

**PITKIN COUNTY, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year ended December 31, 2013**



**Prepared by
Finance Department**

**John Redmond
Finance Director**

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Pitkin County, Colorado
Comprehensive Annual Financial Report
For the Year Ended December 31, 2013

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Annual Financial Report

INTRODUCTORY SECTION

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FINANCE

LETTER OF TRANSMITTAL

June 27, 2014

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, 2013.

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 position 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 of County Commissioners (BOCC), the financial community, and the public in understanding the County's financial affairs.

This report includes all activities for which the BOCC is accountable, financially or by State Statute, to the citizens of Pitkin County. 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

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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 fiduciary component entities is the Pitkin County Public Employees Retirement Plan which is reported as a pension trust fund. 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 positions and changes in financial positions 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. McMahan & Associates 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 unmodified opinion that the County's financial statements for the year ended December 31, 2013 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 81% is publicly owned and is controlled by the U.S. Forest Service and the Bureau of Land Management. Estimated population of the County is 17,206. 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, planning and zoning, 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. 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. 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 \$50,000 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 \$4 million (including the statutory reserve) to provide a working capital reserve.

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 May accounts for 59.3% of the annual total while the months of June through November account for 40.7% of the annual total. The County estimates that spending by area residents and second homeowners accounts for approximately 39.1% 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		2% Sales Tax		Taxable Retail Sales		Real Estate Sales		
Millions	% increase (Decrease)	Millions	% increase (Decrease)	Millions	% increase (Decrease)	Millions	% increase (Decrease)	
2009	\$ 95.3	-66.3%	\$ 13,313,300	-17.3%	\$ 665,665,000	-17.3%	\$ 1,071.8	-21.5%
2010	108.1	13.4%	14,148,776	6.3%	707,438,800	6.3%	1,263.0	17.8%
2011	103.3	-4.4%	15,215,285	7.5%	760,764,250	7.5%	1,268.6	0.4%
2012	128.2	24.1%	15,659,281	2.9%	782,964,050	2.9%	1,486.7	17.2%
2013	136.3	6.3%	16,737,908	6.9%	836,895,400	6.9%	1,311.4	-11.8%

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. Due to current economic conditions, construction on this project was halted in 2009. Building permit valuations decreased by 66% through the end of 2009 compared to 2008, and increased by 13% in 2010 over 2009. Building permit valuations in 2011 were slightly down from 2010 levels. A 24% increase was seen in 2012; however, this was due to mostly to a large project. (Aspen Music Festival & School) Looking forward, management is taking a 5% increase annually for the next three years. Thanks to increased building activity and improved collection procedures, building permit revenues increased by 72% in 2013. Actual building permit value increased by 6.3% in 2013.

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 continued to decrease throughout 2009, with taxable retail sales down 17.3% compared to 2008. Sales tax revenue in 2010 increased by 6.3% compared to 2009, half of the increase coming from an elimination of vendor rebates. Sales tax continued to increase in 2011 by 7.5% and slowed to an increase of 2.9% in 2012. Sales tax

increased by 6.9% in 2013. Looking forward, management is taking a modest 3.5% increase annually for the next five years.

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 continued in 2009 with a total decrease of 21.5% compared to 2008. Significant reductions in prices have occurred in the latter half of 2009 through 2011. Real estate sales for 2012 increased by a substantial 17.1% followed by a decrease of 11.8% in 2013.

The downturn in the economy, which began in 2008, made 2009 an extremely challenging year. The BOCC directed staff to make reductions in spending. The BOCC, in the approval of the 2009 budget, chose to spend unrestricted fund balance to cover the projected deficit in an effort to avoid additional reductions in services and staffing. We have seen an overall increase in revenues annually from 2010-2013. Those increases in revenue, alone with caution in replacing vacant or creating new positions, will assist us in our achieving a balanced budget over the next five years.

One of our most impactful financial initiatives in the last five years was to expand the level of knowledge of the budget to a greater number of people, increase budget accountability, improve the detail and timeliness of data, and to make quarterly budget updates to the BOCC that included projections to the end of the year. We have seen the benefits of our efforts in increased efficiencies, higher productivity, and an overall greater level of engagement with respect to the budget. These are positively affected our planning process for the 2014 budget and five year plan through greater savings and the addition of new revenues.

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 2013 that support the plan's strategic statements (listed in bold italics)

❖ ***Vibrant and Supportive Community***

- **Healthy Community Fund** - The Citizen Grant Review Committee reviewed 75 applications and recommended 2013 grant funding for 68 programs (nonprofits, county senior services and contract management) in the amount of \$1,825,295, broken down as follows:
 - 37 Health & Human Service agency proposals in the amount of \$1,574,295, and
 - 31 Community Non-Profit proposals in the amount of \$251,000.
- **Workforce Housing Plan** – Affordable housing options for the community's workforce continues to be limited, especially for home ownership. The BOCC has committed 50% of their housing fee funds for the development of housing of Pitkin County employees and 50% for community employees eligible for affordable housing. Two housing acquisitions were made in 2013. \$3,250,000 was allocated to the 2013 budget for the acquisition and development of housing for community and County employees. The County's Employee Housing Ownership Program was funded with \$300,000 3 years ago and has provided 10 County employees with

interest-free loans from \$15,500 to \$20,000 for their primary residence. Over \$129,000 remains available for additional home loans.

- **Library Improvements** - The Library Board engaged the services of Snowdon and Hopkins Architects, PC. They are preparing a design for an addition to be built on the library's easement atop the City Parking Garage to the east of the library. The addition will provide space for an expanded children's room and for a new community meeting room. It will be built as new waterproofing is installed on the roof of the garage.
- **Emergency Assistance Fund** - The Emergency Assistance Fund was established in January of 2009 with monies from the Healthy Community Fund and the El Pomar Foundation. This fund assists people who have no other resources for financial support for rent/mortgage, food, temporary shelter, medical/dental care, or transportation. Funding for this was doubled in 2010 and continued through 2013.

❖ *Flourishing Natural and Built Environment*

- **Airport Design Guidelines** – The master plan update was approved in 2012. As a condition of the approval, the Board directed staff to pursue two further planning elements; the creation of design guidelines and a study of surface transportation best practices. To deliver a concise and meaningful work product that is reflective of community values, a citizen task force comprised of representatives from neighbors, users, and members of our local professional planning and design community has been appointed by the Board to provide guidance and input to the project.
- **Open Space and Trails** – OST has accumulated over 4,800 acres of fee owned land, 14,500 acres of conservation easements and 70 miles of trail. In 2013, Pitkin and Eagle County acquired the Glassier Ranch, which is adjacent to the recently purchased Red Ridge Ranch. This purchase protects another 135 acres of agricultural lands and significant water rights. Over 5 miles of new singletrack was built on Sky Mountain Park and are getting rave reviews from mountain bikers. Planning for the Roaring Fork Gorge and Elk Park was also completed in 2013, which will lead to new trails and protection of the Roaring Fork River and new park amenities and a visitor center.
- **Flood Support** – Record flooding occurred in Colorado in September of 2013. Pitkin County, City of Aspen, and Mountain Rescue Association provided support to those counties in need in many areas. Personnel from public safety, building inspectors, public information officers, swift water rescue teams, animal control, emergency services, public works, human services, and finance were employed to assist in the effort. A total of thirty-five individuals were involved in the effort. Pitkin County was not affected by the flooding.
- **Airport Security** - At least annually, the Federal Aviation Administration (FAA) inspects commercial service airports for compliance with Federal standards. The FAA inspection process includes checking all aspects of airport operations on the airfield from lighting marking, signage as well as an assessment of record keeping. Recently the FAA conducted this inspection at the Aspen/Pitkin County Airport and found it to be 100% in compliance with these regulations.

- **Rio Grande Trail Improvement** – The Open Space and Trails (OST) Fund continues to 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. Phase one started in 2010 and finished in 2011. Phase two was completed in 2013 with partial funding coming from a CMAQ grant.
- **FM Radio and Television Translator** – The County participated in the NWCCOG's development of a Broadband Strategic Plan. For the coming year plans on how to carry out strategic initiatives will be supported by a grant from DOLA. Sites for constructing cellular infrastructure were identified in 5 locations with plans for building those sites targeted for 2014 and 2015. The County continues to participate in surveys evaluating cellular and broadband speeds to help with future planning processes

❖ *Prosperous Economy*

- **Budget** - A balanced 2013 budget and 5-year plan were adopted despite rising labor and benefit costs and increased capital spending. A budget review team was created that included all Leadership team members and several managers from a wide number of departments to provide a diverse review of budgets. Staff provided the Board with quarterly budget status reports throughout the year.
- **Sustainable Economy** – The County has accelerated major capital projects to take advantage of lower prices and to assist in job creation. Those projects include major road paving, Aspen Airport Business Center paving and drainage, and the underpass of highway 82 at the airport.
- **Affordable and Quality Healthcare** – The County is working with employers, non-profits, and healthcare providers to develop affordable medical and dental care and insurance options in the region. The goal also includes developing incentives for medical providers in the region to serve Medicare and Medicaid populations and to support development of electronic infrastructure to share information.

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, 2012. 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 thirty-one 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



Jon Peacock
County Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

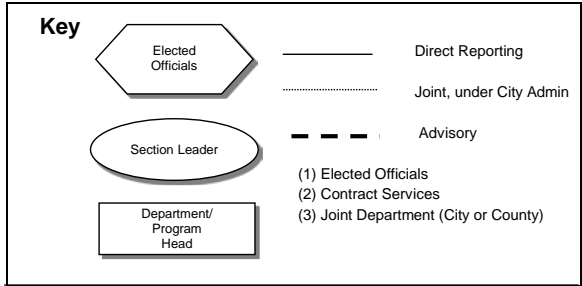
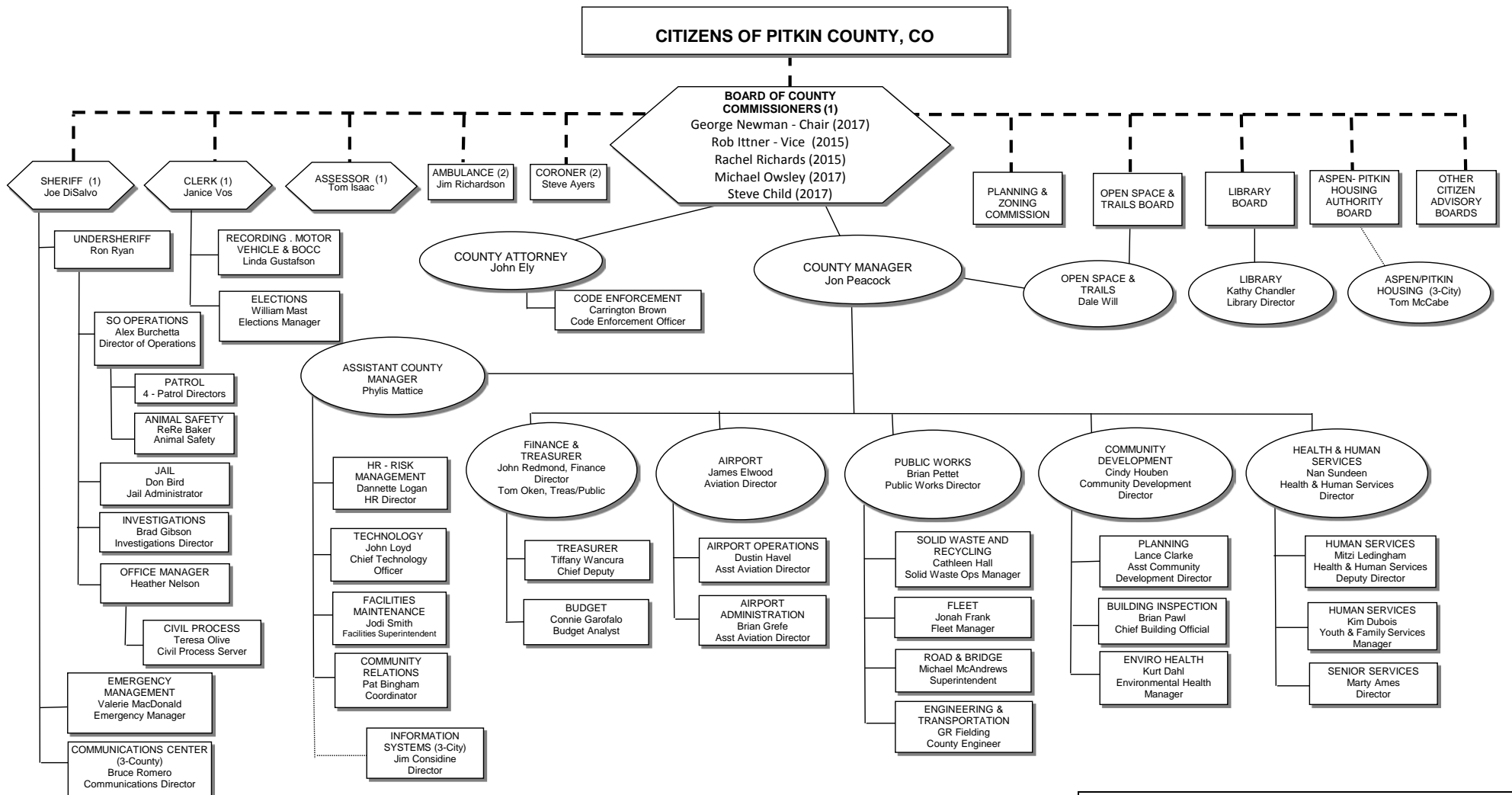
Presented to

**Pitkin County
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

Executive Director/CEO



Pitkin County, Colorado

Principal County Officials

December 31, 2013

Elected Officials

District 1	Rob Ittner (Vice Chair)
District 2	Rachel Richards
District 3	Michael Owsley
District 4	Steve Child
District 5	George Newman (Chair)
Assessor	Tom Isaac
Clerk & Recorder	Janice Vos Claudill
Sheriff	Joe DiSalvo

County Manager

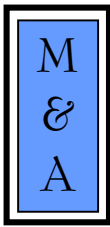
Jon Peacock

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2013
Annual Financial Report

FINANCIAL SECTION

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MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT

**To the Board of County Commissioners
Pitkin County, Colorado**

Report on the Financial Statements

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, 2013, and the related notes to the financial statements, which collectively comprise Pitkin County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion 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 from material misstatement.

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

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

Member: American Institute of Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT
To the Board of County Commissioners
Pitkin County

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, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 7 – 21 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information on pages 72 – 75 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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 fund financial statements, individual fund budgetary information, combined schedule of cash and investments, combined schedule of governmental revenues by source, the *Local Highway Finance Report*, and the statistical section listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of Pitkin County's financial statements. The combining fund financial statements, the individual fund budgetary information, combined schedule of cash and investments, combined schedule of governmental revenues by source, and the *Local Highway Finance Report* are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory and statistical sections 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.

**INDEPENDENT AUDITOR'S REPORT
To the Board of County Commissioners
Pitkin County**

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2014 on our consideration of Pitkin County's internal control over financial reporting and on our tests of its compliance with provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Pitkin County's internal control over financial reporting and on compliance.

**McMahan and Associates, L.L.C.
June 23, 2014**

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Pitkin County, Colorado (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Pitkin County, Colorado for the fiscal year ending December 31, 2013. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages v – xii of this report.

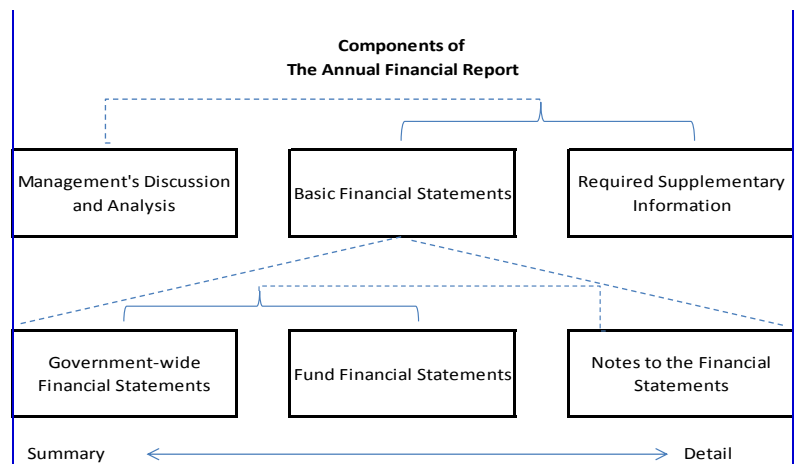
FINANCIAL HIGHLIGHTS

- The County's total net position exceeded its liabilities by \$316,008,716 (net position) at the end of 2013, reflecting an increase of \$13,664,419 (4.5%) in net position during 2013. Net position is defined as assets and deferred outflows minus liabilities and deferred inflows. Governmental activities increased \$12.6 million (6.2%) and business-type assets increased \$.9 million (1.1%). Of this amount, \$247 million represented the net investment in capital assets and the remaining \$69.0 million supports County programs.
- The County issued \$2.845 million of general obligation debt to call and retire the outstanding balance (\$2.81 million) of the 2003 General Obligation debt. These new bonds mature over the same term as the original bonds but carry a lower interest rate resulting in \$300,981 reduction in future debt service payments. This represents a present value savings of \$263,916.
- Open Space and Trails fund continues to acquire open space properties and construct improvements to its trails. During 2013 the program, funded by a dedicated property tax, purchased Red Ridge Ranch (formally known as Saltonstall) and easements at Capitol Creek and on Redstone river frontage. In addition, several trail improvements took place including addition of a bridge on the middle section of the Rio Grande Trail, new trail construction on Sky Mountain, and a bridge on Brush Creek trail.
- The County continues to invest in its road infrastructure. Two significant projects were started in 2013:
 - The Highway 82 pedestrian underpass at the airport is a \$5.5 million project that was jointly funded by the Roaring Fork Transit Authority (RFTA), Colorado Department of Transportation (CDOT), and the County. County contributed \$2.6 million in 2013 with an additional \$1 million anticipated to complete the project. Of the total, \$2 million is funded from the .5% transit sales tax. The entire cost of the project is included in RFTA's financial report so this report only reflects the County's contribution to the project.
 - Improvements to the infrastructure at the Aspen Airport Business Center totaling \$2.15 million were expensed during 2013.
 - Neither of these projects were completed in 2013, so budget adjustments totaling \$2.1 million will be made to the 2014 budget to fund completion of the projects.

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 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 Position** presents financial information on all funds of Pitkin County's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the 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** presents information showing how the County's net position changed during the current calendar year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave). 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, fees and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities include primarily general government, public safety, public works, housing, culture and recreation, and health and welfare. Business-type activities include the airport and the solid waste center (landfill and recycling).

The government-wide financial statements include not only the County itself (known as the *primary government*), but also a legally separate library district and the E-911 Emergency telephone services fund for which the County is financially accountable. Financial information for these *component units* are reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 25 through 27 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. Fund financial statements focus on the County's most significant funds rather than the County as a whole. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary 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, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The governmental fund statements provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains four major governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General fund, Open Space and Trails fund, the Transportation Sales and Use Tax fund, and the Housing Impact Fee fund. Data from the other non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the report.

The County adopts a budget for all its general governmental and proprietary funds. A budgetary comparison statement has been provided for all funds to demonstrate compliance with the state budget statute.

The basic governmental fund financial statements are presented on pages 28 through 31 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 propriety 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. Proprietary funds provide the same type of information as the government-wide financial statements but in more detail.

The basic enterprise fund financial statements are presented on pages 32 through 35 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside of the governments. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support Pitkin County's own programs.

The County maintains two different types of fiduciary funds. The Pension Trust fund is used to report the assets held for the Pitkin County Public Employees Retirement Plan (PCPERP). Agency funds are used to report resources held by the County in a custodial capacity for individuals, private organizations and other governments.

The basic fiduciary fund financial statements can be found on pages 36-37 of the reports.

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 42 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 70, 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.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS

The County's assets and deferred outflows exceeded liabilities and deferred inflows by \$316,008,716 at the end of 2013. The amount of total net position is one measure of the health of the County's finances. The County reports positive balances in its governmental activities, however, this measure must be used with care as the County has investments in infrastructure such as roads and bridges, in addition to land for open space and trails. These assets benefit the citizens and business that utilize them. Thus, the County reports them on its government-wide financial statements at their historical cost less accumulated depreciation, as a business would report its capital assets.

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

	Summary of Net Position					
	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Assets:						
Current and other assets	\$ 92,998,883	\$ 86,802,581	\$ 19,025,795	\$ 15,984,656	\$ 112,024,678	\$ 102,787,237
Net capital assets	179,268,932	172,161,456	84,323,575	87,578,161	263,592,507	259,739,617
Total assets	<u>272,267,815</u>	<u>258,964,037</u>	<u>103,349,370</u>	<u>103,562,817</u>	<u>375,617,185</u>	<u>362,526,854</u>
Deferred outflows	719,535	792,353	-	-	719,535	792,353
Liabilities:						
Other Liabilities	11,432,919	8,743,575	1,162,906	2,030,667	12,595,825	10,774,242
Long-term liabilities						
outstanding	24,222,873	25,477,894	3,319,330	3,747,240	27,542,203	29,225,134
Total Liabilities	<u>35,655,792</u>	<u>34,221,469</u>	<u>4,482,236</u>	<u>5,777,907</u>	<u>40,138,028</u>	<u>39,999,376</u>
Deferred inflows	20,189,976	20,975,533	-	-	20,189,976	20,975,533
Net position:						
Net investment in capital						
assets	163,064,743	155,353,317	83,918,960	86,982,831	246,983,703	242,336,148
Nonspendable	-	-	374,354	378,744	374,354	378,744
Restricted	37,792,771	33,850,326	12,373,515	9,305,157	50,166,286	43,155,483
Unrestricted	16,284,068	15,355,745	2,200,305	1,118,178	18,484,373	16,473,923
Total net position	<u>\$ 217,141,582</u>	<u>\$ 204,559,388</u>	<u>\$ 98,867,134</u>	<u>\$ 97,784,910</u>	<u>\$ 316,008,716</u>	<u>\$ 302,344,298</u>

Governmental accounting principles require that the amount of net position represented by the County's equity in capital assets be presented separately as Net Investment in Capital Assets, in order to show that they are not financial assets available for appropriation. Approximately 75% of the governmental activities' net position and 85% of the business-type activities' net position are invested in capital net of related debt. A dedicated property tax, Colorado Great Outdoors grants, and community partnerships have provided significant funding for the open space and trails program since 1991. The net values of the assets acquired with Open Space and Trails funding (land and trails) are over \$136 million. Depreciation on airport assets explains the decrease in the business type investment. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate this liability.

Of the County's total equity of \$316.0 million, \$247.0 million represents the net investment in capital assets; \$374,354 represents inventory at the landfill; \$50.2 million is restricted by parties external to the County; and \$18.5 million is unrestricted. Restricted net position represents resources that are subject to external restrictions on how they may be used. The largest restricted balances for the governmental funds come from impact fees to support affordable housing (\$11.0 million), sales and use taxes dedicated for transportation needs of the community (\$9.1 million), and a property tax dedicated for the open space and trails program (\$11.7 million). The \$12.4 of restricted net assets is in the airport fund based on assurances with accepting FAA funds for its capital projects.

Unrestricted net position of \$18.5 million represents the portion available to maintain the County's general obligations to citizens and creditors of which \$2.2 million is held by business-type activities and \$16.3 million is held in governmental activities.

Changes in Net Position

Governmental and business-type activities increased the County's net position by \$13.4 million in 2013. The following table derived from the current and prior years' *Statement of Activities* indicates the changes in net position for governmental and business-type activities:

Summary of Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program:						
Charges for services	\$ 9,057,647	\$ 8,040,432	\$ 12,051,719	\$ 11,916,337	\$ 21,109,366	\$ 19,956,769
Operating grants	4,673,224	4,581,634	936,702	645,834	5,609,926	5,227,468
Capital grants	1,599,777	465,500	4,073,220	7,840,385	5,672,997	8,305,885
General:						
Taxes	42,039,211	40,097,771	-	-	42,039,211	40,097,771
Investment earnings	287,808	314,576	59,093	68,804	346,901	383,380
Gain on Sale of Fixed assets	-	52,553	8,733	61,713	8,733	114,266
Total revenues	<u>57,657,667</u>	<u>53,552,466</u>	<u>17,129,467</u>	<u>20,533,073</u>	<u>74,787,134</u>	<u>74,085,539</u>
Program Expenses:						
General government	8,939,590	8,236,496	-	-	8,939,590	8,236,496
Public safety	8,239,758	8,836,841	-	-	8,239,758	8,836,841
Public works	16,818,253	19,091,229	-	-	16,818,253	19,091,229
Health and welfare	5,043,179	4,892,567	-	-	5,043,179	4,892,567
Culture and recreation	4,584,893	4,082,376	-	-	4,584,893	4,082,376
Conservation	5,432	9,998	-	-	5,432	9,998
Housing and development	274,165	862,954	-	-	274,165	862,954
Interest and other debt items	1,170,202	1,191,683	-	-	1,170,202	1,191,683
Airport	-	-	12,234,242	11,377,027	12,234,242	11,377,027
Solid waste	-	-	3,813,001	3,777,305	3,813,001	3,777,305
Total expenses	<u>45,075,472</u>	<u>47,204,144</u>	<u>16,047,243</u>	<u>15,154,332</u>	<u>61,122,715</u>	<u>62,358,476</u>
Excess	12,582,195	6,348,322	1,082,224	5,378,741	13,664,419	11,727,063
Transfers	-	220,000	-	(220,000)	-	-
Change in net position	<u>12,582,195</u>	<u>6,568,322</u>	<u>1,082,224</u>	<u>5,158,741</u>	<u>13,664,419</u>	<u>11,727,063</u>
Beginning net position	<u>204,559,387</u>	<u>197,991,065</u>	<u>97,784,910</u>	<u>92,626,169</u>	<u>302,344,297</u>	<u>290,617,234</u>
Ending net position	<u>\$ 217,141,582</u>	<u>\$ 204,559,387</u>	<u>\$ 98,867,134</u>	<u>\$ 97,784,910</u>	<u>\$ 316,008,716</u>	<u>\$ 302,344,297</u>

Governmental Activities: Governmental activities increased Pitkin County's net position by \$12.6 million from the prior year for a year ending balance of \$217.1 million. Fortunately, the County headed into the recession with a healthy unassigned fund balance due to a goal to increase and improve the county buildings. Although budgets are adopted annually, a five-year budget is presented to the Board with the goal that it be balanced over the five-year period. Beginning in 2012, structural and organizational changes were made to the budget process to help the County be more resistant to financial distress and adaptable to change. Existing fund balances that had been built up to address technology, building and road needs were consolidated and used to fund a comprehensive capital plan. A portion of the general sales tax is used to fund the capital needs of the County. Funds that had been set aside for buildings have been used to fund significant road projects over the last several years.

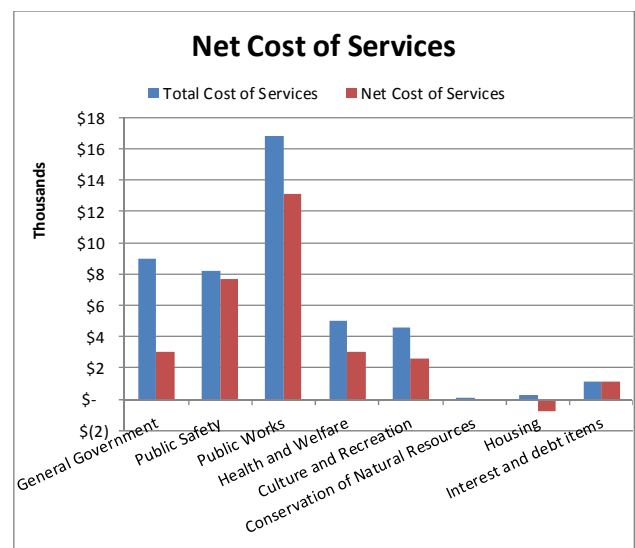
Governmental Functional Revenues

Program revenues provided 26.6% to support of governmental operations. This means that the County's taxpayers and other general governmental revenues fund 73.4% of the governmental activities. Property, sales and use taxes provide general support for the County's operations with property tax providing 36.8% and sales and use tax providing 36.1%. Sales tax revenues increased again in 2013 after the 2009 decline, and have slightly exceeded the high collections of 2008. Fifty-seven percent (\$23.8 million) of general revenues are dedicated to support regional transportation and the open space and trails program, leaving approximately 44% (\$18.4 million) of the total tax revenues to support core services (including roads, buildings, law enforcement, public assistance, and community development) for its citizens. Investment income continues to decline and only provided \$287,808 in 2013. Lower interest rates have affected interest income resulting in a decline of \$2.7 million from high revenues seen in 2007.

