536,677	14,070,206
546,440	559,753	624,101	768,952	749,777	860,176
190,471	171,516	187,897	73,702	246,745	556,783
-	-	-	-	-	-
1,852,508	2,138,166	965,876	923,449	663,633	547,179
-	-	-	-	-	-
<u>27,879,435</u>	<u>27,961,228</u>	<u>21,953,701</u>	<u>27,551,830</u>	<u>20,139,577</u>	<u>18,362,721</u>
<u>\$ 52,970,075</u>	<u>\$ 56,974,573</u>	<u>\$ 42,264,899</u>	<u>\$ 48,796,687</u>	<u>\$ 41,826,957</u>	<u>\$ 34,623,855</u>
<u>\$ 68,459,135</u>	<u>\$ 71,630,007</u>	<u>\$ 63,450,409</u>	<u>\$ 74,475,992</u>	<u>\$ 67,599,165</u>	<u>\$ 59,661,102</u>

Pitkin County, Colorado
Changes in Fund Balance, Governmental Funds
(Modified accrual basis of accounting)
(Unaudited)

Last Ten Years

	1999	2000	2001	2002	2003
Revenues					
Taxes	\$ 18,049,849	\$ 18,682,322	\$ 26,134,224	\$ 27,966,329	\$ 28,048,506
Intergovernmental	5,625,604	3,233,256	7,963,382	12,965,686	3,293,337
Licenses and permits	873,367	794,421	540,972	785,076	715,147
Charges for services	2,888,248	2,821,204	2,748,256	3,356,904	4,112,405
Fines and forfeitures	6,115	13,263	14,143	17,170	22,975
Investment earnings	-	-	-	-	766,222
Miscellaneous	3,275,196	2,072,498	2,349,652	3,143,990	374,505
Total Revenues	\$ 30,718,379	\$ 27,616,964	\$ 39,750,629	\$ 48,235,155	\$ 37,333,097
Expenditures					
Current:					
General government	4,338,572	5,882,986	5,177,153	5,030,542	5,957,918
Public safety	4,783,327	4,698,400	5,625,155	5,271,824	5,668,220
Public works	10,525,043	4,565,480	5,099,352	13,008,026	11,174,128
Health and welfare	1,601,541	1,652,409	2,692,021	1,893,216	2,022,959
Culture and recreation	2,702,469	13,264,116	8,928,768	2,877,505	4,928,677
Conservation of natural resources	148,844	106,839	96,412	93,616	136,538
Housing and development	201,425	52,104	229,635	433,916	211,498
Intergovernmental	1,456,948	1,312,104	14,974,890	7,373,715	-
Debt Service:					
Principal retirement	1,280,000	1,290,000	1,505,000	1,595,000	1,375,000
Interest and fiscal charges	1,230,062	1,298,346	1,767,390	1,916,922	1,678,577
Bond Issuance costs	-	-	-	-	57,657
Advance refunding escrow	-	-	-	-	484,569
Total Expenditures	28,268,231	34,122,784	46,095,776	39,494,282	33,695,741
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,450,148	(6,505,820)	(6,345,147)	8,740,873	3,637,356
Other Financing Sources (Uses)					
Payoff of note receivable	-	-	-	940,543	-
Proceeds of general long term debt	-	10,000,000	12,929,000	-	-
Sales of capital assets	31,066	1,444,762	282,035	1,126,801	175,411
Bonds Issued	-	-	-	-	7,685,000
Premium on debt issuance	-	-	-	-	26,776
Escrow to defease debt	-	(1,186,253)	(3,490,000)	-	(7,654,113)
Transfers in	3,316,075	2,245,456	2,134,366	1,262,104	1,225,188
Transfers out	(3,316,075)	(2,245,456)	(2,134,366)	(1,012,104)	(955,188)
Transfers (to) from component units	(883,473)	(1,255,935)	98,818	100,382	-
Total Other Financing Sources (Uses)	(852,407)	9,002,574	9,819,853	2,417,726	503,074
Special and Extraordinary Items:					
Sale of Land	-	-	-	-	1,156,313
Net Change in Fund Balance	\$ 1,597,741	\$ 2,496,754	\$ 3,474,706	\$ 11,158,599	\$ 5,296,743
Debt service as a percentage of non-capital expenditure	10.33%	8.56%	11.75%	12.28%	10.14%

2004	2005	2006	2007	2008
\$ 29,584,107	\$ 31,377,722	\$ 33,162,718	\$ 34,925,248	\$ 38,706,371
2,860,717	2,932,127	5,671,479	4,320,010	4,688,484
714,728	989,741	976,895	1,006,987	1,057,109
4,373,869	5,645,974	7,325,511	6,326,624	5,285,346
25,013	15,286	7,578	9,254	7,859
828,942	1,743,594	2,788,012	3,014,757	2,100,021
694,566	2,251,309	529,491	1,612,752	1,579,049
<u>\$ 39,081,942</u>	<u>\$ 44,955,753</u>	<u>\$ 50,461,684</u>	<u>\$ 51,215,632</u>	<u>\$ 53,424,239</u>
6,783,761	7,447,947	7,184,934	9,948,033	8,706,359
5,972,843	5,491,587	5,996,928	7,181,237	8,362,918
10,372,756	16,355,249	14,280,465	18,834,184	23,473,521
2,077,305	2,568,086	2,544,251	3,615,974	4,018,150
8,599,553	13,208,380	10,026,767	16,234,765	9,148,625
58,535	147	58,232	-	-
3,161,299	1,548,357	184,119	195,534	245,997
-	-	-	-	-
1,575,000	1,690,000	1,580,000	1,668,308	1,445,369
1,536,199	1,479,304	1,428,404	1,337,180	1,294,530
-	-	113,147	-	-
-	-	-	-	-
<u>40,137,251</u>	<u>49,789,057</u>	<u>43,397,247</u>	<u>59,015,215</u>	<u>56,695,469</u>
<u>(1,055,309)</u>	<u>(4,833,304)</u>	<u>7,064,437</u>	<u>(7,799,583)</u>	<u>(3,271,230)</u>
-	-	-	-	-
-	-	-	-	-
318,560	3,998,703	1,001,089	129,056	529,638
-	-	9,880,000	-	-
-	-	119,785	-	-
-	-	(8,260,775)	-	-
768,749	844,150	818,949	1,029,578	1,079,758
(498,749)	(574,151)	(548,949)	(759,578)	(809,758)
-	-	-	-	-
<u>588,560</u>	<u>4,268,702</u>	<u>3,010,099</u>	<u>399,056</u>	<u>799,638</u>
-	-	-	-	-
<u>\$ (466,749)</u>	<u>\$ (564,602)</u>	<u>\$ 10,074,536</u>	<u>\$ (7,400,527)</u>	<u>\$ (2,471,592)</u>
8.40%	6.80%	7.47%	5.37%	5.08%

Pitkin County, Colorado
Program Revenues by Functions/Programs
(Accrual basis of accounting)
(Unaudited)

Last Six Years

Functions/Programs	2003	2004
Governmental Activities		
General government	\$ 3,931,391	\$ 3,722,901
Public safety	1,497,425	1,694,417
Public works	1,918,097	2,125,960
Health and welfare	669,103	678,858
Culture and recreation	438,158	154,659
Conservation of natural resources	64,045	13,433
Housing and development	150	278,665
Total governmental activities	8,518,369	8,668,893
Business-type activities		
Airport	5,878,604	16,844,528
Solid Waste Center	2,769,005	3,757,166
Total business-type activities	8,647,609	20,601,694
Total primary government	\$ 17,165,978	\$ 29,270,587

