

TOWN OF CRESTED BUTTE, COLORADO  
FINANCIAL STATEMENTS AND REPORT OF  
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

December 31, 2015

## CONTENTS

	Page
REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS .....	1
MANAGEMENT'S DISCUSSION AND ANALYSIS.....	3
<b>BASIC FINANCIAL STATEMENTS</b>	
STATEMENT OF NET POSITION.....	8
STATEMENT OF ACTIVITIES.....	9
GOVERNMENTAL FUNDS BALANCE SHEET .....	10
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET AND THE STATEMENT OF NET POSITION .....	11
GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES.....	12
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES.....	13
GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL.....	14
AFFORDABLE HOUSING FUND – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL.....	16
STATEMENT OF NET POSITION – ENTERPRISE FUND .....	17
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION – ENTERPRISE FUND .....	18
STATEMENT OF CASH FLOWS – ENTERPRISE FUND.....	19
NOTES TO FINANCIAL STATEMENTS.....	21
<b>SUPPLEMENTARY INFORMATION</b>	
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS .....	40
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS.....	41
CONSERVATION TRUST FUND – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL.....	42
STREET AND ALLEY FUND – SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL .....	43
GENERAL CAPITAL FUND – STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL.....	44
SEWER AND WATER FUND – SCHEDULE OF REVENUES AND EXPENSES – BUDGET AND ACTUAL (NON-GAAP BASIS) .....	45
GENERAL FUND AND RELATED SUB-FUND – COMBINING BALANCE SHEET.....	46
GENERAL FUND AND RELATED SUB-FUND – COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL .....	47
LOCAL HIGHWAY FINANCE REPORT .....	49

**REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

May 10, 2016

Town Council  
Town of Crested Butte, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Crested Butte, Colorado, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Town'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 opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

**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, each major fund, and the aggregate remaining fund information of the Town of Crested Butte, Colorado, as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the Affordable Housing Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Town of Crested Butte, Colorado  
May 10, 2016  
Page Two

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 7 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.

#### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Crested Butte, Colorado's basic financial statements. The combining and individual non-major governmental fund schedules, the general capital fund budget to actual schedule, the street and alley fund budget to actual schedule, the enterprise fund budget to actual schedule, the general and sub-fund combining balance sheet and combining schedule of revenues, expenditures and changes in fund balance - budget and actual, and the local highway finance report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual non-major governmental fund schedules, the general capital fund budget to actual schedule, the street and alley fund budget to actual schedule, the enterprise fund budget to actual schedule, the general and sub-fund combining balance sheet and combining schedule of revenues, expenditures and changes in fund balance - budget and actual, and the local highway finance report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Chadwick, Steinkirchner, Davis & Co., P.C.*

TOWN OF CRESTED BUTTE, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2015

Our discussion and analysis of the Town of Crested Butte's financial performance provides an overview of the Town of Crested Butte's financial activities for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our basic financial statements to better understand the financial position of the Town of Crested Butte.

**A. FINANCIAL HIGHLIGHTS**

- The Town's assets exceed liabilities and deferred inflows by \$42,099,779 (i.e. net position) at the end of the year, an increase of \$2,907,039 from the prior year.
- Governmental funds reported combined ending fund balances of \$11,905,986, an increase of \$98,443 in comparison to prior year.
- The Town's unassigned fund balance for the general fund, which includes the sales tax fund under Governmental Accounting Standards Board (GASB) 54 reporting requirements, was \$4,083,537, a decrease of \$120,334 in comparison to prior year.
- The Town of Crested Butte's total long-term liabilities decreased by \$307,801 during 2015 due to scheduled debt and capital lease payments.

**B. OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Town of Crested Butte's basic financial statements. The basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private sector business.

The statement of net position presents information on all assets, liabilities and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether financial position is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions that are principally supported by taxes 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). The governmental activities include general government, public safety, streets and highways, culture and recreation and community development. The business type activities include sewer and water.

**Fund financial statements.** A fund is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The Town funds can be divided into two categories: governmental funds and proprietary funds.

**Governmental Funds.** Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that is available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are described in a reconciliation statement.

TOWN OF CRESTED BUTTE, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2015

**Proprietary Funds.** Proprietary funds are maintained as follows:

Enterprise funds are used to report the same functions presented as business-type activities in the government wide financial statements, only in more detail. The Town reports its water and sewer operations as an enterprise fund.

**Notes to financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

**Capital assets.** The Town of Crested Butte complies with capital assets reporting requirements as specified in Governmental Accounting Standards Board Statement 34 (GASB34). One of the requirements is to report capital assets in the government-wide financial statements.

**C. GOVERNMENT-WIDE FINANCIAL ANALYSIS**

At December 31, 2015, total net position was \$42,099,779 an increase of \$2,907,039 from prior year. This increase was largely due to increases in cash position and investment in joint venture along with capital asset purchases during the year.

The largest portion of net position is the investment in capital assets (net of related debt) which accounts for 57% of total net position. This amount reflects the investment in all capital assets less any related outstanding debt used to acquire those assets. These capital assets are used to provide services to citizens and are not available for future spending.

Unrestricted net position is the part of net position that can be used to finance day to day operations without constraints, represents 37% of total net position.

The following table summarizes the Town's governmental and business type net position for 2015 and 2014.

Town of Crested Butte, Colorado  
December 31,  
Statement of Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>
Current and other assets	\$14,706,958	\$15,177,421	\$3,714,280	\$4,721,505	\$18,421,238	\$19,898,926
Capital assets	<u>19,131,455</u>	<u>20,531,939</u>	<u>5,446,202</u>	<u>5,277,977</u>	<u>24,577,657</u>	<u>25,809,916</u>
Total Assets	<u>\$33,838,413</u>	<u>\$35,709,360</u>	<u>\$9,160,482</u>	<u>\$9,999,482</u>	<u>\$42,998,895</u>	<u>\$45,708,842</u>
Current liabilities	\$ 664,412	\$747,102	\$ 113,355	\$ 120,266	\$ 777,767	\$ 867,368
Non-current liabilities:						
Due within one year	76,647	54,786	254,811	272,519	331,458	327,305
Due in more than one year	<u>91,003</u>	<u>53,699</u>	<u>1,705,054</u>	<u>1,432,535</u>	<u>1,796,057</u>	<u>1,486,234</u>
Total Liabilities	<u>\$ 832,062</u>	<u>\$855,587</u>	<u>\$2,073,220</u>	<u>\$1,825,320</u>	<u>\$2,905,282</u>	<u>\$2,680,907</u>
Deferred Inflows: Property tax	\$ 900,872	\$ 928,156			\$ 900,872	\$ 928,156
Net Position:						
Invested in capital assets, net of related debt	\$18,963,805	\$20,423,453	\$3,486,337	\$3,572,923	\$22,450,142	\$23,996,376
Invested in joint venture	1,396,718	1,664,721			1,396,718	1,664,721
Restricted	909,160	680,517			909,160	680,517
Unrestricted	<u>10,835,796</u>	<u>11,156,926</u>	<u>3,600,925</u>	<u>4,601,239</u>	<u>14,436,721</u>	<u>15,758,165</u>
Total Net Position	<u>\$32,105,479</u>	<u>\$33,925,617</u>	<u>\$7,087,262</u>	<u>\$8,174,162</u>	<u>\$39,192,741</u>	<u>\$42,099,779</u>

TOWN OF CRESTED BUTTE, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2015

The following table summarizes the changes in net position for the Town of Crested Butte for 2014 and 2015.

	Town of Crested Butte Year ended December 31 Changes in Net Position					
	Governmental Activities		Business-type Activities		Total	
	2014	2015	2014	2015	2014	2015
<b>REVENUES</b>						
Program Revenues						
Charges for services	\$ 743,657	\$ 845,551	\$1,522,397	\$1,543,346	\$ 2,266,054	\$ 2,388,897
Operating grants and contributions	767,886	539,576			767,886	539,576
Capital grants and contributions	113,062	150,731	280,346	1,038,035	393,408	1,188,766
General Revenues						
Property taxes	859,317	897,206			859,317	897,206
Real estate transfer tax	1,463,681	1,385,032			1,463,681	1,385,032
Sales and use tax	3,563,257	4,072,767			3,563,257	4,072,767
Other taxes	183,881	479,130			183,881	479,130
Other	<u>152,981</u>	<u>282,263</u>	<u>3,177</u>	<u>3,666</u>	<u>156,158</u>	<u>285,929</u>
Total Revenues	<u>7,847,722</u>	<u>8,652,256</u>	<u>1,805,920</u>	<u>2,585,047</u>	<u>9,653,642</u>	<u>11,237,303</u>
<b>EXPENSES</b>						
General Government	2,201,839	2,768,203			2,201,839	2,768,203
Public Safety	766,441	758,544			766,441	758,544
Highways and Streets	965,155	1,017,187			965,155	1,017,187
Culture and Recreation	776,638	1,383,265			776,638	1,383,265
Auxiliary Services	801,937	898,402			801,937	898,402
Interest on long-term debt	7,777	6,517			7,777	6,517
Sewer and Water			<u>1,492,542</u>	<u>1,498,146</u>	<u>1,492,542</u>	<u>1,498,146</u>
Total Expenses	<u>5,519,787</u>	<u>6,832,118</u>	<u>1,492,542</u>	<u>1,498,146</u>	<u>7,012,329</u>	<u>8,330,264</u>
Increase in net position	2,327,935	1,820,138	313,378	1,086,901	2,641,342	2,907,039
Beginning net position	<u>29,777,544</u>	<u>32,105,479</u>	<u>6,773,857</u>	<u>7,087,262</u>	<u>36,551,428</u>	<u>39,192,740</u>
Ending net position	<u>\$32,105,479</u>	<u>\$33,925,617</u>	<u>\$7,087,262</u>	<u>\$8,174,162</u>	<u>\$39,192,740</u>	<u>\$42,099,779</u>

**D. FINANCIAL ANALYSIS OF GOVERNMENT FUNDS**

**Governmental funds.** The focus of governmental funds is to provide information on near term inflows, outflows and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

## TOWN OF CRESTED BUTTE, COLORADO

### MANAGEMENT'S DISCUSSION AND ANALYSIS

Year Ended December 31, 2015

As of December 31, 2015, the Town's governmental funds reported combined ending fund balance of \$11,905,986, an increase of \$98,443 over prior year. Of the combined ending fund balance for all governmental funds 35% of this amount or \$4,083,537, constitutes unassigned fund balance, which is available for appropriation at the Town's discretion. The Town has four major governmental funds. They are General, General Capital, Affordable Housing and Street and Alley. The Town has one other governmental fund, the Conservation Trust Fund which accounts for the funds received from the Colorado State Lottery Commission.