Governmental Functional Expenses

The public works, general government, and public safety functions make up approximately 75.4% of the total governmental activities expenses. Public works totals 37.3% of total governmental expenses of which 57.4% was spent by the county road and bridge fund (including depreciation of approximately \$1.3 million), 71.4% going to transportation needs of the County and 3.1% to TV/FM translators. The general government function, including the County's administrative and community development costs, as well as numerous service agencies, totaled 19.8% of the total governmental expenses. Public safety accounted for approximately 18.3% of the total costs.

This chart displays the net cost of each of the County's programs, (i.e., total cost less revenues generated by the activities). Net cost of services illustrates the financial burden placed on the County's taxpayers by each of these functions. Sales and property tax revenues provide 73% of the funding required to support governmental services, however only 31% of those revenues support the core services of the general fund. Transit dedicated sales taxes account for 31% of the general revenues and another 26% is dedicated to the Open Space and trails program. Most of the transit dedicated sales taxes are shared with other governments to support public transportation services in the valley. Of the \$20.4 million of the sales tax collections, \$7.2 million supports general fund services, \$11.5 is shared with other agencies to support public transit services in the valley, \$794,000 is earmarked for other transit services, and \$837,000 is earmarked for water and stream issues. Public safety is the next largest function that requires taxpayer support. This includes law enforcement, dispatch and jail services. The third largest component of public expenditures is for health and human services. This function represents the taxpayer support for contributions to non-profits from the property tax supporting the Healthy Community Fund, support for senior service and public assistance programs and costs associated with maintaining the Michael Schultz Health and Human Services building.



Business-Type Activities

Net position increased by \$1,082,224 for business-type activities, which is significantly less than in previous years. The airport showed a change in net position of \$139,172 and the Solid Waste Center increased \$943,052. The government-wide business-type activities statements share the same focus as the proprietary fund statements. Refer to the explanation below for the analysis of results of operations for these two funds.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, Pitkin County uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental Funds

Pitkin County uses fund accounting to ensure compliance with finance-related legal requirements. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose either by an external party, or by Pitkin County itself.

At December 31, 2013, the County's governmental funds reported combined fund balances of \$63,070,842, an increase of \$4,243,979 over the prior year. Approximately 15.0% of this amount (\$9.0 million) constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balance is either restricted, committed, or assigned to indicate that it is 1) legally required to be maintained for a specific purpose by outside entities or persons (\$26.2 million), 2) committed by the Board of County Commissioners (\$11.7 million), or 3) assigned for planned or intended actions restricted for particular purposes (\$15.7 million). The fund balances of the four major funds total \$59.0 million; the General Fund represents \$27.3 million, the Employee Housing Impact fund has \$11.0 million, Transportation Sales and Use Tax fund has \$9.4 million and the Open Space and Trails fund represents \$11.3 million.

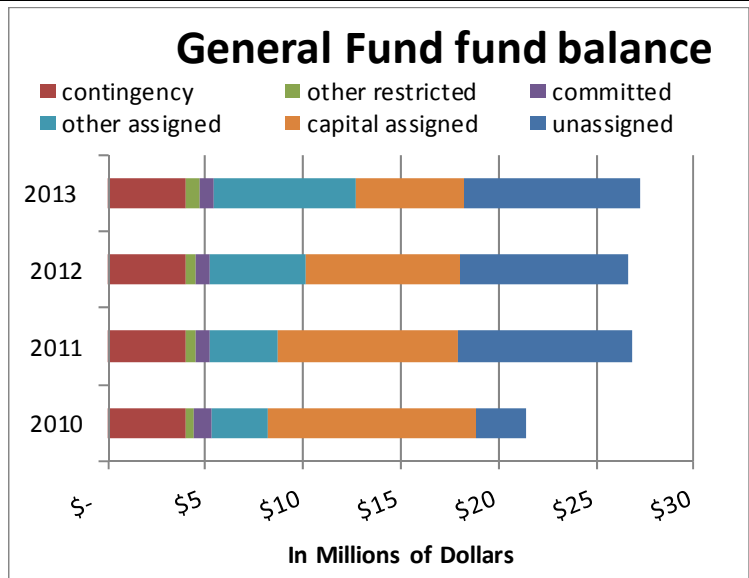
General Fund

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 impacts of the national recession have influenced a number of revenue sources over the last several years, but the County is beginning to see revenues return to 2008 levels. Taxes provide 57% of the total support for the general fund. Property taxes garnered \$6.1 million and sales taxes \$6.7 million. Building inspection fees increased nearly 48% over the collections for 2012 (\$870,000) due to continued improvement to the economic climate. Capital projects, especially in to roads, had been deferred since 2008. The County invested over \$10.5

million in road improvements in 2012 and 2013. In 2012, a State contractor was in the area for major improvements to the state highway. The County was able to complete many smaller sections of roads under this contract and invested \$4 million overall on those projects. Two major projects began in 2013, a \$4 million underpass at the airport and improvements for the roads at the Aspen Airport Business Center (\$3.4 million).

The general fund has a fund balance of \$27.3 million of which \$1,386,756 is restricted by state or federal regulations, \$723,373 is committed by BOCC, and \$16,167,000 is assigned for various purposes. The assigned portions include \$5.6 million for capital projects, \$3.3 million for contingencies over the amount required by the state constitution, and \$2.4 million for programs or contributions to offset future health insurance increases. The remaining assigned fund balance is designated for other uses as detailed in Note 3-L.



Transportation Sales and Use Tax Fund

The transportation sales and use tax fund collects taxes that support the Roaring Fork Transportation Authority (RFTA) and other transit needs of the valley. A 1% County-wide transportation sales tax is distributed to RFTA, the City of Aspen and the Town of Snowmass Village for mass transit services. A 0.5% transportation sales and use tax is also maintained in this fund. 81% of the 0.5% sales tax is distributed to RFTA. The remaining 0.5% revenues are used to underwrite free bus service between Aspen, Snowmass Village, and Woody Creek and are being saved for a future Entrance-to-Aspen project and a Snowmass Village transit center. Since all of the 1% tax proceeds are distributed, the ending fund balance of \$9.4 million is entirely from the proceeds of the .5% sales and use tax. The pedestrian underpass at Highway 82 at the airport began construction in 2013 and \$2.025 million was transferred to the general fund to pay for the project. In addition, \$850,000 has been budgeted for the design of improvements to the Rubey Park transit center in Aspen. The sales tax revenues follow the trend of the County’s general sales tax collections and have reached pre-recession levels.

Open Space and Trails Fund

The fund balance of the Open Space and Trails fund is dedicated 75% to open space acquisition, 10% to trails improvements and 15% to property maintenance. The fund currently has \$11.3 million in fund balance but that fluctuates depending on the capital acquisitions made in any year. The increase in both the revenue side and the expenditure side can be explained by the acquisition of the Red Ridge Ranch (formally Saltonstall Ranch) and improvements to the Rio Grande Trail. A \$600,000 Great Colorado Outdoors (GOCO) grant and was received to help defray the \$2.4 million cost of the Ranch and \$280,000 Congestion Mitigation Air Quality (CMAQ) grant was received to help fund improvements to the Rio Grande Trail. In addition, easements at Capitol Creek and Redstone river frontage easement were negotiated. Approximately six miles of trails were added to Sky Mountain Park trail and a bridge was added Brush Creek trail. Finally, \$2.845 million of general obligation bonds were issued to call and retire the outstanding balance of the Series 2003 bonds.

Housing Impact Fee Fund

The Housing Impact Fee Fund has accumulated almost \$11 million of fund balance from collections of payments of Housing impact fees. This balance represents 18.1% of the fund balances held by governmental funds of the county, thereby meeting the criteria for a major fund. Management purchased two units in 2013, and continues to look at alternatives (acquisitions or partnerships) for future projects.

Proprietary Funds

The airport is the County's primary enterprise fund. Both operating revenues and expenses for this fund remained constant from 2012 to 2013 with 2013 showing an operating loss of approximately \$4.9 million. Depreciation expense and an increase in the purchased services line item explain the majority of the operating loss. The FAA contributes 90% for the acquisition of the majority of capital improvements, so it is not necessary for the operating revenues to cover the annual depreciation expense. The BOCC approved the airport master plan in 2012 to address the future needs of the airport over the next 20 years. Public outreach and education continues as planning for terminal needs are evaluated in conjunction with addressing the future for the airport. The costs associated with these services are not capitalized and are included as operating expense. After adding capital contributions, the airport had a positive change in net position of \$139,172. Very few capital projects were completed in 2013 because significant improvements to the runway and taxiway areas were accomplished over the last several years. The airport did receive reimbursement from the FAA for snow removal equipment that was purchased last year. The increase in the non-operating grants is due to receiving state grants to fund pavement maintenance activities.

The Solid Waste Center fund showed favorable operating results with net operating income of \$680,253, which is slightly less than the income from the previous year. The change in net position showed a favorable change of \$943,052, or an increase of \$166,620 over 2012 results. An increase in inventory of aggregate materials in 2012 resulted in a reduction for the cost of processing the material reducing purchased services. In addition, the adjustment for the postclosure liability was reduced. Every 5 years the landfill is required to adjust the cost estimates for the closure and postclosure liability and the revised costs estimates were \$355,000 less than what was previously used. This lowered the estimate by \$251,547 and is reported in the non-operating section as miscellaneous income. The transfer to the general fund has also been eliminated in future budgets. A skid steer was the only capital acquisition at the landfill during 2013.

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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 portfolio options are comprised of a diversified mix of 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.

Asset Allocation	Model Portfolio Investment Options				
	Very Conservative	Conservative	Moderate		Aggressive
	Growth Target Fund	Growth Target Fund	Growth Target Fund	Growth Target Fund	Growth Target Fund
Income Funds	87%	66%	45%	29%	10%
Large Cap Stock Funds	6%	15%	24%	31%	38%
Mid Cap Stock funds	1%	4%	6%	8%	11%
Small cap Stock Funds	1%	2%	4%	4%	4%
Foreign Sock Funds	4%	11%	17%	23%	28%
Commodity Fund	1%	2%	4%	5%	9%
2013 annual investment return	4.2%	8.7%	13.9%	17.3%	20.6%

GENERAL FUND BUDGETARY HIGHLIGHTS

In December 2012, the Board of County Commissioners appropriated \$27.5 million for 2013 general fund expenditures. The general fund budget was amended by \$5.6 million to \$33.2 million during the year. The final budget anticipated a decrease of \$8.5 million to the general fund balance.

	2013 General Fund Budget				
	Original Budget	Amendments	Final Budget	Actual	Variance to Final Budget
Revenue and other financing sources	\$ 24,285,685	\$ 459,208	\$ 24,744,893	\$ 25,463,072	\$ 718,179
Expenditures and other financing uses	27,546,304	5,645,955	33,192,259	24,880,872	8,311,387
	<u>\$ (3,260,619)</u>	<u>\$ (5,186,747)</u>	<u>\$ (8,447,366)</u>	<u>\$ 582,200</u>	<u>\$ 9,029,566</u>

Midyear budget amendments included:

- Budget appropriations lapse at year-end, so it is necessary to appropriate budgets for projects not completed in 2012. The net value of these projects totaled \$3.5 million in the general fund explaining a major portion of the increase to the 2013 budget. Accumulated fund balance from prior periods provides financing for projects that were carried forward. Capital projects that could not be completed during 2012 make up the majority of the carry forward budgets. Road projects account for \$800,000 with improvements to Smith Hill and Castle Creek road being the most significant. Vehicle replacements (\$208,000 for vehicles), technology projects (\$832,200), building capital projects (\$455,000), various equipment for law enforcement agencies (\$209,000), planning projects (\$81,000) and a fire mitigation contingency of \$125,000.

-
- Other budget adjustments made during the year included a \$700,000 contribution for the purchase of the Tybar Ranch, and the addition of a plans examiner and building technician that was justified due to increased building activity.
 - The County added a temporary attorney to the budget so it could dedicate an in-house attorney to defend the Thompson Divide area from gas exploration and extraction activities.
 - Significant budget adjustments for the Open Space and Trails fund included budget for the acquisition of the Red Ridge Ranch acquisitions (formally known as Saltonstall) of \$2.7 million, \$1.250 million for Prince Creek and various trail improvements totaling \$680,000. In addition, the general obligation bonds were issued to call and retire the 2003 bonds and additional funding was approved to construct the second phase of the Rio Grande Trail that includes installing a dual surface area and bridge.

The final budget projected a general fund decrease in fund balance of \$8.5 million. Actual revenues exceeded expenditures in the general fund by \$582,200 reflecting a favorable budget to actual variance of \$9.0 million. Most of this variance resulted from unfinished projects in 2013. A total of \$1.8 million of operating projects and \$5.8 million of capital projects has been added to the 2013 budget, leaving \$1.4 million of actual budget to actual variance. The County maintains a 10-year capital projects plan and has dedicated a portion of the sales tax to that plan. This strategy has resulted in departments managing capital project working together to prioritize the overall capital needs of the County. Although there is a \$7.9 million fund balance assigned to capital projects, the 10-year plan utilizes most of that balance for road and building improvements over the next several years.

Actual revenues exceeded budget by \$725,112 in total. Favorable budget to actual variance included sales tax (\$422,000), planning and building fees (\$831,000). These increases were offset by \$450,000 of budgeted contributions for the airport underpass project that were actually received by RFTA due to a change in the construction management for the project. All of these variances can be explained by an improving economy (more tourism, more building activity and reduced foreclosure activity).

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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, 2013, was \$179,268,932 and \$84,323,580 respectively. The net investment increased by 4.1% for governmental activities and decreased 3.7% for business-type activities. The overall increase was 1.5% 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	
	2013	2012	2013	2012	2013	2012
Non-depreciable assets:						
Land	\$ 89,557,557	\$ 86,503,051	\$ 7,923,279	\$ 7,923,279	\$ 97,480,836	\$ 94,426,330
Intangibles	45,917,152	46,050,021	2,955,956	2,955,956	48,873,108	49,005,977
Construction in progress	6,553,691	1,170,146	21,921,987	21,435,097	28,475,678	22,605,243
Total non-depreciable	142,028,400	133,723,218	32,801,222	32,314,332	174,829,622	166,037,550
Depreciable assets:						
Buildings	25,743,798	25,674,174	19,962,049	19,968,369	45,705,847	45,642,543
Improvements other than buildings	1,898,500	2,087,286	58,211,224	58,211,224	60,109,724	60,298,510
Machinery and equipment	13,672,302	14,080,581	10,746,420	10,661,705	24,418,722	24,742,286
Infrastructure	47,209,291	46,753,048	-	-	47,209,291	46,753,048
Total depreciable assets	88,523,891	88,595,089	88,919,693	88,841,298	177,443,584	177,436,387
Less accumulated depreciation	51,283,359	50,156,851	37,397,335	33,577,469	88,680,694	83,734,320
Book value - depreciable assets	37,240,532	38,438,238	51,522,358	55,263,829	88,762,890	93,702,067
Percentage depreciated	42%	43%	58%	62%	50%	53%
Book value - all assets	\$ 179,268,932	\$ 172,161,456	\$ 84,323,580	\$ 87,578,161	\$ 263,592,512	\$ 259,739,617

At December 31, 2013 the depreciable capital assets for governmental activities were 42% depreciated compared to 43% at December 31, 2012. 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, less than half the value of the assets has been used which indicates that the County needs to continue planning its replacement of its capital assets. Land and intangible assets represent 75.6% of the total assets showing the continued investment by the open space program.

Investment in governmental assets exceeded the depreciation expense in 2013 resulting in an increase in the net asset value. Three projects in the construction in progress category include the pedestrian underpass at the airport; road improvements at the Aspen Airport Business Center; improvements on the Rio Grande and Sky Mountain Park trails; and a down payment on an open space acquisition. The budgets for these projects total approximately \$10.6 million of which \$6 million was spent in 2013. These projects will be completed in 2014. Open Space and Trails fund also constructed a bridge on brush creek trail, purchased an easement on the

Redstone riverfront and acquired the Saltonstall Ranch. The Saltontall Ranch was a \$2.4 acquisition. Lastly, two units were purchased with funds from the housing impact fee fund.

For the County's business type activities, the asset values were 62% depreciated at December 31, 2012 and 58% at December 31, 2013. Significant improvements to the airport runway, aprons and taxiway have occurred over the last several years explaining the improved net value of the assets. Only small projects were completed in 2013. The airport replaced a couple of vehicles and began work on an apron reconstruction. The landfill only replaced a skid steer.

Long-term Debt

At the end of the calendar year, general obligation bonds and notes of \$16,110,000 and sales tax revenue bonds totaling \$7,455,000 were outstanding. The airport has a low-interest loan from the State with an outstanding balance of \$404,620. The County issued \$2.845 million of debt to call and retired \$2.81 million of Open Space General obligation bonds resulting in a present value savings of \$267,000 over the remaining term of the bonds. The County has authorization to issue an additional \$23.17 million of general obligation debt for future open space acquisitions or trail construction projects. Citing the County's strong financial position, Moody's Investor Service continues to rate the County's general obligation bonds as Aa2.

	Outstanding Borrowings						% Change
	Governmental Activities		Business-type Activities		Totals		
	2013	2012	2013	2012	2013	2012	
General obligation bonds	\$ 16,110,000	\$ 16,695,000	\$ -	\$ -	\$ 16,110,000	\$ 16,695,000	-4%
Revenue bonds and loans	7,455,000	7,770,000	404,620	595,333	7,859,620	8,365,333	-6%
Special assessment bonds	24,244	31,428	-	-	24,244	31,428	-23%
Landfill closure and postclosure care	-	-	2,972,828	3,224,375	2,972,828	3,224,375	-8%
Claims	770,538	1,164,161	-	-	770,538	1,164,161	-34%
Compensated absences	1,345,915	1,315,112	175,280	144,596	1,521,195	1,459,708	4%
Total	\$ 25,705,697	\$ 26,975,701	\$ 3,552,728	\$ 3,964,304	\$ 29,258,425	\$ 30,940,005	-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.

Economic Factors and Next Year's budgets and rates

Although the County appropriates an annual budget, a five-year budget plan is developed for the all funds. The financial Advisory Board and an internal budget review team review the budget prior to presentation to the BOCC for approval. The proposed 2014 budget and five year plan continue the major structural changes implemented in 2012 and provide funding to : 1) maintain our roads, bridges and facilities; 2) shift resources to improve efficiency; and 3) focus on the recruitment, retention and development of a qualified and motivated workforce. Our local recovery continues to show more strength than projected and is reflected in strong sales tax collections and increased building permit activity. The following factors will influence future budgets.

- Pitkin County's sales and property taxes provide significant funding for general fund programs.
 - Increases to the sales tax revenues are projects to increase 3.5% each year for the next five years with 47% of the projected sales tax revenues allocated to the capital plan.

-
- Property tax increases for the general fund is limited to the increase in the Denver/Boulder CPI-U and growth. Property values are revalued every two years based on the sales activity for the twenty-four months prior. Assessed values declined for the 2012 and 2014 budget years, however the County had protected the maximum mill rate by using a temporary credit when property values were higher. It is anticipated that property values will increase before a reduction in the general fund mill rate would be necessary.
 - Community development fees were strong in 2013 and they are projected to increase again in 2014 based on an improved collection process and increased building activity.

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.

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BASIC FINANCIAL STATEMENTS

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Pitkin County, Colorado
Statement of Net Position
December 31, 2013

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
Assets				
Current Assets				
Equity in pooled cash and investments	\$ 65,717,909	\$ 12,930,839	\$ 78,648,748	\$ 6,771,461
Other cash and investments	-	-	-	2,786,568
Receivables:				
Accounts	539,061	1,238,414	1,777,475	88,787
Property taxes	19,946,705	-	19,946,705	3,501,592
Sales taxes	2,119,487	-	2,119,487	-
Intergovernmental	4,253,185	1,509,355	5,762,540	-
Notes	195,680	-	195,680	-
Inventory	-	374,354	374,354	-
Restricted and other assets				
Restricted equity in pooled cash and investments	55,952	2,972,828	3,028,780	-
Loans receivable	170,904	-	170,904	-
Nondepreciable capital assets	142,028,400	32,801,222	174,829,622	374,103
Depreciable capital assets, net	37,240,532	51,522,358	88,762,890	3,222,306
Total Assets	272,267,815	103,349,370	375,617,185	16,744,817
Deferred Outflows of Resources				
Deferred charge on refunding	719,535	-	719,535	-
Liabilities				
Current Liabilities				
Accounts payable	3,467,084	470,503	3,937,587	71,432
Contracts payable	374,913	133,607	508,520	-
Accrued liabilities	639,932	59,024	698,956	28,843
Intergovernmental payable	3,601,140	33,245	3,634,385	10,798
Accrued interest payable	117,841	5,883	123,724	-
Contractual payments paid in advance	-	208,344	208,344	-
Deposits	1,059,869	18,902	1,078,771	-
Advance on revenue	595,127	-	595,127	-
Claims payable	308,215	-	308,215	-
Compensated absences payable	269,183	35,056	304,239	26,401
General obligation bonds payable	679,615	-	679,615	-
Notes Payable	320,000	198,342	518,342	-
Long-Term Liabilities:				
Closure and postclosure care obligations	-	2,972,828	2,972,828	-
Claims payable (net of current portion)	462,323	-	462,323	-
Compensated absences payable (net of current portion)	1,076,732	140,224	1,216,956	105,605
General obligation bonds payable (net of current portion)	15,548,818	-	15,548,818	-
Notes payable (net of current portion)	7,135,000	206,278	7,341,278	-
Total Liabilities	35,655,792	4,482,236	40,138,028	243,079
Deferred Inflows of Resources				
Deferred property taxes	20,189,976	-	20,189,976	3,501,592
Net Position				
Net investment in capital assets	163,064,743	83,918,960	246,983,703	3,596,409
Restricted for:				
Open space	11,700,476	-	11,700,476	-
Transportation and roads	9,045,939	-	9,045,939	-
Affordable housing	10,953,370	-	10,953,370	-
Statutory reserves	1,638,544	-	1,638,544	129,344
Debt service	47,588	-	47,588	-
Ambulance District	398,674	-	398,674	-
Airport	-	12,373,515	12,373,515	-
General Fund restrictions	683,307	-	683,307	-
Human services and public welfare services	157,007	-	157,007	-
TV and FM broadcast services	1,589,450	-	1,589,450	-
Public Improvement Districts	37,370	-	37,370	-
Healthy Rivers and Streams fund	1,541,046	-	1,541,046	-
Inventory	-	374,354	374,354	-
Library capital projects	-	-	-	7,395,777
Unrestricted	16,284,068	2,200,305	18,484,373	1,878,616
Total Net Position	\$ 217,141,582	\$ 98,867,134	\$ 316,008,716	\$ 13,000,146

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Activities
For the Year Ended December 31, 2013

Functions/Programs	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 8,939,590	\$ 4,563,948	\$ 1,351,619	\$ 13,243
Public safety	8,239,758	2,238,329	357,026	33,369
Public works	16,818,253	446,625	1,230,666	-
Health and welfare	5,043,179	347,254	1,673,308	-
Culture and recreation	4,584,893	428,771	-	1,553,165
Conservation of natural resources	5,432	2,310	60,605	-
Housing and development	274,165	1,030,410	-	-
Interest	1,170,202	-	-	-
Total Governmental Activities	45,075,472	9,057,647	4,673,224	1,599,777
Business-Type Activities:				
Airport	12,234,242	7,312,800	936,702	4,073,220
Solid Waste Center	3,813,001	4,738,919	-	-
Total Business-Type Activities	16,047,243	12,051,719	936,702	4,073,220
Total - Primary Government	\$ 61,122,715	\$ 21,109,366	\$ 5,609,926	\$ 5,672,997
Component Units				
Emergency Telephone Authority	440,600	538,060	-	-
Pitkin County Library District	3,564,253	6,927	1,337,698	-
Total - Component Units	\$ 4,004,853	\$ 544,987	\$ 1,337,698	\$ -
General Revenues				
Property taxes levied for:				
General government purposes				
Sales taxes				
Other taxes				
Gain on sale of capital assets				
Investment earnings				
Total General Revenues				
Change in Net Position				
Net Position Beginning of Year as Restated				
Net Position End of Year				

See accompanying notes to the basic financial statements

Net (Expense)	Revenue and Changes in Net Position		
	Primary Government		
Governmental Activities	Business-Type Activities	Total	Component Units
\$ (3,010,780)	\$ -	\$ (3,010,780)	\$ -
(5,611,034)	-	(5,611,034)	-
(15,140,962)	-	(15,140,962)	-
(3,022,617)	-	(3,022,617)	-
(2,602,957)	-	(2,602,957)	-
57,483	-	57,483	-
756,245	-	756,245	-
(1,170,202)	-	(1,170,202)	-
<u>(29,744,824)</u>	<u>-</u>	<u>(29,744,824)</u>	<u>-</u>
-	88,480	88,480	-
-	925,918	925,918	-
<u>-</u>	<u>1,014,398</u>	<u>1,014,398</u>	<u>-</u>
<u>(29,744,824)</u>	<u>1,014,398</u>	<u>(28,730,426)</u>	<u>-</u>
-	-	-	97,460
-	-	-	(2,219,628)
-	-	-	(2,122,168)
20,185,952	-	20,185,952	3,426,343
21,194,528	-	21,194,528	-
658,731	-	658,731	108,872
-	8,733	8,733	-
287,808	59,093	346,901	202,777
<u>42,327,019</u>	<u>67,826</u>	<u>42,394,845</u>	<u>3,737,992</u>
12,582,195	1,082,224	13,664,419	1,615,824
<u>204,559,387</u>	<u>97,784,910</u>	<u>302,344,297</u>	<u>11,384,321</u>
<u>\$ 217,141,582</u>	<u>\$ 98,867,134</u>	<u>\$ 316,008,716</u>	<u>\$ 13,000,145</u>

Pitkin County, Colorado
Balance Sheet
Governmental Funds
December 31, 2013

	General	Transportation Sales and Use Tax	Open Space and Trails	Employee Housing Impact Fund	Total Non-Major Governmental Funds	Total Governmental Funds
Assets						
Equity in pooled cash and investments	\$ 29,452,120	\$ 9,904,736	\$ 11,635,377	\$ 10,995,374	\$ 3,730,302	\$ 65,717,909
Receivables:						
Accounts	518,215	17,065	2,000	-	1,781	539,061
Property taxes	6,279,194	-	9,832,033	-	3,835,478	19,946,705
Sales and use taxes	-	2,010,010	-	-	109,477	2,119,487
Intergovernmental	3,629,599	-	194,151	-	429,435	4,253,185
Due from other funds	101,418	-	-	-	-	101,418
Other	195,680	-	-	-	-	195,680
Restricted cash and investments						
Equity in pooled cash and investments	-	-	-	-	55,952	55,952
Loans receivable	170,904	-	-	-	-	170,904
Total Assets	<u>\$ 40,347,130</u>	<u>\$ 11,931,811</u>	<u>\$ 21,663,561</u>	<u>\$ 10,995,374</u>	<u>\$ 8,162,425</u>	<u>\$ 93,100,301</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities						
Accounts payable	\$ 2,774,086	\$ 430,402	\$ 161,453	\$ 4,275	\$ 96,868	\$ 3,467,084
Contracts payable	345,909	-	29,004	-	-	374,913
Accrued liabilities	588,793	-	11,679	-	39,460	639,932
Intergovernmental payable	1,802,383	1,483,270	279,548	1,287	34,652	3,601,140
Due to other funds	-	-	-	-	101,418	101,418
Funds held in trust	1,043,135	-	4,500	4,184	8,050	1,059,869
Unearned revenue	-	595,127	-	-	-	595,127
Total Liabilities	<u>6,554,306</u>	<u>2,508,799</u>	<u>486,184</u>	<u>9,746</u>	<u>280,448</u>	<u>9,839,483</u>
Deferred Inflows of Resources						
Deferred property taxes	6,522,465	-	9,832,033	-	3,835,478	20,189,976
Fund Balances						
Restricted for:						
Statutory reserve	703,449	377,073	368,448	32,258	157,316	1,638,544
Debt service	-	-	-	-	165,429	165,429
State and federal restrictions	683,307	-	-	-	144,792	828,099
Voter approved programs	-	9,045,939	10,976,896	-	3,578,962	23,601,797
Committed for:						
Programs established by BOCC resolution	723,373	-	-	10,953,370	-	11,676,743
Assigned for:						
For subsequent years expenditures	3,545,787	-	-	-	-	3,545,787
Various purposes	12,621,213	-	-	-	-	12,621,213
Unassigned	8,993,230	-	-	-	-	8,993,230
Total Fund Balances	<u>27,270,359</u>	<u>9,423,012</u>	<u>11,345,344</u>	<u>10,985,628</u>	<u>4,046,499</u>	<u>63,070,842</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 40,347,130</u>	<u>\$ 11,931,811</u>	<u>\$ 21,663,561</u>	<u>\$ 10,995,374</u>	<u>\$ 8,162,425</u>	<u>\$ 93,100,301</u>