	2005	2006	2007	2008
\$	5,291,096	\$ 4,564,438	\$ 4,705,166	\$ 5,957,833
	2,301,453	2,218,857	2,072,259	1,499,151
	1,921,074	2,453,303	2,379,526	1,914,894
	744,115	942,159	880,407	1,173,596
	293,824	2,806,542	1,658,533	6,587,395
	24,630	92,529	57,461	129,834
	1,258,244	1,433,126	1,522,276	848,244
	<u>11,834,436</u>	<u>14,510,954</u>	<u>13,275,628</u>	<u>18,110,947</u>
	19,511,065	11,938,198	18,203,944	11,082,355
	3,609,410	5,475,069	5,839,011	5,551,754
	<u>23,120,475</u>	<u>17,413,267</u>	<u>24,042,955</u>	<u>16,634,109</u>
\$	<u><u>34,954,911</u></u>	<u><u>31,924,221</u></u>	<u><u>37,318,583</u></u>	<u><u>34,745,056</u></u>

Pitkin County, Colorado
Tax Revenues by Source (1)
(Modified accrual basis of accounting)
(Unaudited)

Last Ten Years

Year	Property	Special Assessments	General Sales (3)	Selective Sales and Use (2)	Motor Vehicle	Other	Total
1999	\$ 8,650,805	\$ 253,101	\$ 12,550,566	\$ 1,136,982	\$ 623,587	\$ 16,014	\$ 23,231,055
2000	9,571,783	265,022	13,000,321	608,829	622,159	18,968	24,087,082
2001	12,050,252	287,049	14,223,157	514,843	729,547	34,060	27,838,908
2002	14,538,835	280,310	13,674,143	492,861	733,799	29,166	29,749,114
2003	14,666,199	292,885	13,744,477	465,566	720,942	33,478	29,923,547
2004	14,985,290	291,406	14,912,511	564,001	748,411	28,425	31,530,044
2005	15,645,259	299,532	16,426,135	557,334	819,493	30,514	33,778,267
2006	13,874,258	311,613	17,631,468	598,693	720,781	25,905	33,162,718
2007	14,662,230	339,957	18,478,879	736,417	683,561	24,204	34,925,248
2008	20,800,559	365,402	18,782,483	733,306	915,483	49,906	41,647,139
Change							
1999-2008	41.00%	25.55%	32.08%	-54.39%	8.77%	33.84%	33.48%

Note: Due to changes in tax rates, comparability between years for general sales taxes and selective sales and use taxes are diminished.

- (1) Includes all governmental funds of primary government and component units
- (2) Effective January 1, 1989, the voters approved a 3% use tax on motor vehicles and building materials purchased outside of Pitkin County for use within the County. The tax was used solely for county roads and State Highway 82 improvements and lapsed in 1999.

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Pitkin County, Colorado
Assessed Value and Actual Value of Taxable Property
(Unaudited)

Last Ten Years

(1) Year Ended December 31,	Real Property					
	Vacant Land	Residential	Commercial	Industrial	Natural Resources	Agricultural
1999	\$ 211,638	\$ 811,350	\$ 326,297	\$ 508	\$ 5,397	\$ 4,983
2000	193,029	852,105	322,637	503	4,604	5,467
2001	241,799	1,126,974	368,227	524	6,679	7,363
2002	232,819	1,167,258	365,192	524	5,549	8,851
2003	248,255	1,115,316	377,638	559	5,963	9,463
2004	236,003	1,139,729	373,113	490	5,773	10,853
2005	237,690	1,224,049	390,806	565	5,499	13,569
2006	228,598	1,268,117	399,544	565	5,727	15,083
2007	317,608	1,835,273	525,402	701	6,125	18,237
2008	295,853	1,890,761	537,651	701	5,748	21,059

State Assessed Property (2)	Personal Property (3)	Total Taxable Assessed Property	Tax Exempt Property	Total Direct Tax Rate	Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ 18,753	\$ 30,204	\$ 1,378,928	\$ 88,010	7.375	\$ 10,217,341	13.50%
18,800	34,964	1,397,145	87,759	8.968	10,543,639	13.25%
20,011	33,721	1,771,577	78,420	8.557	14,458,229	12.25%
19,795	38,959	1,799,987	80,472	8.471	14,838,113	12.13%
18,613	36,792	1,775,807	85,700	8.784	16,213,974	10.95%
15,488	33,320	1,781,447	90,509	9.124	16,490,093	10.80%
15,358	36,689	1,887,535	94,611	8.949	17,634,639	10.70%
16,419	43,183	1,934,053	95,979	9.228	18,182,911	10.64%
23,305	51,369	2,726,651	101,812	7.903	26,064,189	10.46%
25,396	51,761	2,777,169	102,352	8.080	26,756,103	10.38%

From 1999 to 2008, commercial real property, vacant land, personal property and utilities were assessed at 29% of actual or depreciated value. Residential property is valued at market and all other property is valued considering the three approaches to appraisal (income, cost and market).

Residential real property was assessed as follows:

Year	Assessment Percentage	Base Year
1998	9.74%	1997 appraised value
2000	9.74%	1999 appraised value
2001	9.74%	1999 appraised value
2002	9.15%	2001 appraised value
2003	9.15%	2001 appraised value
2004	7.96%	2003 appraised value
2005	7.96%	2003 appraised value
2006	7.96%	2005 appraised value
2007	7.96%	2005 appraised value
2008	7.96%	2007 appraised value

Note: All residential and commercial properties are reappraised biennially from sales that occurred in the twenty-four month period ending June 30 of the odd-numbered base year bringing properties to their current market value. The residential assessment rate is set by the Colorado General Assembly and coincides with changes in value. This is constitutionally mandated and designed to even out the tax burden on residential property.

- (1) Property taxes levied for the year indicated are collected in the following year.
- (2) State assessed property is valued by the Colorado Property Tax Administrator and includes utilities (gas, electric and telephone), airlines and other companies.
- (3) This column totals the personal property values are included in each of the real property value categories.

