

2017

# Pitkin County

## Colorado



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended

December 31, 2017

PITKIN  
COUNTY



FINANCE



# PITKIN COUNTY



**Pitkin County, Colorado  
Comprehensive Annual Financial Report**

**For the Year Ended December 31, 2017**

*Prepared by the Finance Department of Pitkin County*



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Prepared by the Finance Department

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**PITKIN  
COUNTY**



**INTRODUCTORY SECTION**

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## **LETTER OF TRANSMITTAL**

June 20, 2018

To the Citizens and Board of County Commissioners of Pitkin County, Colorado:

State law requires Pitkin County (County) to publish a complete set of financial statements prepared in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted accounting standards by a firm of licensed certified public accountants.

Pursuant to those requirements we hereby present the Comprehensive Annual Financial Report (CAFR) of Pitkin County, Colorado for the fiscal year ended December 31, 2017. This report was prepared by the Finance Department of Pitkin County. Responsibility for both the accuracy of the presented data and the completeness and fairness of presentation, including all disclosures, rests with the County. We believe the data are accurate in all material respects and presented in a manner designed to set forth fairly the financial activity of the various funds. All disclosures necessary for the reader to gain the maximum understanding of the County's financial affairs have been included.

Management of the County has established a comprehensive framework of internal control to provide a reasonable basis asserting the financial statements are fairly presented. The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management.

This report is the result of the cooperative effort between the Finance Department and McMahan and Associates, L.L.C., our independent auditors. The independent auditor's report has been included in the financial section of this report on pages A1, A2 and A3. In their opinion, the financial statements were presented fairly in all material respects.

Pitkin County is also required to undergo an annual single audit in conformity with the provisions of the Federal Single Audit Act of 1996 and the U.S. Office of Management and Budget's Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Information related to this single audit, including the schedule of expenditures of federal awards, the independent auditor's reports on the internal control and compliance with applicable laws, regulations, contracts, and grants is included in the single audit section located after the Statistical Section.

GAAP requires management provide a narrative introduction, overview, and an analysis to accompany the basic financial statements. This narrative is in the form of the Management's Discussion and Analysis (MD&A) and can be found immediately following the report of the independent auditors. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

## **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 17,890 in July 2017, the latest date for which data is available. The County seat is Aspen.

### **Operating Structure**

Incorporated February 23, 1881, the County is a quasi-municipal corporation and political subdivision of the State. The County exercises and provides all mandatory county powers and functions as provided by law and has all rights and powers delegated under the constitution and laws of the State for exercise by counties, particularly Title 30, Colorado Revised Statutes, as amended. In addition, the County has adopted the Pitkin County Home Rule Charter, pursuant to Article XIV, Section 16 of the Colorado Constitution and the laws of the State. The County charter became effective on July 1, 1978, following an approving election, and establishes the organization and structure of County government.

The governing body of the County is the Board of County Commissioners (BOCC). 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 staggered four-year terms. Commissioners may serve only three consecutive terms. The other elected County officials are the Assessor, Clerk and Recorder, and Sheriff.

All powers, duties, and functions of the County are vested in the BOCC, which may delegate all of such responsibilities except the legislative function. In addition to having the power to levy taxes, the authority to represent the County, the responsibility for the care of County property, and the management of its affairs, the Board has the exclusive responsibility and power to adopt the annual budget for operation of County government, including all offices, boards, commissions, and other spending agencies funded in whole or in part by County appropriations. The BOCC is also responsible for hiring the County's manager and attorney. The County manager is responsible for carrying out the policies and ordinances of the BOCC, overseeing the day-to-day operations of the County and appointing the department heads.

### **Services**

Pitkin County provides the full range of services contemplated by State statute including, but not limited to, assessment and property tax administration; recording of vital documents and automobile registration; sheriff patrol and jail administration; ambulance operations; court facilities; land use planning, zoning and building inspections; road maintenance and construction; welfare and public health services; a solid waste landfill disposal facility; airport operations; television relay and translator facilities; open space and trails; and environmental health protection.

To promote greater efficiency, the City of Aspen (City) and Pitkin County provide several services through joint departments and agencies. These include dispatch communications, housing operations and the animal shelter. The accompanying financial statements include the County's proportionate share of the joint departments.

### **Component Units**

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 entities are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, two road improvement districts and the Aspen Ambulance District are reported as special revenue funds of the primary government. Also included as a blended fiduciary component entity is the Pitkin County Public Employees Retirement Plan; which is reported as a pension trust fund. The Pitkin County Library District is reported as a discretely presented component unit. This component unit is reported in a separate column in the combined financial statements to emphasize it is legally separate from the primary government and to differentiate its financial position and changes in financial position from those of the primary government.

### **Budget**

The County is legally required to adopt annual budgets for all governmental and proprietary funds. The annual budget serves as the foundation for the County's financial planning and control and is approved by the BOCC, as are supplemental appropriations throughout the year. The objective of budgetary control is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the BOCC. Per State statute, expenditures may not legally exceed appropriations at the fund or spending agency level. Budget appropriations lapse at the end of each year.

## **ECONOMIC CONDITION OF PITKIN COUNTY**

### **Local Economy**

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. The County's tourist industry is among the largest economic drivers for the County and is among the largest and least seasonal of any Colorado county with substantial ski resort facilities.

Sales tax revenue, a good measure of the health of the tourism industry, has increased steadily over the last seven years, rebounding from its low point in 2009 during the great recession. Average increases during this seven-year period were 6.05%, with the only decrease occurring in 2017 and the highest rate in 2013. 2017 sales tax revenue increased 4.6% over 2016. Receipt of the revenue is spread consistently throughout the year with the six winter months of December through May accounting for 59% of the annual total, while the months of June through November account for 41% of the annual total. The County estimates spending by area residents and second homeowners accounts for approximately 38% of total sales tax collections.

Building permit fees have increased steadily since the recession though dropped slightly in 2015. 2016 saw strong growth of 24% from 2015 and up 137% over 2011. 2017 continued the trend with a significant increase of over 200% though this was due a rate increase as well as a greater value of transactions.

The sales volume of real estate in Pitkin County totaled over \$1.9 billion in 2017, a 28.8 % increase over that of 2016, a year which saw declines of 32%. The bounce back was attributed the national and global uncertainties of 2016 and put it on a par with sales volumes of 2015.

In Colorado, property valuations are assessed every other year. 2017 was not a reassessment year and valuations increased only by growth which was around 2%.

The Aspen - Pitkin County airport is the third busiest commercial airport in the State and saw a slight decrease of 2.5% in enplanements in 2017 over 2016. However, enplanements has increased 9.4% in 2017 over 2011.

Overall, the County has enjoyed strong sustained growth since 2011, emerging from the recession more quickly than others. Looking forward, these trends are generally expected to continue. County population is forecast to grow approximately 17% over the next decade. The tourism industry is expected to continue to grow as well, with increased activities planned for Snowmass Mountain and rising visitation to the Maroon Bells, a popular tourist attraction. Furthermore, the tourist seasons are becoming longer and 'shoulder' seasons shorter.

The speculative residential and commercial real estate investment market remains strong and the outlook for the S&P Global Luxury Index, a good indicator of performance for the County economy, is positive. In particular, strong indicators for assessed values and sales tax growth exist in Snowmass Village, where one million square feet of commercial and residential space will be developed over the next few years. In 2019 several new hotels will have construction completed and will have a positive impact on sales taxes.

However, after almost a decade of sustained growth, there is some long-term uncertainty with a possibility of a national correction. Our economic vitality is linked to a strong equities and investment market and the health of both national and international economies. A weakening global economy can bring a drop in tourism and real estate investment and thus impacting the economy of Pitkin County.

### **Long-term Financial Planning**

As mentioned previously the annual budget serves as the foundation for the County's financial planning and, as part of this process the County annually updates a five-year plan including review of a ten-year capital replacement schedule. In balancing its budget, the BOCC 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 16% in the General Fund (including the statutory reserve) to provide a working capital reserve.

### **Relevant Financial Policies**

Pitkin County has a comprehensive set of financial policies. In 2017, there were no changes to policies that would directly affect the County's financial or budget situation.

### **Major Initiatives**

In 2017, Pitkin County continued to focus on the strategic priorities identified by the Board of County Commissioners and organized within the core focus areas of Flourishing Natural and Built Environment; Livable and Supportive Community; and Prosperous Economy. Highlights included:

- Investment in facilities including the construction of the Administration and Sheriff's Office building in the County seat of Aspen, and planning and design of a new Ambulance facility;
- Completion of the Public Safety Radio infrastructure conversion from an old analogue system to an 800 MHZ digitally trunked radio system, including upgrading radio devices for all County departments;
- Roll out of the County employee housing shared equity program;
- Establishment of the economic assistance program within the Human Services department which had previously been contracted out;
- Establishment of a new Public Health department, some of the function of which was previously outsourced to a local non-profit.

**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, 2016. This was the thirty-fifth consecutive year that Pitkin County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR continues to meet the Certificate of Achievement Program’s requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated service of the Pitkin County Finance Department. In addition, as a staff, we are grateful for the assistance we receive from our independent auditors, McMahan and Associates, L.L.C.

Respectfully submitted,



Ann Driggers  
Finance Director



Jon Peacock  
County Manager



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Pitkin County**  
**Colorado**

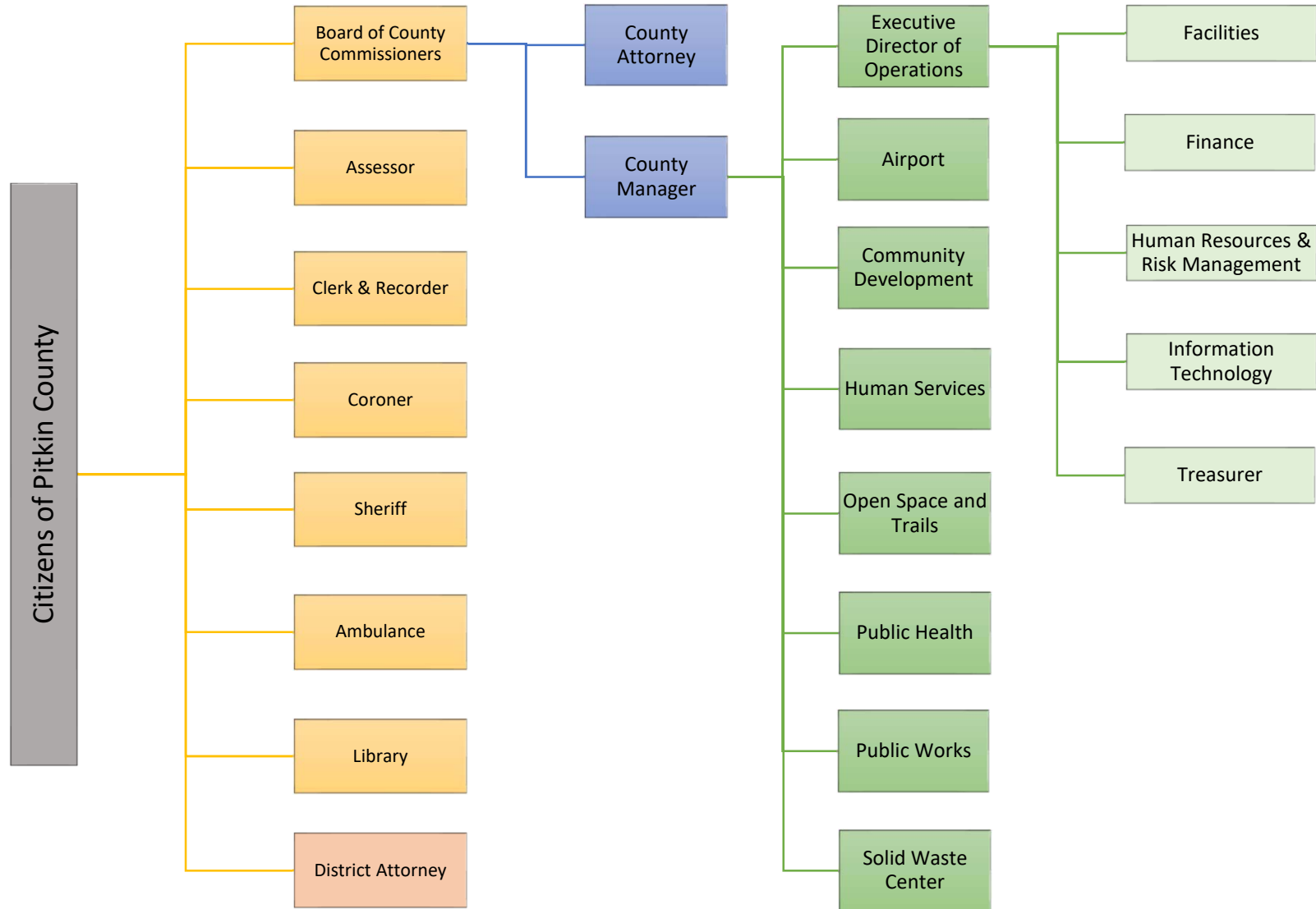
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

*Christopher P. Morill*

Executive Director/CEO

Pitkin County Organization Chart - 2017



**Board of County Commissioners**

Patti Clapper (Vice Chair), District 1

Rachel Richards, District 2

Greg Poschman, District 3

Steve Child, District 4

George Newman (Chair), District 5

**Other Elected Officials**

Tom Isaac, Assessor

Janice Vos Claudill, Clerk & Recorder

Joe DiSalvo, Sheriff

**County Manager**

Jon Peacock

**PITKIN  
COUNTY**

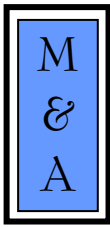


**FINANCIAL SECTION**

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**INDEPENDENT AUDITOR'S REPORT**

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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 (the "County"), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the 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 County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluation of the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

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*

PAUL J. BACKES, CPA, CGMA  
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**INDEPENDENT AUDITOR'S REPORT**  
**To the Board of County Commissioners**  
**Pitkin County, Colorado**

***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, 2017, 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 in Section B 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements taken as a whole. The introductory section, combining fund financial statements, individual fund budgetary information, the Schedule of Passenger Facility Charges Collected and Expended, 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 the County's financial statements. The combining fund financial statements, the individual fund budgetary information, 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 financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with 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 financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Additionally, the Schedule of Passenger Facility Charges Collected and Expended and the Schedule of Expenditures of Federal Awards included in the Single Audit section are presented for the purpose of additional analysis, as required by the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), and are not a required part of the County's financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Passenger Facility Charges Collected and Expended and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements as a whole.

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

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 20, 2018 on our consideration of the 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and on compliance.

*McMahan and Associates, L.L.C.*

**McMahan and Associates, L.L.C.  
June 20, 2018**

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of Pitkin County, Colorado (the County), we offer readers of the County's Comprehensive Annual Financial Statement this narrative overview and analysis of the financial activities of the County for the fiscal year ending December 31, 2017. 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 preceding this narrative, and with the County's financial statements and notes to the financial statements, which follow.

### **FINANCIAL HIGHLIGHTS**

- As of December 31, 2017, the County's total assets were \$446 million, and total liabilities and deferred inflow of resources were \$87 million. The total net position was therefore \$359 million, an increase of 4.5 percent (\$15 million) over 2016.
- Total net position comprises the following:
  - (1) Investment in capital assets including property and equipment, net of related debt (if any) and accumulated depreciation, of \$268 million
  - (2) Restricted net position of \$25 million, which is constrained for specific purposes by external providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation
  - (3) Unrestricted net position of \$66 million, which represents the portion available to maintain the County's continuing obligations to its citizens and creditors.
- Total governmental fund revenues (including transfers in) in 2017 were \$75 million, an 8 percent (\$6 million) increase over 2016.
- Total governmental fund expenditures (including transfers out) in 2017 were \$62 million, no change from 2016.
- As of December 31, 2017, the County's governmental funds reported combined ending fund balances of \$79 million. This compares to the prior year ending fund balances of \$84 million, a decrease of 6 percent (\$5 million) during 2017. Approximately \$7.5 million (10 percent) is unassigned fund balance.
- At the end of 2017, fund balance for the General Fund was \$19 million, amounting to 80 percent of total General Fund expenditures. This compares to the prior year ending fund balance of \$19 million with no change during 2017.

The above financial highlights are explained in more detail in the "Financial Analysis" section of this document.

### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This Management Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include:

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to the Basic Financial Statements

The County also includes in this report additional information to supplement the basic financial statements.

### 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, 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 for which the County is financially accountable. Financial information for the *discretely-presented component unit* is reported in a separate column from the financial information presented for the primary government itself.

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

### Fund Financial Statements

The fund financial statements are designed to report information about groupings of related accounts used to maintain control over resources segregated for specific activities or objectives. The County, like other state and local governments, uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Fund financial statements focus on the County's most significant funds, known as major funds, rather than the County as a whole. Major funds are reported separately while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds are provided in the form of combining statements in a later section of this report.

All the funds of the County fall into one of three types: governmental funds, proprietary funds, and fiduciary funds.

**Governmental funds.** Most of the services provided by the County are accounted for in governmental funds. Governmental funds are used to account for essentially the same functions, which are reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, however, the governmental funds financial statements focus on the use of spendable resources during the year and the balances available at the end of the year for future spending. Such information is useful in determining whether there will be adequate financial resources available to meet the current and near-term needs of the County.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The County's governmental funds are comprised of a general fund, a capital projects fund, a debt service fund and 13 special revenue funds. Five governmental funds, the General Fund, the Open Space and Trails Fund, the Transportation Sales and Use Tax Fund, the Housing Impact Fee Fund and the Capital Expenditures Fund are considered major funds for financial reporting purposes. Each of the major funds is presented in a separate column in the governmental fund financial statements presented on page C5 of this report. Individual fund information for non-major governmental funds is found in combining statements in a later section of this 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 C3 through C10 of this report.

**Proprietary funds** are reported in the fund financial statements and generally report services for which the County charges customers a fee. The two County proprietary funds are classified as enterprise funds and encompass the same functions reported as business-type activities in the government-wide statements: Airport and Solid Waste Center. 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 C11 through C13 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 C14 through C15 of the report.

### **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 can be found in Section D of this report.

**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 "supplementary information," and found in Section. E, for the General Fund and the three major special revenue funds. Budgetary comparison schedules for all other non-major special revenue governmental funds can be found under "other supplementary information" along with other combining and individual fund statements and schedules in Section E. General Fund and major special revenue funds are found on pages C7 to C10.

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**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Summary of Net Position**

An analysis of net position may serve as a useful indicator of a government's financial health. 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 businesses 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.

Total assets for the County on December 31, 2017 were \$446 million, total liabilities were \$63 million, and deferred inflows of resources were \$24 million. The County's net position is therefore \$359 million, an increase of 4.5 percent over December 31, 2016. The following provides a summary of the County's net position:

	Governmental Activities		Business-type Activities		Total	
	2017	2016 as restated	2017	2016 as restated	2017	2016 as restated
<b>Assets:</b>						
Current and Other Assets	\$ 115,381	\$ 116,724	\$ 30,438	\$ 27,857	\$ 145,819	\$ 144,581
Capital assets	222,212	205,241	77,535	77,964	299,747	283,205
<b>Total Assets</b>	<b>337,593</b>	<b>321,965</b>	<b>107,973</b>	<b>105,821</b>	<b>445,566</b>	<b>427,786</b>
<b>Deferred Outflows</b>	<b>335</b>	<b>406</b>	<b>-</b>	<b>-</b>	<b>335</b>	<b>406</b>
<b>Liabilities:</b>						
Long-term liabilities	42,162	43,823	3,633	3,451	45,795	47,274
Other liabilities	15,054	11,965	1,684	1,658	16,738	13,623
<b>Total Liabilities</b>	<b>57,216</b>	<b>55,788</b>	<b>5,317</b>	<b>5,109</b>	<b>62,533</b>	<b>60,897</b>
<b>Deferred Inflows</b>	<b>23,990</b>	<b>22,832</b>	<b>-</b>	<b>-</b>	<b>23,990</b>	<b>22,832</b>
<b>Net Position:</b>						
Net investment in capital assets	190,071	183,412	77,484	77,964	450,967	261,376
Restricted	25,449	27,664	-	-	25,449	27,664
Unrestricted	41,202	32,675	25,172	22,748	66,374	55,423
<b>Total Net Position</b>	<b>\$ 256,722</b>	<b>\$ 243,751</b>	<b>\$ 102,656</b>	<b>\$ 100,712</b>	<b>\$ 359,378</b>	<b>\$ 344,463</b>

The County continues to maintain strong current ratios. The current ratio compares current assets to current liabilities and is an indication of the ability to pay obligations within one year. The current ratio for governmental activities is 7.7 to 1. For the County overall, the current ratio is 8.7 to 1 meaning current assets are eight times greater than current liabilities.

The County reported positive balances in net position for both governmental and business-type activities. Net position increased \$13 million for governmental activities and increased by \$2 million for business-type activities. The County's overall total net position increased during 2017 by \$15 million. The gain in net position is due to higher revenues compared to 2016.

As of December 31, 2017, the County's governmental activities reported a combined ending net position of \$257 million, an increase of 5.8 percent (\$13 million) more than the prior year. Of this, 18 percent (\$41 million) is unrestricted and constitutes available funds for spending in the coming year at the County's discretion. Legally restricted net position includes \$2 million restricted to public health needs of our community, \$16 million restricted to capital projects and \$2 million restricted to the emergency reserve as required by State Statute.

Approximately 74 percent of the governmental activities' net position is invested in capital assets. Capital assets are tangible property used in the operation of the County such as land, roads and bridges, buildings, machinery, furnishings and equipment. The County uses these capital assets to provide services to its citizens.

For business-type activities, 76 percent of its net position is invested in capital assets providing facilities and equipment for the Solid Waste Disposal and Airport Funds.

**Summary of Changes in Net Position**

Governmental and business-type activities increased the County's net position by \$15 million in 2017. The following table derived from the current and prior year's *Statement of Activities* indicates the changes in net position for governmental and business-type activities:

**Pitkin County's Changes in Net Position (\$000)**

	Governmental Activities		Business-type Activities		Total	
	2017	2016 (as restated)	2017	2016	2017	2016 (as restated)
<b>Program revenues:</b>						
Charges for services	\$ 13,895	\$ 8,916	\$ 17,367	\$ 14,823	\$ 31,262	\$ 23,739
Operating grants/contributions	6,493	7,161	1,210	630	7,703	7,791
Capital grants/contributions	1,638	2,483	1,616	3,063	3,254	5,546
<b>General revenues:</b>						
Property taxes	22,758	22,339	-	-	22,758	22,339
Sales taxes	27,792	26,391	-	-	27,792	26,391
Other taxes	848	758	-	-	848	758
Investment earnings	1,129	620	264	189	1,393	809
Other	165	148	33	12	198	160
<b>Total Revenues</b>	<b>74,718</b>	<b>68,816</b>	<b>20,490</b>	<b>18,717</b>	<b>95,208</b>	<b>87,533</b>
<b>Expenses:</b>						
<b>Program expenses:</b>						
General government	10,977	12,081	-	-	10,977	12,081
Public Safety	13,005	13,221	-	-	13,005	13,221
Public works	22,600	23,077	-	-	22,600	23,077
Public health and welfare	8,103	6,362	-	-	8,103	6,362
Culture and recreation	5,620	5,731	-	-	5,620	5,731
Interest on long-term debt	1,441	1,051	-	-	1,441	1,051
Airport	-	-	13,884	13,577	13,884	13,577
Solid waste center	-	-	4,661	4,392	4,661	4,392
<b>Total Expenses</b>	<b>61,746</b>	<b>61,523</b>	<b>18,545</b>	<b>17,969</b>	<b>80,291</b>	<b>79,492</b>
<b>Change in Net Position</b>	<b>12,972</b>	<b>7,293</b>	<b>1,945</b>	<b>748</b>	<b>14,917</b>	<b>8,041</b>
<b>Net Position - Beginning (as restated)</b>	<b>243,751</b>	<b>235,988</b>	<b>100,712</b>	<b>99,964</b>	<b>344,463</b>	<b>335,952</b>
<b>Net Position - Ending</b>	<b>\$ 256,722</b>	<b>\$ 243,281</b>	<b>\$ 102,656</b>	<b>\$ 100,712</b>	<b>\$ 359,378</b>	<b>\$ 343,993</b>

**Governmental Revenues**

Total governmental revenues for 2017 were \$74 million (excluding transfers in) compared to \$69 million in 2016, an increase of 7.2% percent. \$2.2 million was due to both transaction value and rate increases in building permits, \$1.2 million increase in sales tax collections, \$1.6 million increase in property taxes and \$350,000 received from the Wexner-Two Shoes land exchange. Grant revenues also increased by \$1.8 million. Of this \$686 thousand was from the Federal Aviation Administration for the airport and \$520 thousand from the State of Colorado for Broadband improvements. The source of revenues is as follows:

Governmental Revenues by Source 2017	
Taxes	\$ 51,398,356
Licenses and Permits	4,794,505
Intergovernmental	9,521,480
Charges for Services	4,094,351
Fines	55,570
Impact Fees	744,501
Investment Earnings	1,129,303
Miscellaneous	1,865,357
<b>Total</b>	<b>\$ 73,603,423</b>

The County is heavily reliant on taxes and intergovernmental revenues to support governmental operations and capital improvements.

Sales and use taxes are the largest source of revenue with \$28 million accounting for 37 percent of total revenues. Property taxes of \$23 million represent 24 percent of revenues and specific ownership taxes of \$835 thousand represent 1 percent of revenues. Intergovernmental revenues of \$10 million represents 10 percent of the County's total governmental revenues. This includes \$1.7 million from the State for Human Services programs, \$1.3 million from the State Highway Users Tax Fund for road and bridge purposes and \$1.5 million in Payment in Lieu of Taxes (PILT).

**Governmental Expenses**

Total governmental expenses for 2017 were \$79 million compared with \$74 million in 2016, an increase of 7 percent. Expenses by program are as follows:

Governmental Activities Expenses by Function/Program 2017	
General government	\$ 22,262,862
Public Safety	14,237,064
Public works	22,440,256
Public health and welfare	8,568,449
Culture and recreation	8,630,438
<b>Total</b>	<b>\$ 76,139,069</b>

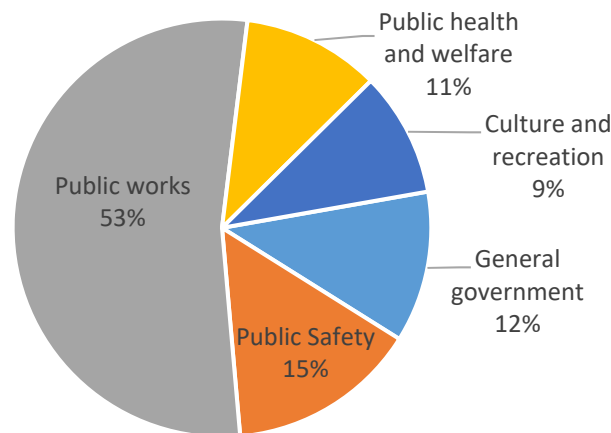
**Governmental Activities – Function/Program Analysis**

Program revenues such as charges for services, operating and capital grants and contributions, cover 36 percent of governmental activities expenses. This means that the government’s taxpayers and the County’s other general governmental revenues fund 64 percent of the governmental activities. As a result, the general economy and the County businesses have a major impact on the County’s revenue streams.

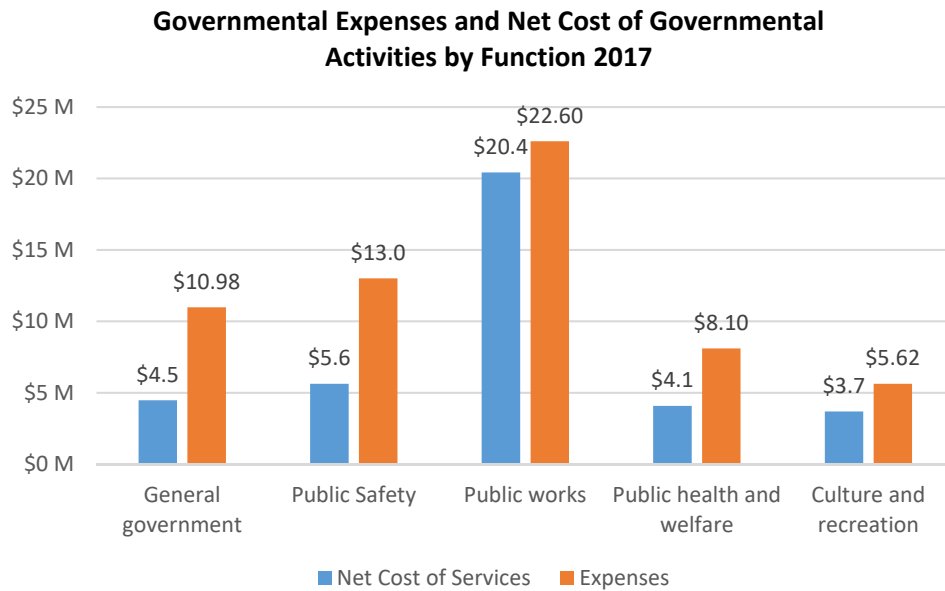
The general government, public safety, public works, and health and welfare functions account for 89 percent of governmental activities expenses.

Each of these functions generates some form of revenue. The following table presents the net cost of the functions, i.e. the expenses less revenues generated by the activities. The net costs illustrate the financial burden placed on the County’s taxpayers by each of these functions.

Net Cost of Governmental Activities Expenses by Function/Program 2017	
General government	\$ 4,472,398
Public Safety	5,628,403
Public works	20,421,197
Public health and welfare	4,073,895
Culture and recreation	3,683,807
<b>Total</b>	<b>\$ 38,279,700</b>



A comparison of the expenses on governmental activities and the net cost of governmental activities, by function, is as follows:



### Business-Type Activities

Net position for the County's business-type activities in 2017 was \$103 million, an increase of \$2 million over 2016. The net position of the Airport Fund was \$90.4 million, a decrease \$1.5 million and \$12.3 million for the Solid Waste Center Fund, an increase of \$3.6 million.

For the Solid Waste Center Fund, operating revenues were \$8.1 million and operating expenses were \$4.7 million. At 98 percent, charges for services (tipping fees) accounted for the majority of revenues. Wages and benefits accounted for 28 percent of expenses and 60 percent was for other operating expenses.

For the Airport Fund, operating revenues were \$6.2 million and operating expenses were \$13.9 million. Of this, 26 percent was for wages and benefits, 39 percent was for operating expenses and the remaining percent was for depreciation.

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## ANALYSIS OF THE COUNTY'S FUNDS

As previously discussed, the 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 that has not yet been limited to use for a particular purpose either by an external party, or by Pitkin County itself.

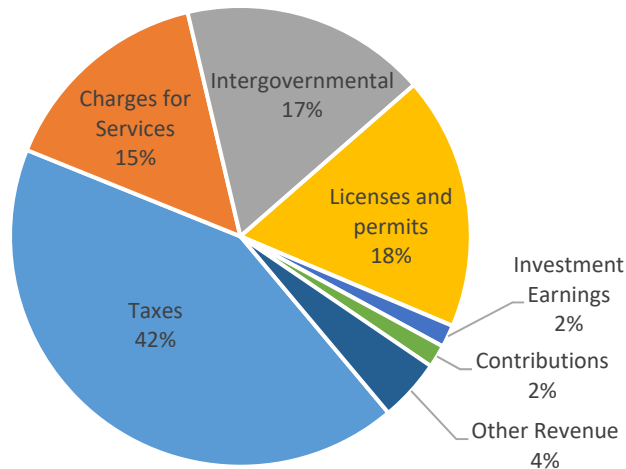
At December 31, 2017, the County's governmental funds reported combined fund balances of \$79,331,894, a decrease of \$5,447,968 from the prior year. Approximately 9 percent of this amount (\$7.45 million) constitutes unassigned fund balance, which is available for spending at the County's discretion. 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 (\$25.5 million); 2) committed by the Board of County Commissioners (\$36.6 million); 3) assigned for planned or intended actions restricted for particular purposes (\$8.6 million); or 4) not in spendable form (\$1.2 million). The fund balances of the five major funds total \$71 million; the General Fund represents \$19 million, the Capital Expenditures Fund \$16 million, Employee Housing Impact Fund \$12 million, Transportation Sales and Use Tax Fund \$8 million and the Open Space and Trails Fund represents \$16 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 is the largest source of day-to-day delivery and accounts for many of the County's core services, such as the Sheriff's Office, Assessor, Clerk and Recorder, Community Development, facilities and general administrative functions. The General Fund is financed primarily by property taxes, sales taxes and charges for services.