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2013

Total Governmental Fund Balances	\$	63,070,842
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Amounts reported for governmental activities in the
statement of net position are different because:

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

Cost of capital assets	\$ 230,552,291	
Less accumulated depreciation	<u>(51,283,359)</u>	179,268,932

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

625,346

Assets and liabilities within the general government are eliminated

Due to from funds	101,418	
Due from to funds	<u>(101,418)</u>	-

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

Accrued interest	\$ (117,841)	
Sales tax revenue bonds	(7,455,000)	
General obligation bonds	(16,110,000)	
Special assessment bonds payable	(24,244)	
Claims	(770,538)	
Compensated absences	<u>(1,345,915)</u>	<u>(25,823,538)</u>

Net Position of Governmental Activities	\$	<u><u>217,141,582</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, 2013

	General	Transportation Sales and Use Tax	Open Space and Trails	Employee Housing Impact Fund	Total Non-Major Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 12,959,972	\$ 12,527,558	\$ 10,751,126	\$ -	\$ 5,800,555	\$ 42,039,211
Intergovernmental	2,188,800	-	1,523,994	-	2,714,263	6,427,057
Licenses and permits	1,200,764	-	2,720	-	21,075	1,224,559
Charges for services	5,574,400	-	213,448	-	15,206	5,803,054
Fines and forfeitures	46,461	-	3,200	-	-	49,661
Investment earnings	139,953	41,522	43,636	44,841	17,856	287,808
Impact fees	170,150	-	-	1,006,431	-	1,176,581
Miscellaneous	494,756	33	78,772	23,979	52,196	649,736
Total Revenues	<u>22,775,256</u>	<u>12,569,113</u>	<u>12,616,896</u>	<u>1,075,251</u>	<u>8,621,151</u>	<u>57,657,667</u>
Expenditures						
Current:						
General government	8,589,688	-	-	-	-	8,589,688
Public safety	7,644,058	-	-	-	539,605	8,183,663
Public works	6,026,021	11,886,860	-	-	2,803,105	20,715,986
Health and welfare	2,124,185	-	-	-	2,784,947	4,909,132
Housing	225,068	-	-	789,204	-	1,014,272
Culture and recreation	202,852	-	7,097,681	-	825,174	8,125,707
Debt Service:						
Principal retirement	-	-	620,000	-	322,184	942,184
Interest and fiscal charges	-	-	742,915	-	346,666	1,089,581
Bond issuance costs	-	-	35,300	-	-	35,300
Total Expenditures	<u>24,811,872</u>	<u>11,886,860</u>	<u>8,495,896</u>	<u>789,204</u>	<u>7,621,681</u>	<u>53,605,513</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,036,616)</u>	<u>682,253</u>	<u>4,121,000</u>	<u>286,047</u>	<u>999,470</u>	<u>4,052,154</u>
Other Financing Sources (Uses)						
Sale of capital assets	128,064	-	-	-	34,817	162,881
Issuance of bonds	-	-	2,845,000	-	-	2,845,000
Payment to refunding escrow	-	-	(2,816,056)	-	-	(2,816,056)
Transfers in	2,559,752	-	69,000	-	65,000	2,693,752
Transfers out	(69,000)	(2,025,000)	-	-	(599,752)	(2,693,752)
Total Other Financing Sources (Uses)	<u>2,618,816</u>	<u>(2,025,000)</u>	<u>97,944</u>	<u>-</u>	<u>(499,935)</u>	<u>191,825</u>
Net Change in Fund Balances	582,200	(1,342,747)	4,218,944	286,047	499,535	4,243,979
Fund Balances Beginning of Year (restated)	<u>26,688,159</u>	<u>10,765,759</u>	<u>7,126,400</u>	<u>10,699,581</u>	<u>3,546,964</u>	<u>58,826,863</u>
Fund Balances End of Year	<u>\$ 27,270,359</u>	<u>\$ 9,423,012</u>	<u>\$ 11,345,344</u>	<u>\$ 10,985,628</u>	<u>\$ 4,046,499</u>	<u>\$ 63,070,842</u>

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, 2013

Net Change In Fund Balances - Total Governmental Funds \$ 4,243,979

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	\$ (3,371,356)	
Capital outlay (Net of transferred assets)	<u>10,947,022</u>	7,575,666

Elimination of transfers between governmental funds:

Transfers in	\$ (2,693,752)	
Transfers out	<u>2,693,752</u>	-

Book value of capital assets disposed of and reported on the statement of activities but not reported in the governmental funds. (468,190)

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 @ 12/31/13	\$ (117,841)	
Liability @ 12/31/12	<u>132,444</u>	14,603

Other financing sources (uses) are reported on the fund level operating statement but are reported as a liability on the government-wide financial

Issuance of refunding bonds	(2,845,000)	
Retirement of refunded bonds	<u>2,810,000</u>	(35,000)

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 position. 942,184

Amortization of bond premiums and refunding deferral on the government-wide statement of activities but not reported on the fund financial reporting (53,868)

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 @ 12/31/13	\$ (2,116,453)	
Liability @ 12/31/12	<u>2,479,274</u>	<u>362,821</u>

Change In Net Position of Governmental Activities \$ 12,582,195

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2013

	Business-type Activities - Enterprise Funds		
	Airport	Solid Waste Center	Total
Assets			
Current Assets:			
Equity in pooled cash and investments	\$ 11,045,999	\$ 1,884,840	\$ 12,930,839
Receivables:			
Accounts	756,346	482,068	1,238,414
Intergovernmental	1,509,355	-	1,509,355
Inventories	-	374,354	374,354
Total Current Assets	13,311,700	2,741,262	16,052,962
Noncurrent Assets:			
Restricted equity in pooled cash and investments	-	2,972,828	2,972,828
Non-depreciable capital assets	32,751,222	50,000	32,801,222
Depreciable capital assets, net	49,308,856	2,213,502	51,522,358
Total Noncurrent Assets	82,060,078	5,236,330	87,296,408
Total Assets	95,371,778	7,977,592	103,349,370
Liabilities			
Current Liabilities:			
Accounts payable	364,861	105,642	470,503
Contracts payable	133,607	-	133,607
Accrued liabilities	45,473	13,551	59,024
Intergovernmental payable	16,767	16,478	33,245
Accrued interest payable	5,883	-	5,883
Contractual payments paid in advance	208,344	-	208,344
Deposits	18,902	-	18,902
Compensated absences payable	28,870	6,186	35,056
Loans payable	198,342	-	198,342
Total Current Liabilities	1,021,049	141,857	1,162,906
Long-Term Liabilities:			
Closure and postclosure care obligations	-	2,972,828	2,972,828
Loans payable (net of current portion)	206,278	-	206,278
Compensated absences payable (net of current portion)	115,478	24,746	140,224
Total Long-Term Liabilities	321,756	2,997,574	3,319,330
Total Liabilities	1,342,805	3,139,431	4,482,236
Net Position			
Net investment in capital assets	81,655,458	2,263,502	83,918,960
Restricted for inventory	-	374,354	374,354
Restricted for program purposes	12,373,515	-	12,373,515
Unrestricted	-	2,200,305	2,200,305
Total Net Position	\$ 94,028,973	\$ 4,838,161	\$ 98,867,134

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2013

	Business-type Activities -		
	Enterprise Funds		
	Airport	Solid Waste Center	Total
Operating Revenues			
Charges for services	\$ 3,243,842	\$ 4,713,085	\$ 7,956,927
Rents and franchises	4,068,708	-	4,068,708
Miscellaneous	250	25,834	26,084
Total Operating Revenues	7,312,800	4,738,919	12,051,719
Operating Expenses			
Personnel services	2,274,309	704,717	2,979,026
Purchased services	5,871,719	3,128,448	9,000,167
Materials and supplies	248,534	70,086	318,620
Depreciation	3,818,640	155,415	3,974,055
Total Operating Expenses	12,213,202	4,058,666	16,271,868
Operating Income (Loss)	(4,900,402)	680,253	(4,220,149)
Non-Operating Revenues (Expenses)			
Interest	41,959	17,134	59,093
Intergovernmental	936,702	-	936,702
Interest and fiscal charges	(21,040)	-	(21,040)
Miscellaneous income	-	251,547	251,547
Gain (loss) on disposition of capital assets	8,733	(5,882)	2,851
Total Non-Operating Revenues (Expenses)	966,354	262,799	1,229,153
Income (Loss) Before Capital Contributions and Transfers	(3,934,048)	943,052	(2,990,996)
Capital grants and other receipts	4,073,220	-	4,073,220
Change in Net Position	139,172	943,052	1,082,224
Net Position Beginning of Year	93,889,801	3,895,109	97,784,910
Net Position End of Year	\$ 94,028,973	\$ 4,838,161	\$ 98,867,134

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

	Business-type Activities -		
	Enterprise Funds		
	Airport	Solid Waste Center	Total
Cash Flows from Operating Activities			
Cash received from customers	\$ 7,330,670	\$ 4,816,729	\$ 12,147,399
Cash payments to employees for services	(2,243,771)	(686,476)	(2,930,247)
Cash payments for goods and services	(6,498,646)	(3,325,251)	(9,823,897)
Net Cash Provided (used) by Operating Activities	(1,411,747)	805,002	(606,745)
Cash Flows from Noncapital Financing Activities			
Operating grants received	1,210,174	-	1,210,174
Cash Flows from Capital and Related Financing Activities			
Principal paid on revenue bonds	(190,713)	-	(190,713)
Interest paid on revenue bonds	(23,813)	-	(23,813)
Capital grants and other receipts	4,215,109	-	4,215,109
Proceeds from the sale of capital assets	12,500	23,000	35,500
Proceeds from note	-	-	-
Payments for capital acquisitions	(1,117,872)	(49,613)	(1,167,485)
Net Cash (Used) by Capital and Related Financing Activities	2,895,211	(26,613)	2,868,598
Cash Flows from Investing Activities			
Investment earnings	41,959	17,134	59,093
Net Increase in Cash and Cash Equivalents	2,735,597	795,523	3,531,120
Cash and Cash Equivalents Beginning of Year	8,310,402	4,062,145	12,372,547
Cash and Cash Equivalents End of Year	\$ 11,045,999	\$ 4,857,668	\$ 15,903,667
Equity in pooled cash and investments	\$ 11,045,999	\$ 1,884,840	\$ 12,930,839
Restricted equity in pooled cash and investments	-	2,972,828	\$ 2,972,828
	\$ 11,045,999	\$ 4,857,668	\$ 15,903,667

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended December 31, 2013

	Business-type Activities - Enterprise Funds		
	Airport	Solid Waste Center	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income (loss)	\$ (4,900,402)	\$ 680,253	\$ (4,220,149)
Non-Cash Adjustments:			
Depreciation	3,818,640	155,415	3,974,055
(Increase) Decrease in Assets:			
Accounts receivable	(15,950)	39,138	23,188
Intergovernmental receivable	430,009	38,672	468,681
Inventory	-	4,390	4,390
Increase (Decrease) in Liabilities:			
Accounts payable	59,847	(113,751)	(53,904)
Contracts payable	(840,872)	-	(840,872)
Accrued liabilities	30,538	18,240	48,778
Intergovernmental payable	(715)	(17,355)	(18,070)
Contract payments paid in advance	19,172	-	19,172
Deposits	(12,014)	-	(12,014)
Net Cash Provided (Used) by Operating Activities	\$ (1,411,747)	\$ 805,002	\$ (606,745)

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2013

	Retirement Trust	Agency
Assets		
Equity in pooled cash and investments	\$ 125,807	\$ 1,320,666
Other cash and investments:		
Mutual funds	26,320,217	-
Receivables:		
Forfeitures	541	-
Employee retirement loans	627,893	-
Total Assets	\$ 27,074,458	\$ 1,320,666
Liabilities		
Accounts payable	\$ 237,949	\$ -
Intergovernmental payable	-	805,064
Funds held for others	-	515,602
Total Liabilities	\$ 237,949	\$ 1,320,666
Net Position		
Held in trust for pension benefits	\$ 26,836,509	

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Statement of Changes in Fiduciary Net Position
Retirement Trust Fund
For the Year Ended December 31, 2013

	2013
Additions	
Employer contributions	\$ 1,721,398
Investment income:	
Dividends and interest	3,569,539
Total Additions	5,290,937
Deductions	
Benefits to plan members	2,094,938
Administrative expenses	39,067
Total Deductions	2,134,005
Change in Net Position	3,156,932
Net Position Beginning of Year	23,679,577
Net Position End of Year	\$ 26,836,509

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Combining Statement of Net Position
Component Units
December 31, 2013

	Pitkin County Library District	Emergency Telephone Authority	Total
Assets			
Current Assets			
Equity in pooled cash and investments	\$ 5,750,072	\$ 1,021,389	\$ 6,771,461
Other cash and investments	2,786,568	-	2,786,568
Receivables:			
Accounts	33	88,754	88,787
Property taxes	3,501,592	-	3,501,592
Total Current Assets	12,038,265	1,110,143	13,148,408
Noncurrent Assets:			
Capital assets:			
Nondepreciable capital assets	275,474	98,629	374,103
Depreciable capital assets, net	3,013,663	208,643	3,222,306
Total Noncurrent Assets	3,289,137	307,272	3,596,409
Total Assets	15,327,402	1,417,415	16,744,817
Liabilities			
Current Liabilities:			
Accounts payable	71,328	104	71,432
Accrued liabilities	28,843	-	28,843
Intergovernmental payable	10,798	-	10,798
Compensated absences	26,401	-	26,401
Total Current Liabilities	137,370	104	137,474
Long-term Liabilities			
Compensated absences (net of current portion)	105,605	-	105,605
Total Liabilities	3,744,567	104	243,079
Deferred Inflows of Resources			
Deferred property taxes	3,501,592	-	3,501,592
Net Position			
Net Investment in capital assets	3,289,137	307,272	3,596,409
Restricted for :			
Statutory reserve	113,065	16,279	129,344
Program purposes	784,856	1,093,760	1,878,616
Capital projects	7,395,777	-	7,395,777
Total Net Position	\$ 11,582,835	\$ 1,417,311	\$ 13,000,146

See accompanying notes to the basic financial statements

Pitkin County, Colorado
Combining Statement of Activities
Component Units
For the Year Ended December 31, 2013

	Pitkin County Library District	Emergency Telephone Authority	Total
Expenses			
Public safety	\$ -	\$ 440,600	\$ 440,600
Culture and recreation	3,564,253	-	3,564,253
Total Expenses	<u>3,564,253</u>	<u>440,600</u>	<u>4,004,853</u>
Revenues			
Program revenues:			
Charges for services	6,927	538,060	544,987
Miscellaneous	1,337,698	-	1,337,698
Total Program Revenues	1,344,625	538,060	1,882,685
Net Program Revenue (Expense)	<u>(2,219,628)</u>	<u>97,460</u>	<u>(2,122,168)</u>
General revenues			
Taxes	3,535,215	-	3,535,215
Investment earnings	198,189	4,588	202,777
Total General Revenues	<u>3,733,404</u>	<u>4,588</u>	<u>3,737,992</u>
Change in Net Position	1,513,776	102,048	1,615,824
Net Position Beginning of Year	<u>10,069,058</u>	<u>1,315,263</u>	<u>11,384,321</u>
Net Position End of Year	<u>\$ 11,582,834</u>	<u>\$ 1,417,311</u>	<u>\$ 13,000,145</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 Financial Statements
December 31, 2013

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 17,206. 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 and affordable housing. 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.

Beginning in fiscal year 2013, the County implemented GASB Statement 65 "*Items Previously Reported as Assets and Liabilities*", which required debt issuance costs, previously reported as an asset/deferred outflow of resource and amortized, to be recognized as outflow at the time such costs are incurred. As such, the government-wide financial statements report a restatement of beginning governmental net position by \$217,764 which was the unamortized debt issuance cost at December 31, 2012.

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 is the County's blended component unit. Separate financial statements are not prepared for the blended component unit.

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2013

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 and in governmental activities in the government-wide financial statements. The District's capital assets are reported in the governmental activities column on the government-wide statement of net position.

The following is the County's Fiduciary component unit. Separate financial statements are not prepared for the fiduciary component unit.

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 an 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 and included in the governmental activities column of the government-wide financial statements.

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 and manages all day to day operations. 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 is responsible for the oversight of the day to day operations, 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 Financial Statements
December 31, 2013

The County's basic financial statements consist of government-wide statements, including a statement of net position 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 position 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 position 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 Financial Statements
December 31, 2013

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 **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 mills 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.

The **Employee Housing Impact Fund** accounts for impact fees collected on certain developments to mitigate impacts caused by development and land use. The impact fee was implemented in 2005 by the Board of County Commissioners and is used to benefit properties managed and controlled by the county or the Aspen/Pitkin County Housing Authority. The impact fee replaced a payment-in-lieu fee established in 1988.

Proprietary Funds - Proprietary fund reporting focuses on the determination of operating income, changes in net position, 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.

Fiduciary Funds – Fiduciary funds are custodial in nature and do not present results of operations. The County's fiduciary funds include the Pitkin County Public Employees Retirement Plan (PCPERP) retirement trust fund, Treasurer's and Clerk's clearing funds, Housing funds, and the Treasurer's tax distribution funds. These funds are used to account for monies collected by the County Clerk and Recorder and the County Treasurer for distribution to other local governments.

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1-C. Measurement Focus

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 position. 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 position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in net total position. 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.

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

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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.

Unearned Revenue – Unearned 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 unearned 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 unearned revenue.

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-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:

Eligible Investments

- U.S. Treasury obligations - U.S. Treasury bills, notes and bonds and other securities backed by the full faith and credit of the federal government.
- U.S. Agencies and Instrumentalities and securities as authorized by Colorado Revised Statutes (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 “3 stars” or more (on a scale of 0 to 5 stars, with 5 the highest) by Bauer Financial or an equivalent rating agency.

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- 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 “3 stars” or more (on a scale of 0- 5 stars, with 5 being the highest) by Bauer Financial or an equivalent rating agency.
- Shares of any local government investment pool established under the provisions of CRS 24-75-701.
- Money market mutual 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 investment pool or money market mutual fund shall not exceed 25% of the total portfolio.

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 mutual funds, local government investment pools, or marketable securities with less than a one-year maturity.
- Investment terms 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.

Pitkin County Public Employee’s Retirement Plan (PCPERP) and the Library District generally follow the County investment policies with the exception of the following expanded investment options:

Retirement Plan - The objective of the PCPERP’s investment policy is to establish an investment structure that will meet a broad range and diverse set of current and projected financial needs of the Plan’s participants. The policy outlines fiduciary responsibility, prudence and due diligence requirements that experienced fund managers and other fiduciaries would utilize, and with all applicable laws, rules and regulations, that may impact plan assets. Accordingly, the policy allows for the design of various investment options into an overall structure that will include various asset classes, investment management styles and asset allocation portfolios in order that, when viewed as a whole, the investment options are expected to allow a participant to achieve a sufficient level of overall diversification and total investment return over the long-term. Additionally, investment instruments are monitored and evaluated for both performance and management by the retirement board on a regular basis. Changes to investment options are made according to the criteria set out in this policy. Wells Fargo Bank acts as trustee for the assets of the plan. Participants have the option of self-directing investments in eligible mutual funds or selecting from five model portfolios based on the participants’ age and risk tolerance. The model portfolios are comprised of bond, equity, real estate and commodity mutual funds with equity allocations ranging from 12% to 81% depending on the model.

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Library District - The Library District manages a pool of donations designated for future capital expansion of its facility. The investments managed under this policy are authorized under the provisions of the Uniform Management of Institutional Funds Act, C.R.S. 15-1.1-101 et.seq. The Library District uses mutual fund selections of the PCPERP.

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 position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1-E-4 Inventories

Enterprise fund inventories consist of materials. These inventories are valued at cost using the first-in, first-out method. There are no inventories in governmental funds.

1-E-5 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.

1-E-6 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 position 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 position and in the enterprise funds' statement of net position.

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

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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
Library collections	5 years	---
Infrastructure	10 – 100 years	---

1-E-7 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.”

1-E-8 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.

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1-E-9 Bond Premiums and Discounts

On the government-wide and proprietary fund type financial statements, bond premiums and discounts are deferred and amortized over the life of the underlying bonds, using the straight-line method, which approximates the effective interest method. The unamortized portion of the bond premiums and discounts is netted against bonds payable for presentation on the government-wide and proprietary fund statement of net position.

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 expenditures/expenses when incurred.

1-E-10 Deferred Inflow/Outflow of Resources

A deferred outflow of resources is a consumption of net assets by the government that is applicable to a future reporting period. The County has one type of deferred outflow: deferred charge on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

A deferred inflow of resources is an acquisition of net assets by the government that is applicable to a future reporting period. The County has deferred inflows reported on the government-wide statements and fund financial statements, deferred and advance payments of property taxes and assessments.

1-E-11 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 position.”

Fund Balance – The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance—amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance—amounts constrained to specific purposes by external providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, by enabling legislation or voter approval.
- Committed fund balance—amounts constrained to specific purposes by the County itself, using its highest level of decision-making authority (i.e., Board of County Commissioners). To be reported as committed, amounts cannot be used for any other purpose unless the County takes the same highest level action to remove or change the constraint.
- Assigned fund balance—amounts the County intends to use for a specific purpose. Intent can be expressed by the Board of County Commissioners (BOCC).
- Unassigned fund balance—amounts that are available for any purpose. Positive amounts are reported only in the general fund.

The BOCC establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further

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indicated in the budget document as a designation or commitment of the fund (such as for special incentives). Assigned fund balance is established by BOCC through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes). The County's policy is that if both restricted and unrestricted amounts are available for expenditure, the restricted amount is spent first. Likewise, if any unrestricted amount is available for expenditure, the committed amount is spent first if allowable, before assigned or unassigned amounts are spent.

In the general fund, the County strives to maintain an assigned fund balance to be used for unanticipated emergencies and working capital of approximately \$4 million, including the Emergency Reserve requirement specified by the Colorado constitution.

Net Position - Net position represents the difference between assets and liabilities. Net investment in capital assets 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 position amount also is adjusted by any deferred inflows of resources that relate to debt used to acquire, construct, or improve capital assets. Net positions 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 positions are reported as unrestricted.

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

1-E-12 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-13 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-14 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.

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1-E-15 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-16 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.

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. The County adheres to the following procedures in establishing budgets:

- During October, the County Manager and Finance Directory submit a proposed budget for the fiscal years commencing the following January 1 to the Board of County Commissioners. The Financial Advisory Board, Budget team and Section Leaders all provide input to the proposed budget.
- Public hearings are conducted by the Commissioners to obtain taxpayer comments.
- Prior to December 31, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level. Management can revise budgets within each fund up to \$50,000 without Commissioner approval.
- Revenue and expenditures are monitored by means of a quarterly budget report, comparing budget to actual or projected actual.
- Budget appropriations lapse at the end of each year.

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.

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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, 2013, the following fund balances have been reserved to meet the “emergency reserve” requirement.

Fund	Amount
General	\$ 703,449
Transportation Sales and Use Tax Fund	377,073
Open Space	368,448
Housing Impact	32,258
Social Services	34,709
Translator Fund	23,348
Healthy Rivers and Streams	25,285
Ambulance District	12,968
Redstone Ranch Acres	290
Twining Flats Improvement District	551
Total Primary Government	1,638,544
Library District	113,065
Emergency Telephone Authority	16,279
Total Reporting Entity	\$ 1,767,888

Note 3 - Detailed Notes on All Funds

3-A. Deposits and Investments

Deposits – At December 31, 2013, the carrying amount of the County’s deposits was \$71,907,118 and the bank balance was \$72,308,178. Of the bank deposits \$17,754,408 was covered by Federal Depository insurance and \$54,553,770 was covered by single institution collateral pools. Additionally, the County had cash on hand of \$8,500 at December 31, 2013.

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 as specified in the CPDPA. The pool is to be held in trust by another institution 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.

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Investments – At December 31, 2013, the County’s investments (excluding fiduciary funds and component units other cash and investments) totaled \$17,979,844. At December 31, 2013, the credit ratings and weighted average maturity of the County’s pooled investment portfolio was as follows:

<u>Investments</u>	<u>Fair Value</u>	<u>S&P/Moody's Rating</u>	<u>Weighted Average Maturity (Years)</u>
U.S. Agencies and Instrumentalities	\$ 6,988,600	AA+/Aaa	2.01
Local Government's Investment Pool	1,156,619	AAAm	N/A
Money Market Mutual Funds	505,745	AAAm	N/A
Repurchase Agreements	9,328,880	3.5	N/A
	<u>\$ 17,979,844</u>		

The County invests with local government investment pools including the Colorado Local Government Liquid Asset Trust Fund (COLOTRUST PLUS+, CSAFE) and Colorado Statewide Investment Program (CSIP). These investment pools operate similar to a money market fund with each share maintaining a value of \$1. The Colorado Division of Securities routinely monitors the investment pools with regard to operations and investments.

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 maturity of its investments is disclosed in Note 1-E-1.

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.

The County’s repurchase agreement investments are subject to custodial risk because the counterparty also has custody of the securities. The County’s primary depository, Vectra Bank Colorado, sweeps funds in excess of \$2 million in the County’s operating account each day into an overnight repurchase agreement investment. Under the repurchase agreement the bank sells government securities with a value of at least 102% of the excess amount to the County and then repurchases the securities the next day for the same amount plus interest at 0.25% per annum. The bank holds the securities overnight for the County in its trust department.

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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, 2013, five percent or more of the county’s investments were in the following issuers:

Issuer	Fair Value	Percentage of Portfolio
Colorado Statewide Investment Program	\$ 954,681	5.3%
Federal Home Loan Bank	1,000,000	5.6%
Federal Home Loan Mortgage Corp.	5,238,600	29.1%
Repurchase Agreement - Vectra Bank, Colorado	9,328,880	51.9%

Investments – Fiduciary Funds and Component Units Other Cash and Investments

At December 31, 2013, the County’s pension trust fund’s investments included \$26,320,217 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 \$2,786,568 held in accounts with the various mutual fund companies and at Charles Schwab and Co., Inc. These entities have developed their own investment policies addressing credit risk independent of the County that are described in Note 1-E-1. At December 31, 2013, five percent or more of the library’s investments were in the following issuers:

Issuer	Fair Value	Percentage of Portfolio
Fidelity Floating Rate	\$ 684,099	24.5%
PIMCO Low Duration Bond	664,568	23.6%
Vanguard Short-term Bond Indes	703,471	25.2%

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

	Pooled Cash and Investments	Other Investments
Fund Reporting Level:		
Governmental Funds - Balance Sheet	\$ 65,717,909	\$ -
Governmental Funds - Balance Sheet - Restricted Assets	55,952	-
Proprietary Fund Type Statement of Net Position	12,930,839	-
Proprietary Fund Type Statement of Net Position - Restricted	2,972,828	-
Component Units - Balance Sheet	6,771,461	2,786,568
Statement of Fiduciary Net Position - Retirement Trust Fund	-	26,320,217
Statement of Fiduciary Assets and Liabilities	1,446,473	-
Total	\$ 89,895,462	\$ 29,106,785

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3-B. Receivables

Receivables at December 31, 2013, 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. All receivables are deemed to be fully collectible so no allowance is necessary.

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.

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 Pitkin County Commissioners.

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On November 4, 2008, Pitkin County voters authorized a sales tax of .1% to be dedicated to establishing a Healthy Rivers and Streams Fund to fund programs to protect the County’s rivers and streams. Goals include 1) maintaining and improving water quality and quantity within the Roaring Fork watershed; 2) purchasing adjudicating changes of, leasing, using, banking, selling, and protecting water rights for the benefit of the Roaring Fork watershed; 3) working to secure, create and augment minimum stream flows in conjunction with non-profits, grant agencies, and appropriate State and Federal agencies to ensure ecological health, recreational opportunities, and wildlife and riparian habitat; promoting water conservation; and 4) improving and constructing capital facilities that contribute to the objectives listed above.