Pitkin County, Colorado
Direct and Overlapping Property Tax Rates
(Unaudited)
(Rate per \$1,000 of assessed value)

Last Ten Years

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>
County direct rates				
General Fund	2.516	2.713	2.807	2.231
Road and Bridge	0.189	0.202	0.163	0.168
Social Services	0.086	0.056	-	-
Human Services and Other Grants	-	-	-	0.463
Bond Redemption	0.372	0.376	0.310	0.290
Open Space	2.514	3.806	3.758	3.773
Radio and TV. Translator	0.310	0.330	0.279	0.263
Total direct rates	5.987	7.483	7.317	7.190
School Districts rates				
Aspen School District RE-1	8.265	9.874	8.946	8.926
Roaring Fork School District REJT1.12	41.445	41.325	34.809	34.556
City and Town rates				
City of Aspen	5.401	5.385	5.401	5.442
Town of Basalt	3.902	3.902	6.618	6.498
Town of Snowmass Village	9.289	9.422	9.105	10.163
County-wide Districts rates				
Colorado Mountain College	3.655	3.997	3.997	3.997
Colorado River Water Conservancy	0.282	0.282	0.253	0.255
Aspen Valley Hospital (1)	1.500	1.500	1.500	1.500
Pitkin County Library (1)	1.158	1.239	1.038	1.072
Ambulance District rate	0.230	0.246	0.202	0.209
Fire Protection Districts rates	15.479	14.601	13.165	15.872
Water and Sanitation Districts rates	25.177	28.523	37.761	27.572
Other Special Districts rates	110.011	112.269	191.049	198.233

(1) The following districts in the county-wide category are currently supported by less than 100% of the total valuation of the County:

<u>Government</u>	<u>Percent of County Value</u>
Aspen Valley Hospital District	98.9%
Pitkin County Library District	93.0%

Source: Pitkin County Assessor's Office

2003	2004	2005	2006	2007	2008
2.456	2.508	2.413	2.483	1.871	1.922
0.178	0.170	0.175	0.180	0.137	0.141
-	0.027	0.026	0.025	0.037	0.036
0.488	0.501	0.484	0.648	0.489	0.501
0.260	0.255	0.233	0.223	0.113	0.173
3.772	3.769	3.764	3.760	3.757	3.760
0.278	0.285	0.276	0.283	0.216	0.223
7.432	7.515	7.371	7.602	6.620	6.756
8.955	8.969	10.458	10.294	8.622	9.355
33.709	41.246	37.265	37.009	34.246	33.942
5.431	5.437	5.471	5.419	5.459	5.467
6.447	6.669	6.474	6.560	5.058	5.181
10.328	11.030	10.705	11.015	9.546	9.509
3.997	3.997	3.997	3.997	3.997	3.997
0.255	0.252	0.230	0.221	0.191	0.198
1.500	1.500	1.500	1.500	1.280	1.280
1.131	1.383	1.357	1.398	1.113	1.148
0.221	0.226	0.221	0.228	0.170	0.176
15.767	19.044	18.674	20.321	19.193	19.198
33.010	20.259	16.125	18.199	17.516	17.694
219.931	331.942	405.126	453.611	398.226	443.184

Pitkin County, Colorado
Principal Property Taxpayers
(Unaudited)

Current Year and Ten Years Ago

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Aspen/Buttermilk/Snowmass Skiing Co./ Little Nell	\$ 63,526,670	1	2.29%	\$ 36,054,270	1	2.58%
Sheridan Luxury Trust, Aspen Dean Street, LLC	19,595,880	2	0.71%	23,761,040	2	1.70%
Base Village Owner LLC	15,227,790	3	0.55%	-	-	-
Silvertree Hotel of Snowmass	13,455,600	4	0.48%	14,507,280	3	1.04%
Hyatt Grand Aspen	12,398,820	5	0.45%	-	-	-
Ritz Carlton/Aspen Highlands Condo Assn	12,096,710	6	0.44%	-	-	-
Hotel Jerome/LCP Elyusian Aspen Owner LLC	9,610,890	7	0.35%	6,337,640	6	0.45%
ASPCOL Corporation NV	8,452,770	8	0.30%	-	-	-
Holy Cross Electric	8,390,200	9	0.30%	8,433,200	4	0.60%
Snowmass Club Associates LLC	7,966,720	10	0.29%	-	-	-
Maroon Creek, LLC	-	-	-	8,185,190	5	0.59%
Roaring Fork Club, LP	-	-	-	5,878,440	7	-
Hines Highland Ltd Partnership	-	-	-	5,347,200	8	0.38%
Baldwin, Harley	-	-	-	5,035,700	9	0.36%
U.S. West Communications	-	-	-	4,466,300	10	0.32%
Total	<u>\$ 170,722,050</u>		<u>6.16%</u>	<u>\$ 118,006,260</u>		<u>8.02%</u>
Total assessed valuation	<u>\$ 2,777,168,530</u>			<u>\$ 1,397,145,280</u>		

Source: Pitkin County Assessor's Office

Pitkin County, Colorado
Property Tax Levies and Collections (2)
(Unaudited)

Last Ten Years

Assessment and Levy Year	Collection Year	Taxes Levied for the Year (1)	Taxes Collected in Year following Levy (1)		Delinquent Taxes Collected in Collection Year	Total Collections to Date	
			Amount	Percent of Levy		Amount	Percent of Levy
1998	1999	\$ 8,689,639	\$ 8,650,805	99.55%	\$ 15,776	\$ 8,666,581	99.73%
1999	2000	9,742,781	9,571,783	98.24%	18,417	9,590,200	98.43%
2000	2001	12,059,664	12,050,252	99.92%	33,269	12,083,521	100.20%
2001	2002	14,669,017	14,538,835	99.11%	28,523	14,567,358	99.31%
2002	2003	14,734,146	14,666,199	99.54%	32,774	14,698,973	99.76%
2003	2004	15,057,705	14,985,290	99.52%	27,855	15,013,145	99.70%
2004	2005	15,670,264	15,645,259	99.84%	29,917	15,675,176	100.03%
2005	2006	16,269,924	16,225,100	99.72%	29,436	16,254,536	99.91%
2006	2007	17,193,155	17,146,326	99.73%	28,125	17,174,451	99.89%
2007	2008	20,872,808	20,800,559	99.65%	48,831	20,849,390	99.89%

(1) Taxes are levied by the board of County commissioners no later than December 22nd of each year and are payable in full by April 30th or in installments by June 15th of the following year. Since taxes are not levied and collected within the same year collection data is presented for the year following the tax levy to enhance comparability with other governments.

(2) Includes all governmental funds and Pitkin County Library District, except general improvement districts and the ambulance district.

Pitkin County, Colorado

**SALES TAX REVENUE BOND COVERAGE
(Unaudited)
Last ten years**

Year	Interest income	County 1% sales tax	Net revenue available for for debt service (1)	Debt Service Requirements			Times coverage (2)
				Principal	Interest	Total	
1998	\$ 29,055	\$ 4,177,143	\$ 4,206,198	\$ 345,000	\$ 260,124	\$ 605,124	7.0
1999	35,613	4,235,549	4,271,162	445,000	341,787	786,787	5.4
2000	45,409	4,419,034	4,464,443	465,000	313,973	778,973	5.7
2001 (3)	31,448	5,891,227	5,922,675	490,000	450,765	940,765	6.3
2002	16,432	5,676,508	5,692,940	530,000	451,585	981,585	5.8
2003	7,342	5,705,819	5,713,161	550,000	433,656	983,656	5.8
2004	7,525	6,181,421	6,188,946	575,000	414,956	989,956	6.3
2005	17,121	6,788,139	6,805,260	590,000	395,275	985,275	6.9
2006	25,269	7,268,521	7,293,790	610,000	374,985	984,985	7.4
2007	27,143	7,628,874	7,656,017	625,000	352,840	977,840	7.8
2008	15,722	7,715,882	7,731,604	350,000	328,310	678,310	11.4

- (1) The additional 1% County sales tax, implemented on July 1, 1985 and interest earned in the debt service fund are pledged as security for these bonds.
- (2) The bond covenants do not require a specific coverage factor. However, before additional parity bonds can be issued, historical coverage of existing and proposed debt service must be at least 2 times.
- (3) The intergovernmental agreement directing the distribution of the 1% sales taxes provides distributions to RFTA and municipalities are subordinate to debt service requirements.