In 2017, total revenues for the General Fund were \$27 million, an increase of 18 percent over the prior year. Taxes generated 42% of this revenue, followed by licenses and permits at 18%, intergovernmental revenues of 17% and charges for services at 15%. The following represents General Fund revenues by classification in 2017, which was similar to the prior year:

General Fund Revenues 2017	
Taxes	\$11,307,439
Charges for Services	4,072,727
Intergovernmental	4,623,508
Licenses and permits	4,761,127
Investment Earnings	419,372
Contributions	427,724
Other Revenue	1,169,728
<b>Total</b>	<b>\$26,781,625</b>



General Fund revenues were 7 percent over the amended budget in 2017. Sales tax revenues were \$1 million higher than in 2016 and licenses and permits saw an increase of \$2.3 million over the prior year due to strong growth in building permits.

Detail on the General Fund revenues budgetary comparison is as follows:

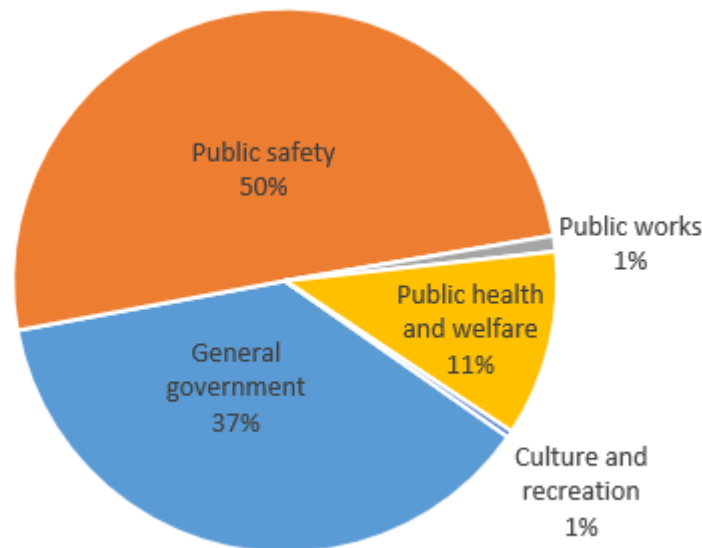
General Fund Revenues Budgetary Comparison					
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	%
Taxes	\$ 11,246,524	\$ 11,220,421	\$ 11,307,439	\$ 87,018	1%
Intergovernmental	3,634,796	3,941,430	4,623,508	682,078	17%
Licenses and permits	3,409,663	3,433,913	4,761,127	1,327,214	39%
Impact fees	-	-	237	237	-
Charges for services	3,861,776	3,861,776	4,072,727	210,951	5%
Fines and forfeitures	27,500	29,023	52,070	23,047	79%
Investment earnings	237,510	237,510	419,372	181,862	77%
Miscellaneous	2,408,478	2,408,478	1,545,145	(863,333)	-36%
<b>Total</b>	<b>\$ 24,826,247</b>	<b>\$ 25,132,551</b>	<b>\$ 26,781,625</b>	<b>\$ 1,649,074</b>	<b>7%</b>

Total expenditures for the General Fund in 2017 (including interfund transfers to other funds) were \$26 million, a 7 percent increase over 2016.

As mentioned previously, the General Fund is the County's primary operating fund and consequently it contains a total of fourteen elected official offices and departments. The following presents the total General Fund expenditures by function:

General Fund Expenditures by Function 2017	
General government	\$9,638,006
Public safety	12,964,719
Public works	241,898
Public health and welfare	2,852,436
Culture and recreation	99,720
<b>Total</b>	<b>\$25,796,779</b>

Chart Area



During 2017, there was a \$3.5 million (14 percent) increase in appropriations between the adopted and amended budgets for General Fund expenditures. The majority of the increase was due to budget carry-forwards including \$1.4 million for the 800 MHz radio conversion project and \$317 thousand for the Coke Ovens phase II grant expenditures.

General Fund expenditures were 8 percent (\$2.3 million) below the amended budget in 2017, which is the normal trend the County has experienced in previous years. There was a multitude of cost savings across the board. Additionally, there was \$500 thousand in savings in wages and benefits.

At the end of 2017, the General Fund has a fund balance of \$19 million of which \$1.3 million is restricted by state or federal regulations, \$0.7 million is committed by BOCC, \$1.2 million is not in spendable form, and \$8.6 million is assigned for various purposes. The assigned portions include \$3.4 million for operating reserve and contingency, \$2.8 million for programs or contributions to offset future health and risk insurance increases, and \$1.4 million for budget carry-forwards. The remaining assigned fund balance is designated for other uses as detailed in Note III.J.

***Capital Expenditures Fund***

The Capital Expenditures fund balance decreased by 43 percent, from \$28 million in 2016 to \$16 million in 2017. This was due to the construction of the county's new administration and Sheriff's Office building. This project was financed in 2016 and is being built during 2017 and 2018.

In 2017, total revenues were \$4.6 million of which 87% was from sales taxes. Total expenditures were \$17 million, of which 70 percent (\$11.5 million) was for the above-mentioned construction, and \$850 thousand was for 14 vehicles.

***Transportation Sales and Use Tax Fund***

The Transportation Sales and Use Tax Fund is used to account for a 1% county-wide transportation sales tax collected and then distributed to the Roaring Fork Transportation Authority (RFTA), the City of Aspen and the Town of Snowmass Village for mass transit services. A 0.5% use tax is also collected by both the county, the City of Aspen and the Town of Snowmass Village which is deposited into the fund. A 0.5% transportation sales and use tax is also maintained in this fund of which 81% 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 transit projects.

The fund balance increased by \$1.2 million in 2017 and has \$8.5 million available for future spending at the year-end. In 2017, total revenues of \$17 million in this fund increased by 6 percent over 2016 and total expenditures of \$16 million increased by 1.2 percent over 2016.

***Open Space and Trails Fund***

The Open Space and Trails Fund has \$16.5 million in fund balance at year end. Of this 75% is dedicated to open space acquisitions, 10% to trails improvements and 15% to property maintenance. The fund balance, which fluctuates depending on the capital acquisitions made in any year, increased by \$4 million in 2017. Significant 2017 acquisitions include the Rolland and Manie Open Space at \$1.45 million and the Lazy Glen bridge and trail at \$558 thousand.

***Employee Housing Impact Fund***

The Housing Impact Fee Fund has accumulated \$11.8 million of fund balance from collections of payments from the housing impact fees. A housing Impact fee is assessed on new residential structures exceeding 5,750 square feet, commercial development and development of tourist lodging accommodations. The proceeds of this fee are restricted to help provide affordable housing opportunities to the local workforce that may be unattainable due to the high cost of housing in resort communities. The County continues to work on strategies and seek opportunities to assist Pitkin County residents find affordable housing close to the resort areas to provide families with a high quality of life. In addition to county owned housing units, a new Shared Equity Program was implemented in 2017.

***Airport Fund***

The Airport Fund has \$90.4 million in net position at year end. Of this amount, \$71.8 million is categorized as net investment in capital assets and is therefore not available for day to day operations. The net position for the airport fund decreased by \$1.6 million in 2017. This decrease was due in part to the purchase of an employee housing unit (\$360 thousand) and the renovation of the terminal's baggage facilities (\$1.6 million).

***Solid Waste Center Fund***

The Solid Waste Center had a landmark year in 2017 receiving an additional \$3.0 million for charges for services over the amount budgeted. This increase in revenue was due to a large volume of construction waste thanks to several large construction projects in the upper valley in 2017, including the start of the base village construction at the base of Snowmass ski area. This led to a portion of the increase in net position of \$3.6 million. The Solid Waste Center Fund has \$12.3 million in net position at year end.

**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, 2017, was \$222,212,223 and \$77,535,425 respectively. The net investment increased by 8 percent for governmental activities and decreased 0.5 percent for business-type activities. The overall increase was 6 percent for the County as a whole.

At December 31, 2017, the depreciable capital assets for governmental activities were 45 percent depreciated compared to 46 percent at December 31, 2016. 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 78 percent of the total assets showing the continued investment by the open space program.

Investment in governmental assets exceeded the depreciation expense in 2017 resulting in an increase in the net asset value of \$17 million. Of this, 83 percent was attributable to construction in progress of the new county Administration and Sheriff's Office building. Land acquisitions and machinery and equipment accounted for 15% and 11 percent of the remainder respectively.

For the County's business type activities, the asset values were 66% depreciated at December 31, 2017 compared to 64% at December 31, 2016.

See Note III. D and F for additional information about changes in capital assets during the calendar year and outstanding at the end of the year.

### **Long-term Debt**

At the end of the calendar year, general obligation bonds of \$13,137,000, certificates of participation of \$22,315,000 and sales tax revenue bonds totaling \$6,140,000 were outstanding. Citing the County's strong financial position, Moody's Investor Service now rates the County as Aa1, changing from Aa2 in September 2017.

See Note III.G for additional information about the County's long-term debt and Note III.H for discussion of the landfill closure and post-closure care liability.

### **Economic Outlook and 2018 Budget**

Pitkin County's economy, largely dominated by real estate and tourism, again performed strongly in 2017. This trend is expected to continue in 2018 and 2019 with new lodging facilities in Aspen, commercial development in Snowmass Village, and a strong national economy driving tourism and residential investments in the county. Sales tax revenues have continued to increase through 2018 despite poor snowfall over the winter months which has potential impacts on the tourism industry. 2018 will see an increase in property tax revenues due to a reassessment of properties in 2017. The longer-term outlook is more uncertain with a forecast for a correction in the national economy possible in the next few years.

The County continues to experience strong demand for many of its services, especially the Airport, Solid Waste Center, Public Health and Human Services, and facilities. With careful and prudent management and efficient use of funds, the County aims to add 2017 and 2018 surpluses to its fund balances, moderate operating costs in 2019, and therefore continue to provide quality services and maintain operating expenditures through any potential economic downturn.

The 2018 amended Pitkin County budget includes \$117,418,922 in revenues and \$158,885,233 in expenditures, for a total use of fund balance of \$41,466,311. The remaining fund balance at year end is \$65,094,546, or 41 percent of total 2018 operating and capital expenditures. This is well above the County's minimum fund balance of 16.7 percent of budgeted operating expenditures.

Use of fund balance is primarily for capital projects. 2018 capital projects include: \$12 million for investments in employee housing, which include the acquisition of Phillips mobile home park, participation in the construction of Basalt Vista employee housing, and the County's employee deed restricted housing program; \$11.3 million to complete the Admin and Sheriff facility remodel and addition; \$8 million for the construction of a new ambulance facility; \$4.5 million in Open Space and Trails acquisitions and trail improvements; \$4.5 million for a drop and swap facility at the Solid Waste Center; \$4 million in Airport capital projects, including security improvements, conclusion of the environmental assessment, and employee housing acquisitions; \$1.9 million in road projects; \$1.9 million for Translator site construction and equipment replacements; \$1.5 million to replace the County's aging ERP; and \$1.4 million in the Healthy Rivers fund for completion of the Basalt water park.

Operational projects in 2018 include a focus on addressing community mental health needs, promoting improvements to regional public transportation, and building the County's organizational capacity to effectively and efficiently manage current and future capital projects.

Overall, the 2018 budget and the strategic plan enable Pitkin County to continue to provide high levels of service to its citizens, invest in prudent capital improvements, while maintaining a strong financial position.

**Contacting the County's Financial Management**

This financial report is designed to provide an overview of the County's financial activities for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to:

Ann Driggers  
Finance Director  
530 East Main Street, Suite 304  
Aspen, Colorado, 81611  
(970) 920-5225

## **BASIC FINANCIAL STATEMENTS**

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**Pitkin County, Colorado**  
**Statement of Net Position**  
**December 31, 2017**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Pitkin County Library District
<b>Assets:</b>				
Cash and investments	\$ 81,111,129	\$ 23,513,703	\$ 104,624,832	\$ 2,125,507
Restricted cash and investments	-	3,489,713	3,489,713	-
Receivables, net of allowance for uncollectibles	33,270,624	3,177,607	36,448,231	4,080,285
Prepaid expenses	10,066	-	10,066	-
Inventories	531,902	257,031	788,933	-
Deposits held	190,000	-	190,000	-
Noncurrent receivables, net of allowance for uncollectibles	266,987	-	266,987	-
Capital assets, not being depreciated	174,049,787	13,115,132	187,164,919	144,263
Capital assets, net of accumulated depreciation	48,162,446	64,420,293	112,582,739	14,596,027
<b>Total Assets</b>	<b>337,592,941</b>	<b>107,973,479</b>	<b>445,566,420</b>	<b>20,946,082</b>
<b>Deferred Outflows of Resources:</b>				
Deferred loss on refunding	335,210	-	335,210	-
<b>Total Deferred Outflows of Resources</b>	<b>335,210</b>	<b>-</b>	<b>335,210</b>	<b>-</b>
<b>Liabilities:</b>				
Accounts payable	9,417,811	887,256	10,305,067	89,841
Accrued liabilities	312,365	44,432	356,797	11,469
Accrued interest	179,735	-	179,735	-
Unearned revenue	1,444,624	628,551	2,073,175	-
Deposits	884,431	27,983	912,414	-
Noncurrent liabilities:				
Due within one year	2,814,844	95,752	2,910,596	51,746
Due in more than one year	42,162,483	3,633,342	45,795,825	77,620
<b>Total Liabilities</b>	<b>57,216,293</b>	<b>5,317,316</b>	<b>62,533,609</b>	<b>230,676</b>
<b>Deferred Inflows of Resources:</b>				
Property taxes assessed but not collectible until 2018	23,989,583	-	23,989,583	4,079,402
<b>Total Deferred Inflows of Resources</b>	<b>23,989,583</b>	<b>-</b>	<b>23,989,583</b>	<b>4,079,402</b>
<b>Net Position:</b>				
Net investment in capital assets	190,070,757	77,484,457	267,555,214	14,740,290
Restricted for:				
Aviation fuel tax	111,176	-	111,176	-
Capital projects	15,874,956	-	15,874,956	-
Conservation trust	336	-	336	-
Debt service	171,832	-	171,832	-
Emergency reserve	2,132,662	-	2,132,662	129,253
Healy rivers & streams	2,346,674	-	2,346,674	-
Human services	521,056	-	521,056	-
Public health	1,989,462	-	1,989,462	-
Road and bridge	60,791	-	60,791	-
State superfund tip fees	471,816	-	471,816	-
Translator	1,768,635	-	1,768,635	-
Library	-	-	-	1,766,461
Unrestricted	41,202,122	25,171,706	66,373,828	-
<b>Total Net Position</b>	<b>\$ 256,722,275</b>	<b>\$ 102,656,163</b>	<b>\$ 359,378,438</b>	<b>\$ 16,636,004</b>

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

**Pitkin County, Colorado**  
**Statement of Activities**  
**For the Year Ended December 31, 2017**

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit  Pitkin County Library District
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			
					Governmental Activities	Business-type Activities	Total	
<b>Governmental Activities:</b>								
General government	\$ 10,976,662	\$ 4,885,243	\$ 1,619,021	\$ -	\$ (4,472,398)		\$ (4,472,398)	
Public safety	13,004,918	6,483,710	729,022	163,783	(5,628,403)		(5,628,403)	
Public works	22,600,176	321,917	1,247,998	609,064	(20,421,197)		(20,421,197)	
Public health and welfare	8,103,257	1,278,585	2,750,777	-	(4,073,895)		(4,073,895)	
Culture and recreation	5,619,853	925,075	145,971	865,000	(3,683,807)		(3,683,807)	
Interest on long-term debt	1,441,364	-	-	-	(1,441,364)		(1,441,364)	
<b>Total Governmental Activities</b>	<u>61,746,230</u>	<u>13,894,530</u>	<u>6,492,789</u>	<u>1,637,847</u>	<u>(39,721,064)</u>		<u>(39,721,064)</u>	
<b>Business-type activities:</b>								
Airport	13,883,776	9,263,381	1,210,106	1,616,335		(1,793,954)	(1,793,954)	
Solid Waste Center	4,661,438	8,103,147	-	-		3,441,709	3,441,709	
<b>Total Business-type Activities</b>	<u>18,545,214</u>	<u>17,366,528</u>	<u>1,210,106</u>	<u>1,616,335</u>		<u>1,647,755</u>	<u>1,647,755</u>	
<b>Total</b>	<u>\$ 80,291,444</u>	<u>\$ 31,261,058</u>	<u>\$ 7,702,895</u>	<u>\$ 3,254,182</u>	<u>(39,721,064)</u>	<u>1,647,755</u>	<u>(38,073,309)</u>	
<b>Component Unit:</b>								
<b>Pitkin County Library District</b>	<u>\$ 4,536,919</u>	<u>\$ 88,501</u>	<u>\$ 156,639</u>					\$ (4,291,779)
<b>General Revenues:</b>								
Taxes:								
Property taxes					22,758,464	-	22,758,464	3,885,570
Sales and use taxes					27,791,836	-	27,791,836	-
Specific ownership taxes					835,075	-	835,075	142,604
Other taxes					12,981	-	12,981	-
Unrestricted investment earnings					1,129,303	263,596	1,392,899	35,124
Gain on disposition of assets					164,804	32,674	197,478	-
<b>Total General Revenues</b>					<u>52,692,463</u>	<u>296,270</u>	<u>52,988,733</u>	<u>4,063,298</u>
<b>Change in Net Position</b>					12,971,399	1,944,025	14,915,424	(228,481)
<b>Net Position - Beginning (as restated)</b>					<u>243,750,876</u>	<u>100,712,138</u>	<u>344,463,014</u>	<u>16,864,485</u>
<b>Net Position - Ending</b>					<u>\$ 256,722,275</u>	<u>\$ 102,656,163</u>	<u>\$ 359,378,438</u>	<u>\$ 16,636,004</u>

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

**Pitkin County, Colorado**  
**Balance Sheet**  
**Governmental Funds**  
**December 31, 2017**

	General Fund	Special Revenue			Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
		Transportation Sales and Use Tax Fund	Open Space and Trails Fund	Employee Housing Impact Fund	Capital Fund		
<b>Assets:</b>							
Cash and investments	\$ 17,702,134	\$ 9,684,615	\$ 16,632,670	\$ 11,782,585	\$ 18,933,174	\$ 6,375,951	\$ 81,111,129
Property tax receivable	7,210,872	-	11,630,439	-	-	5,148,272	23,989,583
Other receivables, net of allowance for uncollectibles	300,753	58,512	3,513	-	126,418	132,822	622,018
Due from other governments	4,096,758	2,667,213	536,435	-	50,329	1,308,288	8,659,023
Due from other funds	244,822	-	-	-	-	-	244,822
Loans receivable	266,987	-	-	-	-	-	266,987
Deposits held	149,600	-	-	-	40,400	-	190,000
Prepaid items	10,066	-	-	-	-	-	10,066
Inventories	531,902	-	-	-	-	-	531,902
<b>Total Assets</b>	<b>\$ 30,513,894</b>	<b>\$ 12,410,340</b>	<b>\$ 28,803,057</b>	<b>\$ 11,782,585</b>	<b>\$ 19,150,321</b>	<b>\$ 12,965,333</b>	<b>\$ 115,625,530</b>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>							
<b>Liabilities:</b>							
Accounts payable	\$ 604,910	\$ 8,606	\$ 379,472	\$ 1,670	\$ 3,100,999	\$ 261,026	\$ 4,356,683
Accrued liabilities	284,399	-	7,462	-	-	20,504	312,365
Due to other governments	2,155,503	2,490,723	306,646	-	-	108,256	5,061,128
Due to other funds	-	-	-	-	-	244,822	244,822
Unearned revenue	116,969	1,327,655	-	-	-	-	1,444,624
Deposits	850,689	-	5,100	19,142	-	9,500	884,431
<b>Total Liabilities</b>	<b>4,012,470</b>	<b>3,826,984</b>	<b>698,680</b>	<b>20,812</b>	<b>3,100,999</b>	<b>644,108</b>	<b>12,304,053</b>
<b>Deferred Inflows of Resources:</b>							
Property taxes assessed but not collectible until 2018	7,210,872	-	11,630,439	-	-	5,148,272	23,989,583
<b>Total Deferred Inflows of Resources</b>	<b>7,210,872</b>	<b>-</b>	<b>11,630,439</b>	<b>-</b>	<b>-</b>	<b>5,148,272</b>	<b>23,989,583</b>
<b>Fund Balances:</b>							
Nonspendable	958,555	-	-	-	40,400	-	998,955
Restricted	1,310,613	566,766	364,573	25,569	16,008,922	7,172,953	25,449,396
Committed	721,540	8,016,590	16,109,365	11,736,204	-	-	36,583,699
Assigned	8,175,723	-	-	-	-	-	8,175,723
Unassigned	8,124,120	-	-	-	-	-	8,124,120
<b>Total Fund Balances</b>	<b>19,290,552</b>	<b>8,583,356</b>	<b>16,473,938</b>	<b>11,761,773</b>	<b>16,049,322</b>	<b>7,172,953</b>	<b>79,331,894</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b>\$ 30,513,894</b>	<b>\$ 12,410,340</b>	<b>\$ 28,803,057</b>	<b>\$ 11,782,585</b>	<b>\$ 19,150,321</b>	<b>\$ 12,965,333</b>	<b>\$ 115,625,530</b>

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

**Pitkin County, Colorado**  
**Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position**  
**December 31, 2017**

<b>Governmental Funds Total Fund Balances</b>	\$	79,331,894
<i>Add:</i>		
Capital assets, net of depreciation, are used in governmental activities and are not financial resources and, therefore, are not reported in the governmental funds.		222,212,233
<i>Less:</i>		
Deferred amounts on refundings and bond premiums or discounts are reflected as current charges in the governmental fund financial statements. On the Statement of Activities and the Statement of Net Position, these costs are capitalized and amortized over the life of the bond issues. These amounts consist of unamortized deferred refunding losses of \$335,210, less unamortized bond premiums of \$702,717.		(367,507)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds. This is the amount of bonded debt payable.		(41,625,000)
Long-term liabilities, including claims payable, are not due and payable in the current period and, therefore, are not reported in the funds. This is the amount of claims payable.		(844,913)
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds. This is the amount of compensated absences not currently payable.		(1,804,697)
Interest payable on debt is not recorded on the fund statements, but rather recognized as an expenditure when due. This is the accrued interest on bonded debt that has been incurred, but not yet due.		(179,735)
<b>Governmental Activities Net Position</b>	<b>\$</b>	<b><u>256,722,275</u></b>

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

**Pitkin County, Colorado**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended December 31, 2017**

	General Fund	Special Revenue			Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
		Transportation Sales and Use Tax Fund	Open Space and Trails Fund	Employee Housing Impact Fund	Capital Fund		
<b>Revenues:</b>							
Taxes	\$ 11,307,439	\$ 16,999,730	\$ 11,403,451	\$ -	\$ 3,975,581	\$ 7,712,155	\$ 51,398,356
Intergovernmental	4,623,508	-	538,663	-	198,466	4,160,843	9,521,480
Licenses and permits	4,761,127	-	17,113	-	-	16,265	4,794,505
Impact fees	237	-	-	604,394	139,870	-	744,501
Charges for services	4,072,727	-	-	-	21,138	486	4,094,351
Fines	52,070	-	3,500	-	-	-	55,570
Investment earnings	419,372	89,000	175,077	119,791	247,695	78,368	1,129,303
Miscellaneous	1,545,145	-	94,801	128,129	1,717	95,565	1,865,357
<b>Total Revenues</b>	<b>26,781,625</b>	<b>17,088,730</b>	<b>12,232,605</b>	<b>852,314</b>	<b>4,584,467</b>	<b>12,063,682</b>	<b>73,603,423</b>
<b>Expenditures:</b>							
Current:							
General government	9,586,644	-	-	-	820,059	-	10,406,703
Public safety	11,641,579	-	-	-	82,201	648,875	12,372,655
Public works	241,898	15,943,461	-	-	1,680,741	3,482,715	21,348,815
Public health and welfare	2,852,436	-	-	102,391	335,890	4,479,713	7,770,430
Culture and recreation	99,720	-	3,875,919	-	-	548,905	4,524,544
Debt service:							
Principal	-	-	920,000	-	475,000	340,000	1,735,000
Interest	-	-	297,001	-	767,407	315,525	1,379,933
Capital outlay:							
General government	51,362	-	-	-	11,804,797	-	11,856,159
Public safety	1,323,140	-	-	-	313,932	227,337	1,864,409
Public works	-	-	-	-	686,585	404,856	1,091,441
Public health and welfare	-	-	-	761,887	36,132	-	798,019
Culture and recreation	-	-	3,362,204	-	-	743,690	4,105,894
<b>Total Expenditures</b>	<b>25,796,779</b>	<b>15,943,461</b>	<b>8,455,124</b>	<b>864,278</b>	<b>17,002,744</b>	<b>11,191,616</b>	<b>79,254,002</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>984,846</b>	<b>1,145,269</b>	<b>3,777,481</b>	<b>(11,964)</b>	<b>(12,418,277)</b>	<b>872,066</b>	<b>(5,650,579)</b>
<b>Other Financing Sources (Uses):</b>							
Proceeds from sale of assets	3,500	-	80,175	-	118,936	-	202,611
Transfers in	535,971	-	79,000	-	64,230	718,134	1,397,335
Transfers out	(826,364)	-	-	-	-	(570,971)	(1,397,335)
<b>Total Other Financing Sources (Uses)</b>	<b>(286,893)</b>	<b>-</b>	<b>159,175</b>	<b>-</b>	<b>183,166</b>	<b>147,163</b>	<b>202,611</b>
<b>Net Change in Fund Balances</b>	<b>697,953</b>	<b>1,145,269</b>	<b>3,936,656</b>	<b>(11,964)</b>	<b>(12,235,111)</b>	<b>1,019,229</b>	<b>(5,447,968)</b>
<b>Fund Balances - Beginning (as restated)</b>	<b>18,592,599</b>	<b>7,438,087</b>	<b>12,537,282</b>	<b>11,773,737</b>	<b>28,284,433</b>	<b>6,153,724</b>	<b>84,779,862</b>
<b>Fund Balances - Ending</b>	<b>\$ 19,290,552</b>	<b>\$ 8,583,356</b>	<b>\$ 16,473,938</b>	<b>\$ 11,761,773</b>	<b>\$ 16,049,322</b>	<b>\$ 7,172,953</b>	<b>\$ 79,331,894</b>

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

**Pitkin County, Colorado**  
**Reconciliation of the Statement of Revenues, Expenditures, and Change in Fund Balances of**  
**Governmental Funds to the Statement of Activities**  
**For the Year Ended December 31, 2017**

<b>Net Change in Fund Balances - Governmental Funds</b>	\$	(5,447,968)
<i>Add:</i>		
The repayment of debt is a use of current available resources, but has no effect on net position because although the County has less current available resources, it also has less debt. This is the amount of principal payments on bonded debt during the year.		1,735,000
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 and reported as depreciation expense. This is the amount by which capital outlays (\$20,560,111) exceeds depreciation (\$3,259,276) in the current period.		17,300,835
Long-term liabilities, including claims payable, are not due and payable in the current period and therefore are not reported in the funds. This is the change in the amount of claims, not currently payable.		48,877
<i>Less:</i>		
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds. This is the change in the amount of compensated absences, not currently payable.		(274,371)
Interest payable on debt is not recorded in the fund statements, but rather recognized as an expenditure when due. This is the change in accrued interest on bonded debt that has been incurred, but is not yet due.		(61,431)
Long-term capital assets, which are not fully depreciated, are routinely retired. Because no sale transaction has occurred, no current resources are recorded which offset the book value of the assets retired. This is the total book value of capital assets retired during the year that were not fully depreciated.		<u>(329,543)</u>
<b>Change in Net Position of Governmental Activities</b>	<b>\$</b>	<b><u>12,971,399</u></b>

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

**Pitkin County, Colorado**  
**General Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016, as restated)**

	2017			Final Budget	2016
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual (as restated)
<b>Revenues:</b>					
Taxes:					
Sales tax	\$ 4,090,162	\$ 4,064,059	\$ 4,158,207	\$ 94,148	\$ 3,107,906
General property tax	6,906,540	6,906,540	6,883,647	(22,893)	6,700,477
Specific ownership tax	234,822	234,822	252,604	17,782	222,663
Other tax	15,000	15,000	12,981	(2,019)	15,595
Intergovernmental:					
Federal	1,614,950	1,667,450	1,682,283	14,833	1,648,831
State	95,660	349,794	140,624	(209,170)	158,971
Other governmental units	1,924,186	1,924,186	2,800,601	876,415	2,535,079
Licenses and permits	3,409,663	3,433,913	4,761,127	1,327,214	2,492,344
Impact fees	-	-	237	237	-
Charges for services:					
General government	3,727,175	3,727,175	3,889,802	162,627	4,705,629
Public safety	106,601	106,601	161,322	54,721	228,442
Public health and welfare	28,000	28,000	21,603	(6,397)	91,292
Fines and forfeitures:					
Court fines	27,075	27,075	51,140	24,065	40,271
Other fines	425	1,948	930	(1,018)	245
Investment earnings	237,510	237,510	419,372	181,862	229,297
Miscellaneous:					
Rents and royalties	570,439	570,439	510,449	(59,990)	336,219
Refund of expenditures	1,734,310	1,734,310	492,111	(1,242,199)	136,674
Contributions	25,100	25,100	427,724	402,624	40,976
Other	78,629	78,629	114,861	36,232	76,132
<b>Total Revenues</b>	<u>24,826,247</u>	<u>25,132,551</u>	<u>26,781,625</u>	<u>1,649,074</u>	<u>22,767,043</u>
<b>Expenditures:</b>					
Current:					
General government	10,289,582	11,274,482	9,586,644	1,687,838	10,159,866
Public safety	11,014,525	11,551,615	11,641,579	(89,964)	9,935,612
Public works	175,000	314,773	241,898	72,875	628,874
Public health and welfare	2,827,714	2,962,361	2,852,436	109,925	2,591,833
Culture and recreation	66,964	66,964	99,720	(32,756)	81,522
Capital outlay:					
General government	-	176,747	51,362	125,385	628,132
Public safety	149,000	1,380,653	1,323,140	57,513	115,696
Public works	-	30,000	-	30,000	-
Public health and welfare	-	-	-	-	7,050
Culture and recreation	-	317,668	-	317,668	-
<b>Total Expenditures</b>	<u>24,522,785</u>	<u>28,075,263</u>	<u>25,796,779</u>	<u>2,278,484</u>	<u>24,148,585</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>303,462</u>	<u>(2,942,712)</u>	<u>984,846</u>	<u>3,927,558</u>	<u>(1,381,542)</u>
<b>Other Financing Sources (Uses):</b>					
Proceeds from sale of assets	-	-	3,500	3,500	519
Transfers in	539,595	1,025,365	535,971	(489,394)	1,242,801
Transfers out	(819,000)	(1,312,134)	(826,364)	485,770	(744,000)
<b>Total Other Financing Sources (Uses)</b>	<u>(279,405)</u>	<u>(286,769)</u>	<u>(286,893)</u>	<u>(124)</u>	<u>499,320</u>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	<u>\$ 24,057</u>	<u>\$ (3,229,481)</u>	<u>697,953</u>	<u>\$ 3,927,434</u>	<u>(882,222)</u>
<b>Fund Balance - Beginning</b>			<u>18,592,599</u>		<u>19,474,821</u>
<b>Fund Balance - Ending</b>			<u>\$ 19,290,552</u>		<u>\$ 18,592,599</u>

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

**Pitkin County, Colorado**  
**Transportation Sales and Use Tax Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	<u>2017</u>			<b>Final Budget Variance Positive (Negative)</b>	<u>2016</u>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>		<b>Actual</b>
<b>Revenues:</b>					
Taxes:					
Sales tax	\$ 14,785,112	\$ 14,785,112	\$ 15,376,648	\$ 591,536	\$ 14,627,953
Other tax	1,225,000	1,225,000	1,623,082	398,082	1,438,921
Investment earnings	60,000	60,000	89,000	29,000	75,187
Miscellaneous:					
Refund of expenditures	-	-	-	-	3
Contributions	-	10,000	-	(10,000)	-
<b>Total Revenues</b>	<u>16,070,112</u>	<u>16,080,112</u>	<u>17,088,730</u>	<u>1,008,618</u>	<u>16,142,064</u>
<b>Expenditures:</b>					
Current:					
Public works	15,089,343	15,820,385	15,943,461	(123,076)	15,757,363
<b>Total Expenditures</b>	<u>15,089,343</u>	<u>15,820,385</u>	<u>15,943,461</u>	<u>(123,076)</u>	<u>15,757,363</u>
<b>Excess of Revenues Over Expenditures</b>	<u>\$ 980,769</u>	<u>\$ 259,727</u>	1,145,269	<u>\$ 885,542</u>	384,701
<b>Fund Balance - Beginning</b>			<u>7,438,087</u>		<u>7,053,386</u>
<b>Fund Balance - Ending</b>			<u>\$ 8,583,356</u>		<u>\$ 7,438,087</u>

