

**PITKIN COUNTY, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2015**



**Prepared by:
Finance Department**

**Connie Baker
Finance Director**

Pitkin County, Colorado
Comprehensive Annual Financial Report
For the Year Ended December 31, 2015

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INTRODUCTORY SECTION



FINANCE

LETTER OF TRANSMITTAL

July 29, 2016

To the Citizens of Pitkin County, Colorado:

We submit, for your information and review, the Comprehensive Annual Financial Report of Pitkin County, Colorado, for the fiscal year ended December 31, 2015.

REPORT PREPARATION AND CONTENT

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

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

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

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

This report includes all activities for which the BOCC is accountable, financially or by State Statute, to the citizens of Pitkin County. All applicable funds, departments and offices are included in these financial statements as part of the "primary government" of Pitkin County. Component units are legally separate entities for which the primary government is financially accountable. Blended component 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.

INDEPENDENT AUDIT

Colorado law requires the County's financial statements be audited by independent certified public accountants licensed to practice in the State of Colorado. McMahan & Associates LLC, a Colorado licensed Certified Public Accounting firm, has audited the County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for issuing an unmodified opinion that the County's financial statements for the year ended December 31, 2015 are fairly presented in conformity with U.S. Generally Accepted Accounting Principles. The independent auditors' report is presented in the front of the financial section of this report.

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

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 17,645. Recreation, tourism, real estate and construction dominate the local economic activity of the County, including the three incorporated municipalities, Aspen, Snowmass Village, and Basalt, located therein.

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

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

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

Budget and Financial Policies. The County is legally required to adopt annual budgets for all governmental and proprietary funds. Expenditures may not legally exceed appropriations at the fund level. Approval by the Board of County Commissioners is required for changes in the total budget of any fund. Budget sufficiency is verified by the finance department for orders exceeding \$50,000 before release of the order to the vendor. Purchase orders and contracts are recorded as encumbrances in order to reserve that portion of the applicable appropriation. Encumbered amounts lapse at year-end; however, outstanding encumbrances generally are re-appropriated as a supplement to the following year's budget. Budget appropriations lapse at the end of each year.

As part of its annual budget process, the County updates a five-year plan including review of a ten-year capital replacement schedule. In balancing its budget the Board of County Commissioners has adopted the following funding priority order: (1) debt service, (2) basic operations, (3) capital replacement, and (4) capital and service improvements. The County also maintains a minimum fund balance of \$4.96 million (including the statutory reserve) to provide a working capital reserve.

Economic Conditions. Winter and summer tourism, second homeowners, construction and real estate are the primary factors in the County's economy. The County's tourist industry is among the largest economic drivers for the County and is among the largest and least seasonal of any Colorado county with substantial ski resort facilities. Revenue from the County's 2% sales tax in the six winter months (January through May plus December) accounts for 59% of the annual total, while the months of June through November account for 41% of the annual total. The County estimates that spending by area residents and second homeowners accounts for approximately 38% of total sales tax collections. (This estimate is derived by annualizing sales tax collection figures for May. May collections may be attributed primarily to local area residents because both sales tax collections and lodging occupancy rates in the County are lowest in May.)

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

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

	Building Permit Value		2% Sales Tax		Taxable Retail Sales		Real Estate Sales	
	Millions	% increase (Decrease)	Millions	% increase (Decrease)	Millions	% increase (Decrease)	Millions	% increase (Decrease)
2011	\$ 246.2		\$ 15.2	7.5%	\$ 760.8	7.5%	\$ 1,268.6	0.4%
2012	268.9	9.2%	15.7	2.9%	783.0	2.9%	1,486.7	17.2%
2013	342.5	27.4%	16.7	6.9%	836.9	6.9%	1,311.4	-11.8%
2014	571.2	66.8%	18.2	8.5%	907.7	8.5%	1,602.2	22.2%
2015	545.0	-4.6%	19.5	7.7%	977.2	7.7%	2,055.6	28.3%

Building permit valuations have increased steadily since the recession when construction activity was suppressed and projects were delayed. Activity has now leveled off near the peak value of 2014.

Sales tax revenue has increased steadily over the last six years, rebounding from its low point in 2009 during the great recession. Average revenue increases during this six-year period were 6.65%, with the slowest rate of increase occurring in 2012 and the highest rate in 2014. 2015 sales tax revenue increased 7.7% over 2014.

Real Estate sales have increased overall from 2011 to 2015 by 62%, but have had large swings in volume ranging from a negative 11.8% in 2013 to a high of 28.3% in 2015. 2015 was the second consecutive year of strong gains.

2015 financial initiatives focused on catching up with deferred investments in County infrastructure and operations, including: construction beginning on the library addition and remodel; budget appropriated for the Courthouse Plaza building addition and remodel; and the increase in staffing and resources of the County business information technology services department as the separation from the City of Aspen information technology department was finalized. The inclusion of all levels of managers and department heads in the decision making process for prioritization of projects was an important factor in being able to bring forward initiatives which had been delayed in the past.

MAJOR EVENTS & ACCOMPLISHMENTS

Pitkin County focuses its work through a strategic plan that helps guide decision-making and resource allocations. The following are some of the County’s accomplishments during 2015 that support the plan’s strategic statements (listed in bold italics):

❖ ***Livable and Supportive Community***

- **Health and Human Services** – 2015 saw the implementation and growth of programs aimed at preventing child abuse and providing a continuum of care to promote child and family well-being. Two notable examples:
 - **Colorado Community Response (CCR):** This community-based child abuse prevention program is for families who have been referred to the child welfare system for alleged child maltreatment and whose referral was “screened out” and/or closed after initial assessment. The program increases the availability of community supports for these

families, thereby preventing child maltreatment while promoting individual, family and community strengths, building parenting skills, and providing access to vital economic, health and other services.

- Rollout of an award-winning public awareness campaign against domestic violence entitled “Stop fighting. It hurts.”
- **Healthy Community Fund** - The Citizen Grant Review Committee recommended 2015 grant funding for 75 programs in the amount of \$1,957,058, broken down as follows:
 - 39 Health & Human Service agency proposals in the amount of \$1,270,600
 - 1 Senior Services proposal in the amount of \$421,958
 - 35 Community Non-Profit proposals in the amount of \$264,500
- **Pitkin County Library** – Construction began on the remodel and expansion of the Pitkin County Library designed to provide citizens with a vibrant, forward-looking Library. Changes include relocating the children’s room and music room to the main floor, expanding and moving the community meeting room to the main level, enlarging the young adult area, providing small group meeting spaces, reconfiguring staff desks and workspaces for better efficiency, providing amenities such as quiet reading areas, exhibition space, study rooms and outdoor reading areas, and improving accessibility to the entire Library collection.
- **Workforce Housing Plan** – Limited affordable housing options for the community’s workforce continues to be a challenge affecting the retention of current Pitkin County employees and the recruitment of new employees. The BOCC has committed 50% of their housing fee funds for the development of housing of Pitkin County employees and 50% for community employees eligible for affordable housing. Three housing acquisitions were made in 2015, bringing the total County housing inventory from six to nine units.

❖ **Flourishing Natural and Built Environment**

- **Courthouse Plaza Building** – The 2015 budget appropriated \$1.85 million for the design and engineering of the Courthouse Plaza addition and remodel, with an additional \$22.3 million appropriated in 2016 for construction. This project is the highlight of the County’s emphasis on “infrastructure renewal and modernization.” It will accommodate the addition of the Community Development department and all County departments currently located in the Courthouse and provide the infrastructure necessary for a modern Sheriff’s operation (records storage, interview rooms, etc.). The new building will improve energy efficiency; provide more efficient workspaces and overall use of space; reduce maintenance costs as end-of-life systems are replaced; and provide better security for the public and staff.
- **Airport Eastside Terminal Environmental Assessment** – The environmental assessment begun in 2015 will analyze the potential impacts of terminal-area redevelopment which includes: a new terminal building, transit center and ancillary auto parking, roadway improvements, apron improvements, FBO relocation, noise wall and other ancillary projects. The assessment will look at the purpose and need; alternatives; affected environment; potential environmental consequences and feasible and prudent alternatives; and potential mitigation measures. Unique to Pitkin County, the assessment will also include community workshops, public outreach, citizen committee involvement, and an extensive visioning and design concept process.
- **Landfill Operations** – County landfill operations had been outsourced to a contractor since 1999. The value of the contract in 2014 was over \$2.1 million and included filling of waste, grinding construction and demolition debris, screening compost and soil products, dust control of landfill access roads, and aggregate processing and handling. In anticipation of the contract expiration in February 2016, an RFP for landfill operations was issued and the resulting proposals compared with the cost of bringing landfill operations in-house. After much debate and analysis, the Board of County Commissioners directed staff to proceed

with bringing these operations in-house. A supplemental request was approved to add three full time positions, repurpose a vacant recycling technician position, and add over \$3 million for purchasing the necessary heavy equipment. An additional \$690,000 was appropriated in November 2015 in order to have an early termination of the landfill contract and to payout overages in construction and demolition waste processing which the contractor had performed. In-house landfill operations have been successfully implemented and are running smoothly.

- **Broadband Initiative** – In 2011, Pitkin County voters approved the use of the Translator mill levy for the extension of wireless communication and broadband capabilities. Phase I of a Broadband feasibility and needs assessment was concluded in 2015, and \$100,000 was appropriated for Phase II, which included network architecture and design. This study identified infrastructure needs and technology gaps for building the backbone of a broadband network. Staff is currently working on finalizing a network model.

❖ **Responsible and Accountable Stewardship of County Assets**

- **Budget** - A balanced 2015 budget and 5-year plan were adopted which included the largest project in the County's history with over \$24 million planned for the addition and remodel to the Courthouse Plaza building. This building project was included while still maintaining our high level of service to Pitkin County citizens. Balancing the budget was accomplished with the help of a budget review team that included all leadership team members and managers from a wide range of departments. They provided a review of budgets and helped to define and weigh priorities, making this result possible.
- **Business Information Technology Services (BITS)** – In February 2014, the County gave notice to terminate its intergovernmental agreement with the City of Aspen for the provision of technology services effective February 2015. A new County department (BITS) was built to provide technology services. This included the use of an outside vendor, Provelocity, for 24/7 helpdesk support. In-house staff were hired to provide services not previously available, including business process analysts, software support, and records management. The transition to a separate County network and technology infrastructure has been successfully completed.
- **Affordable and Quality Healthcare** – The County continues to work with employers, non-profits, and healthcare providers to develop affordable medical and dental care and insurance options for Pitkin County citizens. The goal includes developing incentives for medical providers in the region to serve Medicare and Medicaid populations. Pitkin County participates in the Valley Health Alliance, along with four other major employers of the valley (City of Aspen, Aspen Valley Hospital, Aspen Skiing Company, and Mountain Family Health Centers).

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, 2014. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

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

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

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

Respectfully submitted,



Connie Baker
Interim Finance Director



Jon Peacock
County Manager



Government Finance Officers Association

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

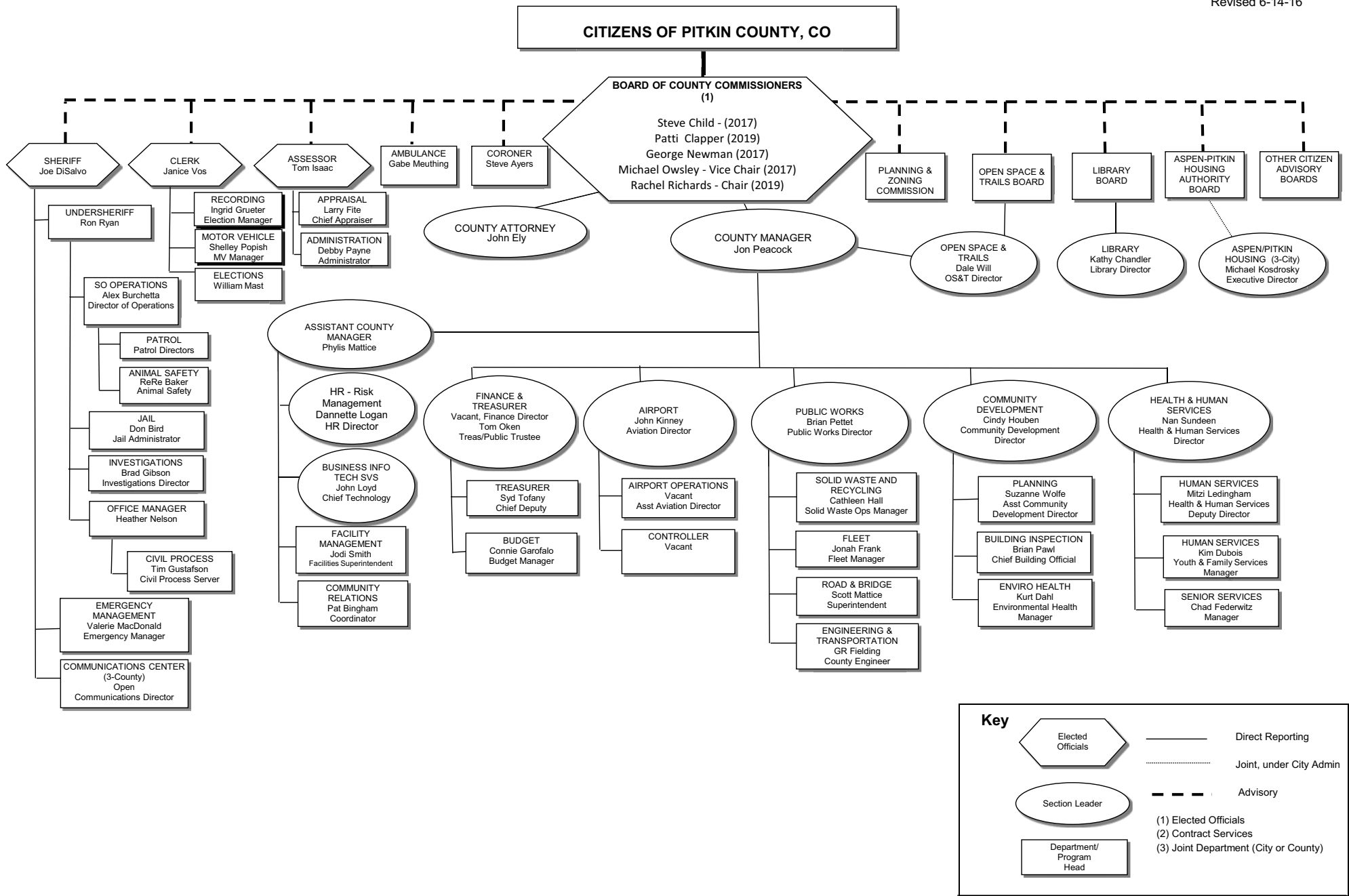
Presented to

**Pitkin County
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO



Pitkin County, Colorado

Principal County Officials

December 31, 2015

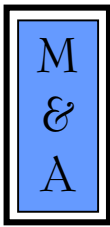
Elected Officials

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

County Manager

Jon Peacock

FINANCIAL SECTION



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, 2015, 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

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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, 2015, 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.

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the 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 as a whole.

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, combined schedule of cash and investments, combined schedule of governmental revenues by source, the *Local Highway Finance Report*, the Schedule of Passenger Facility Charges Collected and Expended, 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, combined schedule of cash and investments, combined schedule of governmental revenues by source, and the *Local Highway Finance Report* are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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.

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

Other Matters (continued)

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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 29, 2016 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.
July 29, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Pitkin County, Colorado (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Pitkin County, Colorado for the fiscal year ending December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i – vii of this report.

FINANCIAL HIGHLIGHTS

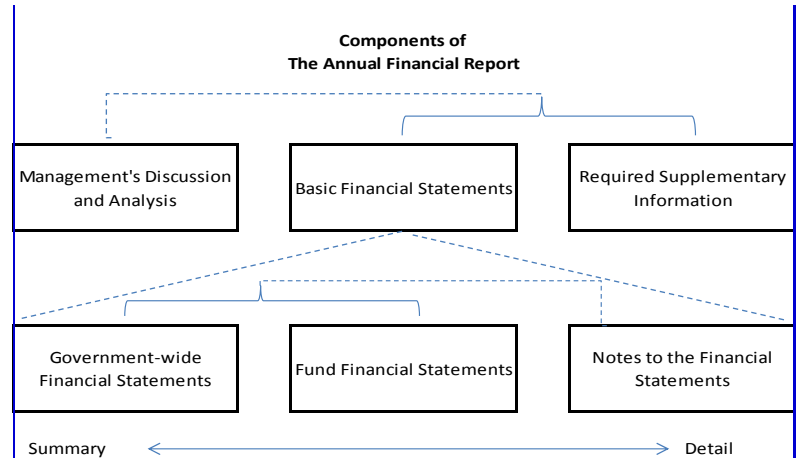
- The County's total net position increased to \$332.8 million in 2015, an increase of \$4.782 million (1.5%) over the net position at the beginning of the year. Net position is defined as assets (\$392.9 million) plus deferred outflows (\$0.6 million) minus liabilities (\$38.2 million) and deferred inflows (\$22.5 million). Governmental activities increased \$4.2 million (1.8%) and business-type assets increased \$0.6 million (0.6%). Of this amount, \$251.9 million represented the net investment in capital assets and the remaining \$80.9 million supported County programs.
- Open Space and Trails Fund continues to acquire open space properties and construct improvements to its trails. During 2015 the program, funded primarily by a dedicated property tax, accomplished the following projects:
 - Pitkin County Open Space and Trails (OST) purchased Wheatley Open Space for \$2 million in January of 2015. The 105-acre property fulfilled virtually every element of the County Open Space and Trails Program's mission: preservation of wildlife habitat, recreational access, local agriculture and scenic view plane protection.
 - Just downstream from Wheatley, \$2.585 million was invested in the 40-acre Lazy Glen Open Space. This property includes nearly one mile of Roaring Fork River frontage, irrigated agricultural lands, and has potential to allow construction of a pedestrian bridge that would connect nearby Lazy Glen trailer park residents to access the Rio Grande trail.
 - Just upstream of Wheatley Open Space, the Deer Creek open space is nestled at the mouth of Albany Gulch, a superlative canyon with USFS lands not heretofore accessible to the public. This \$2.5 million purchase is traversed by the Roaring Fork River for 500 feet and could provide access for a public fishing easement. The property also includes a vacant residence of approximately 2000 square feet and a caretaker unit that the Colorado Division of Parks and Wildlife is seeking for their District Wildlife Manager.
 - Finally, Pitkin and Eagle County partnered in the acquisition of an 137-acre easement known as Emma Farms. This easement will eliminate development of prime farmland on four lots and will allow public trail easement linking the Glassier Open Space to "Nancy's Path" on the south.
- The capital projects of the County focused on major road improvements from 2012 to 2014. Planning to improve law enforcement and administrative office space began in 2015 with plans for a \$22 million renovation and addition to occur over the next two years.
- The Pitkin County Library renovated and expanded the library building in 2015 and 2016. This project was built on a 44-foot easement and added 7,198 square feet to the existing 31,576 square foot structure, updated the children's room, added more flexible public meeting rooms, including a community meeting room that can be used outside library hours. \$7.6 million of the \$14.3 million project was expended in 2014 and 2015 (\$1.3 million and \$6.3 million respectively). \$1.8 million in public contributions were received in 2014 and \$1.4 million in 2015. These were added to the \$7.4 million of earlier public contributions and income earned on these funds since 1997, totaling \$10.6 million. The library has also received pledges for

an additional \$2.7 million. Fundraising is ongoing, with pledged and received contributions currently covering all but \$1 million of the project cost.

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

OVERVIEW OF THE FINANCIAL STATEMENTS

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



Government-Wide Financial Statements

The County’s annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County’s overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector utilizing accrual accounting and elimination or reclassification of activities between funds.

The **Statement of Net Position** presents financial information on all funds of Pitkin County’s assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall financial health of the County would extend to other factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

The **Statement of Activities** presents information showing how the County’s net position changed during the current calendar year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave). An important purpose of the design of the statement of activities is to show the financial reliance of the County’s distinct activities or functions on revenues provided by the County’s taxpayers.

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

The government-wide financial statements include not only the County itself (known as the *primary government*), but also a legally separate library district for which the County is financially accountable. Financial information for the *component unit* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages C1 through C3 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Fund financial statements focus on the County's most significant funds rather than the County as a whole. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

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

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

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

The basic governmental fund financial statements are presented on pages C4 through C9 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 C10 through C13 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. 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.

Required and Other Supplementary Information

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

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GOVERNMENT-WIDE FINANCIAL ANALYSIS

The County's assets and deferred outflows exceeded liabilities and deferred inflows by \$332,830,448 at the end of 2015. The amount of total net position is one measure of the health of the County's finances. The County reports positive balances in its governmental activities; however, this measure must be used with care as the County has investments in infrastructure such as roads and bridges, in addition to land for open space and trails. These assets benefit the citizens and 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.

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

Pitkin County's Net Position (\$000)

	Governmental		Business-type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
Assets:						
Current and other assets	\$ 97,875	\$ 95,825	\$ 22,065	\$ 20,854	\$ 119,940	\$ 116,679
Capital assets	190,557	186,026	82,401	82,953	272,958	268,979
Total Assets	288,432	281,851	104,466	103,807	392,898	385,658
Deferred Outflows:	555	631	-	-	555	631
Liabilities:						
Long-term liabilities	24,044	25,204	3,319	3,255	27,363	28,459
Other liabilities	9,702	8,147	1,093	1,083	10,795	9,230
Total Liabilities	33,746	33,351	4,412	4,338	38,158	37,689
Deferred Inflows:	22,465	20,551	-	-	22,465	20,551
Net Position:						
Net investment in capital assets	169,476	163,996	82,401	82,953	251,877	246,949
Restricted	23,799	28,404	-	-	23,799	28,404
Unrestricted	39,502	36,179	17,652	16,515	57,154	52,694
Total Net Position	\$ 232,777	\$ 228,579	\$ 100,053	\$ 99,468	\$ 332,830	\$ 328,047

Governmental accounting principles require that the amount of net position represented by the County's equity in capital assets be presented separately as Net Investment in Capital Assets, in order to show that they are not financial assets available for appropriation. Approximately 73% of the governmental activities' net position and 82% of the business-type activities' net position are invested in capital net of related debt. The Open Space and Trails Fund has invested over \$140.6 million (net value of \$130.1 million) for assets since 1991 with funds received from a dedicated property tax, Great Outdoors Colorado grants, and community partnerships. Depreciation on airport assets explains the decrease in the business type investment. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate this liability.

Of the County's total equity of \$332.8 million, \$251.9 million represents the net investment in capital assets; \$23.8 million is restricted by parties external to the County; and \$57.1 million is unrestricted. Restricted net position represents resources that are subject to external restrictions on how they may be used. The largest restricted balances for the governmental funds come from sales and use taxes dedicated for transportation needs of the community (\$5.6 million), a property tax dedicated for the open space and trails program (\$10.1 million), statutory reserves for all funds (\$1.8 million), voter and federal approved programs totaling \$22.0 million. The most significant voter approved programs include the balances for the TV and FM translator program (\$2.1 million), Healthy Rivers and Streams fund (\$2.5 million), and the Ambulance District (\$681,600).

The unrestricted net position of \$57.1 million represents the portion available to maintain the County's general obligations to citizens and creditors of which \$17.7 million is held by business-type activities and \$39.5 million is held in governmental activities. The unrestricted balance of \$39.5 million includes committed and assigned fund balances that are approved by the actions of the County Commissioners. Funds collected from housing impact fees represent \$11.1 million and \$10.9 is assigned for projects approved in the 2016 budget.

Changes in Net Position

Governmental and business-type activities increased the County's net position by \$4.8 million in 2015. 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:

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

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues:						
Program revenues:						
Charges for services	\$ 10,124	\$ 9,521	\$ 14,984	\$ 13,109	\$ 25,108	\$ 22,630
Operating grants/cont.	6,343	5,393	653	524	6,996	5,917
Capital grants/contributions	560	1,980	2,376	3,004	2,936	4,984
General revenues:						
Property Taxes	20,324	19,873	-	-	20,324	19,873
Sales taxes	25,385	23,318	-	-	25,385	23,318
Other taxes	735	678	-	-	735	678
Investment earnings	436	378	103	87	539	465
Other	(56)	52	15	187	(41)	239
Total Revenues	63,851	61,193	18,131	16,911	81,982	78,104
Expenses:						
Program expenses:						
General government	10,220	9,366	-	-	10,220	9,366
Public safety	9,522	8,956	-	-	9,522	8,956
Public works	27,826	19,842	-	-	27,826	19,842
Health and welfare	5,697	5,446	-	-	5,697	5,446
Culture and recreation	4,925	4,768	-	-	4,925	4,768
Conservation of natural resources	6	6	-	-	6	6
Housing	407	282	-	-	407	282
Interest on long-term debt	1,050	1,090	-	-	1,050	1,090
Airport	-	-	12,024	11,996	12,024	11,996
Solid Waste Center	-	-	5,522	4,313	5,522	4,313
Total Expenses	59,653	49,756	17,546	16,309	77,199	66,065
Change in Net Position	4,198	11,437	585	602	4,783	12,039
Net Position:						
Beginning	228,579	217,142	99,468	98,866	328,047	316,008
Ending	\$ 232,777	\$ 228,579	\$ 100,053	\$ 99,468	\$ 332,830	\$ 328,047

Governmental Activities: Governmental activities increased Pitkin County's net position by \$4.2 million from the prior year for an ending balance of \$232.8 million. Although budgets are adopted annually, the Board's budget policy strives for adoption of a balanced five-year plan for all funds. The County's capital plan is projected for a ten-year period and is supported by a portion of the general sales tax determined annually by the BOCC. The capital plan currently allocates 52% of the sales tax revenues to fund capital projects. The County has invested approximately \$14.9 million in road improvements over the past 3 years, and planning for future facility needs began in 2015.

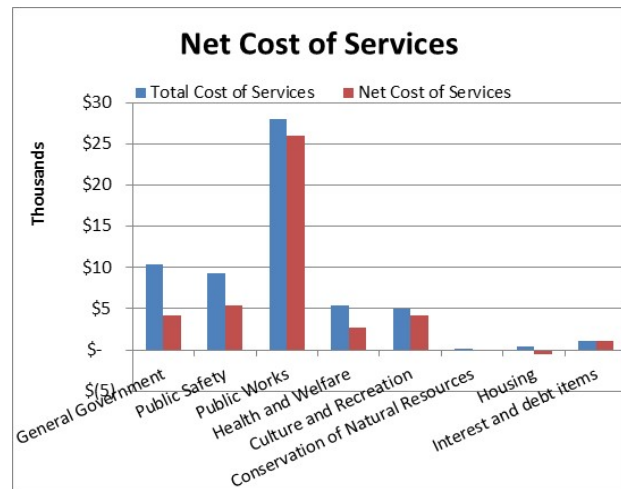
Governmental Functional Revenues

Program revenues provided 26.7% to the support of governmental operations. This means that the County's taxpayers and other general governmental revenues funded 73.3% of the governmental activities. Property, sales and use taxes provide general support for the County's operations with property tax providing 31.8% and sales and use tax providing 39.8%. Sales tax revenues have steadily increased since the decline in 2009. Sales tax collections are 7.7% over 2014 collections and 47% over the low in 2009. Fifty-four percent (\$25.4 million) of general revenues are dedicated to support regional transportation and the Open Space and Trails program, and another 16% supports voter approved programs including TV translators, rivers and streams, ambulance and community health and service agencies and non-profits. The balance of approximately \$14 million supports core services for its citizens (including roads, buildings, law enforcement, public assistance, and community development). Investment income showed a slight increase and provided \$435,521 in 2015.

Governmental Functional Expenses

The public works, general government, and public safety functions make up approximately 79.7% of the total governmental activities expenses. Public works totals 46.6% of total governmental expenses. Of this amount, 30.5% was spent by the County road and bridge fund (including depreciation of approximately \$4.4 million), 66.0% went to transportation needs of the County, and 2.7% to TV/FM translators. The general government function, including the County's administrative and community development costs, as well as numerous service agencies, totaled 17.1% of the total governmental expenses. Public safety accounted for approximately 16.0% of the total costs.

This chart displays the net cost of each of the County's programs, (i.e., total cost less revenues generated by the activities). Net cost of services illustrates the financial burden placed on the County's taxpayers by each of these functions. Public safety is the next largest function, after public works, requiring taxpayer support. This includes law enforcement, dispatch, jail and emergency management services. The third largest component of public expenditures is for health and human services. Support is for public assistance, senior programs, and costs associated with maintaining the Michael Schultz Health and Human Services building. A dedicated property tax provides funding to local health and human service programs and community non-profit programs. This tax provides approximately \$2.1 million annually to support local organizations that provide health care services that address community problems and enhance the quality of life to the elderly, children or families, or agencies that are involved in promoting cultural, recreational, and educational opportunities.