**RATIO OF NET GENERAL BONDED DEBT TO
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
(Unaudited)
Last ten years**

Year	Population (4)	Assessed value	Gross bonded debt (6)	Debt service Moneys available	Net bonded debt	Ratio of net bonded debt to assessed value	Net bonded debt per capita
1999	14,394	\$ 1,378,927,680	\$ 10,100,000	\$ 210,713	\$ 9,889,287	0.72%	\$ 687.04
2000	14,309	1,397,145,280	18,590,000	212,242	18,377,758	1.32%	1,284.35
2001	14,591	1,771,577,340	22,320,000	225,108	22,094,892	1.25%	1,514.28
2002	14,815	1,799,987,440	21,775,000	248,112	21,526,888	1.20%	1,453.05
2003	16,426	1,775,806,980	21,595,000	67,035	21,527,965	1.21%	1,310.60
2004	16,266	1,781,447,430	20,925,000	82,181	20,842,819	1.17%	1,281.37
2005	16,420	1,887,535,000	20,235,000	98,693	20,136,307	1.07%	1,226.33
2006	16,420	1,934,052,050	21,445,000	105,737	21,339,263	1.10%	1,299.59
2007	16,607	2,726,651,000	20,670,000	105,000	20,565,000	0.75%	1,238.33
2008	16,607	2,777,168,530	19,860,000	91,500	19,768,500	0.71%	1,190.37

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES
(Unaudited)
Last ten years**

Year	Principal	Interest	Total debt service	Total general expenditures (6)	Ratio of debt service to total general expenditures
1999	\$ 330,000	\$ 722,070	\$ 1,052,070	\$ 41,314,555	2.5%
2000	345,000	764,309	1,109,309	49,041,549	2.3%
2001	520,000	1,136,564	1,656,564	64,280,419	2.6%
2002	545,000	1,333,255	1,878,255	43,046,097	4.4%
2003	275,000	1,163,596	1,438,596	33,695,741	4.3%
2004	670,000	1,008,158	1,678,158	40,136,968	4.2%
2005	690,000	983,903	1,673,903	49,789,057	3.4%
2006	715,000	964,291	1,679,291	43,397,247	3.9%
2007	775,000	910,246	1,685,246	59,015,215	2.9%
2008	810,000	1,151,487	1,961,487	56,695,469	3.5%

(4) Source: Demographics Statistics, page 138.

(5) 2007 is latest population amount available.

(6) Includes General, Special Revenue, and Debt Service Funds of the primary government.

Pitkin County, Colorado
Ratio of Outstanding Debt by Type
(Unaudited)

Last Ten Years

Year	Governmental Activities			Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita Personal Income (1)
	General Obligation Bonds & Notes	Sales Tax Revenue Bonds	Lease Certificates of Participation	Airport Revenue Bonds	Special Assessment bonds			
1999	\$ 10,100,000	\$ 6,135,000	\$ 4,415,000	\$ 3,175,000	\$ 85,000	\$ 23,910,000	0.23%	\$ 55,694
2000	18,590,000	5,670,000	3,955,000	2,915,000	65,000	31,195,000	0.21%	66,623
2001	22,320,000	10,150,000	3,480,000	2,640,000	45,000	38,635,000	0.18%	68,731
2002	21,775,000	9,620,000	2,980,000	3,705,000	25,000	38,105,000	0.18%	69,681
2003	21,078,345	9,070,000	2,455,000	3,246,726	-	35,850,071	0.19%	68,504
2004	20,925,000	8,495,000	2,125,000	1,100,952	-	32,645,952	0.23%	75,454
2005	20,235,000	7,905,000	1,715,000	1,812,681	-	31,667,681	0.22%	68,796
2006	21,445,000	7,295,000	1,460,000	2,436,918	65,000	32,701,918	0.24%	78,438
2007	20,670,000	6,670,000	1,195,000	2,152,740	61,692	30,749,432	0.26%	78,438
2008	19,860,000	6,320,000	915,000	1,859,865	56,323	29,011,188	0.21%	84,674 (2)

Note: Details regarding the county's outstanding debt can be found in the notes to the basic financial statements.

(1) See page 138 for personal income and population data.

(2) 2007 information latest available

Pitkin County, Colorado
Overlapping and Direct Governmental Activities Debt
(Unaudited)

As of December 31, 2008

Taxing Jurisdiction	General Obligation Long-Term Debt Outstanding	Self-Supporting (1) Long-Term Debt Outstanding	Net General Obligation Long-Term Debt Outstanding	Estimated Percentage Applicable (2)	Overlapping and Direct Debt
Overlapping Debt					
School Districts					
Aspen School district RE-1	\$ 61,725,000	\$ -	\$ 61,725,000	100.00%	\$ 61,725,000
Roaring Fork School District REJT1.12	108,474,984	-	108,474,984	21.00%	22,779,747
City and Towns					
City of Aspen (1)	15,920,000	15,920,000	-	100.00%	-
Town of Basalt	2,775,000	-	2,775,000	32.50%	901,875
Town of Snowmass Village	16,990,000	4,855,000	12,135,000	100.00%	12,135,000
Fire Districts					
Aspen Fire Protection District	13,305,000	-	13,305,000	100.00%	13,305,000
Basalt and Rural Fire Protection District	1,985,990	-	1,985,990	45.00%	893,696
Carbondale Fire Protection District	6,724,998	-	6,724,998	100.00%	6,724,998
Water and Sanitation Districts					
Aspen Consolidated Sanitation District	8,935,000	-	8,935,000	100.00%	8,935,000
Basalt Sanitation District	2,675,000	-	2,675,000	50.10%	1,340,175
Brush Creek Water District	1,610,000	-	1,610,000	100.00%	1,610,000
Redstone Water and Sanitation District	53,900	-	53,900	100.00%	53,900
Snowmass Water and Sanitation District	2,610,000	-	2,610,000	100.00%	2,610,000
Starwood Water and Sanitation District	3,405,000	-	3,405,000	100.00%	3,405,000
Library Districts					
Basalt Regional Library	11,082,640	-	11,082,640	47.50%	5,264,254
Other Districts					
Aspen Highlands Residential Metro District	7,750,000	-	7,750,000	100.00%	7,750,000
Buttermilk Metro District	3,505,000	-	3,505,000	100.00%	3,505,000
Holland Hills Metro District	1,125,000	-	1,125,000	100.00%	1,125,000
Crown Mountain Recreation District	4,865,000	-	4,865,000	41.95%	2,040,868
Total Overlapping Debt					<u>156,104,513</u>
Direct Debt					
Twining Flats general Improvement District					56,323
Pitkin County					<u>19,860,000</u>
Total Direct Debt					<u>19,916,323</u>
Total Overlapping and Direct Debt					<u>\$ 176,020,836</u>

(1) Self-supporting debt is backed by full faith and credit of the jurisdiction, however the city has a Real Estate Transfer Tax (RETT) that is used to repay this debt. If the RETT should lapse or not provide enough funding for these obligations, the city could levy a property tax for future repayments.

(2) The portion of debt applicable to Pitkin County is determined by the ratio of the assessed value of the portion of the applicable district located within county boundaries to the total assessed value of the applicable taxing district.