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

**Pitkin County, Colorado**  
**Open Space and Trails Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	2017			Final Budget Variance Positive (Negative)	2016
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Taxes:					
General property tax	\$ 11,035,162	\$ 11,035,162	\$ 10,999,843	\$ (35,319)	\$ 10,978,529
Specific ownership tax	375,250	375,250	403,608	28,358	364,683
Intergovernmental:					
Other governmental units	550,000	650,000	538,663	(111,337)	562,958
Licenses and permits	-	-	17,113	17,113	12,231
Charges for services:					
Culture and recreation	-	-	-	-	17,000
Fines and forfeitures:					
Other fines	-	-	3,500	3,500	2,900
Investment earnings	95,770	95,770	175,077	79,307	131,267
Miscellaneous:					
Rents and royalties	19,000	19,000	24,655	5,655	15,743
Refund of expenditures	-	-	23,666	23,666	15,587
Contributions	25,000	25,000	46,480	21,480	233,786
Other	-	-	-	-	18
<b>Total Revenues</b>	<u>12,100,182</u>	<u>12,200,182</u>	<u>12,232,605</u>	<u>32,423</u>	<u>12,334,702</u>
<b>Expenditures:</b>					
Current:					
Culture and recreation	5,090,217	5,608,865	3,875,919	1,732,946	4,301,919
Debt service:					
Principal	785,000	785,000	920,000	(135,000)	715,000
Interest	477,210	477,210	297,001	180,209	626,356
Capital outlay:					
Culture and recreation	534,300	5,670,819	3,362,204	2,308,615	5,347,884
<b>Total Expenditures</b>	<u>6,886,727</u>	<u>12,541,894</u>	<u>8,455,124</u>	<u>4,086,770</u>	<u>10,991,159</u>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over Expenditures</b>	<u>5,213,455</u>	<u>(341,712)</u>	<u>3,777,481</u>	<u>4,119,193</u>	<u>1,343,543</u>
<b>Other Financing Sources (Uses):</b>					
Refunding bonds	-	-	-	-	12,370,000
Payment to refunded bond escrow agent	-	-	-	-	(12,370,450)
Proceeds from sale of assets	-	-	80,175	80,175	19,450
Transfers in	69,000	79,000	79,000	-	744,000
<b>Total Other Financing Sources</b>	<u>69,000</u>	<u>79,000</u>	<u>159,175</u>	<u>80,175</u>	<u>763,000</u>
<b>Excess of Revenues and Other</b>					
<b>Financing Sources Over Expenditures</b>	<u>\$ 5,282,455</u>	<u>\$ (262,712)</u>	<u>3,936,656</u>	<u>\$ 4,199,368</u>	<u>2,106,543</u>
<b>Fund Balance - Beginning</b>					
			<u>12,537,282</u>		<u>10,430,739</u>
<b>Fund Balance - Ending</b>					
			<u>\$ 16,473,938</u>		<u>\$ 12,537,282</u>

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

**Pitkin County, Colorado**  
**Employee Housing Impact Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	<u>2017</u>			<u>Final Budget</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Impact fees	\$ 700,000	\$ 700,000	\$ 604,394	\$ (95,606)	\$ 507,915
Investment earnings	101,660	101,660	119,791	18,131	102,698
Miscellaneous:					
Rents and royalties	111,701	111,701	124,100	12,399	70,509
Refund of expenditures	-	-	4,029	4,029	1
<b>Total Revenues</b>	<u>913,361</u>	<u>913,361</u>	<u>852,314</u>	<u>(61,047)</u>	<u>681,123</u>
<b>Expenditures:</b>					
Current:					
Public health and welfare	1,074,411	1,074,411	102,391	972,020	78,752
Capital outlay:					
Public health and welfare	<u>9,755,300</u>	<u>9,755,300</u>	<u>761,887</u>	<u>8,993,413</u>	<u>-</u>
<b>Total Expenditures</b>	<u>10,829,711</u>	<u>10,829,711</u>	<u>864,278</u>	<u>9,965,433</u>	<u>78,752</u>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over Expenditures</b>	<u>\$ (9,916,350)</u>	<u>\$ (9,916,350)</u>	(11,964)	<u>\$ 9,904,386</u>	602,371
<b>Fund Balance - Beginning</b>			<u>11,773,737</u>		<u>11,171,366</u>
<b>Fund Balance - Ending</b>			<u>\$ 11,761,773</u>		<u>\$ 11,773,737</u>

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

**Pitkin County, Colorado**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2017**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Airport Fund</b>	<b>Solid Waste Center Fund</b>	<b>Total</b>
<b>Assets:</b>			
Current assets:			
Cash and investments	\$ 17,336,242	\$ 6,177,461	\$ 23,513,703
Accounts receivable, net of allowance for uncollectibles	2,409,181	490,220	2,899,401
Intergovernmentals receivable, net of allowance for uncollectibles	278,206	-	278,206
Inventories	-	257,031	257,031
<b>Total Current Assets</b>	<b>20,023,629</b>	<b>6,924,712</b>	<b>26,948,341</b>
Noncurrent assets:			
Cash and investments, restricted	-	3,489,713	3,489,713
Capital assets:			
Land and land rights	7,873,279	50,000	7,923,279
Construction in progress	1,708,099	527,798	2,235,897
Intangible assets	2,955,956	-	2,955,956
Buildings	19,953,176	1,052,151	21,005,327
Infrastructure and improvements other than buildings	77,804,978	1,680,784	79,485,762
Machinery and equipment	13,025,609	4,797,882	17,823,491
Less: accumulated depreciation	(51,486,556)	(2,407,731)	(53,894,287)
Capital assets, net	71,834,541	5,700,884	77,535,425
<b>Total Noncurrent Assets</b>	<b>71,834,541</b>	<b>9,190,597</b>	<b>81,025,138</b>
<b>Total Assets</b>	<b>91,858,170</b>	<b>16,115,309</b>	<b>107,973,479</b>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable	613,446	248,770	862,216
Accrued liabilities	38,328	6,104	44,432
Due to other governments	-	25,040	25,040
Unearned revenue	628,551	-	628,551
Deposits	27,983	-	27,983
Compensated absences - current	66,985	28,767	95,752
<b>Total Current Liabilities</b>	<b>1,375,293</b>	<b>308,681</b>	<b>1,683,974</b>
Noncurrent Liabilities:			
Compensated absences	100,478	43,151	143,629
Closure and post-closure costs	-	3,489,713	3,489,713
<b>Total Noncurrent Liabilities</b>	<b>100,478</b>	<b>3,532,864</b>	<b>3,633,342</b>
<b>Total Liabilities</b>	<b>1,475,771</b>	<b>3,841,545</b>	<b>5,317,316</b>
<b>Net Position:</b>			
Net investment in capital assets	71,783,573	5,700,884	77,484,457
Unrestricted	18,598,826	6,572,880	25,171,706
<b>Total Net Position</b>	<b>\$ 90,382,399</b>	<b>\$ 12,273,764</b>	<b>\$ 102,656,163</b>

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

**Pitkin County, Colorado**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2017**

	<b>Business-type Activities - Enterprise Funds</b>		
	<b>Airport Fund</b>	<b>Solid Waste Center Fund</b>	<b>Total</b>
<b>Operating Revenues:</b>			
Charges for services:			
Airport sales	\$ 6,233,668	\$ -	\$ 6,233,668
Solid waste center sales	-	8,030,583	8,030,583
Total charges for services	<u>6,233,668</u>	<u>8,030,583</u>	<u>14,264,251</u>
Miscellaneous:			
Rents and franchises	2,991,631	-	2,991,631
Refund of expenses	36,606	34,719	71,325
Other revenues	1,476	37,845	39,321
Total miscellaneous	<u>3,029,713</u>	<u>72,564</u>	<u>3,102,277</u>
<b>Total Operating Revenues</b>	<u>9,263,381</u>	<u>8,103,147</u>	<u>17,366,528</u>
<b>Operating Expenses:</b>			
Personnel services	3,637,990	1,272,827	4,910,817
General operations	5,375,193	2,761,611	8,136,804
Landfill compliance costs	-	144,356	144,356
Depreciation	4,870,593	482,644	5,353,237
<b>Total Operating Expenses</b>	<u>13,883,776</u>	<u>4,661,438</u>	<u>18,545,214</u>
<b>Operating Income (Loss)</b>	<u>(4,620,395)</u>	<u>3,441,709</u>	<u>(1,178,686)</u>
<b>Non-Operating Revenues:</b>			
Investment earnings	187,049	76,547	263,596
Gain on disposition of assets	-	32,674	32,674
Intergovernmental	1,210,106	-	1,210,106
<b>Total Non-Operating Revenues</b>	<u>1,397,155</u>	<u>109,221</u>	<u>1,506,376</u>
<b>Income (Loss) Before Contributions and Transfers</b>	<u>(3,223,240)</u>	<u>3,550,930</u>	<u>327,690</u>
Capital contributions	1,616,335	-	1,616,335
<b>Change in Net Position</b>	<u>(1,606,905)</u>	<u>3,550,930</u>	<u>1,944,025</u>
<b>Net Position - Beginning</b>	<u>91,989,304</u>	<u>8,722,834</u>	<u>100,712,138</u>
<b>Net Position - Ending</b>	<u>\$ 90,382,399</u>	<u>\$ 12,273,764</u>	<u>\$ 102,656,163</u>

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

Pitkin County, Colorado  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2017

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Airport Fund</u>	<u>Solid Waste Center Fund</u>	<u>Total</u>
<b>Cash Flows from Operating Activities:</b>			
Cash received from customers and others	\$ 7,991,514	\$ 7,965,656	\$ 15,957,170
Cash payments to vendors for goods and services	(5,456,755)	(2,554,038)	(8,010,793)
Cash payments to employees for services	(3,594,196)	(1,254,290)	(4,848,486)
<b>Net Cash Provided by Operating Activities:</b>	<u>(1,059,437)</u>	<u>4,157,328</u>	<u>3,097,891</u>
<b>Cash Flows from Non-Capital Financing Activities:</b>			
Grant proceeds received	1,210,106	-	1,210,106
<b>Net Cash Provided by Non-Capital and Related Financing Activities</b>	<u>1,210,106</u>	<u>-</u>	<u>1,210,106</u>
<b>Cash Flows from Capital and Related Financing Activities:</b>			
Sale of assets	-	32,674	32,674
Proceeds from grant awards	2,463,588	-	2,463,588
Acquisition of capital assets	(4,170,754)	(753,719)	(4,924,473)
<b>Net Cash Used by Capital and Related Financing Activities</b>	<u>(1,707,166)</u>	<u>(721,045)</u>	<u>(2,428,211)</u>
<b>Cash Flows from Investing Activities:</b>			
Interest received - unrestricted	187,049	76,547	263,596
<b>Net Cash Provided by Investing Activities</b>	<u>187,049</u>	<u>76,547</u>	<u>263,596</u>
<b>Net Increase (Decrease) in Cash</b>	(1,369,448)	3,512,830	2,143,382
<b>Cash - Beginning of Year</b>	18,705,690	6,154,344	24,860,034
<b>Cash - End of Year</b>	<u>\$ 17,336,242</u>	<u>\$ 9,667,174</u>	<u>\$ 27,003,416</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:</b>			
Operating income (loss)	\$ (4,620,395)	\$ 3,441,709	\$ (1,178,686)
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:</b>			
Depreciation	4,870,593	482,644	5,353,237
<b>Changes in Assets and Liabilities:</b>			
Increase in accounts receivable	(1,270,549)	(137,491)	(1,408,040)
Decrease in inventories	-	122,819	122,819
Increase (decrease) in accounts payable	(573,036)	92,232	(480,804)
Decrease in compliance costs	-	144,356	144,356
Increase in accrued liabilities	43,182	11,059	54,241
Increase in unearned revenue	492,086	-	492,086
Decrease in deposits	(1,318)	-	(1,318)
<b>Net Cash Provided by Operating Activities:</b>	<u>\$ (1,059,437)</u>	<u>\$ 4,157,328</u>	<u>\$ 3,097,891</u>
<b>Schedule of Non-Cash Activities:</b>			
PFCs in receivables	\$ 170,688	\$ -	\$ 170,688
<b>Total Non-Cash Activities</b>	<u>\$ 170,688</u>	<u>\$ -</u>	<u>\$ 170,688</u>

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

**Pitkin County, Colorado**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**December 31, 2017**

	<b>Retirement Trust</b>	<b>Agency Funds</b>
<b>Assets</b>		
Cash and investments	\$ 34,161,542	\$ 13,273,245
Receivables:		
Miscellaneous	-	67,662
Employee retirement loans	465,875	-
<b>Total Assets</b>	<b>34,627,417</b>	<b>13,340,907</b>
<b>Liabilities</b>		
Accounts payable	-	1,024,558
Due to other governments	-	394,684
Funds held for others	-	11,921,665
<b>Total Liabilities</b>	<b>-</b>	<b>\$ 13,340,907</b>
<b>Net Position</b>		
Net position held in trust for retirement benefits	<b>\$ 34,627,417</b>	

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

**Pitkin County, Colorado**  
**Statement of Changes in Net Position**  
**Retirement Trust Fund**  
**December 31, 2017**

	<b>Retirement Trust</b>
<b>Additions</b>	
Employer contributions	\$ 2,708,221
Investment income:	
Dividends and interest	4,901,118
<b>Total Additions</b>	<b>7,609,339</b>
<b>Deductions</b>	
Benefits to plan members	3,881,159
Administration expenses	35,553
<b>Total Deductions</b>	<b>3,916,712</b>
<b>Change in Net Position</b>	3,692,627
<b>Net Position - Beginning</b>	30,934,790
<b>Net Position - Ending</b>	<b>\$ 34,627,417</b>

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

**Pitkin County, Colorado**  
**Balance Sheet**  
**Discretely Presented Component Unit**  
**December 31, 2017**

	<u><b>Pitkin County Library District</b></u>
<b>Assets:</b>	
Cash and investments	\$ 2,125,507
Property tax receivable	4,079,402
Accounts receivable, net of allowance for uncollectibles	883
<b>Total Assets</b>	<u><u>6,205,792</u></u>
<b>Liabilities:</b>	
Accounts payable	89,841
Accrued liabilities	11,387
Due to other governments	82
<b>Total Liabilities</b>	<u><u>101,310</u></u>
<b>Deferred Inflows of Resources:</b>	
Property taxes assessed but not collectible until 2018	4,079,402
<b>Total Deferred Inflows of Resources</b>	<u><u>4,079,402</u></u>
<b>Fund Balance</b>	
Restricted	2,025,080
<b>Total Fund Balance</b>	<u><u>\$ 2,025,080</u></u>

**Reconciliation to Statement of Net Position:**

Capital assets, net of depreciation, are used in governmental activities and are not financial resources and, therefore, are not reported in the governmental funds. This is the amount by which capital assets exceeded accumulated depreciation for the year:

Capital assets	\$ 18,756,013	
Accumulated depreciation	<u>(4,015,723)</u>	
		14,740,290

Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds. This is the amount of compensated absences not currently payable.

(129,366)

Total Net Position	<u><u>\$ 16,636,004</u></u>
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The accompanying notes are an integral part of these financial statements.

**Pitkin County, Colorado**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**with Reconciliation to the Statement of Net Position**  
**Discretely Presented Component Unit**  
**For the Year Ended December 31, 2017**

	<b>Pitkin County Library District</b>
<b>Revenues</b>	
Taxes	\$ 4,028,174
Intergovernmental	5,291
Fines	23,355
Investment earnings	35,124
Miscellaneous	216,494
<b>Total Revenues</b>	<b>4,308,438</b>
<b>Expenditures:</b>	
Current:	
Culture and recreation	3,386,066
Capital:	
Culture and recreation	416,540
<b>Total Expenditures</b>	<b>3,802,606</b>
<b>Excess of Revenues Over Expenditures</b>	505,832
<b>Fund Balance - Beginning</b>	1,519,248
<b>Fund Balance - Ending</b>	\$ 2,025,080
<b>Reconciliation to Statement of Activities:</b>	
<b>Change in Fund Balance</b>	\$ 505,832
<p>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 and reported as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the current period.</p>	
Capital Outlays	\$ 416,540
Depreciation	(995,549)
	(579,009)
<p>Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds. This is the change in the amount of compensated absences, not currently payable.</p>	
	(11,341)
<p>Long-term capital assets, which are not fully depreciated, are routinely retired. Because no sale transaction has occurred, no current resources are recorded which offset the book value of the assets retired. This is the total book value of capital assets retired during the year that were not fully depreciated.</p>	
	(143,963)
<b>Change in Net Position</b>	<b>\$ (228,481)</b>

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

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**I. Summary of Significant Accounting Policies**

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 approximately 17,900. Tourism is the primary factor in the County's economy, which is well known for the resort communities of 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 (BOCC). 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.

The County's financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The most significant policies established by GAAP and used by the County are discussed below.

**A. Financial Reporting Entity**

The reporting entity is comprised of (a) the primary government, i.e., the County; and (b) organizations for which the County is financially accountable. The County is considered to be financially accountable for a legally separate organization if it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. 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, the primary government includes certain elected officials (e.g., the sheriff, assessor, and clerk and recorder). Consideration is also given to other organizations that are fiscally dependent i.e., unable to adopt a budget, levy tax, or issue debt without approval by the County. Organizations, for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete, are also included in the reporting entity.

The accompanying financial statements present the primary government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations. Separate financial statements are not prepared for the blended component units. The County's only discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the County. The component unit has a fiscal year end of December 31.

**I. Summary of Significant Accounting Policies (continued)**

**A. Financial Reporting Entity (continued)**

Blended Component Units

The Pitkin County Ambulance District (the District) exists by virtue of the Pitkin County Home Rule Charter and is governed by the BOCC. The County manages the activities of the District in essentially the same manner as it manages its own activities. 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 Redstone Ranch Acres Improvement District and the Twining Flats Improvement District were formed upon presentation of a petition of the citizens by the proposed district to the BOCC under the authorization of Colorado Revised Statutes. After formation, an election was held to approve an annual property tax levy on the properties in the respective district to fund capital improvement or ongoing maintenance, or both, for the roads within the district. The BOCC acts as the governing board and issues debt for each district. They are reported as special revenue funds and included in the governmental activities column of the government-wide financial statements.

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 County Treasurer, two employees elected by the participants, and two citizens appointed by the BOCC. PCPERP is reported as a pension trust fund and, as such, is not included in the government-wide financial statements.

Discretely Presented Component Units

The Pitkin County Library District (the Library District) is governed by a 7-member board that is appointed by the BOCC. The BOCC is responsible for the oversight of the day-to-day operations, approves the Library District's budget, tax levy, and any debt issuances. Management of the County has operational responsibility for the Library District. The Library District does not issue separate financial statements, instead the Library District is a single fund entity and all detailed financial data for the Library District is presented in the basic financial statements of the County. The budget is prepared using a modified accrual basis.

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**I. Summary of Significant Accounting Policies (continued)**

**A. Financial Reporting Entity (continued)**

Jointly Governed Organizations

The Aspen-Pitkin County Housing Authority (Housing Authority) was formed in 1982 to manage and construct projects that are deed restricted, limiting the amount of appreciation on privately owned units and the amount of rent charged to tenants. The Housing Authority is governed by a seven-member board of directors. The County and the City of Aspen each appoint three directors and one director is appointed jointly. The Housing Authority's board reports to both the BOCC and the City of Aspen's Council; the County and City of Aspen share net operating expenses equally, and the County and the City of Aspen significantly and equally influence the operations budget. For the year ended December 31, 2017, the County's proportionate share of the 2017 net operating expenses totaled \$259,200. This amount was reported within the County's General Fund.

The complete audited financial statements for the Aspen-Pitkin County Housing Authority may be obtained from the County's finance department.

**B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

Government-wide financial statements include the Statement of Net Position and the Statement of Activities, which display information about the primary government (the County) and its component units excluding fiduciary activities. These statements present summaries of Governmental and Business-type Activities for the County accompanied by a total column, along with a column for the discretely presented component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which significantly rely upon fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) fees, fines, and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements and proprietary fund financial statements are presented with an economic resources measurement focus and the accrual basis of accounting. Accordingly, all of the County's assets and liabilities, including capital assets, as well as infrastructure assets and long term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

I. Summary of Significant Accounting Policies (continued)

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual funds are reported as separate columns in the fund financial statements. The County's governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 90 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The following are the County's major governmental funds, proprietary funds, and fiduciary 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.

**Special Revenue Funds** are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The County reports the following major special revenue funds:

The **Transportation Sales and Use Tax Fund** accounts for the 1-cent sales tax that is passed through the County for public mass transportation, and the ½-cent sales tax and the ½-cent use tax that provide 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 programs. A 2.5 mill levy was approved in 1990 and the voters reauthorized a levy of 3.75 mills in 1999.

I. Summary of Significant Accounting Policies (continued)

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

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 BOCC 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.

**Capital Projects Funds** account for financial resources collected and used for the acquisition or construction of major capital facilities. The County reports one capital projects fund.

The **Capital Fund** accounts for resources assessed to be used to acquire capital assets and for the construction of major capital projects, excluding capital assets acquired by proprietary or special revenue funds.

**Proprietary Funds** reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The two major proprietary funds are classified as 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** include agency funds and trust funds. Agency funds account for monies held on behalf of other governments and agencies that use the County as a depository or for property taxes collected on behalf of the other governments or agencies. The County's only trust fund is used to account for the accumulation of resources and for assets held for qualified County employees in accordance with the Pitkin County's Public Employees Retirement Plan. Fiduciary funds are excluded from reporting in the government-wide financial statements. No budgets are adopted for the County's fiduciary funds.

Certain eliminations have been made in regard to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, all internal balances have been eliminated except those interfund services and transactions between governmental and business-type activities, which have not been eliminated.

Reconciliation of the fund financial statements to the government-wide financial statements is provided in the financial statements to explain the differences created by the integrated approach of GASB Statement No. 34.

**I. Summary of Significant Accounting Policies (continued)**

**C. Budgetary Information**

**1. Budgetary Basis of Accounting**

The County adopts an annual operating budget for all governmental funds, proprietary funds, and discretely presented component units. Budgets for the governmental fund types are adopted on a basis consistent with GAAP. The proprietary fund types adopt budgets using a non-GAAP budgetary basis. The County's original budget process begins with combining historical data, assessment of needs for the upcoming year, and the Board's platform to review, and/or make changes to each department's budget. The Financial Advisory Board, budget team, and section leaders all provide input to the preliminary budget. The Budget is then formally presented to the Board via an advertised public process for their review, revisions, and final approval by December 15. All subsequent budget requests made during the year must be presented via a public process and approval by the Board.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the individual fund level. Any change in total to a fund requires approval of the Board of County Commissioners. The County approved quarterly changes to budgeted appropriations for the year ended December 31, 2017.

All unexpended annual appropriations lapse at year-end.

**2. Excess of Expenditures Over Appropriations**

For the year ended December 31, 2017, expenditures exceeded appropriations in the Transportation Sales and Use Tax Fund by \$123,076 and the Solid Waste Center Fund by \$32,303. Overspending of these appropriations is considered a budgetary violation.

**D. Cash, Cash Equivalents, and Investments**

Except for departmental petty cash, all cash is deposited with the County Treasurer. The Treasurer invests this cash to achieve the following objectives in order of priority: safety, liquidity, and yield. Cash, cash equivalents, and investments are accounted for as cash and investments in all funds. Investment revenue is allocated to funds in proportion to each fund's share of pooled cash.

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within 3 months of the date acquired by the County.

Investments include amounts invested in securities and are stated at fair value based on quoted market prices. The County's investment in Colorado Surplus Asset Fund Trust (CSAFE) is the one exception, which is reported at amortized cost. The change in fair value of investments is recognized as an increase or decrease to investments and as investment income earnings.

**I. Summary of Significant Accounting Policies (continued)**

**D. Cash, Cash Equivalents, and Investments (continued)**

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

- U.S. Treasury Obligations
- U.S. Agencies, Instrumentalities, and Securities as authorized by Colorado Revised Statutes 24-76-601.1(1)(a) and (b)
- FDIC-insured Certificates of Deposit
- Certificates of Deposit at institutions approved as public depositories in Colorado
- Demand Deposit Accounts at institutions approved as public depositories in Colorado
- Colorado Local Government Investment Pools
- Money Market Mutual Funds

**E. Restricted Assets**

Certain resources, are classified as restricted, on the balance sheet, because their use is limited. The County reports one restricted asset: restricted cash. This restriction is needed for closure and post-closure costs associated with the Solid Waste Center. For additional details on closure and post-closure costs, see Note III. H.

**F. Receivables**

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

Noncurrent receivables in governmental funds consist primarily of housing loans that are generally not expected or scheduled to be collected in the subsequent year, although payment has started on several of the loans.

**G. Deposits Held**

The County is required to pay deposits to other entities for leases and certain self-insured benefit programs. These deposits are recorded as an asset on the County's books until the amount is returned to the County.

**H. Consumable Inventories**

Inventories are stated at cost, determined on a last-in, first-out basis. The cost of inventory items is recorded as an expenditures/expense in the funds when consumed.

**I. Summary of Significant Accounting Policies (continued)**

**I. Prepaid Expenses**

Payments made to vendors for services that will benefit periods beyond December 31, 2017, are recorded as prepaid items by recording an asset and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as non-spendable, as this amount is not available for general appropriation.

**J. 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 County 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 proprietary 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 acquisition value as of the date received. The County maintains a capitalization threshold of \$5,000 for non-infrastructure assets and \$50,000 for infrastructure. 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.

All reported capital assets are depreciated except for land, intangible assets, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure and buildings 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:

Asset Class	Estimated Lives	
	Governmental Activities	Business-type Activities
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 and roads	10-100 years	---

**I. Summary of Significant Accounting Policies (continued)**

**K. 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. 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 a 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."

**L. 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 funds. However, compensated absences 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.

**M. 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 the 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.

**N. Fund Balance and Net Position**

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** represents the difference between the current assets and current liabilities. Governmental accounting standards establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications include: Non-

**I. Summary of Significant Accounting Policies (continued)**

**N. Fund Balance and Net Position (continued)**

spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund and proprietary funds. These funds should be the only funds that report a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note III. J.

Committed fund balance classification is used for amounts with a specific purpose determined by formal action by the County BOCC. Assigned fund balance classification is for any informal restrictions placed on funds by the BOCC or County Manager.

**Net Position** represents the difference between assets, liabilities, and deferred inflow (outflow) of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used or retainage held for the acquisition, construction, or improvement of those assets. Net position is 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 position is reported as unrestricted.

The County applies the most restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted net position is available.

**O. 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 for solid waste and airport services. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of each fund.

**P. 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 the 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).

**I. Summary of Significant Accounting Policies (continued)**

**P. Interfund Activity (continued)**

Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as “due from other fund” or “due to other funds” on the balance sheet when they are expected to be liquidated within one year. If the receivable or payable is not expected to be liquidated after one year, it is classified as “advances to other funds”, or “advances from other funds.”

**Q. Estimates**

The preparation of the financial statements in conformity with GAAP 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.

**R. Deferred Outflows and Inflows of Resources**

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has only one type of item that qualifies for reporting in this category. Accordingly, the item, deferred loss on refunding, is deferred and recognized as an outflow of resources. A deferred loss 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.

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one type of item that qualifies for reporting in this category. Accordingly, the item, property tax revenue, is deferred and recognized as an inflow of resources in the period that the amounts become available and earned.

**II. Stewardship, Compliance, and Accountability**

**A. Violations of Legal or Contractual Provisions**

Note I. C. 2., on the excess of expenditures over appropriations, describes a budgetary violation that occurred for the year ended December 31, 2017.

**B. Prior Period Adjustments**

The County has restated the beginning balances of inventories for governmental activities to reflect an increase of \$469,945 for additional inventory. The beginning net positions of the County's general fund and the governmental activities on the government-wide Statement of Activities have been increased to reflect this change.

**II. Stewardship, Compliance, and Accountability (continued)**

**B. Prior Period Adjustments (continued)**

The County has also restated the beginning balances for the General Fund and Capital Fund respectively. In prior years, these two funds were combined. Starting in 2017, the Capital Fund has been removed from the General Fund and presented separately. This change does not affect the government-wide net position or Statement of Activities.

**C. Reclassified Prior Year Balances**

Certain comparative amounts for fiscal year 2016 have been reclassified – with no effect on net position, fund balance, total assets, or total liabilities – to conform to the 2017 presentation.

**III. Detailed Notes on All Funds**

**A. Deposits and Investments**

The County’s deposits are entirely covered by federal depository insurance (FDIC) or by collateral held under Colorado’s Public Deposit Protection Act (PDPA). The FDIC insures the first \$250,000 of the County’s deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA. The carrying amount of the County’s demand deposits was \$8,808,057 at year end.

The County and the Pitkin County Library District had the following cash and investments with the following maturities:

	Poors Rating	Carrying Amounts	Less than one year	Less than three years
Deposits:				
Cash on hand	<i>Not Rated</i>	\$ 7,574	\$ 7,574	\$ -
Checking and savings	<i>Not Rated</i>	9,357,452	9,357,452	-
Money market funds	<i>Not Rated</i>	187,887	187,887	-
Total Deposits		<u>9,552,914</u>	<u>9,552,914</u>	<u>-</u>
Investments:				
Mutual funds	<i>Not Rated</i>	34,854,590	34,854,590	-
Certificates of deposit	<i>Not Rated</i>	45,631,187	22,291,700	23,339,487
Pools	<i>AAAm</i>	51,396,164	51,396,164	-
Agencies	<i>AA+</i>	13,513,697	1,666,649	11,847,048
Treasuries	<i>AA+</i>	2,726,287	-	2,726,287
Total Investments		<u>148,121,925</u>	<u>110,209,103</u>	<u>37,912,822</u>
Total Cash and Investments		<u>\$157,674,839</u>	<u>\$119,762,017</u>	<u>\$ 37,912,822</u>

The Investment Pools represent investments in Colorado Government Liquid Asset Trust (COLOTRUST), Colorado Statewide Investment Program (CSIP), and Colorado Surplus Asset Fund Trust (CSAFE). The fair value of the pool is determined by the pool’s net asset value for COLOTRUST and CSIP. CSAFE has elected to measure all of its investments at amortized cost and is therefore reported as such on the County's financial statements. The County has no regulatory oversight for the pools. At December 31,

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

2017, the County's investment in investment pools was 35% of the County's investment portfolio. Interest rates for 2017 ranged from 0.90% - 1.47% for Colotrust, 0.67% - 1.35% for CSAFE, and 0.46% - 1.40% for CSIP.

*Fair Value of Investments*

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

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

At December 31, 2017 the County had the following recurring fair value measurements:

Investments Measured at Fair Value	Total	Level 1	Level 2	Level 3
U.S. Treasuries	\$ 2,726,287	\$ 2,726,287	\$ -	\$ -
U.S. Agencies	13,513,697	13,513,697	-	-
Certificate of Deposits	45,631,187	45,631,187	-	-
Mutual Funds	34,854,590	34,854,590	-	-
	96,725,761	\$96,725,761	\$ -	\$ -
Investments Measured at Net Asset Value				
Colotrust	29,307,866			
CSIP	2,376			
	29,310,242			
Investments Measured at Amortized Cost				
CSAFE	22,085,922			
	22,085,922			
Total Investments	\$ 148,121,925			

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

- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: matrix pricing based on the securities' relationship to benchmark quoted prices;
- Money Market, Bond, and Equity Mutual Funds: published fair value per share (unit) for each fund.

*Interest Rate Risk*. As a means of limiting its exposure to interest rate risk, the County coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than three years (less in some cases) from the purchase date. As a result of the limited length of maturities the County has limited its interest rate risk.

**III. Detailed Notes on All Funds (continued)**

**A. Deposits and Investments (continued)**

*Credit Risk*. County investment policy limits investments to those authorized by State statutes as listed in Note I. D. The County’s general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

*Concentration of Credit Risk*. The County diversifies its investments by security type and institution and limits holdings in any one type of investment with any one issuer and type of issuer. At December 31, 2017, the only County investments greater than 5% of total investment, were Colotrust and CSAFE which make up 20% and 15% of the County’s investment portfolio, respectively.

At December 31, 2017, unrealized gains or (losses) were (\$135,122), which reflects changes in the fair market value of investments from 2016 to 2017.