The General fund is the primary operating fund for the Town of Crested Butte. Under the fund reporting requirements of GASB 54, the sales tax fund is now combined into the General fund for reporting purposes. At the end of 2015, unassigned fund balance for the general fund was \$4,083,537. This unassigned fund balance is approximately 83% of the total 2015 expenditures of the combined General fund. The unassigned fund balance decreased by \$120,334 during 2015.

The General Capital fund accounts for general capital acquisitions and maintenance expenditures. Real estate transfer taxes and use tax revenues are its major sources of revenue. At the end of 2015, the General Capital fund balance available for capital projects was \$3,872,638, an increase of \$450,155.

The Affordable Housing fund accounts for development of affordable housing units, including acquisition and maintenance expenditures for Town owned units and infrastructure development for affordable housing area within Town. Its main source of revenue is a fee assessment on both residential and commercial building permits within Town and grants. Its total fund balance was \$595,187 at the end of 2015, an increase of \$306,342. Most of this increase is due to a contribution of cash from the General fund.

The Street and Alley fund accounts for construction and maintenance expenditures on the Town's streets, alleys, right of ways, sidewalks and parking lots. Its main source of revenue is a dedicated property tax. Its total fund balance was \$2,072,780 at the end of 2015, a decrease of \$26,444. It is management's desire to build this fund balance to pay for upcoming construction projects.

**Proprietary funds.** The Town has one enterprise fund which accounts for sewer, water, and trash operations. Year-end unrestricted net position of the sewer and water fund amounted to \$4,601,239 in 2015, an increase of \$1,000,314. Year-end total net position amounted to \$8,174,162 in 2015, an increase of \$1,086,900. The majority of this increase is in an increase in cash position.

#### **E. BUDGETARY HIGHLIGHTS**

There were budget amendments made to the General fund, Sales Tax fund and the Street & Alley fund during 2015. The General fund increase was due to an additional cash contribution to the Affordable Housing fund for the affordable housing projects. Sales Tax fund increase was due to the purchase of property to be used for park, parking and snow removal and higher distributions to General fund, Capital fund and Affordable Housing fund due to increased sales tax collection. The Street & Alley fund increase was due to the purchase of property to be used for parking and snow removal. All funds had sufficient revenues or fund equity to cover the additional costs. Revenues and expenditures in all funds were closely monitored throughout the year.

#### **F. CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets.** The Town of Crested Butte invested \$2,409,273 in capital assets for its governmental and business type activities in 2015. As required by GASB34, the investment in capital assets includes land, buildings, improvements other than buildings, equipment, water systems, sewer systems and infrastructure.

**Long-term Debt.** At the end of 2015, the total outstanding long-term debt of the Town was \$1,813,539, a decrease of \$313,976 from 2014. Of this amount, \$186,900 is general obligation debt backed by the full faith and credit of the Town, \$1,518,154 is revenue backed debt and \$108,485 is lease obligations. The amount attributable to governmental activities is \$108,485 and the amount attributable to business-type activities is \$1,705,054.

TOWN OF CRESTED BUTTE, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended December 31, 2015

**G. ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

- The Town of Crested Butte continues to maintain strong reserve balances.
- The real estate market decreased from 2014 levels with the majority of sales being residential. The real estate market fluctuates significantly year to year. The 2016 budget anticipate real estate transfer tax to be less than 2015 actual.
- Sales tax revenues increased by 10% during 2015. We estimate collections for 2016 to be up slightly from 2015.
- The construction market, which generates building fees, use and sales tax revenues, sewer/water tap-in fees and affordable housing fees, increased in 2015. The total valuation of construction projects increased by 95%, with activity split fairly equally between commercial and residential projects. We anticipate construction in 2016 to be the same as 2015.
- The 2016 budget has appropriations for \$1,841,226 in capital asset acquisitions including \$211,000 renovation to the historic train depot, \$300,000 for affordable housing infrastructure and project design and \$442,726 for equipment purchases.
- The 2016 budget anticipates using \$1,411,806 out of fund reserves for projects including \$521,800 for open space purchase, \$206,000 for Big Mine Park utilities and \$318,844 for Water and Sewer fund capital projects.

**H. REQUEST FOR INFORMATION**

This financial report is designed to provide a general overview of the Town of Crested Butte's finances. If you have questions about this report or need additional financial information, contact the Town of Crested Butte, Finance Department, PO Box 39, Crested Butte, Colorado 81224.

Town of Crested Butte, Colorado  
STATEMENT OF NET POSITION

December 31, 2015

	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and investments	\$ 11,433,731	\$ 4,464,796	\$ 15,898,527
Cash and investments, restricted	427,223	-	427,223
Property taxes receivable	1,077,936	-	1,077,936
Other receivables, net of allowance for uncollectible	134,916	127,892	262,808
Intergovernmental receivable	435,993	103,324	539,317
Internal balances	(531)	531	-
Inventory	3,432	24,962	28,394
Investment in joint venture	1,664,721	-	1,664,721
Capital assets			
Land	10,568,016	27,610	10,595,626
Construction in progress	231,329	-	231,329
Buildings, net	2,475,782	97,211	2,572,993
Improvements other than buildings, net	3,007,655	-	3,007,655
Equipment, net	1,169,857	152,295	1,322,152
Infrastructure, net	3,079,300	5,000,861	8,080,161
Total assets	<u>35,709,360</u>	<u>9,999,482</u>	<u>45,708,842</u>
<b>LIABILITIES</b>			
Accounts payable	126,005	83,922	209,927
Accrued liabilities	81,218	22,919	104,137
Compensated absences payable	68,544	13,425	81,969
Unearned revenue	54,012	-	54,012
Due to other governments	98,608	-	98,608
Funds held for others	318,715	-	318,715
Long-term liabilities			
Portion due or payable within one year			
Capital leases payable	54,786	-	54,786
Loans payable	-	272,519	272,519
Portion due or payable after one year			
Capital leases payable	53,699	-	53,699
Loans payable	-	1,432,535	1,432,535
Total liabilities	<u>855,587</u>	<u>1,825,320</u>	<u>2,680,907</u>
<b>DEFERRED INFLOWS</b>			
Property taxes	928,156	-	928,156
Total deferred inflows	<u>928,156</u>	<u>-</u>	<u>928,156</u>
<b>NET POSITION</b>			
Net investment in capital assets	20,423,453	3,572,923	23,996,376
Invested in joint venture	1,664,721	-	1,664,721
Restricted for:			
Open space	421,534	-	421,534
Parking	1,338	-	1,338
Law enforcement	4,352	-	4,352
Emergencies	253,293	-	253,293
Unrestricted	11,156,926	4,601,239	15,758,165
Total net position	<u>\$ 33,925,617</u>	<u>\$ 8,174,162</u>	<u>\$ 42,099,779</u>

The accompanying notes are an integral part of this statement.

Town of Crested Butte, Colorado

STATEMENT OF ACTIVITIES

Year ended December 31, 2015

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Activities:							
Governmental:							
General government	\$ 2,768,203	\$ 670,400	\$ 212,049	\$ -	\$ (1,885,754)		\$ (1,885,754)
Public safety	758,544	-	-	-	(758,544)		(758,544)
Highways and streets	1,017,187	9,026	50,270	-	(957,891)		(957,891)
Culture and recreation	1,383,265	127,557	10,934	150,731	(1,094,043)		(1,094,043)
Auxiliary services	898,402	38,568	266,323	-	(593,511)		(593,511)
Interest on long-term debt	6,517	-	-	-	(6,517)		(6,517)
Total governmental activities	6,832,118	845,551	539,576	150,731	(5,296,260)		(5,296,260)
Business-type							
Sewer and water	1,498,146	1,543,346	-	1,038,035		\$ 1,083,235	1,083,235
Total business-type activities	1,498,146	1,543,346	-	1,038,035		1,083,235	1,083,235
Total	<u>\$ 8,330,264</u>	<u>\$ 2,388,897</u>	<u>\$ 539,576</u>	<u>\$ 1,188,766</u>			<u>(4,213,025)</u>
General revenues							
Property taxes					897,206	-	897,206
Specific ownership taxes					53,175	-	53,175
Sales and use taxes					4,072,767	-	4,072,767
Franchise taxes					43,211	-	43,211
Real estate transfer taxes					1,385,032	-	1,385,032
Other taxes and miscellaneous revenue					382,744	-	382,744
Investment in joint venture					268,003	-	268,003
Gain on sale of capital assets					9,392	-	9,392
Investment earnings					4,868	3,666	8,534
Total general revenues					7,116,398	3,666	7,120,064
Change in net position					1,820,138	1,086,901	2,907,039
Net position, beginning					32,105,479	7,087,261	39,192,740
Net position, ending					<u>\$ 33,925,617</u>	<u>\$ 8,174,162</u>	<u>\$ 42,099,779</u>

The accompanying notes are an integral part of this statement.