3-E. Commitments

The County has ongoing commitments to various projects. General capital projects include an IT infrastructure audit, the acquisition of a new community development software system, the construction of the AABC intersection to enhance access to the Airport and assist with RFTA’s BRT station and preliminary design services for the Courthouse Plaza building. The remodel of the Rubey Park bus station is being funded by the Sales and Use Tax fund. Translator fund is rewiring the electrical system at the Elephant Mountain tower. The Airport is managing several capital projects, the most significant of which is the extension of the runway and the planning and design for the new terminal area along with studies on sustainability and the direction of future air services. Additionally, the Solid Waste Center is completing their materials recycling facility and has a contract for the operation of the landfill that runs through 2015 that requires payments of \$1,010,700 annually. The Library sustainability is planning an expansion and also has a contract with the Marmot Library Network to provide online access to library materials through 2015 for \$92,767 per year. A summary of these projects follows:

Projects	Original Commitments	Spent to Date	Remaining Commitments
General Capital Projects	\$ 6,665,010	\$ 4,931,486	\$ 1,733,524
Sales and Use Tax	501,780	18,563	483,218
Translator Project	95,778	27,984	67,794
Healthy Rivers and Streams	17,694	-	17,694
E911	161,570	98,552	63,018
Library Projects	375,600	131,211	244,389
Airport Projects	3,870,409	2,736,563	1,133,846
Solid Waste Center Projects	202,150.00	98,706.00	103,444
	\$ 11,889,991	\$ 8,043,064	\$ 3,846,927

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Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2013

3-F. Capital Assets

Capital asset activity for the County's governmental activities for the year ended December 31, 2013, was as follows:

	Balance 1/1/2013	Additions	Deductions	Balance 12/31/2013
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 86,931,168	\$ 2,626,389	\$ -	\$ 89,557,557
Intangibles	46,050,021	41,505	174,374	45,917,152
Construction in progress	742,029	6,248,801	437,139	6,553,691
Total capital assets not being depreciated	<u>133,723,218</u>	<u>8,916,695</u>	<u>611,513</u>	<u>142,028,400</u>
Depreciable capital assets:				
Buildings	25,674,174	1,069,730	1,000,106	25,743,798
Improvements other than buildings	2,087,286	32,763	221,549	1,898,500
Machinery and equipment	14,080,581	908,728	1,317,007	13,672,302
Infrastructure	46,753,048	456,243	-	47,209,291
Total depreciable capital assets	<u>88,595,089</u>	<u>2,467,464</u>	<u>2,538,662</u>	<u>88,523,891</u>
Accumulated depreciation:				
Buildings	(15,849,443)	(497,835)	(974,514)	(15,372,764)
Improvements other than buildings	(892,332)	(87,934)	(69,987)	(910,279)
Machinery and equipment	(7,710,186)	(1,129,882)	(1,200,347)	(7,639,721)
Infrastructure	(25,704,890)	(1,655,705)	-	(27,360,595)
Total accumulated depreciation	<u>(50,156,851)</u>	<u>(3,371,356)</u>	<u>(2,244,848)</u>	<u>(51,283,359)</u>
Net depreciable assets	<u>38,438,238</u>	<u>(903,892)</u>	<u>293,814</u>	<u>37,240,532</u>
Governmental activities capital assets, net	<u>\$ 172,161,456</u>	<u>\$ 8,012,803</u>	<u>\$ 905,327</u>	<u>\$ 179,268,932</u>

Governmental activities depreciation expense

General government	\$ 339,424
Public safety	595,634
Public works	1,464,115
Health and welfare	136,566
Culture and recreation	825,786
Conservation of natural resources	8,183
Housing and Development	1,648
Total governmental activities depreciation expense	<u>\$ 3,371,356</u>

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Pitkin County, Colorado
Notes to the Financial Statements
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Capital asset activity for the proprietary funds for the year ended December 31, 2013, was as follows:

	Balance 1/1/2013	Additions	Deductions	Balance 12/31/2013
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 7,923,279	\$ -	\$ -	\$ 7,923,279
Intangible assets	2,955,956	-	-	2,955,956
Construction in progress	21,435,097	486,890	-	21,921,987
Total capital assets not being depreciated	<u>32,314,332</u>	<u>486,890</u>	<u>-</u>	<u>32,801,222</u>
Depreciable capital assets:				
Buildings	19,968,369	-	6,320	19,962,049
Improvements other than buildings	58,211,224	-	-	58,211,224
Machinery and equipment	10,661,705	265,234	180,519	10,746,420
Total depreciable capital assets	<u>88,841,298</u>	<u>265,234</u>	<u>186,839</u>	<u>88,919,693</u>
Accumulated depreciation:				
Buildings	(5,912,350)	(481,273)	(3,863)	(6,389,760)
Improvements other than buildings	(21,962,205)	(2,779,702)	-	(24,741,907)
Machinery and equipment	(5,702,914)	(713,080)	(150,326)	(6,265,668)
Total accumulated depreciation	<u>(33,577,469)</u>	<u>(3,974,055)</u>	<u>(154,189)</u>	<u>(37,397,335)</u>
Net depreciable assets	<u>55,263,829</u>	<u>(3,708,821)</u>	<u>32,650</u>	<u>51,522,358</u>
Business-type activities capital assets, net	<u>\$ 87,578,161</u>	<u>\$ (3,221,931)</u>	<u>\$ 32,650</u>	<u>\$ 84,323,580</u>

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Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2013

Capital asset activity for the Library component unit for the year ended December 31, 2013, was as follows:

	Balance 1/1/2013	Additions	Deductions	Balance 12/31/2013
Library District Component Unit				
Capital assets not being depreciated:				
Land	\$ 144,263	\$ -	\$ -	\$ 144,263
Construction in progress	-	131,211	-	131,211
Total capital assets not being depreciated	<u>144,263</u>	<u>131,211</u>	<u>-</u>	<u>275,474</u>
Depreciable capital assets:				
Buildings	6,053,922	-	-	6,053,922
Improvements other than buildings	13,672	-	-	13,672
Library collections	1,509,359	190,170	885,249	814,280
Machinery and equipment	375,928	10,915	-	386,843
Total depreciable capital assets	<u>7,952,881</u>	<u>201,085</u>	<u>885,249</u>	<u>7,268,717</u>
Accumulated depreciation:				
Buildings	(3,115,630)	(186,886)	-	(3,302,516)
Improvements other than buildings	(12,036)	(418)	-	(12,454)
Library collections	(1,136,495)	(211,322)	(741,150)	(606,667)
Machinery and equipment	(318,600)	(14,817)	-	(333,417)
Total accumulated depreciation	<u>(4,582,761)</u>	<u>(413,443)</u>	<u>(741,150)</u>	<u>(4,255,054)</u>
Net depreciable assets	<u>3,370,120</u>	<u>(212,358)</u>	<u>144,099</u>	<u>3,013,663</u>
Library District Component Unit capital assets net	<u>\$ 3,514,383</u>	<u>\$ (81,147)</u>	<u>\$ 144,099</u>	<u>\$ 3,289,137</u>

Capital asset activity for the Emergency Telephone Authority component unit for the year ended December 31, 2013, was as follows:

	Balance 1/1/2013	Additions	Deductions	Balance 12/31/2013
Emergency Telephone Authority component unit				
Construction in progress	\$ 49,775	\$ 98,629	\$ 49,776	\$ 98,628
Machinery and equipment	384,242	49,776	-	434,018
Depreciation on machinery and equipment	(197,483)	(27,891)	-	(225,374)
Net depreciable assets	<u>186,759</u>	<u>21,885</u>	<u>-</u>	<u>208,644</u>
Emergency Telephone Authority component unit, capital assets net	<u>\$ 236,534</u>	<u>\$ 120,514</u>	<u>\$ 49,776</u>	<u>\$ 307,272</u>

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Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2013

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	Transportation Sales and Use Tax fund	Nonmajor Governmental Funds	
General Fund	\$ -	\$ 2,025,000	\$ 534,752	\$ 2,559,752
Open Space and Trails Fund	69,000	-	-	69,000
Nonmajor Governmental Funds	-	-	65,000	65,000
	<u>\$ 69,000</u>	<u>\$ 2,025,000</u>	<u>\$ 599,752</u>	<u>\$ 2,693,752</u>

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, 2013:

2006 General Obligation Refunding Bonds - 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 were called for redemption at a redemption price equal to the principal amount plus accrued interest on December 1, 2010. The principal balance outstanding at December 31, 2013 was \$9,015,000.

2003 General Obligation Refunding Bonds - The County issued \$7,685,000 of Pitkin County General Obligation Refunding Bonds in October 16, 2003. During 2013, the \$3,140,000 outstanding balance of the Series 2003 Bonds was called and retired upon the issuance of the Series 2013 Refunding Bonds.

2013 General Obligation Refunding Bonds - On December 20, 2013, the County issued \$2,845,000 of General Obligation Refunding bonds, Series 2013 with an interest rate of 2.18%. The bonds were issued to repay all of \$2,810,000 Pitkin County General Obligation Refunding Bonds, Series 2003. Although the principal amount of the 2013 bonds increased \$35,000, the interest rate resulted in a net present value savings of \$263,916. The principal amount outstanding at December 31, 2013 is \$2,845,000.

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2013

General Obligation Note Payable- 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.

County Sales Tax Revenue Bonds – On December 22, 2010, the County issued \$2,530,000 of Taxable Sales Tax Revenue Build America Bonds and \$5,830,000 of Tax-Exempt Sales Tax Revenue Refunding Bonds with interest rates on the tax exempt bonds ranging from 2% to 4.25% and taxable bonds ranging from 6.69% to 6.94%. The proceeds of the bonds were used to: (i) refund the County's outstanding Sales Tax Revenue Bonds, Series 1998; (ii) refund the County's outstanding Sales Tax Revenue Refunding and improvement bonds, Series 2001; (iii) construct or acquire certain maintenance facility improvements for the Authority; and, (iv) pay costs of issuance of the Bonds.

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. The outstanding balance of sales tax bonds at December 31, 2013 was \$7,455,000. During 2013 the principal and interest paid on these bonds was \$659,663 and the pledged revenue was \$8,132,860. The annual payment of principal and interest on the bonds are secured by a reserve fund.

General Improvement Bonds - The Twining Flats General Improvement district issued bonds in 2006 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 rate of 5.1% and mature annually through 2016 in amounts from \$3,300 to \$8,560. The principal amount outstanding at December 31, 2013 was \$24,244.

County Airport State Loans – 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, 2013 is \$195,332.

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, 2013 is \$209,285.

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Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2013

Debt Service Requirements to Maturity - Annual debt service requirements to amortize all obligations outstanding of the primary government, as of December 31, 2013 follow:

Year	Airport Loans		General Obligation Note and Bonds		Sales Tax Revenue Bonds		Special Assessment Bond	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2014	198,342	16,185	675,000	663,698	320,000	336,863	7,615	1,237
2015	206,275	8,251	695,000	646,705	325,000	330,463	8,072	848
2016	-	-	715,000	625,730	330,000	323,963	8,557	436
2017	-	-	550,000	604,046	340,000	315,226	-	-
2018	-	-	565,000	585,686	350,000	306,300	-	-
2019-2023	-	-	7,400,000	2,178,096	1,920,000	1,356,164	-	-
2024-2028	-	-	2,775,000	958,773	1,615,000	969,329	-	-
2029-2033	-	-	1,910,000	397,125	800,000	670,237	-	-
2034-2038	-	-	825,000	75,150	995,000	372,271	-	-
2039-2040	-	-	-	-	460,000	48,226	-	-
	<u>\$ 404,617</u>	<u>\$ 24,436</u>	<u>\$ 16,110,000</u>	<u>\$ 6,735,009</u>	<u>\$ 7,455,000</u>	<u>\$ 5,029,042</u>	<u>\$ 24,244</u>	<u>\$ 2,521</u>

Changes in Long-term Debt - Changes in the County's long-term obligations consisted of the following for the year ended December 31, 2013:

	Balance 1/1/13	Additions	Deletions	Balance 12/31/13	Current Portion
Primary Government					
Governmental activities					
General obligation bonds and notes	\$ 16,695,000	\$ 2,845,000	\$ 3,430,000	\$ 16,110,000	\$ 675,000
Sales tax revenue bonds	7,770,000	-	315,000	7,455,000	320,000
Special assessment bonds with governmental commitment	31,428	-	7,184	24,244	7,615
Unamortized bond premium	113,139	-	18,950	94,189	5,373
Claims	1,164,162	3,253,507	3,647,131	770,538	308,215
Compensated absences	1,315,112	1,525,525	1,494,722	1,345,915	269,183
Total governmental activities	<u>27,088,841</u>	<u>7,624,032</u>	<u>8,912,987</u>	<u>25,799,886</u>	<u>1,585,386</u>
Business-type activities					
Airport loans	595,333	-	190,713	404,620	198,342
Landfill closure and postclosure care	3,224,375	-	251,547	2,972,828	-
Compensated absences	144,596	273,716	243,032	175,280	35,056
Total business-type activities	<u>3,964,304</u>	<u>273,716</u>	<u>685,292</u>	<u>3,552,728</u>	<u>233,398</u>
Component Units					
Compensated absences	124,943	182,881	175,818	132,006	26,401
Total for component units	<u>124,943</u>	<u>182,881</u>	<u>175,818</u>	<u>132,006</u>	<u>26,401</u>
Total Changes in long-term debt	<u>\$ 31,178,088</u>	<u>\$ 8,080,629</u>	<u>\$ 9,774,097</u>	<u>\$ 29,484,620</u>	<u>\$ 1,845,185</u>

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. Approximately 55% of the salaries are incurred in the general fund. The outstanding claims are being paid by the general fund. Further details of claims are provided in Note 4-A.

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Conduit Debt - 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, 2013, Mortgage Revenue Bonds were repaid in full and there were three 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 \$2,972,828 reported as landfill closure and postclosure care liability at December 31, 2013 represents the cumulative amount reported to date based on the use of 64.3% of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$1,648,731 as the remaining estimated capacity is filled. Postclosure care of \$2,991,459 is included in these estimated costs. These amounts are based on what it would cost to perform all closure and postclosure care in 2013. The County expects to close the landfill in the year 2032. Actual cost may be higher or lower due to inflation or deflation, 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. The plan does not issue a separate financial report.

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
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PCPERP, a single employer defined contribution plan, was formed under the provisions of Colorado Revised Statutes, Title 24-54-107(1). All full-time employees of the County and the Library district participate in the plan after six months of employment. The County contributed 13.0% of participants' compensation to the plan during 2013 and purchased replacement insurance coverage for Social Security's life, disability and survivor benefits at a cost of 1% 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 Great West Retirement Services 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 following table reflects information about the contributions to the retirement plan for the last three years. Employee contributions are not allowed under the plan.

	2013	2012	2011
Total salaries	\$ 15,727,467	\$ 15,591,754	\$ 15,444,959
Eligible salaries	13,241,523	13,741,558	14,037,968
Percent of contribution by County	13.00%	12.45%	12.45%
County contributions	1,721,398	1,710,824	1,747,727

3-L. Net Position/Fund Balances

Net Investment in Capital Assets - Net investment in capital assets on the government-wide statement of net position as of December 31, 2013 are as follows:

	Governmental Activities	Business Type Activities
Net investment in capital assets		
Cost of capital assets	\$ 230,552,291	\$ 121,720,915
Less accumulated depreciation	(51,283,359)	(37,397,335)
Book value	179,268,932	84,323,580
Less capital related debt	16,110,000	404,620
Plus bond premiums and refunding loss	(94,189)	-
Net investments in capital assets	<u>\$ 163,064,743</u>	<u>\$ 83,918,960</u>

Restricted Fund Balances – The restricted fund balances are as follows:

	Primary Government	
	General Fund	Other funds
Restricted fund balance for debt service	\$ -	\$ 165,429
Restricted fund balance for statutory reserves	703,449	935,095
Restricted for federal programs	470,625	144,792
Restricted for Clerk's programs	212,682	-
Restricted for voter approved programs	-	23,601,797
	<u>\$ 1,386,756</u>	<u>\$ 24,847,113</u>

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Committed Fund Balances – The committed fund balances are as follows:

	Primary Government	
	General Fund	Other funds
Committed for open space and parks	\$ 723,373	\$ -
Committed for affordable housing	-	10,953,370
	<u>\$ 723,373</u>	<u>\$ 10,953,370</u>

Assigned Fund Balances

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

	General Fund
Appropriated for expenditures in the 2014 budget for operations	\$ 3,545,787
Assigned to balance 5 year budget	350,000
A minimum fund balance for working capital	3,296,551
The balance of contributions assigned for the Topsy Taxi program	118,308
Public contributions for a Vietnam Veteran Memorial are assigned for maintenance of the monument	3,057
A fund balance to fund future employee health claims	2,435,638
A fund balance assigned to fund claims payable	770,538
A fund balance for future capital projects to animal shelter	80,000
A fund balance assigned for future capital projects	5,567,121
Total Assigned Fund Balances	<u>\$ 16,167,000</u>

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 \$400,000 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 \$400,000. 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 Director 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 blended 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's liability for the unpaid claims includes an

Pitkin County, Colorado
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amount for claims that have been incurred but not reported (IBNR's). Changes in the liability during the past three years are as follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Unpaid claims, January 1	\$ 317,514	\$ 193,498	\$ 156,525
Incurred claims (including IBNR's)	274,856	256,030	86,387
Claims payments	<u>(253,454)</u>	<u>(132,014)</u>	<u>(49,414)</u>
Unpaid claims, December 31	<u>\$ 338,916</u>	<u>\$ 317,514</u>	<u>\$ 193,498</u>

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 \$300,000 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 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 three years are as follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Unpaid claims, January 1	\$ 169,854	\$ 44,735	\$ 158,757
Incurred claims (including IBNR's)	10,938	219,389	4,427
Claims payments	<u>(70,703)</u>	<u>(94,270)</u>	<u>(118,449)</u>
Unpaid claims, December 31	<u>\$ 110,089</u>	<u>\$ 169,854</u>	<u>\$ 44,735</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 \$100,000 per individual and \$2,773,000 for the year. Changes in the liability during the past three years are as follows:

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Unpaid claims, January 1	\$ 676,794	\$ 539,982	\$ 509,828
Incurred claims (including IBNR's)	2,967,714	3,623,066	3,656,688
Claims payments	<u>(3,322,975)</u>	<u>(3,486,254)</u>	<u>(3,626,534)</u>
Unpaid claims, December 31	<u>\$ 321,533</u>	<u>\$ 676,794</u>	<u>\$ 539,982</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.

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Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2013

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, 2013. 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.

4-C. Prior Period Adjustments

The accompanying financial statements included two prior period adjustments.

The County implemented Governmental Accounting Standards Board Statement No. 65, *Items Previously Reported as Assets and Liabilities*, which required debt issuance costs, previously reported as an asset/deferred outflow of resource and amortized, to be recognized as an outflow at the time such costs are incurred. As such, these financial statements report a restatement of 2012 beginning net position in the amount of \$217,764, which was the unamortized debt issuance costs at December 31, 2012.

The County offers employees low interest financing to employees for the purchase of a primary residence in the area. These loans had previously been expensed and realized as income when the loan is repaid. The December 31, 2012 balance of these loans in the amount of \$123,633 was reclassified as a note receivable, increasing unassigned fund balance in the general fund.

Pitkin County, Colorado
Note to Required Supplemental Information
For the Year Ended December 31, 2013

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 year.

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.

Transportation Sales and Use Tax Fund - 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. Most of the collections (81.04%) with the balance retained in this fund to be used for various improvements to roads or transits needs of the community. In 2001, a regional transportation district was formed and creating the The Roaring Fork Transportation Authority. The County wide 1% sales tax approved in 1983 is now shared with the Roaring Fork Transportation Authority, the City of Aspen and the Town of Snowmass Village to support public transportation programs for those municipalities and the Roaring Fork Valley.

Open Space and Trails Fund - A property tax supports acquisition, improvement and management of open space and trails programs. A 2.5 mill levy was approved in 1990 and the voters reauthorized a levy of 3.75 mills in 1999 and again in 2006. The voters have authorized up to \$32 million of general obligation debt to be issued for the purpose of maintaining and acquiring open space and trails . To date \$8.83 million has been issued for trails and open space acquisitions leaving a available balance of \$23.170 million which could be issued. The \$6,110,000 balance of general obligation debt outstanding is for open space and trails projects.

Employee Housing Impact Fund- In 2005, the Board of County Commissioners established an impact fee on certain developments to mitigate impacts caused by development and land use.

Pitkin County, Colorado
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 12,539,837	\$ 12,514,480	\$ 12,959,972	\$ 445,492	\$ 12,207,193
Intergovernmental	4,762,897	2,877,485	2,188,800	(688,685)	2,064,764
Licenses and permits	702,024	771,764	1,200,764	429,000	750,075
Charges for services	5,030,039	5,165,299	5,574,400	409,101	5,415,476
Fines and forfeitures	17,000	17,000	46,461	29,461	35,519
Investment earnings	113,000	113,000	139,953	26,953	162,372
Impact fees	100,000	100,000	170,150	70,150	55,141
Miscellaneous	387,339	491,116	494,756	3,640	367,400
Total Revenues	23,652,136	22,050,144	22,775,256	725,112	21,057,940
Expenditures					
Current:					
General government	9,271,857	11,429,948	8,589,688	2,840,260	8,783,477
Public safety	7,638,918	8,104,075	7,644,058	460,017	8,012,072
Public works	8,028,385	9,845,284	6,026,021	3,819,263	4,568,574
Health and welfare	2,253,486	2,602,194	2,124,185	478,009	1,899,321
Culture and recreation	66,874	923,974	202,852	721,122	39,798
Housing and development	197,251	197,251	225,068	(27,817)	189,694
Total Expenditures	27,456,771	33,102,726	24,811,872	8,290,854	23,492,936
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,804,635)	(11,052,582)	(2,036,616)	9,015,966	(2,434,996)
Other Financing Sources (Uses)					
Sale of capital assets	142,947	149,147	128,064	(21,083)	106,794
Transfers in	490,602	2,545,602	2,559,752	14,150	2,120,198
Transfers out	(89,533)	(89,533)	(69,000)	20,533	(4,462,651)
Total Other Financing Sources (Uses)	544,016	2,605,216	2,618,816	13,600	(2,235,659)
Net Change in Fund Balances	\$ (3,260,619)	\$ (8,447,366)	582,200	\$ 9,029,566	(4,670,655)
Fund Balances Beginning of Year (restated)			26,688,159		31,358,814
Fund Balances End of Year			\$ 27,270,359		\$ 26,688,159

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, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 12,310,394	\$ 12,712,803	\$ 12,527,558	\$ (185,245)	\$ 11,689,875
Investment earnings	54,000	54,000	41,522	(12,478)	51,181
Miscellaneous	-	-	33	33	-
Total Revenues	<u>12,364,394</u>	<u>12,766,803</u>	<u>12,569,113</u>	<u>(197,690)</u>	<u>11,741,056</u>
Expenditures					
Current:					
Public works	12,730,038	12,165,887	11,886,860	279,027	11,167,559
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(365,644)</u>	<u>600,916</u>	<u>682,253</u>	<u>(476,717)</u>	<u>573,497</u>
Other Financing Sources (Uses)					
Transfers out	-	(2,025,000)	(2,025,000)	-	-
Net Change in Fund Balances	<u>\$ (365,644)</u>	<u>\$ (1,424,084)</u>	<u>(1,342,747)</u>	<u>\$ (476,717)</u>	<u>6,297,916</u>
Fund Balances Beginning of Year			<u>10,765,759</u>		<u>10,192,262</u>
Fund Balances End of Year			<u>\$ 9,423,012</u>		<u>\$ 10,765,759</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, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 10,732,405	\$ 10,732,405	\$ 10,751,126	\$ 18,721	\$ 10,683,502
Intergovernmental	450,000	2,040,157	1,523,994	(516,163)	456,500
Licenses and permits	-	-	2,720	2,720	740
Charges for services	-	-	213,448	213,448	3,163
Fines and forfeitures	-	-	3,200	3,200	3,800
Investment earnings	32,830	32,830	43,636	10,806	30,510
Miscellaneous	28,000	28,000	78,772	50,772	11,894
Total Revenues	<u>11,243,235</u>	<u>12,833,392</u>	<u>12,616,896</u>	<u>(216,496)</u>	<u>11,190,109</u>
Expenditures					
Current:					
Culture and recreation	3,106,928	11,451,607	7,097,681	4,353,926	3,797,409
Debt Service:					
Principal retirement	620,000	620,000	620,000	-	465,000
Interest and fiscal charges	743,295	743,295	742,915	380	760,284
Bond issuance costs	-	32,420	35,300	(2,880)	-
Total Expenditures	<u>4,470,223</u>	<u>12,847,322</u>	<u>8,495,896</u>	<u>4,351,426</u>	<u>5,022,693</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,773,012</u>	<u>(13,930)</u>	<u>4,121,000</u>	<u>4,134,930</u>	<u>6,167,416</u>
Other Financing Sources (Uses)					
Sale of capital assets	9,950	9,950	-	(9,950)	11,500
Bonds issued	-	2,845,000	2,845,000	-	-
Payment to refunded bond escrow agent	-	(2,816,056)	(2,816,056)	-	-
Transfers in	69,000	69,000	69,000	-	119,000
Total Other Financing Sources (Uses)	<u>78,950</u>	<u>107,894</u>	<u>97,944</u>	<u>(9,950)</u>	<u>130,500</u>
Net Change in Fund Balances	<u>\$ 6,851,962</u>	<u>\$ 93,964</u>	4,218,944	<u>\$ 4,124,980</u>	6,297,916
Fund Balances Beginning of Year			<u>7,126,400</u>		<u>828,484</u>
Fund Balances End of Year			<u>\$ 11,345,344</u>		<u>\$ 7,126,400</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, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Investment earnings	\$ 28,420	\$ 28,420	\$ 44,841	\$ 16,421	\$ 50,840
Impact fees	666,246	666,246	1,006,431	340,185	1,110,411
Miscellaneous	45,500	45,500	23,979	(21,521)	-
Total Revenues	740,166	740,166	1,075,251	335,085	1,161,251
Expenditures					
Current:					
Housing	3,252,000	3,252,000	789,204	2,462,796	673,260
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,511,834)	(2,511,834)	286,047	2,797,881	487,991
Other Financing Sources					
Transfers in	-	-	-	-	4,343,651
Net Change in Fund Balances	\$ (2,511,834)	\$ (2,511,834)	286,047	\$ 2,797,881	4,831,642
Fund Balances Beginning of Year			10,699,581		5,867,939
Fund Balances End of Year			\$ 10,985,628		\$ 10,699,581

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Supplemental Information

Combining and Individual Fund

Statements and Schedules

Governmental Funds

Pitkin County, Colorado
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2013

	Non-major Special Revenue Funds	Non-major Debt Service Fund	Total Non-major Governmental Funds
Assets			
Equity in pooled cash and investments	\$ 3,730,302	\$ -	\$ 3,730,302
Receivables:			
Accounts	1,781	-	1,781
Property taxes	3,835,478	-	3,835,478
Sales taxes	-	109,477	109,477
Intergovernmental	429,435	-	429,435
Restricted cash and investments	-	55,952	55,952
Total Assets	\$ 7,996,996	\$ 165,429	\$ 8,162,425
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts payable	\$ 96,868	\$ -	\$ 96,868
Accrued liabilities	39,460	-	39,460
Intergovernmental payable	34,652	-	34,652
Due to other funds	101,418	-	101,418
Funds held in trust	8,050	-	8,050
Total Liabilities	280,448	-	280,448
Deferred Inflows of Resources			
Deferred property taxes	3,835,478	-	3,835,478
Fund Balances			
Restricted for:			
Statutory reserve	157,316	-	157,316
Debt service	-	165,429	165,429
State and Federal programs	144,792	-	144,792
Voter approved programs	3,578,962	-	3,578,962
Total Fund Balances	3,881,070	165,429	4,046,499
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 7,996,996	\$ 165,429	\$ 8,162,425

Pitkin County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2013

	Non-major Special Revenue Funds	Non-major Debt Service Funds	Total Non-major Governmental Funds
Revenues			
Taxes	\$ 5,196,318	\$ 604,237	\$ 5,800,555
Intergovernmental	2,658,517	55,746	2,714,263
Licenses and permits	21,075	-	21,075
Charges for services	15,206	-	15,206
Investment earnings	16,963	893	17,856
Miscellaneous	52,196	-	52,196
Total Revenues	<u>7,960,275</u>	<u>660,876</u>	<u>8,621,151</u>
Expenditures			
Current:			
Public safety	539,605	-	539,605
Public works	2,803,105	-	2,803,105
Health and welfare	2,784,947	-	2,784,947
Housing	-	-	-
Culture and recreation	825,174	-	825,174
Debt Service:			
Principal retirement	7,184	315,000	322,184
Interest and fiscal charges	2,003	344,663	346,666
Total Expenditures	<u>6,962,018</u>	<u>659,663</u>	<u>7,621,681</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>998,257</u>	<u>1,213</u>	<u>999,470</u>
Other Financing Sources (Uses)			
Sale of capital assets	34,817	-	34,817
Transfers in	65,000	-	65,000
Transfers out	(599,752)	-	(599,752)
Total Other Financing Sources (Uses)	<u>(499,935)</u>	<u>-</u>	<u>(499,935)</u>
Net Change in Fund Balances	498,322	1,213	499,535
Fund Balances Beginning of Year	<u>3,382,748</u>	<u>164,216</u>	<u>3,546,964</u>
Fund Balances End of Year	<u>\$ 3,881,070</u>	<u>\$ 165,429</u>	<u>\$ 4,046,499</u>

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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.