*Restricted Cash and Investments*

The Solid Waste Center Fund had restricted cash in the amount of \$3,489,713 to fund estimated costs to close the landfill and provide 30 years of closure and post-closure care.

*Other Cash and Investments*

At December 31, 2017, the County’s pension trust fund’s investments included \$34,027,238 of mutual funds held by its third-party trustee, Wells Fargo.

The Pitkin County Library District, a component unit of the County, held investments totaling \$827,352 at December 31, 2017. At December 31, 2017, the only Library District investments greater than 5% of total investment, were as follows:

Issuer:	Investment Amount	Investment %
Loomis Sales Investment Grade Bond	\$ 129,202	16%
Vanguard Int term Bond Index	128,114	15%
Harbor High-yield bond	51,098	6%
Hancock II Absolute Return	64,682	8%
Litman Gregory Masters Alt Strategy	64,165	8%
MainStay Floating Rate	141,687	17%
Met West Total Return	141,395	17%

**III. Detailed Notes on All Funds (continued)**

**B. Receivables**

Receivables at December 31, 2017, consisted of taxes, interest, accounts, and intergovernmental receivables arising from grants. Receivables are net of an allowance for uncollectibles. The allowance for uncollectibles at December 31, 2017 was \$0 .

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.

**C. Property Taxes**

Property taxes are levied on or before December 15 of each year and attach as an enforceable lien to the property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County bills and collects its own property taxes and the taxes for various other entities. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded as a receivable and deferred inflow of resources.

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III. Detailed Notes on All Funds (continued)

D. Capital Assets

Capital asset activity for the year ended December 31, 2017 was as follows:

*Primary Government:*

	Beginning Balance	Increase	Decrease	Ending Balance
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 104,465,488	\$ 2,542,606	\$ -	\$ 107,008,094
Intangible assets	48,417,549	743,435	-	49,160,984
Construction in progress	3,755,299	14,406,454	(281,044)	17,880,709
Total capital assets not being depreciated	<u>156,638,336</u>	<u>17,692,495</u>	<u>(281,044)</u>	<u>174,049,787</u>
Depreciable capital assets:				
Buildings	30,730,806	-	-	30,730,806
Improvements other than buildings	1,921,363	204,908	-	2,126,271
Machinery and equipment	15,732,227	1,862,410	(928,398)	16,666,239
Infrastructure	57,591,977	800,301	-	58,392,278
Total depreciable capital assets	<u>105,976,373</u>	<u>2,867,619</u>	<u>(928,398)</u>	<u>107,915,594</u>
Less accumulated depreciation for:				
Buildings	(16,929,487)	(662,747)	-	(17,592,234)
Improvements other than buildings	(1,118,244)	(74,199)	-	(1,192,443)
Machinery and equipment	(6,879,380)	(1,248,140)	879,896	(7,247,624)
Infrastructure	(32,446,656)	(1,274,191)	-	(33,720,847)
Total accumulated depreciation	<u>(57,373,767)</u>	<u>(3,259,277)</u>	<u>879,896</u>	<u>(59,753,148)</u>
Total depreciable capital assets, net	<u>48,602,606</u>	<u>(391,658)</u>	<u>(48,502)</u>	<u>48,162,446</u>
Governmental activities capital assets, net	<u>\$ 205,240,942</u>	<u>\$ 17,300,837</u>	<u>\$ (329,546)</u>	<u>\$ 222,212,233</u>
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 7,923,279	\$ -	\$ -	\$ 7,923,279
Intangible assets	2,955,956	-	-	2,955,956
Construction in progress	157,273	2,210,897	(132,273)	2,235,897
Total capital assets not being depreciated	<u>11,036,508</u>	<u>2,210,897</u>	<u>(132,273)</u>	<u>13,115,132</u>
Depreciable capital assets:				
Buildings	20,660,015	345,312	-	21,005,327
Improvements other than buildings	79,485,762	-	-	79,485,762
Machinery and equipment	15,322,954	2,500,537	-	17,823,491
Total depreciable capital assets	<u>115,468,731</u>	<u>2,845,849</u>	<u>-</u>	<u>118,314,580</u>
Less accumulated depreciation for:				
Buildings	(7,684,109)	(537,918)	-	(8,222,027)
Improvements other than buildings	(32,979,387)	(3,709,528)	-	(36,688,915)
Machinery and equipment	(7,877,554)	(1,105,791)	-	(8,983,345)
Total accumulated depreciation	<u>(48,541,050)</u>	<u>(5,353,237)</u>	<u>-</u>	<u>(53,894,287)</u>
Total depreciable capital assets, net	<u>66,927,681</u>	<u>(2,507,388)</u>	<u>-</u>	<u>64,420,293</u>
Business-type activities capital assets, net	<u>\$ 77,964,189</u>	<u>\$ (296,491)</u>	<u>\$ (132,273)</u>	<u>\$ 77,535,425</u>

III. Detailed Notes on All Funds (continued)

D. Capital Assets (continued)

*Discretely Presented Component Units:*

	Beginning Balance	Increase	Decrease	Ending Balance
<b>Library District:</b>				
Capital assets not being depreciated:				
Land	\$ 144,263	\$ -	\$ -	\$ 144,263
Total capital assets not being depreciated	<u>144,263</u>	<u>-</u>	<u>-</u>	<u>144,263</u>
Depreciable capital assets:				
Buildings	16,725,395	243,847	(223,135)	16,746,107
Improvements other than buildings	13,672	-	-	13,672
Library collections	1,030,420	154,223	(151,638)	1,033,005
Machinery and equipment	866,576	18,473	(66,084)	818,965
Total depreciable capital assets	<u>18,636,063</u>	<u>416,543</u>	<u>(440,857)</u>	<u>18,611,749</u>
Less accumulated depreciation for:				
Buildings	(2,137,546)	(722,653)	140,435	(2,719,764)
Improvements other than buildings	(13,672)	-	-	(13,672)
Library collections	(890,149)	(190,820)	92,246	(988,723)
Machinery and equipment	(275,701)	(82,076)	64,214	(293,563)
Total accumulated depreciation	<u>(3,317,068)</u>	<u>(995,549)</u>	<u>296,895</u>	<u>(4,015,722)</u>
Total depreciable capital assets, net	<u>15,318,995</u>	<u>(579,006)</u>	<u>(143,962)</u>	<u>14,596,027</u>
Library District capital assets, net	<u>\$ 15,463,258</u>	<u>\$ (579,006)</u>	<u>\$ (143,962)</u>	<u>\$ 14,740,290</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

**Governmental activities:**

General government	\$ 395,567
Public safety	604,673
Public works	1,228,656
Public health and welfare	147,574
Culture and recreation	882,807
Total government activities depreciation expense	<u>\$ 3,259,277</u>

**Business-type activities:**

Airport	\$ 4,870,593
Solid waste center	482,644
Total business-type activities depreciation expense	<u>\$ 5,353,237</u>

**Discretely presented component units:**

Library district	\$ 995,549
Total discretely presented component units depreciation expense	<u>\$ 995,549</u>

III. Detailed Notes on All Funds (continued)

E. Interfund Balances and Transfers

At December 31, 2017, the Road and Bridge Fund owed \$228,862 and the Conservation Trust Fund owed \$15,960 to the General Fund to reimburse for expenditures paid throughout the year in the normal course of business.

The following interfund transfers occurred during the year ended December 31, 2017:

Transferred to	Transferred from		
	General Fund	Nonmajor Governmental Funds	Total
General Fund	\$ -	\$ 535,971	\$ 535,971
Open Space and Trails Fund	79,000	-	79,000
Capital Fund	64,230	-	64,230
Nonmajor Governmental Funds	683,134	35,000	718,134
<b>Total</b>	<b>\$ 826,364</b>	<b>\$ 570,971</b>	<b>\$ 1,397,335</b>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, (3) segregate money for anticipated capital projects, (4) provide additional resources for current operations or debt service, and (5) return money to the fund from which it was originally provided once a project is completed.

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

F. Construction Commitments

The County had the following contractual commitments at year end:

Fund	Project	Contract Commitment	Completed	Retainage	Remaining
Tran	Elephant Hill Tower	\$ 513,989	\$ (16,990)	\$ 850	\$ 497,849
Tran	Sunlight Peak Tower	358,349	(171,027)	-	187,322
OST	Lazy Glen Bridge & Trail	769,813	(486,423)	-	283,390
CF	Lower River Road Bridge	70,665	(6,100)	-	64,565
CF	SO & Admin Building	18,185,997	(9,179,876)	453,751	9,459,872
CF	Furniture for Building	795,076	-	-	795,076
CF	PM Service for Building	183,365	-	-	183,365
CF	Redstone Bridge Repairs	194,065	(98,477)	5,183	100,771
CF	Redstone Road Repairs	276,633	(127,697)	6,721	155,657
Gen	Drug & Alcohol Detox	766,200	(446,950)	-	319,250
Various	County IT Services	1,351,650	(740,541)	-	611,109
Air	Baggage Phase II	1,222,305	(1,019,356)	50,968	253,917
Air	Custodial Services	434,024	(200,372)	-	233,652
<b>Total</b>		<b>\$ 25,122,131</b>	<b>\$ (12,493,809)</b>	<b>\$ 517,473</b>	<b>\$ 13,145,795</b>

III. Detailed Notes on All Funds (continued)

G. Long-term Obligations

**Debt Related to Governmental Activities:**

**1. 2010 Series A and B Sales Tax Revenue Refunding 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 bonds mature in annual increments from December 1, 2011 through 2040. 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) provide funds to the Roaring Fork Transportation Authority to refurbish and improve a bus maintenance and storage facility; and, (iv) pay costs of issuance of the bonds.

The 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, 2017 was \$6,140,000. During 2017, the debt service for these bonds totaled \$655,225. The annual payment of principal and interest on the bonds is secured by a reserve fund.

**2. 2013 General Obligation Refunding Bonds**

On December 20, 2013, the County issued \$2,845,000 of General Obligation Refunding Bonds, Series 2013. The Bonds have a stated interest rate of 2.18%, and mature in annual increments from December 1, 2014 through 2024. The bonds were issued to refund the County's Series 2003 General Obligation Refunding Bonds. The principal balance outstanding at December 31, 2017 was \$1,520,000.

**3. 2016 Certificates of Participation**

On October 26, 2016, the County issued \$22,790,000 of Pitkin County Certificates of Participation. The certificates bear interest rates from 2% to 4%, and mature in annual increments from November 1, 2017 through 2046. The proceeds are being used for the purpose of remodeling and constructing an addition to the Pitkin County Courthouse Plaza Building and paying the costs of issuance of the certificates. Construction is anticipated to be completed in July 2018. The principal balance outstanding at December 31, 2017 was \$22,315,000.

**III. Detailed Notes on All Funds (continued)**

**G. Long-term Obligations (continued)**

**4. 2016 Series A and B General Obligation Refunding Bonds**

On September 26, 2016, the County issued \$4,275,000 of General Obligation Refunding Bonds, Series 2016A. The Bonds have a stated interest rate of 1.95%, and mature in annual increments from December 1, 2017 through 2031. The bonds were issued to refund the County's General Obligation Open Space Acquisition Note – Joy Smith Property. The principal balance outstanding at December 31, 2017 was \$4,040,000. The refunding was undertaken to reduce total debt service payments over the next fifteen years by \$388,715 and resulted in an economic gain of \$644,666.

On December 1, 2016, the County issued \$8,095,000 of General Obligation Refunding Bonds, Series 2016B. The Bonds have a stated interest rate of 1.99%, and mature in annual increments from December 1, 2017 through 2031. The bonds were issued to refund the County's Series 2006 General Obligation Bonds. The principal balance outstanding at December 31, 2017 was \$7,610,000. The refunding was undertaken to reduce total debt service payments over the next twenty years by \$2,158,861 and resulted in an economic gain of \$1,625,133.

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III. Detailed Notes on All Funds (continued)

G. Long-term Obligations (continued)

5. Annual Debt Service Requirements

Annual debt service requirements to maturity for governmental activities are as follows:

<b>Governmental Activities</b>						
Years Ending December 31	2010A&B Sales Tax Revenue		2013 General Obligation		2016A GO Refunding	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 350,000	\$ 306,300	\$ 200,000	\$ 33,136	\$ 255,000	\$ 78,780
2019	360,000	295,800	210,000	28,776	260,000	73,808
2020	370,000	284,550	210,000	24,198	265,000	68,738
2021	385,000	272,525	220,000	19,620	270,000	63,570
2022	395,000	259,050	220,000	14,824	275,000	58,305
2023 - 2027	1,885,000	1,049,564	460,000	15,151	1,450,000	209,138
2028 - 2032	765,000	721,814	-	-	1,265,000	61,158
2033 - 2037	955,000	437,857	-	-	-	-
2038 - 2042	675,000	95,064	-	-	-	-
<b>Total</b>	<b>\$ 6,140,000</b>	<b>\$ 3,722,524</b>	<b>\$ 1,520,000</b>	<b>\$ 135,705</b>	<b>\$ 4,040,000</b>	<b>\$ 613,497</b>

Years Ending December 31	2016B GO Refunding		2016 Certificates of Participation		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2018	\$ 495,000	\$ 151,439	\$ 455,000	\$ 793,581	\$ 1,755,000	\$ 1,363,236
2019	510,000	141,589	460,000	784,481	1,800,000	1,324,454
2020	515,000	131,440	470,000	775,281	1,830,000	1,284,207
2021	530,000	121,191	480,000	765,882	1,885,000	1,242,788
2022	540,000	110,644	500,000	746,681	1,930,000	1,189,504
2023 - 2027	2,880,000	387,453	2,815,000	3,417,206	9,490,000	5,078,512
2028 - 2032	2,140,000	95,719	3,420,000	2,807,806	7,590,000	3,686,497
2033 - 2037	-	-	4,165,000	2,066,206	5,120,000	2,504,063
2038 - 2042	-	-	4,960,000	1,274,994	5,635,000	1,712,851
2043 - 2046	-	-	4,590,000	393,694	4,590,000	488,758
<b>Total</b>	<b>\$ 7,610,000</b>	<b>\$ 1,139,475</b>	<b>\$ 22,315,000</b>	<b>\$ 13,825,812</b>	<b>\$ 41,625,000</b>	<b>\$ 19,874,870</b>

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III. Detailed Notes on All Funds (continued)

G. Long-term Obligations (continued)

6. Changes in Long-term Obligations

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due in One Year
<b>Governmental Activities:</b>					
General obligation:					
Series 2013	\$ 1,720,000	\$ -	\$ 200,000	\$ 1,520,000	\$ 200,000
Series 2016A refunding	4,275,000	-	235,000	4,040,000	255,000
Series 2016B refunding	8,095,000	-	485,000	7,610,000	495,000
Sales tax revenue series 2010 A&B	6,480,000	-	340,000	6,140,000	350,000
2016 certificates of participation	22,790,000	-	475,000	22,315,000	455,000
Deferred amounts:					
Issuance premiums	744,282	-	41,565	702,717	-
Claims payable	893,790	-	48,877	844,913	337,965
Compensated absences	1,530,326	307,431	33,060	1,804,697	721,879
<b>Total - Governmental Activities</b>	<b>\$ 46,528,398</b>	<b>\$ 307,431</b>	<b>\$ 1,858,502</b>	<b>\$ 44,977,327</b>	<b>\$ 2,814,844</b>
<b>Business-type Activities:</b>					
Landfill closure and post-closure	\$ 3,345,357	\$ 144,356	\$ -	\$ 3,489,713	\$ -
Compensated absences	177,050	62,331	-	239,381	95,752
<b>Total - Business-type Activities</b>	<b>\$ 3,522,407</b>	<b>\$ 206,687</b>	<b>\$ -</b>	<b>\$ 3,729,094</b>	<b>\$ 95,752</b>
<b>Component Units:</b>					
Pitkin County Library District:					
Compensated absences	\$ 118,025	\$ 11,341	\$ -	\$ 129,366	\$ 51,746
<b>Total - Component Units</b>	<b>\$ 118,025</b>	<b>\$ 11,341</b>	<b>\$ -</b>	<b>\$ 129,366</b>	<b>\$ 51,746</b>

The 2016 Series A and B Refunding Bonds and the 2013 GO bonds are being repaid by the Open Space Fund and the Certificates of Participation are being repaid by the Capital Fund. The County's 2010 sales tax revenue bonds are being retired from the Debt Service Fund.

The landfill closure and postclosure care liability is being retired by the Solid Waste Fund. The compensated absences liability will be paid from the following funds from which the employees' salaries are paid: General Fund, Open Space and Trails Fund, Public Health Fund, Human Services Fund, Healthy Rivers and Streams Fund, Healthy Community Fund, Road & Bridge Fund, Airport Fund, Solid Waste Center Fund, and the Pitkin County Library component unit.

Authority to issue \$20 million of general obligation indebtedness for the purpose of maintaining and acquiring open space and trails was approved in 2006. In addition, authority to issue \$12 million of general obligation indebtedness for the purpose of maintaining healthy rivers and streams was approved in 2008.

**III. Detailed Notes on All Funds (continued)**

**G. Long-term Obligations (continued)**

**7. Conduit Debt Obligations**

From time to time, the County has issued 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 private sector entity served by the bond 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, 2017, there was one series of Industrial Revenue bonds outstanding with an aggregate principal amount payable of \$9,750,000.

**H. Landfill Closure and Postclosure Care Costs**

State and Federal laws and regulations require the County to place a final cover on its 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 reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each Balance Sheet date. Total closure and postclosure care costs are currently estimated to be \$4,861,780, with closure costs estimated to be \$1,714,831 and postclosure care cost estimated to be \$3,146,949. The \$3,489,713 reported as landfill closure and postclosure care liability at December 31, 2017, represents the cumulative amount reported to date based on the use of 71.78% of the capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$1,372,067 as the remaining estimated capacity is filled. These amounts are based on estimates of what it would cost to perform all closure and postclosure care in 2017. The County expects to close the landfill in 2028 (if future expansions are not approved). Actual costs may be higher due to inflation, changes in technology, or changes in applicable laws or regulations.

The County is required by State and Federal laws and regulations to provide assurance that the County has the ability to meet its financial obligations relating to closure and postclosure monitoring of the landfill. The County is in compliance with these requirements. However, if the County's financial position significantly changes in the future and resources are not available, or costs significantly change (due to changes in technology or applicable laws or regulations, for example) these costs may need to be covered by charges to future landfill users or from future tax revenue.

III. Detailed Notes on All Funds (continued)

I. Retirement Plans

**Defined Contribution Plan 401(a):** Effective January 1, 1983, the County withdrew from Social Security and the Colorado County Officials and Employees Retirement Association (CCOERA) 401(a) Plan and formed a replacement retirement plan, the Pitkin County Public Employees Retirement Plan (PCPERP). PCPERP is a qualified plan as defined by Internal Revenue Service (IRS) Code Section 401(a) and Colorado Revised Statutes Title 24, Article 54. The plan provides retirement benefits through a defined contribution plan. Plan investment purchases are determined by each plan participant, and therefore the plan's investment concentration varies between participants.

All full-time and part-time employees (employment status of working at least 20 hours per week and for 8 months or more in a calendar year) of the County and the Library District participate in the PCPERP plan upon starting with the County. The County contributed 13.0% of participants' compensation to the plan during 2017 and purchased replacement insurance coverage for Social Security's life, disability, and survivor benefits. The County can only change the contribution rate through recommendation by the County Retirement Board and approval by the BOCC. Employee contributions are not allowed under the plan. Participants are vested at 50% of the County's contribution upon their date of hire and thereafter at the rate of 60%, 75%, and 100% for years 1-3, respectively. Upon termination of employment a participant's unvested share is forfeited back to the County to fund plan administrative expenses. Total forfeitures for 2017 were \$92,893. The PCPERP is included in the accompanying financial statements as the Pension Trust Fund using the accrual basis of accounting. The County allows 401a loans, but distributions are not available to employees until termination, retirement, or death.

During 2017, there were 328 total participants. The County made the required contribution amounting to \$2,708,221.

**Defined Contribution Plan 457:** The County offers its employees a voluntary deferred compensation plan created in accordance with IRS Code Section 457(b) that is administered by CCOERA. The plan is available to all employees and permits them to defer a portion of their salary until future years. Contributions to the plan can be made before-tax or after-tax (i.e. Roth). However, the total contributions are limited to the annual IRS retirement plan limits or 100% of net pay, whichever is less. The County allows 457(b) loans, but distributions are only available for qualified unforeseeable emergencies, separation of service, retirement, or death. There are no provisions for in service withdrawals and Roth assets are not eligible for emergency withdrawals. Roth assets are not eligible for loans or emergency withdrawals. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the plan participants and their beneficiaries. Plan investment purchases are determined by each plan participant and therefore, the plan's investment concentration varies between participants. In 2017, there were 135 total participants.

### III. Detailed Notes on All Funds (continued)

#### J. Fund Balance Disclosure

The County classifies governmental fund balances as follows:

*Non-spendable* - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

*Spendable Fund Balance:*

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through adoption of a formal Resolution by the highest level of decision making authority, which is the BOCC. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (i.e. the adoption of another resolution to remove or revise the limitation).

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Assigned fund balance represents amounts constrained by the County's intent to use them for a specific purpose. The authority to assign has been delegated to the BOCC or its management designee (i.e. County Manager). An intended use of any amount may also be expressed by the BOCC and recorded in the minutes of a BOCC meeting.

Unassigned - includes residual positive fund balance within the General Fund and proprietary funds which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The County uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the County would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The County does not have a formal minimum fund balance policy. However, the County's budget includes a calculation of a targeted reserve position and calculates targets and reports them annually to the BOCC.

III. Detailed Notes on All Funds (continued)

J. Fund Balance Disclosure (continued)

As of December 31, 2017, fund balances are composed of the following:

	General Fund	Other Governmental Funds	Total Governmental Funds	Description
Non-spendable:				
Not in spendable form:				
Inventories	\$ 531,902	\$ -	\$ 531,902	
Prepays	10,066	-	10,066	
EHOP loans	266,987	-	266,987	
Contractually required to be maintained intact:				
Other deposits	149,600	40,400	190,000	
Restricted:				
Aviation fuel tax	-	111,176	111,176	Federal Aviation
Capital projects	-	15,874,956	15,874,956	Legislative Restriction
Conservation trust	-	336	336	Legislative Restriction
Debt service	-	171,832	171,832	Legislative Restriction
Emergency reserve	838,797	1,293,865	2,132,662	Legislative Restriction
Healy rivers & streams	-	2,346,674	2,346,674	Legislative Restriction
Human services	-	521,056	521,056	Legislative Restriction
Public health	-	1,989,462	1,989,462	Legislative Restriction
Road and bridge	-	60,791	60,791	Legislative Restriction
State superfund tip fees	471,816	-	471,816	Legislative Restriction
Translator	-	1,768,635	1,768,635	Legislative Restriction
Committed:				
Animal shelter	214,611	-	214,611	BOCC Resolution
Clerk's programs	154,104	-	154,104	BOCC Resolution
Employee housing	-	11,736,204	11,736,204	BOCC Resolution
Open space & trails	-	16,109,365	16,109,365	BOCC Resolution
Park dedication fees	352,825	-	352,825	BOCC Resolution
Transportation	-	8,016,590	8,016,590	BOCC Resolution
Assigned:				
Budget carryforwards	1,433,365	-	1,433,365	BOCC Resolution
Health claims	3,246,942	-	3,246,942	County Manager Action
Operating reserve & contingency	3,403,299	-	3,403,299	BOCC Informal Action
Tipsy taxi	92,118	-	92,118	BOCC Informal Action
Unassigned	8,124,120	-	8,124,120	
Total Fund Balances	<u>\$ 19,290,552</u>	<u>\$ 60,041,342</u>	<u>\$ 79,331,894</u>	

#### IV. Other Notes

##### A. Risk Management

The County participates in three risk management pools.

**County Workers' Compensation** - The County is exposed to various risks of loss related to injuries of employees while on the job. 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. 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 comprehensive loss prevention and control program as well as self-insurer's bond with a bond sum of \$1,090,282 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.

**County's Casualty and Property** - The County is exposed to various risks of loss related to casualty and property losses. 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.

**County's 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 \$125,000 per individual. There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceed the County's aggregate insurance coverage during the past three years.

**IV. Other Notes (continued)**

**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 involved in various lawsuits at December 31, 2017. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

**C. TABOR Amendment**

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The County believes it is in compliance with the requirements of the amendment. However, the County has made certain interpretations of the amendment's language in order to determine its compliance. Pitkin County voters have approved ballot questions to exempt the County and Library District from the revenue limitations of the TABOR amendment.

One of the requirements of TABOR is for emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year revenue (with certain exceptions). The County has restricted a portion of its December 31, 2017 year end fund balance in the each fund for emergencies as required under TABOR in the amount of \$2,132,662.

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# GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

### Nonmajor Special Revenue Funds

*Road & 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.

*Human 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 this 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. Voters later approved expanding the fund's scope to include broadband.

*Healthy Community Fund* - In 2006, voters approved an increase in property taxes to support contributions to Human Service Agencies and Community Non-profits. The property tax was authorized for six years, but was reauthorized at a higher rate in 2011 for the 2013 budget year. This authorization will sunset in 2018 if an extension is not approved by voters.

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

*Conservation Trust Fund* - The 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 funds.

*Healthy Rivers and Streams Fund* - On November 4, 2008, voters authorized a sales tax of .1% dedicated to establishing a Healthy Rivers and Streams Fund. The voters also authorized that the County's debt may be increased to an amount not to exceed \$12 million in relation to this fund with a repayment out of this fund. No debt has been issued to date. The ballot language outlined specific objectives for this 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 opportunities, and wildlife and riparian habitat; 4) Promoting water conservation; 5) Improving and constructing capital facilities that contribute to the objectives listed above.

*Redstone Ranch Acres and Twining Flats General Improvement District Funds* - These Districts were formed to improve roads and provide maintenance to specific areas in the County. The Twining Flats Improvement District issued debt in 2006 and also collects property tax to improve roads in the District. The debt has since been paid off. 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 both of these Districts and sets the supporting property tax levy.

## **GOVERNMENTAL FUNDS (continued)**

### **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 to repay.

*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 \$8,360,000 in 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.

### **Capital Projects Funds**

Capital Projects Funds account for financial resources collected and used for the acquisition or construction of major capital facilities.

*Capital Fund* - This fund accounts for resources assessed to be used to acquire capital assets and for the construction of major capital projects, excluding capital assets acquired by proprietary or special revenue funds.

**Pitkin County, Colorado**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**December 31, 2017**

	Special Revenue										Total Nonmajor Governmental Funds	
	Road and Bridge Fund	Human Services Fund	Translator Fund	Healthy Community Fund	Conservation Trust Fund	Healthy Rivers and Streams Fund	Public Health Fund	Ambulance District Fund	Redstone Ranch Acres GID Fund	Twining Flats GID Fund		Sales Tax Debt Service Fund
<b>Assets:</b>												
Cash and investments	\$ -	\$ 247,418	\$ 1,409,703	\$ 266,884	\$ -	\$ 2,345,090	\$ 292,736	\$ 1,705,954	\$ 11,748	\$ 29,438	\$ 66,980	\$ 6,375,951
Property tax receivable	536,551	201,594	840,491	2,329,189	-	-	-	1,223,397	8,682	8,368	-	5,148,272
Other receivables, net of allowance for uncollectibles	821	6,785	5,018	-	-	-	-	120,198	-	-	-	132,822
Due from other governments	378,677	137,054	443,786	-	16,296	184,574	38,518	-	-	-	109,383	1,308,288
<b>Total Assets</b>	<u>\$ 916,049</u>	<u>\$ 592,851</u>	<u>\$ 2,698,998</u>	<u>\$ 2,596,073</u>	<u>\$ 16,296</u>	<u>\$ 2,529,664</u>	<u>\$ 331,254</u>	<u>\$ 3,049,549</u>	<u>\$ 20,430</u>	<u>\$ 37,806</u>	<u>\$ 176,363</u>	<u>\$ 12,965,333</u>
<b>Liabilities, Deferred Inflows of Resources, and Fund Balances:</b>												
<b>Liabilities:</b>												
Accounts payable	\$ 50,221	\$ 3,871	\$ 48,130	\$ -	\$ -	\$ 52,531	\$ 5,136	\$ 101,137	\$ -	\$ -	\$ -	\$ 261,026
Accrued liabilities	5,485	7,307	1,458	518	-	961	4,769	6	-	-	-	20,504
Due to other governments	65,276	3,173	-	-	-	39,807	-	-	-	-	-	108,256
Due to other funds	228,862	-	-	-	15,960	-	-	-	-	-	-	244,822
Deposits	9,500	-	-	-	-	-	-	-	-	-	-	9,500
<b>Total Liabilities</b>	<u>359,344</u>	<u>14,351</u>	<u>49,588</u>	<u>518</u>	<u>15,960</u>	<u>93,299</u>	<u>9,905</u>	<u>101,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>644,108</u>
<b>Deferred Inflows of Resources:</b>												
Property taxes assessed but not collectible until 2018	536,551	201,594	840,491	2,329,189	-	-	-	1,223,397	8,682	8,368	-	5,148,272
<b>Total Deferred Inflows of Resources</b>	<u>536,551</u>	<u>201,594</u>	<u>840,491</u>	<u>2,329,189</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,223,397</u>	<u>8,682</u>	<u>8,368</u>	<u>-</u>	<u>5,148,272</u>
<b>Fund Balances:</b>												
Restricted	20,154	376,906	1,808,919	266,366	336	2,436,365	321,349	1,725,009	11,748	29,438	176,363	7,172,953
<b>Total Fund Balances</b>	<u>20,154</u>	<u>376,906</u>	<u>1,808,919</u>	<u>266,366</u>	<u>336</u>	<u>2,436,365</u>	<u>321,349</u>	<u>1,725,009</u>	<u>11,748</u>	<u>29,438</u>	<u>176,363</u>	<u>7,172,953</u>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<u>\$ 916,049</u>	<u>\$ 592,851</u>	<u>\$ 2,698,998</u>	<u>\$ 2,596,073</u>	<u>\$ 16,296</u>	<u>\$ 2,529,664</u>	<u>\$ 331,254</u>	<u>\$ 3,049,549</u>	<u>\$ 20,430</u>	<u>\$ 37,806</u>	<u>\$ 176,363</u>	<u>\$ 12,965,333</u>