Town of Crested Butte, Colorado  
BALANCE SHEET - GOVERNMENTAL FUNDS

		December 31, 2015					
		General Fund	General Capital Fund	Affordable Housing Fund	Street and Alley Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>							
Cash and investments		\$ 5,101,977	\$ 3,755,286	\$ 468,350	\$ 2,091,319	\$ 16,799	\$ 11,433,731
Cash and investments, restricted		4,351	421,534	-	1,338	-	427,223
Receivables							
Taxes		534,996	255,854	-	698,321	-	1,489,171
Intergovernmental		24,758	-	-	-	-	24,758
Other		78,323	(91,452)	144,248	3,797	-	134,916
Due from other funds		-	17,456	-	-	-	17,456
Inventory		3,432	-	-	-	-	3,432
	Total assets	<u>5,747,837</u>	<u>4,358,678</u>	<u>612,598</u>	<u>2,794,775</u>	<u>16,799</u>	<u>13,530,687</u>
<b>LIABILITIES</b>							
Accounts payable		96,435	-	17,411	12,159	-	126,005
Accrued liabilities		61,284	8,419	-	11,515	-	81,218
Unearned revenues		-	54,012	-	-	-	54,012
Due to other governments		98,608	-	-	-	-	98,608
Funds held for others		318,715	-	-	-	-	318,715
Due to other funds		15,912	2,075	-	-	-	17,987
	Total liabilities	<u>590,954</u>	<u>64,506</u>	<u>17,411</u>	<u>23,674</u>	<u>-</u>	<u>696,545</u>
<b>DEFERRED INFLOWS</b>							
Property taxes		229,835	-	-	698,321	-	928,156
	Total deferred inflows	<u>229,835</u>	<u>-</u>	<u>-</u>	<u>698,321</u>	<u>-</u>	<u>928,156</u>
<b>FUND BALANCE</b>							
Nonspendable							
Prepaid expenses and inventory		3,432	-	-	-	-	3,432
Restricted							
TABOR emergency reserve		253,293	-	-	-	-	253,293
Marshal's seizure fund		4,352	-	-	-	-	4,352
Conservation		-	-	-	-	16,799	16,799
Committed							
Affordable housing		-	-	595,187	-	-	595,187
Open space		-	421,534	-	-	-	421,534
Parking		-	-	-	1,338	-	1,338
Streets		-	-	-	2,071,442	-	2,071,442
Transportation		82,434	-	-	-	-	82,434
Assigned							
Capital projects		-	3,535,514	-	-	-	3,535,514
Depot renovation		-	37,124	-	-	-	37,124
Whatever USA Ice Rink/Warming House Improvements		-	300,000	-	-	-	300,000
Next year's expenditures		500,000	-	-	-	-	500,000
Unassigned		4,083,537	-	-	-	-	4,083,537
	Total fund balance	<u>\$ 4,927,048</u>	<u>\$ 4,294,172</u>	<u>\$ 595,187</u>	<u>\$ 2,072,780</u>	<u>\$ 16,799</u>	<u>\$ 11,905,986</u>

The accompanying notes are an integral part of this statement.

Town of Crested Butte, Colorado

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF NET POSITION

December 31, 2015

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

Total fund balance - governmental funds	\$ 11,905,986
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.	20,531,939
Investment in joint venture is reported in the statement of net position, not reported in the governmental funds.	1,664,721
Long-term liabilities such as capital leases and compensated absences payable are not due and payable in the current period, and therefore, are not reported in the funds.	<u>(177,029)</u>
Net position - governmental activities	<u>\$ 33,925,617</u>

The accompanying notes are an integral part of this statement.

Town of Crested Butte, Colorado  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
Year ended December 31, 2015

	General Fund	General Capital Fund	Affordable Housing Fund	Street and Alley Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Taxes	\$ 4,111,551	\$ 1,652,448	\$ -	\$ 670,329	\$ -	\$ 6,434,328
Licenses and permits	347,469	-	-	-	-	347,469
Intergovernmental	75,523	190,691	167,500	50,270	10,934	494,918
Charges for services	256,639	-	175,875	-	-	432,514
Housing payments in lieu	-	-	212,412	-	-	212,412
Parking in lieu	-	-	-	320,819	-	320,819
Fines and forfeitures	50,965	-	-	-	-	50,965
Investment earnings	2,193	1,646	154	860	16	4,869
Miscellaneous	65,862	6,830	-	3,878	-	76,570
Total revenues	<u>4,910,202</u>	<u>1,851,615</u>	<u>555,941</u>	<u>1,046,156</u>	<u>10,950</u>	<u>8,374,864</u>
<b>Expenditures</b>						
<b>Current</b>						
General government	1,694,789	144,522	431,001	18,185	-	2,288,497
Public safety	734,479	-	-	-	-	734,479
Highways and streets	594,837	-	-	308,795	-	903,632
Culture and recreation	365,307	381,996	-	-	1,100	748,403
Auxiliary services	898,402	-	-	-	-	898,402
Capital outlay	-	1,540,082	363,598	745,620	-	2,649,300
<b>Debt service</b>						
Principal	17,042	42,124	-	-	-	59,166
Interest	2,155	4,362	-	-	-	6,517
Total expenditures	<u>4,307,011</u>	<u>2,113,086</u>	<u>794,599</u>	<u>1,072,600</u>	<u>1,100</u>	<u>8,288,396</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	603,191	(261,471)	(238,658)	(26,444)	9,850	86,468
<b>Other financing sources (uses)</b>						
Transfer in (out)	(639,549)	94,549	545,000	-	-	-
Sale of capital assets	-	11,975	-	-	-	11,975
Debt proceeds	-	-	-	-	-	-
Total other financing sources (uses)	<u>(639,549)</u>	<u>106,524</u>	<u>545,000</u>	<u>-</u>	<u>-</u>	<u>11,975</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(36,358)	(154,947)	306,342	(26,444)	9,850	98,443
Fund balance at beginning of year	4,963,406	4,449,119	288,845	2,099,224	6,949	11,807,543
Fund balance at end of year	<u>\$ 4,927,048</u>	<u>\$ 4,294,172</u>	<u>\$ 595,187</u>	<u>\$ 2,072,780</u>	<u>\$ 16,799</u>	<u>\$ 11,905,986</u>

The accompanying notes are an integral part of this statement.

Town of Crested Butte, Colorado

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

Year ended December 31, 2015

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Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 98,443
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of these 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 (\$2,231,441 - \$644,026.)	1,403,065
In the governmental funds proceeds from the sale of capital assets are reported as other revenues but in the government wide statements these are shown net of the book value of those assets. This is the book value of those disposed capital assets.	(2,583)
Change in investment in joint venture	268,003
Under the modified accrual basis of accounting used in the governmental funds, expenditures for accrued compensated absences are not recognized because they are not paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, these expenses and liabilities are reported regardless of when financial resources are available. This adjustment shows the change in the accrued compensated absences balance.	(5,955)
Governmental funds report the repayment of principal on long-term debt as expenditures. However, these repayments are not reported in the statement of activities, but as a reduction of debt in the statement of net position. This amount is the effect of the difference in the treatment of these repayments.	<u>59,165</u>
Change in net position of governmental activities	<u>\$ 1,820,138</u>

The accompanying notes are an integral part of this statement.

Town of Crested Butte, Colorado

GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL

Year ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes				
General property taxes	\$ 226,913	\$ 226,913	\$ 226,876	\$ (37)
Specific ownership taxes	45,000	45,000	53,175	8,175
Use tax	55,000	55,000	178,751	123,751
Sales tax	2,987,575	3,405,995	3,608,941	202,946
Franchise tax	42,500	42,500	43,211	711
Interest on delinquent taxes	500	500	597	97
Total taxes	<u>3,357,488</u>	<u>3,775,908</u>	<u>4,111,551</u>	<u>335,643</u>
Licenses and permits				
Liquor licenses	8,000	8,000	11,459	3,459
Business licenses	22,900	22,900	25,951	3,051
Building permits	89,000	177,000	228,322	51,322
Occupation licenses	44,000	44,000	51,829	7,829
Non-business licenses/permits	22,800	22,800	29,908	7,108
Total licenses and permits	<u>186,700</u>	<u>274,700</u>	<u>347,469</u>	<u>72,769</u>
Intergovernmental				
Tobacco tax	7,000	7,000	10,097	3,097
Grants and fees	44,000	44,000	58,500	14,500
Motor vehicle fees	6,000	6,000	6,926	926
Total intergovernmental	<u>57,000</u>	<u>57,000</u>	<u>75,523</u>	<u>18,523</u>
Charges for services				
Management fees				
Sewer and Water fund	65,000	65,000	59,583	(5,417)
Energy mitigation fee	-	500,000	56,154	(443,846)
Vehicle maintenance	18,000	18,000	16,500	(1,500)
Recreation	113,900	120,900	124,402	3,502
Total charges for services	<u>196,900</u>	<u>703,900</u>	<u>256,639</u>	<u>(447,261)</u>
Fines and forfeitures	50,800	50,800	50,965	165
Miscellaneous				
Earnings on investments	3,200	3,200	2,193	(1,007)
Rents	40,000	40,000	39,170	(830)
Other	13,475	17,475	26,692	9,217
Contribution from reserves	434,991	616,896	-	(616,896)
Total miscellaneous	<u>491,666</u>	<u>677,571</u>	<u>68,055</u>	<u>(609,516)</u>
Total revenues	<u>4,340,554</u>	<u>5,539,879</u>	<u>4,910,202</u>	<u>(629,677)</u>

Town of Crested Butte, Colorado

GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL

Year ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Expenditures				
Current				
General government				
General	653,616	778,615	411,400	367,215
Court	7,710	7,710	6,434	1,276
Legislative	59,686	66,821	67,071	(250)
Legal	187,100	187,100	210,740	(23,640)
Clerk	159,053	159,053	143,211	15,842
Administration	163,874	163,874	145,733	18,141
Finance	318,289	324,289	306,258	18,031
Bozar	392,304	392,304	361,647	30,657
Transportation - other	44,100	44,100	42,295	1,805
Total general government	1,985,732	2,123,866	1,694,789	429,077
Public safety				
Marshal	758,672	758,672	734,479	24,193
Culture and recreation	407,622	407,622	365,307	42,315
Highways and streets	338,980	618,980	594,837	24,143
Auxiliary services				
Community development	148,854	148,854	149,888	(1,034)
Transportation Mountain Express	632,699	760,000	748,514	11,486
Total auxiliary services	781,553	908,854	898,402	10,452
Debt service				
Principal	17,043	17,043	17,042	1
Interest	2,155	2,155	2,155	-
Total debt service	19,198	19,198	19,197	1
Total expense	4,291,757	4,837,192	4,307,011	530,181
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	48,797	702,687	603,191	(99,496)
Other financing sources				
Transfers in (out)	(40,280)	(240,704)	(639,549)	(398,845)
	(40,280)	(240,704)	(639,549)	(398,845)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	8,517	461,983	(36,358)	(498,341)
Fund balance, beginning of year	4,963,406	4,963,406	4,963,406	-
Fund balance, end of year	\$ 4,971,923	\$ 5,425,389	\$ 4,927,048	\$ (498,341)

The accompanying notes are an integral part of this statement.