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.

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 but was reauthorized at a higher rate in 2011 for the 2013 budget. This authorization will sunset in 2018.

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.

Healthy Rivers and Streams Fund - On November 4, 2008, Pitkin County voters authorized a sales tax of .1% to be dedicated to establishing a Healthy Rivers and Streams Fund. The voters also authorized that the Pitkin County debt may be increased to an amount not to exceed \$12 million in relation to this fund with a repayment out of the Healthy Rivers and Streams Fund. No debt has been issued to date. The goals ballot question outlined four specific objectives for the fund: 1) Maintaining and improving water quality and quantity within the Roaring Fork watershed; 2) Purchasing, adjudicating changes of, leasing, using, banking, selling, and protecting water rights for the benefit of the Roaring Fork watershed; 3) Working to secure, create and augment minimum stream flows in conjunction with non-profits, grant agencies, and appropriate State and Federal agencies to ensure ecological health, recreational opportunities, and wildlife and riparian habitat; promoting water conservation; and 4) Improving and constructing capital facilities that contribute to the objectives listed above.

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.

Redstone Ranch Acres and Twining Flats Improvement Districts - 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, 2013

	<u>Road and Bridge</u>	<u>Social Services</u>	<u>Translator</u>	<u>Healthy Community</u>	<u>Conservation Trust</u>	<u>Healthy Rivers and Streams Fund</u>
Assets						
Equity in pooled cash and investments	\$ -	\$ 134,856	\$ 1,628,316	\$ 72,380	\$ 207	\$ 1,442,332
Receivables:						
Accounts	-	-	1,781	-	-	-
Property taxes	462,624	168,935	727,722	2,022,025	-	-
Intergovernmental	196,359	89,018	-	-	-	144,058
Total Assets	<u>\$ 658,983</u>	<u>\$ 392,809</u>	<u>\$ 2,357,819</u>	<u>\$ 2,094,405</u>	<u>\$ 207</u>	<u>\$ 1,586,390</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances						
Liabilities						
Accounts payable	\$ 56,337	\$ 2,916	\$ 16,295	\$ -	\$ -	\$ 18,996
Accrued liabilities	28,056	9,776	531	-	-	1,063
Intergovernmental payable	2,498	31,681	473	-	-	-
Due to other funds	101,418	-	-	-	-	-
Funds held in trust	8,050	-	-	-	-	-
Total Liabilities	<u>196,359</u>	<u>44,373</u>	<u>17,299</u>	<u>-</u>	<u>-</u>	<u>20,059</u>
Deferred Inflows of Resources						
Deferred property taxes	462,624	168,935	727,722	2,022,025	-	-
Fund Balances						
Restricted for:						
Statutory reserve	-	34,709	23,348	60,165	-	25,285
Federal programs	-	144,792	-	-	-	-
Voter approved programs	-	-	1,589,450	12,215	207	1,541,046
Total Fund Balances	<u>-</u>	<u>179,501</u>	<u>1,612,798</u>	<u>72,380</u>	<u>207</u>	<u>1,566,331</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 658,983</u>	<u>\$ 392,809</u>	<u>\$ 2,357,819</u>	<u>\$ 2,094,405</u>	<u>\$ 207</u>	<u>\$ 1,586,390</u>

<u>Ambulance District</u>	<u>Redstone Ranch Acres Improvement District</u>	<u>Twining Flats Improvement District</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$ 413,600	\$ 15,540	\$ 23,071	\$ 3,730,302
-	-	-	1,781
429,227	8,563	16,382	3,835,478
-	-	-	429,435
<u>\$ 842,827</u>	<u>\$ 24,103</u>	<u>\$ 39,453</u>	<u>\$ 7,996,996</u>
\$ 1,924	\$ -	\$ 400	\$ 96,868
34	-	-	39,460
-	-	-	34,652
-	-	-	101,418
-	-	-	8,050
<u>1,958</u>	<u>-</u>	<u>400</u>	<u>280,448</u>
<u>429,227</u>	<u>8,563</u>	<u>16,382</u>	<u>3,835,478</u>
12,968	290	551	157,316
-	-	-	144,792
<u>398,674</u>	<u>15,250</u>	<u>22,120</u>	<u>3,578,962</u>
<u>411,642</u>	<u>15,540</u>	<u>22,671</u>	<u>3,881,070</u>
<u>\$ 842,827</u>	<u>\$ 24,103</u>	<u>\$ 39,453</u>	<u>\$ 7,996,996</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, 2013

	Road and Bridge	Social Services	Translator	Healthy Community	Conservation Trust
Revenues					
Taxes	\$ 979,565	\$ 183,990	\$ 734,093	\$ 2,004,072	\$ -
Intergovernmental	1,277,560	1,320,952	-	-	60,005
Licenses and permits	21,075	-	-	-	-
Charges for services	12,315	-	2,433	-	-
Investment earnings	-	773	6,693	1,413	93
Miscellaneous	1,200	15,860	35,060	-	-
Total Revenues	2,291,715	1,521,575	778,279	2,005,485	60,098
Expenditures					
Current:					
Public safety	-	-	-	-	-
Public works	2,291,715	-	443,055	60,000	-
Health and welfare	-	1,555,155	-	1,229,792	-
Culture and recreation	-	-	-	151,500	-
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
Total Expenditures	2,291,715	1,555,155	443,055	1,441,292	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(33,580)	335,224	564,193	60,098
Other Financing Sources (Uses)					
Sale of capital assets	-	-	-	-	-
Transfers in	-	65,000	-	-	-
Transfers out	-	-	-	(539,752)	(60,000)
Total Other Financing Sources (Uses)	-	65,000	-	(539,752)	(60,000)
Net Change in Fund Balances	-	31,420	335,224	24,441	98
Fund Balances Beginning of Year	-	148,081	1,277,574	47,939	109
Fund Balances End of Year	\$ -	\$ 179,501	\$ 1,612,798	\$ 72,380	\$ 207

Healthy Rivers and Streams Fund	Ambulance District	Redstone Ranch Acres Improvement District	Twining Flats Improvement District	Total Nonmajor Special Revenue Funds
\$ 836,895	\$ 429,900	\$ 9,562	\$ 18,241	\$ 5,196,318
-	-	-	-	2,658,517
-	-	-	-	21,075
458	-	-	-	15,206
5,492	2,298	91	110	16,963
-	76	-	-	52,196
<u>842,845</u>	<u>432,274</u>	<u>9,653</u>	<u>18,351</u>	<u>7,960,275</u>
-	539,605	-	-	539,605
-	-	3,656	4,679	2,803,105
-	-	-	-	2,784,947
673,674	-	-	-	825,174
-	-	-	7,184	7,184
-	-	-	2,003	2,003
<u>673,674</u>	<u>539,605</u>	<u>3,656</u>	<u>13,866</u>	<u>6,962,018</u>
<u>169,171</u>	<u>(107,331)</u>	<u>5,997</u>	<u>4,485</u>	<u>998,257</u>
-	34,817	-	-	34,817
-	-	-	-	65,000
-	-	-	-	(599,752)
-	34,817	-	-	(499,935)
169,171	(72,514)	5,997	4,485	498,322
<u>1,397,160</u>	<u>484,156</u>	<u>9,543</u>	<u>18,186</u>	<u>3,382,748</u>
<u>\$ 1,566,331</u>	<u>\$ 411,642</u>	<u>\$ 15,540</u>	<u>\$ 22,671</u>	<u>\$ 3,881,070</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, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 1,267,192	\$ 1,292,549	\$ 979,565	\$ (312,984)	\$ 1,059,560
Intergovernmental	1,238,344	1,238,344	1,277,560	39,216	1,249,374
Licenses and permits	10,000	10,000	21,075	11,075	16,345
Charges for services	3,500	3,500	12,315	8,815	5,210
Miscellaneous	500	500	1,200	700	1,200
Total Revenues	2,519,536	2,544,893	2,291,715	(253,178)	2,331,689
Expenditures					
Current:					
Public works	2,519,536	2,544,893	2,291,715	253,178	2,331,689
Total Expenditures	2,519,536	2,544,893	2,291,715	253,178	2,331,689
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Other Financing Sources (Uses)					
Transfers out	-	-	-	-	(1,540,821)
Net Change in Fund Balances	\$ -	\$ -	-	\$ -	(1,540,821)
Fund Balances Beginning of Year			-		1,540,821
Fund Balances End of Year			\$ -		\$ -

Pitkin County, Colorado
Social Services Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 183,774	\$ 183,774	\$ 183,990	\$ 216	\$ 182,873
Intergovernmental	1,370,097	1,456,773	1,320,952	(135,821)	1,313,202
Investment earnings	670	670	773	103	709
Miscellaneous	5,000	5,000	15,860	10,860	11,405
Total Revenues	<u>1,559,541</u>	<u>1,646,217</u>	<u>1,521,575</u>	<u>(124,642)</u>	<u>1,508,189</u>
Expenditures					
Current:					
Health and welfare	1,652,644	1,739,320	1,555,155	184,165	1,536,370
Total Expenditures	<u>1,652,644</u>	<u>1,739,320</u>	<u>1,555,155</u>	<u>184,165</u>	<u>1,536,370</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(93,103)</u>	<u>(93,103)</u>	<u>(33,580)</u>	<u>59,523</u>	<u>(28,181)</u>
Other Financing Sources (Uses)					
Transfers from other funds	85,533	85,533	65,000	(20,533)	40,000
Net Change in Fund Balances	<u>\$ (7,570)</u>	<u>\$ (7,570)</u>	31,420	<u>\$ 38,990</u>	11,819
Fund Balances Beginning of Year			<u>148,081</u>		<u>136,262</u>
Fund Balances End of Year			<u>\$ 179,501</u>		<u>\$ 148,081</u>

Pitkin County, Colorado
Translator Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	<u>2013</u>			<u>2012</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues					
Taxes	\$ 732,269	\$ 732,269	\$ 734,093	\$ 1,824	\$ 709,523
Charges for services	-	-	2,433	2,433	-
Investment earnings	5,060	5,060	6,693	1,633	6,342
Miscellaneous	31,790	31,790	35,060	3,270	29,872
Total Revenues	<u>769,119</u>	<u>769,119</u>	<u>778,279</u>	<u>9,160</u>	<u>745,737</u>
Expenditures					
Current:					
Public works	<u>881,255</u>	<u>1,205,551</u>	<u>443,055</u>	<u>762,496</u>	<u>512,301</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (112,136)</u>	<u>\$ (436,432)</u>	335,224	<u>\$ 771,656</u>	233,436
Fund Balances Beginning of Year			<u>1,277,574</u>		<u>1,044,138</u>
Fund Balances End of Year			<u>\$ 1,612,798</u>		<u>\$ 1,277,574</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, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 1,998,896	\$ 1,998,896	\$ 2,004,072	\$ 5,176	\$ 1,596,428
Investment earnings	2,130	2,130	1,413	(717)	1,544
Total Revenues	<u>2,001,026</u>	<u>2,001,026</u>	<u>2,005,485</u>	<u>4,459</u>	<u>1,597,972</u>
Expenditures					
Current:					
Public works	60,000	60,000	60,000	-	54,000
Health and welfare	1,268,202	1,238,202	1,229,792	8,410	1,131,556
Culture and recreation	151,500	151,500	151,500	-	122,100
Total Expenditures	<u>1,479,702</u>	<u>1,449,702</u>	<u>1,441,292</u>	<u>8,410</u>	<u>1,307,656</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>521,324</u>	<u>551,324</u>	<u>564,193</u>	<u>12,869</u>	<u>290,316</u>
Other Financing Sources (Uses)					
Transfers out	(500,602)	(530,602)	(539,752)	(9,150)	(341,377)
Net Change in Fund Balances	<u>\$ 20,722</u>	<u>\$ 20,722</u>	24,441	<u>\$ 3,719</u>	(51,061)
Fund Balances Beginning of Year			<u>47,939</u>		<u>99,000</u>
Fund Balances End of Year			<u>\$ 72,380</u>		<u>\$ 47,939</u>

Pitkin County, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	<u>2013</u>			<u>2012</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues					
Intergovernmental	\$ 55,000	\$ 55,000	\$ 60,005	\$ 5,005	\$ 55,613
Investment earnings	170	170	93	(77)	113
Total Revenues	<u>55,170</u>	<u>55,170</u>	<u>60,098</u>	<u>4,928</u>	<u>55,726</u>
Other Financing Uses					
Transfers out	<u>(55,000)</u>	<u>(55,000)</u>	<u>(60,000)</u>	<u>(5,000)</u>	<u>(58,000)</u>
Total Other Financing Uses	<u>(55,000)</u>	<u>(55,000)</u>	<u>(60,000)</u>	<u>(5,000)</u>	<u>(58,000)</u>
Net Change in Fund Balances	<u>\$ 170</u>	<u>\$ 170</u>	98	<u>\$ (72)</u>	(2,274)
Fund Balances Beginning of Year			<u>109</u>		<u>2,383</u>
Fund Balances End of Year			<u>\$ 207</u>		<u>\$ 109</u>

Pitkin County, Colorado
Healthy Rivers and Streams Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 795,282	\$ 795,282	\$ 836,895	\$ 41,613	\$ 781,400
Charges for services	-	-	458	458	-
Investment earnings	5,180	5,180	5,492	312	5,587
Total Revenues	800,462	800,462	842,845	42,383	786,987
Expenditures					
Current:					
Culture and recreation	408,864	854,407	673,674	180,733	479,700
Total Expenditures	408,864	854,407	673,674	180,733	479,700
Excess (Deficiency) of Revenues Over (Under) Expenditures	391,598	(53,945)	169,171	223,116	307,287
Net Change in Fund Balances	\$ 391,598	\$ (53,945)	169,171	\$ 223,116	307,287
Fund Balances Beginning of Year			1,397,160		1,089,873
Fund Balances End of Year			\$ 1,566,331		\$ 1,397,160

Pitkin County, Colorado
Ambulance District Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 429,071	\$ 429,071	\$ 429,900	\$ 829	\$ 414,470
Intergovernmental	-	-	-	-	69,901
Investment earnings	4,180	4,180	2,298	(1,882)	3,297
Miscellaneous	-	-	76	76	-
Total Revenues	<u>433,251</u>	<u>433,251</u>	<u>432,274</u>	<u>(977)</u>	<u>487,668</u>
Expenditures					
Current:					
Public safety	<u>690,210</u>	<u>707,288</u>	<u>539,605</u>	<u>167,683</u>	<u>650,282</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(256,959)	(274,037)	(107,331)	166,706	(162,614)
Other Financing Sources					
Sale of capital assets	<u>27,000</u>	<u>27,000</u>	<u>34,817</u>	<u>7,817</u>	<u>8,500</u>
Net Change in Fund Balances	<u>\$ (229,959)</u>	<u>\$ (247,037)</u>	(72,514)	<u>\$ 174,523</u>	(154,114)
Fund Balances Beginning of Year			<u>484,156</u>		<u>638,270</u>
Fund Balances End of Year			<u>\$ 411,642</u>		<u>\$ 484,156</u>

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, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 9,516	\$ 9,516	\$ 9,562	\$ 46	\$ 9,334
Investment earnings	30	30	91	61	36
Total Revenues	9,546	9,546	9,653	107	9,370
Expenditures					
Current:					
Public works	7,465	7,465	3,656	3,809	3,655
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 2,081	\$ 2,081	5,997	\$ 3,916	5,715
Fund Balances Beginning of Year			9,543		3,828
Fund Balances End of Year			\$ 15,540		\$ 9,543

Pitkin County Colorado
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, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 18,138	\$ 18,138	\$ 18,241	\$ 103	\$ 18,044
Investment earnings	110	110	110	-	115
Total Revenues	18,248	18,248	18,351	103	18,159
Expenditures					
Current:					
Public works	8,386	8,386	4,679	3,707	8,750
Debt Service:					
Principal retirement	7,184	7,184	7,184	-	6,778
Interest and fiscal charges	2,103	2,103	2,003	100	1,948
Total Expenditures	17,673	17,673	13,866	3,807	17,476
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 575</u>	<u>\$ 575</u>	4,485	<u>\$ 3,910</u>	683
Fund Balances Beginning of Year			18,186		17,503
Fund Balances End of Year			<u>\$ 22,671</u>		<u>\$ 18,186</u>

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 were issued under the 1989 authorization for general obligation housing bonds and \$445,000 was used to refund the outstanding balance of the 1982 general obligation bonds issued to finance the construction of a jail facility. During 1992, the County issued \$1,855,000 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. The County's outstanding General Obligation bonds were repaid in 2012.

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. During 2010, The County issued a \$8,360,000 Sales Tax Revenue bonds that consisted of \$5,830,000 Tax Exempt Refunding bonds and \$2,530,000 of Taxable Sales Tax Revenue Build America Bonds. The refunding bonds defeased the outstanding 1998 and 2001 Sales Tax Revenue Bonds. The bond proceeds of the refunded debt and current debt were issued to acquire buses and improve certain facilities for the Roaring Fork Transit Agency. Funding is provided by a 1% County sales tax implemented on July 1, 1985, and by interest earned by the fund.

Pitkin County, Colorado
Combining Balance Sheet
Non-major Debt Service Funds
December 31, 2013

	County GO Debt Service	Transit Debt Service	Total Non-major Debt Service Funds
Assets			
Receivables:			
Sales taxes	\$ -	\$ 109,477	\$ 109,477
Restricted cash and investments	-	55,952	55,952
Total Assets	<u>\$ -</u>	<u>\$ 165,429</u>	<u>\$ 165,429</u>
Liabilities and Fund Balances			
Fund Balances			
Restricted for debt service	-	165,429	165,429
Total Fund Balances	<u>-</u>	<u>165,429</u>	<u>165,429</u>
Total Liabilities and Fund Balances	<u>\$ -</u>	<u>\$ 165,429</u>	<u>\$ 165,429</u>

Pitkin County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Debt Service Funds
For the Year Ended December 31, 2013

	County GO Debt Service	Transit Debt Service	Non-major Debt Service Funds
Revenues			
Taxes	\$ -	\$ 604,237	\$ 604,237
Intergovernmental revenue	-	55,746	55,746
Investment earnings	-	893	893
Total Revenues	<u>-</u>	<u>660,876</u>	<u>660,876</u>
Expenditures			
Debt Service:			
Principal retirement	-	315,000	315,000
Interest and fiscal charges	-	344,663	344,663
Total Expenditures	<u>-</u>	<u>659,663</u>	<u>659,663</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>1,213</u>	<u>1,213</u>
Net Change in Fund Balances	-	1,213	1,213
Fund Balances Beginning of Year	<u>-</u>	<u>164,216</u>	<u>164,216</u>
Fund Balances End of Year	<u>\$ -</u>	<u>\$ 165,429</u>	<u>\$ 165,429</u>

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, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 151,327
Total Revenues	-	-	-	-	151,327
Expenditures					
Debt Service:					
Principal retirement	-	-	-	-	140,000
Interest and fiscal charges	-	-	-	-	16,375
Total Expenditures	-	-	-	-	156,375
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	(5,048)
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	(5,048)
Fund Balances Beginning of Year			-		5,048
Fund Balances End of Year			<u>\$ -</u>		<u>\$ -</u>

Pitkin County, Colorado
Transit Sales Tax Revenue Bonds
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 600,807	\$ 600,807	\$ 604,237	\$ 3,430	\$ 594,242
Intergovernmental revenue	60,561	60,561	55,746	(4,815)	60,561
Investment earnings	1,070	1,070	893	(177)	1,930
Total Revenues	<u>662,438</u>	<u>662,438</u>	<u>660,876</u>	<u>(1,562)</u>	<u>656,733</u>
Expenditures					
Debt Service:					
Principal retirement	315,000	315,000	315,000	-	305,000
Interest and fiscal charges	344,663	344,663	344,663	-	351,083
Total Expenditures	<u>659,663</u>	<u>659,663</u>	<u>659,663</u>	<u>-</u>	<u>656,083</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,775</u>	<u>2,775</u>	<u>1,213</u>	<u>(1,562)</u>	<u>650</u>
Net Change in Fund Balances	<u>\$ 2,775</u>	<u>\$ 2,775</u>	1,213	<u>\$ (1,562)</u>	650
Fund Balances Beginning of Year			<u>164,216</u>		<u>163,566</u>
Fund Balances End of Year			<u>\$ 165,429</u>		<u>\$ 164,216</u>

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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 position 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 Position
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	<u>2013</u>	<u>2012</u>
Operating Revenues		
Charges for services	\$ 3,243,842	\$ 3,306,782
Rents and franchises	4,068,708	3,866,368
Miscellaneous	250	125
Total Operating Revenues	<u>7,312,800</u>	<u>7,173,275</u>
Operating Expenses		
Personnel services	2,274,309	2,178,116
Purchased services	5,871,719	4,914,176
Materials and supplies	248,534	221,408
Depreciation	3,818,640	4,032,635
Total Operating Expenses	<u>12,213,202</u>	<u>11,346,335</u>
Operating Income (Loss)	(4,900,402)	(4,173,060)
Non-operating Revenues (Expenses)		
Interest revenue	41,959	48,129
Intergovernmental revenue	936,702	645,834
Interest expense and fiscal charge	(21,040)	(30,692)
Net gain on disposition of capital assets	8,733	51,713
Total Non-operating Revenues (Expenses)	<u>966,354</u>	<u>714,984</u>
Income (Loss) Before Capital Contributions	(3,934,048)	(3,458,076)
Capital contributions	4,073,220	7,840,385
Change in Net Position	139,172	4,382,309
Net Position Beginning of Year	<u>93,889,801</u>	<u>89,507,492</u>
Net Position End of Year	<u>\$ 94,028,973</u>	<u>\$ 93,889,801</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, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
GAAP-based operating revenues	\$ 7,313,180	\$ 7,329,820	\$ 7,312,800	\$ (17,020)	\$ 7,173,275
GAAP-based interest revenues	51,170	51,170	41,959	(9,211)	48,129
GAAP-based other non-operating revenue	1,251,493	929,698	936,702	7,004	645,834
GAAP-based contributions from federal government and others	2,507,224	5,562,265	4,073,220	(1,489,045)	7,840,385
Total Budgetary-Based Revenues	\$ 11,123,067	\$ 13,872,953	\$ 12,364,681	\$ (1,508,272)	\$ 15,707,623
Expenditures					
GAAP-based operating expenditures	\$ 7,996,581	\$ 10,045,348	\$ 12,213,202	\$ (2,167,854)	\$ 11,346,335
GAAP-based interest expense and fiscal charges	23,813	29,813	23,813	6,000	30,692
Deduct depreciation	-	-	(3,818,640)	3,818,640	(4,032,635)
Deduct accrued interest payable	-	-	(2,773)	2,773	3,403
Add acquisition of property and equipment	545,348	3,154,260	702,511	2,451,749	8,519,579
Add debt principal retirement	190,713	596,213	190,713	405,500	330,722
Total Budgetary-Based Expenditures	\$ 8,756,455	\$ 13,825,634	\$ 9,308,826	\$ 4,516,808	\$ 16,198,096
Other Financing Sources					
GAAP-based proceeds from sale of capital assets	\$ 51,870	\$ 51,870	\$ 12,500	\$ (39,370)	\$ 54,155
Total Budgetary-Based Other Financing Sources	\$ 51,870	\$ 51,870	\$ 12,500	\$ (39,370)	\$ 54,155

Pitkin County, Colorado
Solid Waste Center Fund
Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013	2012
Operating Revenues		
Charges for services	\$ 4,713,085	\$ 4,741,112
Miscellaneous	25,834	1,950
Total Operating Revenues	4,738,919	4,743,062
Operating Expenses		
Personnel services	704,717	703,930
Purchased services	3,128,448	2,771,786
Materials and supplies	70,086	37,482
Depreciation	155,415	145,248
Postclosure	-	118,859
Total Operating Expenses	4,058,666	3,777,305
Operating Income (Loss)	680,253	965,757
Non-Operating Revenues (Expenses)		
Interest	17,134	20,675
Miscellaneous income	251,547	-
Gain (Loss) on disposition of capital assets	(5,882)	10,000
Total Non-Operating Revenues (Expenses)	262,799	30,675
Income Before Transfers Out	943,052	996,432
Transfers out	-	(220,000)
Change in Net Position	943,052	776,432
Net Position Beginning of Year	3,895,109	3,118,677
Net Position End of Year	\$ 4,838,161	\$ 3,895,109

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, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	2013			2012	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
GAAP-based operating revenues	\$ 4,130,596	\$ 4,130,596	\$ 4,738,919	\$ 608,323	\$ 4,743,062
GAAP-based interest revenues	20,440	20,440	17,134	(3,306)	20,675
Other revenues	-	-	(251,547)	(251,547)	-
Total Budgetary-Based Revenues	\$ 4,151,036	\$ 4,151,036	\$ 4,504,506	\$ 353,470	\$ 4,763,737
Expenditures					
GAAP-based operating expenditures	\$ 4,122,208	\$ 4,358,254	\$ 4,058,666	\$ 299,588	\$ 3,777,305
Deduct depreciation	-	-	(155,415)	155,415	(145,248)
Deduct postclosure accrual	-	-	-	-	(118,859)
Increase (decrease) in inventory	-	-	(4,390)	4,390	188,753
Add acquisition of property and equipment	167,800	302,597	49,613	252,984	647,942
Total Budgetary-Based Expenditures	\$ 4,290,008	\$ 4,660,851	\$ 3,948,474	\$ 712,377	\$ 4,349,893
Other Financing Sources (Uses)					
GAAP-based proceeds from sale of capital assets	\$ 31,600	\$ 37,800	\$ 23,000	\$ (14,800)	\$ 10,000
GAAP-based transfer to general fund	-	-	-	-	(220,000)
Total Budgetary-Based Other Financing Sources (Uses)	\$ 31,600	\$ 37,800	\$ 23,000	\$ (14,800)	\$ (210,000)

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, 2013

County Clearing Funds	Balance January 1, 2013	Additions	Deductions	Balance December 31, 2013
Assets				
Equity in pooled cash and investments	\$ 1,047,605	\$ 208,672,313	\$ 208,827,476	\$ 892,442
Liabilities				
Due to other governments	\$ 447,442	\$ 4,278,705	\$ 4,274,870	\$ 451,277
Funds held for others	600,163	204,393,608	204,552,606	441,165
Total Liabilities	\$ 1,047,605	\$ 208,672,313	\$ 208,827,476	\$ 892,442
Taxing Districts				
Assets				
Equity in pooled cash and investments	\$ 426	\$ 84,280,903	\$ 84,244,839	\$ 36,490
Liabilities				
Due to other governments	\$ 426	\$ 84,280,903	\$ 84,244,839	\$ 36,490
Housing Funds				
Assets				
Equity in pooled cash and investments	\$ 74,136	\$ 301	\$ -	\$ 74,437
Liabilities				
Funds held for others	\$ 74,136	\$ 301	\$ -	\$ 74,437
Other Clearing Funds				
Assets				
Equity in pooled cash and investments	\$ 316,122	\$ 6,763	\$ 5,588	\$ 317,297
Liabilities				
Due to other governments	\$ 316,122	\$ 6,763	\$ 5,588	\$ 317,297
Total - All Agency Funds				
Assets				
Equity in pooled cash and investments	\$ 1,438,289	\$ 292,960,280	\$ 293,077,903	\$ 1,320,666
Liabilities				
Due to other governments	\$ 763,990	\$ 88,566,371	\$ 88,525,297	\$ 805,064
Funds held for others	674,299	204,393,909	204,552,606	515,602
Total Liabilities	\$ 1,438,289	\$ 292,960,280	\$ 293,077,903	\$ 1,320,666

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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
Pitkin County Library District
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	<u>2013</u>			<u>2012</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues					
Taxes	\$ 3,524,750	\$ 3,524,750	\$ 3,535,215	\$ 10,465	\$ 3,406,341
Charges for services	-	-	6,927	6,927	-
Fines and forfeits	29,000	29,000	28,495	(505)	33,720
Investment earnings	9,080	9,080	198,189	189,109	471,512
Miscellaneous	16,000	16,000	1,300,332	1,284,332	118,317
Total Revenues	<u>3,578,830</u>	<u>3,578,830</u>	<u>5,069,158</u>	<u>1,490,328</u>	<u>4,029,890</u>
Expenditures					
Current:					
Culture and recreation	3,617,687	4,236,344	3,331,943	904,401	3,519,655
Total Expenditures	<u>3,617,687</u>	<u>4,236,344</u>	<u>3,331,943</u>	<u>904,401</u>	<u>3,519,655</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(38,857)</u>	<u>(657,514)</u>	<u>1,737,215</u>	<u>2,394,729</u>	<u>510,235</u>
Other Financing Sources					
Transfer from other funds	-	-	-	-	3,411
Proceeds from sale of capital assets	7,000	7,000	8,871	1,871	5,370
Total Other Financing Sources	<u>7,000</u>	<u>7,000</u>	<u>8,871</u>	<u>1,871</u>	<u>8,781</u>
Net Change in Fund Balances	<u>\$ (31,857)</u>	<u>\$ (650,514)</u>	<u>1,746,086</u>	<u>\$ 2,396,600</u>	<u>519,016</u>
Fund Balances Beginning of Year			<u>6,679,618</u>		<u>6,160,602</u>
Fund Balances End of Year			<u>\$ 8,425,704</u>		<u>\$ 6,679,618</u>
Reconciliation to Statement of Net Position					
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.					
Accumulated depreciation		\$ (4,255,054)			
Cost of capital assets		<u>7,544,191</u>	\$ 3,289,137		
Compensated absences			<u>(132,006)</u>		
Total Net Position			<u>\$ 11,582,835</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, 2013
(With Comparative Actual Amounts for the Year Ended December 31, 2012)