Business-Type Activities

Net position increased by \$584,806 for business-type activities. The net position of the airport decreased \$346,620 and the Solid Waste Center increased \$931,426. The government-wide business-type activities

statements share the same focus as the proprietary fund statements. Refer to the explanation below for the analysis of results of operations for these two funds.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds

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

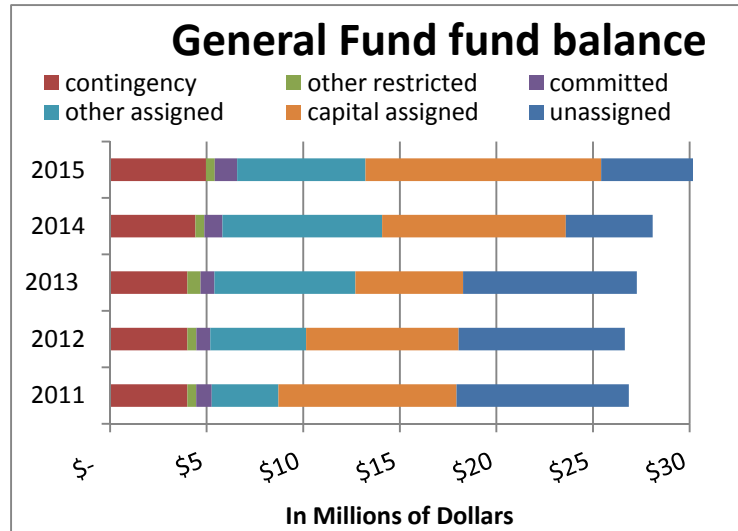
At December 31, 2015, the County's governmental funds reported combined fund balances of \$65,825,203, a decrease of \$1,421,339 over the prior year. Approximately 8.8% of governmental fund balance (\$5.8 million) constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balance is either restricted, committed, or assigned to indicate that it is 1) legally restricted to be maintained for a specific purpose by outside entities or persons (\$23.8 million), 2) committed by the Board of County Commissioners (\$14.5 million), or 3) assigned for planned or intended actions restricted for particular purposes (\$21.4 million). The fund balances of the four major funds total \$59.9 million; the General Fund represents \$31.2 million, the Employee Housing Impact Fund has \$11.2 million, Transportation Sales and Use Tax Fund has \$7.1 million and the Open Space and Trails Fund represents \$10.4 million.

General Fund

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

Taxes provide 53% of the total support for the General Fund. Property taxes garnered \$6.4 million and sales taxes \$7.5 million. Planning and building inspection fees increased nearly 4.3% over the collections for 2014 (\$139,500) and are almost \$1 million over the pre-recession revenues in 2008. The 2015 budget earmarked 52% of the sales tax collections to fund capital projects. Actual capital expenditures were \$2.2 million less than in 2014. The County's capital budget focused on roads in 2013 and 2014 and planning for investments to renew and modernize facilities for law enforcement, public meeting spaces and administrative spaces was the focus in 2015. The 2016 budget includes close to \$22 million for improving these facilities over the next three years.

The General Fund has a fund balance of \$31.2 million of which \$1.3 million is restricted by state or federal regulations, \$1.2 million is committed by BOCC, \$1.2 million is committed for capital projects begun in 2015, and \$21.4 million is assigned for various purposes. The assigned portions include \$11.0 million for capital projects, \$4.1 million for contingencies over the amount required by the state constitution, and \$3.7 million for programs or contributions to offset future health insurance increases. The remaining assigned fund balance is designated for other uses as detailed in Note III.H. Unassigned fund balance is approximately \$5.8 million.



Transportation Sales and Use Tax Fund

The Transportation Sales and Use Tax Fund collects taxes that support the Roaring Fork Transportation Authority (RFTA) and other transit needs of the valley. A 1% countywide transportation sales tax is distributed to RFTA, the City of Aspen and the Town of Snowmass Village for mass transit services. A 0.5% transportation sales and use tax is also maintained in this fund. 81% of the 0.5% sales tax is distributed to RFTA. The remaining half percent revenues are used to underwrite free bus service between Aspen, Snowmass Village, and Woody Creek and are being saved for a future Entrance-to-Aspen project and a Snowmass Village transit center. Since all of the 1% tax proceeds are distributed, the ending fund balance of \$7.1 million is entirely from the proceeds of the 0.5% sales and use tax. The EOTC budget contributed approximately \$4.9 million toward the \$9.3 million renovation of the Rubey Park Transit Center in downtown Aspen. The project enhanced passenger and pedestrian amenities, including a new public bathroom and improvements to transit staging and operations. Construction began in 2015 with the new facility opening to the public in December. The City of Aspen, the Roaring Fork Transit agency and state grants contributed to the total cost of the project.

Open Space and Trails Fund

The fund balance of the Open Space and Trails Fund is dedicated 75% to open space acquisition, 10% to trails improvements and 15% to property maintenance. The fund currently has \$10.4 million in fund balance, which fluctuates depending on the capital acquisitions made in any year. Additions to open space public lands include the Wheatley, Lazy Glen, Deer Creek, and Emma Farms. These acquisitions are described in detail in the financial highlights section at the beginning of this letter. Sound stewardship of the properties is a primary focus of the Open Space staff. Staff conducts public outreach to assist in developing the best use and management of the properties, and stewardship plans are continually being reviewed and updated. The program has acquired approximately 220 acres of irrigated land to manage as working landscapes to preserve the rural character and scenic beauty of the Roaring Fork Valley. Agricultural leases were negotiated for Glassier and Emma Farms properties during 2015.

Housing Impact Fee Fund

The Housing Impact Fee Fund has accumulated \$11.2 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, on commercial development, and on 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. To this end, the County has acquired a total of nine units to be made available to qualified employees under the Aspen/Pitkin County Housing Authority's (APCHA's) affordable housing guidelines. 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. Pitkin County purchased three units in 2015.

Proprietary Funds

The Airport is the County's primary enterprise fund. The Airport Fund showed a net operating loss of \$3.3 million and a loss in net position of \$346,620. The costs of airport infrastructure and buildings are largely supported by Federal Aviation Administration (FAA) grants. The FAA contributes 90% for the acquisition or construction of capital improvements, so it is not necessary for the operating revenues to cover the \$4.8 million depreciation expense. The Airport operating revenues grew by 12% from 2014 to 2015, while the operating expenses grew by less than 0.25%. This growth in revenue was driven by income indicators, such as landing fees, enplanements, fuel flowage, ground transportation, and rental space fees, which were higher than expected. In 2015, the airport's operations generated \$1.5 million in earnings after eliminating the depreciation expense.

The Aspen-Pitkin County Airport has more regular service from major carriers than any other regional ski town airport in North America, with an average of 122 daily aircraft operations and 235,860 enplanements in 2015. Future airport operations are expected to grow at a much faster rate than the FAA's projected national average growth of 2.1% for U.S. passenger carriers. This growth will provide a larger clientele base to local Roaring Fork Valley businesses and resorts. To sustain this growth, the Airport is currently conducting a Future Air Service Study. These studies and projects are funded by a combination of airport funds and FAA grants.

The Solid Waste Center Fund showed favorable operating results with net operating income of \$713,856, and a favorable change in net position \$931,426. The existing contract for landfill operations was due to expire in February 2016 so the landfill staff issued a request for proposals (RFP) to obtain competitive bids for a landfill operations contractor to provide the landfilling of waste and the grinding of construction and demolition debris. Five proposals were received and reviewed by staff and after a detailed review, it was decided that these operations would instead be provided in-house. To that end, the budget was amended to add staff and equipment needed to take over the operations. Four staff members were hired and trained to assume operations scheduled to begin in 2016. Heavy equipment purchased for the operations included a compactor, loader, excavator, construction and demolition grinder, haul truck and bulldozer, totaling \$3.4 million. In addition, payment for an early termination of the existing contractor was expensed in 2015.

Fiduciary Funds – Retirement Fund

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

Asset Allocation	Model Portfolio Investment Options				
	Very Conservative Growth Target Fund	Conservative Growth Target Fund	Moderate Growth Target Fund	Growth Target Fund	Aggressive Growth Target Fund
Income Funds	86%	65%	45%	25%	8%
Large Cap Stock Funds	5%	12%	21%	29%	36%
Mid Cap Stock funds	1%	3%	5%	8%	10%
Small cap Stock Funds	1%	2%	3%	4%	4%
Foreign Sock Funds	6%	13%	21%	29%	37%
Commodity Fund	1%	5%	5%	5%	5%
2015 annual investment return	-0.7%	-2.2%	-2.7%	-3.6%	-4.0%

GENERAL FUND BUDGETARY HIGHLIGHTS

In December 2014, the Board of County Commissioners appropriated \$27.4 million for 2015 General Fund expenditures. The General Fund budget was amended by \$6.6 million to \$34.0 million during the year. The final budget anticipated a decrease of \$8.7 million to the General fund balance.

	2015 General Fund Budget				
	Original Budget	Amendments	Final Budget	Actual	Variance to Final Budget
Revenue and other financing sources	\$ 25,104,468	\$ 167,346	\$ 25,271,814	\$ 27,510,453	\$ 2,238,639
Expenditures and other financing uses	27,367,381	6,601,606	33,968,987	24,394,877	9,574,110
	<u>\$ (2,262,913)</u>	<u>\$ (6,434,260)</u>	<u>\$ (8,697,173)</u>	<u>\$ 3,115,576</u>	<u>\$ 11,812,749</u>

Midyear budget amendments:

- Budget appropriations lapse at year-end, so it was necessary to appropriate budgets for projects not completed in 2014. The net value of these projects totaled \$5.1 million in the General Fund, explaining a major portion of the increase to the 2015 budget. Accumulated fund balance from prior periods provides financing for projects that were carried forward. Capital projects that could not be completed during 2014 included improvements to Red Mountain road and other smaller road projects (\$807,000); various information technology projects (\$770,800); replacement of the dispatch communication system consoles (\$500,000) and other radio equipment (\$117,700) ; acquisition of heavy equipment for road maintenance (\$209,000) and several electric vehicles (\$200,000). Building repair projects represented \$661,500 including replacement of the Courthouse windows, a remodel of the jail cells to provide a

room that is ADA-compliant, and planning for a major redevelopment of the Courthouse Plaza space. The last major adjustment in the carry forward budget included \$700,000 from the General Fund for the purchase of the Tybar Ranch open space.

- There were only a few other adjustments to the General Fund budget during 2015. Adjustments included two road projects totaling \$250,000 (improvements to Snowmass Creek and Capital Creek roads), and a transfer to the Library to cover an anticipated cash shortfall for the new Library addition (\$1 million). Other smaller budget adjustments included the addition of a part-time in-house veterans' services officer, human resources temporary labor assistance, a Courthouse sidewalk snowmelt project, and the contracting of a public health consultant.
- Significant budget adjustments in the Open Space and Trails Fund funded seven major acquisitions totaling \$11.6 million. Bridge and trail improvements added another \$1 million and included improvements to Redstone Park and the addition of Stein Bridge.

The final budget projected a General Fund decrease in fund balance of \$8.7 million. Actual revenues exceeded expenditures in the General Fund by \$3.1 million reflecting a favorable budget to actual variance of \$11.8 million. Revenues exceeded budget by \$2.2 million and the expenditure variance totaled \$9.6 million. Much of the expenditure variance resulted from unfinished projects in 2015. A total of \$1.3 million of operating projects and \$3.8 million of capital projects were added to the 2016 budget. The most significant carryforward projects include \$1.3 million for planning for the courthouse plaza construction and remodel, \$1.2 million to move and replace 911 equipment for the dispatch communications center, \$342,000 to remodel the jail to upgrade the sprinkler system and provide an adequate ADA cell, and \$458,000 for the simulcast infrastructure at the Red Mountain translator site. Several projects were not included in the carryforward budget resolution, for example: a \$0.8 million contingency budget to cover unanticipated costs associated with developing in-house infrastructure for information technology; \$1 million budgeted for road improvements; and the public works roof and courthouse window replacement projects that were deferred. Other 2015 savings included a transfer of \$1 million from the General Fund to the Library Fund which was not needed because the construction took longer than anticipated and donations were stronger than anticipated. Operating savings in 2015 also included \$1 million from payroll, which was realized due to turnover and the difficulty in hiring certain vacant positions.

The County maintains a 10-year capital projects plan and dedicates a portion of sales tax to that plan. This strategy has resulted in departments which manage capital projects working together to prioritize the overall capital needs of the County. Although there is a \$9.5 million fund balance assigned to capital projects, the 10-year plan utilizes most of that balance for road and building improvements over the next several years.

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CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2015, was \$190,577,368 and \$82,401,454 respectively. The net investment increased by 2.4% for governmental activities and decreased 0.6% for business-type activities. The overall increase was 1.5% for the County as a whole. See Note III.E for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

Pitkin County's Capital Assets (\$000)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Non-depreciable assets:						
Land and water rights	\$ 101,296	\$ 93,659	\$ 7,923	\$ 7,923	\$ 109,219	\$ 101,582
Intangible assets	46,413	45,917	2,956	2,956	49,369	48,873
Construction in progress	990	1,108	333	1,910	1,323	3,018
Total non-depreciable assets	148,699	140,684	11,212	12,789	159,911	153,473
Depreciable assets:						
Buildings	27,139	26,163	19,943	19,994	47,082	46,157
Other improvements	1,921	1,893	79,474	77,666	81,395	79,559
Equipment	13,865	13,357	15,255	11,355	29,120	24,712
Infrastructure	57,069	56,718	-	-	57,069	56,718
Total depreciable assets	99,994	98,131	114,672	109,015	214,666	207,146
Less accumulated depreciation	(58,136)	(52,789)	(43,483)	(38,851)	(101,619)	(91,640)
Book value - depreciable assets	41,858	45,342	71,189	70,164	113,047	115,506
Percent depreciated	42%	46%	62%	64%	53%	56%
Book value - all assets	\$ 190,557	\$ 186,026	\$ 82,401	\$ 82,953	\$ 272,958	\$ 268,979

At December 31, 2015 the depreciable capital assets for governmental activities were 42% depreciated compared to 46% at December 31, 2014. This comparison indicates that the County is replacing its assets slightly faster than it is using them. This trend should continue as the County is embarking on major building projects to begin in 2016 to renovate and expand administrative and law enforcement offices. Land and intangible assets represent 78.0% of the total assets showing the continued investment by the open space program.

Investment in governmental assets exceeded the depreciation expense in 2015 resulting in an increase in the net asset value. Three new housing units were purchased to provide affordable housing for local residents, and Open Space and Trails acquisitions included Deer Creek Ranch, Lazy Glen open space, Wheatley parcels and Emma Farms easements. The budget for road projects was approximately \$6.6 million with \$1.7 million spent in 2014. Vehicle acquisitions included: replacement of five sheriff's vehicles; five pooled vehicles (3 of which were electric); one in community development; one in human services; one in senior services; and one in open space and trails; a plow truck and water truck for road and bridge; and a piston bully (used for cross country trail grooming) for open space and trails.

For the County's business type activities, the asset values were 62% depreciated at December 31, 2015 compared to 64% at December 31, 2014. As mentioned earlier, the landfill terminated its contract for landfill operations. A large capital investment (\$3.4 million) of heavy equipment was needed to take over the filling of waste, grinding of construction and demolition debris, and preparation of compost, soil and aggregate products. The \$3.4 million investment included a compactor, dump truck, bulldozer, excavator, two loaders and a hook truck. The airport added a runway plow and completed a small renovation to the terminal.

Long-term Debt

At the end of the calendar year, general obligation bonds and notes totaling \$14,740,000 and sales tax revenue bonds totaling \$6,810,000 were outstanding. The airport's low-interest loan from the State was repaid during 2014. The County has authorization to issue an additional \$20 million of general obligation debt for future open space acquisitions or trail construction projects. Citing the County's strong financial position, Moody's Investor Service continues to rate the County's general obligation bonds as Aa1.

Pitkin County's Outstanding Debt (\$000)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
General obligation bonds	\$ 10,490	\$ 11,185	\$ -	\$ -	\$ 10,490	\$ 11,185
Sales tax revenue bonds	6,810	7,135	-	-	6,810	7,135
Premiums	86	90	-	-	86	90
Improvement bonds	9	17	-	-	9	17
Notes and loans	4,250	4,250	-	-	4,250	4,250
Landfill closure/postclosure	-	-	3,207	3,074	3,207	3,074
Compensated absences	1,406	1,414	187	181	1,593	1,595
Claims	993	1,113	-	-	993	1,113
Total	<u>\$ 24,044</u>	<u>\$ 25,204</u>	<u>\$ 3,394</u>	<u>\$ 3,255</u>	<u>\$ 27,438</u>	<u>\$ 28,459</u>

See Note III.G for additional information about the County's long-term debt and Note IV.C.2 for discussion of the landfill closure and postclosure care liability.

Economic Factors and Next Year's Budgets and Rates

Pitkin County appropriates an annual budget and develops a five-year budget plan for each fund, in order to provide for the long-term fiscal health of the County and maintain consistent service levels for its citizens. The Financial Advisory Board and an internal budget review team play an important role in the development of the County budget prior to presentation to the BOCC for approval. The 2016 budget and five-year plan included a large increase in capital expenditures in order to implement the renewal and modernization of County infrastructure, the most notable project being the remodel and addition to the Courthouse Plaza building. 2016 also brought many changes to the County organization, as previously outsourced services were brought in-house. The 2017 budget will focus on the continued implementation of capital projects and on managing the workload and changes that have occurred as a result. The following factors will influence future budgets.

- Pitkin County's sales and property taxes provide significant funding for General Fund programs.
 - Increases to sales tax revenues are expected to grow at a slightly slower rate of 2.5% per year instead of the 3.5% projected in the prior year budget.
 - Property tax increases for the General Fund are limited to growth and the increase in the Denver/Boulder CPI-U. Every two years, the County Assessor revalues all properties in the County. The 2015 revaluation, based on market conditions as of June 30, 2014, affects the County property tax revenues for 2016 and 2017. The revaluation resulted in an increase in property values of 12.8%, the first increase since the drop in values brought on by the great recession. Pitkin County has complied with the revenue restrictions of the Taxpayers Bill of Rights (TABOR) by giving temporary mill levy reductions when property values increase.
- Community development fees were exceptionally strong in 2014 and 2015, but declined in the first half of 2016. Fees are projected to reset at a lower level for 2016 but then increase by 10% in 2017 as fee increases are fully implemented and an external auditor is engaged to evaluate building permit values. Future year increases for 2018-2021 are projected to continue at three times the rate of CPI, due to the higher rate of construction cost inflation.

Contacting the County's Financial Management

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

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Pitkin County, Colorado
STATEMENT OF NET POSITION
December 31, 2015

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
Assets:				
Equity in pooled cash and investments	\$ 67,285,158	\$ 15,920,242	\$ 83,205,400	\$ 5,239,217
Other cash and investments	-	-	-	611,983
Cash and investments, restricted	55,639	3,206,730	3,262,369	-
Receivables:				
Accounts, net	405,943	1,904,217	2,310,160	107
Property taxes	22,464,694	-	22,464,694	3,756,493
Sales taxes	5,966,002	-	5,966,002	-
Intergovernmental	1,324,346	582,689	1,907,035	-
Inventories, prepaid items, and other assets	151,615	450,491	602,106	-
Noncurrent receivables, net of allowance for uncollectibles	222,024	-	222,024	-
Capital assets not being depreciated	148,699,113	11,212,135	159,911,248	7,687,782
Capital assets, net of accumulated depreciation	41,858,255	71,189,319	113,047,574	2,613,818
Total assets	<u>288,432,789</u>	<u>104,465,823</u>	<u>392,898,612</u>	<u>19,909,400</u>
Deferred outflows of resources:				
Deferred charge on refundings	554,916	-	554,916	-
Total deferred outflows of resources	<u>554,916</u>	<u>-</u>	<u>554,916</u>	<u>-</u>
Liabilities:				
Accounts payable and other current liabilities	7,484,176	901,876	8,386,052	868,730
Accrued liabilities	359,687	25,841	385,528	9,656
Accrued interest payable	116,719	-	116,719	-
Unearned revenue	1,106,931	67,735	1,174,666	-
Deposits	634,731	23,578	658,309	-
Long-term liabilities:				
Portion due or payable within one year:				
Claims payable	397,196	-	397,196	-
Accrued compensated absences	562,452	74,671	637,123	42,308
Bonds payable	1,053,557	-	1,053,557	-
Portion due or payable after one year:				
Closure and post closure costs payable	-	3,206,730	3,206,730	-
Claims payable	595,793	-	595,793	-
Accrued compensated absences	843,677	112,007	955,684	63,463
Bonds payable	16,341,029	-	16,341,029	-
Notes payable	4,250,000	-	4,250,000	-
Total liabilities	<u>33,745,948</u>	<u>4,412,438</u>	<u>38,158,386</u>	<u>984,157</u>
Deferred inflows of resources:				
Property taxes	22,464,694	-	22,464,694	3,756,493
Total deferred inflows of resources	<u>22,464,694</u>	<u>-</u>	<u>22,464,694</u>	<u>3,756,493</u>
Net position:				
Net investment in capital assets	169,476,255	82,401,454	251,877,709	10,301,600
Restricted for:				
Statutory reserve	1,823,269	-	1,823,269	114,069
Debt service	164,633	-	164,633	-
State and federal programs	643,360	-	643,360	-
Voter approved programs	21,167,253	-	21,167,253	4,753,081
Unrestricted	39,502,294	17,651,931	57,154,225	-
Net position	<u>\$ 232,777,063</u>	<u>\$ 100,053,385</u>	<u>\$ 332,830,448</u>	<u>\$ 15,168,750</u>

The accompanying notes are an integral part of this statement.

Pitkin County, Colorado
Statement of Activities
For the Year Ended December 31, 2015

Functions/ Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 10,220,265	\$ 4,985,341	\$ 1,502,829	\$ -
Public safety	9,522,194	3,087,144	1,255,947	73,002
Public works	27,826,021	325,707	1,217,984	83,682
Health and welfare	5,697,328	406,446	2,292,581	-
Culture and recreation	4,924,827	386,750	-	402,855
Conservation of natural resources	6,369	18,803	74,042	-
Housing and development	406,924	914,177	-	-
Interest on long-term debt	1,049,588	-	-	-
Total Governmental Activities	59,653,516	10,124,368	6,343,383	559,539
Business-Type Activities				
Airport	12,023,971	8,747,826	481,715	2,376,071
Solid Waste Center	5,522,585	6,236,440	171,534	-
Total Business-Type Activities	17,546,556	14,984,266	653,249	2,376,071
Total Primary Government	\$ 77,200,072	\$ 25,108,634	\$ 6,996,632	\$ 2,935,610
Component Units				
Pitkin County Library District	3,616,570	5,700	1,351,925	-
Total Component Units	\$ 3,616,570	\$ 5,700	\$ 1,351,925	\$ -
General Revenues				
Property taxes				
Sales taxes				
Other shared taxes				
Gain on disposal of assets				
Investment earnings				
Total General Revenues				
Change in Net Position				
Net Position Beginning of Year				
Net Position End of Year				

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

Primary Government

Governmental Activities	Business-type Activities	Total	Component Units
\$ (3,732,095)	\$ -	\$ (3,732,095)	\$ -
(5,106,101)	-	(5,106,101)	-
(26,198,648)	-	(26,198,648)	-
(2,998,301)	-	(2,998,301)	-
(4,135,222)	-	(4,135,222)	-
86,476	-	86,476	-
507,253	-	507,253	-
(1,049,588)	-	(1,049,588)	-
<u>(42,626,226)</u>	<u>-</u>	<u>(42,626,226)</u>	<u>-</u>
-	(418,359)	(418,359)	-
-	885,389	885,389	-
-	467,030	467,030	-
<u>(42,626,226)</u>	<u>467,030</u>	<u>(42,159,196)</u>	<u>-</u>
-	-	-	(2,237,906)
-	-	-	(2,237,906)
20,324,359	-	20,324,359	3,614,518
25,384,692	-	25,384,692	-
734,805	-	734,805	127,499
(56,005)	15,094	(40,911)	6,287
435,517	102,682	538,199	33,530
<u>46,823,368</u>	<u>117,776</u>	<u>46,941,144</u>	<u>3,781,834</u>
4,197,142	584,806	4,781,948	1,543,928
<u>228,579,921</u>	<u>99,468,579</u>	<u>328,048,500</u>	<u>13,624,822</u>
<u>\$ 232,777,063</u>	<u>\$ 100,053,385</u>	<u>\$ 332,830,448</u>	<u>\$ 15,168,750</u>

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FUND FINANCIAL STATEMENTS

Pitkin County, Colorado
Balance Sheet
Governmental Funds
For the Year Ended December 31, 2015

	General Fund	Transportation Sales and Use Tax Fund	Open Space and Trails Fund
Assets			
Equity in pooled cash and investments	\$ 30,121,406	\$ 9,757,607	\$ 10,660,524
Receivables:			
Accounts	312,390	-	1,377
Property taxes	6,738,295	-	11,039,145
Sales and use taxes	3,399,920	2,457,088	-
Intergovernmental	678,763	-	215,802
Inventories, prepaid items, and other assets	151,615	-	-
Restricted cash and investments			
Equity in pooled cash and investments	-	-	-
Loans receivable	222,024	-	-
Total Assets	41,624,413	12,214,695	21,916,848
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts payable	591,496	1,854,161	181,851
Accrued liabilities	333,917	-	5,707
Intergovernmental payable	2,075,563	2,286,199	254,905
Funds held in trust	593,049	-	4,500
Unearned revenue	85,555	1,020,950	-
Total Liabilities	3,679,580	5,161,310	446,963
Deferred Inflows of Resources			
Unavailable property taxes	6,738,295	-	11,039,145
Total Deferred Inflows of Resources	6,738,295	-	11,039,145
Fund Balances			
Nonspendable	373,639	-	-
Restricted for:			
Statutory reserve	832,880	463,462	311,449
Debt service	-	-	-
State and Federal programs	458,887	-	-
Voter approved programs	-	5,639,500	10,101,458
Committed for:			
Programs established by BOCC resolution	1,161,094	-	-
Ongoing capital projects	1,211,910	950,423	17,833
Assigned for:			
Subsequent years expenditures	10,951,123	-	-
Various purposes	10,437,017	-	-
Unassigned	5,779,988	-	-
Total Fund Balances	31,206,538	7,053,385	10,430,740
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 41,624,413	\$ 12,214,695	\$ 21,916,848

The accompanying notes are an integral part of this statement.

Employee Housing Impact Fund	Total Non-major Governmental Funds	Total Governmental Funds
\$ 11,183,372	\$ 5,562,250	\$ 67,285,159
-	92,177	405,944
-	4,687,254	22,464,694
-	108,994	5,966,002
-	429,781	1,324,346
-	-	151,615
-	55,639	55,639
-	-	222,024
<u>11,183,372</u>	<u>10,936,095</u>	<u>97,875,423</u>
443	174,065	2,802,016
-	20,062	359,686
1,803	63,692	4,682,162
9,334	27,848	634,731
426	-	1,106,931
<u>12,006</u>	<u>285,667</u>	<u>9,585,526</u>
-	4,687,254	22,464,694
-	4,687,254	22,464,694
-	-	373,639
27,704	187,774	1,823,269
-	164,633	164,633
-	184,473	643,360
-	5,426,295	21,167,253
11,143,662	-	12,304,756
-	-	2,180,166
-	-	10,951,123
-	-	10,437,017
-	-	5,779,988
<u>11,171,366</u>	<u>5,963,174</u>	<u>65,825,203</u>
<u>\$ 11,183,372</u>	<u>\$ 10,936,095</u>	<u>\$ 97,875,423</u>

Pitkin County, Colorado
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
December 31, 2015

Amounts reported for governmental activities on the statement of net position are different because:

Total fund balance - governmental funds		\$ 65,825,203
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		190,557,368
Long-term liabilities and related deferred items are not due and payable in the current period and, therefore, are not reported in the funds. Long term liabilities and related items include:		
General obligation bonds and notes	\$ (15,078,557)	
Sales tax revenue bonds	(6,480,000)	
Accrued interest payable	(116,720)	
Accrued compensated absences	(1,406,129)	
Claims payable	(992,989)	
Unamortized deferred debt refunding costs	554,916	
Unamortized debt issuance premium	<u>(86,029)</u>	
Net adjustment		<u>(23,605,508)</u>
Total net position - governmental activities		<u>\$ 232,777,063</u>

The accompanying notes are an integral part of this statement.

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Pitkin County, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	General Fund	Transportation Sales and Use Tax Fund	Open Space and Trails Fund
Revenues			
Taxes	\$ 14,089,341	\$ 15,391,973	\$ 10,014,055
Intergovernmental	3,524,132	-	391,999
Licenses and permits	1,773,016	-	10,758
Charges for services	6,172,018	16	6,268
Fines and forfeitures	46,927	-	4,400
Investment earnings	226,928	56,731	64,583
Impact fees	520,148	-	-
Contributions and donations	32,735	-	74,277
Miscellaneous	346,351	-	14,481
Total Revenues	<u>26,731,596</u>	<u>15,448,720</u>	<u>10,580,821</u>
Expenditures			
Current			
General government	10,107,242	-	-
Public safety	9,022,106	-	-
Public works	2,561,817	18,558,898	-
Health and welfare	2,327,604	-	-
Housing	244,469	-	-
Culture and recreation	33,639	-	11,789,577
Debt Service			
Principal	-	-	695,000
Interest and fiscal charges	-	-	647,155
Total Expenditures	<u>24,296,877</u>	<u>18,558,898</u>	<u>13,131,732</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,434,719	(3,110,178)	(2,550,911)
Other Financing Sources (Uses)			
Sale of capital assets	250,769	-	108,360
Transfers in	528,088	-	98,000
Transfers out	(98,000)	-	-
Total Other Financing Sources (Uses)	<u>680,857</u>	<u>-</u>	<u>206,360</u>
Net Change in Fund Balances	3,115,576	(3,110,178)	(2,344,551)
Fund Balances Beginning of Year	<u>28,090,962</u>	<u>10,163,563</u>	<u>12,775,291</u>
Fund Balances End of Year	<u>\$ 31,206,538</u>	<u>\$ 7,053,385</u>	<u>\$ 10,430,740</u>

The accompanying notes are an integral part of this statement.