Town of Crested Butte, Colorado

AFFORDABLE HOUSING FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL

Year ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Housing payment in lieu	\$ 90,000	\$ 90,000	\$ 212,412	\$ 122,412
Duplex rent/sales	35,280	35,280	32,893	(2,387)
Red Lady Estate rent/sales	306,960	306,960	142,982	(163,978)
Grants	-	-	167,500	167,500
Earnings on investments	100	100	154	54
Contribution from reserves	62,460	62,460	-	(62,460)
Total revenues	<u>494,800</u>	<u>494,800</u>	<u>555,941</u>	<u>61,141</u>
<b>Expenditures</b>				
Administration	10,800	10,800	4,581	6,219
Affordable housing tap fees	374,000	374,000	385,059	(11,059)
Housing Authority fees	30,000	30,000	30,000	-
Capital outlay	550,000	550,000	363,598	186,402
Other	15,000	15,000	11,361	3,639
Total expenditures	<u>979,800</u>	<u>979,800</u>	<u>794,599</u>	<u>185,201</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(485,000)	(485,000)	(238,658)	246,342
<b>Other financing sources</b>				
Transfers in	<u>350,000</u>	<u>350,000</u>	<u>545,000</u>	<u>195,000</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(135,000)	(135,000)	306,342	441,342
Fund balance, beginning of year	<u>288,845</u>	<u>288,845</u>	<u>288,845</u>	<u>-</u>
Fund balance, end of year	<u>\$ 153,845</u>	<u>\$ 153,845</u>	<u>\$ 595,187</u>	<u>\$ 441,342</u>

The accompanying notes are an integral part of this statement.

Town of Crested Butte, Colorado

STATEMENT OF NET POSITION  
ENTERPRISE FUND

December 31, 2015

		<u>Business-type Activities Sewer and Water Fund</u>
<b>ASSETS</b>		
Current assets		
Cash		\$ 4,464,796
Accounts receivable		127,892
Due from other governments		103,324
Due from other funds		531
Inventory		24,962
	Total current assets	<u>4,721,505</u>
Noncurrent assets		
Capital assets		
Land		27,610
Buildings		119,368
Improvements other than buildings		40,714
Water plant and system		4,347,074
Sewer plant and system		6,306,180
Equipment		883,436
Vehicles		177,863
Less accumulated depreciation		<u>(6,624,268)</u>
	Total noncurrent assets	<u>5,277,977</u>
	Total assets	<u>9,999,482</u>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable		83,922
Accrued liabilities		13,693
Accrued interest payable		9,226
Compensated absences payable		13,425
Current portion of long-term debt		272,519
	Total current liabilities	<u>392,785</u>
Noncurrent liabilities		
Loans payable, net of current portion		1,432,535
	Total noncurrent liabilities	<u>1,432,535</u>
	Total liabilities	<u>1,825,320</u>
<b>NET POSITION</b>		
Net investment in capital assets		3,572,923
Unrestricted		4,601,239
	Total net position	<u>\$ 8,174,162</u>

The accompanying notes are an integral part of this statement.

Town of Crested Butte, Colorado

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
ENTERPRISE FUND

Year ended December 31, 2015

	Business-type Activities
	Sewer and Water Fund
Charges for services	\$ 1,543,346
Operating expenses	
Operations and maintenance	790,969
Management fee - General fund	59,583
Contractor payments	251,696
Depreciation	346,058
Total operating expenses	1,448,306
Operating income (loss)	95,040
Nonoperating revenues (expenses)	
Investment income	3,666
Interest expense	(49,840)
Total nonoperating revenues (expenses)	(46,174)
Income (loss) before capital contributions	48,866
Capital contributions - tap fees	1,038,035
Change in net position	1,086,901
Net position, beginning of year	7,087,261
Net position, end of year	\$ 8,174,162

The accompanying notes are an integral part of this statement.

## Town of Crested

STATEMENT OF  
ENTERPRISE

Year ended

	<u>Sewer and Water Fund</u>
Cash flows from operating activities	
Cash received from customers	\$ 1,559,978
Cash paid to suppliers	(437,796)
Cash paid to and for employees	(590,399)
Cash payments for internal services	<u>(59,583)</u>
	Net cash provided (used) by operating activities
	472,200
Cash flows from noncapital financing activities	
Specific purpose contributions and grants	(76,917)
Change in due from/to other funds	<u>(12,656)</u>
	Net cash provided (used) by noncapital financing activities
	(89,573)
Cash flows from capital and related financing activities	
Acquisition of capital assets	(177,861)
Proceeds from tap fees	1,038,035
Principal payments on long-term debt	(254,811)
Interest paid on long-term debt	<u>(56,164)</u>
	Net cash provided (used) by capital and related financing activities
	549,199
Cash flows from investing activities	
Interest received	<u>3,666</u>
	Net cash provided (used) by investing activities
	<u>3,666</u>
Net increase (decrease) in cash and cash equivalents	935,492
Cash and cash equivalents, beginning of year	<u>3,529,304</u>
Cash and cash equivalents, end of year	<u><u>\$ 4,464,796</u></u>

The accompanying notes are an integral part of this statement.

Butte, Colorado

CASH FLOWS  
FUND

December 31, 2015

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	<u>Sewer and Water Fund</u>
<u>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</u>	
Operating income (loss)	\$ 95,040
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities	
Depreciation	346,057
(Increase) decrease in accounts receivable	16,632
(Increase) decrease in inventory	1,208
Increase (decrease) in accounts payable	9,512
Increase (decrease) in accrued liabilities	3,751
Total adjustments	<u>377,160</u>
Net cash provided (used) by operating activities	<u>\$ 472,200</u>

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The Town of Crested Butte (the “Town”) provides a full range of services contemplated by statute or charter. These include general government functions, public safety (Marshal), highways and streets, culture and recreation, planning and zoning, community development, public improvements, water and sanitation and general administrative service.

The financial statements of the Town of Crested Butte include the organizations that are controlled by or dependent on the Town. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, scope of public service, ability to influence operation, designation of management and appointment of respective governing board.

Based upon the foregoing criteria, the financial statements of the following organizations are excluded from the accompanying financial statements.

Crested Butte Fire Protection District – The District’s board has total autonomy to incur debt, establish budgets and levy property taxes to support the District’s operations.

Mt. Crested Butte Water and Sanitation District – The District, located in Mt. Crested Butte, Colorado, has total autonomy to incur debt and funds its operations from user fees.

The accounting and reporting policies of the Town of Crested Butte conform to generally accepted accounting principles as set forth by the American Institute of Certified Public Accountants and the Governmental Accounting Standards Board (GASB). Some of the primary functions of the Town’s financial statements are as follows:

- Government-wide financial reporting, which provides a picture of the Town as a single, unified entity.
- Narrative overview and analysis, which provides financial statement users with a narrative introduction, overview and analysis of the basic financial statements in the form of management’s discussion and analysis (MD&A).
- Emphasis on the Town’s major funds.
- Expanded budgetary reporting to show budgetary comparisons based on the Town’s original and final amended budget.

The following summary of significant accounting policies is presented to assist the reader in evaluating the Town’s financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

Basis of Presentation

Governmental Fund Types

Governmental funds are those through which most governmental functions of the Town are financed. The acquisition, use and balances of the Town's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is based upon determination of changes in financial position, rather than upon net income determination. The following are the Town's Governmental Fund Types:

General Fund – The General fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments) that are legally restricted to expenditures for specific purposes.

Capital Projects Funds – The Capital Projects Funds are used to account for capital improvements (except those financed by proprietary funds) which are financed from bond issues, certain federal grants and other specific receipts.

Proprietary Fund Types

Proprietary funds are used to account for the Town's ongoing activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income. The Town's Enterprise Fund provides sewer, water, and sanitation services and is described as follows:

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 Town is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The acquisition, maintenance and improvement of the physical plant facilities required to provide these goods and services are financed from existing cash resources, the issuance of bonds (revenue or general obligation), federal grants and other Town funds.

Government-wide Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the activities of the Town. Governmental activities, which normally are supported by taxes, charges for services and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user charges for support.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

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

**Fund Financial Statements**

The accounts of the Town are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

All governmental funds are accounted for on a flow of current financial resources basis. Balance sheets for these funds generally include only current assets and current liabilities. Reported fund balances are considered a measure of available, spendable resources. Operating statements for these funds present a summary of available, spendable resources and expenditures for the period.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and enterprise funds are reported as separate columns in the fund financial statements.