Sources: Debt amounts and percentages are provided by each governmental unit.

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Pitkin County, Colorado
Legal Debt Margin Information
(Unaudited)

Last Ten Years

	1999	2000	2001	2002
Valuation for Assessment of Property	\$ 1,378,927,680	\$ 1,397,145,280	\$ 1,771,577,340	\$ 1,775,806,980
Debt Limit, 3% of Valuation for Assessment (Per Colorado Revised Statutes, Section 30-35-201 (6b))	41,367,830	41,914,358	53,147,320	53,274,209
Amount of Debt Applicable to Limit General Obligation Bonds	10,100,000	18,590,000	22,320,000	21,775,000
Legal Debt Margin	<u>\$ 31,267,830</u>	<u>\$ 23,324,358</u>	<u>\$ 30,827,320</u>	<u>\$ 31,499,209</u>
Total debt applicable to the limit as a percentage of debt limit	24.42%	44.35%	42.00%	40.87%

2003	2004	2005	2006	2007	2008
\$ 1,781,447,430	\$ 1,781,447,430	\$ 1,887,535,000	\$ 1,934,052,050	\$ 2,726,650,670	\$ 2,777,168,530
53,443,423	53,443,423	56,626,050	58,021,562	81,799,520	83,315,056
21,595,000	20,925,000	20,235,000	21,445,000	20,670,000	19,860,000
<u>\$ 31,848,423</u>	<u>\$ 32,518,423</u>	<u>\$ 36,391,050</u>	<u>\$ 36,576,562</u>	<u>\$ 61,129,520</u>	<u>\$ 63,455,056</u>
40.41%	39.15%	35.73%	36.96%	25.27%	23.84%

Pitkin County, Colorado
Demographic and Economic Statistics
(Unaudited)

Last Ten Years

Year	Population	Personal Income (1)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
1999	14,394	\$ 801,659,436	\$ 55,694	38.5	1,538	3.3%
2000	14,309	\$ 953,308,507	66,623	38.5	1,527	2.6%
2001	14,591	\$ 1,002,854,021	68,731	38.3	1,488	4.2%
2002	14,815	\$ 1,032,324,015	69,681	38.7	1,684	4.4%
2003	16,426	\$ 1,125,246,704	68,504	39.8	1,673	4.2%
2004	16,266	\$ 1,227,334,764	75,454	40.6	1,778	3.4%
2005	16,420	\$ 1,129,634,726	68,796	41.6	1,806	2.8%
2006	16,420	\$ 1,287,950,000	78,438	42.1	1,792	2.3%
2007	16,607	\$ 1,406,178,000	84,674	42.5	1,736	2.5%
2008	N/A	N/A	N/A	N/A	1,854	3.7%

(1) Computation of per capita personal income multiplied by population.

Sources: Population and Median Age provided by Colorado Department of Local Affairs. Per Capita Personal Income provided by Bureau of Economic Analysis. School Enrollment provided by schools located in Pitkin County. Unemployment Rate by U.S. Department of Labor, Bureau of Labor Statistics.

Pitkin County, Colorado
Principal Employers
(Unaudited)

Current Year and Ten Years Ago

Employers	2009			2000		
	Number of Employees	Rank	Percentage of Total County Employment	Taxable Number of Employees	Rank	Percentage of Total County Employment
Aspen Skiing Company/Little Nell Hotel	3,400	1	28.45%	N/A		
Aspen Valley Hospital	409	2	2.41%			
City of Aspen	390	3	2.50%			
Silvertree Hotel of Snowmass	299	4	2.50%			
St. Regis Aspen Resort	288	5	2.41%			
Roaring Fork Transit Agency	272	6	2.13%			
Pitkin County	254	7	1.97%			
Aspen School District	235	8	1.41%			
Ritz Carlton	169	9	1.37%			
Hotel Jerome, Inc	164	10	1.37%			
Total	<u>5,880</u>		<u>46.52%</u>			
Total Pitkin County Labor Force (1)	<u>11,950</u>					

(1) Total Pitkin County Labor Force provided by Colorado Dept of Local Affairs data used.

Source: Number of Employees obtained directly from the employer.

Pitkin County, Colorado

SALES TAX COLLECTIONS
(Unaudited)
Last ten years

	1999 (5)	2000	2001	2002
2-Percent sales tax (1)	\$ 12,095,299	\$ 12,576,184	\$ 12,200,976	\$ 11,737,896
Seasonal composition				
Winter	59.0%	57.2%	59.0%	58.8%
Summer	41.0%	42.8%	41.0%	41.2%
Percentage increase (decrease)	0.5%	4.0%	-3.0%	-3.8%
1-Percent Transit sales tax (3) (4)	\$ 5,880,626	\$ 6,048,422	\$ 5,891,227	\$ 5,676,508
Percentage increase (decrease)	-1.0%	2.9%	-2.6%	-3.6%
Less payments				
To City of Aspen	554,742	561,362	2,445,633	2,265,588
To Snowmass Village	1,090,335	1,068,026	610,088	678,760
Total Deductions	1,645,077	1,629,388	3,055,721	2,944,348
Net payments to RFTA	\$ 4,235,549	\$ 4,419,034	\$ 2,835,506	\$ 2,732,160
Percentage increase (decrease)	1.4%	4.3%	-35.8%	-3.6%
1/2 Percent Transit Sales and Use Tax (6)				
Sales tax	\$ 3,022,783	\$ 3,173,527	\$ 3,087,143	\$ 2,947,576
Use Tax	510,498	493,570	489,096	469,937
	\$ 3,533,281	\$ 3,667,097	\$ 3,576,239	\$ 3,417,513
Percentage increase	4.4%	3.8%	-2.5%	-4.4%

1. The two-percent County-wide sales tax is distributed 43% to Pitkin County and 57% to the municipalities of Aspen, Snowmass Village, and Basalt. The winter season is December through may and the summer season is June through November.

2. Effective July 1, 1985 through December 31, 2000, the County implemented an additional 1% sales tax for transit purposes. Since at that time the total sales tax imposed by any county and city could not exceed four percent, Aspen and Snowmass Village reduced their sales tax levies to one percent from two, and the additional County tax was not imposed on the portion of Basalt in Pitkin County. The additional one percent County sales tax is distributed to the following entities:
 - a. City of Aspen - of that portion of the additional tax collected within the city limits:
 - i. 12.1% for maintenance and construction of Aspen Mall.
 - ii. up to 5.4% for food tax refunds due City residents.
 - iii. the amount required for debt service on the City's Sales Tax Refunding Revenue Bonds, Series December 1, 1982. These bonds were repaid in 1990.

 - b. Town of Snowmass Village - that portion of the additional tax collected within the town limits.
 - c. Transit Capital Projects and Debt Service Funds - \$300,000 to provided public transportation facilities and to pay related debt service.
 - d. Roaring Fork Transit Agency - the remainder of the tax, to operate and maintain its public transportation fleet and related facilities.