	<u>2013</u>			<u>2012</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues					
Charges for services	\$ 537,547	\$ 537,547	\$ 538,060	\$ 513	\$ 550,221
Investment earnings	4,730	4,730	4,588	(142)	4,777
Total Revenues	<u>542,277</u>	<u>542,277</u>	<u>542,648</u>	<u>371</u>	<u>554,998</u>
Expenditures					
Current:					
Public Safety	454,428	710,643	511,338	199,305	364,498
Total Expenditures	<u>454,428</u>	<u>710,643</u>	<u>511,338</u>	<u>199,305</u>	<u>364,498</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 87,849</u>	<u>\$ (168,366)</u>	31,310	<u>\$ 199,676</u>	190,500
Fund Balances Beginning of Year			<u>1,078,729</u>		<u>888,229</u>
Fund Balances End of Year			<u>\$ 1,110,039</u>		<u>\$ 1,078,729</u>
Reconciliation to Statement of Net Position					
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.					
Accumulated depreciation		\$ (225,375)			
Cost of capital assets		<u>532,647</u>	\$ 307,272		
Total Net Position			<u>\$ 1,417,311</u>		

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COMBINED SCHEDULE OF CASH AND INVESTMENTS

Pitkin County, Colorado

COMBINED SCHEDULE OF CASH AND INVESTMENTS

December 31, 2013

	Interest Rate	Maturity Date	Fair Value
Pooled cash and investments			
U.S. Agencies and Instrumentalities			
Federal Home Loan Mortgage Corp.			
Par Value \$1,000,000	5.000%	1/30/2014	\$ 1,003,780
Par Value \$1,000,000	1.750%	9/10/2015	1,023,320
Par Value \$3,000,000	4.375%	10/15/2015	3,211,500
Federal Home Loan Bank			
Par Value \$1,000,000	1.000%	9/9/2016	1,000,000
Federal National Mortgage Assoc.			
Par Value \$750,000	1.000%	7/29/2016	<u>750,000</u>
Total U.S. Agencies and Instrumentalities			\$ 6,988,600
Bank Certificates of Deposit			
Centennial Bank, Centennial	0.500%	2/17/2014	500,000
Centennial Bank	0.600%	8/17/2014	500,000
City Wide Bank, Denver	0.700%	4/16/2014	1,000,000
City Wide Bank	1.310%	9/23/2014	1,000,000
City Wide Bank	1.100%	3/16/2015	1,000,000
City Wide Bank	1.100%	5/16/2015	1,000,000
First Bank, Lakewood	0.350%	8/7/2014	1,000,000
First Bank	0.350%	10/31/2014	1,250,000
First Bank	0.600%	7/10/2015	500,000
First Bank	0.600%	8/7/2015	250,000
First Bank	0.600%	10/31/2015	2,500,000
Fowler State Bank, Fowler	0.480%	10/12/2014	250,000
Home Loan State Bank, Grand Junction	0.650%	3/16/2014	1,000,000
Home Loan State Bank	0.650%	5/16/2014	1,000,000
Home Loan State Bank	0.650%	6/22/2014	1,000,000
Solera National Bank, Lakewood	0.600%	4/16/2014	1,000,000
Solera National Bank	0.550%	7/12/2014	500,000
Solera National Bank	0.350%	11/19/2014	1,000,000
Solera National Bank	0.900%	7/12/2015	500,000
Summit Bank & Trust, Broomfield	0.700%	7/12/2015	1,000,000
Bank of the San Juans, Durango	2.250%	1/15/2013	-
Bank of the San Juans	2.000%	3/19/2013	-
Bank of the San Juans	1.250%	3/17/2014	1,000,000
Yampa Valley Bank, Steamboat	0.650%	3/27/2014	1,000,000
FDIC-insured Negotiable CD's	varies	varies	<u>14,505,639</u>
Total Bank Certificates of Deposit			\$ 34,255,639
Bank Deposits - Money Market, Checking and Savings Accounts			
Alpine Bank	0.570%	-	403,466
Vectra Bank Colorado	0.000%	-	2,845,825
Vectra Bank Colorado	0.250%	-	31,279,138
Wells Fargo Bank	0.010%	-	3,769
Centennial Bank	0.350%	-	1,008,569
Solera National Bank, Lakewood	0.500%	-	1,511,318
Morgan Stanley Bank NA	0.010%	-	755,454
Morgan Stanley Private Bank NA	0.010%	-	245,000
Local Government Surplus Trust Funds			
COLOTRUST+	0.120%	-	100,530
CSAFE	0.120%	-	101,408

Pitkin County, Colorado

COMBINED SCHEDULE OF CASH AND INVESTMENTS (CONTINUED)

December 31, 2013

	Interest Rate	Maturity Date	Fair Value
Colorado Statewide Investment Program	0.110%	-	954,681
Money Market Mutual Funds			
Federated Prime Obligations Instl.	0.800%	-	501,629
JP Morgan Prime Money Market	0.010%	-	1,045
Vanguard Prime Money Market Instl.	0.010%	-	3,071
Repurchase Agreement - Vectra Bank Colorado	0.250%	-	9,328,880
Petty cash			8,500
Deposits in transit less bank transfers in process			151,553
Less outstanding warrants			(552,613)
TOTAL POOLED CASH AND INVESTMENTS			<u>\$ 89,895,462</u>

Other Cash and Investments

Institutional Mutual Funds held for Pitkin County Library District

Mutual Funds		
Allianz Pimco RCM Large Cap Growth	\$	28,653
Absolute Strategies		14,745
AQR Managed Futures		7,855
Davis New York Venture		27,338
Diamond Hill Small Cap		21,822
Euro Pacific Growth		27,295
Fidelity Floating Rate		684,099
Gateway		10,382
Harbor High-yield bond		52,149
Hatteras Hedged Strategies		18,316
Loomis Sales Investment Grade Bond		103,059
Oakmark Intl Small Cap		10,589
PIMCO Commodity Real Return		14,770
PIMCO Low Duration Bond		664,568
Pimco RCM Total Return Instl.		102,045
T. Rowe Price Mid-cap		21,529
Thornburg International Value Instl.		26,339
Vanguard Intermediate Term Bond Index		102,335
Vanguard Short-term Bond Index		703,471
Vanguard Total Stock		55,427
Wells Fargo Emerging Mkts		15,807
Cash		73,975
Total library other cash and investments	\$	<u>2,786,568</u>

Retirement Trust Fund

Mutual Funds held at Wells Fargo Bank, trustee	\$	<u>26,320,217</u>
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TOTAL OTHER CASH AND INVESTMENTS **\$ 29,106,785**

Fund Reporting Level:	Pooled cash and investments	Other cash and Investments
Governmental Funds - Balance Sheet	\$ 65,717,909	\$ -
Governmental Funds - Balance Sheet - Restricted Assets	55,952	-
Proprietary Fund Type Statement of Net Position	12,930,839	-
Proprietary Fund Type Statement of Net Position - Restricted	2,972,828	-
Component Units - Combining Statement of Net Position	6,771,461	2,786,568
Statement of Fiduciary Net Position - Retirement Trust Fund	-	26,320,217
Statement of Fiduciary Net Position - Agency Funds	1,446,473	-
Total	<u>\$ 89,895,462</u>	<u>\$ 29,106,785</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, 2013

	MAJOR FUNDS			
	General Fund	Transportation Sales and Use Tax Fund	Open Space and Trails Fund	Employee Housing Impact Fund
Taxes and special assessments				
Property	\$ 6,053,010	\$ -	\$ 10,413,413	\$ -
Specific ownership	180,622	-	310,947	-
General sales tax	6,676,955	11,714,558	-	-
Selective sales and use tax	28,555	813,000	-	-
Penalties and interest	20,830	-	26,766	-
Total taxes	12,959,972	12,527,558	10,751,126	-
Intergovernmental revenue				
Federal	1,339,633	-	281,487	-
State	213,477	-	690,863	-
Other governmental	635,690	-	551,644	-
Total intergovernmental revenue	2,188,800	-	1,523,994	-
Licenses and Permits				
Business	57,706	-	-	-
Nonbusiness	1,143,058	-	2,720	-
Total licenses and permits	1,200,764	-	2,720	-
Charges for services				
General government	4,230,159	-	-	-
Public safety	1,088,865	-	-	-
Public works	124,112	-	-	-
Health and welfare	109,133	-	-	-
Culture and recreation	1,852	-	-	-
Conservation of natural resources	17,519	-	-	-
Housing and development	2,760	-	-	-
Refunds	-	-	213,448	-
Total charges for services	5,574,400	-	213,448	-
Fines and forfeits				
Courts	46,051	-	-	-
County fines	410	-	3,200	-
Library	-	-	-	-
Total fines and forfeits	46,461	-	3,200	-
Miscellaneous				
Earnings on deposits and investments	139,953	41,522	43,636	44,841
Impact fees	170,150	-	-	1,006,431
Rents and royalties	331,621	-	24,954	23,979
Contributions	160,503	-	53,818	-
Other	2,632	33	-	-
Total miscellaneous	804,859	41,555	122,408	1,075,251
TOTAL REVENUES	\$ 22,775,256	\$ 12,569,113	\$ 12,616,896	\$ 1,075,251

NON-MAJOR FUNDS

Road & Bridge Fund	Social Services Fund	Translator Fund	Healthy Community Fund	Conservation Trust Fund	Healthy River and Streams Fund	Ambulance District
\$ 444,780	\$ 178,242	\$ 711,065	\$ 1,941,873	\$ -	\$ -	\$ 416,642
13,270	5,325	21,216	57,914	-	-	12,435
520,328	-	-	-	-	836,895	-
-	-	-	-	-	-	-
1,187	423	1,812	4,285	-	-	823
<u>979,565</u>	<u>183,990</u>	<u>734,093</u>	<u>2,004,072</u>	<u>-</u>	<u>836,895</u>	<u>429,900</u>
118,551	355,611	-	-	-	-	-
1,112,115	817,266	-	-	60,005	-	-
46,894	148,075	-	-	-	-	-
<u>1,277,560</u>	<u>1,320,952</u>	<u>-</u>	<u>-</u>	<u>60,005</u>	<u>-</u>	<u>-</u>
21,075	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>21,075</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,674	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
7,641	-	2,433	-	-	458	-
<u>12,315</u>	<u>-</u>	<u>2,433</u>	<u>-</u>	<u>-</u>	<u>458</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	773	6,693	1,413	93	5,492	2,298
-	-	-	-	-	-	-
1,200	-	35,060	-	-	-	-
-	9,000	-	-	-	-	-
-	6,860	-	-	-	-	76
<u>1,200</u>	<u>16,633</u>	<u>41,753</u>	<u>1,413</u>	<u>93</u>	<u>5,492</u>	<u>2,374</u>
<u>\$ 2,291,715</u>	<u>\$ 1,521,575</u>	<u>\$ 778,279</u>	<u>\$ 2,005,485</u>	<u>\$ 60,098</u>	<u>\$ 842,845</u>	<u>\$ 432,274</u>

(continued)

Pitkin County, Colorado

COMBINED SCHEDULE OF GOVERNMENTAL REVENUE BY SOURCE (CONTINUED)

For the Year Ended December 31, 2013

	NON-MAJOR FUNDS				
	Redstone Ranch Acres Improvement District	Twining Flats Improvement District	GO Debt Service Fund	Transit Debt Service Fund	Primary Government Combined Total
Taxes and special assessments					
Property	\$ 9,215	\$ 17,712	\$ -	\$ -	\$ 20,185,952
Specific ownership	271	523	-	-	602,523
General sales tax	-	-	-	604,237	20,352,973
Selective sales and use tax	-	-	-	-	841,555
Penalties and interest	76	6	-	-	56,208
Total taxes	9,562	18,241	-	604,237	42,039,211
Intergovernmental revenue					
Federal	-	-	-	55,746	2,151,028
State	-	-	-	-	2,893,726
Other governmental	-	-	-	-	1,382,303
Total intergovernmental revenue	-	-	-	55,746	6,427,057
Licenses and Permits					
Business	-	-	-	-	78,781
Nonbusiness	-	-	-	-	1,145,778
Total licenses and permits	-	-	-	-	1,224,559
Charges for services					
General government	-	-	-	-	4,230,159
Public safety	-	-	-	-	1,088,865
Public works	-	-	-	-	128,786
Health and welfare	-	-	-	-	109,133
Culture and recreation	-	-	-	-	1,852
Conservation of natural resources	-	-	-	-	17,519
Housing and development	-	-	-	-	2,760
Refunds	-	-	-	-	223,980
Total charges for services	-	-	-	-	5,803,054
Fines and forfeits					
Courts	-	-	-	-	46,051
Open space violations	-	-	-	-	3,610
Library	-	-	-	-	-
Total fines and forfeits	-	-	-	-	49,661
Miscellaneous					
Earnings on deposits and investments	91	110	-	893	287,808
Impact fees	-	-	-	-	1,176,581
Rents and royalties	-	-	-	-	416,814
Contributions	-	-	-	-	223,321
Other	-	-	-	-	9,601
Total miscellaneous	91	110	-	893	2,114,125
TOTAL REVENUES	\$ 9,653	\$ 18,351	\$ -	\$ 660,876	\$ 57,657,667

COMPONENT UNITS

Pitkin County Library District	Emergency Telephone Authority	Reporting Entity Combined Total
\$ 3,426,343	\$ -	\$ 23,612,295
102,138	-	704,661
-	-	20,352,973
-	-	841,555
6,734	-	62,942
<u>3,535,215</u>	<u>-</u>	<u>45,574,426</u>
-	-	2,151,028
-	-	2,893,726
-	-	1,382,303
<u>-</u>	<u>-</u>	<u>6,427,057</u>
-	-	78,781
-	-	1,145,778
<u>-</u>	<u>-</u>	<u>1,224,559</u>
-	-	4,230,159
-	538,060	1,626,925
-	-	128,786
-	-	109,133
-	-	1,852
-	-	17,519
-	-	2,760
6,927	-	230,907
<u>6,927</u>	<u>538,060</u>	<u>6,348,041</u>
-	-	46,051
-	-	3,610
28,495	-	28,495
<u>28,495</u>	<u>-</u>	<u>78,156</u>
198,189	4,588	490,585
-	-	1,176,581
-	-	416,814
1,300,332	-	1,523,653
-	-	9,601
<u>1,498,521</u>	<u>4,588</u>	<u>3,617,234</u>
<u>\$ 5,069,158</u>	<u>\$ 542,648</u>	<u>\$ 63,269,473</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 2013
This Information From The Records Of (example - City of _ or County of _) County of Pitkin, Colorado	Prepared By: Phone:	John Redmond (970) 920-5225

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)	4,774,385
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,003,367
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	25,061
2. General fund appropriations	1,412,710	b. Snow and ice removal	493,131
3. Other local imposts (from page 2)	4,040,701	c. Other	28,880
4. Miscellaneous local receipts (from page 2)	2,143,532	d. Total (a. through c.)	547,071
5. Transfers from toll facilities		4. General administration & miscellaneous	676,280
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	806,836
a. Bonds - Original Issues	0	6. Total (1 through 5)	8,807,941
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	2,003
7. Total (1 through 6)	7,596,943	b. Redemption	7,184
B. Private Contributions	0	c. Total (a. + b.)	9,187
C. Receipts from State government (from page 2)	1,112,115	2. Notes:	
D. Receipts from Federal Government (from page 2)	118,551	a. Interest	0
E. Total receipts (A.7 + B + C + D)	8,827,609	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	9,187
		C. Payments to State for highways	0
		D. Payments to toll facilities	0
		E. Total disbursements (A.6 + B.3 + C + D)	8,817,127

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	31,428	0	7,184	24,244
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
	27,729	8,827,609	8,817,127	38,211	0

Notes and Comments:

Note 1 General Fund Appropriations:

Transfer From General Fund	1,406,836
Sheriff expenditures for traffic	0
Amount available from Non-Highway	5,874
Total	1,412,710

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2013

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	471,641	a. Interest on investments	201
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	3,337,952	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	170,150	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	89,404
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	60,959	g. Other Misc. Receipts (Note 2)	2,053,927
6. Total (1. through 5.)	3,569,060	h. Other	
c. Total (a. + b.)	4,040,701	i. Total (a. through h.)	2,143,532
	(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	1,075,643	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	118,551
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	36,472	d. Federal Transit Admin	
d. Other (Specify)CMAQ Grant	0	e. U.S. Corps of Engineers	
e. Other (Specify) CDOT Reimburse	0	f. Other Federal-Reimburse Road Project	0
f. Total (a. through e.)	36,472	g. Total (a. through f.)	118,551
4. Total (1. + 2. + 3.f)	1,112,115	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		7,735	7,735
b. Engineering Costs		247,575	247,575
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		0	0
(3). System Preservation		1,144,122	1,144,122
(4). System Enhancement & Operation		3,374,953	3,374,953
(5). Total Construction (1) + (2) + (3) + (4)	0	4,519,075	4,519,075
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	4,774,385	4,774,385
			(Carry forward to page 1)

Notes and Comments:

Note 2 Other Receipts	
Access Permits	21,075
Contribution from E.O.T.C	2,025,000
Misc. Reimbursement	7,852
Total	<u>2,053,927</u>

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2013
Annual Financial Report

STATISTICAL SECTION

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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.	130-137
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	138-147
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	148-153
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.	154-158
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.	159-167

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

Last Ten Years

	2004	2005	2006	2007
Governmental activities				
Net investment in capital assets	\$ 63,474,673	\$ 71,576,959	\$ 74,991,785	\$ 102,497,894
Restricted				
Open space	15,046,683	6,751,388	8,278,566	124,702
Transportation and roads	15,328,837	14,917,328	16,955,481	16,316,370
Affordable housing	595,506	4,212,900	5,876,481	7,753,510
Highway 82 construction	2,138,165	965,876	923,449	663,633
Statutory reserve for emergencies	1,058,645	1,243,429	1,418,544	1,439,952
Debt service	611,194	527,780	487,318	482,170
Ambulance district	682,057	874,053	1,178,700	1,148,965
General Fund restrictions	580,848	667,871	551,889	1,109,157
Human services and public welfare services	171,639	268,269	234,576	257,316
TV and FM broadcast services	331,203	465,203	637,385	842,480
Public Improvement Districts	10,658	5,537	3,326	5,957
Health Rivers and Streams fund	-	-	-	-
Unrestricted	<u>11,215,180</u>	<u>14,529,046</u>	<u>18,890,058</u>	<u>11,224,305</u>
Total governmental activities net position	<u><u>\$ 111,245,288</u></u>	<u><u>\$ 117,005,639</u></u>	<u><u>\$ 130,427,558</u></u>	<u><u>\$ 143,866,411</u></u>
Business-type activities				
Net investment in capital assets	\$ 43,888,509	\$ 56,204,425	\$ 61,778,381	\$ 73,322,031
Restricted				
Debt service	-	-	-	-
Inventory	-	-	-	-
Airport	4,001,848	5,531,446	6,067,769	6,349,656
Unrestricted	<u>2,114,451</u>	<u>1,523,330</u>	<u>2,745,393</u>	<u>3,849,070</u>
Total business-type activities net position	<u><u>\$ 50,004,808</u></u>	<u><u>\$ 63,259,201</u></u>	<u><u>\$ 70,591,543</u></u>	<u><u>\$ 83,520,757</u></u>
Primary government				
Net investment in capital assets	\$ 107,363,182	\$ 127,781,384	\$ 136,770,166	\$ 175,819,925
Restricted				
Open space	15,046,683	6,751,388	8,278,566	124,702
Transportation	15,328,837	14,917,328	16,955,481	16,316,370
Affordable housing	595,506	4,212,900	5,876,481	7,753,510
Highway 82 construction	2,138,165	965,876	923,449	663,633
Statutory reserve for emergencies	1,058,645	1,243,429	1,418,544	1,439,952
Debt service	611,194	527,780	487,318	482,170
Ambulance district	682,057	874,053	1,178,700	1,148,965
Airport	4,001,848	5,531,446	6,067,769	6,349,656
General Fund local restrictions	580,848	667,871	551,889	1,109,157
Human services and public welfare services	171,639	268,269	234,576	257,316
TV and FM broadcast services	331,203	465,203	637,385	842,480
Public Improvement Districts	10,658	5,537	3,326	5,957
Health Rivers and Streams fund	-	-	-	-
Inventory	-	-	-	-
Unrestricted	<u>13,329,631</u>	<u>16,052,376</u>	<u>21,635,451</u>	<u>15,073,375</u>
Total primary government net position	<u><u>\$ 161,250,096</u></u>	<u><u>\$ 180,264,840</u></u>	<u><u>\$ 201,019,101</u></u>	<u><u>\$ 227,387,168</u></u>

	2008	2009	2010	2011	2012	2013
\$	118,334,844	\$ 134,717,335	\$ 155,994,598	\$ 155,315,076	\$ 156,145,670	\$ 163,064,743
	357,824	-	(10,371,301)	1,271,200	7,845,021	11,700,476
	11,621,432	11,510,491	10,926,613	11,388,957	10,765,759	9,045,939
	8,851,035	9,359,852	9,627,638	10,156,826	10,699,581	10,953,370
	547,179	429,955	-	-	-	-
	1,531,840	1,479,061	1,549,059	1,579,598	657,180	1,638,544
	185,560	144,210	38,088	38,238	31,772	47,588
	1,065,919	864,120	749,494	626,354	484,156	398,674
	1,199,502	1,175,261	462,386	462,380	468,374	683,307
	379,060	327,952	251,858	182,556	196,020	157,007
	1,069,303	199,883	705,205	1,022,704	1,277,574	1,589,450
	4,973	12,380	16,167	20,532	27,729	37,370
	-	626,522	994,032	1,067,010	1,397,160	1,541,046
	10,715,439	9,475,854	9,312,588	14,930,468	14,657,523	16,284,068
\$	155,863,910	\$ 170,322,876	\$ 180,256,425	\$ 198,061,899	\$ 204,653,519	\$ 217,141,582
\$	71,671,246	\$ 72,977,503	\$ 71,535,132	\$ 81,664,910	\$ 86,982,831	\$ 83,918,960
	-	-	-	-	-	-
	-	-	328,500	189,991	378,744	374,354
	10,542,488	10,438,724	11,271,356	9,738,075	9,305,157	12,373,515
	3,791,453	1,585,119	1,457,411	1,033,193	1,118,178	2,200,305
\$	86,005,187	\$ 85,001,346	\$ 84,592,399	\$ 92,626,169	\$ 97,784,910	\$ 98,867,134
\$	190,006,090	\$ 207,694,838	\$ 227,529,730	\$ 236,979,986	\$ 243,128,501	\$ 246,983,703
	357,824	-	(10,371,301)	1,271,200	7,845,021	11,700,476
	11,621,432	11,510,491	10,926,613	11,388,957	10,765,759	9,045,939
	8,851,035	9,359,852	9,627,638	10,156,826	10,699,581	10,953,370
	547,179	429,955	-	-	-	-
	1,531,840	1,479,061	1,549,059	1,579,598	657,180	1,638,544
	185,560	144,210	38,088	38,238	31,772	47,588
	1,065,919	864,120	749,494	626,354	484,156	398,674
	10,542,488	10,438,724	11,271,356	9,738,075	9,305,157	12,373,515
	1,199,502	1,175,261	462,386	462,380	468,374	683,307
	379,060	327,952	251,858	182,556	196,020	157,007
	1,069,303	199,883	705,205	1,022,704	1,277,574	1,589,450
	4,973	12,380	16,167	20,532	27,729	37,370
	-	626,522	994,032	1,067,010	1,397,160	1,541,046
	-	-	-	189,991	378,744	374,354
	14,506,892	11,060,973	10,769,999	15,963,661	15,775,701	18,484,373
\$	241,869,097	\$ 255,324,222	\$ 264,520,324	\$ 290,688,068	\$ 302,438,429	\$ 316,008,716

Pitkin County, Colorado
Changes in Net Position
Accrual basis of accounting
(Unaudited)
Last Ten Years

	2004	2005	2006	2007
Expenses:				
Governmental activities:				
General government	\$ 6,666,755	\$ 6,682,126	\$ 10,292,549	\$ 8,160,025
Public safety	5,921,598	5,795,503	6,135,841	7,215,619
Public works	11,398,546	17,210,842	14,467,249	16,778,835
Health and welfare	2,183,103	2,529,548	2,700,256	3,198,700
Culture and recreation	2,534,164	1,650,142	2,063,649	1,110,754
Conservation of natural resources	68,657	21,818	23,677	13,812
Housing and development	691,286	4,019,595	184,119	195,534
Interest	1,556,530	1,555,827	1,442,425	1,373,501
Total governmental activities expenses	31,020,639	39,465,401	37,309,765	38,046,780
Business-type activities:				
Airport	4,995,246	5,919,636	6,212,291	7,098,923
Solid Waste Center	3,334,496	3,952,374	4,076,353	4,355,822
Total business-type activities expenses	8,329,742	9,872,010	10,288,644	11,454,745
Program Revenues				
Governmental activities:				
Charges for services				
General government	3,011,132	5,155,163	3,815,431	4,080,854
Public safety	1,473,829	2,143,282	2,148,058	1,894,897
Public works	820,534	229,036	824,047	510,097
Health and welfare	304,930	277,373	441,055	456,344
Culture and recreation	105,878	44,114	223,592	657,433
Conservation of natural resources	13,433	24,630	31,029	-
Housing and development	54,751	741,363	1,430,031	1,522,276
Operating grants and contributions	2,857,641	2,862,181	2,650,434	2,683,108
Capital grants and contributions	26,765	357,294	2,947,277	1,470,619
Total governmental activities program revenues	8,668,893	11,834,436	14,510,954	13,275,628
Business-type activities:				
Airport	\$ 16,844,528	\$ 19,511,065	\$ 11,938,198	\$ 18,203,944
Solid Waste Center	3,757,166	3,609,410	5,475,069	5,839,011
Total business-type activities program revenues	20,601,694	23,120,475	17,413,267	24,042,955
Total primary government program revenues	\$ 29,270,587	\$ 34,954,911	\$ 31,924,221	\$ 37,318,583
Net (Expense)/Revenue				
Governmental activities	\$ (22,351,746)	\$ (27,630,965)	\$ (22,798,811)	\$ (24,771,152)
Business-type activities	12,271,952	13,248,465	7,124,623	12,588,210
Total primary government net expense	\$ (10,079,794)	\$ (14,382,500)	\$ (15,674,188)	\$ (12,182,942)
General Revenues and Other Changes in Net Assets				
Governmental activities:				
Property taxes levied for:				
General government purposes	\$ 12,967,015	\$ 13,212,003	\$ 13,747,326	\$ 14,572,139
Debt service	459,499	453,595	438,545	430,048
Sales taxes	15,476,512	16,983,469	18,230,161	19,215,296
Other taxes	681,081	728,655	746,686	707,765
Investment earnings	828,942	1,743,594	2,788,012	3,014,757
Gain on sale of fixed assets	-	-	-	-
Transfers	270,000	270,000	270,000	270,000
Total governmental activities	\$ 30,683,049	\$ 33,391,316	\$ 36,220,730	\$ 38,210,005
Business-type activities:				
Investment earnings	\$ 156,487	\$ 275,928	\$ 474,719	\$ 611,004
Gain on sale of fixed assets	-	-	-	-
Transfers	(270,000)	(270,000)	(270,000)	(270,000)
Total business-type activities	(113,513)	5,928	204,719	341,004
Total primary government	\$ 30,569,536	\$ 33,397,244	\$ 36,425,449	\$ 38,551,009
Changes in Net Assets				
Governmental Activities	\$ 8,331,303	\$ 5,760,351	\$ 13,421,919	\$ 13,438,853
Business-type activities	12,158,439	13,254,393	7,329,342	12,929,214
Total primary government	\$ 20,489,742	\$ 19,014,744	\$ 20,751,261	\$ 26,368,067