The Town reports the following major governmental funds:

- The General Fund is the Town’s primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.
- The General Capital Fund accounts for general government capital projects, outlays and maintenance as well as open space acquisitions. It is financed primarily by real estate transfer taxes and sales and use tax revenues.
- The Street and Alley Fund accounts for all expenditures for streets, alleys and sidewalks. Its revenue stream is mostly property taxes.
- The Affordable Housing Fund is used to finance the development and preservation of affordable housing.

The Sales Tax Fund is reported as a sub-fund of the General Fund to comply with GASB 54.

The remaining governmental funds are aggregated and presented as non-major funds in the Other column. Currently this column only includes the Conservation Trust Fund which accounts for State of Colorado lottery funds to be used for parks and recreation services and capital.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are considered major funds because of community interests in the activities and sources of funding supporting these operations. The Town has one enterprise fund, its Sewer and Water Fund.

Basis of Accounting

Government-Wide and Proprietary Fund Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the enterprise fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The accrual basis of accounting is utilized by enterprise funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Governmental Fund Financial Statements

The modified accrual basis of accounting is followed by the Governmental fund types. Under the modified accrual basis of accounting, revenues are recorded when they become available and measurable. Available means collectible within the current period or soon enough thereafter to pay current liabilities. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Major revenues that are determined to be susceptible to accrual include sales and use taxes, real estate transfer taxes, property taxes, and charges for services.

Intergovernmental revenues received as reimbursements for specific purposes or projects are recognized based upon the expenditures recorded.

Expenditures are recorded when the liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

As a rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are payments to the General Fund by the enterprise fund for providing administrative and billing services for the fund, and charges between the Town's enterprise fund and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned. Interfund activity has not been eliminated in the fund financial statements.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

Amounts reported as program revenues include charges to customers for goods and services, operating grants and contributions, and capital grants and contributions. General revenues include all taxes and interest earnings.

The proprietary fund distinguishes operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues of the Town's enterprise fund are charges to customers for sales and services. Operating expenses include the costs of sales and services, personal services, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted assets first, then unrestricted resources as they are needed.

Budget

An annual budget and appropriation ordinance is adopted by the Town Council in accordance with the Local Government Budget Law of Colorado. The budget is prepared on a basis consistent with generally accepted accounting principles for all governmental fund types, except for federal pass-through grants, which are not budgeted. The budget of the enterprise fund is adopted on a basis not consistent with GAAP but uses the spending measurement focus method. All annual appropriations lapse at year end. Any revisions that alter the total for each fund must be approved by the Town Council through a supplemental appropriation ordinance.

Property Tax Calendar

Property taxes levied become due January 1 following the year of assessment. They are payable in full by April 30, or in two equal installments due the last day of February and June 15. The property taxes, in which an enforceable claim attaches to the properties that are measurable but not available at the end of the Town's accounting period, are recorded as deferred revenue and recognized as revenue in the subsequent accounting period when collected. Gunnison County bills and collects the Town's property taxes. Property taxes become a lien on the property as of January 1 of the year assessed.

Recognition of Grant Revenue

Where the expenditure of funds is the prime factor for determining eligibility for grant funds, revenue is recognized at the time the expenditure is incurred.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

Capitalized Tap Fees

Sewer and water tap fees substantially represent a contribution from developers or individuals for existing or contemplated new facilities to serve new customers, therefore such amounts are treated as systems development fees and are recorded as capital contributions in the Statement of Revenues, Expenses and Changes in Net Position.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capitalized assets are defined by the Town as assets that have a useful life of more than one year, and for which the initial, individual value equals or exceeds \$5,000.

All purchased assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of an asset or materially extend asset life are not capitalized.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Useful Life</u>
Buildings	50 years
Other Improvements	20-30 years
Furniture & Equipment	5-15 years
Water and Sewer Systems	25-40 years
Infrastructure	15-40 years

Public domain assets consisting of roads, bridges, curbs and gutters, street and sidewalks, drainage systems and lighting systems are examples of infrastructure assets.

General infrastructure assets acquired prior to January 1, 2004, are not reported in the basic financial statements. General infrastructure assets include all roads, bridges, and other infrastructure assets acquired subsequent to January 1, 2004.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

Long-Term Liabilities

In the government-wide and enterprise fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government or business-type activities. Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures. The accounting for the proprietary fund is the same in the fund statements as it is in the government-wide statements.

Accrued Liabilities for Compensated Absences

The Town allows employees to accumulate earned but unused vacation pay benefits. In the government-wide statements, vacation pay is accrued when incurred and reported as a liability of the governmental and business-type activities. In the governmental funds, vacation pay that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts not expected to be liquidated with expendable available financial resources are not reported as expenditures.

Net Position

Net position represents the difference of assets, liabilities, and deferred inflows. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowings used for the acquisition or construction of improvements on those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Town of Crested Butte or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

Capitalization of Enterprise Fund Interest Expense

Interest incurred during the period of construction of assets constructed in the Enterprise Fund was capitalized as part of those assets.

Sales Tax Revenues

In accordance with the Town's Ordinance, the Town's four (4) percent sales tax revenue is allocated as follows:

General Fund – maximum	75%
Transportation	25%

If the General Fund does not need the full 75% of the sales tax, the remainder is distributed to other funds as needed. The amount needed for the General Fund is determined during the budget process. During 2015, the General Fund received 65% of sales tax revenue and the General Capital fund and Affordable Housing Fund received 3% and 7% respectively.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

Joint Venture

Mountain Express (the “joint venture”) is a joint venture of the towns of Crested Butte and Mt. Crested Butte. The joint venture provides bus service to the Crested Butte ski area and throughout the towns. The towns of Crested Butte and Mt. Crested Butte contribute ninety-five percent (95%) of their respective town’s one percent (1%) sales tax adopted for transportation services. The Town of Mt. Crested Butte also contributes twenty-five percent (25%) of the proceeds of the four percent (4%) admissions tax adopted by the Town of Mt. Crested Butte and designated for transportation. Due to the nature of funding from federal grants and contributions by the partners, the operations are reported as a Governmental Fund in the joint venture’s separately issued financial statements.

Investment in the joint venture is recorded as an expenditure at the time the investment is made. The Town’s equity interest (50%) has been recorded in the governmental activities column of the Statement of Net Position.

Seizure Funds

In accordance with the Colorado Contraband Forfeiture Act the proceeds from the seizure of contraband must be used for the specific purpose of law enforcement activities. These funds have been included in the Town’s General Fund.

Inventories and Prepaid Items

Inventories in governmental funds consist of expendable supplies held for consumption stated on a first-in, first-out basis. They are reported at cost which is recorded as an expenditure at the time individual inventory items are used. Proprietary fund inventories are recorded at the lower of cost or market on a first-in, first-out basis.

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

Cash and Cash Equivalent

For purposes of reporting cash flows, all certificates of deposit, regardless of maturity, are considered to be cash equivalents.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED**

Fund Balance

Beginning with fiscal year 2011 the Town implemented GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balances more transparent. In the fund financial statements the following classifications describe the relative strength of the spending constraint.

Non-spendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid expense and inventory), or is legally or contractually required to be maintained intact.

Restricted fund balance – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.

Committed fund balance – The portion of fund balance constrained for specific purposes according to limitations imposed by the Town’s highest level of decision making authority, the Board of Trustees, prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Board of Trustees.

Assigned fund balance – The portion of fund balance set aside for planned or intended purposes. The intended use may be expressed by the Board of Trustees or other individuals authorized to assign funds to be used for a specific purpose.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the above criteria. The Town will only report a positive unassigned fund balance.

If both restricted and unrestricted amounts of fund balance are available for use when an expenditure is incurred, it is Town policy to use restricted amounts first. Unrestricted fund balance will be used in the following order; committed, assigned and unassigned.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, deferred inflows, and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Town of Crested Butte, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

**NOTE B – INTERFUND TRANSACTIONS**

Interfund receivable and payable balances at December 31, 2015, which represent collections not yet distributed, are as follows:

	<u>Interfund Receivables</u>	<u>Interfund Payable</u>
General Fund	\$ 1,544	\$ 17,456
General Capital Fund	17,456	2,075
Sewer and Water Fund	<u>2,075</u>	<u>1,544</u>
	<u>\$ 21,075</u>	<u>\$ 21,075</u>

Interfund administrative fees of \$59,383 were charged by the General Fund to the Sewer and Water Fund for the year ended December 31, 2015.