Employee Housing Impact Fund	Non- major Funds	Total Governmental Funds
\$ -	\$ 6,948,484	\$ 46,443,853
-	3,133,845	7,049,976
-	18,420	1,802,194
-	50,756	6,229,058
-	-	51,327
56,389	30,890	435,521
790,455	-	1,310,603
-	-	107,012
76,614	39,673	477,119
<u>923,458</u>	<u>10,222,068</u>	<u>63,906,663</u>
-	-	10,107,242
-	460,483	9,482,589
-	3,400,201	24,520,916
-	3,299,817	5,627,421
1,093,542	-	1,338,011
-	778,918	12,602,134
-	333,072	1,028,072
-	333,591	980,746
<u>1,093,542</u>	<u>8,606,082</u>	<u>65,687,131</u>
(170,084)	1,615,986	(1,780,468)
-	-	359,129
-	40,000	666,088
-	(568,088)	(666,088)
<u>-</u>	<u>(528,088)</u>	<u>359,129</u>
(170,084)	1,087,898	(1,421,339)
<u>11,341,450</u>	<u>4,875,276</u>	<u>67,246,542</u>
<u>\$ 11,171,366</u>	<u>\$ 5,963,174</u>	<u>\$ 65,825,203</u>

Pitkin County, Colorado
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2015

Net change in fund balances - total governmental funds		\$ (1,421,339)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:		
Capitalized expenditures		\$ 11,282,362
Depreciation expense		<u>(6,335,751)</u>
Net adjustment		4,946,611
The net effect of miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is a decrease to net position:		
		(415,133)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal long-term debt consumes the current financial resources of governmental funds. However, neither transaction has any effect on net position. This is the effect of the difference in the treatment of the repayment of principal of long-term debt in the current year:		
Principal repayments		<u>\$ 1,028,072</u>
Net adjustment		1,028,072
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Details of these items are as follows:		
Change in accrued compensated absences		\$ 8,495
Change in accrued interest		2,322
Change in claims payable		119,730
Amortization of debt-related deferrals		<u>(71,616)</u>
Net adjustment		<u>58,931</u>
Change in net position of governmental activities		<u><u>\$ 4,197,142</u></u>

The accompanying notes are an integral part of this statement.

Proprietary Funds

Enterprise Funds

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

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

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

Pitkin County, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2015

	Business-type Activities - Enterprise Funds		
	Airport	Solid Waste Center	Total
Assets:			
Current assets:			
Cash and investments	\$ 15,337,297	\$ 582,945	\$ 15,920,242
Receivables:			
Accounts	1,320,484	583,733	1,904,217
Intergovernmental	514,743	67,946	582,689
Inventory	-	450,491	450,491
Total current assets	<u>17,172,524</u>	<u>1,685,115</u>	<u>18,857,639</u>
Noncurrent assets:			
Cash and investments, restricted	-	3,206,730	3,206,730
Capital assets not being depreciated	11,162,135	50,000	11,212,135
Capital assets, net of depreciation	65,723,340	5,465,979	71,189,319
Total noncurrent assets	<u>76,885,475</u>	<u>8,722,709</u>	<u>85,608,184</u>
Total assets	<u>94,057,999</u>	<u>10,407,824</u>	<u>104,465,823</u>
Liabilities:			
Current liabilities:			
Accounts and claims payable	590,138	273,363	863,501
Contracts payable	17,947	-	17,947
Accrued liabilities	16,208	9,635	25,843
Due to other governments	-	20,427	20,427
Unearned revenues	67,735	-	67,735
Deposits	23,578	-	23,578
Current portion of compensated absences	56,193	18,478	74,671
Total current liabilities	<u>771,799</u>	<u>321,903</u>	<u>1,093,702</u>
Noncurrent liabilities:			
Accrued compensated absences	84,290	27,716	112,006
Closure and post-closure costs	-	3,206,730	3,206,730
Total noncurrent liabilities	<u>84,290</u>	<u>3,234,446</u>	<u>3,318,736</u>
Total liabilities	<u>856,089</u>	<u>3,556,349</u>	<u>4,412,438</u>
Net position:			
Net investment in capital assets	76,885,475	5,515,979	82,401,454
Restricted for program purposes	16,316,435	-	16,316,435
Restricted for inventory	-	450,491	450,491
Unrestricted	-	885,005	885,005
Total net position	<u>\$ 93,201,910</u>	<u>\$ 6,851,475</u>	<u>\$ 100,053,385</u>

The accompanying notes are an integral part of this statement.

Pitkin County, Colorado
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds		
	Airport	Solid Waste Center	Total
Operating revenues:			
Charges for services	\$ 3,844,090	\$ 6,236,440	\$ 10,080,530
Rents and franchises	4,903,536	-	4,903,536
Miscellaneous	200	-	200
Total operating revenues	<u>8,747,826</u>	<u>6,236,440</u>	<u>14,984,266</u>
Operating expenses:			
Salaries and benefits	2,554,847	771,631	3,326,478
Supplies	207,596	109,476	317,072
Purchased services	4,471,487	4,348,059	8,819,546
Landfill compliance costs	-	132,572	132,572
Depreciation	4,790,041	160,846	4,950,887
Total operating expenses	<u>12,023,971</u>	<u>5,522,584</u>	<u>17,546,555</u>
Operating income (loss)	<u>(3,276,145)</u>	<u>713,856</u>	<u>(2,562,289)</u>
Non-operating revenues (expenses):			
Investment income	71,817	30,865	102,682
Gain (loss) on disposition of assets	-	15,171	15,171
Federal and state grants received	527,311	-	527,311
Grants awarded	-	171,534	171,534
Total non-operating revenues (expenses)	<u>599,128</u>	<u>217,570</u>	<u>816,698</u>
Income (loss) before contributions and transfers	<u>(2,677,017)</u>	<u>931,426</u>	<u>(1,745,591)</u>
Capital contributions	<u>2,330,397</u>	<u>-</u>	<u>2,330,397</u>
Change in net position	<u>(346,620)</u>	<u>931,426</u>	<u>584,806</u>
Net position - beginning	<u>93,548,530</u>	<u>5,920,049</u>	<u>99,468,579</u>
Net position - ending	<u>\$ 93,201,910</u>	<u>\$ 6,851,475</u>	<u>\$ 100,053,385</u>

The accompanying notes are an integral part of this statement.

Pitkin County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015

	Business-type Activities - Enterprise Funds		
	Airport	Solid Waste Center	Total
Cash flows from operating activities:			
Cash received from customers	\$ 8,406,416	\$ 6,049,607	\$ 14,456,023
Cash payments to employees	(2,589,725)	(769,342)	(3,359,067)
Cash payments to suppliers	(4,622,348)	(4,492,293)	(9,114,641)
Net cash provided (used) by operating activities	<u>1,194,343</u>	<u>787,972</u>	<u>1,982,315</u>
Cash flows from noncapital financing activities:			
Grant proceeds received	1,048,269	-	1,048,269
Net cash provided (used) by noncapital financing activities	<u>1,048,269</u>	<u>-</u>	<u>1,048,269</u>
Cash flows from capital and related financing activities:			
Proceeds from sale of assets	-	119,343	119,343
Proceeds from grant awards	3,076,608	103,588	3,180,196
Capital acquisitions	(1,147,744)	(3,355,538)	(4,503,282)
Net cash provided (used) by capital and related financing activities	<u>1,928,864</u>	<u>(3,132,607)</u>	<u>(1,203,743)</u>
Cash flows from investing activities:			
Interest received	71,817	30,865	102,682
Net cash provided (used) by investing activities	<u>71,817</u>	<u>30,865</u>	<u>102,682</u>
Net change in cash and cash equivalents	4,243,293	(2,313,770)	1,929,523
Cash and cash equivalents - beginning of year	<u>11,094,004</u>	<u>6,103,445</u>	<u>17,197,449</u>
Cash and cash equivalents - ending	<u>\$ 15,337,297</u>	<u>\$ 3,789,675</u>	<u>\$ 19,126,972</u>
Cash and cash equivalents are reported as:			
Cash and cash equivalents	\$ 15,337,297	\$ 582,945	\$ 15,920,242
Cash and cash equivalents - restricted	<u>-</u>	<u>3,206,730</u>	<u>3,206,730</u>
Cash and cash equivalents - ending	<u>\$ 15,337,297</u>	<u>\$ 3,789,675</u>	<u>\$ 19,126,972</u>

The accompanying notes are an integral part of this statement.

Pitkin County, Colorado
Statement of Cash Flows (continued)
Proprietary Funds
For the Year Ended December 31, 2015

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Airport</u>	<u>Solid Waste Center</u>	<u>Total</u>
<u>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</u>			
Operating income (loss)	\$ (3,276,145)	\$ 713,856	\$ (2,562,289)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	4,790,041	160,846	4,950,887
(Increase) decrease in accounts receivable	(222,843)	(186,833)	(409,676)
(Increase) decrease in inventory	-	(73,355)	(73,355)
Increase (decrease) in allowance	-	2,505	2,505
Increase (decrease) in accounts payable	139,780	36,092	175,872
Increase (decrease) in retainage payable	(83,046)	-	(83,046)
Increase (decrease) in compliance costs	-	132,572	132,572
Increase (decrease) in deposits	(519)	-	(519)
Increase (decrease) in unearned revenues	(118,048)	-	(118,048)
Increase (decrease) in accrued expenses	(34,877)	2,289	(32,588)
Total adjustments	<u>4,470,488</u>	<u>74,116</u>	<u>4,544,604</u>
Net cash provided (used) by operating activities	<u>\$ 1,194,343</u>	<u>\$ 787,972</u>	<u>\$ 1,982,315</u>
Noncash capital and related financing activities:			
PFCs in receivables	39,738	-	39,738

The accompanying notes are an integral part of this statement.

Fiduciary Funds

Agency Funds

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

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

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

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.

Pitkin County, Colorado
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2015

	Retirement Trust	Agency Funds
Assets		
Equity in pooled cash and investments	\$ 166,551	\$ 2,439,586
Other cash and investments:		
Mutual funds	26,537,945	-
Receivables:		
Forfeitures	8,517	-
Employee retirement loans	604,972	-
Total Assets	27,317,985	\$ 2,439,586
Liabilities		
Accounts payable	192,371	-
Due to other governments	-	750,280
Funds held for others	-	1,689,306
Total Liabilities	192,371	\$ 2,439,586
Net Position		
Net position restricted for pensions	\$ 27,125,614	

The accompanying notes are an integral part of this statement.

Pitkin County, Colorado
Statement of Changes in Fiduciary Net Position
Retirement Trust Fund
For the Year Ended December 31, 2015

Additions	
Employer contributions	\$ 2,141,225
Investment income:	
Dividends and interest	<u>(646,437)</u>
Total Additions	<u>1,494,788</u>
Deductions	
Benefits to plan members	2,700,239
Administrative expenses	<u>31,454</u>
Total Deductions	<u>2,731,693</u>
Change in Net Position	(1,236,905)
Net Position Beginning of Year	<u>28,362,519</u>
Net Position End of Year	<u><u>\$ 27,125,614</u></u>

The accompanying notes are an integral part of this statement.

Component Units

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

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

Pitkin County, Colorado
Statement of Net Position
Discretely Presented Component Unit
December 31, 2015

	Pitkin County Library District
Assets:	
Current Assets	
Equity in pooled cash and investments	\$ 5,239,217
Other cash and investments	611,983
Receivables:	
Accounts	107
Property taxes	3,756,493
Total Current Assets	9,607,800
Noncurrent Assets	
Capital assets:	
Nondepreciable capital assets	7,687,782
Depreciable capital assets, net	2,613,818
Total Noncurrent Assets	10,301,600
Total Assets	19,909,400
Liabilities	
Current Liabilities	
Accounts payable	829,685
Accrued liabilities	9,655
Intergovernmental payable	39,046
Compensated absences	42,308
Total Current Liabilities	920,694
Long-term Liabilities	
Compensated absences (net of current portion)	63,463
Total Liabilities	984,157
Deferred Inflows of Resources:	
Unavailable property taxes	3,756,493
Net position:	
Net investment in capital assets	10,301,600
Restricted for:	
Statutory reserve	114,069
Program purposes	4,381,692
Capital Projects	371,389
Total net position	\$ 15,168,750

The accompanying notes are an integral part of this statement.

Pitkin County, Colorado
Statement of Activities
Discretely Presented Component Unit
For the Year Ended December 31, 2015

	Pitkin County Library District
Expenses	
Culture and recreation	\$ 3,616,570
Total Expenses	3,616,570
Revenues	
Program revenues:	
Fines	21,039
Charges for services	5,700
Contributions	1,351,925
Total Program Revenues	1,378,664
Net Program Revenues (Expenses)	(2,237,906)
General revenues:	
Taxes	3,742,017
Investment earnings	33,530
Gain asset disposition	6,287
Total General Revenues	3,781,834
Change in Net Position	1,543,928
Net Position Beginning of Year	13,624,822
Net Position End of Year	\$ 15,168,750

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIALS

I. Summary of Significant Account 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 17,000. Tourism is the primary factor in the County's economy, which is noted for such resort communities as the City of Aspen and Town of Snowmass Village.

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

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, this entity 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 with 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 discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County. Each component unit has a fiscal year end of December 31.

I. Summary of Significant Account 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 Pitkin County Board of County Commissioners. 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 Board of County Commissioners 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 Board of County Commissioners acts as the 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 Board of County Commissioners. PCPERP is reported as a pension trust fund.

Discretely Presented Component Units

The **Pitkin County Library District** (the “Library District”) is governed by a 7-member board that is appointed by the Board of County Commissioners. The Pitkin County Board of County Commissioners 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. Although the Library District does not issue separate financial statements, 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.

I. Summary of Significant Account Policies (continued)

A. Financial Reporting Entity (continued)

Jointly Governed Organizations

The Aspen-Pitkin County Housing Authority (“Housing Authority”) was formed in 1982 to management and construct projects that are deed restricted as to the amount rent charged or amount of appreciation on privately owned units. 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 County Commissioners 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, 2015, the County’s proportionate share of the 2015 net operating expenses totaled \$196,500; 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. Government-wide and Fund Financial Statements

The County’s basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County’s major funds). Government-wide financial statements report information on all activities of the County and its component units. Both government-wide and fund financial statements categorize primary activities as either governmental or business-type. The County’s public safety, public works, health and welfare, culture and recreation, conservation of natural resources, housing and development, and general government functions are classified as governmental activities. The airport and solid waste center operations are classified as business-type activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the County’s governmental functions and business-type activities. The governmental functions are also supported by general government revenues (property taxes, specific ownership taxes, sales taxes, investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants.

Program revenues must be directly associated with the governmental function or business-type activity. Operating grants include operating -specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The government-wide focus is on the sustainability of the County as an entity and the change in the County’s net position resulting from the current year’s operations.

I. Summary of Significant Account Policies (continued)

C. Fund Financial Statements

The financial transactions of the County are reported in individual fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise assets, liabilities, fund equity, revenues and expenditures/expenses.

The fund focus is on current available resources and budgetary and legal compliance.

The County reports the following major governmental funds:

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

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

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

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

The County reports the following proprietary or business-type 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.

I. Summary of Significant Account Policies (continued)

C. Fund Financial Statements (continued)

Additionally, the County reported the following fund types:

Agency Funds account for monies held on behalf of other governments and agencies that use the County as a depository; for property taxes collected on behalf of the other governments or agencies; and for other assets held by the County that are custodial in nature. The County's agency funds include Treasurer's and Clerk's clearing funds, Housing funds, and the Treasurer's tax distribution funds. Agency funds are excluded from reporting in the government-wide financial statements. Budgets are not adopted for the County's agency funds.

The County's **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. A budget is not adopted for the County's retirement trust fund.

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

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source, and expenditures or expenses by function.

1. Long-term Economic Focus and Accrual Basis

Both the governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flow.

2. Current Financial Focus and Modified Accrual Basis

The government fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, only current assets and current liabilities generally are included on the balance sheet. Revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this rule is that principal and interest on long-term debt and compensated absences are recorded only when payment is due.

I. Summary of Significant Account Policies (continued)

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

2. Current Financial Focus and Modified Accrual Basis (continued)

Accounts receivable that will not be collected within the available period are reported as unearned revenue (i.e., they are measurable but not available) rather than as revenue. Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as unearned revenue.

Property taxes, sales and use taxes, franchise taxes, charges for services, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period. Expenditure driven grants are recognized as revenue when qualified expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the County.

3. Financial Statement Presentation

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to the general rule are payments where the amounts are reasonably equivalent to the value of the interfund services provided and other charges between the County's airport and solid waste center functions and various other functions of the County. Elimination of these charges would distort direct costs and program revenues for the airport and solid waste center functions.

Amounts reported as 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. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds are operation of the County's air terminal and solid waste center. Operating expenses for the enterprise funds include operating expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts

1. Cash, Cash Equivalents, and Investments

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

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

Eligible Investments

- U.S. Treasury obligations - U.S. Treasury bills, notes and bonds and other securities backed by the full faith and credit of the federal government.
- U.S. Agencies and Instrumentalities and securities as authorized by Colorado Revised Statutes (CRS) 24-75-601.1 (1) (a) and (b).
- Time certificates of deposit in state banks or national banks or in state or federally chartered savings and loan associations located in Colorado which are insured by the Federal Deposit Insurance Corporation and which are approved as public fund depositories by the State of Colorado Banking Commissioner or Savings and Loan Commissioner. Depositories must be rated "3 stars" or more (on a scale of 0 to 5 stars, with 5 the highest) by Bauer Financial or an equivalent rating agency.
- Demand deposit accounts in state banks or national banks located in Colorado which are insured by the Federal Deposit Insurance Corporation and which are approved as public fund depositories by the State of Colorado Banking Commissioner. Depositories must be rated "3 stars" or more (on a scale of 0- 5 stars, with 5 being the highest) by Bauer Financial or an equivalent rating agency.
- Shares of any local government investment pool established under the provisions of CRS 24-75-701.
- Money market mutual funds authorized under CRS 24-75-601.1 (1) (k).

Diversification

With the exception of U.S. Treasury obligations:

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

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

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

Maturity

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

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

Pitkin County Public Employees' Retirement Plan and the Library District generally follow the County investment policies with the exception of the following expanded investment options:

Retirement Plan - The objective of the PCPERP's investment policy is to establish an investment structure that will meet a broad range and diverse set of current and projected financial needs of the Plan's participants. The policy outlines fiduciary responsibility, prudence and due diligence requirements that experienced fund managers and other fiduciaries would utilize, and with all applicable laws, rules and regulations, that may impact plan assets. Accordingly, the policy allows for the design of various investment options into an overall structure that will include various asset classes, investment management styles and asset allocation portfolios in order that, when viewed as a whole, the investment options are expected to allow a participant to achieve a sufficient level of overall diversification and total investment return over the long-term.

Additionally, investment instruments are monitored and evaluated for both performance and management by the retirement board on a regular basis. Changes to investment options are made according to the criteria set out in this policy. Wells Fargo Bank acts as trustee for the assets of the plan. Participants have the option of self-directing investments in eligible mutual funds or selecting from five model portfolios based on the participants' age and risk tolerance. The model portfolios are comprised of bond, equity, real estate and commodity mutual funds with equity allocations ranging from 12% to 81% depending on the model.

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

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

2. Restricted Assets

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

The general obligation bonds require a project account. The sales tax revenue bonds require a bond account, a reserve account and a project account.

3. Receivables

All property tax and other receivables are reported net of an allowance for uncollectible accounts, 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.

4. Inventories

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

5. Prepaid Items

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

6. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold on non-infrastructure assets of \$5,000 and \$50,000 for infrastructure. The County's infrastructure consists of roads, bridges and airport runways. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise fund is capitalized. All reported capital assets are depreciated except for land, right-of-ways and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

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

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

7. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Employees earn twenty-two (22) days of vacation leave annually up to five (5) years of service and twenty-eight (28) days thereafter. Vacation leave accrual includes paid holidays. At termination, employees are paid for any accumulated vacation leave.

Employees earn one day of sick leave per month with no maximum accumulation. At termination, employees are paid for one-third of their accumulated sick leave in excess of 80 hours and up to 480 hours. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County's past experience of making termination payments.

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

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

8. Accrued Liabilities and Long-term Obligations

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

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

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

9. Bond Premiums and Discounts

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

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

10. Deferred Outflows and Inflows of Resources

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

A deferred inflow of resources is an acquisition of net assets by the government that is applicable to a future reporting period and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one item that qualifies for reporting in this category, unavailable revenues from property taxes, reported in the governmental balance sheet and on the Statement of Net Position. These amounts are deferred and recognized as an inflow from resources in the period that the amounts become available.

11. Fund Equity

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

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

- Nonspendable fund balance - amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance - amounts constrained to specific purposes by external providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, by enabling legislation or voter approval.

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

11. Fund Equity (continued)

- Committed fund balance - amounts constrained to specific purposes by the County itself, using its highest level of decision-making authority (i.e., Board of County Commissioners). To be reported as committed, amounts cannot be used for any other purpose unless the County takes the same highest level action to remove or change the constraint.
- Assigned fund balance - amounts the County intends to use for a specific purpose. Intent can be expressed by the Board of County Commissioners (BOCC).
- Unassigned fund balance - amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

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

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

Net Position - Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net position amount also is adjusted by any deferred inflows of resources that relate to debt used to acquire, construct, or improve capital assets. Net positions are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net positions are reported as unrestricted.

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

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

12. Encumbrances

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

13. Contributions of Capital

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

14. Interfund Transactions

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

F. Significant Account Policies

1. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the County's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

2. Credit Risk

Receivables in the County's funds are primarily due from other governments. Management believed that the credit risk related to these receivables is minimal.

I. Summary of Significant Account Policies (continued)

F. Significant Account Policies (continued)

3. Comparative Information

Certain amounts presented in the prior year data have been reclassified - with no effect on net income - in order to be consistent with the current year's presentation.

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

Annual appropriated expenditure budgets are adopted for all governmental funds on a basis consistent with generally accepted accounting principles. Annual appropriation budgets are also adopted for all proprietary funds on a non-GAAP budget basis.

The County followed these procedures in preparing, approving, and enacting its budget for 2015:

- 1.) In October of each year, a proposed operating budget is submitted to the Board of County Commissioners for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. The Financial Advisory Board, budget team and section leaders all provide input to the proposed budget.
- 2.) Public hearings are conducted by the County to obtain taxpayer comments
- 3.) Prior to December 31, the budget is legally adopted at the fund level through passage of a resolution for all County funds, except the fiduciary fund types. Expenditures may not legally exceed appropriations at the fund level.
- 4.) Formal budgetary integration is employed as management control device during the year for the General Fund, special revenue funds, capital projects funds, and the proprietary funds. Management can revise budgets within each fund up to \$50,000 without County Commissioner approval. Revenue and expenditures are monitored by means of a quarterly budget report, comparing budget to actual or projected actual.
- 5.) Any revisions that increase the expenditure of any fund in total must be approved by the Board of County Commissioners by passage of a resolution
- 6.) Budgeted amounts are as originally adopted or as amended by the Board of County Commissioners. All appropriations lapse at year-end. Several supplemental appropriations were adopted in 2015 by the Board of County Commissioners.

The details of the budget calendar follow:

December 15 Statutory deadline for adoption of the budget

December 22 Statutory deadline for Board of County Commissioners to certify all mill levies

II. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

Property taxes are not due and payable until after the assessment year has ended, and are not included in the budget or statement of revenues, expenditures, and fund balance of the assessment year.

Property taxes are recorded as deferred inflows from resources in the year that they are levied and measurable. They are recorded as revenue in the year they are available or collected.

Supplemental appropriations for the primary government during 2015 resulted in budget amendments as follows:

<u>Fund</u>	<u>Original Amount</u>	<u>Final Amount</u>
<u>Governmental Activities:</u>		
General Fund	\$ 27,298,381	\$ 32,870,987
Special revenue funds:		
Open Space and Trails	5,175,030	18,257,594
Transportation Sales and Use Tax	17,005,968	19,172,297
Road and Bridge	2,943,724	2,949,724
Social Services	1,914,144	2,394,749
Translator Fund	1,549,229	1,897,714
Healthy Rivers and Streams	593,544	1,099,327
Ambulance District	830,809	890,688
Redstone Ranch Acres Improvement District	7,435	18,810
<u>Business-type Activities:</u>		
Airport	14,703,751	23,191,944
Solid Waste Center	5,095,020	9,990,480

B. Tabor Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer’s bill of Rights (“TABOR”). TABOR contained revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2015

II. Stewardship, Compliance, and Accountability (continued)

B. Tabor Amendment (continued)

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. The reserve is calculated at 3% of fiscal year spending for fiscal years ending after December 31, 1995. Fiscal year spending excludes bonded debt service and enterprise spending.

At December 31, 2015, the following fund balances have been restricted to meet the approximate required TABOR reserve:

General Fund	\$ 832,880
Open Space and Trails	311,449
Transportation Sales and Use Tax	463,462
Employee Housing Impact	27,704
Social Services	44,084
Translator Fund	24,423
Healthy Community Fund	64,402
Healthy Rivers and Streams	29,661
Ambulance District	24,406
Redstone Ranch Acres Improvement District	273
Twining Flats Improvement District	524
Total Primary Government	<u>1,823,269</u>
Library District	114,069
Total Reporting Entity	<u><u>\$ 1,937,338</u></u>

Pitkin County voters have approved ballot questions to exempt the County and Library District from the revenue limitations of the TABOR amendment.

III. Detailed Notes on All Funds

A. Cash and Investments

The County Treasurer pools cash and investments that are available for use by each of the County's Governmental, Proprietary and Agency funds as well as on behalf of other governmental entities and agencies. Additionally, several of the County's funds hold restricted and unrestricted cash balances. Cash and investments held by the County Treasurer at December 31, 2015, consisted of the following:

Cash on hand	\$ 8,700
Deposits	71,477,823
Investments	31,717,487
Pools	18,259,041
Total	<u><u>\$ 121,463,051</u></u>

III. Detailed Notes on All Funds (continued)

A. Cash and Investments (continued)

Colorado Statutes require the County to make deposits in eligible public depositories as defined by the Colorado Public Deposit Protection Act of 1989 (“PDPA”). The PDPA specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (“FDIC”) on deposits held. Each eligible depository in excess of the insured levels must pledge a collateral pool of defined eligible assets maintained by another institution or held in trust for all of its local government depositors as a group with a market value equal to at least 102 percent of the uninsured deposits.

The PDPA also allows financial institutions to purchase a fidelity bond to provide protection for public monies. The State Regulatory Commission for banks and savings and loan associations are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. The County had bank deposits of \$72,144,434 at December 31, 2015. Of this balance, \$52,256,745 is covered by depositor’s insurance, and the remaining \$19,887,689 is collateralized with securities held by the pledging financial institution’s trust department or agent in the County’s name, or in a pledged collateral pool.

A difference of \$666,611 exists between bank deposit balances and book balances, due primarily to deposits in transit and/or outstanding checks at December 31, 2015.

At December 31, 2015, the County held the following investments:

	S&P/ Moody's Rating	Carrying Amounts	Investment Maturities (in years)	
			Less Than 1	1 - 3
U.S. Agencies and Instrumentalities	AA+/Aaa	\$ 4,552,100	\$ 1,000,000	\$ 3,552,100
Local Government Investment Pools	AAAm	18,259,041	18,259,041	-
Mutual Funds	AAAm	27,165,387	27,165,387	-
Total		<u>\$ 49,976,528</u>	<u>\$ 46,424,428</u>	<u>\$ 3,552,100</u>

Interest Rate Risk – is the risk that changes in interest rates will adversely affect fair market values. The County’s policy with respect to the maturity of its investments is disclosed in Note I.E.1.

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

III. Detailed Notes on All Funds (continued)

A. Cash and Investments (continued)

Concentration of Credit Risk – is the risk of loss attributable to the concentration of the County’s investments in a single issuer. At December 31, 2015, five percent (5%) or more of the County’s investments were in the following issuers:

<u>Issuer:</u>		
Colotrust	\$ 9,100,914	18.21%
C-Safe	9,102,668	18.21%

Local Government Investment Pools – At December 31, 2015, the County had \$18,259,041 invested in the Colorado Government Liquid Asset Trust (“COLOTRUST”), Colorado Statewide Investment Program (“CSIP”) and CSAFE. These are investment vehicles established by State statute for local government entities in Colorado to pool surplus funds for investment purposes, and are registered with the State Securities Commissioner. They operate similar to money market funds and each share is equal in value to \$1. Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. The County has no regulatory oversight for the pools.

Restricted Cash and Investments

At December 31, 2015, the County held restricted funds of \$55,639 in the Transit Debt Service Fund to be used toward the payment of principal and interest payments associated with the County’s 2010 Sales Tax Revenue Bonds outstanding.

The Solid Waste Center Fund had restricted cash and cash equivalents in the amount of \$3,206,730 to fund estimated cost to close the landfill and provide 30 years of post-closure care.

Other Cash and Investments

At December 31, 2015, the County’s pension trust fund’s investments included \$26,537,945 of mutual funds held by its third-party trustee, Wells Fargo.

The Pitkin County Library District, a component unit of the County, had mutual funds totaling \$611,983 held in accounts with the various mutual fund companies at Charles Schwab and Co., Inc. At December 31, 2015, five percent (5%) or more of the Pitkin County Library District’s investments were in the following issuers:

<u>Issuer:</u>		
Dodge & Cox Income Fund	\$ 57,867	9.46%
Fidelity Floating Rate high Income	351,745	57.48%
Loomis Sales Investment Grade Bond	53,537	8.75%
Vanguard Total Stock	35,359	5.78%

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2015

III. Detailed Notes on All Funds (continued)

A. Cash and Investments (continued)

The County's total cash and investments are reported within these financial statements as follows:

Fund Reporting Level:	Pooled Cash and Investments	Other Investments
<i>Governmental Funds:</i>		
Equity in pooled cash and investments - unrestricted	\$ 67,285,158	\$ -
Cash and investments - restricted	55,639	-
<i>Business-type Activities:</i>		
Equity in pooled cash and investments - unrestricted	15,920,242	-
Cash and investments - restricted	3,206,730	-
<i>Discretely Presented Component Units:</i>		
Equity in pooled cash and investments - unrestricted	5,239,217	-
Other cash and investments	-	611,983
<i>Fiduciary Funds:</i>		
Equity in pooled cash and investments - unrestricted	2,606,137	-
Mutual funds	-	26,537,945
	\$ 94,313,123	\$ 27,149,928

A. Receivables

Receivables at December 31, 2015, consisted of taxes, interest, accounts (billings for user charges), and intergovernmental receivables arising from grants. Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability. The County's allowance for uncollectible accounts is \$19,877 in the Solid Waste Center Fund.