	2008	2009	2010	2011	2012	2013
\$	8,441,523	\$ 9,112,735	\$ 9,023,399	\$ 8,051,591	\$ 8,236,495	\$ 8,939,590
	7,781,623	8,585,020	7,677,119	8,315,629	8,836,841	8,239,758
	24,468,535	16,126,086	17,821,483	15,695,207	19,091,229	16,818,253
	3,634,941	4,159,235	4,209,970	4,437,922	4,892,567	5,043,179
	3,220,314	7,872,276	6,358,219	4,408,254	4,082,376	4,584,893
	17,947	17,169	8,857	9,998	9,998	5,432
	245,997	231,392	407,926	190,523	862,954	274,165
	1,332,285	1,282,901	1,229,392	1,257,597	1,201,640	1,170,202
	<u>49,143,165</u>	<u>47,386,814</u>	<u>46,736,365</u>	<u>42,366,721</u>	<u>47,214,100</u>	<u>45,075,472</u>
	9,311,279	10,899,761	11,654,845	11,445,626	11,377,027	12,234,242
	<u>4,960,238</u>	<u>5,577,238</u>	<u>4,231,364</u>	<u>4,340,284</u>	<u>3,777,305</u>	<u>3,813,001</u>
	<u>14,271,517</u>	<u>16,476,999</u>	<u>15,886,209</u>	<u>15,785,910</u>	<u>15,154,332</u>	<u>16,047,243</u>
	4,899,997	4,114,865	4,782,871	4,672,729	4,279,086	4,563,948
	356,337	2,297,844	1,908,214	1,734,398	1,870,734	2,238,329
	347,218	263,286	1,005,603	715,231	322,849	446,625
	347,874	377,280	462,440	382,618	422,007	347,254
	68,899	240,531	350,487	120,316	68,598	428,771
	63,855	2,000	31,167	-	-	2,310
	848,244	368,007	312,051	482,542	1,110,411	1,030,410
	2,999,026	3,791,225	3,294,485	4,230,137	4,581,634	4,673,224
	8,179,497	12,402,832	4,306,982	4,098,393	465,500	1,599,777
	<u>18,110,947</u>	<u>23,857,870</u>	<u>16,454,300</u>	<u>16,436,364</u>	<u>13,120,819</u>	<u>15,330,648</u>
\$	11,082,355	\$ 13,222,489	\$ 11,034,595	\$ 19,680,805	\$ 15,659,494	\$ 12,322,722
	5,551,754	3,424,031	3,972,556	4,212,913	4,743,062	4,738,919
	16,634,109	16,646,520	15,007,151	23,893,718	20,402,556	17,061,641
\$	<u>34,745,056</u>	<u>40,504,390</u>	<u>31,461,451</u>	<u>40,330,082</u>	<u>33,523,375</u>	<u>32,392,289</u>
\$	(31,032,218)	\$ (23,528,944)	\$ (30,282,065)	\$ (25,930,357)	\$ (34,093,281)	\$ (29,744,824)
	2,362,592	169,521	(879,058)	8,107,808	5,248,224	1,014,398
\$	<u>(28,669,626)</u>	<u>(23,359,423)</u>	<u>(31,161,123)</u>	<u>(17,822,549)</u>	<u>(28,845,057)</u>	<u>(28,730,426)</u>
\$	18,046,484	\$ 18,594,523	\$ 20,546,313	\$ 20,794,134	\$ 19,559,084	\$ 20,185,952
	306,838	478,644	457,332	461,524	149,675	-
	19,515,789	17,120,380	18,013,414	19,245,716	19,834,448	21,194,528
	837,260	660,496	602,280	570,500	554,564	658,731
	2,100,021	863,868	607,991	444,870	314,576	287,808
	-	-	-	790,367	52,553	-
	270,000	270,000	270,000	270,000	220,000	-
\$	<u>41,076,392</u>	<u>37,987,911</u>	<u>40,497,330</u>	<u>42,577,111</u>	<u>40,684,900</u>	<u>42,327,019</u>
\$	575,780	\$ 288,825	\$ 176,697	\$ 129,692	\$ 61,713	\$ 59,093
	702,250	-	-	66,270	68,804	8,733
	(270,000)	(270,000)	(270,000)	(270,000)	(220,000)	-
	1,008,030	18,825	(93,303)	(74,038)	(89,483)	67,826
\$	<u>42,084,422</u>	<u>38,006,736</u>	<u>40,404,027</u>	<u>42,503,073</u>	<u>40,595,417</u>	<u>42,394,845</u>
\$	10,044,174	\$ 14,458,967	\$ 10,215,265	\$ 16,646,754	\$ 6,591,619	\$ 12,582,195
	3,370,622	188,346	(972,361)	8,033,770	5,158,741	1,082,224
\$	<u>13,414,796</u>	<u>14,647,313</u>	<u>9,242,904</u>	<u>24,680,524</u>	<u>11,750,360</u>	<u>13,664,419</u>

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

Last Ten Years

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Fund				
Restricted for:				
Debt service	\$ 262,635	\$ 223,347	\$ 174,536	\$ 140,813
Statutory reserves	498,891	619,328	649,592	690,175
State of Colorado landfill fees retained to remediate State designated hazardous waste sites	231,772	265,511	298,003	362,243
Clerk's programs	-	-	-	-
Committed for:				
Open space and trails; Park dedication fees	349,076	402,360	253,886	772,248
Affordable housing	595,506	3,558,436	3,744,338	4,268,343
Assigned for:				
Appropriated for expenditures in next year's budget	1,666,611	2,552,851	3,190,715	4,108,540
To fund discretionary projects in following year	813,422	442,230	4,471,563	2,995,115
To fund contingencies over amount required by state constitution	3,501,109	3,428,652	3,350,408	3,309,825
To balance 5 year budget	575,122	3,673,074	3,100,000	664,623
Air Mitigation Program	-	-	-	24,666
Topsy Tax program	203,829	198,995	202,602	203,665
Veteran's Memorial maintenance	6,953	7,100	5,368	4,448
Translator capital project funds derived from unspent translator property tax mill levy	-	-	-	-
Asset replacement for information services, dispatch, and various other programs	735,468	633,382	546,970	395,676
Workers' compensation insurance reserve	350,000	350,000	350,000	350,000
Funded employee health claims	250,000	340,858	660,017	779,629
To fund future workers' compensation liability and employee health claims	615,040	719,696	780,280	702,199
To fund future capital projects at the animal shelter	-	-	-	-
To fund capital projects	-	-	-	-
To fund future building needs	4,000,000	3,769,690	3,901,027	6,000,000
Unassigned	-	-	-	-
Total General Fund	<u>\$ 14,655,434</u>	<u>\$ 21,185,510</u>	<u>\$ 25,679,305</u>	<u>\$ 25,772,208</u>
All Other Governmental Funds				
Reserved for:				
Debt service	\$ 466,984	\$ 471,394	\$ 465,777	\$ 490,548
State and Federal Restrictions	-	-	-	-
Statutory reserves	559,753	624,101	768,952	749,777
Voter approved programs	27,961,228	21,278,996	25,374,612	16,613,958
Improvements to Highway 82	2,138,166	965,876	923,449	663,633
Committed for:				
Affordable housing	-	674,705	2,177,218	3,525,619
Assigned for:				
Appropriated for expenditures in next year's budget	171,516	187,897	73,702	246,745
Capital projects	-	-	-	-
Total all other governmental funds	<u>\$ 31,297,647</u>	<u>\$ 24,202,969</u>	<u>\$ 29,783,710</u>	<u>\$ 22,290,280</u>
Total all governmental funds	<u>\$ 45,953,081</u>	<u>\$ 45,388,479</u>	<u>\$ 55,463,015</u>	<u>\$ 48,062,488</u>

	2008	2009	2010	2011	2012	2013
\$	105,591	\$ 70,866	\$ -	\$ -	\$ -	\$ -
	671,664	627,570	661,442	642,049	657,180	703,449
	405,959	430,857	436,882	460,718	468,265	470,625
	-	-	-	-	-	212,682
	768,877	719,738	908,850	799,096	718,621	723,373
	4,366,756	4,412,917	4,304,907	4,343,651	-	-
	3,099,179	3,482,370	4,578,094	1,128,359	1,378,786	3,545,787
	3,187,142	3,113,472	2,577,537	-	-	-
	3,328,336	3,372,430	3,338,558	3,357,951	3,342,820	3,296,551
	800,000	200,000	200,000	350,000	350,000	350,000
	24,666	24,666	24,666	24,666	24,666	-
	200,218	190,111	173,569	156,498	138,197	118,308
	4,375	4,265	4,120	3,863	3,624	3,057
	-	-	-	-	-	-
	408,857	420,552	353,800	-	-	-
	350,000	350,000	350,000	350,000	-	-
	861,260	847,152	1,263,990	778,214	1,854,331	2,435,638
	723,896	840,915	825,109	1,789,040	1,164,161	770,538
	-	-	-	-	-	80,000
	-	-	-	8,091,100	7,891,131	5,567,121
	5,730,471	5,700,580	5,700,580	-	-	-
	-	-	-	8,926,723	8,572,744	8,993,230
	<u>\$ 25,037,247</u>	<u>\$ 24,808,461</u>	<u>\$ 25,702,104</u>	<u>\$ 31,201,928</u>	<u>\$ 26,564,526</u>	<u>\$ 27,270,359</u>
\$	226,790	\$ 212,886	\$ 168,665	\$ 168,614	\$ 164,216	\$ 165,429
	-	-	-	-	118,953	144,792
	860,176	851,491	887,617	937,549	861,387	935,095
	13,912,231	12,061,892	6,723,735	13,130,474	20,329,405	23,601,797
	547,179	429,955	-	-	-	-
	4,508,868	4,960,483	533,934	5,851,919	10,664,743	10,953,370
	556,783	407,203	429,118	-	-	-
	-	-	-	1,540,821	-	-
	<u>\$ 20,612,027</u>	<u>\$ 18,923,910</u>	<u>\$ 8,743,069</u>	<u>\$ 21,629,377</u>	<u>\$ 32,138,704</u>	<u>\$ 35,800,483</u>
\$	<u>45,649,274</u>	<u>\$ 43,732,371</u>	<u>\$ 34,445,173</u>	<u>\$ 52,831,305</u>	<u>\$ 58,703,230</u>	<u>\$ 63,070,842</u>

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

Last Ten Years

	2004	2005	2006	2007
Revenues				
Taxes	\$ 29,584,107	\$ 31,377,722	\$ 33,162,718	\$ 34,925,248
Intergovernmental	2,860,717	2,932,127	5,671,479	4,320,010
Licenses and permits	714,728	989,741	976,895	1,006,987
Charges for services	4,373,869	5,645,974	7,325,511	6,326,624
Fines and forfeitures	25,013	15,286	7,578	9,254
Investment earnings	828,942	1,743,594	2,788,012	3,014,757
Impact fees	-	-	-	-
Miscellaneous	694,566	2,251,309	529,491	1,612,752
Total Revenues	\$ 39,081,942	\$ 44,955,753	\$ 50,461,684	\$ 51,215,632
Expenditures				
Current:				
General government	6,783,761	7,447,947	7,184,934	9,948,033
Public safety	5,972,843	5,491,587	5,996,928	7,181,237
Public works	10,372,756	16,355,249	14,280,465	18,834,184
Health and welfare	2,077,305	2,568,086	2,544,251	3,615,974
Culture and recreation	8,599,553	13,208,380	10,026,767	16,234,765
Conservation of natural resources	58,535	147	58,232	-
Housing and development	3,161,299	1,548,357	184,119	195,534
Debt Service:				
Principal retirement	1,575,000	1,690,000	1,580,000	1,668,308
Interest and fiscal charges	1,536,199	1,479,304	1,428,404	1,337,180
Bond Issuance costs	-	-	113,147	-
Advance refunding escrow	-	-	-	-
Total Expenditures	40,137,251	49,789,057	43,397,247	59,015,215
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,055,309)	(4,833,304)	7,064,437	(7,799,583)
Other Financing Sources (Uses)				
Payoff of note receivable	-	-	-	-
Sales of capital assets	318,560	3,998,703	1,001,089	129,056
Proceeds of general long term debt	-	-	9,880,000	-
Premium on debt issuance	-	-	119,785	-
Escrow to defease debt	-	-	(8,260,775)	-
Transfers in	768,749	844,150	818,949	1,029,578
Transfers out	(498,749)	(574,151)	(548,949)	(759,578)
Total Other Financing Sources (Uses)	588,560	4,268,702	3,010,099	399,056
Special and Extraordinary Items:				
Sale of Land	-	-	-	-
Net Change in Fund Balance	\$ (466,749)	\$ (564,602)	\$ 10,074,536	\$ (7,400,527)
Debt service as a percentage of non-capital expenditures	11.62%	9.29%	10.11%	9.19%

	2008	2009	2010	2011	2012	2013
\$	38,706,371	\$ 36,854,043	\$ 39,619,339	\$ 41,071,874	\$ 40,097,771	\$ 42,039,211
	4,688,484	6,518,272	6,190,993	8,428,852	5,200,014	6,427,057
	1,057,109	712,890	708,836	722,872	767,160	1,224,559
	5,285,346	6,187,281	5,471,709	5,891,914	5,493,750	5,803,054
	7,859	15,920	18,843	33,589	39,319	49,661
	2,100,021	863,868	607,991	444,870	314,576	287,808
	-	-	639,381	579,405	1,110,411	1,176,581
	1,579,049	1,016,578	1,224,537	779,732	510,165	649,736
\$	53,424,239	\$ 52,168,852	\$ 54,481,629	\$ 57,953,108	\$ 53,533,166	\$ 57,657,667
	8,706,359	8,477,240	8,615,171	7,670,106	8,783,477	8,589,688
	8,362,918	8,594,671	8,602,055	8,529,207	8,662,354	8,183,663
	23,415,143	15,981,646	17,911,544	14,410,409	18,592,528	20,715,986
	4,018,150	4,081,533	3,988,632	4,202,136	4,743,347	4,909,132
	9,148,625	14,307,057	25,834,171	4,667,086	4,990,167	1,014,272
	-	-	-	-	-	-
	245,997	231,392	407,926	190,523	189,694	8,125,707
	1,445,369	1,485,691	1,871,032	1,166,394	916,778	942,184
	1,294,530	1,250,055	1,198,232	1,187,916	1,129,690	1,089,581
	-	-	102,030	-	-	35,300
	-	-	-	-	-	-
	56,637,091	54,409,285	68,530,793	42,023,777	48,008,035	53,605,513
	(3,212,852)	(2,240,433)	(14,049,164)	15,929,331	5,525,131	4,052,154
	-	-	-	-	-	-
	529,638	53,530	2,229,985	1,028,081	126,794	162,881
	-	-	8,360,000	-	-	2,845,000
	-	-	2,616	-	-	(2,816,056)
	-	-	(5,818,920)	-	-	-
	1,079,758	1,080,533	1,432,719	774,066	6,622,849	2,693,752
	(809,758)	(810,533)	(1,162,719)	(504,066)	(6,402,849)	(2,693,752)
	799,638	323,530	5,043,681	1,298,081	346,794	191,825
	-	-	-	-	-	-
\$	(2,413,214)	\$ (1,916,903)	\$ (9,005,483)	\$ 17,227,412	\$ 5,871,925	\$ 4,243,979
	7.07%	7.29%	7.74%	5.87%	4.64%	4.76%

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

Last Ten Years

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Functions/Programs				
Governmental Activities				
General government	\$ 3,722,901	\$ 5,291,096	\$ 4,564,438	\$ 4,705,166
Public safety	1,694,417	2,301,453	2,218,857	2,072,259
Public works	2,125,960	1,921,074	2,453,303	2,379,526
Health and welfare	678,858	744,115	942,159	880,407
Culture and recreation	154,659	293,824	2,806,542	1,658,533
Conservation of natural resources	13,433	24,630	92,529	57,461
Housing and development	278,665	1,258,244	1,433,126	1,522,276
Total governmental activities	<u>8,668,893</u>	<u>11,834,436</u>	<u>14,510,954</u>	<u>13,275,628</u>
Business-type activities				
Airport	16,844,528	19,511,065	11,938,198	18,203,944
Solid Waste Center	3,757,166	3,609,410	5,475,069	5,839,011
Total business-type activities	<u>20,601,694</u>	<u>23,120,475</u>	<u>17,413,267</u>	<u>24,042,955</u>
Total primary government	<u>\$ 29,270,587</u>	<u>\$ 34,954,911</u>	<u>\$ 31,924,221</u>	<u>\$ 37,318,583</u>

2008	2009	2010	2011	2012	2013
\$ 5,957,833	\$ 5,251,618	\$ 5,819,935	\$ 5,782,618	\$ 5,645,937	\$ 5,928,810
1,499,151	2,454,209	2,281,294	2,298,544	2,237,877	587,543
1,914,894	1,816,233	2,381,658	2,012,299	1,530,460	3,718,472
1,173,596	1,506,353	1,596,941	1,783,475	2,015,423	2,020,562
8,482,342	12,393,160	3,980,016	4,025,379	525,098	1,981,936
129,834	68,290	82,405	51,507	55,613	62,915
848,244	368,007	312,051	482,542	1,110,411	1,030,410
<u>20,005,894</u>	<u>23,857,870</u>	<u>16,454,300</u>	<u>16,436,364</u>	<u>13,120,819</u>	<u>15,330,648</u>
11,082,355	13,222,489	11,034,595	19,680,805	15,659,494	12,322,722
5,551,754	3,424,031	3,972,556	4,212,913	4,743,062	4,738,919
<u>16,634,109</u>	<u>16,646,520</u>	<u>15,007,151</u>	<u>23,893,718</u>	<u>20,402,556</u>	<u>17,061,641</u>
<u>\$ 36,640,003</u>	<u>\$ 40,504,390</u>	<u>\$ 31,461,451</u>	<u>\$ 40,330,082</u>	<u>\$ 33,523,375</u>	<u>\$ 32,392,289</u>

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

Last Ten Years

Year	Property	Special Assessments	General Sales	Selective Sales and Use	Motor Vehicle	Other	Total
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
2009	21,641,250	385,342	16,129,081	991,299	712,065	50,484	39,909,521
2010	20,609,712	393,933	17,182,317	831,097	545,970	56,310	39,619,339
2011	20,850,576	405,082	18,459,799	785,917	524,584	45,916	41,071,874
2012	19,279,086	429,673	19,014,483	819,965	512,932	41,632	40,097,771
2013	23,168,726	443,569	20,352,973	841,555	704,661	62,942	45,574,426
Change							
2003-2012	37%	37%	33%	41%	-4%	54%	35%

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

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

Last Ten Years

(1) Year Ended December 31,	Real Property					
	Vacant Land	Residential	Commercial	Industrial	Natural Resources	Agricultural
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
2009	404,423	2,533,478	670,692	894	6,315	26,050
2010	398,232	2,560,936	664,170	894	5,489	27,586
2011	275,961	1,887,749	550,476	745	3,858	22,796
2012	261,169	1,917,493	540,208	745	3,847	11,491
2013	232,178	1,740,000	430,850	670	2,872	10,516

State Assessed Property (2)	Personal Property (3)	Total Taxable Assessed Property	Tax Exempt Property (4)	Total Direct Tax Rate	Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ 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%
25,396	52,392	3,667,491	94,300	6.721	35,709,237	10.27%
26,521	53,948	3,683,830	104,990	6.811	36,028,432	10.22%
26,530	51,765	2,768,117	95,167	8.538	26,680,594	10.38%
26,076	52,165	2,761,029	95,539	8.734	26,730,270	10.33%
29,109	52,635	2,599,004	86,167	9.159	24,613,719	10.56%

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
2004	7.96%	2002 appraised value
2005	7.96%	2004 appraised value
2006	7.96%	2004 appraised value
2007	7.96%	2006 appraised value
2008	7.96%	2006 appraised value
2009	7.96%	2008 appraised value
2010	7.96%	2008 appraised value
2011	7.96%	2010 appraised value
2012	7.96%	2010 appraised value
2013	7.96%	2012 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 which are included in each of the real property value categories.
- (4) Total of only real property that is Charitable, Religious & Private Schools

Source: Pitkin County Assessor's Office

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

Last Ten Years

	2004	2005	2006	2007
County direct rates				
General Fund	2.508	2.413	2.483	1.871
Road and Bridge	0.170	0.175	0.180	0.137
Social Services	0.027	0.026	0.025	0.037
Healthy Community Fund	0.501	0.484	0.648	0.489
Bond Redemption	0.255	0.233	0.223	0.113
Open Space	3.769	3.764	3.760	3.757
Radio and TV. Translator	0.285	0.276	0.283	0.216
Total direct rates	7.515	7.371	7.602	6.620
School Districts rates				
Aspen School District RE-1	8.969	10.458	10.294	8.622
Roaring Fork School District REJT1.12	41.246	37.265	37.009	34.246
City and Town rates				
City of Aspen	5.437	5.471	5.419	5.459
Town of Basalt	6.669	6.474	6.560	5.058
Town of Snowmass Village	11.030	10.705	11.015	9.546
County-wide Districts rates				
Colorado Mountain College	3.997	3.997	3.997	3.997
Colorado River Water Conservancy	0.252	0.230	0.221	0.191
Aspen Valley Hospital (1)	1.500	1.500	1.500	1.280
Pitkin County Library (1)	1.383	1.357	1.398	1.113
Ambulance District rate	0.226	0.221	0.228	0.170
Fire Protection Districts rates	19.044	18.674	20.321	19.193
Water and Sanitation Districts rates	33.421	29.647	31.721	28.110
Other Special Districts rates	318.780	391.604	440.089	387.632

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

Government
Aspen Valley Hospital District
Pitkin County Library District

Source: Pitkin County Assessor's Office

2008	2009	2010	2011	2012	2013
1.922	1.491	1.501	2.150	2.205	2.416
0.141	0.110	0.112	0.158	0.162	0.178
0.036	0.048	0.065	0.065	0.065	0.065
0.501	0.394	0.402	0.567	0.707	0.778
0.173	0.126	0.127	0.055	-	-
3.760	3.333	3.351	3.797	3.796	3.783
0.223	0.175	0.179	0.252	0.259	0.280
6.756	5.677	5.737	7.044	7.194	7.500
9.355	7.846	8.254	9.105	9.201	9.333
33.942	30.984	30.992	39.589	38.240	42.445
5.467	4.042	3.854	5.236	5.346	5.654
5.181	3.873	4.066	6.139	6.386	7.560
9.509	7.485	7.356	8.940	9.019	9.261
3.997	3.997	3.997	3.997	3.997	3.997
0.198	0.166	0.188	0.228	0.242	0.254
1.280	0.969	1.931	2.664	2.920	2.539
1.148	0.906	0.932	1.296	1.336	1.439
0.176	0.138	0.142	0.198	0.204	0.220
19.198	17.246	18.367	21.619	25.587	24.016
28.288	22.624	23.595	31.003	31.989	37.828
432.590	362.557	410.245	470.465	474.457	502.592

**Pitkin County, Colorado
Principal Property Taxpayers
(Unaudited)**

Current Year and Ten Years Ago

Taxpayer	2013			2004		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Starwood Hotels & Resorts Worldwide	-	-	-	\$ 22,489,370	1	1.26%
Little Nell Hotel	-	-	-	14,653,910	3	0.82%
Aspen Skiing Co	57,383,890	1	2.21%	19,989,050	2	1.12%
315 East Dean Assoc. Inc.	27,827,880	2	1.07%	-	-	-
Snowmass Acquisition Company, LLC	25,276,760	3	0.97%	-	-	-
Silvertree Property Co	17,234,540	4	0.66%	9,860,000	4	0.55%
Hyatt Grand Aspen	12,261,550	5	0.47%	-	-	-
The Residences at the Little Nell Condo Assoc. Inc.	11,624,800	6	0.45%	-	-	-
Holy Cross Electric Assn.	11,526,100	7	0.44%	6,137,100	10	0.34%
Jerome Property LLC	10,893,030	8	0.42%	-	-	-
Aspen Highlands Condo Assoc., Inc.	9,314,520	9	0.36%	-	-	-
Hotel Jerome Associates	-	-	-	8,399,680	5	0.47%
James E Cox Living Trust	9,105,430	10	0.35%	-	-	-
Snowmass Club	-	-	-	7,740,060	6	0.43%
Baldwin, Harley A II	-	-	-	7,721,800	7	-
Maroon Creek, LLC	-	-	-	6,934,830	8	0.39%
Brush Creek Land Company, LLC	-	-	-	6,256,540	9	0.35%
Total	\$ 192,448,500		7.40%	\$ 110,182,340		5.73%
Total assessed valuation	\$ 2,599,004,000			\$ 1,781,447,430		

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)		Adjusted Tax Levy (3)	Year to Date Collections	Percent of Adjusted Levy Collected
			Amount	Percent of Levy			
2003	2004	\$ 15,057,705	\$ 14,985,290	99.52%	N/A	N/A	N/A
2004	2005	15,670,264	15,645,259	99.84%	N/A	N/A	N/A
2005	2006	16,269,924	16,225,100	99.72%	N/A	N/A	N/A
2006	2007	17,193,155	17,146,326	99.73%	N/A	N/A	N/A
2007	2008	20,872,808	20,800,559	99.65%	N/A	N/A	N/A
2008	2009	21,728,453	21,641,250	99.60%	N/A	N/A	N/A
2009	2010	23,895,431	23,655,021	98.99%	23,633,801	23,626,095	99.97%
2010	2011	24,315,777	23,895,885	98.27%	24,113,493	24,108,163	99.98%
2011	2012	23,282,727	23,021,520	98.88%	22,674,158	22,665,910	99.96%
2012	2013	23,304,979	23,208,354	99.59%	23,274,711	23,208,354	99.71%

- (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.
- (3) Taxpayers have the right to protest the assessed valuation of their property that results in a changes in the amount of taxes due.

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 and Fiscal Charges	Total	
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
2009	5,143	6,393,062	6,398,205	365,000	316,150	681,150	9.4
2010	2,947	6,825,847	6,828,794	380,000	304,771	684,771	10.0
2011	1,930	7,366,067	7,367,997	285,000	336,547	621,547	11.9
2012	1,930	7,586,027	7,587,957	305,000	351,083	656,083	11.6
2013	893	8,132,860	8,133,753	315,000	344,663	659,663	12.3

- (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 pledged revenue.
- (3) The intergovernmental agreement directing the distribution of the 1% sales taxes provides that distributions to RFTA and municipalities are subordinate to debt service requirements.

**SALES TAX REVENUE BONDS
Maximum Annual Debt Service Coverage Ratio
(Unaudited)
Since Issuance of the 2010 Sales Tax Revenue Bonds**

Year	Interest income	County 1% sales tax	Net revenue available for for debt service	Maximum Annual Net Debt Service (1)	Maximum Annual Debt Service Coverage Ratio
2010	\$ 2,947	\$ 6,825,847	\$ 6,828,794	\$ 597,789	1142%
2011	1,930	7,366,067	7,367,997	597,789	1233%
2012	1,930	7,586,027	7,587,957	597,789	1269%
2013	893	8,132,860	8,133,753	597,789	1361%

- (1) Excludes Federal Direct Payments

Pitkin County, Colorado

**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 (5)	Debt service moneys available	Net bonded debt	Ratio of net bonded debt to assessed value	Net bonded debt per capita
2004	16,077	\$ 1,781,447,430	\$ 20,925,000	\$ 82,181	\$ 20,842,819	1.17%	\$ 1,296
2005	16,136	1,887,535,000	20,235,000	98,693	20,136,307	1.07%	1,247.91
2006	16,087	1,934,052,050	21,445,000	105,737	21,339,263	1.10%	1,326.49
2007	16,236	2,726,651,000	20,670,000	105,000	20,565,000	0.75%	1,266.63
2008	16,673	2,777,168,530	19,860,000	-	19,860,000	0.72%	1,191.15
2009	17,053	3,667,491,080	19,035,000	-	19,035,000	0.52%	1,116.23
2010	17,163	3,683,830,340	18,175,000	-	18,175,000	0.49%	1,058.96
2011	17,094	2,768,117,000	17,300,000	5,048	17,294,952	0.62%	1,011.76
2012	17,206	2,761,028,490	16,695,000	-	16,695,000	0.60%	970.30
2013	17,206	2,599,004,220	16,110,000	-	16,110,000	0.62%	936.30

**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
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%
2009	825,000	861,490	1,686,490	54,409,285	3.1%
2010	860,000	832,740	1,692,740	68,530,793	2.5%
2011	875,000	802,876	1,677,876	42,023,777	4.0%
2012	605,000	776,659	1,381,659	48,008,035	2.9%
2013	620,000	742,915	1,362,915	53,605,513	2.5%

(4) Source: Demographics Statistics, page 154.