**NOTE C – CAPITAL ASSETS**

	<u>Balance 12/31/14</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/15</u>
<b>Governmental Activities</b>				
Capital assets not being depreciated:				
Land	\$ 9,737,235	\$ 830,780	\$ –	\$ 10,568,015
Construction in progress	<u>299,743</u>	<u>115,935</u>	<u>(184,349)</u>	<u>231,329</u>
Total capital assets not being depreciated	10,036,978	946,715	(184,349)	10,799,344
Capital assets being depreciated:				
Buildings	3,658,292	76,773	(5,100)	3,729,965
Improvements other than buildings	3,991,505	341,734	–	4,333,239
Infrastructure	4,297,073	413,401	–	4,710,474
Equipment	<u>2,923,855</u>	<u>452,818</u>	<u>(107,388)</u>	<u>3,269,285</u>
	<u>14,870,725</u>	<u>1,284,726</u>	<u>(112,488)</u>	<u>16,042,963</u>
Less accumulated depreciation:				
Buildings	(1,170,106)	(86,729)	2,652	(1,254,183)
Improvements other than buildings	(1,189,409)	(136,175)	–	(1,325,584)
Infrastructure	(1,389,286)	(241,888)	–	(1,631,174)
Equipment	<u>(2,027,447)</u>	<u>(179,234)</u>	<u>107,253</u>	<u>(2,099,428)</u>
	<u>(5,776,248)</u>	<u>(644,026)</u>	<u>109,905</u>	<u>(6,310,369)</u>
Capital assets being depreciated, net	<u>9,094,477</u>	<u>640,700</u>	<u>(2,583)</u>	<u>9,732,594</u>
Total Governmental Activities				
Capital assets	<u>\$ 19,131,455</u>	<u>\$ 1,587,415</u>	<u>\$ (186,932)</u>	<u>\$ 20,531,938</u>

Town of Crested Butte, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

**NOTE C – CAPITAL ASSETS – CONTINUED**

**Business-type Activities**

Capital assets not being depreciated:

Land	\$ 27,610	\$ –	\$ –	\$ 27,610
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Capital assets being depreciated:

Buildings	29,519	89,849	–	119,368
Improvements other than buildings	40,714	–	–	40,714
Water plant and distribution system	4,347,074	–	–	4,347,074
Sewer plant and collection system	6,271,244	34,935	–	6,306,179
Equipment	854,919	28,517	–	883,436
Vehicles	182,117	24,532	(28,786)	177,863
	<u>11,725,587</u>	<u>177,832</u>	<u>(28,786)</u>	<u>11,874,634</u>

Less accumulated depreciation:

Buildings	(21,395)	(761)	–	(22,156)
Improvements other than buildings	(40,714)	–	–	(40,714)
Water plant and distribution system	(2,273,858)	(134,206)	–	(2,408,064)
Sewer plant and distribution system	(3,057,614)	(186,715)	–	(3,244,329)
Equipment	(780,970)	(14,603)	–	(795,573)
Vehicles	(132,444)	(9,773)	28,786	(113,431)
	<u>(6,306,995)</u>	<u>(346,058)</u>	<u>28,786</u>	<u>(6,624,267)</u>

Capital assets being depreciated, net

	<u>5,418,592</u>	<u>(168,226)</u>	<u>–</u>	<u>5,250,367</u>
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Total Business-type Activities

Capital assets	<u>\$ 5,446,202</u>	<u>\$ (168,226)</u>	<u>\$ –</u>	<u>\$ 5,277,977</u>
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Depreciation was charged to governmental functions as follows:

General Government	\$ 474,057
Public Safety	24,065
Culture and Recreation	32,653
Streets and Highways	113,355

Town of Crested Butte, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

**NOTE D – LONG-TERM LIABILITIES**

Changes in long-term liabilities for the year ended December 31, 2015 were as follows:

	<u>Balance</u> <u>12/31/14</u>	<u>Additions</u>	<u>Reduction</u>	<u>Balance</u> <u>12/31/15</u>	<u>Due Within</u> <u>One Year</u>
<b>Governmental Activities:</b>					
Capitalized lease agreements	\$ 167,650	\$ –	\$ (59,165)	\$ 108,485	\$ 54,786
Compensated absences	<u>62,587</u>	<u>5,957</u>	<u>–</u>	<u>68,544</u>	<u>68,544</u>
	<u>\$ 230,237</u>	<u>\$ 5,957</u>	<u>\$ (59,165)</u>	<u>\$ 177,029</u>	<u>\$ 123,330</u>
<b>Business-type Activities</b>					
General Obligation Sewer Plant Loan	\$ 357,780	\$ –	\$ (170,880)	\$ 186,900	\$ 186,900
Revolving Fund Sewer Plant Loan	1,237,589	–	(66,345)	1,171,244	67,679
CWPDA Water Tank Loan	364,496	–	(17,586)	346,910	17,940
Compensated absences	<u>13,207</u>	<u>218</u>	<u>–</u>	<u>13,425</u>	<u>13,425</u>
	<u>\$1,973,072</u>	<u>\$ 218</u>	<u>\$ (254,811)</u>	<u>\$ 1,718,479</u>	<u>\$ 285,944</u>

Capitalized Leases:

The Town has entered into capital lease agreements for equipment, vehicles and real estate with a cost of \$595,139. Future minimum payments for the leases are as follows:

	<u>Year</u>	<u>Amount</u>
	2016	\$ 54,786
	2017	49,987
	2018	<u>8,897</u>
		113,670
Less amounts representing interest:		<u>(5,185)</u>
Present value of net minimum lease payments		<u>\$ 108,485</u>

Town of Crested Butte, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

**NOTE D – LONG-TERM LIABILITIES – CONTINUED**

General Obligation, Sewer Plant Loan:

Colorado Water Resources & Power Development Authority (CWRPDA) general obligation loan, amount of original issue \$2,499,120 with interest thereon at the average rate of 4.727%, dated June 1, 1996. Principal and interest payable February 1 and August 1 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 186,900	\$ 17,013	\$ 203,913
	<u>\$ 186,900</u>	<u>\$ 17,013</u>	<u>\$ 203,913</u>

The Town has the option to prepay the loan, in whole or in part (minimum of \$100,000 increments), upon prior written notice. Prepayments shall be subjected to prepayment of certain administrative fees and a redemption premium as determined by the Authority.

The Town has pledged the wastewater treatment system and irrevocable covenants to levy the necessary limited ad valorem taxes in the amount of \$289,144 per annum, without limitation as to rate, on all taxable property within its boundaries, if necessary, for the repayment of the loan.

The loan agreement requires the Town to maintain an operations and maintenance reserve in an amount equal to three months of operation and maintenance expenses as set forth in the annual budget. At December 31, 2015, the Town was in compliance with this covenant.

Water Pollution Control Revolving Fund – Direct Loan

Colorado Water Resources & Power Development Authority (CWRPDA) direct loan, amount of original issue \$1,900,000 with interest thereon at the average rate of 2.00%, dated May 25, 2010. Principal and interest payable May 1 and November 1 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 67,679	\$ 23,088	\$ 90,767
2017	69,039	21,728	90,767
2018	70,427	20,340	90,767
2019	71,842	18,925	90,767
2020	73,286	17,481	90,767
2021-2025	389,129	64,706	453,835
2026-2030	429,842	23,993	453,835
	<u>\$ 1,171,244</u>	<u>\$ 190,261</u>	<u>\$ 1,361,505</u>

Town of Crested Butte, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

**NOTE D – LONG-TERM LIABILITIES – CONTINUED**

Drinking Water Revolving Fund – Direct Loan

Colorado Water Resources & Power Development Authority (CWRPDA) direct loan, amount of original issue \$400,000 with interest thereon at the average rate of 2.00%, dated February 29, 2012. Principal and interest payable May 1 and November 1 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 17,940	\$ 6,848	\$ 24,788
2017	18,300	6,488	24,788
2018	18,668	6,120	24,788
2019	19,043	5,745	24,788
2020	19,425	5,363	24,788
2021-2025	103,146	20,794	123,940
2026-2030	113,937	10,003	123,940
2031-2032	<u>36,451</u>	<u>731</u>	<u>37,182</u>
	<u>\$ 346,910</u>	<u>\$ 62,092</u>	<u>\$ 409,002</u>

**NOTE E – RETIREMENT PLAN**

The Town maintains a defined contribution retirement plan for all qualified employees, after one year of service, as participants in the “Colorado County Officials and Employees Retirement Association.” The plan provides for regular monthly income in addition to benefits from other retirement programs.

The medium of funding is by means of the accumulation of contributions in a trust fund. Each participant’s contribution to the plan varies from 6% to 12% of their monthly compensation depending on longevity. The Town matches the participant’s contribution each month on a dollar for dollar basis. Benefits payable upon retirement, resignation, death or disability were equal to the amounts accumulated for that participant. The Town’s contributions to the retirement plan in 2015 were \$172,249. The Town’s total payroll for 2015 was \$2,350,754 and contributions were calculated using the covered payroll amount of \$1,778,632.

The liability for prior service benefits is fully funded.

Town of Crested Butte, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

**NOTE F – SEGMENT INFORMATION FOR ENTERPRISE FUNDS**

The Town’s Enterprise Fund provides sewer, water and sanitation services. Segment information for the year ended December 31, 2015, is as follows:

	<u>Sewer</u>	<u>Water</u>	<u>Sanitation</u>	<u>Total</u>
Operating revenue	\$ 722,310	\$ 574,297	\$ 246,739	\$ 1,543,346
Operating expenses				
Depreciation	206,585	139,473	–	346,058
Other	<u>475,431</u>	<u>386,464</u>	<u>240,353</u>	<u>1,102,248</u>
Total operating expenses	<u>682,016</u>	<u>525,937</u>	<u>240,353</u>	<u>1,448,306</u>
Operating income (loss)	<u>40,294</u>	<u>48,360</u>	<u>6,386</u>	<u>95,040</u>
Non-operating income (expenses)				
Interest income	1,833	1,833	–	3,666
Interest expense	<u>(42,696)</u>	<u>(7,144)</u>	<u>–</u>	<u>(49,840)</u>
Total non-operating income (expenses)	<u>(40,863)</u>	<u>(5,311)</u>	<u>–</u>	<u>(46,174)</u>
Income (loss) before capital contribution	(569)	43,049	6,386	48,866
Capital contributions tap fees	<u>479,701</u>	<u>558,334</u>	<u>–</u>	<u>1,038,035</u>
Change in net position	<u>\$ 479,132</u>	<u>\$ 601,383</u>	<u>\$ 6,386</u>	<u>\$ 1,086,901</u>
Property and equipment				
Additions	\$ 153,300	\$ 24,532	\$ –	\$ 177,832
Disposals	\$ (14,393)	\$ (14,393)	\$ –	\$ (28,786)
Loans payable from operations	\$ 1,358,144	\$ 346,910	\$ –	\$ 1,705,054

Town of Crested Butte, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

**NOTE G – JOINT VENTURE**

Mountain Express

A condensed statement of net position of Mountain Express as of December 31, 2015, is as follows:

Assets	\$ 3,243,508
Liabilities	<u>54,761</u>
Net position	<u>\$ 3,188,747</u>

A condensed summary of revenues and expenses for the year ended December 31, 2015, is as follows:

Revenues	\$ 1,994,735
Expenses	<u>1,498,542</u>
Net increase (decrease) in net position	<u>\$ 496,193</u>

Mountain Express issues separate financial statements, which are available from the Town.

