

2017 TOWN MANAGER'S BUDGET TRANSMITTAL MESSAGE

The Honorable Mayor, Town Council,
and Residents and Owners of Mountain Village

Submitted herewith is the Town of Mountain Village 2017 Budget and Long Term Financial Plan. This document represents the Town's financial priorities for the fiscal year and it reflects a comprehensive process of allocating resources to programs that have been prioritized as identified by the community and the Town Council.

The importance of setting priorities and focusing on key results lies with the recognition of the recession and its impact on an imbalance between revenues and annual operating expenses which was further exacerbated by decreases in assessed valuations for real estate. Since the fall of 2008, the Town has been challenged by reduced development related fees and a decrease in property tax revenues. These new revenue realities resulted in a realization that new strategies were needed to achieve long term continued financial stability. **The Town Council and staff implemented aggressive expense polices, prioritized funded initiatives based on the benefit provided to the community, and a more efficient tax collection process and thereby created a reserve of more than twice that required by its own budgetary policy.**

In 2016 Town revenues from tourism and sales taxes remained stable and demonstrated growth rates more commensurate with a stable and more normalized economy reflecting the strong state of the Colorado economy. The assessed value in the Town of Mountain Village has started to recover in market value and with recent new construction hitting the County Assessor's rolls. The development sector in 2016 continues to be busy in the residential sector and the 2017 Budget reflects a conservative fiscal policy balanced to revenues with no plans for new debt.

The surplus generated in 2014 and 2015 drove the growth of our stated target for reserves of 35% of operating expenditures to 63% for the 2017 aggregated Town budget.

In summary the 2017 Town of Mountain Village Budget is sound with investments to keep our economy stable, protect our natural environment and keep our infrastructure in good repair while not increasing debt.

GOALS AND MEASURES

The 2017 Budget represents the ninth year since the initiation of goals and measures into the budget accountability process. Each year since 2009, the town departments have improved upon the measures and continue to focus on improving the services provided to our residents, homeowners, and visitors. The 2008 and 2010 Community Survey provide an excellent benchmarking tool of the satisfaction level of our residents with Town services, and what is important to maintain the high quality of life within our community. By focusing on programs and results rather than line item departmental expenditures, the

Town Council can make decisions for resource allocation by evaluating each program and service.

SUMMARY AND ACKNOWLEDGEMENTS

Town employees continue to strive for a high level of public service and meeting the demands of the community and visitors. The management team and employees have made it their highest priority to concentrate on our service delivery being of the highest quality.

In closing I wish to commend Mayor Dan Jansen, the Town Council, Department Directors, management staff, Finance Director Kevin Swain, Chief Accountant Julie Vergari, and the Budget and Finance Committee members Dan Caton and Marty McKinley for responding to the challenges of maintaining the fiscal health of Mountain Village. This budget represents the Town's continuing effort to provide quality programs and services within revenue constraints while still investing and reinvesting in our facilities and infrastructure.

Kim E. Montgomery
Town Manager