2003	2004	2005	2006	2007	2008
<u>\$ 11,831,990</u>	<u>\$ 12,822,448</u>	<u>\$ 14,178,348</u>	<u>\$ 15,203,474</u>	<u>\$ 15,938,167</u>	<u>\$ 16,088,635</u>
58.8%	58.8%	58.8%	58.6%	58.5%	60.0%
41.2%	41.2%	41.2%	41.4%	41.5%	40.0%
0.8%	8.4%	10.6%	7.2%	4.8%	0.9%
<u>\$ 5,705,819</u>	<u>\$ 6,181,421</u>	<u>\$ 6,788,139</u>	<u>\$ 7,268,521</u>	<u>\$ 7,628,874</u>	<u>\$ 7,715,882</u>
0.5%	8.3%	9.8%	7.1%	5.0%	1.1%
2,332,993	2,530,610	2,818,340	3,001,172	3,150,600	3,169,050
<u>626,558</u>	<u>675,631</u>	<u>702,668</u>	<u>769,010</u>	<u>806,497</u>	<u>833,178</u>
2,959,551	3,206,241	3,521,008	3,770,182	3,957,097	4,002,228
<u>\$ 2,746,268</u>	<u>\$ 2,975,180</u>	<u>\$ 3,267,131</u>	<u>\$ 3,498,339</u>	<u>\$ 3,671,777</u>	<u>\$ 3,713,654</u>
0.5%	8.3%	9.8%	7.1%	5.0%	1.1%
\$ 2,937,595	\$ 3,203,296	\$ 3,541,310	\$ 3,825,453	\$ 3,997,592	\$ 4,034,722
444,861	542,548	537,039	574,180	642,209	713,209
<u>\$ 3,382,456</u>	<u>\$ 3,745,844</u>	<u>\$ 4,078,349</u>	<u>\$ 4,399,633</u>	<u>\$ 4,639,801</u>	<u>\$ 4,747,931</u>
-1.0%	10.7%	8.9%	7.9%	5.5%	2.3%

3. The formation of a regional transportation district in 2001, resulted in the formation of the Roaring Fork Transportation Authority. This resulted in a change to the intergovernmental agreement between Pitkin County, the City of Aspen, Town of Snowmass Village and the Authority for the distribution of the 1% sales tax. Under the new agreement, the tax is distributed 48.131% to the Authority and 51.869% to the City of Aspen and Snowmass Village. The allocations to the City and Town are to be divided between the two on the basis of the actual collections within the municipal limits of each.
4. Excludes one time sales tax distributions made by the State of Colorado due to enforcement activities.

Pitkin County, Colorado

ANNUAL SKIER DAYS BY AREA (1)
(Unaudited)
Last ten years

<u>Year</u>	<u>Aspen Mountain</u>	<u>Buttermilk</u>	<u>Snowmass</u>	<u>Aspen Highlands</u>	<u>Grand Total</u>	<u>Percent Increase (Decrease)</u>
1999/2000	331,121	158,194	707,600	127,389	1,324,304	-7.5%
2000/2001	319,343	148,826	740,241	140,640	1,349,050	1.9%
2001/2002	310,381	145,683	676,505	136,136	1,268,705	-6.0%
2002/2003	315,130	141,077	699,701	157,317	1,313,225	3.5%
2003/2004	298,831	139,213	724,753	160,836	1,323,633	0.8%
2004/2005	304,497	148,390	747,303	167,390	1,367,580	3.3%
2005/2006	324,468	159,081	768,010	193,244	1,444,803	5.6%
2006/2007	327,750	153,831	769,570	193,496	1,444,647	0.0%
2007/2008	332,981	154,926	771,455	211,635	1,470,997	1.8%
2008/2009	304,052	126,976	733,579	199,431	1,364,038	-7.3%

(1) A skier day is a lift ticket issued to a child or adult for a full or half day of skiing.

Source: Aspen Ski Company

Pitkin County, Colorado
Full-Time Equivalent County Government
(Unaudited)

Last Nine Years

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Government									
Administrative Services	1.00	1.00	0.60	0.60	0.60	0.60	0.60	0.60	0.60
Assessor	9.00	9.00	9.00	9.00	9.00	9.00	9.00	10.00	10.00
Board of County Commissioners	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Clerk and Recorder	9.60	9.80	9.80	9.70	9.70	9.45	9.55	10.55	10.55
County Attorney	4.50	4.75	4.00	4.00	4.00	4.00	5.00	5.00	5.00
County Manager	3.75	3.75	4.60	3.80	3.80	3.80	4.80	4.80	3.80
Facilities	9.00	9.75	9.75	9.25	9.25	9.75	10.75	10.75	10.00
Finance	12.00	11.00	10.80	11.80	11.80	10.40	8.80	8.80	8.80
Human Resources	4.80	4.85	4.60	3.60	3.60	3.40	3.40	3.80	3.80
Public Relations	0.38	1.10	1.30	1.30	1.30	1.30	1.30	1.25	1.00
Technical Coordinator	-	-	-	-	-	-	-	-	1.00
Treasurer	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Judicial and Public Safety									
Civil	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
Communications Center	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	16.00
Detention	12.00	12.00	12.00	11.80	11.80	11.80	11.80	11.80	11.80
District Attorney	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00
Emergency Management	-	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sheriff	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	26.00
Radio/Phones	2.60	3.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Building Inspections	5.80	6.50	6.00	6.00	6.00	6.00	7.00	7.00	7.00
Planning and Zoning	9.00	10.60	10.33	9.33	9.33	9.33	10.00	10.50	10.50
Public Works									
Administrative Services	5.30	7.03	5.50	5.00	5.00	6.20	5.20	5.20	6.20
Fleet Services	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00
Land Management	1.00	0.50	0.50	0.50	1.00	1.00	1.00	1.00	1.00
Road and Bridge	11.00	10.50	11.50	11.50	12.00	10.00	10.00	10.00	10.00
Translator	1.75	1.75	1.80	1.80	0.80	0.80	0.80	0.80	0.80
Health and Welfare									
Animal Safety	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Environmental Health	3.50	4.00	4.00	3.00	3.00	5.00	5.00	5.00	6.00
Human Services	1.37	1.50	1.50	1.50	1.50	1.50	1.50	1.75	2.00
Senior Services	3.50	3.50	3.50	3.50	3.50	3.50	4.05	4.85	5.05
Social Services	4.00	4.00	3.00	3.00	3.00	3.00	3.00	3.00	2.00
Wildlife Management	1.00	0.34	0.34	0.34	0.34	-	-	-	-
Cultural and Recreation									
Library	16.85	17.05	17.05	17.70	18.10	17.75	21.20	20.98	20.98
Open Space and Trails	2.00	3.18	3.93	3.33	3.33	3.33	5.00	5.00	5.00
Business-type									
Airport Operations	17.00	22.00	24.20	25.00	24.00	23.00	23.00	25.40	25.40
Solid Waste and Recycling	15.00	15.00	15.40	16.90	16.90	16.15	12.00	12.00	12.00
	<u>224.45</u>	<u>236.20</u>	<u>235.75</u>	<u>234.00</u>	<u>233.40</u>	<u>230.81</u>	<u>234.50</u>	<u>241.58</u>	<u>245.03</u>

Note: The numbers presented above are the number of FTE's (full-time equivalents) rounded to the nearest whole number. These numbers are from the final payroll of each respective year at December 31. The numbers do not take into account any seasonal employment or fluctuations in staffing throughout the year, nor do they include vacancies at year-end. Information prior to 2000 is not available.