**Pitkin County, Colorado**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended December 31, 2017**

	Special Revenue											
	Road and Bridge Fund	Human Services Fund	Translator Fund	Healthy Community Fund	Conservation Trust Fund	Healthy Rivers and Streams Fund	Public Health Fund	Ambulance District Fund	Redstone Ranch Acres GID Fund	Twining Flats GID Fund	Sales Tax Debt Service Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>												
Taxes	\$ 1,523,645	\$ 197,769	\$ 830,165	\$ 2,302,562	\$ -	\$ 1,061,785	\$ -	\$ 1,179,412	\$ 9,467	\$ 8,381	\$ 598,969	\$ 7,712,155
Intergovernmental	1,271,630	2,056,120	462,926	-	58,018	-	165,360	90,316	-	-	56,473	4,160,843
Licenses and permits	16,265	-	-	-	-	-	-	-	-	-	-	16,265
Charges for services	486	-	-	-	-	-	-	-	-	-	-	486
Investment earnings	1,610	3,915	17,472	2,005	206	24,886	-	17,238	126	328	10,582	78,368
Miscellaneous	50,435	4,525	32,246	-	-	625	7,734	-	-	-	-	95,565
<b>Total Revenues</b>	<u>2,864,071</u>	<u>2,262,329</u>	<u>1,342,809</u>	<u>2,304,567</u>	<u>58,224</u>	<u>1,087,296</u>	<u>173,094</u>	<u>1,286,966</u>	<u>9,593</u>	<u>8,709</u>	<u>666,024</u>	<u>12,063,682</u>
<b>Expenditures:</b>												
Current:												
Public safety	-	-	-	-	-	-	-	648,875	-	-	-	648,875
Public works	2,811,541	-	659,648	-	-	-	-	5,126	6,400	-	-	3,482,715
Public health and welfare	-	2,387,324	-	1,757,510	-	-	334,879	-	-	-	-	4,479,713
Culture and recreation	-	-	-	-	-	548,905	-	-	-	-	-	548,905
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	-	340,000	340,000
Interest	-	-	-	-	-	-	-	-	-	-	315,525	315,525
Capital outlay:												
Public safety	-	-	-	-	-	-	-	227,337	-	-	-	227,337
Public works	32,376	-	372,480	-	-	-	-	-	-	-	-	404,856
Culture and recreation	-	-	-	-	-	743,690	-	-	-	-	-	743,690
<b>Total Expenditures</b>	<u>2,843,917</u>	<u>2,387,324</u>	<u>1,032,128</u>	<u>1,757,510</u>	<u>-</u>	<u>1,292,595</u>	<u>334,879</u>	<u>876,212</u>	<u>5,126</u>	<u>6,400</u>	<u>655,525</u>	<u>11,191,616</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>20,154</u>	<u>(124,995)</u>	<u>310,681</u>	<u>547,057</u>	<u>58,224</u>	<u>(205,299)</u>	<u>(161,785)</u>	<u>410,754</u>	<u>4,467</u>	<u>2,309</u>	<u>10,499</u>	<u>872,066</u>
<b>Other Financing Sources (Uses):</b>												
Transfers in	-	235,000	-	-	-	-	483,134	-	-	-	-	718,134
Transfers out	-	-	-	(510,971)	(60,000)	-	-	-	-	-	-	(570,971)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>235,000</u>	<u>-</u>	<u>(510,971)</u>	<u>(60,000)</u>	<u>-</u>	<u>483,134</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>147,163</u>
<b>Net Change in Fund Balances</b>	<u>20,154</u>	<u>110,005</u>	<u>310,681</u>	<u>36,086</u>	<u>(1,776)</u>	<u>(205,299)</u>	<u>321,349</u>	<u>410,754</u>	<u>4,467</u>	<u>2,309</u>	<u>10,499</u>	<u>1,019,229</u>
<b>Fund Balances - Beginning</b>	<u>-</u>	<u>266,901</u>	<u>1,498,238</u>	<u>230,280</u>	<u>2,112</u>	<u>2,641,664</u>	<u>-</u>	<u>1,314,255</u>	<u>7,281</u>	<u>27,129</u>	<u>165,864</u>	<u>6,153,724</u>
<b>Fund Balances - Ending</b>	<u>\$ 20,154</u>	<u>\$ 376,906</u>	<u>\$ 1,808,919</u>	<u>\$ 266,366</u>	<u>\$ 336</u>	<u>\$ 2,436,365</u>	<u>\$ 321,349</u>	<u>\$ 1,725,009</u>	<u>\$ 11,748</u>	<u>\$ 29,438</u>	<u>\$ 176,363</u>	<u>\$ 7,172,953</u>

**Pitkin County, Colorado**  
**Road and Bridge Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	2017			Final Budget Variance Positive (Negative)	2016
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Taxes:					
Sales tax	\$ 878,131	\$ 904,234	\$ 997,566	\$ 93,332	\$ 1,070,352
General property tax	509,089	509,089	507,459	(1,630)	491,774
Specific ownership tax	17,309	17,309	18,620	1,311	16,343
Intergovernmental:					
State	1,316,468	1,316,468	1,247,998	(68,470)	1,231,988
Other governmental units	40,000	40,000	23,632	(16,368)	34,083
Licenses and permits	12,000	12,000	16,265	4,265	15,360
Charges for services:					
Public works	6,500	6,500	486	(6,014)	2,706
Investment earnings	-	-	1,610	1,610	-
Miscellaneous:					
Refund of expenditures	70,000	70,000	50,435	(19,565)	12,724
<b>Total Revenues</b>	<u>2,849,497</u>	<u>2,875,600</u>	<u>2,864,071</u>	<u>(11,529)</u>	<u>2,875,330</u>
<b>Expenditures:</b>					
Current:					
Public works	2,843,797	2,876,900	2,811,541	65,359	2,829,014
Capital outlay:					
Public works	35,000	35,000	32,376	2,624	46,316
<b>Total Expenditures</b>	<u>2,878,797</u>	<u>2,911,900</u>	<u>2,843,917</u>	<u>67,983</u>	<u>2,875,330</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(29,300)</u>	<u>(36,300)</u>	<u>20,154</u>	<u>56,454</u>	<u>-</u>
<b>Other Financing Sources:</b>					
Proceeds from sale of assets	28,800	28,800	-	(28,800)	-
<b>Total Other Financing Sources</b>	<u>28,800</u>	<u>28,800</u>	<u>-</u>	<u>(28,800)</u>	<u>-</u>
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	<u>\$ (500)</u>	<u>\$ (7,500)</u>	<u>20,154</u>	<u>\$ 27,654</u>	<u>-</u>
<b>Fund Balance - Beginning</b>			<u>-</u>		<u>-</u>
<b>Fund Balance - Ending</b>			<u>\$ 20,154</u>		<u>\$ -</u>

**Pitkin County, Colorado**  
**Human Services Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	<u>2017</u>			<b>Final Budget Variance Positive Negative</b>	<u>2016</u>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>		<b>Actual</b>
<b>Revenues:</b>					
Taxes:					
General property tax	\$ 191,276	\$ 191,276	\$ 190,773	\$ (503)	\$ 190,294
Specific ownership tax	6,503	6,503	6,996	493	6,321
Intergovernmental:					
Federal	490,200	500,200	493,017	(7,183)	532,687
State	1,311,754	1,365,566	1,563,103	197,537	1,674,860
Investment earnings	2,820	2,820	3,915	1,095	1,963
Miscellaneous:					
Refund of expenditures	2,000	2,000	1,954	(46)	4,908
Contributions	-	-	2,571	2,571	3,000
Other	34,500	34,500	-	(34,500)	-
<b>Total Revenues</b>	<u>2,039,053</u>	<u>2,102,865</u>	<u>2,262,329</u>	<u>159,464</u>	<u>2,414,033</u>
<b>Expenditures:</b>					
Current:					
Public health and welfare	2,420,116	2,692,240	2,387,324	304,916	2,405,190
Capital outlay:					
Public health and welfare	-	-	-	-	5,499
<b>Total Expenditures</b>	<u>2,420,116</u>	<u>2,692,240</u>	<u>2,387,324</u>	<u>304,916</u>	<u>2,410,689</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(381,063)</u>	<u>(589,375)</u>	<u>(124,995)</u>	<u>464,380</u>	<u>3,344</u>
<b>Other Financing Sources:</b>					
Transfers in	235,000	235,000	235,000	-	35,000
<b>Total Other Financing Sources</b>	<u>235,000</u>	<u>235,000</u>	<u>235,000</u>	<u>-</u>	<u>35,000</u>
<b>Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	<u>\$ (146,063)</u>	<u>\$ (354,375)</u>	110,005	<u>\$ 464,380</u>	38,344
<b>Fund Balance - Beginning</b>			<u>266,901</u>		<u>228,557</u>
<b>Fund Balance - Ending</b>			<u>\$ 376,906</u>		<u>\$ 266,901</u>

**Pitkin County, Colorado**  
**Translator Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	2017			Final Budget Variance Positive (Negative)	2016
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Taxes:					
General property tax	\$ 803,359	\$ 803,359	\$ 800,782	\$ (2,577)	\$ 781,576
Specific ownership tax	27,314	27,314	29,383	2,069	25,973
Intergovernmental:					
State	160,000	896,800	462,926	(433,874)	133,178
Investment earnings	19,490	19,490	17,472	(2,018)	20,057
Miscellaneous:					
Rents and royalties	28,800	28,800	29,812	1,012	28,944
Refund of expenditures	-	-	2,434	2,434	346
<b>Total Revenues</b>	<u>1,038,963</u>	<u>1,775,763</u>	<u>1,342,809</u>	<u>(432,954)</u>	<u>990,074</u>
<b>Expenditures:</b>					
Current:					
Public works	650,401	785,869	659,648	126,221	820,418
Capital outlay:					
Public works	612,500	2,038,926	372,480	1,666,446	465,266
<b>Total Expenditures</b>	<u>1,262,901</u>	<u>2,824,795</u>	<u>1,032,128</u>	<u>1,792,667</u>	<u>1,285,684</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(223,938)</u>	<u>(1,049,032)</u>	<u>310,681</u>	<u>1,359,713</u>	<u>(295,610)</u>
<b>Other Financing Sources (Uses):</b>					
Proceeds from sale of assets	16,000	16,000	-	(16,000)	-
Transfers out	-	-	-	-	(289,460)
<b>Total Other Financing Sources (Uses)</b>	<u>16,000</u>	<u>16,000</u>	<u>-</u>	<u>(16,000)</u>	<u>(289,460)</u>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	<u>\$ (207,938)</u>	<u>\$ (1,033,032)</u>	<u>310,681</u>	<u>\$ 1,343,713</u>	<u>(585,070)</u>
<b>Fund Balance - Beginning</b>			<u>1,498,238</u>		<u>2,083,308</u>
<b>Fund Balance - Ending</b>			<u>\$ 1,808,919</u>		<u>\$ 1,498,238</u>

**Pitkin County, Colorado**  
**Healthy Community Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	<u>2017</u>			<u>Final Budget</u>	<u>2016</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>					
Taxes:					
General property tax	\$ 2,227,633	\$ 2,227,633	\$ 2,221,087	\$ (6,546)	\$ 2,151,474
Specific ownership tax	75,740	75,740	81,475	5,735	71,500
Investment earnings	4,460	4,460	2,005	(2,455)	5,584
<b>Total Revenues</b>	<u>2,307,833</u>	<u>2,307,833</u>	<u>2,304,567</u>	<u>(3,266)</u>	<u>2,228,558</u>
<b>Expenditures:</b>					
Current:					
Public works	-	-	-	-	84,000
Public health and welfare	1,731,733	1,800,233	1,757,510	42,723	1,455,190
Culture and recreation	-	-	-	-	184,000
<b>Total Expenditures</b>	<u>1,731,733</u>	<u>1,800,233</u>	<u>1,757,510</u>	<u>42,723</u>	<u>1,723,190</u>
<b>Excess of Revenues Over Expenditures</b>	<u>576,100</u>	<u>507,600</u>	<u>547,057</u>	<u>39,457</u>	<u>505,368</u>
<b>Other Financing Uses:</b>					
Transfers out	<u>(512,595)</u>	<u>(512,595)</u>	<u>(510,971)</u>	<u>1,624</u>	<u>(479,571)</u>
<b>Total Other Financing Uses</b>	<u>(512,595)</u>	<u>(512,595)</u>	<u>(510,971)</u>	<u>1,624</u>	<u>(479,571)</u>
<b>Excess (Deficiency) of Revenues Over Expenditures and Other Financing Uses</b>	<u>\$ 63,505</u>	<u>\$ (4,995)</u>	<u>36,086</u>	<u>\$ 41,081</u>	<u>25,797</u>
<b>Fund Balance - Beginning</b>			<u>230,280</u>		<u>204,483</u>
<b>Fund Balance - Ending</b>			<u>\$ 266,366</u>		<u>\$ 230,280</u>

**Pitkin County, Colorado**  
**Conservation Trust Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	2017			Final Budget Variance Positive (Negative)	2016
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Intergovernmental:					
State	\$ 62,000	\$ 62,000	\$ 58,018	\$ (3,982)	\$ 65,419
Investment earnings	300	300	206	(94)	270
<b>Total Revenues</b>	<u>62,300</u>	<u>62,300</u>	<u>58,224</u>	<u>(4,076)</u>	<u>65,689</u>
<b>Other Financing Uses:</b>					
Transfers out	(62,000)	(62,000)	(60,000)	2,000	(69,000)
<b>Total Other Financing Uses</b>	<u>(62,000)</u>	<u>(62,000)</u>	<u>(60,000)</u>	<u>2,000</u>	<u>(69,000)</u>
<b>Excess (Deficiency) of Revenues Over Other Financing Uses</b>	<u>\$ 300</u>	<u>\$ 300</u>	(1,776)	<u>\$ (2,076)</u>	(3,311)
<b>Fund Balance - Beginning</b>			<u>2,112</u>		<u>5,423</u>
<b>Fund Balance - Ending</b>			<u>\$ 336</u>		<u>\$ 2,112</u>

**Pitkin County, Colorado**  
**Healthy Rivers and Streams Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	<u>2017</u>			<u>Final Budget</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Taxes:					
Sales tax	\$ 1,027,300	\$ 1,027,300	\$ 1,061,785	\$ 34,485	\$ 1,018,512
Investment earnings	20,300	20,300	24,886	4,586	23,650
Miscellaneous:					
Refund of expenditures	-	-	625	625	159
<b>Total Revenues</b>	<u>1,047,600</u>	<u>1,047,600</u>	<u>1,087,296</u>	<u>39,696</u>	<u>1,042,321</u>
<b>Expenditures:</b>					
Current:					
Culture and recreation	1,393,709	1,540,565	548,905	991,660	351,831
Capital outlay:					
Culture and recreation	100,000	1,034,281	743,690	290,591	586,280
<b>Total Expenditures</b>	<u>1,493,709</u>	<u>2,574,846</u>	<u>1,292,595</u>	<u>1,282,251</u>	<u>938,111</u>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over Expenditures</b>	<u>\$ (446,109)</u>	<u>\$ (1,527,246)</u>	(205,299)	<u>\$ 1,321,947</u>	104,210
<b>Fund Balance - Beginning</b>			<u>2,641,664</u>		<u>2,537,454</u>
<b>Fund Balance - Ending</b>			<u>\$ 2,436,365</u>		<u>\$ 2,641,664</u>

**Pitkin County, Colorado**  
**Ambulance District Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	<u>2017</u>			<u>Final Budget</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>	
				<u>(Negative)</u>	
<b>Revenues:</b>					
Taxes:					
General property tax	\$ 1,141,673	\$ 1,141,673	\$ 1,137,656	\$ (4,017)	\$ 1,017,349
Specific ownership tax	38,817	38,817	41,756	2,939	33,819
Intergovernmental:					
State	-	-	90,316	90,316	-
Investment earnings	5,810	5,810	17,238	11,428	10,199
Miscellaneous:					
Refund of expenditures	-	-	-	-	48
<b>Total Revenues</b>	<u>1,186,300</u>	<u>1,186,300</u>	<u>1,286,966</u>	<u>100,666</u>	<u>1,061,415</u>
<b>Expenditures:</b>					
Current:					
Public safety	1,145,595	1,474,076	648,875	825,201	453,213
Capital outlay:					
Public safety	6,017,000	6,562,508	227,337	6,335,171	-
<b>Total Expenditures</b>	<u>7,162,595</u>	<u>8,036,584</u>	<u>876,212</u>	<u>7,160,372</u>	<u>453,213</u>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over Expenditures</b>	<u>(5,976,295)</u>	<u>(6,850,284)</u>	<u>410,754</u>	<u>7,261,038</u>	<u>608,202</u>
<b>Other Financing Sources:</b>					
Refunding bonds	6,000,000	6,000,000	-	(6,000,000)	-
Proceeds from sale of assets	-	40,000	-	(40,000)	-
<b>Total Other Financing Sources</b>	<u>6,000,000</u>	<u>6,040,000</u>	<u>-</u>	<u>(6,040,000)</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues and Other</b>					
<b>Financing Sources Over Expenditures</b>	<u>\$ 23,705</u>	<u>\$ (810,284)</u>	410,754	<u>\$ 1,221,038</u>	608,202
<b>Fund Balance - Beginning</b>			<u>1,314,255</u>		<u>706,053</u>
<b>Fund Balance - Ending</b>			<u>\$ 1,725,009</u>		<u>\$ 1,314,255</u>

**Pitkin County, Colorado**  
**Redstone Ranch Acres GID Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	<u>2017</u>			<u>Final Budget</u>	<u>2016</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>					
Taxes:					
General property tax	\$ 9,242	\$ 9,242	\$ 9,129	\$ (113)	\$ 9,596
Specific ownership tax	462	462	338	(124)	316
Investment earnings	150	150	126	(24)	135
<b>Total Revenues</b>	<u>9,854</u>	<u>9,854</u>	<u>9,593</u>	<u>(261)</u>	<u>10,047</u>
<b>Expenditures:</b>					
Current:					
Public works	6,462	6,462	5,126	1,336	11,348
<b>Total Expenditures</b>	<u>6,462</u>	<u>6,462</u>	<u>5,126</u>	<u>1,336</u>	<u>11,348</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>\$ 3,392</u>	<u>\$ 3,392</u>	4,467	<u>\$ 1,075</u>	(1,301)
<b>Fund Balance - Beginning</b>			<u>7,281</u>		<u>8,582</u>
<b>Fund Balance - Ending</b>			<u>\$ 11,748</u>		<u>\$ 7,281</u>

**Pitkin County, Colorado**  
**Twining Flats GID Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	2017			Final Budget Variance Positive (Negative)	2016
	Original Budget	Final Budget	Actual		Actual
<b>Revenues:</b>					
Taxes:					
General property tax	\$ 8,078	\$ 8,078	\$ 8,086	\$ 8	\$ 18,002
Specific ownership tax	275	275	295	20	593
Investment earnings	280	280	328	48	304
<b>Total Revenues</b>	<u>8,633</u>	<u>8,633</u>	<u>8,709</u>	<u>76</u>	<u>18,899</u>
<b>Expenditures:</b>					
Current:					
Public works	9,404	9,404	6,400	3,004	7,090
Debt service:					
Principal	-	-	-	-	8,557
Interest	-	-	-	-	803
<b>Total Expenditures</b>	<u>9,404</u>	<u>9,404</u>	<u>6,400</u>	<u>3,004</u>	<u>16,450</u>
<b>Excess (Deficiency) of Revenues</b>					
<b>Over Expenditures</b>	<u>\$ (771)</u>	<u>\$ (771)</u>	2,309	<u>\$ 3,080</u>	2,449
<b>Fund Balance - Beginning</b>			<u>27,129</u>		<u>24,680</u>
<b>Fund Balance - Ending</b>			<u>\$ 29,438</u>		<u>\$ 27,129</u>

**Pitkin County, Colorado**  
**Public Health Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	<u>2017</u>			<u>2016</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>					
Intergovernmental:					
Federal	\$ -	\$ 10,000	\$ 22,065	\$ 12,065	\$ -
State	-	45,363	102,799	57,436	-
Other governmental units	-	32,000	40,496	8,496	-
Miscellaneous:					
Refund of expenditures	-	-	2,734	2,734	-
Contributions	-	-	5,000	5,000	-
<b>Total Revenues</b>	<u>-</u>	<u>87,363</u>	<u>173,094</u>	<u>85,731</u>	<u>-</u>
<b>Expenditures:</b>					
Current:					
Public health and welfare	-	417,616	334,879	82,737	-
<b>Total Expenditures</b>	<u>-</u>	<u>417,616</u>	<u>334,879</u>	<u>82,737</u>	<u>-</u>
<b>Deficiency of Revenues Over Expenditures</b>	<u>-</u>	<u>(330,253)</u>	<u>(161,785)</u>	<u>168,468</u>	<u>-</u>
<b>Other Financing Sources:</b>					
Transfers in	-	483,134	483,134	-	-
<b>Total Other Financing Sources</b>	<u>-</u>	<u>483,134</u>	<u>483,134</u>	<u>-</u>	<u>-</u>
<b>Excess of Revenues and Other Financing Sources Over Expenditures</b>	<u>\$ -</u>	<u>\$ 152,881</u>	<u>321,349</u>	<u>\$ 168,468</u>	<u>-</u>
<b>Fund Balance - Beginning</b>			<u>-</u>		<u>-</u>
<b>Fund Balance - Ending</b>			<u>\$ 321,349</u>		<u>\$ -</u>

**Pitkin County, Colorado**  
**Sales Tax Debt Service Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	<u>2017</u>			<b>Final Budget Variance Positive (Negative)</b>	<u>2016</u>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>		<b>Actual</b>
<b>Revenues:</b>					
Taxes:					
Sales tax	\$ 599,971	\$ 599,971	\$ 598,969	\$ (1,002)	\$ 600,663
Intergovernmental:					
Federal	56,000	56,000	56,473	473	56,413
Investment earnings	2,060	2,060	10,582	8,522	2,058
<b>Total Revenues</b>	<u>658,031</u>	<u>658,031</u>	<u>666,024</u>	<u>7,993</u>	<u>659,134</u>
<b>Expenditures:</b>					
Debt service:					
Principal	340,000	340,000	340,000	-	330,000
Interest	317,261	317,261	315,525	1,736	327,903
<b>Total Expenditures</b>	<u>657,261</u>	<u>657,261</u>	<u>655,525</u>	<u>1,736</u>	<u>657,903</u>
<b>Excess of Revenues Over Expenditures</b>	<u>\$ 770</u>	<u>\$ 770</u>	10,499	<u>\$ 9,729</u>	1,231
<b>Fund Balance - Beginning</b>			<u>165,864</u>		<u>164,633</u>
<b>Fund Balance - Ending</b>			<u>\$ 176,363</u>		<u>\$ 165,864</u>

**Pitkin County, Colorado**  
**Capital Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016, as restated)**

	<u>2017</u>			<u>Final Budget</u>	<u>2016</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>	<u>(as restated)</u>
				<u>(Negative)</u>	
<b>Revenues:</b>					
Taxes:					
Sales tax	\$ 3,903,658	\$ 3,903,658	\$ 3,975,581	\$ 71,923	\$ 4,526,445
Intergovernmental:					
State	115,200	280,780	-	(280,780)	-
Other governmental units	77,683	77,683	198,466	120,783	278,488
Impact fees	100,000	100,000	139,870	39,870	89,764
Charges for services:					
Public works	-	-	21,138	21,138	-
Investment earnings	-	-	247,695	247,695	17,407
Miscellaneous:					
Rents and royalties	-	-	-	-	76,532
Refund of expenditures	-	-	1,717	1,717	882
<b>Total Revenues</b>	<u>4,196,541</u>	<u>4,362,121</u>	<u>4,584,467</u>	<u>222,346</u>	<u>4,989,518</u>
<b>Expenditures:</b>					
Current:					
General government	484,501	1,207,166	820,059	387,107	7,396,591
Public safety	90,000	212,334	82,201	130,133	1,619,802
Public works	2,119,700	2,677,378	1,680,741	996,637	1,067,370
Public health and welfare	149,000	366,539	335,890	30,649	-
Debt service:					
Principal	-	-	475,000	(475,000)	-
Interest	-	-	767,407	(767,407)	-
Capital outlay:					
General government	1,574,460	22,362,752	11,804,797	10,557,955	47,845
Public safety	326,000	332,968	313,932	19,036	859,853
Public works	837,200	947,382	686,585	260,797	1,046,362
Public health and welfare	36,000	36,000	36,132	(132)	68,485
<b>Total Expenditures</b>	<u>5,616,861</u>	<u>28,142,519</u>	<u>17,002,744</u>	<u>11,139,775</u>	<u>12,106,308</u>
<b>Deficiency of Revenues</b>					
<b>Over Expenditures</b>	<u>(1,420,320)</u>	<u>(23,780,398)</u>	<u>(12,418,277)</u>	<u>11,362,121</u>	<u>(7,116,790)</u>
<b>Other Financing Sources (Uses):</b>					
Refunding bonds	-	-	-	-	22,790,000
Bond premiums	-	-	-	-	742,188
Proceeds from sale of assets	163,840	163,840	118,936	(44,904)	-
Transfers in	550,000	550,000	64,230	(485,770)	439,770
Transfers out	-	(485,770)	-	485,770	-
<b>Total Other Financing Sources (Uses)</b>	<u>713,840</u>	<u>228,070</u>	<u>183,166</u>	<u>(44,904)</u>	<u>23,971,958</u>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>					
	<u>\$ (706,480)</u>	<u>\$ (23,552,328)</u>	<u>(12,235,111)</u>	<u>\$ 11,317,217</u>	<u>16,855,168</u>
<b>Fund Balance - Beginning</b>					
			<u>28,284,433</u>		<u>11,429,265</u>
<b>Fund Balance - Ending</b>					
			<u>\$ 16,049,322</u>		<u>\$ 28,284,433</u>

## PROPRIETARY FUNDS

### ENTERPRISE FUNDS

Enterprise funds are used to account for any activity for which a fee is charged to external users for goods or services.

#### Major Enterprise Funds:

*Airport Fund* - accounts for all of the revenues and expenses of the Aspen/Pitkin County Airport. Sources of revenue include fees, grants, rents, and miscellaneous revenues.

*Solid Waste Center Fund* - accounts for all the expenses of Pitkin County's solid waste management operations. Sources of revenue include fees, grants, and miscellaneous revenues from recycled goods.

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**Pitkin County, Colorado**  
**Airport Fund**  
**Schedule of Revenues, Expenses, and Changes in Net Position**  
**Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	<b>2017</b>			<b>Final Budget Variance Positive (Negative)</b>	<b>2016</b>
	<b>Original Budget</b>	<b>Final Budget</b>	<b>Actual</b>		<b>Actual</b>
<b>Revenues:</b>					
Intergovernmental	\$ 2,300,088	\$ 3,318,138	\$ 2,826,441	\$ (491,697)	\$ 1,996,975
Charges for services	6,480,856	6,480,856	6,233,668	(247,188)	6,111,681
Miscellaneous:					
Rents and franchises	3,772,766	3,772,766	2,991,631	(781,135)	4,137,395
Refund of expenses	70,372	70,372	36,606	(33,766)	28,085
Other revenues	1,240	1,240	1,476	236	1,013
Other resources:					
Investment earnings	129,480	129,480	187,049	57,569	147,274
Sale of assets	-	-	-	-	50,925
<b>Total Revenues</b>	<u>12,754,802</u>	<u>13,772,852</u>	<u>12,276,871</u>	<u>(1,495,981)</u>	<u>12,473,348</u>
<b>Expenses:</b>					
Operating:					
Personnel services	3,914,325	3,914,325	3,594,404	319,921	2,945,880
Purchased services	5,343,293	8,449,300	4,943,663	3,505,637	5,529,993
Materials and supplies	364,570	447,003	431,530	15,473	263,204
Capital expenses:					
Property, plant, and equipment	3,512,000	7,660,664	4,170,754	3,489,910	948,580
<b>Total Expenses</b>	<u>13,134,188</u>	<u>20,471,292</u>	<u>13,140,351</u>	<u>7,330,941</u>	<u>9,687,657</u>
<b>Change in Net Position - Budget Basis</b>	<u>\$ (379,386)</u>	<u>\$ (6,698,440)</u>	(863,480)	<u>\$ 5,834,960</u>	2,785,691
<b>Reconciliation to GAAP Basis:</b>					
Capitalized expenses			4,170,754		928,684
Change in compensated absences			(43,586)		-
Depreciation			(4,870,593)		(4,837,114)
<b>Change in Net Position - GAAP Basis</b>			(1,606,905)		(1,122,739)
<b>Net Position - Beginning</b>			<u>91,989,304</u>		<u>93,112,043</u>
<b>Net Position - Ending</b>			<u>\$ 90,382,399</u>		<u>\$ 91,989,304</u>

**Pitkin County, Colorado**  
**Solid Waste Center Fund**  
**Schedule of Revenues, Expenses, and Changes in Net Position**  
**Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	2017			2016	
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
<b>Revenues:</b>					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 99,213
Charges for services	5,058,500	5,058,500	8,030,583	2,972,083	6,075,511
Miscellaneous:					
Refund of expenses	-	-	34,719	34,719	4,340
Other revenues	20,000	20,000	37,845	17,845	61,418
Other resources:					
Investment earnings	55,650	55,650	76,547	20,897	42,086
Sale of assets	-	-	32,674	32,674	355
<b>Total Revenues</b>	<u>5,134,150</u>	<u>5,134,150</u>	<u>8,212,368</u>	<u>3,078,218</u>	<u>6,282,923</u>
<b>Expenses:</b>					
Operating:					
Personnel services	1,323,879	1,323,879	1,258,982	64,897	1,216,390
Purchased services	2,533,154	2,563,154	2,623,202	(60,048)	2,372,753
Materials and supplies	146,000	163,307	138,409	24,898	152,466
Bad debt expense	-	-	-	-	28,787
Landfill compliance costs	-	-	144,356	(144,356)	138,627
Capital expenses:					
Property, plant, and equipment	432,200	836,025	753,719	82,306	436,174
<b>Total Expenses</b>	<u>4,435,233</u>	<u>4,886,365</u>	<u>4,918,668</u>	<u>(32,303)</u>	<u>4,345,197</u>
<b>Change in Net Position - Budget Basis</b>	<u>\$ 698,917</u>	<u>\$ 247,785</u>	3,293,700	<u>\$ 3,045,915</u>	1,937,726
<b>Reconciliation to GAAP Basis:</b>					
Capitalized expenses			753,719		416,368
Change in compensated absences			(13,845)		-
Depreciation			<u>(482,644)</u>		<u>(482,733)</u>
<b>Change in Net Position - GAAP Basis</b>			3,550,930		1,871,361
<b>Net Position - Beginning</b>			<u>8,722,834</u>		<u>6,851,473</u>
<b>Net Position - Ending</b>			<u>\$ 12,273,764</u>		<u>\$ 8,722,834</u>

## **FIDUCIARY FUNDS**

### **AGENCY FUNDS**

*Agency funds* are used to account for assets held by the County as an agent for individuals, private organizations, and 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.

*Other Agencies* - The County finance department acts as trustee for the Aspen/Pitkin County Housing Authority Mortgage Revenue notes, and also is trustee for the Pitkin County Regional Emergency Telephone Authority.

*Other Clearing Funds* - This category includes accounts 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.

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**Pitkin County, Colorado**  
**Combining Statement of Changes in Assets and Liabilities**  
**Agency Funds**  
**For the Year Ended December 31, 2017**

	<u>Balance, January 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, December 31, 2017</u>
<b>County Clearing Fund</b>				
Assets				
Cash and investments	\$ 1,176,760	\$ 240,578,190	\$ 229,685,189	\$ 12,069,761
Miscellaneous receivable	-	139,479	71,817	67,662
Total Assets	<u>\$ 1,176,760</u>	<u>\$ 240,717,669</u>	<u>\$ 229,757,006</u>	<u>\$ 12,137,423</u>
Liabilities				
Accounts payable	\$ -	\$ 100,132,352	\$ 99,107,794	\$ 1,024,558
Due to other governments	417,500	4,150,726	4,566,977	1,249
Funds held for others	759,260	335,977,292	325,624,936	11,111,616
Total Liabilities	<u>\$ 1,176,760</u>	<u>\$ 440,260,370</u>	<u>\$ 429,299,707</u>	<u>\$ 12,137,423</u>
<b>Taxing Districts</b>				
Assets				
Cash and investments	\$ (17,644)	\$ 94,642,671	\$ 94,557,281	\$ 67,746
Liabilities				
Due to other governments	\$ (17,644)	\$ 94,642,671	\$ 94,557,281	\$ 67,746
<b>Other Agencies</b>				
Assets				
Cash and investments	\$ 950,858	\$ 717,105	\$ 857,914	\$ 810,049
Liabilities				
Funds held for others	\$ 950,858	\$ 717,105	\$ 857,914	\$ 810,049
<b>Other Clearing Fund</b>				
Assets				
Cash and investments	\$ 322,443	\$ 3,595	\$ 349	\$ 325,689
Liabilities				
Due to other governments	\$ 322,443	\$ 3,595	\$ 349	\$ 325,689
<b>Totals</b>				
Assets				
Cash and investments	\$ 2,432,417	\$ 335,941,561	\$ 325,100,733	\$ 13,273,245
Miscellaneous receivable	-	139,479	71,817	67,662
Total Assets	<u>\$ 2,432,417</u>	<u>\$ 336,081,040</u>	<u>\$ 325,172,550</u>	<u>\$ 13,340,907</u>
Liabilities				
Accounts payable	\$ -	\$ 100,132,352	\$ 99,107,794	\$ 1,024,558
Due to other governments	722,299	98,796,992	99,124,607	394,684
Funds held for others	1,710,118	336,694,397	326,482,850	11,921,665
Total Liabilities	<u>\$ 2,432,417</u>	<u>\$ 535,623,741</u>	<u>\$ 524,715,251</u>	<u>\$ 13,340,907</u>

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## **Discretely Presented Component Units**

The *Pitkin County Library District* (the “Library District”) accounts for the operation and maintenance of the Pitkin County Library and the application of any gifts and donations received for the benefit of the library. A portion of the property tax levy is dedicated to the Library District.