(5) 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		Percentage of Personal Income	Per Capita Personal Income (1)
	General Obligation Bonds & Notes	Sales Tax Revenue Bonds	Lease Certificates of Participation	Special Assessment bonds	Airport Loans	Total Primary Government		
2004	\$ 20,925,000	\$ 8,495,000	\$ 2,125,000	\$ -	\$ 1,100,952	\$ 32,645,952	2.69%	\$ 75,454
2005	20,235,000	7,905,000	1,715,000	-	1,812,681	31,667,681	2.80%	70,007
2006	21,445,000	7,295,000	1,460,000	65,000	2,436,918	32,701,918	2.54%	80,062
2007	20,670,000	6,670,000	1,195,000	61,692	2,152,740	30,749,432	2.19%	86,609
2008	19,860,000	6,320,000	915,000	56,323	1,859,865	29,011,188	1.88%	92,680
2009	19,035,000	5,955,000	625,000	50,632	1,557,997	27,223,629	1.89%	84,264
2010	18,175,000	8,360,000	-	44,600	1,246,831	27,826,431	2.18%	74,414
2011	17,300,000	8,075,000	-	38,206	926,055	26,339,261	1.95%	79,086
2012	16,695,000	7,770,000	-	31,428	595,333	25,091,761	1.82%	80,331
2013	16,110,000	7,455,000	-	24,244	404,620	23,993,864	1.74%	80,331 (2)

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

(1) See page 154 for personal income and population data.

(2) 2012 information latest available

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

As of December 31, 2013

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	\$ 55,885,000	\$ -	\$ 55,885,000	100.00%	\$ 55,885,000
Roaring Fork School District REJT1.12	87,699,984	-	87,699,984	22.00%	19,293,996
City and Towns					
City of Aspen (1)	12,305,000	12,305,000	-	100.00%	-
Town of Basalt	5,010,000	-	5,010,000	34.62%	1,734,462
Town of Snowmass Village	9,145,000	2,045,000	7,100,000	100.00%	7,100,000
Fire Districts					
Aspen Fire Protection District	11,180,000	-	11,180,000	100.00%	11,180,000
Basalt and Rural Fire Protection District	568,127	-	568,127	58.00%	329,514
Carbondale Fire Protection District	5,289,998	-	5,289,998	7.18%	379,822
Water and Sanitation Districts					
Basalt Sanitation District	1,875,000	-	1,875,000	55.00%	1,031,250
Redstone Water and Sanitation District	2,054,961	-	2,054,961	100.00%	2,054,961
Snowmass Water and Sanitation District	-	-	-	100.00%	-
Library Districts					
Basalt Regional Library	9,440,000	-	9,440,000	49.40%	4,663,360
Other Districts					
Aspen Highlands Residential Metro District	5,729,799	-	5,729,799	100.00%	5,729,799
Aspen Valley Hospital	44,160,000	-	44,160,000	100.00%	44,160,000
Base Village Metro District #2	20,300,000	-	20,300,000	100.00%	20,300,000
Brush Creek Metro District	765,000	-	765,000	100.00%	765,000
Buttermilk Metro District	2,594,291	-	2,594,291	100.00%	2,594,291
Crown Mountain Recreation District	3,420,000	-	3,420,000	44.04%	1,506,168
Holland Hills Metro District	878,677	-	878,677	100.00%	878,677
Meadowood Metro District	2,495,347	-	2,495,347	100.00%	2,495,347
Starwood Metro District	2,930,077	-	2,930,077	100.00%	2,930,077
Total Overlapping Debt					<u>179,586,300</u>
Direct Debt					
Pitkin County General Obligation Debt	16,110,000	-	16,110,000	100.00%	16,110,000
Sales tax Revenue Bonds	7,455,000	7,455,000	-	100.00%	-
Twining Flats General Improvement Dist.	24,244	-	24,244	100.00%	<u>24,244</u>
Total Direct Debt					<u>24,244</u>
Total Overlapping and Direct Debt					<u><u>\$ 179,610,544</u></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.

Pitkin County, Colorado
Legal Debt Margin Information
(Unaudited)

Last Ten Years

	2004	2005	2006	2007
Valuation for Assessment of Property	\$ 1,781,447,430	\$ 1,887,535,000	\$ 1,934,052,050	\$ 2,726,650,670
Debt Limit, 3% of Valuation for Assessment (Per Colorado Revised Statutes, Section 30-35-201 (6b))	53,443,423	56,626,050	58,021,562	81,799,520
Amount of Debt Applicable to Limit General Obligation Bonds	<u>20,925,000</u>	<u>20,235,000</u>	<u>21,445,000</u>	<u>20,670,000</u>
Legal Debt Margin	<u>\$ 32,518,423</u>	<u>\$ 36,391,050</u>	<u>\$ 36,576,562</u>	<u>\$ 61,129,520</u>
Total debt applicable to the limit as a percentage of debt limit	39.15%	35.73%	36.96%	25.27%

2008	2009	2010	2011	2012	2013
\$ 2,777,168,530	\$ 2,777,168,530	\$ 3,683,830,340	\$ 2,768,117,000	\$ 2,761,028,490	\$ 2,599,004,220
83,315,056	83,315,056	110,514,910	83,043,510	82,830,855	77,970,127
19,860,000	19,035,000	18,175,000	17,300,000	16,695,000	16,110,000
<u>\$ 63,455,056</u>	<u>\$ 64,280,056</u>	<u>\$ 92,339,910</u>	<u>\$ 65,743,510</u>	<u>\$ 66,135,855</u>	<u>\$ 61,860,127</u>
23.84%	22.85%	16.45%	20.83%	20.16%	20.66%

**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
2004	16,077	\$ 1,213,073,958	75,454	39.9	1,778	3.4%
2005	16,136	\$ 1,129,634,726	70,007	40.3	1,806	2.8%
2006	16,087	\$ 1,287,950,000	80,062	41.5	1,792	2.3%
2007	16,236	\$ 1,406,178,000	86,609	42.0	1,736	2.5%
2008	16,673	\$ 1,584,920,680	92,680	41.9	1,854	3.7%
2009	17,053	\$ 1,436,953,992	84,264	42.0	1,905	4.3%
2010	17,163	\$ 1,277,167,482	74,414	42.1	1,932	7.1%
2011	17,094	\$ 1,351,896,084	79,086	42.8	1,917	6.5%
2012	17,206	\$ 1,382,183,000	80,331	43.2	1,927	N/A
2013	N/A	N/A	N/A	43.2	1,927	N/A

(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	2013			2004		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Aspen Skiing Company/Little Nell Hotel	3,568	1	29.14%	N/A	N/A	N/A
St. Regis Aspen Resort	325	2	2.37%	N/A	N/A	N/A
Roaring Fork Transit Agency	319	3	2.37%	N/A	N/A	N/A
City of Aspen	307	4	2.37%	N/A	N/A	N/A
Westin Snowmass Wildwood Resort Hotel	290	5	1.27%	N/A	N/A	N/A
Aspen Valley Hospital	299	6	2.65%	N/A	N/A	N/A
Pitkin County	241	7	2.65%	N/A	N/A	N/A
Aspen School District	235	8	1.92%	N/A	N/A	N/A
Viceroy Snowmass Resort	223	9	1.82%	N/A	N/A	N/A
Ritz Carlton	155	10	1.82%	N/A	N/A	N/A
Total	5,962		48.38%			
Total Pitkin County Labor Force (1)	10,772					

(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**

	2004	2005	2006	2007
2-Percent sales tax (1)	\$ 12,822,448	\$ 14,178,348	\$ 15,203,474	\$ 15,938,167
Seasonal composition				
Winter	58.8%	58.8%	58.8%	58.5%
Summer	41.2%	41.2%	41.2%	41.5%
Percentage increase (decrease)	8.4%	10.6%	7.2%	4.8%
1-Percent Transit sales tax (2)	\$ 6,181,421	\$ 6,788,139	\$ 7,268,521	\$ 7,628,874
Percentage increase (decrease)	8.3%	9.8%	7.1%	5.0%
Less payments				
To City of Aspen	2,530,610	2,818,340	3,001,172	3,150,600
To Snowmass Village	675,631	702,668	769,010	806,497
Total Deductions	3,206,241	3,521,008	3,770,182	3,957,097
Net payments to RFTA	\$ 2,975,180	\$ 3,267,131	\$ 3,498,339	\$ 3,671,777
Percentage increase (decrease)	8.3%	9.8%	7.1%	5.0%
1/2 Percent Transit Sales and Use Tax (3)				
Sales tax	\$ 3,203,296	\$ 3,541,310	\$ 3,825,453	\$ 3,997,592
Use Tax	542,548	537,039	574,180	642,209
	\$ 3,745,844	\$ 4,078,349	\$ 4,399,633	\$ 4,639,801
Percentage increase	10.7%	8.9%	7.9%	5.5%
.1% Sales Tax for Healthy Rivers and Streams	\$ -	\$ -	\$ -	\$ -
	N/A	N/A	N/A	N/A

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. 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

2008	2009	2010	2011	2012	2013
<u>\$ 16,088,635</u>	<u>\$ 13,313,300</u>	<u>\$ 14,148,776</u>	<u>\$ 15,215,285</u>	<u>\$ 15,659,281</u>	<u>\$ 16,737,908</u>
60.0%	60.6%	59.0%	59.5%	58.9%	59.3%
40.0%	39.4%	41.0%	40.5%	41.1%	40.7%
0.9%	-17.3%	6.3%	7.5%	2.9%	6.9%
<u>\$ 7,715,882</u>	<u>\$ 6,393,062</u>	<u>\$ 6,825,847</u>	<u>\$ 7,366,067</u>	<u>\$ 7,586,027</u>	<u>\$ 8,132,860</u>
1.1%	-17.1%	6.8%	7.9%	3.0%	7.2%
3,169,050	2,636,622	2,830,663	3,048,981	3,132,143	3,327,320
<u>833,178</u>	<u>679,459</u>	<u>709,904</u>	<u>771,798</u>	<u>802,730</u>	<u>891,195</u>
<u>4,002,228</u>	<u>3,316,081</u>	<u>3,540,567</u>	<u>3,820,779</u>	<u>3,934,873</u>	<u>4,218,515</u>
<u>\$ 3,713,654</u>	<u>\$ 3,076,981</u>	<u>\$ 3,285,280</u>	<u>\$ 3,545,288</u>	<u>\$ 3,651,154</u>	<u>\$ 3,914,345</u>
1.1%	-17.1%	6.8%	7.9%	3.0%	7.2%
\$ 4,034,722	\$ 3,371,170	\$ 3,580,664	\$ 3,798,447	\$ 3,913,565	\$ 4,185,934
<u>713,209</u>	<u>691,037</u>	<u>815,077</u>	<u>785,917</u>	<u>784,524</u>	<u>813,000</u>
<u>\$ 4,747,931</u>	<u>\$ 4,062,207</u>	<u>\$ 4,395,741</u>	<u>\$ 4,584,364</u>	<u>\$ 4,698,089</u>	<u>\$ 4,998,934</u>
2.3%	-14.4%	8.2%	4.3%	2.5%	6.4%
\$ -	\$ 649,456	\$ 691,832	\$ 752,712	\$ 781,400	\$ 836,895
N/A	N/A	6.5%	8.8%	3.8%	7.1%

3. On November 2, 1993, the voters of the County approved the imposition of an additional 0.5% sales tax for the purpose of funding certain mass transportation improvements within the County that became effective in January 1995. This revenue was originally dedicated to purchase the Denver Rio Grande right-of-way. The right-of-way was acquired in 1997.

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>
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	284,781	120,084	694,773	183,710	1,283,348	-12.8%
2009/2010	294,439	143,115	725,709	174,947	1,338,210	4.3%
2010/2011	291,904	131,995	737,066	199,567	1,360,532	1.7%
2011/2012	295,749	146,577	731,786	161,984	1,336,096	-1.8%
2012/2013 (2)	N/A	N/A	N/A	N/A	1,375,513	3.0%
2013/2014 (3)	N/A	N/A	N/A	N/A	N/A	7.8%

- (1) A skier day is a lift ticket issued to a child or adult for a full or half day of skiing.
- (2) Skier days per muntain were not available.
- (3) Aspen Ski Company only releases percentage increase from previous year.

Source: Aspen Ski Company

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

Last Ten Years

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Administrative Services	0.60	0.60	0.60	0.60	-	-	-	-	-	-
Assessor	9.00	9.00	9.00	10.00	10.00	10.00	10.00	10.00	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	5.00
Clerk and Recorder	9.70	9.45	9.55	10.55	10.55	10.55	10.55	10.55	11.55	10.55
County Attorney	4.00	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00
County Manager	3.80	3.80	4.80	4.80	3.80	3.80	3.80	3.80	3.80	3.80
Facilities	9.25	9.75	10.75	10.75	9.75	9.75	9.75	8.75	9.75	9.75
Finance	11.80	10.40	8.80	8.80	8.80	8.80	8.80	7.80	7.80	7.00
Human Resources	3.60	3.40	3.40	3.80	3.80	3.80	4.00	4.00	4.00	4.00
Public Relations	1.30	1.30	1.30	1.25	1.00	1.00	1.00	1.00	1.00	1.00
Technical Coordinator	-	-	-	-	1.00	1.00	-	-	0.00	3.00
Treasurer	3.00	3.00	3.00	3.00	3.60	3.60	3.60	3.60	3.60	3.60
Use Tax	-	-	-	-	-	-	1.00	1.00	1.00	1.00
Judicial and Public Safety										
Civil	1.75	1.75	1.75	1.75	1.75	1.00	1.00	1.00	1.00	1.00
Communications Center	15.00	15.00	15.00	15.00	16.00	16.00	16.00	17.00	17.00	14.00
Detention	11.80		11.80	11.80	11.80	12.80	13.80	14.00	14.00	14.00
Emergency Management	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.75	1.75
Sheriff	24.00	24.00	24.00	24.00	26.00	26.00	27.00	27.00	26.00	26.00
Radio/Phones	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00
Building Inspections	6.00	6.00	7.00	7.00	7.00	7.00	6.00	5.00	5.00	7.00
Planning and Zoning	9.33	9.33	10.00	10.50	10.50	10.50	10.00	10.00	8.60	8.00
Public Works										
Administrative Services	5.00	6.20	5.20	5.20	6.00	6.00	5.00	5.00	4.00	4.00
Fleet Services	5.00	5.00	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Land Management	1.00	1.00	1.00	1.00	1.00	1.00	1.00	-	-	-
Road and Bridge	12.00	10.00	10.00	10.00	10.00	10.00	10.00	9.00	9.00	9.00
Translator	0.80	0.80	0.80	0.80	1.00	1.00	1.00	1.00	0.00	1.00
Health and Welfare										
Animal Safety	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Environmental Health	3.00	5.00	5.00	5.00	6.00	5.00	2.00	2.00	2.00	2.00
Human Services	1.50	1.50	1.50	1.75	2.00	2.00	2.00	2.00	2.80	2.80
Senior Services	3.50	3.50	4.05	4.85	5.05	5.20	5.20	5.20	5.28	5.28
Social Services	3.00	3.00	3.00	3.00	2.00	3.00	3.00	3.00	5.00	6.00
Wildlife Management	0.34	-	-	-	-	-	-	-	-	-
Cultural and Recreation										
Library	18.10	17.75	21.20	20.98	20.98	22.00	22.00	22.00	22.00	22.00
Open Space and Trails	3.33	3.33	5.00	5.00	5.00	5.00	7.00	7.00	7.00	9.00
Business-type										
Airport Operations	24.00	23.00	23.00	25.40	24.40	24.00	24.00	25.00	25.00	25.00
Solid Waste and Recycling	16.90	16.15	12.00	12.00	12.00	12.00	11.00	10.00	10.00	10.00
	<u>230.40</u>	<u>216.01</u>	<u>231.50</u>	<u>238.58</u>	<u>240.78</u>	<u>241.80</u>	<u>239.50</u>	<u>235.70</u>	<u>236.93</u>	<u>240.53</u>

Note: The numbers presented above are the number of FTE's (full-time equivalents) rounded to the nearest whole number. These numbers are approved staffing complement for the year indicated, including seasonal employees.

Source: Pitkin County Human Resources

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

Last Ten Years

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Assessor										
Property transfers	1,870	2,257	2,138	1,505	1,453	1,288	1,474	1,690	1639	1803
Public Trustee										
Number of foreclosures filed	-	12	22	12	35	105	144	113	113	57
Clerk and Recorder										
Number of vehicle registrations	16,839	17,435	18,132	18,419	18,990	18,447	17,687	18,099	18,131	18,613
Number of registered voters	13,279	12,509	12,980	12,142	13,307	13,537	13,617	13,751	14,619	15,135
Human Resources										
Number of job applications processed	450	900	650	852	1046	634	1,042	818	1,392	1,243
Judicial and Public Safety										
Coroner										
Number of deaths investigated	N/A	30	33	23	29	21	22	28	24	26
Detention										
Average daily population	14	14	16	15	16	16	17	16	17.1	16
District Attorney										
Number of Felony cases	91	120	84	65	96	100	94	114	80	89
Number of juvenile cases	19	10	34	24	9	23	49	22	17	34
Sheriff										
Incidents handled by patrol and investigations	749	910	856	926	812	813	832	776	859	956
Building Inspections										
Number of building permits issued	154	220	220	415	364	282	320	290	378	346
Planning and Zoning										
Number of land use applications processed	227	258	271	182	199	172	148	143	154	137
Public Works										
Road and Bridge										
County roads (center lane miles)	266	264	265	265	265	265	265	265	265	89
Bridges	26	26	26	26	26	26	24	24	24	34
Health and Welfare										
Animal Control										
Number of animals placed in shelter	156	139	169	127	152	162	147	159	135	147
Environmental Health										
Number of food service inspections	168	169	165	156	165	165	167	155	143	170
Number of septic system permit reviews	101	96	101	102	104	45	66	84	83	109
Grant Administration										
Number of county grant applications processed	39	39	44	57	55	71	76	77	75	72
Senior Services										
Number of senior lunches	9,392	9,928	10,891	10,570	10,047	10,735	11,438	10,935	10,143	10,523
Number of requests for transportation	6,799	7,395	7,592	6,985	6,498	7,399	7,906	8,206	7,242	8,475
Human Services Public Assistance										
Caseload	201	N/A	184	165	250	328	346	435	428	480
Cultural and Recreation										
Library										
Number of books	94,163	95,331	100,936	104,541	109,413	111,599	112,491	93,277	95,402	83,365
Open Space and Trails										
Acres of conserved open space land	10,646	12,840	14,923	16,000	16,431	17,753	18,500	18,630	18,799	19,314
Trails maintained (lane miles)	35.18	38.01	40.00	40.00	43.00	47.00	47.88	48.00	42.05	68.00
Business-type										
Airport Operations										
Number of enplaned passengers	183,719	198,422	204,678	183,632	222,881	219,678	227,784	223,078	220,376	209,252
Solid Waste and Recycling										
Cubic yards of solid waste processed	216,000	224,000	323,000	295,000	347,094	220,000	106,000	112,585	120,633	131,305
Recycled tons processed	4.3	4.8	4.4	5.5	3.0	5.0	6.3	3.7	3.1	2.9

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			
2004	17,670	25,094	42,764	1,227	43,991	2.4%	183,719	-3.1%
2005	17,745	25,250	42,995	1,258	44,253	0.6%	198,422	8.0%
2006	19,314	24,792	44,106	632	44,738	1.1%	204,678	3.2%
2007	19,166	22,397	41,563	1,181	42,744	-4.5%	183,632	-10.3% (3)
2008	20,599	22,385	42,984	3,602	46,586	9.0%	222,881	21.4%
2009	18,606	19,767	38,373	1,413	39,786	-14.6%	219,678	-1.4%
2010	17,643	16,092	33,735	3,868	37,603	-5.5%	227,784	3.7%
2011	18,336	15,753	34,089	3,516	37,605	0.0%	223,078	-2.1%
2012	18,282	14,985	33,267	3,550	36,817	-2.1%	220,376	-1.2%
2013	17,735	14,266	32,001	3,268	35,269	-4.2%	209,252	-5.0%

(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

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Pitkin County, Colorado
 12/31/2013
CONSTRUCTION AND PROPERTY VALUE
 (Unaudited)
 Last ten years

Levy Year	Non-residential construction		Residential Construction	
	Number of units	Value	Number of units	Value
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
2009	51	6,763,400	187	88,570,627
2010	62	11,674,282	131	96,410,838
2011	55	14,946,252	249	88,326,929
2012	74	60,184,594	160	67,978,526
2013	N/A	78,182,370	N/A	267,563,497

New construction in Pitkin County including additions, alterations and conversions.
 Source: Aspen/Pitkin County Building Department and Town of Snowmass Village Building Department.

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

Last Ten Years

Function/Program	2004	2005	2006	2007
General Government				
Land	\$ 10,800	\$ 10,800	\$ 10,800	\$ 2,263,452
Buildings	7,307,461	7,538,569	7,666,508	7,666,508
Improvements	204,512	204,512	204,512	204,511
Equipment	2,549,173	2,942,661	3,033,194	3,130,537
Infrastructure	32,768	32,768	32,768	32,768
Total General Government	10,104,714	10,729,310	10,947,782	13,297,776
Public Safety				
Land	392,694	392,693	392,693	392,693
Buildings	4,218,711	4,284,361	4,290,043	4,295,094
Improvements		23,696	23,696	23,696
Equipment	2,437,173	2,272,991	2,445,054	2,571,506
Total Public Safety	7,048,578	6,973,741	7,151,486	7,282,989
Public Works				
Land	2,636,598	2,636,598	2,636,598	2,636,598
Buildings	8,604,791	8,622,819	8,622,819	8,647,833
Improvements	519,598	519,598	519,598	519,598
Equipment	3,759,407	4,040,549	3,488,445	3,808,547
Infrastructure	25,981,675	26,035,967	27,058,668	27,222,384
Intangible Assets	-	-	-	-
Total Public Works	41,502,069	41,855,531	42,326,128	42,834,960
Health and Welfare				
Buildings	2,956,939	3,156,939	3,166,861	3,166,861
Improvements	95,242	95,242	95,242	95,243
Equipment	130,292	152,589	146,227	151,664
Infrastructure	56,374	56,374	56,373	56,373
Total Health and Welfare	3,238,847	3,461,144	3,464,703	3,470,141
Cultural and Recreation				
Land	46,338,991	58,142,877	58,444,248	74,832,801
Buildings	59,181	59,181	59,181	59,181
Improvements	418,740	436,771	498,870	498,870
Equipment	130,952	156,278	180,249	251,059
Infrastructure	5,903,775	6,494,844	6,494,844	10,054,340
Intangible Assets	-	-	-	-
Total Cultural and Recreation	52,851,639	65,289,951	65,677,392	85,696,251

2008	2009	2010	2011	2012	2013
\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452
6,702,330	6,702,330	6,858,306	6,821,667	7,526,440	6,864,477
169,292	157,340	157,340	157,339	157,340	140,145
3,813,303	3,004,281	3,234,512	3,033,682	3,057,557	3,064,379
32,768	32,768	32,768	32,768	32,768	32,768
<u>12,981,145</u>	<u>12,160,171</u>	<u>12,546,378</u>	<u>12,308,908</u>	<u>13,037,557</u>	<u>12,365,221</u>
392,693	392,693	392,693	392,693	392,693	392,693
4,188,220	4,260,770	4,255,455	4,243,280	4,243,280	4,243,280
23,696	23,696	23,696	23,696	23,696	23,696
2,932,562	3,317,375	3,932,875	3,887,338	4,541,652	4,130,563
<u>7,537,171</u>	<u>7,994,534</u>	<u>8,604,719</u>	<u>8,547,007</u>	<u>9,201,321</u>	<u>8,790,232</u>
2,134,603	2,076,225	2,076,225	2,076,225	2,076,225	2,076,225
8,650,590	8,631,737	8,631,737	8,652,750	8,730,166	8,730,166
658,646	658,646	658,646	658,646	658,646	454,293
4,172,762	4,389,229	5,853,702	5,880,409	5,854,744	5,841,383
30,175,659	30,175,659	31,275,659	31,275,662	31,705,731	31,705,731
501,996	501,996	501,995	501,992	501,995	501,995
<u>45,792,260</u>	<u>45,931,496</u>	<u>48,495,969</u>	<u>48,543,692</u>	<u>49,025,512</u>	<u>49,309,793</u>
4,280,106	4,290,099	4,389,292	4,379,922	4,391,525	4,381,357
95,243	95,243	81,380	15,473	15,472	15,473
149,703	148,807	148,807	146,518	146,520	146,518
56,373	56,373	56,373	56,373	56,374	56,373
<u>4,581,425</u>	<u>4,590,522</u>	<u>4,675,852</u>	<u>4,598,286</u>	<u>4,609,891</u>	<u>4,599,721</u>
61,205,398	65,603,726	80,926,544	80,926,544	81,468,748	84,095,137
59,181	59,181	59,181	651,132	782,763	782,763
488,870	488,870	488,870	1,232,132	1,232,132	1,264,895
201,580	336,252	356,682	356,682	367,977	395,643
10,054,340	10,054,340	13,487,947	14,587,896	14,958,175	15,414,417
27,432,967	43,473,026	45,548,027	45,548,029	45,548,026	45,415,158
<u>72,009,369</u>	<u>76,542,369</u>	<u>95,319,224</u>	<u>97,754,386</u>	<u>98,809,795</u>	<u>147,368,013</u>

(Continued)

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

Last Ten Years

Function/Program	2004	2005	2006	2007
Conservation of Natural Resources				
Equipment	130,821	130,821	137,823	127,833
Total Conservation of Nat. Resources	<u>130,821</u>	<u>130,821</u>	<u>137,823</u>	<u>127,833</u>
Housing and Development				
Land	5,573,262	2,758,510	730,050	730,050
Buildings	-	-	-	-
Improvements	32,562	-	-	-
Total Housing and Development	<u>5,605,824</u>	<u>2,758,510</u>	<u>730,050</u>	<u>730,050</u>
Construction in Progress	3,748,740	477,859	8,683,598	7,659,721
Total Governmental	<u>\$ 124,231,232</u>	<u>\$ 131,676,867</u>	<u>\$ 139,118,962</u>	<u>\$ 161,099,721</u>
Business-type				
Airport				
Land	\$ 10,480,840	\$ 10,480,840	\$ 10,480,840	\$ 10,480,840
Buildings	7,566,547	6,706,182	6,798,861	7,122,651
Improvements	22,811,019	29,961,930	30,401,479	30,964,267
Equipment	4,244,718	5,678,188	6,252,770	6,287,745
Construction in Progress	13,937,749	20,878,078	28,187,163	40,662,297
Intangible Assets	-	-	-	-
Total Airport	<u>45,103,124</u>	<u>52,827,140</u>	<u>53,933,950</u>	<u>54,855,503</u>
Solid Waste Center				
Land	50,000	50,000	50,000	50,000
Buildings	493,183	665,070	665,070	665,070
Improvements	1,308,725	1,387,152	1,639,451	2,055,845
Equipment	1,050,430	1,145,153	1,170,746	1,227,292
Construction in Progress	214,765	37,394	2,531	263,799
Total Solid Waste Center	<u>2,902,338</u>	<u>3,247,375</u>	<u>3,525,267</u>	<u>3,998,207</u>
Total business-type	<u>\$ 48,005,462</u>	<u>\$ 56,074,515</u>	<u>\$ 57,459,217</u>	<u>\$ 58,853,710</u>

Source: Pitkin County Fixed Asset Management System

2008	2009	2010	2011	2012	2012
127,833	127,833	135,036	112,131	112,131	93,815
127,833	127,833	135,036	112,131	112,131	93,815
730,050	730,050	730,050	730,050	730,050	730,050
-	-	-	-	-	741,755
-	-	-	-	-	-
730,050	730,050	730,050	730,050	730,050	1,471,805
4,150,177	3,875,926	1,649,975	627,942	742,029	6,553,691
\$ 147,909,430	\$ 151,952,901	\$ 172,157,203	\$ 173,222,402	\$ 176,268,286	\$ 230,552,291
\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279
18,717,688	18,749,257	18,749,257	18,749,257	18,970,151	18,963,831
30,841,247	51,970,342	52,118,955	52,143,270	56,555,696	56,555,696
6,504,783	7,369,076	8,651,643	8,153,276	9,214,724	9,304,840
21,097,613	4,318,461	5,302,255	18,885,024	21,435,097	21,921,987
2,955,956	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956
63,936,997	85,961,954	87,393,134	86,919,082	92,613,850	117,575,589
50,000	50,000	50,000	50,000	50,000	50,000
546,460	530,811	382,581	382,581	998,218	998,218
3,337,549	1,629,664	1,629,664	1,629,664	1,655,528	1,655,528
1,054,674	1,094,024	1,094,024	1,426,600	1,446,981	1,441,580
25,235	-	31,990	29,762	-	-
4,988,683	3,304,499	3,156,269	3,488,845	4,150,727	4,145,326
\$ 68,925,680	\$ 89,266,453	\$ 90,549,403	\$ 90,407,927	\$ 96,764,577	\$ 121,720,915