Source: Pitkin County Human Resources

Pitkin County, Colorado
Operating Indicators by Function/Program
(Unaudited)

Last Ten Years

Function/Program	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Government										
Assessor										
Property transfers	2,113	2,040	1,737	1,550	1,720	1,870	2,257	2,138	1,505	1,453
Public Trustee										
Number of completed foreclosures	-	-	-	-	-	-	12	22	12	35
Clerk and Recorder										
Number of vehicle registrations	17,912	17,791	16,109	19,536	19,673	16,839	17,435	18,132	18,419	18,990
Number of registered voters	13,013	14,030	12,376	12,973	11,881	13,279	12,509	12,980	12,142	13,307
Human Resources										
Number of job applications processed	N/A	N/A	N/A	N/A	N/A	450	900	650	852	1046
Judicial and Public Safety										
Coroner										
Number of deaths investigated	27	N/A	44	29	24	22	30	33	23	29
Detention										
Average daily population	18	16	18	21	14	14	14	16	15	16
District Attorney										
Number of Felony cases	112	68	92	73	72	91	120	84	65	96
Number of juvenile cases	21	31	34	19	9	19	10	34	24	9
Sheriff										
Incidents handled by patrol and investigations	909	800	864	889	837	749	910	856	926	812
Building Inspections										
Number of building permits issued	309	286	307	177	141	154	220	220	415	364
Planning and Zoning										
Number of land use applications processed	175	197	194	182	152	227	258	271	182	199
Public Works										
Road and Bridge										
County roads (center lane miles)	267	268	270	266	266	266	264	265	265	265
Bridges	26	26	26	26	26	26	26	26	26	26
Health and Welfare										
Animal Control										
Number of animals placed in shelter	148	149	178	163	230	156	139	169	127	152
Environmental Health										
Number of food service inspections	210	182	183	86	176	168	169	165	156	165
Number of septic system permit reviews	111	86	89	102	82	101	96	101	102	104
Grant Administration										
Number of county grant applications processed	16	15	26	28	28	39	39	44	57	55
Senior Services										
Number of senior lunches	7,847	7,726	7,531	7,420	8,104	9,392	9,928	10,891	10,570	10,047
Number of requests for transportation	4,997	5,026	4,455	5,075	5,819	6,799	7,395	7,592	7,592	9,219
Social Services										
Number of residents receiving public assistance	188	137	121	187	167	201	N/A	184	165	250
Cultural and Recreation										
Library										
Number of books	79,210	81,912	84,901	87,858	92,604	94,163	95,331	100,936	104,541	109,413
Open Space and Trails										
Acres of land reserved for open space	7,578	7,722	8,350	8,729	10,256	10,646	12,840	14,923	16,000	16,431
Trails maintained (lane miles)	45.61	32.62	32.62	34.62	34.89	35.18	38.01	40.00	40.00	43.00
Business-type										
Airport Operations										
Number of enplaned passengers	213,903	214,816	187,622	183,704	189,604	183,719	198,422	206,429	204,678	183,632
Solid Waste and Recycling										
Cubic yards of solid waste processed	259,000	229,000	261,000	207,000	228,000	216,000	224,000	323,000	295,000	347,094
Recycled tons processed	3.2	2.9	2.7	3.2	3.7	4.3	4.8	4.4	5.5	3.01

Source: Information provided by individual Pitkin County departments

Pitkin County, Colorado

**AIRPORT OPERATIONS AND ENPLANED PASSENGERS
(Unaudited)
Aspen-Pitkin County Airport**

Last ten years

Year	Itinerant operations (1)			Local Operations (2)		Percent Change	Enplaned Passengers	Percent Change
	Air Carrier	General Aviation	Total	General Aviation	Total Operations			
1999	11,227	31,724	42,951	3,074	46,025	3.0%	213,903	-13.9%
2000	14,831	30,016	44,847	3,642	48,489	5.4%	214,816	0.4%
2001	15,996	27,978	43,974	1,998	45,972	-5.2%	187,622	-12.7%
2002	16,936	27,335	44,271	2,078	46,349	0.8%	183,704	-2.1%
2003	16,614	24,504	41,118	1,745	42,863	-7.5%	189,604	3.2%
2004	17,701	25,020	42,721	1,229	43,950	2.5%	183,719	-3.1%
2005	17,668	25,159	42,827	1,333	44,160	0.5%	198,422	8.0%
2006	19,258	24,693	43,951	728	44,679	1.2%	204,678	3.2%
2007	19,078	22,039	41,117	1,231	42,348	-5.2%	183,632	-10.3% (3)
2008	20,698	20,192	40,890	3,613	44,503	5.1%	222,881	21.4%

(1) A landing or takeoff when aircraft enters into or leaves Aspen airspace.

(2) A landing or takeoff when aircraft remains in Aspen airspace.

(3) Pitkin County Airport was closed from April 9, 2007 to June 7, 2007

Source: Pitkin County Airport Manager

Pitkin County, Colorado

CONSTRUCTION AND PROPERTY VALUE

(Unaudited)

Last ten years

Levy Year	Non-residential construction (1)		Residential Construction (1)	
	Number of units	Value	Number of units	Value
1999	25	\$ 28,723,194	284	\$ 166,200,873
2000	8	991,201	281	180,068,967
2001	22	7,704,771	285	70,855,772
2002	13	9,441,400	164	114,432,226
2003	11	11,476,905	151	116,081,297
2004	9	4,797,556	371	122,881,036
2005	15	13,668,750	323	158,636,715
2006	42	66,525,425	336	174,499,460
2007	94	38,217,615	676	188,959,446
2008	122	126,031,231	213	157,219,095

New construction in Pitkin County including additions, alterations and conversions.

Source: Aspen/Pitkin County Building Department and Town of Snowmass Village Building Department.

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Pitkin County, Colorado
Capital Asset Statistics by Function/Program
(Unaudited)

Last Ten Years

Function/Program	1999	2000	2001	2002
General Government				
Land	\$ 10,800	\$ 10,800	\$ 10,800	\$ 10,800
Buildings	5,333,324	5,283,286	5,710,042	7,105,516
Improvements	41,178	47,739	64,934	64,935
Equipment	2,603,183	2,055,880	2,209,575	2,357,921
Infrastructure	-	-	-	-
Total General Government	7,988,485	7,397,705	7,995,351	9,539,172
Public Safety				
Land	392,693	392,693	392,694	392,693
Buildings	3,233,087	3,188,885	3,238,911	3,769,280
Improvements	9,944	7,840	7,840	7,840
Equipment	3,956,282	2,038,419	2,031,104	2,264,791
Total Public Safety	7,592,006	5,627,837	5,670,549	6,434,604
Public Works				
Land	8,103,174	8,103,174	8,100,824	1,242,025
Buildings	2,278,382	2,283,036	2,504,794	8,604,791
Improvements	459,365	456,190	456,190	532,675
Equipment	3,552,930	3,125,053	3,462,543	3,539,150
Infrastructure	-	-	-	-
Total Public Works	14,393,851	13,967,453	14,524,351	13,918,641
Health and Welfare				
Land	-	-	-	-
Buildings	1,966,969	1,954,624	1,954,623	2,950,918
Improvements	74,442	65,907	79,770	79,770
Equipment	216,125	65,746	76,131	117,104
Infrastructure	-	-	-	-
Total Health and Welfare	2,257,536	2,086,277	2,110,524	3,147,792
Cultural and Recreation				
Land	20,232,448	26,011,725	32,320,427	32,759,043
Buildings	11,656	10,256	10,256	10,256
Improvements	172,915	167,677	215,477	224,216
Equipment	11,591	49,479	64,529	69,546
Infrastructure	-	-	-	-
Total Cultural and Recreation	20,428,610	26,239,137	32,610,689	33,063,061