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**Pitkin County, Colorado**  
**Pitkin County Library District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget (GAAP Basis) and Actual**  
**For the Year Ended December 31, 2017**  
**(With Comparative Actual Amounts for 2016)**

	<u>2017</u>			<u>Final Budget</u>	<u>2016</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
<b>Revenues:</b>					
Taxes:					
General property tax	\$ 3,898,984	\$ 3,898,984	\$ 3,885,570	\$ (13,414)	\$ 3,729,850
Specific ownership tax	132,565	132,565	142,604	10,039	124,136
Intergovernmental:					
State	-	-	5,291	5,291	5,281
Fines and forfeitures:					
Other fines	29,667	29,667	23,355	(6,312)	18,368
Investment earnings	74,670	74,670	35,124	(39,546)	43,458
Miscellaneous:					
Refund of expenditures	-	-	62,618	62,618	8,559
Contributions	147,500	147,500	151,348	3,848	2,360,714
Other	5,115	5,115	2,528	(2,587)	6,589
<b>Total Revenues</b>	<u>4,288,501</u>	<u>4,288,501</u>	<u>4,308,438</u>	<u>19,937</u>	<u>6,296,955</u>
<b>Expenditures:</b>					
Current:					
Culture and recreation	3,605,796	3,646,418	3,386,066	260,352	9,753,589
Capital outlay:					
Culture and recreation	318,210	545,287	416,540	128,747	-
<b>Total Expenditures</b>	<u>3,924,006</u>	<u>4,191,705</u>	<u>3,802,606</u>	<u>389,099</u>	<u>9,753,589</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>364,495</u>	<u>96,796</u>	<u>505,832</u>	<u>409,036</u>	<u>(3,456,634)</u>
<b>Other Financing Sources:</b>					
Proceeds from sale of assets	-	-	-	-	2,961
<b>Total Other Financing Sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,961</u>
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses</b>	<u>\$ 364,495</u>	<u>\$ 96,796</u>	<u>505,832</u>	<u>\$ 409,036</u>	<u>(3,453,673)</u>
<b>Fund Balance - Beginning</b>			<u>1,519,248</u>		<u>4,972,921</u>
<b>Fund Balance - Ending</b>			<u>\$ 2,025,080</u>		<u>\$ 1,519,248</u>

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**SCHEDULE OF PASSENGER FACILITY CHARGES (PFC) COLLECTED AND  
EXPENDED**

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**Pitkin County, Colorado**  
**Schedule of Passenger Facility Charges (PFC) Collected and Expended**  
**For the Year Ended December 31, 2017**

	<b>Amount for Current Year</b>	<b>Unliquidated Balance</b>
Unliquidated PFC revenues - beginning		\$ -
Revenues:		
Revenues collected from air carriers	\$ 907,216	
Total PFC revenues	\$ 907,216	907,216
Expenditures:		
Approved projects	907,216	
Total PFC expenditures	\$ 907,216	907,216
Unliquidated PFC revenues - ending		\$ -

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## **LOCAL HIGHWAY FINANCE REPORT**

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<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: Pitkin County			
		YEAR ENDING : December 31, 2017			
This Information From The Records Of Pitkin County:		Prepared By: Phone:	Susan Atwood 970-920-5228		
<b>I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE</b>					
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					
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES</b>		<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES</b>			
ITEM	AMOUNT	ITEM	AMOUNT		
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>			
1. Local highway-user taxes		1. Capital outlay (from page 2)	2,206,451		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,256,528		
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:			
c. Total (a.+b.)		a. Traffic control operations	35,869		
2. General fund appropriations	723,489	b. Snow and ice removal	549,794		
3. Other local imposts (from page 2)	3,473,168	c. Other	6,495		
4. Miscellaneous local receipts (from page 2)	111,162	d. Total (a. through c.)	592,158		
5. Transfers from toll facilities		4. General administration & miscellaneous	764,746		
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	716,508		
a. Bonds - Original Issues		6. Total (1 through 5)	5,536,391		
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>			
c. Notes		1. Bonds:			
d. Total (a. + b. + c.)	-	a. Interest	-		
7. Total (1 through 6)	4,307,819	b. Redemption	-		
<b>B. Private Contributions</b>		c. Total (a. + b.)	-		
<b>C. Receipts from State government (from page 2)</b>	1,247,999	2. Notes:			
<b>D. Receipts from Federal Government (from page 2)</b>	-	a. Interest			
<b>E. Total receipts (A.7 + B + C + D)</b>	5,555,818	b. Redemption			
		c. Total (a. + b.)	-		
		3. Total (1.c + 2.c)	-		
		<b>C. Payments to State for highways</b>			
		<b>D. Payments to toll facilities</b>			
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	5,536,391		
<b>IV. LOCAL HIGHWAY DEBT STATUS</b> (Show all entries at par)					
	Opening Debt	Amount Issued	Redemptions	Closing Debt	
<b>A. Bonds (Total)</b>	-		-	-	
1. Bonds (Refunding Portion)					
<b>B. Notes (Total)</b>	-			-	
<b>V. LOCAL ROAD AND STREET FUND BALANCE</b>					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	34,413	5,555,818	5,536,391	53,840	-
<b>Notes and Comments:</b>					
Note 1 General Fund Appropriations:					
Sheriff expenditures for traffic					
		723,003			
Amount available from Non-Highway					
		-			
Total					
		723,003			

**LOCAL HIGHWAY FINANCE REPORT**

STATE:  
Colorado  
YEAR ENDING (mm/yy):  
December 31, 2017

**II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	523,823	a. Interest on investments	2,064
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	2,766,590	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	139,870	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	49,900
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	42,885	g. Other Misc. Receipts	59,198
6. Total (1. through 5.)	2,949,345	h. Other Road & Bridge Tax	
c. Total (a. + b.)	3,473,168	i. Total (a. through h.)	111,162
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	1,207,248	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	40,751	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify) State Highway Contract		f. Other Federal	
f. Total (a. through e.)	40,751	g. Total (a. through f.)	-
4. Total (1. + 2. + 3.f)	1,247,999	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)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs		8,072	8,072
b. Engineering Costs		306,177	306,177
c. Construction:			
(1). New Facilities		-	-
(2). Capacity Improvements		4,766	4,766
(3). System Preservation		1,851,453	1,851,453
(4). System Enhancement & Operation		35,983	35,983
(5). Total Construction (1) + (2) + (3) + (4)		1,892,202	1,892,202
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)		2,206,451	2,206,451
			(Carry forward to page 1)

**Notes and Comments:**

Note 2 Other Receipts	
Access Permits	16,265
Reimbursement for Engineering Services	10,952
Misc. Reimbursement	31,981
Total	<u>59,198</u>



## STATISTICAL SECTION

This part of the Pitkin County 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 government's overall financial health.

The information in this Statistical Section of the comprehensive annual financial report is intended, when possible, to provide information about Pitkin County's economic condition in the following areas.

**Financial Trends** - information used to understand and assess how a government's financial position has changed over time.

**Revenue Capacity** - information used to understand and assess the government's ability to generate own-source revenue.

**Debt Capacity** - information used to understand and assess the government's debt burden and its ability to issue additional debt.

**Demographic and Economic Data** - information used to understand the government's socioeconomic environment and facilitate comparisons of financial statement information over time or among governments.

**Operating Information** - information used to understand the government's operations and resources, therefore providing a context for understanding and assessing its economic condition.

Most of the data comes directly from current and prior Pitkin County financial reports. Data which comes from other sources is noted on the individual tables.

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**Pitkin County, Colorado**  
**Net Position by Component**  
**Last Ten Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Governmental activities</b>										
Net investment in capital assets	\$ 118,334,844	\$ 134,717,335	\$ 155,994,598	\$ 155,315,076	\$ 156,145,670	\$ 163,064,743	\$ 163,996,394	\$ 169,476,255	\$ 183,411,917	\$ 190,070,757
Restricted	26,813,627	26,129,687	14,949,239	27,816,355	33,850,326	37,792,771	40,397,117	36,896,408	39,729,852	25,449,396
Unrestricted	10,715,439	9,475,854	9,312,588	14,930,468	14,657,523	16,284,068	24,186,409	26,404,400	20,139,166	41,202,122
<b>Total governmental activities net position</b>	<u>155,863,910</u>	<u>170,322,876</u>	<u>180,256,425</u>	<u>198,061,899</u>	<u>204,653,519</u>	<u>217,141,582</u>	<u>228,579,920</u>	<u>232,777,063</u>	<u>243,280,935</u>	<u>256,722,275</u>
<b>Business-type activities</b>										
Net investment in capital assets	71,671,246	72,977,503	71,535,132	81,664,910	86,982,831	83,918,960	89,953,231	82,401,454	77,964,189	77,484,457
Restricted	10,542,488	10,438,724	11,599,856	9,928,066	9,683,901	12,747,869	13,397,894	16,766,926	19,834,774	-
Unrestricted	3,791,453	1,585,119	1,457,411	1,033,193	1,118,178	2,200,305	3,117,455	885,005	2,913,175	25,171,706
<b>Total business-type activities net position</b>	<u>86,005,187</u>	<u>85,001,346</u>	<u>84,592,399</u>	<u>92,626,169</u>	<u>97,784,910</u>	<u>98,867,134</u>	<u>106,468,580</u>	<u>100,053,385</u>	<u>100,712,138</u>	<u>102,656,163</u>
<b>Primary government</b>										
Net investment in capital assets	190,006,090	207,694,838	227,529,730	236,979,986	243,128,501	246,983,703	253,949,625	251,877,709	261,376,106	267,555,214
Restricted	37,356,115	36,568,411	26,549,095	37,744,421	43,534,227	50,540,640	53,795,011	53,663,334	59,564,626	25,449,396
Unrestricted	14,506,892	11,060,973	10,769,999	15,963,661	15,775,701	18,484,373	27,303,864	27,289,405	23,052,341	66,373,828
<b>Total primary government net position</b>	<u>\$ 241,869,097</u>	<u>\$ 255,324,222</u>	<u>\$ 264,848,824</u>	<u>\$ 290,688,068</u>	<u>\$ 302,438,429</u>	<u>\$ 316,008,716</u>	<u>\$ 335,048,500</u>	<u>\$ 332,830,448</u>	<u>\$ 343,993,073</u>	<u>\$ 359,378,438</u>

Source:  
Pitkin County Finance Department (CAFR)  
Statement of Net Position includes GASB 34 Adjustments

Note: GASB 54 redefined the components of fund balance, which in turn changed the "Restricted for" categories on the Statement of Net Position in 2009. Balances prior to 2009 on this report are presented using the current format.

**Pitkin County, Colorado**  
**Changes in Net Position**  
**Last Ten Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Expenses:</b>										
<b>Governmental Activities:</b>										
General government	\$ 8,441,523	\$ 9,112,735	\$ 9,023,399	\$ 8,051,591	\$ 8,236,495	\$ 8,939,590	\$ 9,364,000	\$ 10,220,265	\$ 12,080,968	\$ 10,976,662
Public safety	7,781,623	8,585,020	7,677,119	8,315,629	8,836,841	8,239,758	8,956,235	9,522,194	13,220,804	13,004,918
Public works	24,714,532	16,357,478	18,229,409	15,885,730	19,954,183	17,092,418	20,124,034	28,232,945	23,074,777	22,600,176
Public health and welfare	3,634,941	4,159,235	4,209,970	4,437,922	4,892,567	5,043,179	5,445,584	5,697,328	6,362,483	8,103,257
Culture and recreation	3,238,261	7,889,445	6,367,076	4,418,252	4,092,374	4,590,325	4,774,106	4,931,196	5,731,005	5,619,853
Interest on long-term debt	1,332,285	1,282,901	1,229,392	1,257,597	1,201,640	1,170,202	1,090,061	1,049,588	1,050,852	1,441,364
<b>Total Governmental Activities</b>	<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>	<u>49,754,020</u>	<u>59,653,516</u>	<u>61,520,889</u>	<u>61,746,230</u>
<b>Business-type Activities:</b>										
Airport	9,311,279	10,899,761	11,654,845	11,445,626	11,377,027	12,234,242	11,995,659	12,023,971	13,576,191	13,883,776
Solid waste center	4,960,238	5,577,238	4,231,364	4,340,284	3,777,305	3,813,001	4,312,474	5,522,585	4,391,808	4,661,438
<b>Total Business-type Activities</b>	<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>	<u>16,308,133</u>	<u>17,546,556</u>	<u>17,967,999</u>	<u>18,545,214</u>
<b>Total Primary Government Expenses</b>	<u>63,414,682</u>	<u>63,863,813</u>	<u>62,622,574</u>	<u>58,152,631</u>	<u>62,368,432</u>	<u>61,122,715</u>	<u>66,062,153</u>	<u>77,200,072</u>	<u>79,488,888</u>	<u>80,291,444</u>
<b>Program Revenues:</b>										
<b>Governmental Activities:</b>										
Charges for services:										
General government	4,899,997	4,114,865	4,782,871	4,672,729	4,279,086	4,563,948	4,744,961	4,985,341	5,267,907	4,885,243
Public safety	356,337	2,297,844	1,908,214	1,734,398	1,870,734	2,238,329	2,957,068	3,087,144	2,323,947	6,483,710
Public works	1,195,462	631,293	1,317,654	1,197,773	1,433,260	1,477,035	1,272,629	1,239,884	762,806	321,917
Public health and welfare	347,874	377,280	462,440	382,618	422,007	347,254	417,826	406,446	420,104	1,278,585
Culture and recreation	132,754	242,531	381,654	120,316	68,598	431,081	128,740	405,553	141,377	925,075
Operating grants and contributions	2,999,026	3,791,225	3,294,485	4,230,137	4,581,634	4,673,224	5,392,595	6,343,383	7,160,619	6,492,789
Capital grants and contributions	8,179,497	12,402,832	4,306,982	4,098,393	465,500	1,599,777	1,979,674	559,539	2,482,572	1,637,847
<b>Total Governmental Activities Program Revenues</b>	<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>	<u>16,893,493</u>	<u>17,027,290</u>	<u>18,559,332</u>	<u>22,025,166</u>
<b>Business-type Activities:</b>										
Charges for services:										
Airport	7,000,933	6,777,057	7,176,769	7,160,723	7,173,275	7,312,800	7,809,778	8,747,826	8,681,430	9,263,381
Solid waste center	5,551,754	3,424,031	3,972,556	4,212,913	4,743,062	4,738,919	5,298,781	6,236,440	6,141,320	8,103,147
Operating grants and contributions	708,180	366,766	388,868	719,858	645,834	936,702	523,503	653,249	99,213	1,210,106
Capital grants and contributions	3,373,242	6,078,666	3,468,958	11,800,224	7,840,385	4,073,220	3,003,781	2,376,071	3,593,719	1,616,335
<b>Total Business-Type Activities Program Revenues</b>	<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>16,635,843</u>	<u>18,013,586</u>	<u>18,515,682</u>	<u>20,192,969</u>
<b>Total Primary Government Program Revenues</b>	<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>	<u>33,529,336</u>	<u>35,040,876</u>	<u>37,075,014</u>	<u>42,218,135</u>
<b>Net (Expense)/Revenue</b>										
Governmental activities	(31,032,218)	(23,528,944)	(30,282,065)	(25,930,357)	(34,093,281)	(29,744,824)	(32,860,527)	(42,626,226)	(42,961,557)	(39,721,064)
Business-type activities	2,362,592	169,521	(879,058)	8,107,808	5,248,224	1,014,398	327,710	467,030	547,683	1,647,755
<b>Total Primary Government Net Expense</b>	<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>	<u>\$ (32,532,817)</u>	<u>\$ (42,159,196)</u>	<u>\$ (42,413,874)</u>	<u>\$ (38,073,309)</u>

(continued)

**Pitkin County, Colorado**  
**Changes in Net Position (continued)**  
**Last Ten Years**

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Revenues and Other Changes in Net Position:</b>										
<b>Governmental Activities:</b>										
Taxes:										
Property taxes	\$ 18,046,484	\$ 18,594,523	\$ 20,546,313	\$ 20,794,134	\$ 19,559,084	\$ 20,185,952	\$ 19,872,991	\$ 20,324,359	\$ 22,339,071	\$ 22,758,464
Specific ownership taxes	306,838	478,644	457,332	461,524	149,675	-	-	-	-	835,075
Sales and use taxes	19,515,789	17,120,380	18,013,414	19,245,716	19,834,448	21,194,528	23,317,658	25,384,692	26,390,752	27,791,836
Other taxes and miscellaneous	837,260	660,496	602,280	570,500	554,564	658,731	678,158	734,805	757,824	12,981
Unrestricted investment earnings	2,100,021	863,868	607,991	444,870	314,576	287,808	378,102	435,517	620,076	1,129,303
Grants and contributions not restricted to specific programs	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	790,367	52,553	-	51,957	(56,005)	147,722	164,804
<b>Transfers</b>	<b>270,000</b>	<b>270,000</b>	<b>270,000</b>	<b>270,000</b>	<b>220,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total General Revenues and Transfers</b>	<b>41,076,392</b>	<b>37,987,911</b>	<b>40,497,330</b>	<b>42,577,111</b>	<b>40,684,900</b>	<b>42,327,019</b>	<b>44,298,866</b>	<b>46,823,368</b>	<b>50,255,445</b>	<b>52,692,463</b>
<b>Business-type Activities:</b>										
Unrestricted investment earnings	575,780	288,825	176,697	129,692	61,713	59,093	86,630	102,682	189,360	263,596
Sale of capital assets	702,250	-	-	66,270	68,804	8,733	187,105	15,094	11,577	32,674
<b>Transfers</b>	<b>(270,000)</b>	<b>(270,000)</b>	<b>(270,000)</b>	<b>(270,000)</b>	<b>(220,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Business-type Activities</b>	<b>1,008,030</b>	<b>18,825</b>	<b>(93,303)</b>	<b>(74,038)</b>	<b>(89,483)</b>	<b>67,826</b>	<b>273,735</b>	<b>117,776</b>	<b>200,937</b>	<b>296,270</b>
<b>Total Primary Government Revenues</b>	<b>42,084,422</b>	<b>38,006,736</b>	<b>40,404,027</b>	<b>42,503,073</b>	<b>40,595,417</b>	<b>42,394,845</b>	<b>44,572,601</b>	<b>46,941,144</b>	<b>50,456,382</b>	<b>52,988,733</b>
<b>Change in Net Position</b>										
Governmental activities	10,044,174	14,458,967	10,215,265	16,646,754	6,591,619	12,582,195	11,438,339	4,197,142	7,293,888	12,971,399
Business-type activities	3,370,622	188,346	(972,361)	8,033,770	5,158,741	1,082,224	601,445	584,806	748,620	1,944,025
<b>Total Change in Net Position</b>	<b>\$ 13,414,796</b>	<b>\$ 14,647,313</b>	<b>\$ 9,242,904</b>	<b>\$ 24,680,524</b>	<b>\$ 11,750,360</b>	<b>\$ 13,664,419</b>	<b>\$ 12,039,784</b>	<b>\$ 4,781,948</b>	<b>\$ 8,042,508</b>	<b>\$ 14,915,424</b>

Source:  
Pitkin County Finance Department (CAFR)  
Statement of Activities includes GASB 34 Adjustments

**Pitkin County, Colorado**  
**Fund Balances, Governmental Funds<sup>1</sup>**  
**Last Ten Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017<sup>1</sup></u>
<b>General Fund</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 958,555
Spendable:										
Restricted	1,183,214	1,129,293	1,098,324	1,102,767	1,125,445	1,386,756	1,446,847	1,466,886	1,514,250	1,310,613
Committed	5,135,633	5,132,655	5,213,757	5,142,747	718,621	723,373	729,478	985,975	312,769	721,540
Assigned	18,718,400	18,546,513	19,390,023	16,029,691	16,147,716	16,167,000	21,005,765	22,600,050	39,795,794	8,175,723
Unassigned	-	-	-	8,926,723	8,572,744	8,993,230	4,908,872	6,153,627	4,308,003	8,124,120
<b>Total General Fund</b>	<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>	<u>\$ 28,090,962</u>	<u>\$ 31,206,538</u>	<u>\$ 45,930,816</u>	<u>\$ 19,290,552</u>
<b>All Other Governmental Funds</b>										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,400
Spendable:										
Restricted	15,546,376	13,556,224	7,780,017	14,236,637	21,473,961	24,847,113	27,162,730	22,506,748	26,149,531	24,138,783
Committed	4,508,868	4,960,483	533,934	5,851,919	10,664,743	10,953,370	11,316,762	11,143,662	11,356,827	35,862,159
Assigned	556,783	407,203	429,118	1,540,821	-	-	676,088	968,255	396,476	-
<b>Total All Other Governmental Funds</b>	<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>\$ 39,155,580</u>	<u>\$ 34,618,665</u>	<u>\$ 37,902,834</u>	<u>\$ 60,041,342</u>
<b>Total Governmental Funds</b>	<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>	<u>\$ 67,246,542</u>	<u>\$ 65,825,203</u>	<u>\$ 83,833,650</u>	<u>\$ 79,331,894</u>

Source:  
Pitkin County Finance Department (CAFR)  
Statement of Fund Balances does not include GASB 34 Adjustments

<sup>1</sup> GASB 54 guidance was implemented in 2009 and retroactively applied to prior years.

<sup>2</sup> The County restated the beginning balances for the general fund and capital fund in 2017 in order to present the funds separately. Prior to 2017, the general fund balance included the capital fund.

**Pitkin County, Colorado**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Revenues:</b>										
Taxes	\$ 38,706,371	\$ 36,854,043	\$ 39,619,339	\$ 41,071,874	\$ 40,097,771	\$ 42,039,211	\$ 43,868,807	\$ 46,443,853	\$ 49,487,629	\$ 51,398,356
Licenses and permits	1,057,109	712,890	708,836	722,872	767,160	1,224,559	1,631,982	1,802,194	1,102,871	4,794,505
Intergovernmental	4,688,484	6,518,272	6,190,993	8,428,852	5,200,014	6,427,057	7,400,042	7,049,975	8,974,041	9,521,480
Charges for services	5,285,346	6,187,281	5,471,709	5,891,914	5,493,750	5,803,054	6,070,954	6,305,590	6,634,232	4,094,351
Fines and forfeitures	7,859	15,920	18,843	33,589	39,319	49,661	30,921	51,327	43,416	55,570
Impact fees	-	-	639,381	579,405	1,110,411	1,176,581	881,277	1,325,084	599,474	744,501
Investment earnings	2,100,021	863,868	607,991	444,870	314,576	287,808	378,102	435,521	620,076	1,129,303
Miscellaneous	1,579,049	1,016,578	1,224,537	779,732	510,165	649,736	878,316	493,119	741,679	1,865,357
<b>Total Revenues</b>	<u>53,424,239</u>	<u>52,168,852</u>	<u>54,481,629</u>	<u>57,953,108</u>	<u>53,533,166</u>	<u>57,657,667</u>	<u>61,140,401</u>	<u>63,906,663</u>	<u>68,203,418</u>	<u>73,603,423</u>
<b>Expenditures:</b>										
General government	8,706,359	8,477,240	8,615,171	7,670,106	8,783,477	8,589,688	9,371,896	10,107,242	17,008,730	22,262,862
Public safety	8,362,918	8,594,671	8,602,055	8,529,207	8,662,354	8,183,663	8,847,916	9,482,589	14,207,880	14,237,064
Public works	23,661,140	16,213,038	18,319,470	14,600,932	18,782,222	28,841,693	30,898,004	25,858,927	33,616,857	22,440,256
Public health and welfare	4,018,150	4,081,533	3,988,632	4,202,136	4,743,347	4,909,132	5,347,087	5,627,421	6,333,643	8,568,449
Culture and recreation	9,148,625	14,307,057	25,834,171	4,667,086	4,990,167	1,014,272	663,617	12,602,134	293,168	8,630,438
Debt service:										
Principal retirement	1,445,369	1,485,691	1,871,032	1,166,394	916,778	942,184	1,002,615	1,028,072	1,053,557	1,735,000
Interest	1,294,530	1,250,055	1,198,232	1,187,916	1,129,690	1,089,581	1,004,167	980,746	955,062	1,379,933
<b>Total Expenditures</b>	<u>56,637,091</u>	<u>54,409,285</u>	<u>68,428,763</u>	<u>42,023,777</u>	<u>48,008,035</u>	<u>53,570,213</u>	<u>57,135,302</u>	<u>65,687,131</u>	<u>73,468,897</u>	<u>79,254,002</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	(3,212,852)	(2,240,433)	(13,947,134)	15,929,331	5,525,131	4,087,454	4,005,099	(1,780,468)	(5,265,479)	(5,650,579)
<b>Other Financing Sources (Uses):</b>										
Proceeds from sale of fixed assets	529,638	53,530	2,229,985	1,028,081	126,794	162,881	170,600	359,129	218,455	202,611
Premium on issuance	-	-	2,616	-	-	(2,816,056)	-	-	742,188	-
Debt issued	-	-	8,360,000	-	-	2,845,000	-	-	35,160,000	-
Payments to refunded debt escrow	-	-	(5,818,920)	-	-	-	-	-	(12,305,000)	-
Bond Issuance costs	-	-	102,030	-	-	35,300	-	-	65,450	-
Transfers in	1,079,758	1,080,533	1,432,719	774,066	6,622,849	2,693,752	728,197	666,088	1,582,031	1,397,335
Transfers (out)	(809,758)	(810,533)	(1,162,719)	(504,066)	(6,402,849)	(2,693,752)	(728,197)	(666,088)	(1,582,031)	(1,397,335)
<b>Total Other Financing Sources (Uses)</b>	<u>799,638</u>	<u>323,530</u>	<u>5,145,711</u>	<u>1,298,081</u>	<u>346,794</u>	<u>227,125</u>	<u>170,600</u>	<u>359,129</u>	<u>23,881,093</u>	<u>202,611</u>
<b>Net change in fund balances</b>	<u>\$ (2,413,214)</u>	<u>\$ (1,916,903)</u>	<u>\$ (8,801,423)</u>	<u>\$ 17,227,412</u>	<u>\$ 5,871,925</u>	<u>\$ 4,314,579</u>	<u>\$ 4,175,699</u>	<u>\$ (1,421,339)</u>	<u>\$ 18,615,614</u>	<u>\$ (5,447,968)</u>
<b>Ratio Calculation:</b>										
Debt service expenditures	\$ 2,739,899	\$ 2,735,746	\$ 3,069,264	\$ 2,354,310	\$ 2,046,468	\$ 2,031,765	\$ 2,006,782	\$ 2,008,818	\$ 2,008,619	\$ 3,114,933
Total expenditures	56,637,091	54,409,285	68,428,763	42,023,777	48,008,035	53,570,213	57,135,302	65,687,131	73,468,897	79,254,002
Capital outlay <sup>1</sup>	9,659,438	14,160,811	25,710,118	1,921,754	3,933,640	10,947,022	10,348,053	11,282,362	14,555,569	20,560,111
Adjusted non capital expenditures	\$ 46,977,653	\$ 40,248,474	\$ 42,718,645	\$ 40,102,023	\$ 44,074,395	\$ 42,623,191	\$ 46,787,249	\$ 54,404,769	\$ 58,913,328	\$ 58,693,891
<b>Debt Service as a percentage of noncapital expenditures</b>	5.83%	6.80%	7.18%	5.87%	4.64%	4.77%	4.29%	3.69%	3.41%	5.31%

Source:  
Pitkin County Finance Department (CAFR)  
Revenues, Expenditures, and Changes in Fund Balance does not include GASB 34 Adjustments

<sup>1</sup> Capital Outlay comes from the Pitkin County CAFR Reconciliation of the Statement of Revenues, Expenditures, and Change in Fund Balance of Governmental Funds to Statement of Activities

**Pitkin County, Colorado**  
**History of General Fund Revenues, Expenditures, and Changes in Fund Balance**  
**Last Ten Years**

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Revenues:</b>										
Taxes	\$ 9,287,481	\$ 10,023,482	\$ 10,618,282	\$ 11,288,860	\$ 12,207,193	\$ 12,959,972	\$ 13,446,029	\$ 14,089,341	\$ 14,573,084	\$ 11,307,439
Licenses and permits	1,040,534	697,635	677,946	715,127	750,075	1,200,764	1,608,444	1,773,016	1,075,280	4,761,127
Intergovernmental	1,537,503	1,484,289	2,016,001	2,755,678	2,064,764	2,188,800	3,032,095	3,524,132	4,671,503	4,623,508
Charges for services	5,255,040	6,043,270	5,455,824	5,833,080	5,415,476	5,574,400	5,990,106	6,172,018	6,591,683	4,072,727
Fines	6,079	13,820	15,829	30,139	35,519	46,461	27,860	46,927	40,516	52,070
Impact fees	-	13,015	203,923	-	-	170,150	164,859	520,148	91,559	237
Investment earnings	1,051,010	439,429	299,919	250,846	162,372	139,953	176,954	226,928	246,704	419,372
Miscellaneous	510,061	396,998	2,191,635	391,206	422,541	494,756	687,420	379,086	389,698	1,545,145
<b>Total Revenues</b>	<u>18,687,708</u>	<u>19,111,938</u>	<u>21,479,359</u>	<u>21,264,936</u>	<u>21,057,940</u>	<u>22,775,256</u>	<u>25,133,767</u>	<u>26,731,596</u>	<u>27,680,027</u>	<u>26,781,625</u>
<b>Expenditures:</b>										
General government	8,706,359	8,477,240	8,615,171	7,513,220	8,783,477	8,589,688	9,371,896	10,107,242	17,008,730	9,638,006
Public safety	7,873,225	7,998,223	8,097,589	8,009,087	8,012,072	7,644,058	8,345,515	9,022,106	13,754,667	12,964,719
Public works	455,983	695,833	638,558	292,430	4,758,268	6,251,089	4,828,569	2,806,286	2,904,092	241,898
Public health and welfare	2,530,399	2,148,851	1,782,583	1,756,577	1,899,321	2,124,185	2,247,894	2,327,604	2,467,764	2,852,436
Culture and recreation	101,627	301,395	286,512	810,484	39,798	202,852	12,226	33,639	134,452	99,720
<b>Total Expenditures</b>	<u>19,667,593</u>	<u>19,621,542</u>	<u>19,420,413</u>	<u>18,381,798</u>	<u>23,492,936</u>	<u>24,811,872</u>	<u>24,806,100</u>	<u>24,296,877</u>	<u>36,269,705</u>	<u>25,796,779</u>
<b>Excess (Deficiency) of Revenues</b>										
<b>Over Expenditures</b>	(979,885)	(509,604)	2,058,946	2,883,138	(2,434,996)	(2,036,616)	327,667	2,434,719	(8,589,678)	984,846
<b>Other Financing Sources (Uses):</b>										
Premium on bonds issued	-	-	-	-	-	-	-	-	742,188	-
Proceeds from sale of assets	27,408	26,645	55,420	1,018,786	106,794	128,064	161,239	250,769	199,005	3,500
Issuance of debt	-	-	-	-	-	-	-	-	22,790,000	-
Transfers in	648,637	657,353	665,358	665,066	2,120,198	2,559,752	500,697	528,088	803,031	535,971
Transfers out	(431,121)	(403,180)	(727,361)	(69,000)	(4,462,651)	(69,000)	(169,000)	(98,000)	(744,000)	(826,364)
<b>Total Other Financing Sources (Uses)</b>	<u>244,924</u>	<u>280,818</u>	<u>(6,583)</u>	<u>1,614,852</u>	<u>(2,235,659)</u>	<u>2,618,816</u>	<u>492,936</u>	<u>680,857</u>	<u>23,790,224</u>	<u>(286,893)</u>
<b>Net Change in Fund Balances</b>	(734,961)	(228,786)	2,052,363	4,497,990	(4,670,655)	582,200	820,603	3,115,576	15,200,546	697,953
<b>Fund Balances - Beginning</b>	<u>25,772,208</u>	<u>25,037,247</u>	<u>24,808,461</u>	<u>26,860,824</u>	<u>31,358,814</u>	<u>26,688,159</u>	<u>27,270,359</u>	<u>28,090,962</u>	<u>31,206,538</u>	<u>18,592,599</u> <sup>1</sup>
<b>Fund Balances - Ending</b>	<u>\$ 25,037,247</u>	<u>\$ 24,808,461</u>	<u>\$ 26,860,824</u>	<u>\$ 31,358,814</u>	<u>\$ 26,688,159</u>	<u>\$ 27,270,359</u>	<u>\$ 28,090,962</u>	<u>\$ 31,206,538</u>	<u>\$ 46,407,084</u>	<u>\$ 19,290,552</u>

Source:

Pitkin County Finance Department (CAFR)

Statement of Revenues, Expenditures, and Changes in Fund Balance does not include GASB 34 Adjustments

<sup>1</sup> The County's beginning general fund balance for the year ended December 31, 2017, was amended to reflect prior period adjustments. Details on the prior period adjustments can be found in Note II.B. in the Notes to the Financial Statements.