B. Property Taxes

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

III. Detailed Notes on All Funds (continued)

C. Sales Taxes

The County has levied a two-percent sales tax since 1970. As approved by the electorate, 43% of the sales tax revenues are retained by the County's General Fund, and the remaining 57% is distributed to the City of Aspen and the Towns of Snowmass Village and Basalt based on a formula taking into account the sales tax revenues produced by each of the municipalities for the two previous years. On July 1, 1985, the County levied an additional one-percent sales tax for the purpose of funding the Roaring Fork Transportation Authority (formerly a component unit known as Roaring Fork Transit Agency) and to secure the payment of principal and interest on bonds issued for transit purposes. Since at that time the total sales tax imposed by any county and city could not exceed four percent, Aspen and Snowmass Village reduced their sales tax levies to 1% from 2%, and the additional County tax was not imposed on the portion of Basalt in the County.

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

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

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

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2015

III. Detailed Notes on All Funds (continued)

D. Capital Assets

Capital asset activity for the year ended December 31, 2015 was as follows:

Primary Government

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 93,659,419	\$ 7,636,435	\$ -	\$ 101,295,854
Intangible assets	45,917,152	496,002	-	46,413,154
Construction in progress	1,108,049	671,112	(789,056)	990,105
Total capital assets not being depreciated	<u>140,684,620</u>	<u>8,803,549</u>	<u>(789,056)</u>	<u>148,699,113</u>
Depreciable capital assets:				
Buildings	26,162,862	1,001,708	(25,835)	27,138,735
Improvements other than buildings	1,892,503	28,860	-	1,921,363
Machinery and equipment	13,357,114	1,697,643	(1,189,744)	13,865,013
Infrastructure	56,717,675	539,658	(188,714)	57,068,619
Total depreciable capital assets	<u>98,130,154</u>	<u>3,267,869</u>	<u>(1,404,293)</u>	<u>99,993,730</u>
Less accumulated depreciation for:				
Buildings	(15,882,424)	(521,892)	20,541	(16,383,775)
Improvements other than buildings	(975,786)	(70,568)	-	(1,046,354)
Machinery and equipment	(6,664,382)	(1,016,612)	852,262	(6,828,732)
Infrastructure	(29,266,292)	(4,726,679)	116,357	(33,876,614)
Total accumulated depreciation	<u>(52,788,884)</u>	<u>(6,335,751)</u>	<u>989,160</u>	<u>(58,135,475)</u>
Total depreciable capital assets, net	<u>45,341,270</u>	<u>(3,067,882)</u>	<u>(415,133)</u>	<u>41,858,255</u>
Governmental activities capital assets, net	<u>\$ 186,025,890</u>	<u>\$ 5,735,667</u>	<u>\$ (1,204,189)</u>	<u>\$ 190,557,368</u>

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2015

III. Detailed Notes on All Funds (continued)

E. Capital Assets (continued)

Primary Government (continued)

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 7,923,279	\$ -	\$ -	\$ 7,923,279
Intangible assets	2,955,956	-	-	2,955,956
Construction in progress	1,909,511	332,900	(1,909,512)	332,900
Total assets not being depreciated	<u>12,788,746</u>	<u>332,900</u>	<u>(1,909,512)</u>	<u>11,212,135</u>
Depreciable capital assets:				
Buildings	19,994,086	40,083	(91,445)	19,942,724
Improvements other than buildings	77,665,980	1,823,579	(15,690)	79,473,868
Machinery and equipment	11,355,228	4,151,085	(250,856)	15,255,458
Total depreciable capital assets	<u>109,015,294</u>	<u>6,014,747</u>	<u>(357,991)</u>	<u>114,672,050</u>
Less accumulated depreciation for:				
Buildings	(6,851,707)	(469,895)	91,445	(7,230,157)
Improvements other than buildings	(25,553,861)	(3,688,920)	15,690	(29,227,090)
Machinery and equipment	(6,445,241)	(792,072)	211,830	(7,025,484)
Total accumulated depreciation	<u>(38,850,809)</u>	<u>(4,950,887)</u>	<u>318,965</u>	<u>(43,482,731)</u>
Total depreciable capital assets, net	<u>70,164,485</u>	<u>1,063,860</u>	<u>(39,026)</u>	<u>71,189,319</u>
Business-type activities capital assets, net	<u>\$ 82,953,231</u>	<u>\$ 1,396,760</u>	<u>\$ (1,948,538)</u>	<u>\$ 82,401,454</u>

Discretely Presented Component Units:

	<u>Beginning Balance</u>	<u>Increase</u>	<u>Decrease</u>	<u>Ending Balance</u>
Library District:				
Capital assets not being depreciated:				
Land	144,263	-	-	144,263
Construction in progress	1,444,823	6,098,696	-	7,543,519
Total assets not being depreciated	<u>1,589,086</u>	<u>6,098,696</u>	<u>-</u>	<u>7,687,782</u>
Depreciable capital assets:				
Buildings	6,053,922	-	-	6,053,922
Improvements other than buildings	13,672	-	-	13,672
Library collections	805,236	190,376	(110,054)	885,558
Machinery and equipment	386,843	61,290	-	448,133
Total depreciable capital assets	<u>7,259,673</u>	<u>251,666</u>	<u>(110,054)</u>	<u>7,401,285</u>
Less accumulated depreciation for:				
Buildings	(3,489,403)	(186,667)	-	(3,676,070)
Improvements other than buildings	(12,872)	(418)	-	(13,290)
Library collections	(657,622)	(152,062)	66,949	(742,735)
Machinery and equipment	(344,253)	(11,119)	-	(355,372)
Total accumulated depreciation	<u>(4,504,150)</u>	<u>(350,266)</u>	<u>66,949</u>	<u>(4,787,467)</u>
Total depreciable capital assets, net	<u>2,755,523</u>	<u>(98,600)</u>	<u>(43,105)</u>	<u>2,613,818</u>
Total capital assets, net Library District	<u>\$ 4,344,609</u>	<u>\$ 6,000,096</u>	<u>\$ (43,105)</u>	<u>\$ 10,301,600</u>

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2015

III. Detailed Notes on All Funds (continued)

E. Capital Assets (continued)

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

Governmental activities:

General government	\$ 313,883
Public safety	491,753
Public works	4,508,888
Health and welfare	132,064
Culture and recreation	831,770
Conservation of natural resources	6,369
Housing and development	51,024
Total governmental activities depreciation expense	<u>\$ 6,335,751</u>

Business-type activities:

Airport	\$ 4,790,041
Solid waste center	160,846
Total business-type activities depreciation expense	<u>\$ 4,950,887</u>

F. Interfund Transfers and Due to/Due from

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) to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and 3) provide additional resources for current operations or debt service.

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

The following interfund transfers occurred during the year ended December 31, 2015:

Transferred to	Transferred from		
	General	Nonmajor Governmental Funds	Total
General Fund	\$ -	\$ 528,088	\$ 528,088
Open Space and Trails Fund	98,000	-	98,000
Nonmajor Governmental Funds	-	40,000	40,000
Total	<u>\$ 98,000</u>	<u>\$ 568,088</u>	<u>\$ 666,088</u>

III. Detailed Notes on All Funds (continued)

G. Long-term Debt

Governmental Activities:

1. 2006 General Obligation Refunding Bonds

The County issued \$9,815,000 of Pitkin County General Obligation Refunding Bonds on December 21, 2006. The bonds bear interest rates from 4% to 4.5%, and mature in annual increments from December 1, 2001 through 2036. The proceeds were used to advance refund \$7,890,000 of the Series 2000 Bonds and provide approximately \$1,560,000 for future open space acquisitions. The refunded Series 2000 Bonds were called for redemption at a redemption price equal to the principal amount plus accrued interest on December 1, 2010. The principal balance outstanding at December 31, 2015 was \$8,390,000.

2. 2010 Series A and B Sales Tax Revenue Bonds

On December 22, 2010, the County issued \$2,530,000 of Taxable Sales Tax Revenue Build America Bonds and \$5,830,000 of Tax-Exempt Sales Tax Revenue Refunding Bonds with interest rates on the tax-exempt bonds ranging from 2% to 4.25% and taxable bonds ranging from 6.69% to 6.94%. The 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) construct or acquire certain maintenance facility improvements for the Emergency Telephone Authority; and, (iv) pay costs of issuance of the Bonds.

All Sales Tax Revenue Bonds are special, limited revenue obligations of the County, secured by a pledge of its 1% sales tax for transit purposes. The outstanding balance of sales tax bonds at December 31, 2015 was \$6,810,000. During 2015 the debt service for these bonds totaled \$657,343, and the pledged revenue was \$9,771,466. The annual payment of principal and interest on the bonds are secured by a reserve fund.

3. 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, 2015 was \$2,100,000.

III. Detailed Notes on All Funds (continued)

G. Long-term Debt (continued)

Governmental Activities (continued):

4. Pitkin County General Obligation Open Space Acquisition Note – Joy Smith Property

A note in the amount of \$4,250,000 was executed September 25, 2001 for the acquisition of property commonly known as the Joy Smith Property. The note bears interest at a rate of 5.3% with annual interest only payments through 2021. Principal payment is due in its entirety on September 25, 2021. This debt is voter approved and is supported by a pledge of the County's full faith and credit.

5. Twining Flats General Improvement Bonds

The Twining Flats General Improvement District issued bonds in 2006 to provide funds for improvements to the roads within their district. These bonds will be repaid from amounts levied against the property owners benefited by this construction. In the event that a deficiency exists because of unpaid or delinquent taxes at the time a debt service payment is due, Pitkin County must provide resources to cover the deficiency until other resources, for example, foreclosure proceeds, are received. The bonds bear an interest rate of 5.1% and mature in annual increment annually through 2016. The principal amount outstanding at December 31, 2015 was \$8,557.

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2015

III. Detailed Notes on All Funds (continued)

G. Long-term Debt (continued)

6. Annual Debt Service Requirements

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

Years Ending December 31	Governmental Activities					
	2006 General Obligation		2010A & B Sales Tax Revenue		2013 General Obligation	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ 335,000	\$ 354,700	\$ 330,000	\$ 323,963	\$ 380,000	\$ 45,780
2017	350,000	341,300	340,000	315,225	200,000	37,496
2018	365,000	327,300	350,000	306,300	200,000	33,136
2019	380,000	312,700	360,000	295,800	210,000	28,776
2020	395,000	297,500	370,000	284,550	210,000	24,198
2021 - 2025	2,240,000	1,236,300	2,065,000	1,215,315	900,000	49,595
2026 - 2030	2,780,000	732,100	1,040,000	829,402	-	-
2031 - 2035	1,260,000	239,400	870,000	559,397	-	-
2036 - 2040	285,000	12,825	1,085,000	231,763	-	-
Total	\$ 8,390,000	\$ 3,854,125	\$ 6,810,000	\$ 4,361,715	\$ 2,100,000	\$ 218,981

Years Ending December 31	Governmental Activities					
	Open Space Acquisition Note		Twining Flats Improvement		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ -	\$ 225,250	\$ 8,557	\$ 436	\$ 1,053,557	\$ 950,129
2017	-	225,250	-	-	890,000	919,271
2018	-	225,250	-	-	915,000	891,986
2019	-	225,250	-	-	950,000	862,526
2020	-	225,250	-	-	975,000	831,498
2021 - 2025	4,250,000	225,250	-	-	9,455,000	2,726,460
2026 - 2030	-	-	-	-	3,820,000	1,561,502
2031 - 2035	-	-	-	-	2,130,000	798,797
2036 - 2040	-	-	-	-	1,370,000	244,588
Total	\$ 4,250,000	\$ 1,351,500	\$ 8,557	\$ 436	\$ 21,558,557	\$ 9,786,757

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2015

III. Detailed Notes on All Funds (continued)

G. Long-term Debt (continued)

7. Changes in Long-term Debt

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due in One Year</u>
Governmental Activities:					
General obligation:					
Series 2006	\$ 8,710,000	\$ -	\$ 320,000	\$ 8,390,000	\$ 335,000
Series 2013	2,475,000	-	375,000	2,100,000	380,000
Sales tax revenue series 2010 A&B	7,135,000	-	325,000	6,810,000	330,000
Open space acquisition note	4,250,000	-	-	4,250,000	-
Twining Flats improvement bonds	16,629	-	8,072	8,557	8,557
Deferred amounts:					
Issuance premiums	90,109	-	4,080	86,029	-
Claims payable	1,112,719	3,515,374	3,635,105	992,989	397,196
Compensated absences	1,414,624	1,526,326	1,534,821	1,406,129	562,452
Total - Governmental Activities	<u>\$ 25,204,081</u>	<u>\$ 5,041,700</u>	<u>\$ 6,202,078</u>	<u>\$ 24,043,704</u>	<u>\$ 2,013,204</u>
Business-type Activities:					
Landfill closure and post-closure	\$ 3,074,158	\$ 132,572	\$ -	\$ 3,206,730	\$ -
Compensated absences	181,055	281,149	275,526	186,678	74,671
Total - Business-type Activities	<u>\$ 3,255,213</u>	<u>\$ 413,721</u>	<u>\$ 275,526</u>	<u>\$ 3,393,408</u>	<u>\$ 74,671</u>
Component Units:					
Pitkin County Library District:					
Compensated absences	\$ 123,312	\$ 189,710	\$ 207,251	\$ 105,771	\$ 42,308
	<u>\$ 123,312</u>	<u>\$ 189,710</u>	<u>\$ 207,251</u>	<u>\$ 105,771</u>	<u>\$ 42,308</u>

The Open Space acquisition notes are being repaid by the Open Space Fund and the General Obligation bonds are being repaid by the GO Debt Service Fund. The County's sales tax revenue bonds are being retired from the Transit Debt Service Fund.

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. Approximately 55% of the salaries are incurred in the General Fund. The outstanding claims are being paid by the General Fund. Further details of claims are provided in Note IV.B.

III. Detailed Notes on All Funds (continued)

G. Long-term Debt (continued)

8. Conduit Debt

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 individual or private sector entity served by the bonds issuance.

Neither the County, nor the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2015, there were three series of Industrial Revenue bonds outstanding with an aggregate principal amount payable of \$49,750,000.

H. Fund Balance Disclosures

The County has reported the following restricted fund balances:

	Primary Government	
	General Fund	Other Funds
Restricted for statutory reserves	\$ 832,880	\$ 990,389
Restricted for debt service	-	164,633
Restricted for federal programs	458,887	184,473
Restricted for voter approved programs	-	21,167,253
	<u>\$ 1,291,767</u>	<u>\$ 22,506,747</u>

The County has reported the following committed fund balances:

	Primary Government			
	General Fund	Transportation Sales and Use Tax	Open Space and Trails	Other Funds
Committed for open space and parks	\$ 985,975	\$ -	\$ -	\$ -
Committed for clerk's programs	175,119	-	-	-
Committed for ongoing capital projects	1,211,910	950,423	17,833	-
Committed for affordable housing	-	-	-	11,143,662
	<u>\$ 2,373,004</u>	<u>\$ 950,423</u>	<u>\$ 17,833</u>	<u>\$ 11,143,662</u>

III. Detailed Notes on All Funds (continued)

H. Fund Balance Disclosures (continued)

The County has ongoing commitments to various projects. General Fund commitments for capital projects include contracts for relocation of administrative facilities and digitization of records. Architectural services for the remodel of the Rubey Park bus station is being funded by the Transportation Sales and Use Tax Fund. The Open Space and Trails Fund is funding a rehabilitation project of the Stein Bridge and Trail. A summary of these ongoing capital project commitments is as follows:

	Original Commitment	Spent to Date	Remaining Commitment
General Fund	\$ 1,881,992	\$ 670,082	\$ 1,211,910
Transportation Sales and Use Tax Fund	5,408,196	4,457,773	950,423
Open Space and Trails Fund	294,922	277,089	17,833
	<u>\$ 7,585,110</u>	<u>\$ 5,404,944</u>	<u>\$ 2,180,166</u>

The Board of County Commissioners has assigned fund balance for the following purposes:

	General Fund
Appropriated for expenditure in the 2016 budget for operations	\$ 1,307,904
Appropriated for expenditure in the 2016 budget for capital projects	9,643,219
A minimum fund balance for working capital	4,131,942
Contributions assigned for the Topsy Taxi program	91,259
Assigned to fund future employee health claims	3,689,175
Assigned to fund claims payable	992,989
Assigned for future capital projects for animal shelter	185,121
Assigned for future capital projects	1,346,531
	<u>\$ 21,388,140</u>

IV. Other Information

A. Pension Plans

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

IV. Other Information (continued)

A. Pension Plans (continued)

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

PCPERP, a single employer defined contribution plan, was formed under the provisions of Colorado Revised Statutes, Title 24-54-107(1). All full-time employees of the County and the Library District participate in the plan after six months of employment. The County contributed 13.0% of participants’ compensation to the plan during 2015 and purchased replacement insurance coverage for Social Security’s life, disability and survivor benefits at a cost of 1% of participants’ compensation. Employee contributions are not allowed under the plan. Participants vest immediately in 50% of the County’s contribution and thereafter at the rate of an additional 10% per year of employment. Upon termination of employment a participant’s unvested share is forfeited back to the County to fund plan administrative expenses. The PCPERP is included in the accompanying financial statements as the Pension Trust Fund using the accrual basis of accounting.

Great West Retirement Services is responsible for participant record keeping. Employer contributions are recognized as revenues in the period in which employee services are performed, assets are reported at market value, investment income is recognized as earned, and gains and losses on sales are recognized on the transaction date.

The following table reflects information about the contributions to the retirement plan for the last three years:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total salaries	\$ 18,979,414	\$ 16,990,746	\$ 15,727,467
Eligible salaries	16,470,962	15,103,277	13,241,523
Percent of contribution by County	13.00%	13.00%	13.00%
County contributions	2,141,225	1,963,426	1,721,398

B. Risk Management

1. County’s Worker’s Compensation Self Insurance Program

The County is exposed to various risks of loss related to injuries of employees while on the job. Effective January 1, 1993, the County instituted a limited self-insurance program for workers’ compensation losses. Premiums are paid into the General Fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. 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.

IV. Other Information (continued)

B. Risk Management (continued)

1. County’s Worker’s Compensation Self Insurance Program (continued)

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 \$331,000 to cover the County’s risk retention portion.

All operating funds of the County, including its blended component units, participate in the program and make payments to the General Fund based on actuarial estimates of the amounts needed to pay current year claims and to establish a reserve for catastrophic losses.

The County’s liability for unpaid claims includes an amount for claims that have been incurred but not reported (“IBNR”). Changes in the liability during the past three years are as follows:

	2015	2014	2013
Unpaid claims, beginning	\$ 562,200	\$ 338,916	\$ 317,514
Incurred claims, including IBNRs	214,811	734,777	274,856
Claims paid	(272,454)	(511,493)	(253,454)
Unpaid claims, ending	<u>\$ 504,557</u>	<u>\$ 562,200</u>	<u>\$ 338,916</u>

2. County General Liability Insurance Program

The County is exposed to risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The property and general liability program provides for the County to assume a portion of self-insured losses. The county self-insures the first \$50,000 of each property loss and has an aggregate stop loss of \$300,000 for general liability claims. Excess insurance coverage is purchased to cover claims above these limits.

The County funds all claim settlements up to the self-insured limit from general fund resources. There have been no settlements that exceed the County’s excess insurance coverage during the past three years. The County currently accounts for all risk management activities in its general fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

IV. Other Information (continued)

B. Risk Management (continued)

2. County General Liability Insurance Program (continued)

These losses included an estimate of claims that have been incurred but not reported. Changes in the liability during the past three years are as follows:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Unpaid claims, beginning	\$ 213,944	\$ 110,089	\$ 169,854
Incurred claims, including IBNRs	1,891	158,186	10,938
Claims paid	<u>(71,630)</u>	<u>(54,331)</u>	<u>(70,703)</u>
Unpaid claims, ending	<u><u>\$ 144,205</u></u>	<u><u>\$ 213,944</u></u>	<u><u>\$ 110,089</u></u>

3. County Health Pool

The County is exposed to various risks of loss related to covered health expenses. The County maintains a self-funded health and dental plan. The County has coverage that limits the annual losses at \$100,000 per individual and \$2,773,000 for the year. There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceed the County's insurance coverage during the past three years.

These losses included an estimate of claims that have been incurred but not reported. Changes in the liability during the past three years are as follows:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Unpaid claims, beginning	\$ 336,576	\$ 321,533	\$ 676,794
Incurred claims, including IBNRs	3,298,672	3,281,479	2,612,453
Claims paid	<u>(3,291,021)</u>	<u>(3,266,436)</u>	<u>(2,967,714)</u>
Unpaid claims, ending	<u><u>\$ 344,227</u></u>	<u><u>\$ 336,576</u></u>	<u><u>\$ 321,533</u></u>

C. Claims and Contingencies

1. Pending Litigation

The County is involved in various lawsuits. Where the County Attorney is the attorney of record for Pitkin County, the County Attorney does not believe the potential loss to the County for any of these lawsuits would have a material impact of these financial statements.

IV. Other Information (continued)

C. Claims and Contingencies (continued)

2. Closure and Post-Closure Care Costs

State of Colorado “Regulations Pertaining to Solid Waste Disposal Sites and Facilities, 6 CCR 1007-2” require that owners or operators of any solid waste disposal site/facility shall maintain in written documented form current cost estimates for hiring a third party to close such site and facility and to conduct post-closure care of such site/facility. The owner or operator of any solid waste disposal site and facility shall establish financial assurance sufficient to ensure payment of such costs.

The County uses the “Local Government Financial Test” as its financial mechanism to financially assure full payment of all closure, post-closure, and if applicable, corrective action estimated costs.

As of December 31, 2015 estimated costs to close the landfill and provide 30 years of post-closure care were:

Closure cost estimate	\$ 1,131,008
Post-closure cost estimate	<u>2,075,722</u>
Total cost estimate	<u><u>\$ 3,206,730</u></u>

Closure costs fluctuate due to ongoing landfill development and would be expected to become somewhat lower as supplementary structures are constructed.

Although closure and post-closure care costs will be paid only in the unlikely event of premature closure near or after the date the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$3,206,730 reported as landfill closure and post-closure liability at December 31, 2015 represents the cumulative amount reported to date based on the use of 67.48% of the capacity of the landfill. The County will recognize the remaining estimated costs of closure and post-closure care as the remaining capacity is filled. The County expects to close the landfill in the year 2032. Actual closure/ post-closure costs may be higher or lower due to inflation, changes in technology, or changes in regulations.

REQUIRED SUPPLEMENTARY INFORMATION

Pitkin County, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015			2014	
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 13,506,428	\$ 13,500,428	\$ 14,089,341	\$ 588,913	\$ 13,446,029
Intergovernmental	2,412,559	2,585,875	3,524,132	938,257	3,032,095
Licenses and permits	1,716,061	1,716,061	1,773,016	56,955	1,608,444
Charges for services	6,120,007	6,120,007	6,172,018	52,011	5,990,106
Fines and forfeitures	27,000	27,000	46,927	19,927	27,860
Investment earnings	185,950	185,950	226,928	40,978	176,954
Impact Fees	125,000	125,000	520,148	395,148	164,859
Miscellaneous	346,927	346,927	379,086	32,159	687,420
Total Revenues	<u>24,439,932</u>	<u>24,607,248</u>	<u>26,731,596</u>	<u>2,124,348</u>	<u>25,133,767</u>
Expenditures					
Current:					
General government	11,459,481	13,414,114	10,107,242	3,306,872	9,371,896
Public safety	8,909,560	10,460,765	9,022,106	1,438,659	8,345,515
Public works	2,991,600	3,995,470	2,561,817	1,433,653	4,632,069
Health and welfare	3,677,097	4,039,995	2,327,604	1,712,391	2,247,894
Culture and recreation	64,143	764,143	33,639	730,504	12,226
Housing and development	196,500	196,500	244,469	(47,969)	196,500
Total Expenditures	<u>27,298,381</u>	<u>32,870,987</u>	<u>24,296,877</u>	<u>8,574,110</u>	<u>24,806,100</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,858,449)	(8,263,739)	2,434,719	10,698,458	327,667
Other Financing Sources (Uses)					
Sale of capital assets	159,578	159,578	250,769	91,191	161,239
Transfers in	504,958	504,958	528,088	23,130	500,697
Transfers out	(69,000)	(1,098,000)	(98,000)	1,000,000	(169,000)
Total Other Financing Sources (Uses)	<u>595,536</u>	<u>(433,464)</u>	<u>680,857</u>	<u>1,114,321</u>	<u>492,936</u>
Net Change in Fund Balance	<u>\$ (2,262,913)</u>	<u>\$ (8,697,203)</u>	3,115,576	<u>\$ 11,812,779</u>	820,603
Fund Balance Beginning of Year			28,090,962		27,270,359
Fund Balance End of Year			<u>\$ 31,206,538</u>		<u>\$ 28,090,962</u>

Pitkin County, Colorado
Transportation Sales and Use Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 14,020,861	\$ 14,748,820	\$ 15,391,973	\$ 643,153	\$ 13,991,586
Investment earnings	61,000	61,000	56,731	(4,269)	50,273
Charges for services	-	-	16	16	15
Total Revenues	<u>14,081,861</u>	<u>14,809,820</u>	<u>15,448,720</u>	<u>638,900</u>	<u>14,041,874</u>
Expenditures					
Current:					
Public works	17,005,968	19,172,297	18,558,898	613,399	13,401,323
Total Expenditures	<u>17,005,968</u>	<u>19,172,297</u>	<u>18,558,898</u>	<u>613,399</u>	<u>13,401,323</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,924,107)</u>	<u>(4,362,477)</u>	<u>(3,110,178)</u>	<u>1,252,299</u>	<u>640,551</u>
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	100,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
Net Change in Fund Balance	<u>\$ (2,924,107)</u>	<u>\$ (4,362,477)</u>	<u>(3,110,178)</u>	<u>\$ 1,252,299</u>	<u>740,551</u>
Fund Balance Beginning of Year			<u>10,163,563</u>		<u>9,423,012</u>
Fund Balance End of Year			<u>\$ 7,053,385</u>		<u>\$ 10,163,563</u>

Pitkin County, Colorado
Open Space and Trails Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 10,100,630	\$ 10,100,630	\$ 10,014,055	\$ (86,575)	\$ 10,122,801
Intergovernmental	200,000	324,900	391,999	67,099	1,489,348
Licenses and permits	-	-	10,758	10,758	8,863
Charges for services	-	-	6,268	6,268	8,478
Fines and forfeitures	-	-	4,400	4,400	3,061
Investment earnings	63,850	63,850	64,583	733	70,415
Miscellaneous	-	-	88,758	88,758	150,866
Total Revenues	10,364,480	10,489,380	10,580,821	91,441	11,853,832
Expenditures					
Current:					
Culture and recreation	3,832,875	16,915,439	11,789,577	5,125,862	9,163,398
Debt Service:					
Principal	695,000	695,000	695,000	-	675,000
Interest and fiscal charges	647,155	647,155	647,155	-	663,848
Total Expenditures	5,175,030	18,257,594	13,131,732	5,125,862	10,502,246
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,189,450	(7,768,214)	(2,550,911)	5,217,303	1,351,586
Other Financing Sources (Uses):					
Sale of capital assets	7,380	7,380	108,360	100,980	9,361
Transfers in	69,000	98,000	98,000	-	69,000
Total Other Financing Sources (Uses)	76,380	105,380	206,360	100,980	78,361
Net Change in Fund Balance	\$ 5,265,830	\$ (7,662,834)	(2,344,551)	\$ 5,318,283	1,429,947
Fund Balance Beginning of Year			12,775,291		11,345,344
Fund Balance End of Year			\$ 10,430,740		\$ 12,775,291

Pitkin County, Colorado
Employee Housing Impact Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues					
Investment earnings	\$ 51,100	\$ 51,100	\$ 56,389	\$ 5,289	\$ 55,148
Impact fees	700,000	700,000	790,455	90,455	704,110
Miscellaneous	57,600	57,600	76,614	19,014	63,681
Total Revenues	<u>808,700</u>	<u>808,700</u>	<u>923,458</u>	<u>114,758</u>	<u>822,939</u>
Expenditures					
Current:					
Housing	7,397,714	7,397,714	1,093,542	6,304,172	467,117
Total Expenditures	<u>7,397,714</u>	<u>7,397,714</u>	<u>1,093,542</u>	<u>6,304,172</u>	<u>467,117</u>
Net Change in Fund Balance	<u>\$ (6,589,014)</u>	<u>\$ (6,589,014)</u>	(170,084)	<u>\$ 6,418,930</u>	355,822
Fund Balance Beginning of Year			<u>11,341,450</u>		<u>10,985,628</u>
Fund Balance End of Year			<u>\$ 11,171,366</u>		<u>\$ 11,341,450</u>

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SUPPLEMENTARY INFORMATION

Non-Major Governmental Funds

Special Revenue Funds

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

Road and Bridge Fund – State law empowers the County to levy property tax for the purpose of construction and maintenance of County road and bridges. This tax and all state and federal payments to the County for road and bridge purposes are accounted for in this fund.

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

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

Healthy Community Fund – In 2006, the voters approved an increase in property taxes to support contributions to Human Service Agencies and Community Non-profits. The property tax was authorized for six years but was reauthorized at a higher rate in 2011 for the 2013 budget. This authorization will sunset in 2018.

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

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

Ambulance District – Formed in 1982, ambulance service is provided by this District to the area in and around the City of Aspen. The Ambulance District has contracted with 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.

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

Debt Services Funds

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

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.

Pitkin County, Colorado
Combining Balance Sheet
Non-major Governmental Funds
For the Year Ended December 31, 2015

	Non-major Special Revenue Funds	Transit Service Debt Service Fund	Total Non-major Governmental Funds
Assets			
Equity in pooled cash and investments	\$ 5,562,250	\$ -	\$ 5,562,250
Receivables:			
Accounts	92,177	-	92,177
Property taxes	4,687,254	-	4,687,254
Sales taxes	-	108,994	108,994
Intergovernmental	429,781	-	429,781
Restricted cash and investments	-	55,639	55,639
Total Assets	10,771,462	164,633	10,936,095
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts payable	174,065	-	174,065
Accrued liabilities	20,062	-	20,062
Intergovernmental payable	63,692	-	63,692
Funds held in trust	27,848	-	27,848
Total Liabilities	285,667	-	285,667
Deferred Inflows of Resources			
Unavailable property taxes	4,687,254	-	4,687,254
Total Deferred Inflows of Resources	4,687,254	-	4,687,254
Fund Balances			
Restricted for:			
Statutory reserve	187,774	-	187,774
Debt service	-	164,633	164,633
State and Federal programs	184,473	-	184,473
Voter approved programs	5,426,295	-	5,426,295
Total Fund Balances	5,798,541	164,633	5,963,174
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 10,771,462	\$ 164,633	\$ 10,936,095

Pitkin County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2015

	Non-major Special Revenue Funds	Transit Debt Service Fund	Total Non-major Governmental Funds
Revenues			
Taxes	\$ 6,348,720	\$ 599,764	\$ 6,948,484
Intergovernmental	3,077,553	56,292	3,133,845
Licenses and permits	18,420	-	18,420
Charges for services	50,756	-	50,756
Investment earnings	29,748	1,142	30,890
Miscellaneous	39,673	-	39,673
Total Revenues	<u>9,564,870</u>	<u>657,198</u>	<u>10,222,068</u>
Expenditures			
Current:			
Public safety	460,483	-	460,483
Public works	3,400,201	-	3,400,201
Health and welfare	3,299,817	-	3,299,817
Culture and recreation	778,918	-	778,918
Debt Service:			
Principal	8,072	325,000	333,072
Interest and fiscal charges	1,248	332,343	333,591
Total Expenditures	<u>7,948,739</u>	<u>657,343</u>	<u>8,606,082</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,616,131	(145)	1,615,986
Other Financing Sources (Uses)			
Transfers in	40,000	-	40,000
Transfers out	(568,088)	-	(568,088)
Total Other Financing Sources (Uses)	<u>(528,088)</u>	<u>-</u>	<u>(528,088)</u>
Net Change in Fund Balances	1,088,043	(145)	1,087,898
Fund Balances Beginning of Year	<u>4,710,498</u>	<u>164,778</u>	<u>4,875,276</u>
Fund Balances End of Year	<u>\$ 5,798,541</u>	<u>\$ 164,633</u>	<u>\$ 5,963,174</u>

Pitkin County, Colorado
Combining Balance Sheet
Non-major Special Revenue Funds
For the Year Ended December 31, 2015

	Road and Bridge Fund	Social Services Fund	Translator Fund	Healthy Community Fund
Assets				
Equity in pooled cash and investments	\$ 22,526	\$ 145,120	\$ 2,103,250	\$ 204,635
Receivables:				
Accounts	-	-	-	-
Property taxes	494,554	191,345	785,986	2,163,672
Intergovernmental	108,067	151,718	-	-
Total Assets	625,147	488,183	2,889,236	2,368,307
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	103,494	24,145	18,421	-
Accrued liabilities	12,135	5,619	1,521	152
Intergovernmental payable	1,714	23,919	-	-
Funds held in trust	13,250	14,598	-	-
Total Liabilities	130,593	68,281	19,942	152
Deferred Inflows of Resources				
Unavailable property taxes	494,554	191,345	785,986	2,163,672
Total Deferred Inflows of Resources	494,554	191,345	785,986	2,163,672
Fund Balances				
Restricted for:				
Statutory reserve	-	44,084	24,423	64,402
State and Federal programs	-	184,473	-	-
Voter approved programs	-	-	2,058,885	140,081
Total Fund Balances	-	228,557	2,083,308	204,483
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 625,147	\$ 488,183	\$ 2,889,236	\$ 2,368,307

Conservation Trust Fund	Healthy Rivers and Streams Fund	Ambulance District	Redstone Ranch Acres Improvement District	Twining Flats Improvement District	Total Non-major Special Revenue Funds
\$ 5,423	\$ 2,392,605	\$ 652,479	\$ 11,132	\$ 25,080	\$ 5,562,250
-	-	92,177	-	-	92,177
-	-	1,024,168	9,582	17,947	4,687,254
-	169,996	-	-	-	429,781
<u>5,423</u>	<u>2,562,601</u>	<u>1,768,824</u>	<u>20,714</u>	<u>43,027</u>	<u>10,771,462</u>
-	24,408	648	2,549	400	174,065
-	566	69	-	-	20,062
-	174	37,885	-	-	63,692
-	-	-	-	-	27,848
-	<u>25,148</u>	<u>38,602</u>	<u>2,549</u>	<u>400</u>	<u>285,667</u>
-	-	<u>1,024,168</u>	<u>9,582</u>	<u>17,947</u>	<u>4,687,254</u>
-	-	<u>1,024,168</u>	<u>9,582</u>	<u>17,947</u>	<u>4,687,254</u>
-	29,661	24,406	273	524	187,774
-	-	-	-	-	184,473
<u>5,423</u>	<u>2,507,792</u>	<u>681,648</u>	<u>8,310</u>	<u>24,156</u>	<u>5,426,295</u>
<u>5,423</u>	<u>2,537,453</u>	<u>706,054</u>	<u>8,583</u>	<u>24,680</u>	<u>5,798,541</u>
<u>\$ 5,423</u>	<u>\$ 2,562,601</u>	<u>\$ 1,768,824</u>	<u>\$ 20,714</u>	<u>\$ 43,027</u>	<u>\$ 10,771,462</u>

Pitkin County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Special Revenue Funds
For the Year Ended December 31, 2015

	Road and Bridge Fund	Social Services Fund	Translator Fund	Healthy Community Fund
Revenues				
Taxes	\$ 1,444,954	\$ 173,594	\$ 772,359	\$ 2,144,246
Intergovernmental	1,246,184	1,757,327	-	-
Licenses and permits	18,420	-	-	-
Charges for services	13,446	36,507	498	-
Investment earnings	-	1,559	10,813	2,476
Miscellaneous	-	9,032	30,420	-
Total Revenues	<u>2,723,004</u>	<u>1,978,019</u>	<u>814,090</u>	<u>2,146,722</u>
Expenditures				
Current:				
Public safety	-	-	-	-
Public works	2,723,004	-	564,995	88,500
Health and welfare	-	1,975,628	-	1,324,189
Culture and recreation	-	-	-	176,000
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	<u>2,723,004</u>	<u>1,975,628</u>	<u>564,995</u>	<u>1,588,689</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	2,391	249,095	558,033
Other Financing Sources (Uses)				
Transfers in	-	40,000	-	-
Transfers out	-	-	-	(499,088)
Total Other Financing Sources (Uses)	<u>-</u>	<u>40,000</u>	<u>-</u>	<u>(499,088)</u>
Net Change in Fund Balances	-	42,391	249,095	58,945
Fund Balances Beginning of Year	<u>-</u>	<u>186,166</u>	<u>1,834,213</u>	<u>145,538</u>
Fund Balances End of Year	<u>\$ -</u>	<u>\$ 228,557</u>	<u>\$ 2,083,308</u>	<u>\$ 204,483</u>

Conservation Trust Fund	Healthy Rivers and Streams Fund	Ambulance District	Redstone Ranch Acres Improvement District	Twining Flats Improvement District	Total Non-major Special Revenue Funds
\$ -	\$ 977,146	\$ 810,100	\$ 9,020	\$ 17,301	\$ 6,348,720
74,042	-	-	-	-	3,077,553
-	-	-	-	-	18,420
-	305	-	-	-	50,756
166	11,262	3,224	88	160	29,748
-	-	221	-	-	39,673
74,208	988,713	813,545	9,108	17,461	9,564,870
-	-	460,483	-	-	460,483
-	-	-	17,477	6,225	3,400,201
-	-	-	-	-	3,299,817
-	602,918	-	-	-	778,918
-	-	-	-	8,072	8,072
-	-	-	-	1,248	1,248
-	602,918	460,483	17,477	15,545	7,948,739
74,208	385,795	353,062	(8,369)	1,916	1,616,131
-	-	-	-	-	40,000
(69,000)	-	-	-	-	(568,088)
(69,000)	-	-	-	-	(528,088)
5,208	385,795	353,062	(8,369)	1,916	1,088,043
215	2,151,658	352,992	16,952	22,764	4,710,498
\$ 5,423	\$ 2,537,453	\$ 706,054	\$ 8,583	\$ 24,680	\$ 5,798,541

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, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 1,673,527	\$ 1,679,527	\$ 1,444,955	\$ (234,572)	\$ 1,327,970
Intergovernmental	1,251,197	1,251,197	1,246,183	(5,014)	1,195,267
Licenses and permits	12,000	12,000	18,420	6,420	14,675
Charges for services	6,500	6,500	13,446	6,946	7,118
Miscellaneous	500	500	-	(500)	1,200
Total Revenues	<u>2,943,724</u>	<u>2,949,724</u>	<u>2,723,004</u>	<u>(226,720)</u>	<u>2,546,230</u>
Expenditures					
Current:					
Public works	2,943,724	2,949,724	2,723,004	226,720	2,546,230
Total Expenditures	<u>2,943,724</u>	<u>2,949,724</u>	<u>2,723,004</u>	<u>226,720</u>	<u>2,546,230</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>	-
Fund Balance Beginning of Year			-		-
Fund Balance End of Year			<u>\$ -</u>		<u>\$ -</u>

Pitkin County, Colorado
Social Services Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 175,077	\$ 175,077	\$ 173,594	\$ (1,483)	\$ 173,909
Intergovernmental	1,658,642	2,061,306	1,757,327	(303,979)	1,573,059
Charges for services	22,000	22,000	36,507	14,507	13,429
Investment earnings	1,130	1,130	1,559	429	1,105
Miscellaneous	-	-	9,032	9,032	1,650
Total Revenues	<u>1,856,849</u>	<u>2,259,513</u>	<u>1,978,019</u>	<u>(281,494)</u>	<u>1,763,152</u>
Expenditures					
Current:					
Health and welfare	1,914,144	2,394,749	1,975,628	419,121	1,814,988
Total Expenditures	<u>1,914,144</u>	<u>2,394,749</u>	<u>1,975,628</u>	<u>419,121</u>	<u>1,814,988</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(57,295)</u>	<u>(135,236)</u>	<u>2,391</u>	<u>137,627</u>	<u>(51,836)</u>
Other Financing Sources (Uses)					
Transfers in	40,000	40,000	40,000	-	58,500
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>58,500</u>
Net Change in Fund Balance	<u>\$ (17,295)</u>	<u>\$ (95,236)</u>	<u>42,391</u>	<u>\$ 137,627</u>	<u>6,664</u>
Fund Balance Beginning of Year			<u>186,166</u>		<u>179,502</u>
Fund Balance End of Year			<u>\$ 228,557</u>		<u>\$ 186,166</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, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 778,376	\$ 778,376	\$ 772,359	\$ (6,017)	\$ 749,185
Intergovernmental	-	150,000	-	(150,000)	-
Charges for services	-	-	498	498	1,185
Investment earnings	6,740	6,740	10,813	4,073	9,742
Miscellaneous	51,790	51,790	30,420	(21,370)	36,000
Total Revenues	<u>836,906</u>	<u>986,906</u>	<u>814,090</u>	<u>(172,816)</u>	<u>796,112</u>
Expenditures					
Current:					
Public works	1,549,229	1,897,714	564,995	1,332,719	574,697
Total Expenditures	<u>1,549,229</u>	<u>1,897,714</u>	<u>564,995</u>	<u>1,332,719</u>	<u>574,697</u>
Net Change in Fund Balance	<u>\$ (712,323)</u>	<u>\$ (910,808)</u>	249,095	<u>\$ 1,159,903</u>	221,415
Fund Balance Beginning of Year			<u>1,834,213</u>		<u>1,612,798</u>
Fund Balances End of Year			<u>\$ 2,083,308</u>		<u>\$ 1,834,213</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, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 2,160,062	\$ 2,160,062	\$ 2,144,246	\$ (15,816)	\$ 2,081,567
Investment earnings	2,060	2,060	2,476	416	2,293
Total Revenues	<u>2,162,122</u>	<u>2,162,122</u>	<u>2,146,722</u>	<u>(15,400)</u>	<u>2,083,860</u>
Expenditures					
Current:					
Public works	88,500	88,500	88,500	-	87,000
Health and welfare	1,353,517	1,353,517	1,324,189	29,328	1,245,705
Culture and recreation	176,000	176,000	176,000	-	173,000
Total Expenditures	<u>1,618,017</u>	<u>1,618,017</u>	<u>1,588,689</u>	<u>29,328</u>	<u>1,505,705</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>544,105</u>	<u>544,105</u>	<u>558,033</u>	<u>13,928</u>	<u>578,155</u>
Other Financing Sources (Uses)					
Transfers out	(491,958)	(491,958)	(499,088)	(7,130)	(504,997)
Total Other Financing Sources (Uses)	<u>(491,958)</u>	<u>(491,958)</u>	<u>(499,088)</u>	<u>(7,130)</u>	<u>(504,997)</u>
Net Change in Fund Balance	<u>\$ 52,147</u>	<u>\$ 52,147</u>	58,945	<u>\$ 6,798</u>	73,158
Fund Balance Beginning of Year			<u>145,538</u>		<u>72,380</u>
Fund Balance End of Year			<u>\$ 204,483</u>		<u>\$ 145,538</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, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental	\$ 53,000	\$ 53,000	\$ 74,042	\$ 21,042	\$ 54,103
Investment earnings	130	130	166	36	105
Total Revenues	<u>53,130</u>	<u>53,130</u>	<u>74,208</u>	<u>21,078</u>	<u>54,208</u>
Other Financing Sources (Uses)					
Transfers out	(53,000)	(53,000)	(69,000)	(16,000)	(54,200)
Total Other Financing Sources (Uses)	<u>(53,000)</u>	<u>(53,000)</u>	<u>(69,000)</u>	<u>(16,000)</u>	<u>(54,200)</u>
Net Change in Fund Balance	<u>\$ 130</u>	<u>\$ 130</u>	5,208	<u>\$ 5,078</u>	8
Fund Balance Beginning of Year			<u>215</u>		<u>207</u>
Fund Balance End of Year			<u>\$ 5,423</u>		<u>\$ 215</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, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues					
Taxes	\$ 930,585	\$ 930,585	\$ 977,146	\$ 46,561	\$ 907,670
Charges for services	-	-	305	305	403
Investment earnings	9,070	9,070	11,262	2,192	8,535
Total Revenues	<u>939,655</u>	<u>939,655</u>	<u>988,713</u>	<u>49,058</u>	<u>916,608</u>
Expenditures					
Current:					
Culture and recreation	593,544	1,099,327	602,918	496,409	331,281
Total Expenditures	<u>593,544</u>	<u>1,099,327</u>	<u>602,918</u>	<u>496,409</u>	<u>331,281</u>
Net Change in Fund Balance	<u>\$ 346,111</u>	<u>\$ (159,672)</u>	385,795	<u>\$ 545,467</u>	585,327
Fund Balance Beginning of Year			<u>2,151,658</u>		<u>1,566,331</u>
Fund Balance End of Year			<u>\$ 2,537,453</u>		<u>\$ 2,151,658</u>

Pitkin County, Colorado
Ambulance District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 809,616	\$ 809,616	\$ 810,100	\$ 484	\$ 441,456
Investment earnings	1,630	1,630	3,224	1,594	2,268
Total Revenues	<u>811,246</u>	<u>811,246</u>	<u>813,545</u>	<u>2,299</u>	<u>443,751</u>
Expenditures					
Current:					
Public safety	<u>830,809</u>	<u>890,688</u>	<u>460,483</u>	<u>430,205</u>	<u>502,401</u>
Total Expenditures	<u>830,809</u>	<u>890,688</u>	<u>460,483</u>	<u>430,205</u>	<u>502,401</u>
Net Change in Fund Balance	<u>\$ (19,563)</u>	<u>\$ (79,442)</u>	353,062	<u>\$ 432,504</u>	(58,650)
Fund Balance Beginning of Year			<u>352,992</u>		<u>411,642</u>
Fund Balance End of Year			<u>\$ 706,054</u>		<u>\$ 352,992</u>

Pitkin County, Colorado
Redstone Ranch Acres Improvement District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 8,971	\$ 8,971	\$ 9,020	\$ 49	\$ 8,865
Investment earnings	26	26	88	62	88
Total Revenues	<u>8,997</u>	<u>8,997</u>	<u>9,108</u>	<u>111</u>	<u>8,953</u>
Expenditures					
Current:					
Public works	7,435	18,810	17,477	1,333	7,541
Total Expenditures	<u>7,435</u>	<u>18,810</u>	<u>17,477</u>	<u>1,333</u>	<u>7,541</u>
Net Change in Fund Balance	<u>\$ 1,562</u>	<u>\$ (9,813)</u>	(8,369)	<u>\$ 1,444</u>	1,412
Fund Balance Beginning of Year			<u>16,952</u>		<u>15,540</u>
Fund Balance End of Year			<u>\$ 8,583</u>		<u>\$ 16,952</u>

Pitkin County, Colorado
Twining Flats Improvement District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>	<u>Actual</u>
Revenues					
Taxes	\$ 17,229	\$ 17,229	\$ 17,301	\$ 72	\$ 16,939
Investment earnings	160	160	160	-	144
Total Revenues	<u>17,389</u>	<u>17,389</u>	<u>17,461</u>	<u>72</u>	<u>17,083</u>
Expenditures					
Current:					
Public works	9,835	9,835	6,225	3,610	7,739
Debt Service:					
Principal	8,072	8,072	8,072	-	7,615
Interest and fiscal charges	1,348	1,348	1,248	-	1,636
Total Expenditures	<u>19,255</u>	<u>19,255</u>	<u>15,545</u>	<u>3,610</u>	<u>16,990</u>
Net Change in Fund Balance	<u>\$ (1,866)</u>	<u>\$ (1,866)</u>	1,916	<u>\$ 3,682</u>	93
Fund Balance Beginning of Year			<u>22,764</u>		<u>22,671</u>
Fund Balance End of Year			<u>\$ 24,680</u>		<u>\$ 22,764</u>

Pitkin County, Colorado
Transit Sales Tax Revenue Bonds
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 595,472	\$ 595,472	\$ 599,764	\$ 4,292	\$ 600,830
Intergovernmental	60,561	60,561	56,292	(4,269)	56,170
Investment earnings	1,310	1,310	1,142	(168)	1,032
Total Revenues	<u>657,343</u>	<u>657,343</u>	<u>657,198</u>	<u>(145)</u>	<u>658,032</u>
Expenditures					
Debt Service:					
Principal	325,000	325,000	325,000	-	320,000
Interest and fiscal charges	332,343	332,343	332,343	-	338,683
Total Expenditures	<u>657,343</u>	<u>657,343</u>	<u>657,343</u>	<u>-</u>	<u>658,683</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	(145)	<u>\$ (145)</u>	(651)
Fund Balance Beginning of Year			<u>164,778</u>		<u>165,429</u>
Fund Balance End of Year			<u>\$ 164,633</u>		<u>\$ 164,778</u>

Pitkin County, Colorado
Airport Fund
Schedule of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015	2014
Operating Revenues		
Charges for services	\$ 3,844,090	\$ 3,359,001
Rents and franchises	4,903,536	4,450,475
Miscellaneous	200	302
Total Operating Revenues	8,747,826	7,809,778
Operating Expenses		
Personnel services	2,554,847	2,527,094
Purchased services	4,471,487	5,429,650
Materials and supplies	207,596	239,280
Depreciation	4,790,041	3,798,928
Total Operating Expenses	12,023,971	11,994,952
Operating Income (Loss)	(3,276,145)	(4,185,174)
Non-operating Revenues (Expenses)		
Interest revenue	71,817	60,437
Intergovernmental revenue	527,311	911,992
Interest expense and fiscal charges	-	(707)
Net gain on disposition of capital assets	-	132,467
Total Non-operating Revenues (Expenses)	599,128	1,104,189
Income (Loss) Before Capital Contributions	(2,677,017)	(3,080,985)
Capital contributions	2,330,397	2,600,542
Change in Net Position	(346,620)	(480,443)
Net Position Beginning of Year	93,548,530	94,028,973
Net Position End of Year	\$ 93,201,910	\$ 93,548,530

Pitkin County, Colorado
Airport Fund
Schedule of Revenues and Expenditures - Budget (Non-GAAP Basis) and Actual (GAAP Basis)
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
GAAP-based operating revenues	\$ 8,045,868	\$ 8,045,868	\$ 8,747,826	\$ 701,958	\$ 7,809,778
GAAP-based interest revenues	61,400	61,400	71,817	10,417	60,437
GAAP-based other non-operating revenue	577,600	749,965	527,388	(222,577)	911,992
GAAP-based contributions from federal government and others	6,094,000	10,635,416	2,330,397	(8,305,019)	2,600,542
Total Budgetary-Based Revenues	14,778,868	19,492,649	11,677,428	(7,815,221)	11,382,749
Expenditures					
GAAP-based operating expenditures	12,599,225	17,489,945	12,023,971	5,465,974	11,994,952
GAAP-based interest expense and fiscal charges	8,251	8,251	-	8,251	(5,176)
Deduct depreciation	-	-	(4,790,041)	4,790,041	(3,798,928)
Add accrued interest payable	-	-	-	-	5,883
Add acquisition of property and equipment	1,890,000	5,487,473	1,147,764	4,339,709	702,511
Add debt principal retirement	206,275	206,275	-	206,275	190,713
Total Budgetary-Based Expenditures	\$ 14,703,751	\$ 23,191,944	\$ 8,381,694	\$ 14,810,250	\$ 9,089,955
Other Financing Sources (Uses)					
GAAP-based proceeds from sale of capital assets	\$ 289,000	\$ 289,000	\$ -	\$ (289,000)	\$ 12,500
Total Budgetary-Based Other Financing Sources	\$ 289,000	\$ 289,000	\$ -	\$ (289,000)	\$ 12,500

Pitkin County, Colorado
Solid Waste Center Fund
Schedule of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	<u>2015</u>	<u>2014</u>
Operating Revenues		
Charges for services	\$ 6,236,440	\$ 5,298,781
Total Operating Revenues	<u>6,236,440</u>	<u>5,298,781</u>
Operating Expenses		
Personnel services	771,631	808,084
Purchased services	4,348,059	3,215,555
Materials and supplies	109,476	61,784
Depreciation	160,846	125,721
Postclosure	132,572	101,330
Total Operating Expenses	<u>5,522,584</u>	<u>4,312,474</u>
Operating Income (Loss)	713,856	986,307
Non-operating Revenues (Expenses)		
Interest revenue	30,865	26,193
Grants awarded	171,534	-
Gain (loss) on disposition of capital assets	15,171	54,638
Total Non-operating Revenues (Expenses)	<u>217,570</u>	<u>80,831</u>
Income (Loss) Before Capital Contributions	931,426	1,067,138
Capital contributions	-	14,750
Change in Net Position	931,426	1,081,888
Net Position Beginning of Year	<u>5,920,049</u>	<u>4,838,161</u>
Net Position End of Year	<u>\$ 6,851,475</u>	<u>\$ 5,920,049</u>

Pitkin County, Colorado
Solid Waste Center Fund
Schedule of Revenues and Expenditures - Budget (Non-GAAP Basis) and Actual (GAAP Basis)
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
GAAP-based operating revenues	\$ 4,791,075	\$ 4,791,075	\$ 6,236,440	\$ 1,445,365	\$ 5,298,781
GAAP-based interest revenues	26,060	26,060	30,865	4,805	26,193
GAAP-based other non-operating revenue	-	-	-	-	-
GAAP-based contributions from federal government and others	-	326,024	171,534	(154,490)	-
Total Budgetary-Based Revenues	<u>4,817,135</u>	<u>5,143,159</u>	<u>6,438,839</u>	<u>1,295,680</u>	<u>5,324,974</u>
Expenditures					
GAAP-based operating expenditures	\$ 4,470,020	\$ 5,433,390	\$ 5,522,584	\$ (89,194)	\$ 4,312,474
GAAP-based interest expense and fiscal charges	-	-	-	-	-
Deduct depreciation	-	-	(160,846)	160,846	(125,721)
Deduct postclosure accrual	-	-	(132,572)	132,572	(101,330)
Increase (decrease) in inventory	-	-	73,355	(73,355)	2,782
Add acquisition of property and equipment	625,000	4,557,090	3,355,538	1,201,552	273,890
Total Budgetary-Based Expenditures	<u>\$ 5,095,020</u>	<u>\$ 9,990,480</u>	<u>\$ 8,658,059</u>	<u>\$ 1,332,421</u>	<u>\$ 4,362,095</u>
Other Financing Sources (Uses)					
GAAP-based proceeds from sale of capital assets	\$ 95,000	\$ 95,000	\$ 119,343	\$ 24,343	\$ 55,600
Total Budgetary-Based Other Financing Sources	<u>\$ 95,000</u>	<u>\$ 95,000</u>	<u>\$ 119,343</u>	<u>\$ 24,343</u>	<u>\$ 55,600</u>

Pitkin County, Colorado
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2015

	<u>Balance January 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31, 2015</u>
<u>County Clearing Fund</u>				
Assets				
Equity in pooled cash and investments	\$ 1,133,718	\$ 224,287,510	\$ 224,338,886	\$ 1,082,342
Liabilities				
Due to other governments	\$ 645,058	\$ 5,234,722	\$ 5,419,668	\$ 460,112
Funds held for others	488,660	219,052,788	218,919,218	622,230
Total Liabilities	\$ 1,133,718	\$ 224,287,510	\$ 224,338,886	\$ 1,082,342
<u>Taxing Districts</u>				
Assets				
Equity in pooled cash and investments	\$ 61,978	\$ 82,403,294	\$ 82,495,959	\$ (30,687)
Liabilities				
Due to other governments	\$ 61,978	\$ 82,403,294	\$ 82,495,959	\$ (30,687)
<u>Other Agencies</u>				
Assets				
Equity in pooled cash and investments	\$ 1,024,653	\$ 553,113	\$ 510,690	\$ 1,067,076
Liabilities				
Funds held for others	\$ 1,024,653	\$ 553,113	\$ 510,690	\$ 1,067,076
<u>Other Clearing Fund</u>				
Assets				
Equity in pooled cash and investments	\$ 319,048	\$ 1,807	\$ -	\$ 320,855
Liabilities				
Due to other governments	\$ 319,048	\$ 1,807	\$ -	\$ 320,855
<u>Total - All Agency Funds</u>				
Assets				
Equity in pooled cash and investments	\$ 2,539,397	\$ 307,245,724	\$ 307,345,535	\$ 2,439,586
Liabilities				
Due to other governments	\$ 1,026,084	\$ 87,639,823	\$ 87,915,627	\$ 750,280
Funds held for others	1,513,313	219,605,901	219,429,908	1,689,306
Total Liabilities	\$ 2,539,397	\$ 307,245,724	\$ 307,345,535	\$ 2,439,586

Pitkin County, Colorado
Pitkin County Library District Discretely Presented Component Unit
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2015
(With Comparative Actual Amounts for December 31, 2014)

	2015				2014
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 3,758,066	\$ 3,758,066	\$ 3,742,017	\$ (16,049)	\$ 3,605,119
Charges for services	-	-	5,700	5,700	8,949
Fines and forfeitures	29,000	29,000	21,039	(7,961)	28,987
Investment earnings	43,050	43,050	33,530	(9,520)	84,532
Miscellaneous	2,021,500	2,476,500	1,351,925	(1,124,575)	1,824,595
Total Revenues	<u>5,851,616</u>	<u>6,306,616</u>	<u>5,154,211</u>	<u>(1,152,405)</u>	<u>5,552,182</u>
Expenditures					
Current:					
Culture and recreation	8,810,638	16,495,117	9,591,102	6,904,015	4,579,246
Total Expenditures	<u>8,810,638</u>	<u>16,495,117</u>	<u>9,591,102</u>	<u>6,904,015</u>	<u>4,579,246</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,959,022)</u>	<u>(10,188,501)</u>	<u>(4,436,891)</u>	<u>5,751,610</u>	<u>972,936</u>
Other Financing Sources (Uses)					
Sale of capital assets	5,000	5,000	6,287	1,287	4,885
Total Other Financing Sources (Uses)	<u>5,000</u>	<u>5,000</u>	<u>6,287</u>	<u>1,287</u>	<u>4,885</u>
Net Change in Fund Balance	<u>\$ (2,954,022)</u>	<u>\$ (10,183,501)</u>	<u>(4,430,604)</u>	<u>\$ 5,752,897</u>	<u>977,821</u>
Fund Balance Beginning of Year			<u>9,403,525</u>		<u>8,425,704</u>
Fund Balance End of Year			<u>\$ 4,972,921</u>		<u>\$ 9,403,525</u>

Reconciliation to Statement of Net Position:

Capital outlays are reported as expenditures, however in the Statement of Activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which the capitalized capital outlay exceeded depreciation expense for the year:

Accumulated depreciation	(4,787,467)	
Cost of capital assets	<u>15,089,067</u>	
		10,301,600
Compensated absences		<u>(105,771)</u>
Total Net Position		<u>\$ 15,168,750</u>

COMBINED SCHEDULE OF CASH AND INVESTMENTS

Pitkin County, Colorado
Combined Schedule of Cash and Investments
For the Year Ended December 31, 2015

	Interest Rate	Maturity Date	Fair Value
Pooled cash and investments			
U.S Agencies and Instrumentalities			
Federal Home Loan Mortgage Corporation			
Par Value \$ 1,000,000	0.800%	3/28/2017	\$ 1,000,000
Par Value \$ 3,000,000	1.000%	6/29/2017	499,950
Federal Farm Credit Bank			
Par Value \$ 1,000,000	1.300%	7/17/2017	1,002,150
Par Value \$ 1,050,000	0.900%	11/15/2017	1,050,000
Federal Home Loan Bank			
Par Value \$ 1,000,000	1.100%	12/22/2016	1,000,000
			<u>\$ 4,552,100</u>
Bank Certificates of Deposit			
Flatirons Bank, Longmont	0.850%	1/27/2016	248,000
Home Loan State Bank, Grand Junction	0.600%	4/3/2016	1,000,000
Home Loan State Bank	0.400%	1/26/2016	1,000,000
Home Loan State Bank	0.600%	5/16/2016	1,000,000
Solera National Bank, Lakewood	0.900%	4/16/2017	1,000,000
Summit Bank & Trust, Broomfield	0.700%	4/12/2016	1,000,000
FDIC-insured Negotiable CDs	varies	varies	50,740,849
			<u>\$ 55,988,849</u>
Bank Deposits - Money Market, Checking and Savings Accounts			
Alpine Bank	0.520%	-	\$ 440,132
Vectra Bank, Colorado	0.000%	-	2,500,000
Vectra Bank, Colorado	0.250%	-	2,280,435
Vectra Bank, Colorado	0.700%	-	249,956
Wells Fargo Bank	0.100%	-	3,493
Wells Fargo Bank	0.100%	-	3,304
Centennial Bank	0.350%	-	1,015,821
Morgan Stanley	0.100%	-	1,438
Solera National Bank, Lakewood	0.500%	-	1,523,875
Vectra Bank Colorado sweep account	0.250%	-	8,137,131
			<u>\$ 16,155,585</u>

Pitkin County, Colorado
Combined Schedule of Cash and Investments (Continued)
For the Year Ended December 31, 2015

	Interest Rate	Maturity Date	Fair Value
Pooled cash and investments			
Local Government Surplus Trust Funds			
COLOTRUST +			\$ 9,100,914
CSAFE			9,102,668
Colorado Statewide Investment Program			55,459
			<u>\$ 18,259,041</u>
Money Market Mutual Funds			
UMB Treasury			\$ 12,386
Vanguard Prime Money Market Institutional			3,073
			<u>\$ 15,459</u>
Petty cash			\$ 8,700
Deposits in transit less bank transfers in process			(89,911)
Less: outstanding warrants			<u>(576,700)</u>
TOTAL POOLED CASH AND INVESTMENTS			<u><u>\$ 94,313,123</u></u>
Other Cash and Investments			
Institutional Mutual Funds held for Pitkin County Library District			
Cash			\$ 34,113
Mutual Funds			
Credit Suisse Commodity			16,971
Dodge & Cox Income Fund			57,867
Dodge & Cox International Stock			4,671
Fidelity Floating Rate high Income			351,745
Gateway			11,033
Hatteras Hedged Strategies			17,604
Litman Gregory Masters Alternate Strategy			14,424
Loomis Sales Investment Grade Bond			53,537
Oakmark Intl Small Cap			1,940
Wells Fargo Emerging Markets			7,277
T Rowe Price Mid Cap Growth			5,442
Vanguard Total Stock			35,359
Total Pitkin County Library District Other Cash and Investments			<u>\$ 611,983</u>
Retirement Trust Fund			
Mutual Funds held at Wells Fargo Bank, trustee			<u>\$ 26,537,945</u>
TOTAL OTHER CASH AND INVESTMENTS			<u><u>\$ 27,149,928</u></u>

COMBINED SCHEDULE OF GOVERNMENTAL REVENUES BY SOURCE

Pitkin County, Colorado
Combined Schedule of Governmental Revenues by Source
For the Year Ended December 31, 2015

	MAJOR FUNDS			
	General Fund	Transportation Sales and Use Tax Fund	Open Space and Trails Fund	Housing Impact Fee Fund
Taxes and Special Assessments				
Property taxes	\$ 6,386,592	\$ -	\$ 9,666,239	\$ -
Specific ownership taxes	226,256	-	342,716	-
General sales tax	7,457,250	14,101,338	-	-
Selective sales and use taxes	-	1,290,635	-	-
Other taxes	15,253	-	-	-
Penalties and interest	3,990	-	5,100	-
Total taxes	<u>14,089,341</u>	<u>15,391,973</u>	<u>10,014,055</u>	<u>-</u>
Intergovernmental Revenue				
Federal	1,601,062	-	124,900	-
State	315,998	-	-	-
Other governmental	1,607,072	-	267,099	-
Total intergovernmental revenues	<u>3,524,132</u>	<u>-</u>	<u>391,999</u>	<u>-</u>
Licenses and Permits				
Business	1,771,574	-	-	-
Non-business	1,442	-	10,758	-
Total licenses and permits	<u>1,773,016</u>	<u>-</u>	<u>10,758</u>	<u>-</u>
Charges for Services				
General government	5,813,255	-	-	-
Public safety	249,479	-	-	-
Public works	57	-	-	-
Health and welfare	95,220	-	-	-
Culture and recreation	7,473	-	-	-
Conservation of natural resources	6,534	-	-	-
Refunds	-	16	6,268	-
Total charges for services	<u>6,172,018</u>	<u>16</u>	<u>6,268</u>	<u>-</u>
Fines and forfeits				
Courts	45,752	-	-	-
County fines	1,175	-	4,400	-
Library	-	-	-	-
Total fines and forfeits	<u>46,927</u>	<u>-</u>	<u>4,400</u>	<u>-</u>
Miscellaneous				
Investment earnings	226,928	56,731	64,583	56,389
Impact fees	520,148	-	-	790,455
Rents and royalties	196,991	-	14,481	76,532
Contributions	32,735	-	74,277	-
Other	149,360	-	-	82
Total Miscellaneous	<u>1,126,162</u>	<u>56,731</u>	<u>153,341</u>	<u>923,458</u>
TOTAL REVENUES	<u>\$ 26,731,596</u>	<u>\$ 15,448,720</u>	<u>\$ 10,580,821</u>	<u>\$ 923,458</u>

NON-MAJOR FUNDS

Road and Bridge Fund	Social Services Fund	Translator Fund	Healthy Community Fund	Conservation Trust Fund	Healthy Rivers and Streams Fund	Ambulance District
\$ 468,888	\$ 167,340	\$ 744,559	\$ 2,067,102	\$ -	\$ -	\$ 781,270
16,631	5,940	26,408	73,285	-	-	27,425
958,558	-	-	-	-	977,146	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
877	314	1,392	3,859	-	-	1,405
<u>1,444,954</u>	<u>173,594</u>	<u>772,359</u>	<u>2,144,246</u>	<u>-</u>	<u>977,146</u>	<u>810,100</u>
-	508,541	-	-	-	-	-
1,197,661	1,017,959	-	-	74,042	-	-
48,523	230,827	-	-	-	-	-
<u>1,246,184</u>	<u>1,757,327</u>	<u>-</u>	<u>-</u>	<u>74,042</u>	<u>-</u>	<u>-</u>
18,420	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>18,420</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
12,871	-	-	-	-	-	-
-	36,507	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
575	-	498	-	-	305	-
<u>13,446</u>	<u>36,507</u>	<u>498</u>	<u>-</u>	<u>-</u>	<u>305</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,559	10,813	2,476	166	11,262	3,224
-	-	-	-	-	-	-
-	-	30,420	-	-	-	-
-	-	-	-	-	-	-
-	9,032	-	-	-	-	221
-	10,591	41,233	2,476	166	11,262	3,445
<u>\$ 2,723,004</u>	<u>\$ 1,978,019</u>	<u>\$ 814,090</u>	<u>\$ 2,146,722</u>	<u>\$ 74,208</u>	<u>\$ 988,713</u>	<u>\$ 813,545</u>

Pitkin County, Colorado
Combined Schedule of Governmental Revenues by Source (Continued)
For the Year Ended December 31, 2015

	NON-MAJOR FUNDS		
	Redstone Ranch Acres Improvement District	Twining Flats Improvement District	Transit Debt Service Fund
Taxes and Special Assessments			
Property taxes	\$ 8,694	\$ 16,695	\$ -
Specific ownership taxes	304	585	-
General sales tax	-	-	599,764
Selective sales and use tax	-	-	-
Other taxes	-	-	-
Penalties and interest	22	21	-
Total taxes	<u>9,020</u>	<u>17,301</u>	<u>599,764</u>
Intergovernmental Revenue			
Federal	-	-	56,292
State	-	-	-
Other governmental	-	-	-
Total intergovernmental revenues	<u>-</u>	<u>-</u>	<u>56,292</u>
Licenses and Permits			
Business	-	-	-
Non-business	-	-	-
Total licenses and permits	<u>-</u>	<u>-</u>	<u>-</u>
Charges for Services			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Culture and recreation	-	-	-
Conservation of natural resources	-	-	-
Refunds	-	-	-
Total charges for services	<u>-</u>	<u>-</u>	<u>-</u>
Fines and forfeits			
Courts	-	-	-
County fines	-	-	-
Library	-	-	-
Total fines and forfeits	<u>-</u>	<u>-</u>	<u>-</u>
Miscellaneous			
Investment earnings	88	160	1,142
Impact fees	-	-	-
Rents and royalties	-	-	-
Contributions	-	-	-
Other	-	-	-
Total Miscellaneous	<u>88</u>	<u>160</u>	<u>1,142</u>
TOTAL REVENUES	<u><u>\$ 9,108</u></u>	<u><u>\$ 17,461</u></u>	<u><u>\$ 657,198</u></u>

Primary Government Combined Total	<u>Component Unit</u> Pitkin County Library District	Reporting Entity Combined Total
\$ 20,307,379	\$ 3,607,795	\$ 23,915,174
719,550	127,499	847,049
24,094,056	-	24,094,056
1,290,635	-	1,290,635
15,253	-	15,253
16,980	6,723	23,703
<u>46,443,853</u>	<u>3,742,017</u>	<u>50,185,870</u>
2,290,795	-	2,290,795
2,605,660	-	2,605,660
<u>2,153,521</u>	<u>-</u>	<u>2,153,521</u>
7,049,976	-	7,049,976
1,789,994	-	1,789,994
12,200	-	12,200
<u>1,802,194</u>	<u>-</u>	<u>1,802,194</u>
5,813,255	-	5,813,255
249,479	-	249,479
12,928	-	12,928
131,727	-	131,727
7,473	-	7,473
6,534	-	6,534
7,662	5,700	13,362
<u>6,229,058</u>	<u>5,700</u>	<u>6,234,758</u>
45,752	-	45,752
5,575	-	5,575
-	21,039	21,039
<u>51,327</u>	<u>21,039</u>	<u>72,366</u>
435,521	33,530	469,051
1,310,603	-	1,310,603
318,424	-	318,424
107,012	1,351,925	1,458,937
158,695	-	158,695
<u>2,330,255</u>	<u>1,385,455</u>	<u>3,715,710</u>
<u>\$ 63,906,663</u>	<u>\$ 5,154,211</u>	<u>\$ 69,060,874</u>

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

Pitkin County, Colorado
SCHEDULE OF PASSENGER FACILITY CHARGES ("PFC") COLLECTED AND EXPENDED

For the Year Ended December 31, 2015

	Amounts for Current Year	Unliquidated Balance
Unliquidated PFC revenues - beginning		\$ -
Revenues:		
Revenues collected from air carriers	\$ 705,774	
Interest earned	-	
Total PFC revenues	\$ 705,774	705,774
Expenditures:		
Approved projects	\$ 705,774	
Total PFC expenditures	\$ 705,774	705,774
Unliquidated PFC revenues - ending		\$ -

LOCAL HIGHWAY FINANCE REPORT

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Pitkin County
		YEAR ENDING : December 2015
This Information From The Records Of (example - City of _ or County of County of Pitkin, Colorado)	Prepared By: Phone:	Susan Atwood (970) 920-5228

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	735,146
3. Other local imposts (from page 2)	3,685,583
4. Miscellaneous local receipts (from page 2)	112,927
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	-
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	-
7. Total (1 through 6)	4,533,655
B. Private Contributions	-
C. Receipts from State government (from page 2)	1,197,661
D. Receipts from Federal Government (from page 2)	-
E. Total receipts (A.7 + B + C + D)	5,731,316

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	269,083
2. Maintenance:	3,083,172
3. Road and street services:	
a. Traffic control operations	27,862
b. Snow and ice removal	778,783
c. Other	303
d. Total (a. through c.)	806,948
4. General administration & miscellaneous	809,450
5. Highway law enforcement and safety	759,797
6. Total (1 through 5)	5,728,450
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	1,248
b. Redemption	8,072
c. Total (a. + b.)	9,320
2. Notes:	
a. Interest	-
b. Redemption	-
c. Total (a. + b.)	-
3. Total (1.c + 2.c)	9,320
C. Payments to State for highways	-
D. Payments to toll facilities	-
E. Total disbursements (A.6 + B.3 + C + D)	5,737,770

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	16,629	-	8,072	8,557
1. Bonds (Refunding Portion)				
B. Notes (Total)				-

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	39,716	5,731,316	5,737,770	33,262	-

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2015

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	493,950	a. Interest on investments	248
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	2,911,262	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	234,651	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	63,250
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	45,720	g. Other Misc. Receipts (Note 2)	49,429
6. Total (1. through 5.)	3,191,633	h. Other	
c. Total (a. + b.)	3,685,583	i. Total (a. through h.)	112,927
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	1,157,910	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	39,751	d. Federal Transit Admin	
d. Other (Specify)CMAQ Grant	-	e. U.S. Corps of Engineers	
e. Other (Specify) CDOT Reimburse	-	f. Other Federal-Reimburse Road Project)	-
f. Total (a. through e.)	39,751	g. Total (a. through f.)	-
4. Total (1. + 2. + 3.f)	1,197,661	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		6,234	6,234
b. Engineering Costs		133,036	133,036
c. Construction:			
(1). New Facilities			-
(2). Capacity Improvements		-	-
(3). System Preservation		102,024	102,024
(4). System Enhancement & Operation		27,789	27,789
(5). Total Construction (1) + (2) + (3) + (4)	-	129,813	129,813
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	269,083	269,083
	16,629		(Carry forward to page 1)

Notes and Comments:

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STATISTICAL SECTION

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

Contents:	Pages
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	G2 - G9
Revenue Capacity These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	G10 - G18
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future	G19 - G24
Demographic and Economic Information These schedules offer demographic indicators to help the reader understand the environment within which the County's financial activities take place.	G25 - G29
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the service the County provides and the activities it performs.	G30 - G37

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

Last Ten Years

	2006	2007	2008	2009
Governmental activities				
Net investment in capital assets	\$ 74,991,785	\$ 102,497,894	\$ 118,334,844	\$ 134,717,335
Restricted				
Open space	8,278,566	124,702	357,824	-
Transportation and roads	16,955,481	16,316,370	11,621,432	11,510,491
Affordable housing	5,876,481	7,753,510	8,851,035	9,359,852
Highway 82 construction	923,449	663,633	547,179	429,955
Statutory reserve for emergencies	1,418,544	1,439,952	1,531,840	1,479,061
Debt service	487,318	482,170	185,560	144,210
Ambulance district	1,178,700	1,148,965	1,065,919	864,120
General Fund restrictions	551,889	1,109,157	1,199,502	1,175,261
Human services and public welfare services	234,576	257,316	379,060	327,952
TV and FM broadcast services	637,385	842,480	1,069,303	199,883
Public Improvement Districts	3,326	5,957	4,973	12,380
Healthy Rivers and Streams fund	-	-	-	626,522
Unrestricted	18,890,058	11,224,305	10,715,439	9,475,854
Total governmental activities net position	\$ 130,427,558	\$ 143,866,411	\$ 155,863,910	\$ 170,322,876
Business-type activities				
Net investment in capital assets	\$ 61,778,381	\$ 73,322,031	\$ 71,671,246	\$ 72,977,503
Restricted				
Inventory	-	-	-	-
Airport	6,067,769	6,349,656	10,542,488	10,438,724
Unrestricted	2,745,393	3,849,070	3,791,453	1,585,119
Total business-type activities net position	\$ 70,591,543	\$ 83,520,757	\$ 86,005,187	\$ 85,001,346
Primary government				
Net investment in capital assets	\$ 136,770,166	\$ 175,819,925	\$ 190,006,090	\$ 207,694,838
Restricted				
Open space	8,278,566	124,702	357,824	-
Transportation	16,955,481	16,316,370	11,621,432	11,510,491
Affordable housing	5,876,481	7,753,510	8,851,035	9,359,852
Highway 82 construction	923,449	663,633	547,179	429,955
Statutory reserve for emergencies	1,418,544	1,439,952	1,531,840	1,479,061
Debt service	487,318	482,170	185,560	144,210
Ambulance district	1,178,700	1,148,965	1,065,919	864,120
Airport	6,067,769	6,349,656	10,542,488	10,438,724
General Fund local restrictions	551,889	1,109,157	1,199,502	1,175,261
Human services and public welfare services	234,576	257,316	379,060	327,952
TV and FM broadcast services	637,385	842,480	1,069,303	199,883
Public Improvement Districts	3,326	5,957	4,973	12,380
Health Rivers and Streams fund	-	-	-	626,522
Inventory	-	-	-	-
Unrestricted	21,635,451	15,073,375	14,506,892	11,060,973
Total primary government net position	\$ 201,019,101	\$ 227,387,168	\$ 241,869,097	\$ 255,324,222

	2010	2011	2012	2013	2014	2015
\$	155,994,598	\$ 155,315,076	\$ 156,145,670	\$ 163,064,743	\$ 163,996,394	\$ 169,476,255
	(10,371,301)	1,271,200	7,845,021	11,700,476	12,424,047	11,110,688
	10,926,613	11,388,957	10,765,759	9,045,939	9,742,308	6,589,923
	9,627,638	10,156,826	10,699,581	10,953,370	11,316,763	11,143,662
	-	-	-	-	-	-
	1,549,059	1,579,598	657,180	1,638,544	1,748,746	1,822,998
	38,088	38,238	31,772	47,588	164,778	164,633
	749,494	626,354	484,156	398,674	339,678	681,648
	462,386	462,380	468,374	683,307	456,839	458,887
	251,858	182,556	196,020	157,007	230,533	324,825
	705,205	1,022,704	1,277,574	1,589,450	1,810,330	2,058,885
	16,167	20,532	27,729	37,370	38,934	32,466
	994,032	1,067,010	1,397,160	1,541,046	2,124,161	2,507,793
	9,312,588	14,930,468	14,657,523	16,284,068	24,186,409	26,404,400
\$	<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>
\$	71,535,132	\$ 81,664,910	\$ 86,982,831	\$ 83,918,960	\$ 89,953,231	\$ 82,401,454
	328,500	189,991	378,744	374,354	377,136	450,491
	11,271,356	9,738,075	9,305,157	12,373,515	13,020,758	16,316,435
	1,457,411	1,033,193	1,118,178	2,200,305	3,117,455	885,005
\$	<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>
\$	227,529,730	\$ 236,979,986	\$ 243,128,501	\$ 246,983,703	\$ 253,949,625	\$ 251,877,709
	(10,371,301)	1,271,200	7,845,021	11,700,476	12,424,047	11,110,688
	10,926,613	11,388,957	10,765,759	9,045,939	9,742,308	6,589,923
	9,627,638	10,156,826	10,699,581	10,953,370	11,316,763	11,143,662
	-	-	-	-	-	-
	1,549,059	1,579,598	657,180	1,638,544	1,748,746	1,822,998
	38,088	38,238	31,772	47,588	164,778	164,633
	749,494	626,354	484,156	398,674	339,678	681,648
	11,271,356	9,738,075	9,305,157	12,373,515	13,020,758	16,316,435
	462,386	462,380	468,374	683,307	456,839	458,887
	251,858	182,556	196,020	157,007	230,533	324,825
	705,205	1,022,704	1,277,574	1,589,450	1,810,330	2,058,885
	16,167	20,532	27,729	37,370	38,934	32,466
	994,032	1,067,010	1,397,160	1,541,046	2,124,161	2,507,793
	-	189,991	378,744	374,354	377,136	450,491
	10,769,999	15,963,661	15,775,701	18,484,373	27,303,864	27,289,405
\$	<u>264,520,324</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>

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

	2006	2007	2008	2009
Expenses:				
Governmental activities:				
General government	\$ 10,292,549	\$ 8,160,025	\$ 8,441,523	\$ 9,112,735
Public safety	6,135,841	7,215,619	7,781,623	8,585,020
Public works	14,467,249	16,778,835	24,468,535	16,126,086
Health and welfare	2,700,256	3,198,700	3,634,941	4,159,235
Culture and recreation	2,063,649	1,110,754	3,220,314	7,872,276
Conservation of natural resources	23,677	13,812	17,947	17,169
Housing and development	184,119	195,534	245,997	231,392
Interest	1,442,425	1,373,501	1,332,285	1,282,901
Total governmental activities expenses	37,309,765	38,046,780	49,143,165	47,386,814
Business-type activities:				
Airport	6,212,291	7,098,923	9,311,279	10,899,761
Solid Waste Center	4,076,353	4,355,822	4,960,238	5,577,238
Total business-type activities expenses	10,288,644	11,454,745	14,271,517	16,476,999
Program Revenues				
Governmental activities:				
Charges for services				
General government	3,815,431	4,080,854	4,899,997	4,114,865
Public safety	2,148,058	1,894,897	356,337	2,297,844
Public works	824,047	510,097	347,218	263,286
Health and welfare	441,055	456,344	347,874	377,280
Culture and recreation	223,592	657,433	68,899	240,531
Conservation of natural resources	31,029	-	63,855	2,000
Housing and development	1,430,031	1,522,276	848,244	368,007
Operating grants and contributions	2,650,434	2,683,108	2,999,026	3,791,225
Capital grants and contributions	2,947,277	1,470,619	8,179,497	12,402,832
Total governmental activities program revenues	14,510,954	13,275,628	18,110,947	23,857,870
Business-type activities:				
Airport	\$ 11,938,198	\$ 18,203,944	\$ 11,082,355	\$ 13,222,489
Solid Waste Center	5,475,069	5,839,011	5,551,754	3,424,031
Total business-type activities program revenues	17,413,267	24,042,955	16,634,109	16,646,520
Total primary government program revenues	\$ 31,924,221	\$ 37,318,583	\$ 34,745,056	\$ 40,504,390
Net (Expense)/Revenue				
Governmental activities	\$ (22,798,811)	\$ (24,771,152)	\$ (31,032,218)	\$ (23,528,944)
Business-type activities	7,124,623	12,588,210	2,362,592	169,521
Total primary government net expense	\$ (15,674,188)	\$ (12,182,942)	\$ (28,669,626)	\$ (23,359,423)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes levied for:				
General government purposes	\$ 13,747,326	\$ 14,572,139	\$ 18,046,484	\$ 18,594,523
Debt service	438,545	430,048	306,838	478,644
Sales taxes	18,230,161	19,215,296	19,515,789	17,120,380
Other taxes	746,686	707,765	837,260	660,496
Investment earnings	2,788,012	3,014,757	2,100,021	863,868
Gain on sale of capital assets	-	-	-	-
Transfers	270,000	270,000	270,000	270,000
Total governmental activities	\$ 36,220,730	\$ 38,210,005	\$ 41,076,392	\$ 37,987,911
Business-type activities:				
Investment earnings	\$ 474,719	\$ 611,004	\$ 575,780	\$ 288,825
Gain on sale of capital assets	-	-	702,250	-
Transfers	(270,000)	(270,000)	(270,000)	(270,000)
Total business-type activities	204,719	341,004	1,008,030	18,825
Total primary government	\$ 36,425,449	\$ 38,551,009	\$ 42,084,422	\$ 38,006,736
Changes in Net Position				
Governmental Activities	\$ 13,421,919	\$ 13,438,853	\$ 10,044,174	\$ 14,458,967
Business-type activities	7,329,342	12,929,214	3,370,622	188,346
Total primary government	\$ 20,751,261	\$ 26,368,067	\$ 13,414,796	\$ 14,647,313

	2010	2011	2012	2013	2014	2015
\$	9,023,399	\$ 8,051,591	\$ 8,236,495	\$ 8,939,590	\$ 9,364,000	\$ 10,220,265
	7,677,119	8,315,629	8,836,841	8,239,758	8,956,235	9,522,194
	17,821,483	15,695,207	19,091,229	16,818,253	19,842,233	27,826,021
	4,209,970	4,437,922	4,892,567	5,043,179	5,445,584	5,697,328
	6,358,219	4,408,254	4,082,376	4,584,893	4,767,737	4,924,827
	8,857	9,998	9,998	5,432	6,369	6,369
	407,926	190,523	862,954	274,165	281,801	406,924
	1,229,392	1,257,597	1,201,640	1,170,202	1,090,061	1,049,588
	46,736,365	42,366,721	47,214,100	45,075,472	49,754,020	59,653,516
	11,654,845	11,445,626	11,377,027	12,234,242	11,995,659	12,023,971
	4,231,364	4,340,284	3,777,305	3,813,001	4,312,474	5,522,585
	15,886,209	15,785,910	15,154,332	16,047,243	16,308,133	17,546,556
	4,782,871	4,672,729	4,279,086	4,563,948	4,744,961	4,985,341
	1,908,214	1,734,398	1,870,734	2,238,329	2,957,068	3,087,144
	1,005,603	715,231	322,849	446,625	504,687	325,707
	462,440	382,618	422,007	347,254	417,826	406,446
	350,487	120,316	68,598	428,771	117,219	386,750
	31,167	-	-	2,310	11,521	18,803
	312,051	482,542	1,110,411	1,030,410	767,942	914,177
	3,294,485	4,230,137	4,581,634	4,673,224	5,392,595	6,343,383
	4,306,982	4,098,393	465,500	1,599,777	1,979,674	559,539
	16,454,300	16,436,364	13,120,819	15,330,648	16,893,493	17,027,290
\$	11,034,595	\$ 19,680,805	\$ 15,659,494	\$ 12,322,722	\$ 11,322,312	\$ 11,605,612
	3,972,556	4,212,913	4,743,062	4,738,919	5,313,531	6,407,974
	15,007,151	23,893,718	20,402,556	17,061,641	16,635,843	18,013,586
\$	31,461,451	\$ 40,330,082	\$ 33,523,375	\$ 32,392,289	\$ 33,529,336	\$ 35,040,876
\$	(30,282,065)	\$ (25,930,357)	\$ (34,093,281)	\$ (29,744,824)	\$ (32,860,527)	\$ (42,626,226)
	(879,058)	8,107,808	5,248,224	1,014,398	327,710	467,030
\$	(31,161,123)	\$ (17,822,549)	\$ (28,845,057)	\$ (28,730,426)	\$ (32,532,817)	\$ (42,159,196)
\$	20,546,313	\$ 20,794,134	\$ 19,559,084	\$ 20,185,952	\$ 19,872,991	\$ 20,324,359
	457,332	461,524	149,675	-	-	-
	18,013,414	19,245,716	19,834,448	21,194,528	23,317,658	25,384,692
	602,280	570,500	554,564	658,731	678,158	734,805
	607,991	444,870	314,576	287,808	378,102	435,517
	-	790,367	52,553	-	51,957	(56,005)
	270,000	270,000	220,000	-	-	-
\$	40,497,330	\$ 42,577,111	\$ 40,684,900	\$ 42,327,019	\$ 44,298,866	\$ 46,823,368
\$	176,697	\$ 129,692	\$ 61,713	\$ 59,093	\$ 86,630	\$ 102,682
	-	66,270	68,804	8,733	187,105	15,094
	(270,000)	(270,000)	(220,000)	-	-	-
	(93,303)	(74,038)	(89,483)	67,826	273,735	117,776
\$	40,404,027	\$ 42,503,073	\$ 40,595,417	\$ 42,394,845	\$ 44,572,601	\$ 46,941,144
\$	10,215,265	\$ 16,646,754	\$ 6,591,619	\$ 12,582,195	\$ 11,438,339	\$ 4,197,142
	(972,361)	8,033,770	5,158,741	1,082,224	601,445	584,806
\$	9,242,904	\$ 24,680,524	\$ 11,750,360	\$ 13,664,419	\$ 12,039,784	\$ 4,781,948

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

Last Ten Years

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund				
Restricted for:				
Debt service	\$ 174,536	\$ 140,813	\$ 105,591	\$ 70,866
Statutory reserves	649,592	690,175	671,664	627,570
State of Colorado landfill fees retained to remediate				
State designated hazardous waste sites	298,003	362,243	405,959	430,857
Committed for:				
Open space and trails; Park dedication fees	253,886	772,248	768,877	719,738
Affordable housing	3,744,338	4,268,343	4,366,756	4,412,917
Clerk's programs	-	-	-	-
Ongoing capital projects	-	-	-	-
Assigned for:				
Appropriated for expenditures in next year's budget	3,190,715	4,108,540	3,099,179	3,482,370
To fund discretionary projects in following year	4,471,563	2,995,115	3,187,142	3,113,472
To fund contingencies over amount				
required by state constitution	3,350,408	3,309,825	3,328,336	3,372,430
To balance 5 year budget	3,100,000	664,623	800,000	200,000
Air Mitigation Program	-	24,666	24,666	24,666
Topsy Taxi program	202,602	203,665	200,218	190,111
Veteran's Memorial maintenance	5,368	4,448	4,375	4,265
Asset replacement for information services,				
dispatch, and various other programs	546,970	395,676	408,857	420,552
Workers' compensation insurance reserve	350,000	350,000	350,000	350,000
Future employee health claims	660,017	779,629	861,260	847,152
To fund future workers' compensation liability				
and employee health claims	780,280	702,199	723,896	840,915
To fund future capital projects at the animal shelter	-	-	-	-
To fund capital projects	-	-	-	-
To fund future building needs	3,901,027	6,000,000	5,730,471	5,700,580
Unassigned	-	-	-	-
Total General Fund	<u>\$ 25,679,305</u>	<u>\$ 25,772,208</u>	<u>\$ 25,037,247</u>	<u>\$ 24,808,461</u>
All Other Governmental Funds				
Reserved for:				
Debt service	\$ 465,777	\$ 490,548	\$ 226,790	\$ 212,886
State and Federal Restrictions	-	-	-	-
Statutory reserves	768,952	749,777	860,176	851,491
Voter approved programs	25,374,612	16,613,958	13,912,231	12,061,892
Improvements to Highway 82	923,449	663,633	547,179	429,955
Committed for:				
Affordable housing	2,177,218	3,525,619	4,508,868	4,960,483
Ongoing capital project	-	-	-	-
Assigned for:				
Appropriated for expenditures in next year's budget	73,702	246,745	556,783	407,203
Capital projects	-	-	-	-
Total all other governmental funds	<u>\$ 29,783,710</u>	<u>\$ 22,290,280</u>	<u>\$ 20,612,027</u>	<u>\$ 18,923,910</u>
Total all governmental funds	<u>\$ 55,463,015</u>	<u>\$ 48,062,488</u>	<u>\$ 45,649,274</u>	<u>\$ 43,732,371</u>

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
661,442	642,049	657,180	703,449	784,699	832,880
436,882	460,718	468,265	470,625	456,839	458,887
908,850	799,096	718,621	723,373	729,478	985,975
4,304,907	4,343,651	-	-	-	-
-	-	-	212,682	205,309	175,119
-	-	-	-	327,490	1,211,910
4,578,094	1,128,359	1,378,786	3,545,787	3,184,216	1,307,904
2,577,537	-	-	-	-	-
3,338,558	3,357,951	3,342,820	3,296,551	3,636,304	4,131,942
200,000	350,000	350,000	350,000	350,000	-
24,666	24,666	24,666	-	-	-
173,569	156,498	138,197	118,308	104,284	91,259
4,120	3,863	3,624	3,057	2,360	-
353,800	-	-	-	-	-
350,000	350,000	-	-	-	-
1,263,990	778,214	1,854,331	2,435,638	3,012,314	3,689,175
825,109	1,789,040	1,164,161	770,538	1,112,719	992,989
-	-	-	80,000	90,000	185,121
-	8,091,100	7,891,131	5,567,121	9,186,078	10,989,750
5,700,580	-	-	-	-	-
-	8,926,723	8,572,744	8,993,230	4,908,872	6,153,627
<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>
\$ 168,665	\$ 168,614	\$ 164,216	\$ 165,429	\$ 164,778	\$ 164,633
-	-	118,953	144,792	147,512	184,744
887,617	937,549	861,387	935,095	964,047	990,118
6,723,735	13,130,474	20,329,405	23,601,797	25,886,393	21,167,253
-	-	-	-	-	-
533,934	5,851,919	10,664,743	10,953,370	11,316,762	11,143,662
-	-	-	-	676,088	968,255
429,118	-	-	-	-	-
-	1,540,821	-	-	-	-
<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>\$ 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>

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

Last Ten Years

	2006	2007	2008	2009
Revenues				
Taxes	\$ 33,162,718	\$ 34,925,248	\$ 38,706,371	\$ 36,854,043
Intergovernmental	5,671,479	4,320,010	4,688,484	6,518,272
Licenses and permits	976,895	1,006,987	1,057,109	712,890
Charges for services	7,325,511	6,326,624	5,285,346	6,187,281
Fines and forfeitures	7,578	9,254	7,859	15,920
Investment earnings	2,788,012	3,014,757	2,100,021	863,868
Impact fees	-	-	-	-
Miscellaneous	529,491	1,612,752	1,579,049	1,016,578
Total Revenues	\$ 50,461,684	\$ 51,215,632	\$ 53,424,239	\$ 52,168,852
Expenditures				
Current:				
General government	7,184,934	9,948,033	8,706,359	8,477,240
Public safety	5,996,928	7,181,237	8,362,918	8,594,671
Public works	14,280,465	18,834,184	23,415,143	15,981,646
Health and welfare	2,544,251	3,615,974	4,018,150	4,081,533
Culture and recreation	10,026,767	16,234,765	9,148,625	14,307,057
Conservation of natural resources	58,232	-	-	-
Housing and development	184,119	195,534	245,997	231,392
Debt Service:				
Principal retirement	1,580,000	1,668,308	1,445,369	1,485,691
Interest and fiscal charges	1,428,404	1,337,180	1,294,530	1,250,055
Bond Issuance costs	113,147	-	-	-
Total Expenditures	43,397,247	59,015,215	56,637,091	54,409,285
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,064,437	(7,799,583)	(3,212,852)	(2,240,433)
Other Financing Sources (Uses)				
Sales of capital assets	1,001,089	129,056	529,638	53,530
Proceeds of general long term debt	9,880,000	-	-	-
Premium on debt issuance	119,785	-	-	-
Escrow to defease debt	(8,260,775)	-	-	-
Transfers in	818,949	1,029,578	1,079,758	1,080,533
Transfers out	(548,949)	(759,578)	(809,758)	(810,533)
Total Other Financing Sources (Uses)	3,010,099	399,056	799,638	323,530
Net Change in Fund Balance	\$ 10,074,536	\$ (7,400,527)	\$ (2,413,214)	\$ (1,916,903)
Debt service as a percentage of non-capital expenditures	10.11%	9.19%	7.07%	7.29%

2010	2011	2012	2013	2014	2015
\$ 39,619,339	\$ 41,071,874	\$ 40,097,771	\$ 42,039,211	\$ 43,868,807	\$ 46,443,853
6,190,993	8,428,852	5,200,014	6,427,057	7,400,042	7,049,975
708,836	722,872	767,160	1,224,559	1,631,982	1,802,194
5,471,709	5,891,914	5,493,750	5,803,054	6,070,954	6,305,590
18,843	33,589	39,319	49,661	30,921	51,327
607,991	444,870	314,576	287,808	378,102	435,521
639,381	579,405	1,110,411	1,176,581	881,277	1,325,084
1,224,537	779,732	510,165	649,736	878,316	493,119
\$ 54,481,629	\$ 57,953,108	\$ 53,533,166	\$ 57,657,667	\$ 61,140,401	\$ 63,906,663
8,615,171	7,670,106	8,783,477	8,589,688	9,371,896	10,107,242
8,602,055	8,529,207	8,662,354	8,183,663	8,847,916	9,482,589
17,911,544	14,410,409	18,592,528	20,715,986	21,232,099	24,520,916
3,988,632	4,202,136	4,743,347	4,909,132	5,347,087	5,627,421
25,834,171	4,667,086	4,990,167	1,014,272	663,617	12,602,134
-	-	-	-	-	-
407,926	190,523	189,694	8,125,707	9,665,905	1,338,011
1,871,032	1,166,394	916,778	942,184	1,002,615	1,028,072
1,198,232	1,187,916	1,129,690	1,089,581	1,004,167	980,746
102,030	-	-	35,300	-	-
68,530,793	42,023,777	48,008,035	53,605,513	57,135,302	65,687,131
(14,049,164)	15,929,331	5,525,131	4,052,154	4,005,099	(1,780,468)
2,229,985	1,028,081	126,794	162,881	170,600	359,129
8,360,000	-	-	2,845,000	-	-
2,616	-	-	(2,816,056)	-	-
(5,818,920)	-	-	-	-	-
1,432,719	774,066	6,622,849	2,693,752	728,197	666,088
(1,162,719)	(504,066)	(6,402,849)	(2,693,752)	(728,197)	(666,088)
5,043,681	1,298,081	346,794	191,825	170,600	359,129
\$ (9,005,483)	\$ 17,227,412	\$ 5,871,925	\$ 4,243,979	\$ 4,175,699	\$ (1,421,339)
7.74%	5.87%	4.64%	4.76%	4.34%	3.06%

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

Last Ten Years

Functions/Programs	2006	2007	2008	2009
Governmental Activities				
General government	\$ 4,564,438	\$ 4,705,166	\$ 5,957,833	\$ 5,251,618
Public safety	2,218,857	2,072,259	1,499,151	2,454,209
Public works	2,453,303	2,379,526	1,914,894	1,816,233
Health and welfare	942,159	880,407	1,173,596	1,506,353
Culture and recreation	2,806,542	1,658,533	8,482,342	12,393,160
Conservation of natural resources	92,529	57,461	129,834	68,290
Housing and development	1,433,126	1,522,276	848,244	368,007
Total governmental activities	14,510,954	13,275,628	20,005,894	23,857,870
Business-type activities				
Airport	11,938,198	18,203,944	11,082,355	13,222,489
Solid Waste Center	5,475,069	5,839,011	5,551,754	3,424,031
Total business-type activities	17,413,267	24,042,955	16,634,109	16,646,520
Total primary government	\$ 31,924,221	\$ 37,318,583	\$ 36,640,003	\$ 40,504,390

2010	2011	2012	2013	2014	2015
\$ 5,819,935	\$ 5,782,618	\$ 5,645,937	\$ 5,928,810	\$ 6,237,922	\$ 6,488,170
2,281,294	2,298,544	2,237,877	587,543	3,548,062	4,416,093
2,381,658	2,012,299	1,530,460	3,718,472	2,019,583	1,627,373
1,596,941	1,783,475	2,015,423	2,020,562	2,585,766	2,699,027
3,980,016	4,025,379	525,098	1,981,936	1,668,594	789,605
82,405	51,507	55,613	62,915	65,624	92,845
312,051	482,542	1,110,411	1,030,410	767,942	914,177
<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>
11,034,595	19,680,805	15,659,494	12,322,722	11,322,312	11,605,612
3,972,556	4,212,913	4,743,062	4,738,919	5,313,531	6,407,974
<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>\$ 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>

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

Last Ten Years

Year	Property	Special Assessments	General Sales	Selective Sales and Use	Motor Vehicle	Other	Total
2006	\$ 13,874,258	\$ 311,613	\$ 17,631,468	\$ 598,693	\$ 720,781	\$ 25,905	\$ 33,162,718
2007	14,662,230	339,957	18,478,879	736,417	683,561	24,204	34,925,248
2008	20,800,559	365,402	18,782,483	733,306	915,483	49,906	41,647,139
2009	21,641,250	385,342	16,129,081	991,299	712,065	50,484	39,909,521
2010	20,609,712	393,933	17,182,317	831,097	545,970	56,310	39,619,339
2011	20,850,576	405,082	18,459,799	785,917	524,584	45,916	41,071,874
2012	19,279,086	429,673	19,014,483	819,965	512,932	41,632	40,097,771
2013	23,168,726	443,569	20,352,973	841,555	704,661	62,942	45,574,426
2014	22,860,519	451,153	22,308,264	1,009,393	778,963	65,634	47,473,926
2015	23,079,685	835,489	24,094,056	1,290,635	847,049	38,957	50,185,871

Change							
2006-2015	39%	31%	21%	41%	7%	61%	30%

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

(1) Includes all governmental funds of primary government and component units

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

Last Ten Years

(1) Year Ended December 31,	Real Property					
	Vacant Land	Residential	Commercial	Industrial	Natural Resources	Agricultural
2006	\$ 228,598	\$ 1,268,117	\$ 399,544	\$ 565	\$ 5,727	\$ 15,083
2007	317,608	1,835,273	525,402	701	6,125	18,237
2008	295,853	1,890,761	537,651	701	5,748	21,059
2009	404,423	2,533,478	670,692	894	6,315	26,050
2010	398,232	2,560,936	664,170	894	5,489	27,586
2011	275,961	1,887,749	550,476	745	3,858	22,796
2012	261,169	1,917,493	540,208	745	3,847	11,491
2013	232,178	1,740,000	430,850	670	2,872	10,516
2014	228,246	1,765,140	573,865	670	2,911	10,578
2015	223,103	2,017,334	657,652	716	3,632	12,058

State Assessed Property (2)	Personal Property (3)	Total Taxable Assessed Property	Tax Exempt Property (4)	Total Direct Tax Rate	Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ 16,419	\$ 43,183	\$ 1,934,053	\$ 95,979	9.228	18,182,911	10.64%
23,305	51,369	2,726,651	101,812	7.903	26,064,189	10.46%
25,396	51,761	2,777,169	102,352	8.080	26,756,103	10.38%
25,396	52,392	3,667,491	94,300	6.721	35,709,237	10.27%
26,521	53,948	3,683,830	104,990	6.811	36,028,432	10.22%
26,530	51,765	2,768,117	95,167	8.538	26,680,594	10.38%
26,076	52,165	2,761,029	95,539	8.734	26,730,270	10.33%
29,109	52,635	2,599,004	86,167	9.159	24,613,719	10.56%
28,418	51,791	2,609,829	154,675	9.454	24,789,413	10.53%
29,277	51,340	2,943,772	154,228	9.084	28,274,638	10.41%

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

Residential real property was assessed as follows:

Year	Assessment Percentage	Base Year
2006	7.96%	2004 appraised value
2007	7.96%	2006 appraised value
2008	7.96%	2006 appraised value
2009	7.96%	2008 appraised value
2010	7.96%	2008 appraised value
2011	7.96%	2010 appraised value
2012	7.96%	2010 appraised value
2013	7.96%	2012 appraised value
2014	7.96%	2012 appraised value
2015	7.96%	2014 appraised value

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

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

Source: Pitkin County Assessor's Office

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

Last Ten Years

	2006	2007	2008
County direct rates			
General Fund	2.483	1.871	1.922
Road and Bridge	0.180	0.137	0.141
Social Services	0.025	0.037	0.036
Healthy Community Fund	0.648	0.489	0.501
Bond Redemption	0.223	0.113	0.173
Open Space	3.760	3.757	3.760
Radio and TV. Translator	0.283	0.216	0.223
Total direct rates	7.602	6.620	6.756
School Districts rates			
Aspen School District RE-1	10.294	8.622	9.355
Roaring Fork School District REJT1.12	37.009	34.246	33.942
City and Town rates			
City of Aspen	5.419	5.459	5.467
Town of Basalt	6.560	5.058	5.181
Town of Snowmass Village	11.015	9.546	9.509
County-wide Districts rates			
Colorado Mountain College	3.997	3.997	3.997
Colorado River Water Conservancy	0.221	0.191	0.198
Aspen Valley Hospital (1)	1.500	1.280	1.280
Pitkin County Library (1)	1.398	1.113	1.148
Ambulance District rate	0.228	0.170	0.176
Fire Protection Districts rates	20.321	19.193	19.198
Water and Sanitation Districts rates	31.721	28.110	28.288
Other Special Districts rates	440.089	387.632	432.590

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

Government

Aspen Valley Hospital District
Pitkin County Library District

Source: Pitkin County Assessor's Office

2009	2010	2011	2012	2013	2014	2015
1.491	1.501	2.150	2.205	2.416	2.476	2.289
0.110	0.112	0.158	0.162	0.178	0.182	0.168
0.048	0.065	0.065	0.065	0.065	0.065	0.065
0.394	0.402	0.567	0.707	0.778	0.802	0.735
0.126	0.127	0.055	-	-	-	
3.333	3.351	3.797	3.796	3.783	3.750	3.750
0.175	0.179	0.252	0.259	0.280	0.289	0.267
5.677	5.737	7.044	7.194	7.500	7.564	7.274
7.846	8.254	9.105	9.201	9.333	9.297	9.111
30.984	30.992	39.589	38.240	42.445	42.149	42.300
4.042	3.854	5.236	5.346	5.654	5.817	4.978
3.873	4.066	6.139	6.386	7.560	9.881	9.158
7.485	7.356	8.940	9.019	9.261	9.200	9.236
3.997	3.997	3.997	3.997	3.997	3.997	3.997
0.166	0.188	0.228	0.242	0.254	0.253	0.243
0.969	1.931	2.664	2.920	2.539	2.818	2.819
0.906	0.932	1.296	1.336	1.439	1.490	1.359
0.138	0.142	0.198	0.204	0.220	0.400	0.451
17.246	18.367	21.619	25.587	24.016	25.997	27.523
22.624	23.595	31.003	31.989	37.828	37.828	43.172
362.557	410.245	470.465	474.457	502.592	504.293	506.635

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

Current Year and Ten Years Ago

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Aspen Skiing Co	60,699,740	1	2.06%	-	-	-
Aspen/Buttermilk/Snowmass Skiing Co./ Little Nell/Snowmass Club Associates	-	-	0.00%	\$ 55,334,950	1	2.86%
315 East Dean Assoc. Inc.	27,217,080	2	0.92%	-	-	-
Snowmass Acquisition Company, LLC	24,555,970	3	0.83%	-	-	-
Sheridan Luxury Truust, Aspen Dean Street, LLC	-	-	0.00%	19,944,230	2	1.03%
Silvertree Property Co	17,955,340	4	0.61%	13,286,890	3	0.69%
The Residences at the Little Nell Condo Assoc. Inc.	17,151,630	5	0.58%	-	-	-
Hyatt Grand Aspen	14,513,360	6	0.49%	-	-	-
Holy Cross Electric Assn.	12,173,900	7	0.41%	5,942,950	7	0.31%
Iconic Properties Jerome Property LLC	11,778,890	8	0.40%	-	-	0.00%
Hotel Jerome, Inc	-	-	-	8,730,430	4	0.45%
Snowmass Holding Co.	-	-	-	6,654,720	5	0.34%
Maroon Creek, LLC	-	-	-	6,528,550	6	0.34%
James E Cox Living Trust	10,224,000	9	0.35%	-	-	-
Ajax Mountain Associates LLC.	9,999,710	10	0.34%	-	-	-
Starwood Hotels & Resorts Worldwide	-	-	-	4,461,790	8	0.23%
Ritz Carlton	-	-	-	1,332,700	9	0.07%
Savannah Limited Partnership/Colorado Chalet/Grand Aspen	-	-	-	459,820	10	0.02%
Total	\$ 206,269,620		7.01%	\$ 122,677,030		6.34%
Total assessed valuation	\$ 2,943,772,090			\$ 1,934,052,050		

Source: Pitkin County Assessor's Office

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

Last Ten Years

Assessment and Levy Year	Collection Year	Taxes Levied for the Year (1)	Taxes Collected in Year following Levy (1)		Adjusted Tax Levy (3)	Year to Date Collections	Percent of Adjusted Levy Collected
			Amount	Percent of Levy			
2006	2007	\$ 17,533,884	\$ 17,486,283	99.73%	N/A	N/A	N/A
2007	2008	21,239,734	20,800,559	97.93%	N/A	N/A	N/A
2008	2009	22,115,631	22,026,592	99.60%	N/A	N/A	N/A
2009	2010	24,293,412	24,048,954	98.99%	23,633,801	23,626,095	99.97%
2010	2011	24,725,448	24,300,967	98.28%	24,603,378	24,589,689	99.94%
2011	2012	23,282,728	23,021,520	98.88%	23,130,181	23,113,377	99.93%
2012	2013	23,750,999	23,208,354	97.72%	23,720,122	23,694,299	99.89%
2013	2014	23,448,294	23,288,206	99.32%	23,347,020	23,332,975	99.94%
2014	2015	24,192,179	23,915,174	98.85%	24,099,720	24,090,282	99.96%

- (1) Taxes are levied by the Board of County Commissioners no later than December 22nd of each year and are payable in full by April 30th or in installments by June 15th of the following year. Since taxes are not levied and collected within the same year collection data is presented for the year following the tax levy to enhance comparability with other governments.
- (2) Includes all governmental funds and Pitkin County Library District.
- (3) Taxpayers have the right to protest the assessed valuation of their property that results in a changes in the amount of

Pitkin County, Colorado

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

Year	Interest income	County 1% sales tax	Net revenue available for for debt service (1)	Debt Service Requirements			Times coverage (2)
				Principal	Interest and Fiscal Charges	Total	
2006	\$ 25,269	\$ 7,268,521	\$ 7,293,790	\$ 610,000	\$ 374,985	\$ 984,985	7.4
2007	27,143	7,628,874	7,656,017	625,000	352,840	977,840	7.8
2008	15,722	7,715,882	7,731,604	350,000	328,310	678,310	11.4
2009	5,143	6,393,062	6,398,205	365,000	316,150	681,150	9.4
2010	2,947	6,825,847	6,828,794	380,000	304,771	684,771	10.0
2011	1,930	7,366,067	7,367,997	285,000	336,547	621,547	11.9
2012	1,930	7,586,027	7,587,957	305,000	351,083	656,083	11.6
2013	893	8,132,860	8,133,753	315,000	344,663	659,663	12.3
2014	1,032	9,015,888	9,016,920	320,000	338,683	658,683	13.7
2015	1,142	9,711,466	9,712,608	325,000	332,343	657,343	14.8

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

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

Year	Interest income	County 1% sales tax	Net revenue available for for debt service	Maximum Annual Net Debt Service (1)	Maximum Annual Debt Service Coverage Ratio
2010	\$ 2,947	\$ 6,825,847	\$ 6,828,794	\$ 597,789	1142%
2011	1,930	7,366,067	7,367,997	597,789	1233%
2012	1,930	7,586,027	7,587,957	597,789	1269%
2013	893	8,132,860	8,133,753	597,789	1361%
2014	1,032	9,015,888	9,016,920	597,789	1508%
2015	1,142	9,711,466	9,712,608	597,789	1625%

- (1) Excludes Federal Direct Payments

Pitkin County, Colorado

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

Year	Population (1)	Assessed value	Gross bonded debt (5)	Debt service moneys available	Net bonded debt	Ratio of net bonded debt to assessed value	Net bonded debt per capita
2006	16,087	\$ 1,934,052,050	\$ 21,445,000	\$ 105,737	\$ 21,339,263	1.10%	\$ 1,326
2007	16,236	2,726,651,000	20,670,000	105,000	20,565,000	0.75%	1,266.63
2008	16,673	2,777,168,530	19,860,000	-	19,860,000	0.72%	1,191.15
2009	17,053	3,667,491,080	19,035,000	-	19,035,000	0.52%	1,116.23
2010	17,156	3,683,830,340	18,175,000	-	18,175,000	0.49%	1,059.40
2011	17,131	2,768,117,000	17,300,000	5,048	17,294,952	0.62%	1,009.57
2012	17,239	2,761,028,490	16,695,000	-	16,695,000	0.60%	968.44
2013	17,412	2,599,004,220	16,110,000	-	16,110,000	0.62%	925.22
2014	17,645	2,609,828,700	15,435,000	-	15,435,000	0.59%	874.75
2015	17,645 (2)	2,943,772,090	14,740,000	-	14,740,000	0.50%	835.36

**GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES
(Unaudited)
Last ten years**

Year	Principal	Interest	Total debt service	Total general expenditures (3)	Ratio of debt service to total general expenditures
2005	\$ 690,000	\$ 983,903	\$ 1,673,903	\$ 49,789,057	3.4%
2006	715,000	964,291	1,679,291	43,397,247	3.9%
2007	775,000	910,246	1,685,246	59,015,215	2.9%
2008	810,000	1,151,487	1,961,487	56,695,469	3.5%
2009	825,000	861,490	1,686,490	54,409,285	3.1%
2010	860,000	832,740	1,692,740	68,530,793	2.5%
2011	875,000	802,876	1,677,876	42,023,777	4.0%
2012	605,000	776,659	1,381,659	48,008,035	2.9%
2013	620,000	742,915	1,362,915	53,605,513	2.5%
2014	675,000	663,848	1,338,848	57,135,302	2.3%
2015	645,000	647,155	1,292,155	65,687,131	2.0%

(1) Source: Demographics Statistics, page G25.

(2) 2014 latest information available

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

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

Last Ten Years

Year	Governmental Activities				Business-Type Activities		Percentage of Personal Income	Per Capita Personal Income (1)
	General Obligation Bonds & Notes	Sales Tax Revenue Bonds	Lease Certificates of Participation	Special Assessment bonds	Airport Loans	Total Primary Government		
2006	\$21,445,000	\$ 7,295,000	\$ 1,460,000	\$ 65,000	\$ 2,436,918	\$ 32,701,918	2.54%	\$ 80,062
2007	20,670,000	6,670,000	1,195,000	61,692	2,152,740	30,749,432	2.19%	86,609
2008	19,860,000	6,320,000	915,000	56,323	1,859,865	29,011,188	1.88%	92,680
2009	19,035,000	5,955,000	625,000	50,632	1,557,997	27,223,629	1.89%	84,264
2010	18,175,000	8,360,000	-	44,600	1,246,831	27,826,431	2.18%	74,414
2011	17,300,000	8,075,000	-	38,206	926,055	26,339,261	1.94%	79,086
2012	16,695,000	7,770,000	-	31,428	595,333	25,091,761	1.81%	80,331
2013	16,110,000	7,455,000	-	24,244	404,620	23,993,864	1.55%	88,766
2014	15,435,000	7,135,000	-	16,629	-	22,586,629	1.13%	112,796
2015	14,740,000	6,810,000	-	8,557	-	21,558,557	1.08%	112,796 (2)

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

(1) See page G25 for personal income and population data.

(2) 2014 information latest available

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

As of December 31, 2015

Taxing Jurisdiction	General Obligation Long-Term Debt Outstanding	Self-Supporting (1) Long-Term Debt Outstanding	Net General Obligation Long-Term Debt Outstanding	Estimated Percentage Applicable (2)	Overlapping and Direct Debt
Overlapping Debt					
School Districts					
Aspen School District RE-1	\$ 46,110,000	\$ -	\$ 46,110,000	100.00%	\$ 46,110,000
Roaring Fork School District R-1	77,644,984	-	77,644,984	20.45%	15,878,399
City and Towns					
City of Aspen (1)	9,199,908	9,199,908	-	100.00%	-
Town of Basalt	5,630,000	-	5,630,000	30.44%	1,713,772
Town of Snowmass Village	5,795,000	810,000	4,985,000	100.00%	4,985,000
Fire Districts					
Aspen Fire Protection District	9,760,000	-	9,760,000	100.00%	9,760,000
Carbondale Fire Protection District	4,409,465	-	4,409,465	8.23%	362,899
Water and Sanitation Districts					
Basalt Sanitation District	1,475,000	-	1,475,000	51.80%	764,050
Redstone Water and Sanitation District	1,895,946	-	1,895,946	100.00%	1,895,946
Library Districts					
Basalt Regional Library	8,360,000	-	8,360,000	49.40%	4,129,840
Other Districts					
Aspen Highlands Residential Metro District	4,665,839	-	4,665,839	100.00%	4,665,839
Aspen Valley Hospital	40,080,000	-	40,080,000	100.00%	40,080,000
Base Village Metro District #2	19,080,000	-	19,080,000	100.00%	19,080,000
Brush Creek Metro District	370,000	-	370,000	100.00%	370,000
Buttermilk Metro District	1,984,469	-	1,984,469	100.00%	1,984,469
Crown Mountain Recreation District	2,720,000	-	2,720,000	41.05%	1,116,560
Holland Hills Metro District	771,342	-	771,342	100.00%	771,342
Meadowood Metro District	2,041,269	-	2,041,269	100.00%	2,041,269
Starwood Metro District	2,390,000	-	2,390,000	100.00%	2,390,000
Total Overlapping Debt					153,668,116
Direct Debt					
Pitkin County General Obligation Debt	14,740,000	-	14,740,000	100.00%	14,740,000
Sales Tax Revenue Bonds	6,810,000	6,810,000	-	100.00%	-
Twining Flats General Improvement Dist.	8,557	-	8,557	100.00%	8,557
Total Direct Debt					14,748,557
Total Overlapping and Direct Debt					\$ 168,416,673

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

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

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

Pitkin County, Colorado
Legal Debt Margin Information
(Unaudited)

Last Ten Years

	2006	2007	2008	2009
Valuation for Assessment of Property	\$ 1,934,052,050	\$ 2,726,650,670	\$ 2,777,168,530	\$ 2,777,168,530
Debt Limit, 3% of Valuation for Assessment (Per Colorado Revised Statutes, Section 30-35-201 (6b))	58,021,562	81,799,520	83,315,056	83,315,056
Amount of Debt Applicable to Limit General Obligation Bonds	<u>21,445,000</u>	<u>20,670,000</u>	<u>19,860,000</u>	<u>19,035,000</u>
Legal Debt Margin	<u>\$ 36,576,562</u>	<u>\$ 61,129,520</u>	<u>\$ 63,455,056</u>	<u>\$ 64,280,056</u>
Total debt applicable to the limit as a percentage of debt limit	36.96%	25.27%	23.84%	22.85%

2010	2011	2012	2013	2014	2015
\$ 3,683,830,340	\$ 2,768,117,000	\$ 2,761,028,490	\$ 2,599,004,220	\$ 2,609,828,700	\$ 2,943,772,090
110,514,910	83,043,510	82,830,855	77,970,127	78,294,861	88,313,163
18,175,000	17,300,000	16,695,000	16,110,000	15,435,000	14,740,000
<u>\$ 92,339,910</u>	<u>\$ 65,743,510</u>	<u>\$ 66,135,855</u>	<u>\$ 61,860,127</u>	<u>\$ 62,859,861</u>	<u>\$ 73,573,163</u>
16.45%	20.83%	20.16%	20.66%	19.71%	16.69%

**Pitkin County, Colorado
Demographic and Economic Statistics
(Unaudited)**

Last Ten Years

Year	Population	Personal Income (1)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2006	16,087	\$ 1,287,950,000	\$ 80,062	41.5	1,792	2.3%
2007	16,236	1,406,178,000	86,609	42.0	1,736	2.5%
2008	16,673	1,584,920,680	92,680	41.9	1,854	3.7%
2009	17,053	1,436,953,992	84,264	42.0	1,905	4.3%
2010	17,156	1,276,646,584	74,414	42.1	1,932	7.1%
2011	17,131	1,354,822,266	79,086	42.7	1,917	7.7%
2012	17,239	1,384,826,109	80,331	43.2	1,927	7.1%
2013	17,412	1,545,593,592	88,766	43.6	1,927	6.4%
2014	17,645	1,990,285,420	112,796	43.8	1,953	4.9%
2015	N/A	N/A	N/A	43.9	1,964	3.8%

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

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

**Pitkin County, Colorado
Principal Employers
(Unaudited)**

Current Year and Ten Years Ago

Employers	2015			2006		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Aspen Skiing Company/Little Nell Hotel	3,667	1	29.95%	3,512	1	N/A
Aspen Valley Hospital	470	2	2.65%	400	2	N/A
St. Regis Aspen Resort	325	3	1.63%	N/A	N/A	N/A
Roaring Fork Transit Agency	354	4	1.63%	243	6	N/A
City of Aspen	288	5	1.63%	360	4	N/A
Pitkin County	265	6	2.65%	233	7	N/A
Aspen School District	239	7	1.95%	214	9	N/A
Westin Snowmass Wildwood Resort Hotel	200	8	1.55%	N/A	N/A	N/A
Viceroy Snowmass Resort	300	9	2.45%	N/A	N/A	N/A
Ritz Carlton	190	10	2.45%	N/A	N/A	N/A
Silvertree Hotel of Snowmass	N/A	N/A	-	398	3	-
Sheridan Luxury Trust, Asepn Dean Street, LLC	N/A	N/A	-	258	5	-
Hotel Jerome	N/A	N/A	-	220	8	-
Total	<u><u>6,298</u></u>		<u><u>48.54%</u></u>	5,838		
Total Pitkin County Labor Force (1)	<u><u>10,772</u></u>					

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

Source: Number of Employees obtained directly from the employer.