2003		2004		2005		2006		2007		2008	
\$	10,800	\$	10,800	\$	10,800	\$	10,800	\$	2,263,452	\$	2,263,452
	7,243,222		7,307,461		7,538,569		7,666,508		7,666,508		6,702,330
	204,512		204,512		204,512		204,512		204,511		169,292
	2,243,150		2,549,173		2,942,661		3,033,194		3,130,537		3,813,303
	-		32,768		32,768		32,768		32,768		32,768
	9,701,684		10,104,714		10,729,310		10,947,782		13,297,776		12,981,145
	392,693		392,694		392,693		392,693		392,693		392,693
	4,213,259		4,218,711		4,284,361		4,290,043		4,295,094		4,188,220
	23,696				23,696		23,696		23,696		23,696
	2,235,984		2,437,173		2,272,991		2,445,054		2,571,506		2,932,562
	6,865,632		7,048,578		6,973,741		7,151,486		7,282,989		7,537,171
	2,636,599		2,636,598		2,636,598		2,636,598		2,636,598		2,636,598
	8,604,792		8,604,791		8,622,819		8,622,819		8,647,833		8,650,590
	519,597		519,598		519,598		519,598		519,598		658,646
	3,733,106		3,759,407		4,040,549		3,488,445		3,808,547		4,172,762
	25,981,675		25,981,675		26,035,967		27,058,668		27,222,384		30,175,659
	41,475,769		41,502,069		41,855,531		42,326,128		42,834,960		46,294,255
	-		-		-		-		-		-
	2,950,917		2,956,939		3,156,939		3,166,861		3,166,861		4,280,106
	95,243		95,242		95,242		95,242		95,243		95,243
	119,549		130,292		152,589		146,227		151,664		149,703
	-		56,374		56,374		56,373		56,373		56,373
	3,165,709		3,238,847		3,461,144		3,464,703		3,470,141		4,581,425
	40,523,880		46,338,991		58,142,877		58,444,248		74,832,801		88,638,364
	54,854		59,181		59,181		59,181		59,181		59,181
	418,739		418,740		436,771		498,870		498,870		488,870
	122,150		130,952		156,278		180,249		251,059		201,580
	5,903,775		5,903,775		6,494,844		6,494,844		10,054,340		10,054,340
	47,023,398		52,851,639		65,289,951		65,677,392		85,696,251		99,442,335

(Continued)

Pitkin County, Colorado
Capital Asset Statistics by Function/Program (continued)
(Unaudited)

Last Ten Years

Function/Program	1999	2000	2001	2002
Conservation of Natural Resources				
Land	\$ -	\$ -	\$ -	\$ -
Buildings	2,375	-	-	-
Improvements	-	-	-	-
Equipment	134,020	131,702	126,685	131,702
Infrastructure	-	-	-	-
Total Conservation of Nat. Resources	136,395	131,702	126,685	131,702
Housing and Development				
Land	4,955,498	4,959,498	5,213,690	5,507,548
Buildings	901,157	901,157	900,000	900,000
Improvements	32,562	32,562	32,562	32,562
Equipment	-	-	-	-
Total Housing and Development	5,889,217	5,893,217	6,146,252	6,440,110
Total Governmental				
Construction in Progress	1,332,795	1,732,573	3,292,003	546,683
Total Governmental	\$ 60,018,895	\$ 63,075,901	\$ 72,476,404	\$ 73,221,765
Business-type				
Airport				
Land	\$ 8,920,991	\$ 8,920,991	\$ 10,477,630	\$ 10,480,840
Construction in Progress	4,113,039	7,942,784	4,987,896	8,222,305
Buildings	5,089,765	5,100,793	5,531,397	5,545,589
Improvements	12,260,762	10,474,470	15,069,229	15,573,644
Equipment	2,467,109	2,634,663	4,040,162	3,809,185
Total Airport	32,851,666	35,073,701	40,106,314	43,631,563
Solid Waste Center				
Land	50,000	50,000	50,000	50,000
Construction in Progress	190,198	212,944	12,841	-
Buildings	462,361	490,035	503,175	503,175
Improvements	882,883	890,940	1,121,530	1,201,862
Equipment	902,742	858,111	872,893	907,264
Total Solid Waste Center	2,488,184	2,502,030	2,560,439	2,662,301
Total business-type	\$ 35,339,850	\$ 37,575,731	\$ 42,666,753	\$ 46,293,864

Source: Pitkin County Fixed Asset Management System

2003		2004		2005		2006		2007		2008	
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
	-		-		-		-		-		-
	-		-		-		-		-		-
	137,734		130,821		130,821		137,823		127,833		127,833
	-		-		-		-		-		-
	<u>137,734</u>		<u>130,821</u>		<u>130,821</u>		<u>137,823</u>		<u>127,833</u>		<u>127,833</u>
	5,573,262		5,573,262		2,758,510		730,050		730,050		730,050
	-		-		-		-		-		-
	32,562		32,562		-		-		-		-
	-		-		-		-		-		-
	<u>5,605,824</u>		<u>5,605,824</u>		<u>2,758,510</u>		<u>730,050</u>		<u>730,050</u>		<u>730,050</u>
	470,697		3,748,740		477,859		8,683,598		7,659,721		4,150,177
\$	<u>114,446,447</u>	\$	<u>124,231,232</u>	\$	<u>131,676,867</u>	\$	<u>139,118,962</u>	\$	<u>161,099,721</u>	\$	<u>175,844,391</u>
\$	10,480,840	\$	10,480,840	\$	10,480,840	\$	10,480,840	\$	10,480,840	\$	10,829,235
	3,015,331		13,937,749		20,878,078		28,187,163		40,662,297		21,097,613
	5,735,816		7,566,547		6,706,182		6,798,861		7,122,651		18,717,688
	22,028,413		22,811,019		29,961,930		30,401,479		30,964,267		30,841,247
	3,820,695		4,244,718		5,678,188		6,252,770		6,287,745		6,504,783
	<u>45,081,095</u>		<u>59,040,873</u>		<u>73,705,218</u>		<u>82,121,113</u>		<u>95,517,800</u>		<u>87,990,566</u>
	50,000		50,000		50,000		50,000		50,000		50,000
	37,394		214,765		37,394		2,531		263,799		25,235
	503,175		493,183		665,070		665,070		665,070		546,460
	1,243,729		1,308,725		1,387,152		1,639,451		2,055,845		3,337,549
	1,065,143		1,050,430		1,145,153		1,170,746		1,227,292		1,054,674
	<u>2,899,441</u>		<u>3,117,103</u>		<u>3,284,769</u>		<u>3,527,798</u>		<u>4,262,006</u>		<u>5,013,918</u>
\$	<u>47,980,536</u>	\$	<u>62,157,976</u>	\$	<u>76,989,987</u>	\$	<u>85,648,911</u>	\$	<u>99,779,806</u>	\$	<u>93,004,484</u>