**Pitkin County, Colorado**  
**General Government Revenues by Source**  
**Last Ten Years**

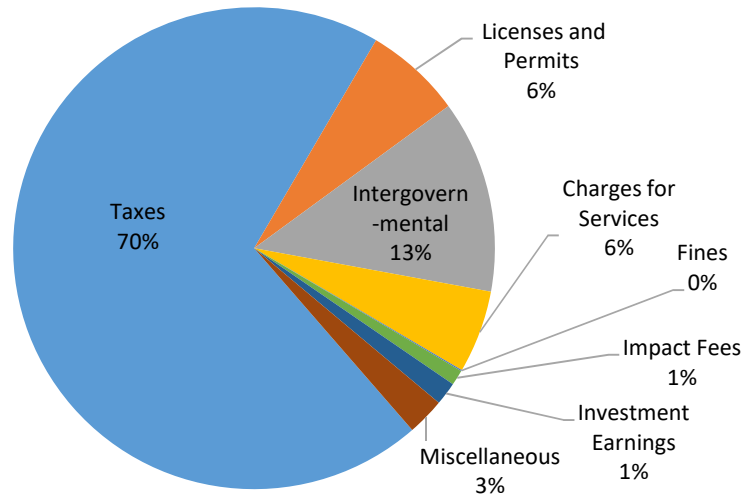
<b>Year</b>	<b>Taxes</b>	<b>Licenses and Permits</b>	<b>Intergovernmental</b>	<b>Charges for Services</b>	<b>Fines</b>	<b>Impact Fees</b>	<b>Investment Earnings</b>	<b>Miscellaneous</b>	<b>Total</b>
<b>2008</b>	\$ 38,706,371	\$ 1,057,109	\$ 4,688,484	\$ 5,285,346	\$ 7,859	\$ -	\$ 2,100,021	\$ 1,579,049	\$ 53,424,239
<b>2009</b>	36,854,043	712,890	6,518,272	6,187,281	15,920	-	863,868	1,016,578	52,168,852
<b>2010</b>	39,619,339	708,836	6,190,993	5,471,709	18,843	639,381	607,991	1,224,537	54,481,629
<b>2011</b>	41,071,874	722,872	8,428,852	5,891,914	33,589	579,405	444,870	779,732	57,953,108
<b>2012</b>	40,097,771	767,160	5,200,014	5,493,750	39,319	1,110,411	314,576	510,165	53,533,166
<b>2013</b>	42,039,211	1,224,559	6,427,057	5,803,054	49,661	1,176,581	287,808	649,736	57,657,667
<b>2014</b>	43,868,807	1,631,982	7,400,042	6,070,954	30,921	881,277	378,102	878,316	61,140,401
<b>2015</b>	46,443,853	1,802,194	7,049,975	6,305,590	51,327	1,325,084	435,521	493,119	63,906,663
<b>2016</b>	49,487,629	1,102,871	8,974,041	6,634,232	43,416	599,474	620,076	741,679	68,203,418
<b>2017</b>	51,398,356	4,794,505	9,521,480	4,094,351	55,570	744,501	1,129,303	1,865,357	73,603,423

Source:

Pitkin County Finance Department (CAFR)

General Government Revenues by Source does not include GASB 34 adjustments

**General Government Revenue by Source - 2017**



**Pitkin County, Colorado**  
**General Governmental Tax Revenues by Source<sup>1</sup>**  
**Last Ten Years**

	<u>Property Tax<sup>2</sup></u>	<u>General Sales &amp; Use Tax<sup>3</sup></u>	<u>Specific Ownership Tax</u>	<u>Other Taxes</u>	<u>Total</u>
2008	\$ 21,165,961	\$ 19,515,789	\$ 915,483	\$ 49,906	\$ 41,647,139
2009	22,026,592	17,120,380	712,065	50,484	39,909,521
2010	21,003,645	18,013,414	545,970	56,310	39,619,339
2011	21,255,658	19,245,716	524,584	45,916	41,071,874
2012	19,708,759	19,834,448	512,932	41,632	40,097,771
2013	23,612,295	21,194,528	704,661	62,942	45,574,426
2014	23,311,672	23,317,657	778,963	65,634	47,473,926
2015	23,915,174	25,384,691	847,049	38,956	50,185,870
2016	22,339,071	26,390,752	866,347	59,961	49,656,131
2017	22,758,464	27,791,836	835,075	12,981	51,398,356

Source:

Pitkin County Finance Department (CAFR)

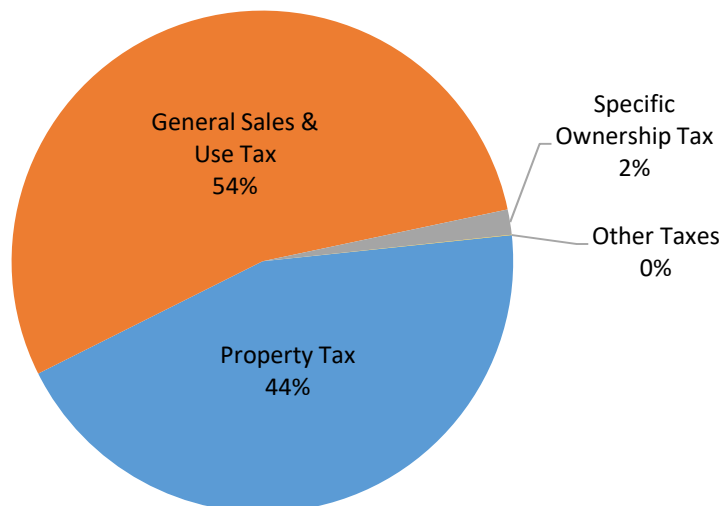
General Government Tax Revenues does not include GASB 34 adjustments

<sup>1</sup> The TABOR (Article X Section 20) amendment to the Colorado State Constitution limits revenue increases and has other specific requirements. Pitkin County voters have approved ballot questions to exempt the County from revenue limitations of the TABOR amendment.

<sup>2</sup> Full reappraisals of all Pitkin County properties are completed on a bi-annual basis.

<sup>3</sup> Sales tax is collected by the vendor and remitted to the State of Colorado. The State distributes Pitkin County's percentage, which is set by statute, to the County on a monthly basis. Use tax is collected by the building departments of Pitkin County, Town of Snowmass Village, and the City of Aspen. The Town and City remit payment to the County on a monthly basis.

**2017 Tax Revenues by Source**

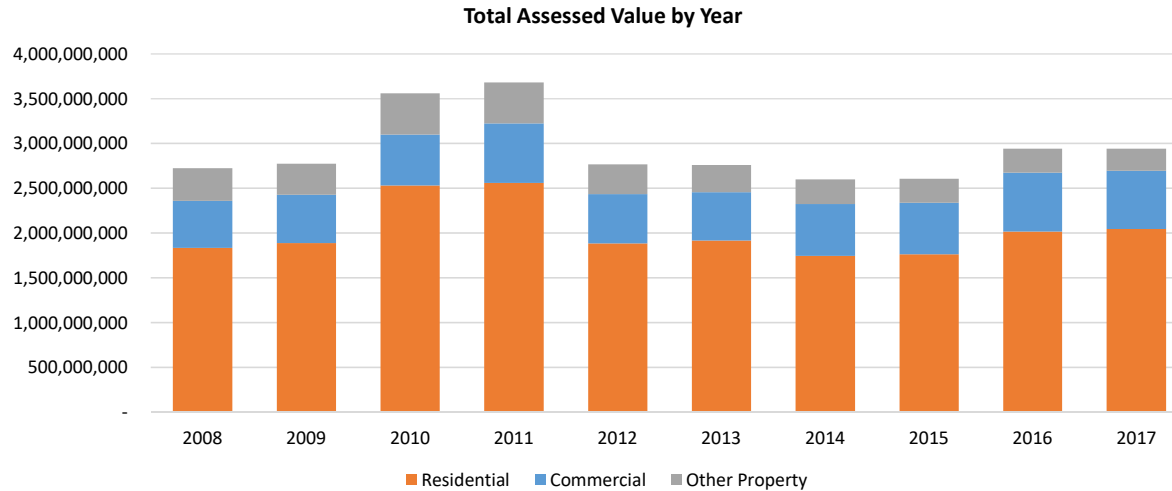


**Pitkin County, Colorado**  
**Assessed Value and Actual Value of Taxable Property**  
**Last Ten Years**

Fiscal Year Ended December 31 <sup>1</sup>	Valuation Base Year <sup>2</sup>	Residential Property Assessment Rate <sup>3</sup>	Residential Property <sup>4</sup>	Commercial Property	Other Property	Tax-Exempt Property	Assessed Value	Estimated Actual Value <sup>2</sup>	Taxable Assessed Value as a Percentage of Estimated Actual Taxable Value	Total Direct Tax Rate <sup>5</sup>
2008	2006	7.96%	1,835,272,830	525,401,540	365,275,400	101,812,000	2,725,949,770	26,064,189,400	10.46%	6.756
2009	2006	7.96%	1,890,760,930	537,651,440	348,055,260	102,352,400	2,776,467,630	26,756,102,700	10.38%	5.677
2010	2008	7.96%	2,533,478,410	567,069,179	462,427,190	94,300,400	3,562,974,779	35,709,237,080	9.98%	5.737
2011	2008	7.96%	2,560,936,370	664,170,830	457,829,340	104,990,300	3,682,936,540	36,028,432,570	10.22%	7.044
2012	2010	7.96%	1,887,749,260	550,476,280	329,146,770	95,167,200	2,767,372,310	26,680,593,580	10.37%	7.194
2013	2010	7.96%	1,917,492,650	540,207,790	302,583,360	95,539,100	2,760,283,800	26,825,808,240	10.29%	7.500
2014	2012	7.96%	1,747,138,620	578,518,300	274,677,280	86,166,700	2,600,334,200	24,699,886,140	10.53%	7.564
2015	2012	7.96%	1,765,139,610	573,865,110	270,153,960	147,450,000	2,609,158,680	24,936,862,630	10.46%	7.274
2016	2014	7.96%	2,017,334,290	657,651,400	268,070,010	154,228,100	2,943,055,700	28,428,866,000	10.35%	7.365
2017	2014	7.96%	2,046,646,780	648,798,170	246,548,570	206,619,000	2,941,993,520	28,745,909,770	10.23%	7.335

Source:  
Pitkin County Assessor's Office, Abstract of Assessments

- <sup>1</sup> Property taxes levied on the valuation for the year indicated are collected in the following year.
- <sup>2</sup> Actual value is reappraised bi-annually from sales that occurred in the 24 month period ending June 30 of the indicated valuation base year.
- <sup>3</sup> Residential property is assessed at the indicated assessment rate of actual value. All other property is assessed at 29% of actual value.
- <sup>4</sup> Residential property is valued at 100% of market value; all other property is valued considering the income, cost, and market approaches to appraisal.
- <sup>5</sup> Per \$1,000 of assessed valuation.



**Pitkin County, Colorado**  
**Direct and Overlapping Property Tax Rates**  
**Last Ten Years**  
*(rate per \$1,000 of assessed value)*

<b>Tax Year</b>	<b>General Fund</b>	<b>Road and Bridge</b>	<b>Social Services</b>	<b>Healthy Community</b>	<b>Bond Redemption</b>	<b>Open Space</b>	<b>Radio and TV Translator</b>	<b>Total Direct Tax Rate</b>
2008	1.922	0.141	0.036	0.501	0.173	3.760	0.223	6.756
2009	1.491	0.110	0.048	0.394	0.126	3.333	0.175	5.677
2010	1.501	0.112	0.065	0.402	0.127	3.351	0.179	5.737
2011	2.150	0.158	0.065	0.567	0.055	3.797	0.252	7.044
2012	2.205	0.162	0.065	0.707	-	3.796	0.259	7.194
2013	2.416	0.178	0.065	0.778	-	3.783	0.280	7.500
2014	2.476	0.182	0.065	0.802	-	3.750	0.289	7.564
2015	2.289	0.168	0.065	0.735	-	3.750	0.267	7.274
2016	2.347	0.173	0.065	0.757	-	3.750	0.273	7.365
2017	2.325	0.173	0.065	0.751	-	3.750	0.271	7.335

<b>Tax Year</b>	<b>Overlapping Rates</b>												
	<b>City of Aspen</b>	<b>Town of Basalt</b>	<b>Town of Snowmass Village</b>	<b>Aspen School District</b>	<b>Roaring Fork School District</b>	<b>Colorado Mountain College</b>	<b>Colorado River Water Conservation</b>	<b>Aspen Valley Hospital</b>	<b>Pitkin County Library</b>	<b>Aspen Ambulance District</b>	<b>Fire Protection Districts</b>	<b>Water and Sanitation Districts</b>	<b>Other Special Districts</b>
2008	5.467	5.181	9.509	9.355	33.942	3.997	0.198	1.280	1.148	0.176	19.198	29.093	450.460
2009	4.042	3.873	7.485	7.846	30.984	3.997	0.166	0.969	0.906	0.138	17.246	22.937	362.468
2010	3.854	4.066	7.356	8.254	30.992	3.997	0.188	1.931	0.932	0.142	18.367	23.687	410.153
2011	5.236	6.139	8.940	9.105	39.589	3.997	0.228	2.664	1.296	0.198	21.619	31.003	467.487
2012	5.346	6.386	9.019	9.201	38.240	3.997	0.242	2.920	1.336	0.204	25.628	32.030	474.416
2013	5.654	7.560	9.261	9.333	42.445	3.997	0.254	2.539	1.439	0.220	24.016	37.828	519.316
2014	5.817	9.881	9.200	9.297	42.149	3.997	0.253	2.818	1.490	0.400	25.997	39.399	520.215
2015	4.978	9.158	9.236	9.111	42.300	3.997	0.243	2.819	1.359	0.451	27.523	43.172	522.815
2016	5.227	11.592	9.016	9.092	45.245	3.997	0.253	2.791	1.411	0.501	28.834	47.538	585.305
2017	5.096	11.588	8.809	8.855	44.038	3.997	0.254	2.587	1.391	0.501	29.392	93.996	614.036

Source:  
Pitkin County Assessor's Office, Abstract of Assessments

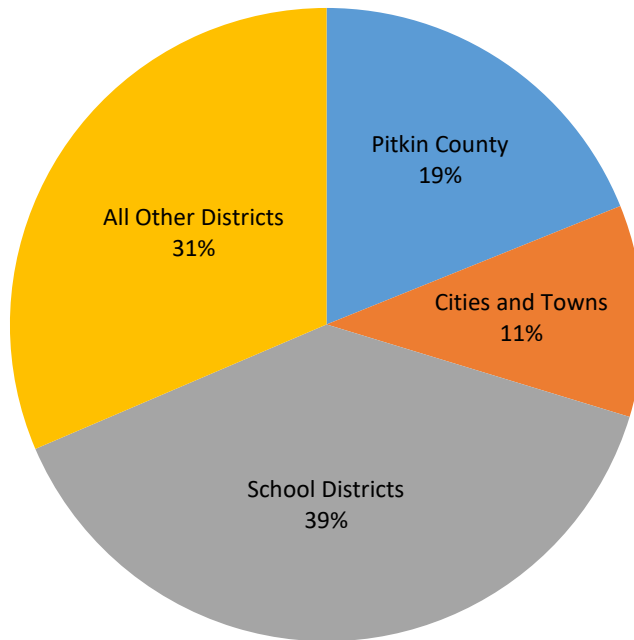
**Pitkin County, Colorado**  
**Property Tax Levies - Direct and Overlapping Governments**  
**Last Ten Years**

*(rate per \$1,000 of assessed value)*

<u>Levy Year</u>	<u>Collection Year</u>	<u>Pitkin County</u>	<u>Cities and Towns</u>	<u>School Districts</u>	<u>All Other Districts</u>	<u>Total</u>
2008	2009	\$ 18,762,550	\$ 12,023,049	\$ 42,593,524	\$ 24,923,550	\$ 98,302,673
2009	2010	20,820,345	12,253,994	50,654,435	27,048,066	110,776,840
2010	2011	21,134,133	11,939,110	52,156,239	32,057,657	117,287,139
2011	2012	19,498,616	11,626,123	42,806,294	29,217,657	103,148,690
2012	2013	19,862,840	11,791,508	42,738,085	31,078,410	105,470,843
2013	2014	19,492,533	11,780,966	40,966,215	29,422,230	101,661,944
2014	2015	19,740,745	12,092,259	40,972,920	31,776,826	104,582,750
2015	2016	21,412,997	12,380,020	46,317,967	34,180,010	114,290,994
2016	2017	21,673,059	12,705,774	46,026,965	36,980,529	117,386,327
2017	2018	22,749,136	13,019,692	46,786,309	37,823,119	120,378,256

Source:  
Pitkin County Assessor - Abstract of Assessment

**Property Tax Levied in 2017**



**Pitkin County, Colorado  
Principal Property Tax Payers  
Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>2017</u>			<u>2008</u>		
	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Assessed Value</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Assessed Value</u>
Aspen Skiing Company	\$ 66,483,770	1	2.26%	\$ 63,526,670	1	2.16%
315 East Dean Association Inc	31,510,070	2	1.07%			
Silvertree Property Co	19,371,090	3	0.66%	13,455,600	4	0.46%
Iconic Properties Jerome LLC	15,955,710	4	0.54%			
Residences at the Little Nell Condo Assoc	14,244,410	5	0.48%			
Hyatt Grand Aspen	14,211,790	6	0.48%	12,398,820	5	0.42%
Cox Anthony E Living Trust	12,759,370	7	0.43%			
Holy Cross Electric Assn.	12,502,100	8	0.42%	8,390,200	9	0.29%
SV Land Holdings	11,219,050	9	0.38%			
Ajax Mountain Associates LLC	10,579,650	10	0.36%			
Sheridan Luxury Trust, Aspen Dean Street, LLC				19,595,880	2	0.67%
Base Village Owner LLC				15,227,790	3	0.52%
Ritz Carlton/Aspen Highlands Condo Assn.				12,096,710	6	0.41%
Hotel Jerome Inc				9,610,890	7	0.33%
ASPCOL Corporation NV				8,452,770	8	0.29%
Snowmass Club Associates, LLC				7,966,720	10	0.27%
<b>Total</b>	<b><u>\$ 208,837,010</u></b>		<b><u>7.10%</u></b>	<b><u>\$ 170,722,050</u></b>		<b><u>5.80%</u></b>

Source:  
Pitkin County Assessor

**Pitkin County, Colorado  
Property Tax Levies and Collections  
Last Ten Years**

<u>Assessment and Levy Year</u>	<u>Collection Year</u>	<u>Collected within the Fiscal Year Following the Levy</u>			<u>Adjusted Tax Levied<sup>3</sup></u>	<u>Total Collections for Tax Year</u>	
		<u>Taxes Levied for the Fiscal Year<sup>1</sup></u>	<u>Amount Collected in Collection Year<sup>2</sup></u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
<b>2007</b>	<b>2008</b>	\$ 20,872,808	\$ 20,800,559	99.65%	N/A <sup>4</sup>	\$ 20,849,390	N/A
<b>2008</b>	<b>2009</b>	22,115,631	21,997,903	99.47%	21,964,284	21,890,612	99.66%
<b>2009</b>	<b>2010</b>	24,293,412	24,060,907	99.04%	24,115,851	24,091,526	99.90%
<b>2010</b>	<b>2011</b>	24,725,448	23,803,551	96.27%	24,603,378	24,589,689	99.94%
<b>2011</b>	<b>2012</b>	23,282,728	23,037,940	98.95%	23,130,181	23,113,377	99.93%
<b>2012</b>	<b>2013</b>	23,750,999	23,588,147	99.31%	23,720,122	23,694,299	99.89%
<b>2013</b>	<b>2014</b>	23,448,294	23,285,583	99.31%	23,347,020	23,332,975	99.94%
<b>2014</b>	<b>2015</b>	24,192,179	23,898,832	98.79%	24,099,720	24,090,282	99.96%
<b>2015</b>	<b>2016</b>	26,221,787	26,012,432	99.20%	26,089,474	26,081,863	99.97%
<b>2016</b>	<b>2017</b>	26,731,035	26,580,734	99.44%	26,689,341	26,666,330	99.91%

Source:  
Pitkin County Assessor  
Pitkin County Treasurer

<sup>1</sup> Taxes are levied and collected in the subsequent year.

<sup>2</sup> Total current and delinquent years' taxes collected less refunds of abated taxes paid.

<sup>3</sup> Adjusted tax levied is net of reductions from successful taxpayer protests of property valuations.

<sup>4</sup> Adjusted tax levied amount is not available for collection year 2008.

**Pitkin County, Colorado  
Sales Tax Receipts  
Last Ten Years**

Year	2% County Sales Tax <sup>1</sup>		1% Transit Sales Tax							County Share of Sales Tax Receipts	Total Sales Tax Receipts
	2% County Sales Tax Receipts	County Share of 2% Sales Tax Receipts (43%)	1% Transit Sales Tax Receipts	City of Aspen Share of 1% Transit Sales Tax Receipts	Town of Snowmass Village Share of 1% Transit Sales Tax Receipts	RFTA Share of 1% Transit Sales Tax Receipts	.5% Transit Sales Tax Receipts	.1% Healthy Rivers and Streams Sales Tax Receipts <sup>2</sup>			
2008	16,088,635	6,918,113	7,715,882	3,169,050	833,178	3,713,654	4,034,722	-	10,952,835	27,839,239	
2009	13,313,300	5,724,719	6,393,062	2,636,622	679,459	3,076,981	3,371,170	649,456	9,745,345	23,726,988	
2010	14,148,776	6,083,974	6,825,847	2,830,663	709,904	3,285,280	3,580,664	691,832	10,356,470	25,247,119	
2011	15,215,285	6,542,573	7,366,067	3,048,981	771,798	3,545,288	3,798,447	752,712	11,093,732	27,132,511	
2012	15,659,281	6,733,491	7,586,027	3,132,143	802,730	3,651,154	3,913,565	781,400	11,428,456	27,940,273	
2013	16,737,908	7,197,300	8,132,860	3,327,320	891,195	3,914,345	4,998,934	836,895	13,033,129	30,706,597	
2014	18,153,402	7,805,963	9,015,888	3,708,007	968,534	4,339,347	4,567,135	907,670	13,280,768	32,644,095	
2015	19,542,928	8,403,459	9,771,466	4,024,448	1,044,012	4,703,006	4,929,637	977,146	14,310,242	35,221,177	
2016	20,243,491	8,704,701	10,121,745	4,192,191	1,057,958	4,871,596	5,106,873	1,018,512	14,830,086	36,490,621	
2017	21,235,704	9,131,353	10,617,852	4,376,670	1,130,810	5,110,372	5,357,764	1,061,785	15,550,902	38,273,105	

Source:  
Pitkin County Finance Department - Colorado State Sales Tax Distribution

<sup>1</sup> 43% of Pitkin County's 2% sales tax is distributed to Pitkin County and 57% is distributed to municipalities within Pitkin County based upon actual sales taxes collected during the previous years.

<sup>2</sup> The .1% Healthy Rivers and Streams sales tax was first collected in 2009 and as such prior year data is unavailable.

**Pitkin County, Colorado**  
**Principal Sales Tax Remitters**  
**Current Year and Eight Years Ago<sup>1</sup>**

2017	
Business Name <sup>2</sup>	Industry
Aspen Skiing Co LLC	Tourist Accomodations
Black Hills Gass Distribution, LLC	Utility
City Market	Food and Drug
Holy Cross Electric Association	Utility
Hotel Jerome	Tourist Accomodations
Limelight Lodge	Tourist Accomodations
Probuild Company	Building Materials
Silvertree Hotel	Tourist Accomodations
The St. Regis Hotel	Tourist Accomodations
Viceroy Snowmass	Tourist Accomodations

2009	
Business Name <sup>2</sup>	Industry
City Market	Food and Drug
Clark's Market	Food and Drug
Harbert Lumber Company	Building Materials
Holy Cross Electric Association	Utility
Silvertree Hotel & The Brothers Grill	Tourist Accomodations
Source Gas Distribution	Utility
The Little Nell Hotel	Tourist Accomodations
The St. Regis Hotel	Tourist Accomodations
Trajen FBO Network	Private Aircraft Services
US West Communications	Utility

Source:

Pitkin County Finance Department  
Colorado Department of Revenue

<sup>1</sup> This information is not available for nine years ago, as such data from eight years ago was used.

<sup>2</sup> Business names are listed in alphabetical order.

**Pitkin County, Colorado**  
**Sales Tax Revenue Bond Coverage**  
**2010 Sales Tax Revenue Bonds**  
**Last Eight Years<sup>1</sup>**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>Maximum Annual Debt Service Coverage:</b>								
County 1% Sales Tax <sup>2</sup>	\$ 6,825,847	\$ 7,366,067	\$ 7,586,027	\$ 8,132,860	\$ 9,015,888	\$ 9,771,466	\$ 10,121,745	\$ 10,617,852
Interest Income	2,947	1,930	1,930	893	1,032	1,142	2,058	10,582
Total Pledged Revenues <sup>3</sup>	<u>6,828,794</u>	<u>7,367,997</u>	<u>7,587,957</u>	<u>8,133,753</u>	<u>9,016,920</u>	<u>9,772,608</u>	<u>10,123,803</u>	<u>10,628,434</u>
Maximum Annual Debt Service	658,350	658,350	658,350	658,350	658,350	658,350	658,350	658,350
Annual Coverage Factor (Times Coverage) <sup>4</sup>	10.37	11.19	11.53	12.35	13.70	14.84	15.38	16.14
Annual Surplus	<u>\$ 6,170,444</u>	<u>\$ 6,709,647</u>	<u>\$ 6,929,607</u>	<u>\$ 7,475,403</u>	<u>\$ 8,358,570</u>	<u>\$ 9,114,258</u>	<u>\$ 9,465,453</u>	<u>\$ 9,970,084</u>

Source:  
Pitkin County Finance Department

<sup>1</sup> Debt issuance occurred in 2010, data is only provided since issuance.

<sup>2</sup> The intergovernmental agreement directing the distribution of the 1% sales taxes provides that distributions to RFTA and municipalities are subordinate to debt service requirements.

<sup>3</sup> The 1% sales tax and interest earned on the debt service fund are pledged as security for these bonds.

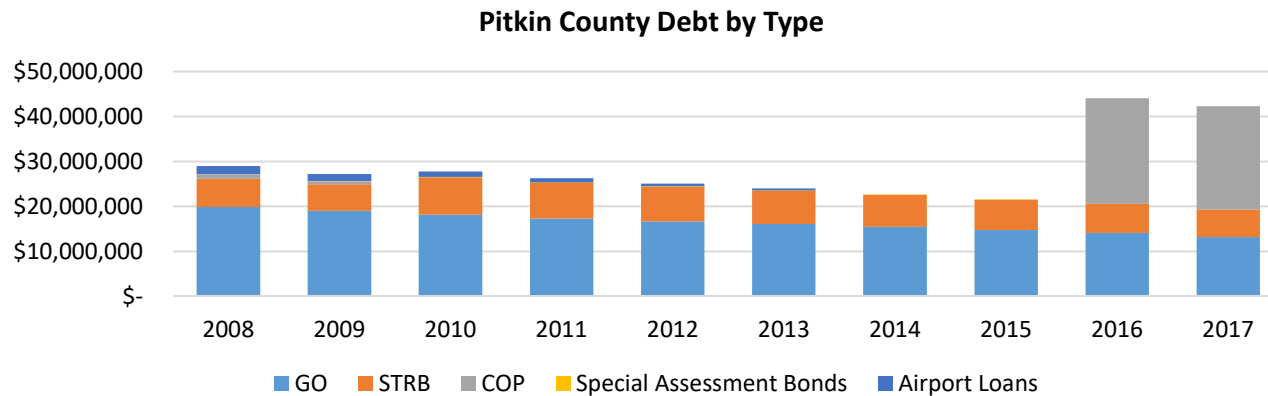
<sup>4</sup> The bond covenants do not require a specific coverage factor. However, before additional parity bonds can be issued, historical coverage of existing and proposed debt service must be at least 2 times pledged revenue.

**Pitkin County, Colorado  
Outstanding Debt by Type  
Last Ten Years**

Fiscal Year	Governmental Activities				Business-Type Activities		Total Primary Government	Percentage of Estimated Personal Income <sup>1</sup>	Total Debt Per Capita
	General Obligation Bonds	Sales Tax Revenue Bonds	Certificates of Participation	Special Assessment Bonds	Airport Loans				
2008	\$ 19,860,000	\$ 6,320,000	\$ 915,000	\$ 56,323	\$ 1,859,865	\$ 29,011,188	1.44%	\$ 1,763	
2009	19,035,000	5,955,000	625,000	50,632	1,557,997	27,223,629	1.73%	1,601	
2010	18,175,000	8,362,616	-	44,600	1,246,831	27,829,047	1.84%	1,622	
2011	17,300,000	8,077,425	-	38,206	926,055	26,341,686	1.66%	1,538	
2012	16,695,000	7,772,241	-	31,428	595,333	25,094,002	1.31%	1,457	
2013	16,110,000	7,457,063	-	24,244	404,620	23,995,927	1.34%	1,382	
2014	15,435,000	7,136,893	-	16,629	-	22,588,522	1.02%	1,284	
2015	14,740,000	6,811,730	-	8,557	-	21,560,287	0.95%	1,212	
2016	14,090,000	6,481,574	23,532,188	-	-	44,103,762	1.95%	2,484	
2017	13,170,000	6,141,426	23,016,291	-	-	42,327,717	1.85%	2,366	

Source:  
Pitkin County Finance Department (CAFR)

<sup>1</sup> Pitkin County Estimated Personal Income. See page J20 for additional details.



**Pitkin County, Colorado**  
**Ratios of Bonded Debt Outstanding**  
**Last Ten Years**

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Sales Tax Revenue Bonds</b>	<b>Certificates of Participation</b>	<b>Special Assessment Bonds</b>	<b>Other Loans</b>	<b>Total Bonded General Obligation Debt Outstanding</b>	<b>Percentage of Actual Taxable Value of Property</b>	<b>General Bonded Debt Per Capita</b>
<b>2008</b>	\$ 19,860,000	\$ 6,320,000	\$ 915,000	\$ 56,323	\$ 1,859,865	\$ 19,860,000	0.08%	\$ 1,207
<b>2009</b>	19,035,000	5,955,000	625,000	50,632	1,557,997	19,035,000	0.07%	1,119
<b>2010</b>	18,175,000	8,362,616	-	44,600	1,246,831	18,175,000	0.05%	1,059
<b>2011</b>	17,300,000	8,077,425	-	38,206	926,055	17,300,000	0.05%	1,010
<b>2012</b>	16,695,000	7,772,241	-	31,428	595,333	16,695,000	0.06%	969
<b>2013</b>	16,110,000	7,457,063	-	24,244	404,620	16,110,000	0.06%	928
<b>2014</b>	15,435,000	7,136,893	-	16,629	-	15,435,000	0.06%	877
<b>2015</b>	14,740,000	6,811,730	-	8,557	-	14,740,000	0.06%	829
<b>2016</b>	14,090,000	6,481,574	23,532,188	-	-	14,090,000	0.05%	794
<b>2017</b>	13,170,000	6,141,426	23,016,291	-	-	13,170,000	0.05%	736

Source:  
Pitkin County Finance Department (CAFR)

**Pitkin County, Colorado**  
**Computation of Legal Debt Margin**  
**General Obligation Debt**  
**Last Ten Years**

	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Computation of legal debt limit:</b>										
Taxable assessed valuation	\$ 2,725,949,770	\$ 2,776,467,630	\$ 3,562,974,779	\$ 3,682,936,540	\$ 2,767,372,310	\$ 2,760,283,800	\$ 2,600,334,200	\$ 2,609,158,680	\$ 2,943,055,700	\$ 2,941,993,520
Plus exempt property	101,812,000	102,352,400	94,300,400	104,990,300	95,167,200	95,539,100	86,166,700	147,450,000	154,228,100	206,619,000
Total assessed value	2,827,761,770	2,878,820,030	3,657,275,179	3,787,926,840	2,862,539,510	2,855,822,900	2,686,500,900	2,756,608,680	3,097,283,800	3,148,612,520
Legal debt limit percentage <sup>1</sup>	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Legal debt limit	84,832,853	86,364,601	109,718,255	113,637,805	85,876,185	85,674,687	80,595,027	82,698,260	92,918,514	94,458,376
<b>Amount of debt applicable to limit:</b>										
General obligation bonds	19,860,000	19,035,000	18,175,000	17,300,000	16,695,000	16,110,000	15,435,000	14,740,000	14,090,000	13,170,000
Legal debt margin	<u>\$ 64,972,853</u>	<u>\$ 67,329,601</u>	<u>\$ 91,543,255</u>	<u>\$ 96,337,805</u>	<u>\$ 69,181,185</u>	<u>\$ 69,564,687</u>	<u>\$ 65,160,027</u>	<u>\$ 67,958,260</u>	<u>\$ 78,828,514</u>	<u>\$ 81,288,376</u>
Total debt applicable to the limit as a percentage of debt limit	23.41%	22.04%	16.57%	15.22%	19.44%	18.80%	19.15%	17.82%	15.16%	13.94%

Source:  
Colorado Revised Statute 30-26-301  
Pitkin County Finance Department (CAFR)

<sup>1</sup> Per Colorado Revised Statute 30-35-201 (6b)

**Pitkin County, Colorado**  
**Demographic and Economic Statistics**  
**Last Ten Years**

<b>Fiscal Year</b>	<b>Population<sup>1</sup></b>	<b>Estimated Total Personal Income (in thousands)</b>	<b>Per Capita Income<sup>1</sup></b>	<b>Unemployment Rate<sup>2</sup></b>
2008	16,454	2,009,445	122,125	3.3%
2009	17,008	1,570,332	92,329	5.9%
2010	17,158	1,509,321	87,966	7.5%
2011	17,129	1,590,154	92,834	6.7%
2012	17,223	1,910,375	110,920	6.7%
2013	17,361	1,789,659	103,085	6.0%
2014	17,595	2,208,137	125,498	3.7%
2015	17,782	2,266,138	127,440	3.0%
2016	17,752	2,285,357	128,738	2.7%
2017	17,890 <sup>4</sup>	- <sup>3</sup>	- <sup>3</sup>	3.2%

Source:

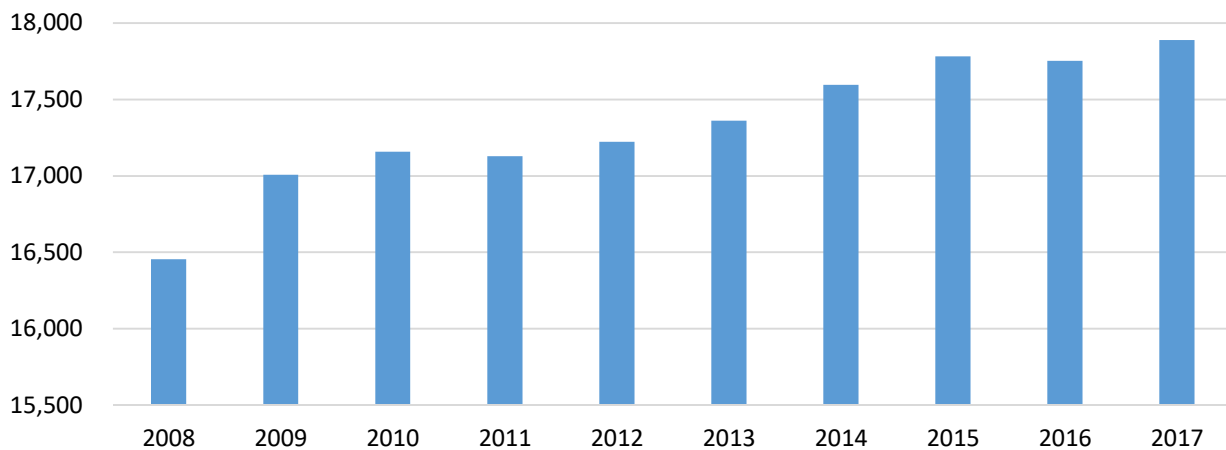
<sup>1</sup> Pitkin County Per Capita Income figures per U.S. Department of Commerce, Bureau of Economic Analysis (<http://www.bea.gov>).