Pitkin County, Colorado

Sales Tax Collections
(Unaudited)
Last ten years

	2006	2007	2008	2009
2-Percent sales tax (1)	\$ 15,203,474	\$ 15,938,167	\$ 16,088,635	\$ 13,313,300
Seasonal composition				
Winter	58.8%	58.5%	60.0%	60.6%
Summer	41.2%	41.5%	40.0%	39.4%
Percentage increase (decrease)	7.2%	4.8%	0.9%	-17.3%
1-Percent Transit sales tax (2)	\$ 7,268,521	\$ 7,628,874	\$ 7,715,882	\$ 6,393,062
Percentage increase (decrease)	7.1%	5.0%	1.1%	-17.1%
Less payments				
To City of Aspen	3,001,172	3,150,600	3,169,050	2,636,622
To Snowmass Village	769,010	806,497	833,178	679,459
Total Deductions	3,770,182	3,957,097	4,002,228	3,316,081
Net payments to RFTA	\$ 3,498,339	\$ 3,671,777	\$ 3,713,654	\$ 3,076,981
Percentage increase (decrease)	7.1%	5.0%	1.1%	-17.1%
1/2 Percent Transit Sales and Use Tax (3)				
Sales tax	\$ 3,825,453	\$ 3,997,592	\$ 4,034,722	\$ 3,371,170
Use Tax	574,180	642,209	713,209	691,037
	\$ 4,399,633	\$ 4,639,801	\$ 4,747,931	\$ 4,062,207
Percentage increase	7.9%	5.5%	2.3%	-14.4%
.1% Sales Tax for Healthy Rivers and Streams	\$ -	\$ -	\$ -	\$ 649,456
	N/A	N/A	N/A	N/A

1. The two-percent County-wide sales tax is distributed 43% to Pitkin County and 57% to the municipalities of Aspen, Snowmass Village, and Basalt. The winter season is December through May and the summer season is June through November.
2. The formation of a regional transportation district in 2001, resulted in the formation of the Roaring Fork Transportation Authority. This resulted in a change to the intergovernmental agreement between Pitkin County, the City of Aspen, Town of Snowmass Village and the Authority for the distribution of the 1% sales tax. Under the new agreement, the tax is distributed 48.131% to the Authority and 51.869% to the City of Aspen and Snowmass Village. The allocations to the City and Town are to be divided between the two on the basis of the actual collections within the municipal limits of each.

2010	2011	2012	2013	2014	2015
<u>\$ 14,148,776</u>	<u>\$ 15,215,285</u>	<u>\$ 15,659,281</u>	<u>\$ 16,737,908</u>	<u>\$ 18,153,402</u>	<u>\$ 19,542,928</u>
59.0%	59.5%	58.9%	59.3%	59.5%	59.0%
41.0%	40.5%	41.1%	40.7%	40.5%	41.0%
6.3%	7.5%	2.9%	6.9%	8.5%	7.7%
<u>\$ 6,825,847</u>	<u>\$ 7,366,067</u>	<u>\$ 7,586,027</u>	<u>\$ 8,132,860</u>	<u>\$ 9,015,888</u>	<u>\$ 9,771,466</u>
6.8%	7.9%	3.0%	7.2%	10.9%	8.4%
2,830,663	3,048,981	3,132,143	3,327,320	3,708,007	4,024,448
<u>709,904</u>	<u>771,798</u>	<u>802,730</u>	<u>891,195</u>	<u>968,534</u>	<u>1,044,012</u>
<u>3,540,567</u>	<u>3,820,779</u>	<u>3,934,873</u>	<u>4,218,515</u>	<u>4,676,541</u>	<u>5,068,460</u>
<u>\$ 3,285,280</u>	<u>\$ 3,545,288</u>	<u>\$ 3,651,154</u>	<u>\$ 3,914,345</u>	<u>\$ 4,339,347</u>	<u>\$ 4,703,006</u>
6.8%	7.9%	3.0%	7.2%	10.9%	8.4%
\$ 3,580,664	\$ 3,798,447	\$ 3,913,565	\$ 4,185,934	\$ 4,567,135	\$ 4,929,637
<u>815,077</u>	<u>785,917</u>	<u>784,524</u>	<u>813,000</u>	<u>1,009,393</u>	<u>1,044,012</u>
<u>\$ 4,395,741</u>	<u>\$ 4,584,364</u>	<u>\$ 4,698,089</u>	<u>\$ 4,998,934</u>	<u>\$ 5,576,528</u>	<u>\$ 4,929,637</u>
8.2%	4.3%	2.5%	6.4%	11.6%	-11.6%
\$ 691,832	\$ 752,712	\$ 781,400	\$ 836,895	\$ 907,670	\$ 977,146
6.5%	8.8%	3.8%	7.1%	8.5%	7.7%

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

Pitkin County, Colorado

**Annual Skier Days by Area (1)
(Unaudited)
Last ten years**

<u>Year</u>	<u>Aspen Mountain</u>	<u>Buttermilk</u>	<u>Snowmass</u>	<u>Aspen Highlands</u>	<u>Grand Total</u>	<u>Percent Increase (Decrease)</u>
2003/2004	298,831	139,213	724,753	160,836	1,323,633	0.8%
2004/2005	304,497	148,390	747,303	167,390	1,367,580	3.3%
2005/2006	324,468	159,081	768,010	193,244	1,444,803	5.6%
2006/2007	327,750	153,831	769,570	193,496	1,444,647	0.0%
2007/2008	332,981	154,926	771,455	211,635	1,470,997	1.8%
2008/2009	284,781	120,084	694,773	183,710	1,283,348	-12.8%
2009/2010	294,439	143,115	725,709	174,947	1,338,210	4.3%
2010/2011	291,904	131,995	737,066	199,567	1,360,532	1.7%
2011/2012	295,749	146,577	731,786	161,984	1,336,096	-1.8%
2012/2013 (2)	N/A	N/A	N/A	N/A	1,375,513	3.0%
2013/2014 (3)	N/A	N/A	N/A	N/A	1,348,003	-2.0%
2014/2015 (3)	N/A	N/A	N/A	N/A	1,307,563	-3.0%

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

Source: Aspen Ski Company

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

Last Ten Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Administrative Services	0.60	0.60	-	-	-	-	-	-	-	-
Assessor	9.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Board of County Commissioners	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Clerk and Recorder	9.55	10.55	10.55	10.55	10.55	10.55	11.55	10.55	11.05	11.25
County Attorney	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00
County Manager	4.80	4.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80	4.80
Facilities	10.75	10.75	9.75	9.75	9.75	8.75	9.75	9.75	11.35	11.75
Finance	8.80	8.80	8.80	8.80	8.80	7.80	7.80	7.00	8.00	8.00
Human Resources	3.40	3.80	3.80	3.80	4.00	4.00	4.00	4.00	4.00	4.00
Public Relations	1.30	1.25	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Technical Coordinator	-	-	1.00	1.00	-	-	0.00	3.00	8.00	10.00
Treasurer	3.00	3.00	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
Judicial and Public Safety										
Communications Center	15.00	15.00	16.00	16.00	16.00	17.00	17.00	14.00	14.00	14.00
Detention	11.80	11.80	11.80	12.80	13.80	14.00	14.00	14.00	14.00	15.00
Emergency Management	1.00	1.00	1.00	1.00	1.00	1.00	1.75	1.75	1.75	1.00
Sheriff	25.75	25.75	27.75	27.00	28.00	28.00	27.00	27.00	27.00	27.00
Radio/Phones	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00
Building Inspections	7.00	7.00	7.00	7.00	6.00	5.00	5.00	7.00	8.00	8.00
Planning and Zoning	10.00	10.50	10.50	10.50	10.00	10.00	8.60	8.00	9.00	9.00
Public Works										
Administrative Services	5.20	5.20	6.00	6.00	5.00	5.00	4.00	4.00	4.00	5.00
Fleet Services	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	7.00	7.00
Land Management	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
Road and Bridge	10.00	10.00	10.00	10.00	10.00	9.00	9.00	9.00	9.00	9.00
Translator	0.80	0.80	1.00	1.00	1.00	1.00	0.00	1.00	1.00	2.00
Health and Welfare										
Animal Safety	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Environmental Health	5.00	5.00	6.00	5.00	2.00	2.00	2.00	2.00	2.00	2.00
Healthy Community Fund	-	-	-	-	0.00	0.00	0.00	0.00	0.50	0.50
Human Services	1.50	1.75	2.00	2.00	2.00	2.00	2.80	2.80	3.00	4.53
Senior Services	4.05	4.85	5.05	5.20	5.20	5.20	5.28	5.28	5.28	5.38
Social Services	3.00	3.00	2.00	3.00	3.00	3.00	5.00	6.00	6.00	8.00
Wildlife Management	-	-	-	-	-	-	-	-	-	-
Cultural and Recreation										
Library	21.20	20.98	20.98	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Open Space and Trails	5.00	5.00	5.00	5.00	7.00	7.00	7.00	9.00	9.00	10.00
Business-type										
Airport Operations	23.00	25.40	24.40	24.00	24.00	25.00	25.00	25.00	25.00	25.00
Solid Waste and Recycling	12.00	12.00	12.00	12.00	11.00	10.00	10.00	10.00	10.00	13.00
	<u>231.50</u>	<u>238.58</u>	<u>240.78</u>	<u>241.80</u>	<u>239.50</u>	<u>235.70</u>	<u>236.93</u>	<u>240.53</u>	<u>252.33</u>	<u>265.80</u>

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

Source: Pitkin County Human Resources

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

Last Ten Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Assessor										
Property transfers	2,138	1,505	1,453	1,288	1,474	1,690	1639	1803	2192	1655
Public Trustee										
Number of foreclosures filed	22	12	35	105	144	113	113	57	28	23
Clerk and Recorder										
Number of vehicle registrations	18,132	18,419	18,990	18,447	17,687	18,099	18,131	18,613	19,469	19,667
Number of registered voters	12,980	12,142	13,307	13,537	13,617	13,751	14,619	15,135	15,595	14,871
Human Resources										
Number of job applications processed	650	852	1046	634	1,042	818	1,392	1,243	1,354	712
Judicial and Public Safety										
Coroner										
Number of deaths investigated	33	23	29	21	22	28	24	26	45	28
Detention										
Average daily population	16	15	16	16	17	16	17.1	16	17	15
District Attorney										
Number of Felony cases	84	65	96	100	94	114	80	89	51	51
Number of juvenile cases	34	24	9	23	49	22	17	34	28	28
Sheriff										
Incidents handled by patrol and investigations	856	926	812	813	832	776	859	956	761	747
Building Inspections										
Number of building permits issued	220	415	364	282	320	290	378	346	392	488
Planning and Zoning										
Number of land use applications processed	271	182	199	172	148	143	154	137	148	139
Public Works										
Road and Bridge										
County roads (center lane miles)	265	265	265	265	265	265	265	265	265	265
Bridges	26	26	26	26	24	24	24	24	24	24
Health and Welfare										
Animal Control										
Number of animals placed in shelter	169	127	152	162	147	159	135	147	125	97
Environmental Health										
Number of food service inspections	165	156	165	165	167	155	143	170	153	161
Number of septic system permit reviews	101	102	104	45	66	84	83	109	133	132
Grant Administration										
Number of county grant applications processed	44	57	55	71	76	77	75	72	74	72
Senior Services										
Number of senior lunches	10,891	10,570	10,047	10,735	11,438	10,935	10,143	10,523	9,731	9,657
Number of requests for transportation	7,592	6,985	6,498	7,399	7,906	8,206	7,242	8,475	7,582	6,677
Human Services Public Assistance										
Caseload	184	165	250	328	346	435	428	480	862	1,234
Cultural and Recreation										
Library										
Number of books	100,936	104,541	109,413	111,599	112,491	93,277	95,402	83,365	78,647	78,952
Open Space and Trails										
Acres of conserved open space land	14,923	16,000	16,431	17,753	18,500	18,630	18,799	19,314	19,680	19,981
Trails maintained (lane miles)	40.00	40.00	43.00	47.00	47.88	48.00	42.05	68.00	73.07	73.07
Business-type										
Airport Operations										
Number of enplaned passengers	204,678	183,632	222,881	219,678	227,784	223,078	220,376	211,749	224,311	209,306
Solid Waste and Recycling										
Cubic yards of solid waste processed	323,000	295,000	347,094	220,000	106,000	112,585	120,633	131,305	N/A	N/A
Tons of solid waste processed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	49,127	64,119
Recycled tons processed	4.4	5.5	3.0	5.0	6.3	3.7	3.1	2.9	1930	2430

Source: Information provided by individual Pitkin County departments

Pitkin County, Colorado

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

Last ten years

Year	Itinerant operations (1)			Local Operations (2)		Percent Change	Enplaned Passengers	Percent Change
	Air Carrier	General Aviation	Total	General Aviation	Total Operations			
2006	19,314	24,792	44,106	632	44,738	1.1%	204,678	3.2%
2007	19,166	22,397	41,563	1,181	42,744	-4.5%	183,632	-10.3% (3)
2008	20,599	22,385	42,984	3,602	46,586	9.0%	222,881	21.4%
2009	18,606	19,767	38,373	1,413	39,786	-14.6%	219,678	-1.4%
2010	17,643	16,092	33,735	3,868	37,603	-5.5%	227,784	3.7%
2011	18,336	15,753	34,089	3,516	37,605	0.0%	223,078	-2.1%
2012	18,282	14,985	33,267	3,550	36,817	-2.1%	220,376	-1.2%
2013	17,735	14,266	32,001	3,268	35,269	-4.2%	211,749	-3.9%
2014	17,642	14,060	31,702	3,578	35,280	0.0%	224,311	5.9%
2015	18,660	15,603	34,263	4,931	39,194	11.1%	235,860	5.1%

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

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

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

Source: Pitkin County Airport Manager

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Pitkin County, Colorado
 12/31/2015
 CONSTRUCTION AND PROPERTY VALUE
 (Unaudited)
 Last ten years

Year	Total Valuation in millions	Percent Increase
2006	\$ 241.0	39.9%
2007	227.2	-5.7%
2008	283.3	24.7%
2009	95.3	-66.4%
2010	108.1	13.4%
2011	246.2 (1)	N/A
2012	268.9	9.2%
2013	342.5	27.4%
2014	571.2	66.8%
2015	545.0	-4.6%

(1) The City of Aspen changed the method of reporting permits from permits issued to permits applied for. This accounts for the wide fluctuation in the permit values.

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

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

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

Last Ten Years

Function/Program	2006	2007	2008	2009
General Government				
Land	\$ 10,800	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452
Buildings	7,666,508	7,666,508	6,702,330	6,702,330
Improvements	204,512	204,511	169,292	157,340
Equipment	3,033,194	3,130,537	3,813,303	3,004,281
Infrastructure	32,768	32,768	32,768	32,768
Total General Government	10,947,782	13,297,776	12,981,145	12,160,171
Public Safety				
Land	392,693	392,693	392,693	392,693
Buildings	4,290,043	4,295,094	4,188,220	4,260,770
Improvements	23,696	23,696	23,696	23,696
Equipment	2,445,054	2,571,506	2,932,562	3,317,375
Total Public Safety	7,151,486	7,282,989	7,537,171	7,994,534
Public Works				
Land	2,636,598	2,636,598	2,134,603	2,076,225
Buildings	8,622,819	8,647,833	8,650,590	8,631,737
Improvements	519,598	519,598	658,646	658,646
Equipment	3,488,445	3,808,547	4,172,762	4,389,229
Infrastructure	27,058,668	27,222,384	30,175,659	30,175,659
Intangible Assets	-	-	501,996	501,996
Total Public Works	42,326,128	42,834,960	45,792,260	45,931,496
Health and Welfare				
Buildings	3,166,861	3,166,861	4,280,106	4,290,099
Improvements	95,242	95,243	95,243	95,243
Equipment	146,227	151,664	149,703	148,807
Infrastructure	56,373	56,373	56,373	56,373
Total Health and Welfare	3,464,703	3,470,141	4,581,425	4,590,522
Cultural and Recreation				
Land	58,444,248	74,832,801	61,205,398	65,603,726
Buildings	59,181	59,181	59,181	59,181
Improvements	498,870	498,870	488,870	488,870
Equipment	180,249	251,059	201,580	336,252
Infrastructure	6,494,844	10,054,340	10,054,340	10,054,340
Intangible Assets	-	-	27,432,967	43,473,026
Total Cultural and Recreation	65,677,392	85,696,251	72,009,369	76,542,369

	2010	2011	2012	2013	2014	2015
\$	2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452
	6,858,306	6,821,667	7,526,440	6,864,477	2,870,554	6,168,998
	157,340	157,339	157,340	140,145	55,430	169,005
	3,234,512	3,033,682	3,057,557	3,064,379	774,271	2,179,166
	32,768	32,768	32,768	32,768	15,874	32,768
	<u>12,546,378</u>	<u>12,308,908</u>	<u>13,037,557</u>	<u>12,365,221</u>	<u>5,979,581</u>	<u>10,813,389</u>
	392,693	392,693	392,693	392,693	392,693	392,693
	4,255,455	4,243,280	4,243,280	4,243,280	1,461,886	4,243,280
	23,696	23,696	23,696	23,696	6,866	23,695
	3,932,875	3,887,338	4,541,652	4,130,563	2,106,819	3,704,003
	<u>8,604,719</u>	<u>8,547,007</u>	<u>9,201,321</u>	<u>8,790,232</u>	<u>3,968,264</u>	<u>8,363,671</u>
	2,076,225	2,076,225	2,076,225	2,076,225	2,076,225	2,076,225
	8,631,737	8,652,750	8,730,166	8,730,166	1,579,667	8,749,765
	658,646	658,646	658,646	454,293	70,316	448,296
	5,853,702	5,880,409	5,854,744	5,841,383	3,508,127	7,047,306
	31,275,659	31,275,662	31,705,731	31,705,731	19,084,399	38,877,807
	501,995	501,992	501,995	501,995	501,992	501,995
	<u>48,495,969</u>	<u>48,543,692</u>	<u>49,025,512</u>	<u>49,309,793</u>	<u>26,820,726</u>	<u>57,701,394</u>
	4,389,292	4,379,922	4,391,525	4,381,357	1,935,470	4,380,034
	81,380	15,473	15,472	15,473	6,640	15,473
	148,807	146,518	146,520	146,518	69,657	239,537
	56,373	56,373	56,374	56,373	27,309	56,373
	<u>4,675,852</u>	<u>4,598,286</u>	<u>4,609,891</u>	<u>4,599,721</u>	<u>2,039,076</u>	<u>4,691,417</u>
	80,926,544	80,926,544	81,468,748	84,095,137	88,196,999	95,833,434
	59,181	651,132	782,763	782,763	660,639	782,763
	488,870	1,232,132	1,232,132	1,264,895	777,465	1,264,895
	356,682	356,682	367,977	395,643	206,680	601,185
	13,487,947	14,587,896	14,958,175	15,414,417	8,323,801	18,101,669
	45,548,027	45,548,029	45,548,026	45,415,158	45,415,160	45,911,162
	<u>95,319,224</u>	<u>97,754,386</u>	<u>98,809,795</u>	<u>147,368,013</u>	<u>143,580,744</u>	<u>162,495,108</u>

(Continued)

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

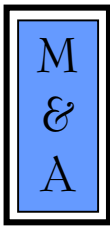
Last Ten Years

Function/Program	2006	2007	2008	2009
Conservation of Natural Resources				
Equipment	137,823	127,833	127,833	127,833
Total Conservation of Nat. Resources	<u>137,823</u>	<u>127,833</u>	<u>127,833</u>	<u>127,833</u>
Housing and Development				
Land	730,050	730,050	730,050	730,050
Buildings	-	-	-	-
Improvements	-	-	-	-
Total Housing and Development	<u>730,050</u>	<u>730,050</u>	<u>730,050</u>	<u>730,050</u>
Construction in Progress	8,683,598	7,659,721	4,150,177	3,875,926
Total Governmental	<u>\$ 139,118,962</u>	<u>\$ 161,099,721</u>	<u>\$ 147,909,430</u>	<u>\$ 151,952,901</u>
Business-type				
Airport				
Land	\$ 10,480,840	\$ 10,480,840	\$ 7,873,279	\$ 7,873,279
Buildings	6,798,861	7,122,651	18,717,688	18,749,257
Improvements	30,401,479	30,964,267	30,841,247	51,970,342
Equipment	6,252,770	6,287,745	6,504,783	7,369,076
Construction in Progress	28,187,163	40,662,297	21,097,613	4,318,461
Intangible Assets	-	-	2,955,956	2,955,956
Total Airport	<u>53,933,950</u>	<u>54,855,503</u>	<u>63,936,997</u>	<u>85,961,954</u>
Solid Waste Center				
Land	50,000	50,000	50,000	50,000
Buildings	665,070	665,070	546,460	530,811
Improvements	1,639,451	2,055,845	3,337,549	1,629,664
Equipment	1,170,746	1,227,292	1,054,674	1,094,024
Construction in Progress	2,531	263,799	25,235	-
Total Solid Waste Center	<u>3,525,267</u>	<u>3,998,207</u>	<u>4,988,683</u>	<u>3,304,499</u>
Total business-type	<u>\$ 57,459,217</u>	<u>\$ 58,853,710</u>	<u>\$ 68,925,680</u>	<u>\$ 89,266,453</u>

Source: Pitkin County Fixed Asset Management System

2010	2011	2012	2013	2014	2015
135,036	112,131	112,131	93,815	27,178	93,815
135,036	112,131	112,131	93,815	27,178	93,815
730,050	730,050	730,050	730,050	730,050	730,050
-	-	-	741,755	1,772,222	2,813,896
-	-	-	-	-	-
730,050	730,050	730,050	1,471,805	2,502,272	3,543,946
1,649,975	627,942	742,029	6,553,691	1,108,049	990,101
\$ 172,157,203	\$ 173,222,402	\$ 176,268,286	\$ 230,552,291	\$ 186,025,890	\$ 248,692,841
\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279
18,749,257	18,749,257	18,970,151	18,963,831	12,391,941	18,872,386
52,118,955	52,143,270	56,555,696	56,555,696	51,224,968	77,804,978
8,651,643	8,153,276	9,214,724	9,304,840	4,366,797	10,792,295
5,302,255	18,885,024	21,435,097	21,921,987	1,714,831	332,900
2,955,956	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956
87,393,134	86,919,082	92,613,850	117,575,589	80,527,772	118,631,794
50,000	50,000	50,000	50,000	50,000	50,000
382,581	382,581	998,218	998,218	750,438	1,070,339
1,629,664	1,629,664	1,655,528	1,655,528	887,151	1,668,891
1,094,024	1,426,600	1,446,981	1,441,580	543,190	4,463,163
31,990	29,762	-	-	194,680	-
3,156,269	3,488,845	4,150,727	4,145,326	2,425,459	7,252,393
\$ 90,549,403	\$ 90,407,927	\$ 96,764,577	\$ 121,720,915	\$ 82,953,231	\$ 125,884,187

SINGLE AUDIT SECTION



McMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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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, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 29, 2016.

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

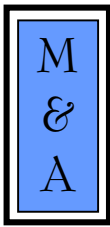
As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect 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.
July 29, 2016



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, 2015 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, 2015. 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, 2015.

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.
July 29, 2016

Pitkin County, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2015

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, 2015
(Continued)

There were no findings for the year ended December 31, 2014.

Pitkin County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identifying Number	Federal Expenditures	
Department of Agriculture				
Pass through Colorado Department of Human Services				
Federal Incentives for SNAP	10.551	N/A	781	A
State Admin Matching Grants for SNAP	10.561	N/A	74,437	A
Total Department of Agriculture			<u>75,218</u>	
Department of the Interior				
Bureau of Reclamation				
Direct Funding				
WaterSmart Grant	15.504	R14AP00103	42,241	
Total Department of the Interior			<u>42,241</u>	
Department of Transportation				
Federal Aviation Administration				
Direct Funding				
Rehabilitate runway 15/33, Construct Taxiway "A", Rehabilitate Apron	20.106	03-08-0003-49	66,113	
Rehabilitate Apron (Phase II) and Rehabilitate Taxiway "A"	20.106	03-08-0003-50	84,646	
Environmental Assessment Phase I & II	20.106	03-08-0003-51	807,363	
Subtotal Federal Aviation Administration			<u>958,122</u>	
Pass through Colorado Department of Transportation				
Colorado Transportation Commission				
Congestion Mitigation Air Quality Grant	20.206	N/A	83,682	
Pass through Colorado Department of Transportation				
Federal Highway Administration				
National Scenic Byways Grant	20.205	N/A	124,900	
Total Department of Transportation			<u>1,166,704</u>	
Department of Health and Human Services				
Pass through Colorado Department of Human Services				
IV-E Related Guardian Assistance	93.090	N/A	903	
CO Works (TANF)	93.558	N/A	80,366	
Title IV-D Admin	93.563	N/A	34,398	
LEAP	93.568	N/A	24,199	
CCDF Discretionary	93.575	N/A	7,407	B
CCDF	93.596	N/A	57,526	B
Title IV-B Child Welfare	93.645	N/A	2,287	
Title IV-E Foster Care	93.658	N/A	106,783	
Title IV-E Adoption Assistance	93.659	N/A	3,350	
Title XX Block Grant	93.667	N/A	4,752	
Title XIX MEDICAID	93.778	N/A	111,352	
Pass through Colorado Department of Local Affairs				
Community Service Block Grant 13-14	93.569	L-15CSBG25	1,656	
Pass through Northwest Colorado Council of Governments				
Title III-C1 and C2 of the Older Americans Act 14-15	93.045	84 063-9906-2015	37,292	C
Title III-C1 and C2 of the Older Americans Act 15-16	93.045	84 063-9906-2016	29,556	C
NSIP - Nutrition Services - Older Americans Act FFY15	93.053	84 063-9906-2015	7,507	C
Pass through Colorado Department of Public Health and Environment				
Maternal and Child Health Services Block Grant to States	93.994	ND15L	10,008	
Total Department of Health and Human Services			<u>519,342</u>	

(continuing)

Pitkin County, Colorado
Schedule of Expenditures of Federal Awards (continued)
For the Year Ended December 31, 2015

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identifying Number	Federal Expenditures
Department of Justice			
Bureau of Justice Assistance			
Direct Funding			
State Criminal Alien Assistance Program	16.606	2015-H1293-CO-AP	16,625
	Total Department of Justice		16,625
Federal Emergency Management Agency			
Pass through Colorado Department of Public Safety Office of Emergency Management			
Emergency Management Performance Grant	97.042	14EM-15-50	16,250
Emergency Management Performance Grant	97.042	15EM-16-50	65,000
	Total Federal Emergency Management Agency		81,250
TOTAL EXPENDITURES OF FEDERAL AWARDS			1,901,380

Additional Information for Clusters:

A SNAP Cluster	\$	75,218
B CCDF Cluster	\$	64,933
C Aging Cluster	\$	74,355

Notes to the Schedule of Expenditures of Federal Awards for the Year ended December 31, 2015:

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 1.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 1.D 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 2015, the following awards were granted to sub-recipients :

Subrecipients of Grant Awards	Federal CFDA Number	Amount
Department of Health and Human Services Community Services Block Grant	93.569	\$ 11,363

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.