**NOTE H – BUDGETS**

There was one supplemental budget appropriation during 2015:

	<u>Original Budget</u>	<u>Additional Appropriation</u>	<u>Final Budget</u>
General Fund	\$ 3,614,958	\$ 138,135	\$ 3,753,093
General Capital Fund	2,452,201	–	2,452,201
Sewer and Water Fund	1,714,150	–	1,714,150
Conservation Trust Fund	9,500	–	9,500
Sales Tax Fund	2,956,375	607,725	3,564,100
Affordable Housing Fund	979,800	–	979,800
Street and Alley Fund	<u>649,232</u>	<u>560,000</u>	<u>1,209,232</u>
	<u>\$ 12,376,216</u>	<u>\$ 1,305,860</u>	<u>\$ 13,682,076</u>

Town of Crested Butte, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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**NOTE I – CASH AND INVESTMENTS**

Cash

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories, with eligibility determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. Cash deposits are reported at carrying amount which reasonably estimates fair value. Deposits at December 31, 2015, consisted of the following:

Cash on hand	\$ 475
Insured by FDIC	664,323
Collateralized as noted above	<u>15,374,925</u>
	16,039,723
Less reconciling items	<u>(136,439)</u>
Cash, money markets, and certificates of deposit	<u>\$ 15,903,284</u>

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

Town of Crested Butte, Colorado

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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**NOTE I – CASH AND INVESTMENT – CONTINUED**

Local Government Investment Pool – At December 31, 2015, the Town had \$422,466 invested in the Colorado Local Government Liquid Asset Trust (“Colotrust”), an investment vehicle established by State statute for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating the Pool. The Pool operates similarly to a money market fund and each share is equal in value to \$1.00. The Pool is rated AAAM by Standard and Poor’s. Investments of the Pool are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian’s internal records identify the investments owned by the participating governments. These investments are not categorized because they are not evidenced by securities that exist in physical or book entry form.

Cash and investment balances at December 31, 2015, consisted of the following:

Cash	\$ 15,903,284
Colotrust	<u>422,466</u>
	16,325,750
Less cash and investments, restricted	<u>(427,223)</u>
Cash and investments, unrestricted	<u>\$ 15,898,527</u>

Cash and investments are restricted for the unspent Marshal’s seizure funds of \$4,351; open space purchases of \$421,534; and parking reserves of \$1,338.

**NOTE J – PUBLIC ENTITY RISK POOL**

The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (“CIRSA”). CIRSA provides liability and property insurance coverage to the Town. The coverage is provided through joint self-insurance, insurance and reinsurance, or any combination thereof. CIRSA’s rate setting policies are established by the Board of Directors, in consultation with independent actuaries. The Town is subject to a supplemental assessment in the event of deficiencies and may receive credit on future contributions in the event of a surplus.

CIRSA has entered into various excess insurance contracts to limit large losses and minimize exposure on large risks. Excess of loss contracts in effect during 2015 limit CIRSA’s per occurrence exposure to \$500,000 for property coverage, \$1,000,000 for casualty coverage and provide coverage to specified upper limits.

The Town’s 2015 contribution was \$127,981 and its share of surplus at December 31, 2015 amounted to approximately \$153,208 for the property and casualty pool and \$67,676 for the workers compensation pool.

NOTES TO FINANCIAL STATEMENTS

December 31, 2015

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**NOTE K – TAX, SPENDING AND DEBT LIMITATIONS**

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment. However, the Town has made certain interpretations of the Amendment's language in order to determine its compliance. The Town includes its share of Mountain Express when calculating the above requirements.

**NOTE L – CONTINGENCIES**

The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. The ultimate liability to the Town resulting from claims not covered by CIRSA is not presently determinable. Management is of the opinion that the final outcome of such claims, if any, will not have a material adverse effect on the Town's financial statements.

The Town participates in federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the Town expects such amounts, if any to be immaterial.

**SUPPLEMENTARY INFORMATION**

Town of Crested Butte, Colorado  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS

December 31, 2015

	<u>Special Revenue</u>	
	Conservation	Total
	Trust	Nonmajor
ASSETS	<u>                    </u>	<u>Governmental</u>
		Funds
Cash	\$ 16,799	\$ 16,799
Total assets	<u>16,799</u>	<u>16,799</u>
FUND BALANCE		
Restricted to conservation	16,799	16,799
Total fund balance	<u>\$ 16,799</u>	<u>\$ 16,799</u>

Town of Crested Butte, Colorado

COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS

Year ended December 31, 2015

	<u>Special Revenue</u>	
	<u>Conservation Trust</u>	<u>Total Nonmajor Governmental Funds</u>
Revenues		
Intergovernmental	\$ 10,934	\$ 10,934
Earnings on investments	16	16
Total revenues	<u>10,950</u>	<u>10,950</u>
Expenditures		
Current		
Culture and recreation	1,100	1,100
Total expenditures	<u>1,100</u>	<u>1,100</u>
	EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	
Fund balance at beginning of year	9,850	9,850
	<u>6,949</u>	<u>6,949</u>
Fund balance at end of year	<u>\$ 16,799</u>	<u>\$ 16,799</u>

Town of Crested Butte, Colorado

CONSERVATION TRUST FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL

Year ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Lottery proceeds	\$ 8,000	\$ 8,000	\$ 7,293	\$ (707)
Earnings on investments	15	15	16	1
Miscellaneous	4,000	4,000	3,641	(359)
Total revenues	12,015	12,015	10,950	(1,065)
Expenditures				
Culture and recreation	9,500	9,500	1,100	8,400
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,515	2,515	9,850	7,335
Fund balance, beginning of year	6,949	6,949	6,949	-
Fund balance, end of year	\$ 9,464	\$ 9,464	\$ 16,799	\$ 7,335

Town of Crested Butte, Colorado

STREET AND ALLEY FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL

Year ended December 31, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable (Unfavorable)
Revenues				
General property taxes	\$ 673,949	\$ 673,949	\$ 670,329	\$ (3,620)
Highway users tax	47,050	47,050	50,270	3,220
Parking in lieu	27,000	292,001	320,819	28,818
Earnings on investments	1,000	1,000	860	(140)
Miscellaneous	6,000	246,000	3,878	(242,122)
Total revenues	<u>754,999</u>	<u>1,260,000</u>	<u>1,046,156</u>	<u>(213,844)</u>
Expenditures				
Administration	26,588	26,588	18,185	8,403
Highways and streets	430,144	430,144	308,795	121,349
Capital outlay	192,500	752,500	745,620	6,880
	<u>649,232</u>	<u>1,209,232</u>	<u>1,072,600</u>	<u>136,632</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	105,767	50,768	(26,444)	(77,212)
Fund balance, beginning of year	<u>2,099,224</u>	<u>2,099,224</u>	<u>2,099,224</u>	<u>-</u>
Fund balance, end of year	<u>\$ 2,204,991</u>	<u>\$ 2,149,992</u>	<u>\$ 2,072,780</u>	<u>\$ (77,212)</u>

Town of Crested Butte, Colorado

GENERAL CAPITAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL

Year ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Use tax	\$ 130,000	\$ 130,000	\$ 267,416	\$ 137,416
Transfer tax	950,000	950,000	1,385,032	435,032
Grants	333,492	333,492	190,691	(142,801)
Earnings on investments	1,300	1,300	1,646	346
Miscellaneous	257,800	257,800	6,830	(250,970)
Total revenues	<u>1,672,592</u>	<u>1,672,592</u>	<u>1,851,615</u>	<u>179,023</u>
Expenditures				
Current				
Administration	66,719	66,719	39,460	27,259
Contribution	11,500	11,500	2,811	8,689
Repairs, maintenance, supplies	267,000	267,000	96,578	170,422
Capital outlay				
Park improvement and maintenance	390,788	390,788	379,185	11,603
Cemetery improvements	15,000	15,000	8,484	6,516
Other	1,654,709	1,654,709	1,540,082	114,627
Debt service				
Principal	42,123	42,123	42,124	(1)
Interest	4,362	4,362	4,362	-
Total expenditures	<u>2,452,201</u>	<u>2,452,201</u>	<u>2,113,086</u>	<u>339,115</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(779,609)	(779,609)	(261,471)	518,138
Other financing sources				
Transfers in	53,229	53,229	94,549	41,320
Sale of capital assets	2,000	2,000	11,975	9,975
Total other financing sources	<u>55,229</u>	<u>55,229</u>	<u>106,524</u>	<u>51,295</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(724,380)	(724,380)	(154,947)	569,433
Fund balance, beginning of year	<u>4,449,119</u>	<u>4,449,119</u>	<u>4,449,119</u>	<u>-</u>
Fund balance, end of year	<u>\$ 3,724,739</u>	<u>\$ 3,724,739</u>	<u>\$ 4,294,172</u>	<u>\$ 569,433</u>

Town of Crested Butte, Colorado

SEWER AND WATER FUND  
SCHEDULE OF REVENUES AND EXPENSES  
BUDGET AND ACTUAL (NON-GAAP BASIS)