<sup>2</sup> U.S. Bureau of Labor Statistics

<sup>3</sup> Information was not available at the time of publishing.

<sup>4</sup> Population data was not available through the U.S. Department of Commerce for 2017 at the time of publishing. Therefore, a population estimate was used from the U.S. Census Bureau.

**Population for Pitkin County**



**Pitkin County, Colorado  
Principal Employers  
Current Year and Nine Years Ago**

<b>Employers</b>	<b>2017</b>			<b>2008</b>		
	<b>Number of Employees<sup>1</sup></b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>	<b>Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total County Employment</b>
Aspen Skiing Company <sup>2</sup>	3,400	1	29.45%	3,400	1	28.45%
Little Nell Hotel	400	2	3.46%			
Roaring Fork Transit Agency	351	3	3.04%	272	6	2.28%
St. Regis Aspen Airport	350	4	3.03%	288	5	2.41%
City of Aspen	322	5	2.79%	390	3	3.26%
Pitkin County	303	6	2.62%	254	7	2.13%
Aspen Valley Hospital	300	7	2.60%	409	2	3.42%
Viceroy Snowmass Resort	300	7	2.60%			
Hotel Jerome	250	9	2.17%	164	10	1.37%
Aspen School District	210	10	1.82%	235	8	1.97%
Silvertree Hotel of Snowmass				299	4	2.50%
Ritz Carlton				169	9	1.41%
<b>Total</b>	<b>6,186</b>		<b>53.58%</b>	<b>5,880</b>		<b>49.21%</b>
<b>Total Pitkin County Labor Force</b>	<b>11,545</b>			<b>11,950</b>		

Source:

Colorado Department of Labor website  
Individual employers

<sup>1</sup> The number of employees can vary based on season in Pitkin County. As such, the largest number of employees at any point in the year has been presented for each employer.

<sup>2</sup> In 2008, the number of employees for the Aspen Skiing Company included employees for the Little Nell Hotel. In 2017, the Little Nell Hotel is presented separately.

**Pitkin County, Colorado**  
**Full-Time Equivalent County Government Employees<sup>1</sup>**  
**Last Ten Years**

<b>Function/Program</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>General government</b>										
Assessor	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	11.00	11.00
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	10.55	10.55	10.55	10.55	11.55	10.55	10.55	12.25	11.25	11.25
County Attorney	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00	6.00	5.00
County Manager	4.80	4.80	4.80	4.80	4.80	4.80	4.80	5.80	7.80	7.80
Facilities	9.75	9.75	9.75	8.75	9.75	9.75	11.35	11.75	11.75	12.75
Finance	8.80	8.80	8.80	7.80	7.80	7.00	8.00	8.00	10.00	10.00
Human Resources	3.80	3.80	4.00	4.00	4.00	4.00	4.00	4.00	6.00	6.00
Technology (BITS)	1.00	1.00	-	-	-	3.00	4.00	10.00	10.00	10.00
Treasurer	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60
Use Tax	-	-	1.00	1.00	1.00	1.00	1.00	1.00	-	-
<b>Judicial and Public Safety</b>										
Building Inspections	7.00	7.00	6.00	5.00	5.00	7.00	7.00	8.00	8.00	9.00
Detention	11.80	12.80	13.80	14.00	14.00	14.00	14.00	15.00	15.00	15.00
Dispatch	16.00	16.00	16.00	17.00	17.00	14.00	14.00	14.00	15.00	15.80
Planning and Zoning	10.50	10.50	10.00	10.00	8.60	8.00	8.00	9.00	9.00	10.00
Radio/Phones	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Sheriff	28.75	28.00	29.00	29.00	28.75	28.75	28.75	28.75	28.00	28.00
<b>Public Works</b>										
Administrative Services	6.00	6.00	5.00	5.00	4.00	4.00	4.00	5.00	5.00	5.00
Fleet Services	6.00	6.00	6.00	6.00	6.00	6.00	6.00	7.00	7.00	8.00
Land Management	1.00	1.00	1.00	-	-	-	-	-	-	-
Road and Bridge	10.00	10.00	10.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Telecommunications	1.00	1.00	1.00	1.00	-	1.00	1.00	1.00	2.00	3.00
<b>Health and Welfare</b>										
Animal Safety	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Environmental Health	6.00	5.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Family Services	2.00	3.00	3.00	3.00	5.00	6.00	6.00	6.00	8.00	10.00
Healthy Community Fund	-	-	-	-	-	-	0.50	0.50	0.80	0.80
Human Services	2.00	2.00	2.00	2.00	2.80	2.80	3.00	3.00	4.53	4.53
Public Health <sup>2</sup>	-	-	-	-	-	-	-	-	-	3.00
Senior Services	5.05	5.20	5.20	5.20	5.28	5.28	5.28	5.38	5.38	5.38
<b>Cultural and Recreation</b>										
Library	20.98	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Open Space and Trails	5.00	5.00	7.00	7.00	7.00	9.00	9.00	9.00	11.00	12.00
<b>Business-type</b>										
Airport Operations	24.40	24.00	24.00	25.00	25.00	25.00	25.00	25.00	27.00	30.00
Solid Waste and Recycling	12.00	12.00	11.00	10.00	10.00	10.00	10.00	10.00	13.00	14.00
	<u>240.78</u>	<u>241.80</u>	<u>239.50</u>	<u>235.70</u>	<u>236.93</u>	<u>240.53</u>	<u>244.83</u>	<u>259.03</u>	<u>276.11</u>	<u>290.91</u>

Source:  
Pitkin County Human Resources Department

<sup>1</sup> The numbers presented above are the number of FTE's (full-time equivalents) rounded to the nearest hundredth. These numbers are approved staffing for the year indicated, including seasonal employees.

<sup>2</sup> Public Health functions were outsourced until 2017 when Pitkin County started to perform the functions in-house.

**Pitkin County, Colorado**  
**Operating Indicators by Function/Program**  
**Last Ten Years**

<u>Function/Program</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>General Government</b>										
Assessor										
Property transfers	1,453	1,288	1,474	1,690	1,639	1,803	2,192	1,655	1,564	1,569
Public Trustee										
Number of foreclosures filed	35	105	144	113	113	57	28	23	17	14
Clerk and Recorder										
Number of vehicle registrations	18,990	18,447	17,687	18,099	18,131	18,613	19,469	19,667	20,077	19,959
Number of registered voters	13,307	13,537	13,617	13,751	14,619	15,135	15,595	14,871	15,280	14,985
Human Resources										
Number of job applications processed	1,046	634	1,042	818	1,392	1,243	1,354	712	1,211	871
<b>Public Safety</b>										
Coroner										
Number of deaths investigated	29	21	22	28	24	26	45	28	25	38
Detention										
Average daily population	16	16	17	16	17	16	17	15	20	15
District Attorney										
Number of felony cases	96	100	94	114	80	89	51	51	74	91
Number of juvenile cases	9	23	49	22	17	34	28	28	5	29
Sheriff										
Incidents handled by patrol and investigations	812	813	832	776	859	956	761	747	914	879
Building Inspections										
Number of building permits issued	364	282	320	290	378	346	460	488	417	360
Planning and Zoning										
Number of land use applications processed	199	172	148	143	154	137	148	139	135	104
<b>Public Works</b>										
Road and Bridge										
County roads (center lane miles)	265	265	265	265	265	265	265	265	265	265
Bridges	26	26	24	24	24	24	24	24	24	24
<b>Public Health and Welfare</b>										
Animal Control										
Number of animals placed in shelter	152	162	147	159	135	147	125	97	72	79
Environmental Health										
Number of food service inspections	165	165	167	155	143	170	153	161	101	85
Number of septic system permit reviews	104	45	66	84	83	109	133	132	139	145
Grant Administration										
Number of County grant applications processed	55	71	76	77	75	72	74	72	68	66
Senior Services										
Number of senior lunches	10,047	10,735	11,438	10,935	10,143	10,523	9,731	9,657	9,205	9,110
Number of requests for transportation	6,498	7,399	7,906	8,206	7,242	8,475	7,582	6,677	5,892	6,018
Human Services Public Assistance										
Caseload	250	328	346	435	428	480	768	1,234	1,351	1,458

(continued)

**Pitkin County, Colorado**  
**Operating Indicators by Function/Program (continued)**  
**Last Ten Years**

<b>Function/Program</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Cultural and Recreation</b>										
Library										
Number of books	109,413	111,599	112,491	93,277	95,402	83,365	78,647	78,952	77,393	75,797
Open Space and Trails										
Acres of conserved open space land	16,431	17,753	18,500	18,630	18,799	19,314	19,680	19,981	20,137	20,144
Trails maintained (lane miles)	43.00	47.00	47.88	48.00	42.05	68.00	73.07	73.07	73.07	75.97
<b>Business-type</b>										
Airport Operations										
Number of enplaned passengers	222,881	219,678	227,784	223,078	220,376	211,749	224,311	209,306	250,266	244,028
<b>Solid Waste and Recycling</b>										
Cubic yards of solid waste processed	347,094	220,000	106,000	112,585	120,633	131,305	N/A	N/A	N/A	N/A
Tons of solid waste processed	N/A	N/A	N/A	N/A	N/A	N/A	49,127	64,119	67,146	75,236
Recycled tons processed	N/A	N/A	N/A	N/A	N/A	N/A	1,930	2,430	2,179	2,330

Source:  
Pitkin County Offices/Departments

**Pitkin County, Colorado**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Years**

<b>Function/Program</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>General government</b>										
Land	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452
Buildings	6,702,330	6,702,330	6,858,306	6,821,667	7,526,440	6,864,477	2,870,554	6,168,998	9,761,069	9,761,069
Improvements	169,292	157,340	157,340	157,339	157,340	140,145	55,430	169,005	169,005	169,005
Equipment	3,813,303	3,004,281	3,234,512	3,033,682	3,057,557	3,064,379	774,271	2,179,166	2,294,512	2,084,057
Infrastructure	32,768	32,768	32,768	32,768	32,768	32,768	15,874	32,768	32,768	32,768
<b>Total General Government</b>	<b>12,981,145</b>	<b>12,160,171</b>	<b>12,546,378</b>	<b>12,308,908</b>	<b>13,037,557</b>	<b>12,365,221</b>	<b>5,979,581</b>	<b>10,813,389</b>	<b>14,520,806</b>	<b>14,310,351</b>
<b>Public Safety</b>										
Land	392,693	392,693	392,693	392,693	392,693	392,693	392,693	392,693	392,693	392,693
Buildings	4,188,220	4,260,770	4,255,455	4,243,280	4,243,280	4,243,280	1,461,886	4,243,280	4,243,280	4,243,280
Improvements	23,696	23,696	23,696	23,696	23,696	23,696	6,866	23,695	23,695	23,696
Equipment	2,932,562	3,317,375	3,932,875	3,887,338	4,541,652	4,130,563	2,106,819	3,704,003	4,851,566	5,309,666
<b>Total Public Safety</b>	<b>7,537,171</b>	<b>7,994,534</b>	<b>8,604,719</b>	<b>8,547,007</b>	<b>9,201,321</b>	<b>8,790,232</b>	<b>3,968,264</b>	<b>8,363,671</b>	<b>9,511,234</b>	<b>9,969,335</b>
<b>Public Works</b>										
Land	2,864,653	2,806,275	2,806,275	2,806,275	2,806,275	2,806,275	2,806,275	2,806,275	2,806,275	2,806,275
Buildings	8,650,590	8,631,737	8,631,737	8,652,750	8,730,166	9,471,921	10,351,889	11,563,661	11,563,661	11,563,661
Improvements	658,646	658,646	658,646	658,646	658,646	454,293	70,316	448,296	448,296	448,296
Equipment	4,172,762	4,389,229	5,853,702	5,880,409	5,854,744	5,841,383	3,508,127	7,047,306	7,509,103	7,977,472
Infrastructure	30,175,659	30,175,659	31,275,659	31,275,662	31,705,731	31,705,731	19,084,399	38,877,807	39,286,901	39,517,219
Intangible Assets	501,996	501,996	501,995	501,992	501,995	501,995	501,992	501,995	501,995	529,543
<b>Total Public Works</b>	<b>47,024,306</b>	<b>47,163,542</b>	<b>49,728,014</b>	<b>49,775,734</b>	<b>50,257,557</b>	<b>50,781,598</b>	<b>36,322,998</b>	<b>61,245,340</b>	<b>62,116,231</b>	<b>62,842,466</b>
<b>Health and Welfare</b>										
Buildings	4,280,106	4,290,099	4,389,292	4,379,922	4,391,525	4,381,357	1,935,470	4,380,034	4,380,034	4,380,034
Improvements	95,243	95,243	81,380	15,473	15,472	15,473	6,640	15,473	15,473	15,473
Equipment	149,703	148,807	148,807	146,518	146,520	146,518	69,657	239,537	320,873	325,225
Infrastructure	56,373	56,373	56,373	56,373	56,374	56,373	27,309	56,373	56,373	56,373
Intangible Assets	-	-	-	-	-	-	-	-	-	4,000
<b>Total Health and Welfare</b>	<b>4,581,425</b>	<b>4,590,522</b>	<b>4,675,852</b>	<b>4,598,286</b>	<b>4,609,891</b>	<b>4,599,721</b>	<b>2,039,076</b>	<b>4,691,417</b>	<b>4,772,753</b>	<b>4,781,105</b>
<b>Cultural and Recreation</b>										
Land	61,205,398	65,603,726	80,926,544	80,926,544	81,468,748	84,095,137	88,196,999	95,833,434	99,003,068	101,545,674
Buildings	59,181	59,181	59,181	651,132	782,763	782,763	660,639	782,763	782,763	782,763
Improvements	488,870	488,870	488,870	1,344,263	1,344,263	1,358,710	804,643	1,358,710	1,333,626	1,469,803
Equipment	329,413	464,085	491,718	356,682	367,977	395,643	206,680	601,185	687,442	969,819
Infrastructure	10,054,340	10,054,340	13,487,947	14,587,896	14,958,175	15,414,417	8,323,801	18,101,669	18,215,933	18,785,916
Intangible Assets	27,432,967	43,473,026	45,548,027	45,548,029	45,548,026	45,415,158	45,415,160	45,911,162	47,915,557	47,915,557
<b>Total Cultural and Recreation</b>	<b>99,570,169</b>	<b>120,143,228</b>	<b>141,002,287</b>	<b>143,414,546</b>	<b>144,469,952</b>	<b>147,461,828</b>	<b>143,607,922</b>	<b>162,588,923</b>	<b>167,938,389</b>	<b>171,469,532</b>
<b>Construction in Progress</b>	<b>4,150,177</b>	<b>3,875,926</b>	<b>1,649,975</b>	<b>627,942</b>	<b>742,029</b>	<b>6,553,691</b>	<b>1,108,049</b>	<b>990,101</b>	<b>3,755,295</b>	<b>17,880,709</b>
<b>Total Governmental</b>	<b>\$ 171,694,216</b>	<b>\$ 192,051,997</b>	<b>\$ 216,557,250</b>	<b>\$ 218,644,481</b>	<b>\$ 221,576,278</b>	<b>\$ 223,998,600</b>	<b>\$ 191,917,841</b>	<b>\$ 247,702,740</b>	<b>\$ 258,859,413</b>	<b>\$ 263,372,789</b>

(continued)

**Pitkin County, Colorado**  
**Capital Asset Statistics by Function/Program (continued)**  
**Last Ten Years**

<b>Function/Program</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>
<b>Business-type</b>										
<b>Airport</b>										
Land	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279
Buildings	18,717,688	18,749,257	18,749,257	18,749,257	18,970,151	18,963,831	12,391,941	18,872,386	19,607,863	19,953,176
Improvements	30,841,247	51,970,342	52,118,955	52,143,270	56,555,696	56,555,696	51,224,968	77,804,978	77,804,978	77,804,978
Equipment	6,504,783	7,369,076	8,651,643	8,153,276	9,214,724	9,304,840	4,366,797	10,792,295	10,883,267	13,025,609
Construction in Progress	21,097,613	4,318,461	5,302,255	18,885,024	21,435,097	21,921,987	1,714,831	332,900	25,000	1,708,099
Intangible Assets	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956
<b>Total Airport</b>	<b>87,990,566</b>	<b>93,236,371</b>	<b>95,651,345</b>	<b>108,760,062</b>	<b>117,004,903</b>	<b>117,575,589</b>	<b>80,527,772</b>	<b>118,631,794</b>	<b>119,150,343</b>	<b>123,321,097</b>
<b>Solid Waste Center</b>										
Land	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Buildings	546,460	530,811	382,581	382,581	998,218	998,218	750,438	1,070,339	1,052,151	1,052,151
Improvements	3,337,549	1,629,664	1,629,664	1,629,664	1,655,528	1,655,528	887,151	1,668,891	1,680,784	1,680,784
Equipment	1,054,674	1,094,024	1,094,024	1,426,600	1,446,981	1,441,580	543,190	4,463,163	4,439,688	4,797,882
Construction in Progress	25,235	-	31,990	29,762	-	-	194,680	-	132,273	527,798
<b>Total Solid Waste Center</b>	<b>5,013,918</b>	<b>3,304,499</b>	<b>3,188,259</b>	<b>3,518,607</b>	<b>4,150,727</b>	<b>4,145,326</b>	<b>2,425,459</b>	<b>7,252,393</b>	<b>7,354,896</b>	<b>8,108,615</b>
<b>Total Business-type</b>	<b>\$ 93,004,484</b>	<b>\$ 96,540,870</b>	<b>\$ 98,839,604</b>	<b>\$ 112,278,669</b>	<b>\$ 121,155,630</b>	<b>\$ 121,720,915</b>	<b>\$ 82,953,231</b>	<b>\$ 125,884,187</b>	<b>\$ 126,505,239</b>	<b>\$ 131,429,712</b>

Source:  
Pitkin County Finance Department

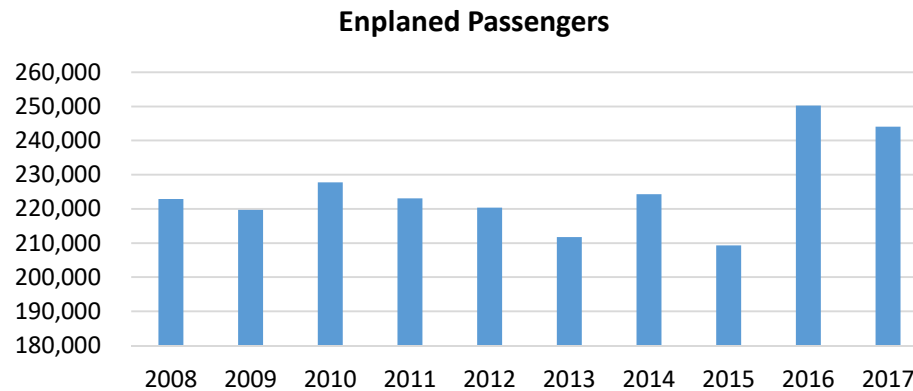
**Pitkin County, Colorado**  
**Aspen-Pitkin County Airport Operations and Enplaned Passengers**  
**Last Ten Years**

Year	Itinerant Operations <sup>1</sup>			Local Operations <sup>2</sup>		Total Operations	Percent Change	Enplaned Passengers	Percent Change
	Air Carrier	General Aviation	Total	General Aviation	Total				
2008	20,599	22,385	42,984	1,602	44,586	4.13%	222,881	21.37%	
2009	18,606	19,767	38,373	1,413	39,786	-12.06%	219,678	-1.44%	
2010	17,643	16,092	33,735	3,868	37,603	-5.81%	227,784	3.69%	
2011	18,336	15,753	34,089	3,516	37,605	0.01%	223,078	-2.07%	
2012	18,282	14,985	33,267	3,550	36,817	-2.14%	220,376	-1.21%	
2013	17,735	14,266	32,001	3,268	35,269	-4.39%	211,749	-3.91%	
2014	17,642	14,060	31,702	3,578	35,280	0.03%	224,311	5.93%	
2015	18,660	15,603	34,263	4,931	39,194	9.99%	209,306	-6.69%	
2016	19,558	16,586	36,144	5,196	41,340	5.19%	250,266	19.57%	
2017	20,491	16,156	36,647	5,779	42,426	2.56%	244,028	-2.49%	

Source:  
 Aspen/Pitkin County Airport

<sup>1</sup> A landing or takeoff when aircraft enters into or leaves Aspen airspace.

<sup>2</sup> A landing or takeoff when aircraft remains in Aspen airspace.

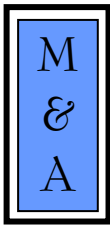


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# **Statutory Report Section**

**Single Audit Reports and Schedules**

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pitkin County, Colorado (the "County") as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 20, 2018.

### ***Internal Control Over Financial Reporting***

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

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

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

*Member: American Institute of Certified Public Accountants*

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

***Compliance and Other Matters***

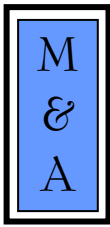
As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect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

***Purpose of this Report***

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

*McMahan and Associates, L.L.C.*

**McMahan and Associates, L.L.C.  
June 20, 2018**



# MCMAHAN AND ASSOCIATES, L.L.C.

*Certified Public Accountants and Consultants*

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## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; ON COMPLIANCE WITH THE PASSENGER FACILITY CHARGE PROGRAM; AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE PASSENGER FACILITY CHARGE AUDIT GUIDE FOR PUBLIC AGENCIES**

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

### ***Report on Compliance for Each Major Program***

We have audited the compliance of Pitkin County, Colorado (the "County") with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2017 and its compliance with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* (the "Guide"), issued by the Federal Aviation Administration, for its Passenger Facility Charge program for the year ended December 31, 2017. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

### ***Management's Responsibility***

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and to the Passenger Facility Charge program.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and the Passenger Facility Charge program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2, U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), and the Guide. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and on the Passenger Facility Charge program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and on the Passenger Facility Charge program. However, our audit does not provide a legal determination on the County's compliance with those requirements.

*Member: American Institute of Certified Public Accountants*

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

***Opinion on Each Major Federal Program and Passenger Facility Charge Program***

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and on its Passenger Facility Charge program for the year ended December 31, 2017.

***Report on Internal Control Over Compliance***

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with types of requirements that could have a direct and material effect on each major federal program and on the Passenger Facility Charge program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and the Passenger Facility Charge program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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

*McMahan and Associates, L.L.C.*

**McMahan and Associates, L.L.C.  
June 20, 2018**

**Pitkin County, Colorado**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2017**

**Part I – Summary of Auditor’s Results**

*Financial Statements:*

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

*Federal Awards:*

Internal control over major programs:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Type of auditor’s report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2, U.S. Code of Federal Regulations, Part 200	No
Major programs:	
Airport Improvement Program	CFDA #20.106
Dollar threshold used to identify Type A from Type B programs:	\$750,000
Identified as low-risk auditee	Yes

**Part II – Findings Related to Financial Statements**

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

**Part III – Findings Related to Federal Awards**

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

**Pitkin County, Colorado**  
**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2017**  
**(Continued)**

There were no findings for the year ended December 31, 2016.

**Pitkin County, Colorado**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended December 31, 2017**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identifying Number	Federal Expenditures	
<b>Department of Agriculture</b>				
<b>Pass through Colorado Department of Human Services</b>				
Supplemental Nutrition Assistance Program (SNAP)	10.551	N/A	\$ 986	<b>A</b>
State Administrative Matching Grants for SNAP	10.561	N/A	88,951	<b>A</b>
<b>Subtotal Pass through Colorado Department of Human Services</b>			89,937	
<b>Pass through Department of Public Health and Environment</b>				
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	N/A	28,735	
<b>Total Department of Agriculture</b>			118,672	
<b>Department of Transportation</b>				
<b>Federal Aviation Administration</b>				
<b>Direct Funding</b>				
Airport Improvement Program - Environmental Assessment Phase I & II	20.106	03-08-0003-51	624,225	
Airport Improvement Program - Environmental Assessment Phase III	20.106	03-08-0003-52	2,013	
<b>Total Department of Transportation</b>			626,238	
<b>Department of Health and Human Services</b>				
<b>Pass through Colorado Department of Human Services</b>				
Guardianship Assistance	93.090	N/A	933	
Promoting Safe and Stable Families	93.556	N/A	21,528	
Temporary Assistance for Needy Families (TANF)	93.558	N/A	50,655	<b>C</b>
Child Support Enforcement	93.563	N/A	38,839	
Child Care and Development Block Grant	93.575	N/A	102,282	<b>B</b>
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	N/A	64,883	<b>B</b>
Stephanie Tubbs Jones Child Welfare Services Program	93.645	N/A	(131)	
Foster Care - Title IV-E	93.658	N/A	135,935	
Adoption Assistance - Title IV-E	93.659	N/A	4,588	
Social Services Block Grant	93.667	N/A	78,349	
Medical Assistance Program (Medicaid; Title XIX)	93.778	N/A	175,727	<b>E</b>
<b>Subtotal Pass through Colorado Department of Human Services</b>			673,588	
<b>Pass through Colorado Department of Local Affairs</b>				
Community Services Block Grant	93.569	L-15CSBG17	11,904	
<b>Subtotal Pass through Colorado Department of Local Affairs</b>			11,904	
<b>Pass through Northwest Colorado Council of Governments</b>				
Special Programs for the Aging - Title III, Part C - Nutrition Services 16-17	93.045	84 063-9906-2017	45,976	<b>D</b>
Special Programs for the Aging - Title III, Part C - Nutrition Services 17-18	93.045	84 063-9906-2018	76,358	<b>D</b>
<b>Subtotal 93.045</b>			122,334	
Nutrition Services Incentive Program	93.053	84 063-9906-2017	8,000	<b>D</b>
<b>Subtotal Pass through Northwest Colorado Council of Governments</b>			130,334	
<b>Pass through Colorado Department of Public Health and Environment</b>				
HPP and PHEP Aligned Cooperative Agreements	93.074	N/A	59,328	
Maternal and Child Health Services Block Grant to States	93.994	N/A	11,603	
Immunization Cooperative Agreements	93.268	N/A	3,694	
Cancer Prevention and Control Programs	93.752	N/A	7,828	
Preventive Health & Health Services Block Grant from PPHF	93.758	N/A	20,000	
STD Prevention and Control Grant	93.977	N/A	6,000	
Family Planning Services	93.217	N/A	62,706	
<b>Subtotal Pass through Colorado Department of Public Health and Environment</b>			171,159	
<b>Total Department of Health and Human Services</b>			986,985	

(continued)

**Pitkin County, Colorado**  
**Schedule of Expenditures of Federal Awards (continued)**  
**For the Year Ended December 31, 2017**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identifying Number	Federal Expenditures
<b>Department of Homeland Security</b>			
<b>Pass through Colorado Department of Public Safety Division of Homeland Security and Emergency Management</b>			
Emergency Management Performance Grant	97.042	17EM-18-50	65,000
<b>Total Department of Homeland Security</b>			65,000
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			\$ 1,796,895

**Additional Information for Clusters:**

<b>A</b> SNAP Cluster	\$ 89,937
<b>B</b> CDFC Cluster	\$ 167,165
<b>C</b> TANF Cluster	\$ 50,655
<b>D</b> Aging Cluster	\$ 130,334
<b>E</b> Medicaid Cluster	\$ 175,727

**Notes to the Schedule of Expenditures of Federal Awards for the Year ended December 31, 2017:**

**General**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Pitkin County, Colorado (the "County"). The County's reporting entity is defined in Note I.A. to the County's basic financial statements. All federal financial assistance received by the reporting entity directly from federal agencies, as well as federal financial assistance passed through other government agencies, including the State of Colorado, is included in this schedule. In addition, federal financial assistance awarded directly to eligible County Social Services recipients via Electronic Benefits Transfer ("EBT") is also included in the schedule, with the exception of the Supplemental Nutritional Assistance Program EBT. The State of Colorado issues EBT to the eligible County recipients. Only the federal share of pass-through awards is included on the schedule.

**Basis of Presentation**

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in Note I.B. to the basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations ("CFR"), Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

**Indirect Facilities and Administration Costs**

The County does not use the 10% de minimis cost rate allowed in Title 2, U.S. CFR, Part 200.414, *Indirect (F&A) costs*. Instead, the County prepares an annual cost allocation plan to allocate indirect costs.

**Sub-recipients of Grant Awards**

Federal financial assistance provided to subrecipients is treated as an expenditure when it is paid to the subrecipient. During 2017, the following awards were granted to sub-recipients :

Subrecipients of Grant Awards	Amount
<b>Department of Agriculture</b>	
WIC Special SNAP Program for Women, Infants, and Children	\$ 25,739
<b>Department of Health and Human Services</b>	
Community Services Block Grant	\$ 11,904
HPP and PHEP Aligned Cooperative Agreements	\$ 45,260
Family Planning Services	\$ 62,706
Immunization Cooperative Agreements	\$ 3,694
Cancer Prevention and Control Programs	\$ 7,828

**Sub-recipients of Non-Cash Federal Assistance**

Federal financial non-cash assistance was provided to subrecipients, as shown below:

Non-Cash Federal Assistance	Amount
<b>Department of Agriculture</b>	
WIC Special SNAP Program for Women, Infants, and Children	\$ 25,996
<b>Department of Health and Human Services</b>	
STD Prevention and Control Grant	\$ 6,000

**CFDA and Contract Numbers**

Certain programs do not contain CFDA and/or State or Federal contract numbers because they have not been assigned these numbers or the numbers were not obtainable.