Year ended December 31, 2015

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for services	\$ 1,531,240	\$ 1,531,240	\$ 1,543,346	\$ 12,106
Tap fees	693,500	693,500	1,038,035	344,535
Earnings on investments	3,000	3,000	3,666	666
Total revenues	<u>2,227,740</u>	<u>2,227,740</u>	<u>2,585,047</u>	<u>357,307</u>
Expenses				
Operations and maintenance	1,094,145	1,094,145	1,042,665	51,480
Management fees	65,000	65,000	59,583	5,417
Debt service principal	254,813	254,813	254,811	2
Debt service interest	56,192	56,192	49,840	6,352
Capital outlay	244,000	244,000	177,833	66,167
Total expenses	<u>1,714,150</u>	<u>1,714,150</u>	<u>1,584,732</u>	<u>129,418</u>
EXCESS OF REVENUES OVER (UNDER) EXPENSES	<u>\$ 513,590</u>	<u>\$ 513,590</u>	1,000,315	<u>\$ 486,725</u>
Adjustments to budgetary basis				
Add debt service principal			254,811	
Add capital outlay			177,833	
Less depreciation			(346,058)	
Change in net position			<u>\$ 1,086,901</u>	

Town of Crested Butte, Colorado

COMBINING BALANCE SHEET  
GENERAL FUND AND RELATED SUB-FUND

December 31, 2015

	General Fund	Sales Tax Fund	Total General Fund
<b>ASSETS</b>			
Cash and investments	\$ 4,402,082	\$ 699,895	\$ 5,101,977
Cash and investments, restricted	4,351	-	4,351
Receivables			
Taxes	229,835	305,161	534,996
Intergovernmental	4,826	19,932	24,758
Other	78,323	-	78,323
Due from other funds	(217,584)	217,584	-
Inventory	3,432	-	3,432
Total assets	<u>4,505,265</u>	<u>1,242,572</u>	<u>5,747,837</u>
<b>LIABILITIES</b>			
Accounts payable	88,649	7,786	96,435
Accrued liabilities	61,284	-	61,284
Due to other governments		98,608	98,608
Funds held for others	318,715	-	318,715
Due to other funds	(1,544)	17,456	15,912
Total liabilities	<u>467,104</u>	<u>123,850</u>	<u>590,954</u>
<b>DEFERRED INFLOWS</b>			
Property taxes	229,835	-	229,835
Total deferred inflows	<u>229,835</u>	<u>-</u>	<u>229,835</u>
<b>FUND BALANCE</b>			
Nonspendable			
Prepaid expenses and inventory	3,432	-	3,432
Restricted			
TABOR Emergency Reserve	-	253,293	253,293
Marshal's seizure fund	4,352	-	4,352
Committed			
Transportation	-	82,434	82,434
Assigned			
Center for the Arts project	-	500,000	500,000
Unassigned	3,800,542	282,995	4,083,537
Total fund balance	<u>\$ 3,808,326</u>	<u>\$ 1,118,722</u>	<u>\$ 4,927,048</u>

Town of Crested Butte, Colorado

GENERAL FUND  
 COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
 BUDGET AND ACTUAL

Year ended December 31, 2015

	General Fund				Sales Tax Fund				Total of Funds
	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)	Total Actual
	Original	Final			Original	Final			
Revenues									
Taxes									
General property taxes	\$ 226,913	\$ 226,913	\$ 226,876	\$ (37)	\$ -	\$ -	\$ -	\$ -	\$ 226,876
Specific ownership taxes	45,000	45,000	53,175	8,175	-	-	-	-	53,175
Use tax	55,000	55,000	178,751	123,751	-	-	-	-	178,751
Sales tax	42,000	42,000	46,854	4,854	2,945,575	3,363,995	3,562,087	198,092	3,608,941
Franchise tax	42,500	42,500	43,211	711	-	-	-	-	43,211
Interest on delinquent taxes	500	500	597	97	-	-	-	-	597
Total taxes	411,913	411,913	549,464	137,551	2,945,575	3,363,995	3,562,087	198,092	4,111,551
Licenses and permits									
Liquor licenses	8,000	8,000	11,459	3,459	-	-	-	-	11,459
Business licenses	22,900	22,900	25,951	3,051	-	-	-	-	25,951
Building permits	89,000	177,000	228,322	51,322	-	-	-	-	228,322
Occupation licenses	44,000	44,000	51,829	7,829	-	-	-	-	51,829
Non-business licenses/permits	16,800	16,800	24,333	7,533	-	-	-	-	24,333
Special event fees	6,000	6,000	5,575	(425)	-	-	-	-	5,575
Total licenses and permits	186,700	274,700	347,469	72,769	-	-	-	-	347,469
Intergovernmental									
Tobacco tax	7,000	7,000	10,097	3,097	-	-	-	-	10,097
Grants and fees	44,000	44,000	58,500	14,500	-	-	-	-	58,500
Motor vehicle fees	6,000	6,000	6,926	926	-	-	-	-	6,926
Total intergovernmental	57,000	57,000	75,523	18,523	-	-	-	-	75,523
Charges for services									
Management fees									
Sewer and Water fund	65,000	65,000	59,583	(5,417)	-	-	-	-	59,583
Energy mitigation fee	-	500,000	56,154	(443,846)	-	-	-	-	56,154
Vehicle maintenance	18,000	18,000	16,500	(1,500)	-	-	-	-	16,500
Recreation	113,900	120,900	124,402	3,502	-	-	-	-	124,402
Total charges for services	196,900	703,900	256,639	(447,261)	-	-	-	-	256,639
Fines and forfeitures	50,800	50,800	50,965	165	-	-	-	-	50,965
Miscellaneous									
Earnings on investments	2,000	2,000	1,157	(843)	1,200	1,200	1,036	(164)	2,193
Rents	40,000	40,000	39,170	(830)	-	-	-	-	39,170
Other	5,475	5,475	11,407	5,932	8,000	12,000	15,285	3,285	26,692
Contribution from reserves	429,991	429,991	-	(429,991)	5,000	186,905	-	(186,905)	-
Total miscellaneous	477,466	477,466	51,734	(425,732)	14,200	200,105	16,321	(183,784)	68,055
Total revenues	1,380,779	1,975,779	1,331,794	(643,985)	2,959,775	3,564,100	3,578,408	14,308	4,910,202

Town of Crested Butte, Colorado

GENERAL FUND  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL

Year ended December 31, 2015

	General Fund				Sales Tax Fund			Total of Funds Total Actual
	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)	Budgeted Amounts		Variance with Final Budget Favorable (Unfavorable)	
	Original	Final			Original	Final		
Expenditures								
Current								
General government								
General	653,616	778,615	411,400	367,215	-	-	-	411,400
Court	7,710	7,710	6,434	1,276	-	-	-	6,434
Legislative	59,686	66,821	67,071	(250)	-	-	-	67,071
Legal	187,100	187,100	210,740	(23,640)	-	-	-	210,740
Clerk	159,053	159,053	143,211	15,842	-	-	-	143,211
Administration	163,874	163,874	145,733	18,141	-	-	-	145,733
Finance	318,289	324,289	306,258	18,031	-	-	-	306,258
Bozar	392,304	392,304	361,647	30,657	-	-	-	361,647
Transportation - other	-	-	-	-	44,100	44,100	42,295	42,295
Total general government	1,941,632	2,079,766	1,652,494	427,272	44,100	44,100	42,295	1,694,789
Public safety								
Marshal	758,672	758,672	734,479	24,193	-	-	-	734,479
Culture and recreation	407,622	407,622	365,307	42,315	-	-	-	365,307
Highways and streets	338,980	338,980	333,057	5,923	-	280,000	261,780	594,837
Auxiliary services								
Community development	148,854	148,854	149,888	(1,034)	-	-	-	149,888
Transportation - Mountain Express	-	-	-	-	632,699	760,000	748,514	748,514
Total auxiliary services	148,854	148,854	149,888	(1,034)	632,699	760,000	748,514	898,402
Debt service								
Principal	17,043	17,043	17,042	1	-	-	-	17,042
Interest	2,155	2,155	2,155	-	-	-	-	2,155
Total debt service	19,198	19,198	19,197	1	-	-	-	19,197
Total expenses	3,614,958	3,753,092	3,254,422	498,670	676,799	1,084,100	1,052,589	4,307,011
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,234,179)	(1,777,313)	(1,922,628)	(145,315)	2,282,976	2,480,000	2,525,819	603,191
Other financing sources and (uses)								
Transfers in (out)	2,239,296	2,239,296	1,820,692	(418,604)	(2,279,576)	(2,480,000)	(2,460,241)	(639,549)
	2,239,296	2,239,296	1,820,692	(418,604)	(2,279,576)	(2,480,000)	(2,460,241)	(639,549)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	5,117	461,983	(101,936)	(563,919)	3,400	-	65,578	(36,358)
Fund balance, beginning of year	3,910,262	3,910,262	3,910,262	-	1,053,144	1,053,144	1,053,144	4,963,406
Fund balance, end of year	\$ 3,915,379	\$ 4,372,245	\$ 3,808,326	\$ (563,919)	\$ 1,056,544	\$ 1,053,144	\$ 1,118,722	\$ 4,927,048

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>	City or County:
	YEAR ENDING : December 2015

This Information From The Records Of (example - City of _ or County of _) Town of Crested Butte	Prepared By: Phone:	Lois Rozman 970-349-5338
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**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

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

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

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	135,565
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	178,299
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	49,239
2. General fund appropriations	142,949	b. Snow and ice removal	221,418
3. Other local imposts (from page 2)	655,317	c. Other	17,562
4. Miscellaneous local receipts (from page 2)	2,960	d. Total (a. through c.)	288,219
5. Transfers from toll facilities		4. General administration & miscellaneous	34,603
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	636,686
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	801,226	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	57,196	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	858,422	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	636,686

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>				0
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>				0

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	1,849,706	858,422	636,686	2,071,442	0

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
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	655,317	a. Interest on investments	860
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	0	h. Other	2,100
c. Total (a. + b.)	655,317	i. Total (a. through h.)	2,960
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	50,270	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	6,926	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	6,926	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	57,196	3. Total (1. + 2.g)	
			(Carry forward to page 1)

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL**

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			0
b. Engineering Costs		9,640	9,640
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		125,925	125,925
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	125,925	125,925
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	135,565	135,565
			(Carry forward to page 1)

Notes and Comments: