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# **TOWN OF MOUNTAIN VILLAGE COLORADO**

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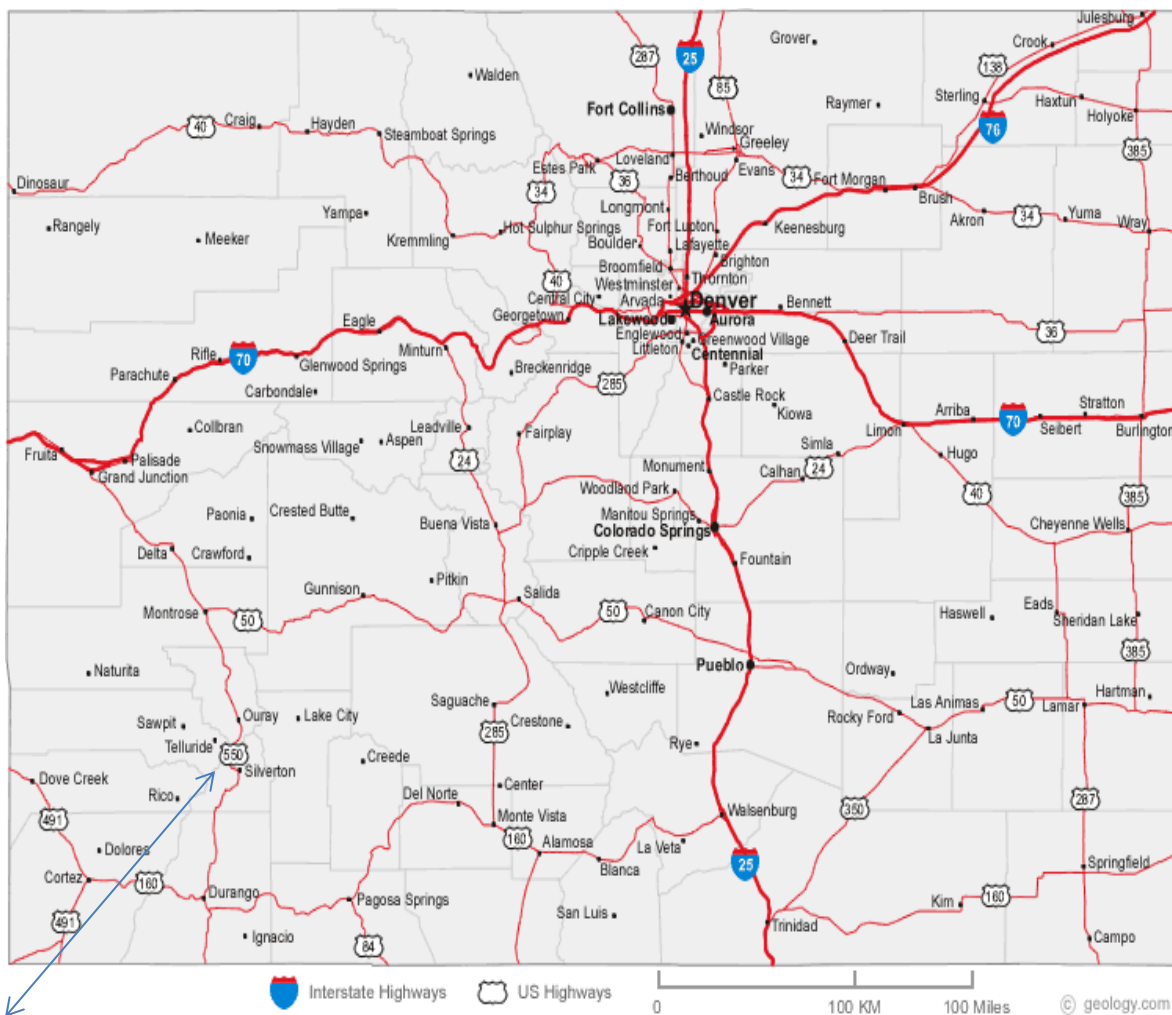


## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**For the Year Ended December 31, 2019**

## ABOUT MOUNTAIN VILLAGE

Situated in the heart of the breathtaking San Juan Mountains, Mountain Village was incorporated in 1995 as a home rule municipality. Its founders envisioned a European-style ski-in/ski-out, pedestrian-friendly destination resort that would complement the historic mining town of Telluride. A three-stage gondola transportation system connects the Town of Mountain Village with the Town of Telluride. Situated at 9,500 feet, Mountain Village is comparably a world apart from other resorts: it is innately spectacular, beautifully orchestrated and planned, and overflowing with style, charm and sophistication. For more information, please visit us on the Web at [www.townofmountainvillage.com](http://www.townofmountainvillage.com).



Mountain Village

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**Town of Mountain Village Colorado  
Comprehensive Annual Financial Report  
For the Year Ended December 31, 2019**



**Mayor, Laila Benitez  
Mayor Pro Tem, Dan Caton  
Council Members: Peter Duprey, Patrick Berry,  
Jack Gilbride, Natalie Binder, Marti Prohaska  
Town Manager, Kim Montgomery**

**Prepared by:  
Julie Vergari, Chief Accountant  
With contributions from The Finance Department of the Town of  
Mountain Village  
Kevin Swain, Treasurer and Finance Director  
Kate Burns, Controller  
Kathy Smith, Accounts Payable Technician  
Lindsay Niehaus, Billing Services Specialist  
Patrick Dasaro, Payroll Technician**



July 14, 2020

To the Honorable Mayor, Members of the Governing Town Council and Citizens of the Town of Mountain Village:

The Comprehensive Annual Financial Report of the Town of Mountain Village (the "Town") for the year ended December 31, 2019, is hereby submitted as mandated by the Town's home rule charter and state statutes. The charter and statutes require that the Town of Mountain Village issue annually a report on its financial position and activity, and that this report be audited by an independent firm of certified public accountants. Responsibility for both the accuracy of the presented information and the completeness and fairness of the presentation, including all disclosures, rests with the Town's management. We believe the information as presented is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

### **Governmental Structure, Local Economic Condition and Outlook**

The Town, incorporated under a Home Rule Charter in 1995, is located in the San Juan Range of the Rocky Mountains, in southwest Colorado, in San Miguel County, and consists of approximately 2,100 acres of land. The Town is an upscale European styled resort-oriented community situated in the mountains above and adjacent to, the Town of Telluride and includes a large part of the Telluride Ski Area. The Town also has the power, by state statute, to extend its corporate limits by annexation, which is done periodically when deemed appropriate by the governing town council.

The Town has operated under a council-mayor form of government since its inception. Policy-making and legislative authority are vested in the governing council; certain executive authority rests with the Mayor. The governing council ("Town Council" or the "Council") is responsible, among other things, for passing ordinances, adopting the budget and appointing committees. The Mayor is selected from within the Town Council and his or her tenure in office is subject to termination at any time by the Town Council. The Mayor is responsible, among other things, for appointing the various officials of the Town and is empowered to carry out the policies and ordinances of the Town Council.



The Council is elected on a non-partisan basis. Council members are elected at large to four year staggered terms.

It was determined by the District and the Town that it was in the best interests of the residents of the Town and the District that the District be dissolved and that the Town assume the governmental services and functions currently performed by the District. On December 13, 2006, the District Court, San Miguel County, Colorado approved the dissolution of the District effective January 1, 2007, which was approved by the District's electors on November 7, 2006. The District stays in existence to the extent necessary to provide for the payment of the debt service requirements of its outstanding General Obligation Bonds. The Town Council of the Town of Mountain Village, Colorado (the Town) is responsible for setting an annual mill levy on behalf of the District for the payment of the debt service requirements. The Town assumed the assets and all other obligations of the District effective January 1, 2007.

The Town is a body corporate and politic with all of the powers of a public or quasi-municipal corporation and is a political subdivision of the State of Colorado. The Town was organized for the purpose of providing for its residents various governmental services including, but not limited to, general governmental services, (affordable housing, building code enforcement, planning, zoning and design review) and law enforcement. The Town is empowered to levy taxes subject to voter authorization and may issue bonds. The Town imposes certain fees and charges upon its residents and users for design review, plan review, inspection, planning and zoning. Mountain Village has a zoned "person equivalent density" of just over 8,500. Currently 60% of this density has been constructed. Approximately 118 persons equivalent density is under construction or in the design review process. The U.S. Census 2019 estimate for Mountain Village permanent population is 1,434 people, and the 2019 assessed valuation of the Town is \$314,681,000.

The Town has recently enjoyed several years of favorable economic conditions which resulted in operating surpluses allowing investments in affordable housing and the growth of fund reserves. While the Town has grown and begun to mature as a stable resort destination, it is still very much reliant on real estate development. In March of 2020 the Town enacted an emergency declaration in response to the COVID-19 global pandemic. The County of San Miguel managed the local health emergency by ordering a closing and quarantine for all county citizens. As of June 1, 2020, the County and the Town went into a phased re-opening for limited lodging and restaurant business and for socially distanced construction projects. The economic impact of the reopening is yet to be determined. The impact of the early closing of the ski resort in March was negative but offset by a strong season up until that point with surpluses generated to offset the shortfalls in March and April.

The strong financial condition of the Town is creating a buffer to the uncertainty being created by the global pandemic for the organization and its constituents. Although the Town's finances have stabilized recently, the Town is faced with new challenges to meet increased demand for services, facilities and amenities triggered by the local growth. As the Village grows, demand for more affordable housing, childcare services and improved facilities are of primary concern. It will require significant financial resources to address these municipal needs in the upcoming years.



## **Financial Information**

Management of the Town is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the organization are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable assurance, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

The Town maintains extensive budgetary controls. The objective of these controls is to ensure compliance with the legal provisions embodied in the annually appropriated budget approved by the Town Council. Financial activities of the Town's governmental funds are included in the annual appropriated budget. The point of budgetary control (i.e. the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level. In order to address long range financial planning issues, a long-range financial plan is maintained and revised periodically by the Town Council. As demonstrated by the statements and schedules included in the financial section of this report, the Town continues to meet its responsibility for sound financial management.

Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A") which can be found immediately following the independent auditor's report.

## **Long Term Financial Planning**

As part of the Town's annual budget process, a five year financial plan for all funds and operations of the Town is updated and included as part of the budget adoption process. Revenue projections are updated and all Town department and fund budgets are forecast for the upcoming five years.

## **Independent Audit**

State statutes require an annual audit by independent certified public accountants. The firm of Chadwick, Steinkirchner, Davis, & Co. has been retained to audit the Town. The auditors used Generally Accepted Auditing Standards in conducting the engagement. The auditor's report in the general-purpose financial statements, and combining and individual fund statements and schedules, is included in the financial section of this report.

## **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its comprehensive annual financial report for the year ended December 31, 2018. This was the twentieth consecutive year that the Town has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

### **Acknowledgements**

I would like to express my appreciation to all members of the Town's staff who assisted and contributed to the preparation of this report. I would also like to thank the Mayor and the Town Council for their interest and support in planning and conducting the financial operations of the Town in a responsible and progressive manner.

Respectfully submitted,

Kevin Swain  
Town Finance Director

<p style="text-align: center;"><b>Town of Mountain Village Organizational Chart</b></p> <p style="text-align: center;"><b>Voters/Electorate</b></p> <p style="text-align: center;"><b>Town Council (Legislative)</b></p> <p style="text-align: center;"><b>Mayor (Executive)</b></p>		
<p style="text-align: center;"><b><u>Town Offices</u></b> Town Manager Town Attorney Town Clerk Town Treasurer</p>	<p style="text-align: center;"><b><u>Departments</u></b> Planning &amp; Development Services, Public Safety, Road &amp; Bridge, Transportation, Recreation, Public Works, Vehicle Maintenance, Plaza &amp; Environmental Services, Communications &amp; Business Development, Human Relations</p>	<p style="text-align: center;"><b><u>(Judicial)</u></b> Municipal Court</p>
	<p style="text-align: center;"><b><u>Enterprise Operations</u></b> Broadband Services Water &amp; Sanitary Sewer Conference Center Child Development Housing Authority Parking Services</p>	

**List of Elected and Appointed Officials  
December 31, 2019**

**Elected Officials**

Council Member-At large	Laila Benitez (Mayor)
Council Member-At large	Jack Gilbride
Council Member-At large	Patrick Berry
Council Member-At large	Marti Prohaska
Council Member-At large	Dan Caton (Mayor Pro Tem)
Council Member-At large	Peter Duprey
Council Member-At large	Natalie Binder

**Appointed Officials**

Town Manager	Kim Montgomery
Town Attorney (Contracted)	J. David Reed esq.
Town Clerk	Jackie Kennefick
Town Treasurer	Kevin Swain
Director of Community Development	Michelle Haynes
Police Chief	Chris Broady

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Government Finance Officers Association

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

Presented to

**Town of Mountain Village  
Colorado**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morrell*

Executive Director/CEO

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## **Independent Auditors Report**

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## INDEPENDENT AUDITOR'S REPORT

July 30, 2020

To the Town Council  
Town of Mountain Village, 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 Mountain Village, Colorado as of and for the year ended December 31, 2019, 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 from 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 Mountain Village, Colorado, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Town of Mountain Village, Colorado  
July 30, 2020  
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 and budgetary comparison information on pages 7–15 and 77–79 and the pension and OPEB schedules on pages 80–83 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 Mountain Village's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budget to actual fund schedules, the Local Highway Finance Report and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budget to actual fund schedules for the debt services fund, proprietary funds and non-major governmental funds, and 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 combining and individual nonmajor fund financial statements, budget to actual fund schedules for the debt service fund, proprietary funds and the nonmajor governmental funds, and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

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

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## **Management's Discussion and Analysis**

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# TOWN OF MOUNTAIN VILLAGE, COLORADO

## Management's Discussion and Analysis

### For the Year Ended December 31, 2019

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As management of the Town of Mountain Village (the Town), we offer readers of these financial statements this summary overview and analysis of the financial activities and position through and as of December 31, 2019. We encourage readers to consider the information presented in conjunction with the additional information furnished in our basic financial statements to more thoroughly understand the financial activities and position of the Town.

#### **A. Financial Highlights**

- Net Position (excess assets/deferred outflows over liabilities/deferred inflows) increased \$4.7 million from \$56.1 to \$60.8 million.
- Sales taxes collections continue to establish new record levels and exceeded \$5 million for the first time in Town history, contributing to surpluses building the Town's General Fund reserves to over \$13 million.
- The effect of the Gallagher Amendment to the Colorado Constitution was less impactful than expected due to new residential construction in the Town and action by the State of Colorado to lessen the reduction of the residential component of the aggregated assessed valuation in Colorado.

Transfer of assets and assumption of services of the Mountain Village Metropolitan District. The Mountain Village Metropolitan District (the District) was established on September 12, 1983 for the purpose of providing certain services including: domestic water, wastewater treatment, drainage, roads, television relay and translator facilities, public parks and recreation facilities, and transportation. It was determined by the District and the Town that it is in the best interests of the residents of the Town and the District that the District be dissolved and that the Town assume the governmental services and functions currently performed by the District. On December 13, 2006, the District Court, San Miguel County, Colorado approved the dissolution of the District effective January 1, 2007, which was approved by the District's electors on November 7, 2006. **The District will stay in existence to the extent necessary to provide for the payment of the debt service requirements of its outstanding General Obligation Bonds.** The Town Council will be responsible for setting an annual mill levy on behalf of the District for the payment of the debt service requirements. The Town assumed the assets and all other obligations of the District effective January 1, 2007.

#### **B. Overview of Financial Statements**

This discussion and analysis is intended to serve as the introduction to the Town'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.

Government-wide Financial Statements- The government-wide financial statements are designed to provide readers with a broad overview of the organization's finances in a similar manner to a private sector business.

The statement of net position presents information on all of the organization's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Over time,

increases or decreases in net position may serve as a useful indicator of whether the organization's financial condition is improving or deteriorating.

The statement of activities presents information showing how the Town'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 timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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, economic development, debt service, capital projects, culture and recreation, and transportation. The business-type activities include affordable housing rental and development, cable television, water and sewer, conference center, child development, parking services, and regional communications.

Fund Financial Statements- A fund is a group of related accounts that is 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 are separated into two classifications: governmental funds and enterprise (proprietary) funds.

Governmental Funds- Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, readers may more thoroughly understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and statement of revenues, expenditures and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The governmental funds are separated into the following major funds: General Fund, Gondola Special Revenue Fund, and as a unit of The Town, Debt Service Fund. All non-major funds (Capital Projects Fund, Vehicle and Equipment Acquisition, Historical Museum and Tourism Funds) are combined as other governmental funds.

An annual appropriated budget is adopted for all governmental funds. A budgetary comparison statement has been provided for these funds to demonstrate compliance with the budgets.

Enterprise Funds- Enterprise funds (proprietary) are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The enterprise funds are used to account for child development, regional communications and affordable housing programs. The Town's major enterprise funds are the Housing Authority Fund, Cable, and the Water and Sewer Fund. All non-major funds (Child Development, Parking Services, Telluride Conference Center) are combined as other enterprise funds.



Notes to Financial Statements The notes provide additional information that are essential to full understanding of the data provided in the various financial reports.

Other Information In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by the *Governmental Accounting Standards Board*.

Capital Assets- Beginning with the 2004 financial statements, the Town must comply with the capital assets reporting requirements as specified in Governmental Accounting Standards Board Statement 34 (GASB 34). One of the requirements is to report capital assets in the government-wide financial statements. The Town has complied with these requirements.

In addition, beginning with the 2007 financial statements, the Town must report on its capital assets. In anticipation of this requirement, the Town decided to report its capital assets beginning with the 2004 financial statements. Accordingly, the government-wide financial statements include information about capital assets and the related expenses.

Fund Balance- Effective with financial reporting periods beginning after June 15, 2010, Governmental Accounting Standards Board Statement 54 (GASB 54) requires the classification of fund balance in governmental funds. The objective is to enhance the usefulness of fund balance information. The Town has complied with GASB 54 requirements starting with its 2009 financial statements.

### C. Government-wide Financial Analysis

At the close of 2019, the total Net Position was \$60.8 million, an increase of \$4.7 million from prior year which is primarily a result of continued record breaking sales tax collections, OPEB and Pension adjustments, and controlled spending.

For a full summary of the Town's Net Position, please see page 21 of this report.

Statements of Net Position						
December 31, 2019 and 2018						
	Governmental Activities		Business - Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and Other Assets	\$21,092,734	\$ 21,195,591	\$ 10,428,629	\$ 9,939,838	\$ 31,521,362	\$ 31,135,429
Capital Assets	44,772,207	45,716,684	22,755,038	22,238,548	67,527,244	67,955,232
<b>Total Assets</b>	<b>65,864,941</b>	<b>66,912,275</b>	<b>33,183,666</b>	<b>32,178,386</b>	<b>99,048,607</b>	<b>99,090,661</b>
<b>Deferred Outflow of Resources</b>	<b>3,187,952</b>	<b>1,924,193</b>	<b>574,838</b>	<b>295,789</b>	<b>3,762,789</b>	<b>2,219,981</b>
Current Liabilities	12,982,670	13,691,725	3,392,522	3,219,483	16,375,191	16,911,207
Non - Current Liabilities						
Due Within One Year	491,622	79,940	418,440	-	910,062	79,940
Due In More Than One Year	9,095,312	9,870,185	11,056,956	11,881,789	20,152,268	21,751,974
<b>Total Liabilities</b>	<b>22,569,603</b>	<b>23,641,850</b>	<b>14,867,918</b>	<b>15,101,272</b>	<b>37,437,521</b>	<b>38,743,122</b>
<b>Deferred Inflow of Resources</b>	<b>4,553,304</b>	<b>6,040,257</b>	<b>278</b>	<b>370,457</b>	<b>4,553,583</b>	<b>6,410,714</b>
Net Position						
Net Investment in Capital Assets	35,801,449	35,217,195	11,279,643	10,356,758	47,081,093	45,573,953
Restricted for Debt Service	405,573	404,087	855,336	862,462	1,260,910	1,266,549
Restricted for Emergencies	543,493	547,975	-	-	543,493	547,975
Unrestricted	5,179,470	2,985,104	6,755,330	5,783,226	11,934,800	8,768,331
<b>Total Net Position</b>	<b>\$41,929,986</b>	<b>\$ 39,154,361</b>	<b>\$ 18,890,310</b>	<b>\$ 17,002,446</b>	<b>\$ 60,820,296</b>	<b>\$ 56,156,807</b>

For a full summary of the Town's changes in Net Position, see page 22 of this report.

**Statements of Changes in Net Position**  
For the Years Ended December 31, 2019 and 2018

	<b>Governmental Activities</b>		<b>Business - Type Activities</b>		<b>Total</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
<b>Revenues</b>						
<b>Program Revenues</b>						
Charges for Services	\$ 1,509,454	\$ 1,510,450	\$ 8,712,323	\$ 8,261,796	\$ 10,221,777	\$ 9,772,246
Operating Grants and Contributions	4,780,757	5,099,138	97,055	72,890	4,877,812	5,172,028
Capital Grants and Contributions	737,062	888,328	118,829	113,108	855,891	1,001,436
Total Program Revenues	7,027,273	7,497,916	8,928,208	8,447,794	15,955,481	15,945,710
<b>General Revenues</b>						
Property and Specific Ownership Taxes	4,741,287	4,631,167	-	-	4,741,287	4,631,167
Sales and Use Taxes	5,819,146	5,041,962	-	-	5,819,146	5,041,962
Lodging and Restaurant Taxes	2,558,945	2,287,445	-	-	2,558,945	2,287,445
Miscellaneous	90,710	95,991	114,070	124,801	204,780	220,792
Investment Earnings	283,186	161,639	7,830	5,383	291,016	167,022
Gain on Sale of Assets	26,316	34,532	(3,208)	-	23,108	34,532
Total General Revenues	13,519,590	12,252,736	118,692	130,185	13,638,282	12,382,920
<b>Total Revenues</b>	<b>20,546,863</b>	<b>19,750,652</b>	<b>9,046,900</b>	<b>8,577,979</b>	<b>29,593,762</b>	<b>28,328,631</b>
<b>Expenses</b>						
General Government	2,347,539	5,409,769	-	-	2,347,539	5,409,769
Gondola Operations and Capital Expenditures	3,823,499	5,408,956	-	-	3,823,499	5,408,956
Public Safety	1,151,101	1,045,572	-	-	1,151,101	1,045,572
Roads and Bridges	1,796,339	1,782,386	-	-	1,796,339	1,782,386
Culture and Recreation	552,237	620,871	-	-	552,237	620,871
Equipment & Property Maintenance	2,345,565	1,835,465	-	-	2,345,565	1,835,465
Transportation	1,554,403	289,838	-	-	1,554,403	289,838
Water & Sewer	-	-	2,201,197	2,219,360	2,201,197	2,219,360
Broadband	-	-	1,721,322	1,793,692	1,721,322	1,793,692
Telluride Conference Center	-	-	482,538	502,306	482,538	502,306
Economic Development	3,513,504	3,477,676	-	-	3,513,504	3,477,676
Housing Authority	-	-	2,458,320	2,633,077	2,458,320	2,633,077
Parking Services	-	-	434,665	299,944	434,665	299,944
Daycare Program	-	-	547,267	797,545	547,267	797,545
Regional Communications System	-	-	-	-	-	-
Total Expenses	17,084,187	19,870,532	7,845,309	8,245,923	24,929,496	28,116,455
<b>Change in Net Position before Transfers</b>	<b>3,462,676</b>	<b>(119,880)</b>	<b>1,201,591</b>	<b>332,056</b>	<b>4,664,267</b>	<b>212,176</b>
<b>Transfers</b>	<b>(686,275)</b>	<b>(334,668)</b>	<b>686,275</b>	<b>334,668</b>	<b>-</b>	<b>-</b>
<b>Change in Net Position</b>	<b>2,776,401</b>	<b>(454,548)</b>	<b>1,887,866</b>	<b>666,724</b>	<b>4,664,267</b>	<b>212,176</b>
<b>Beginning Net Position</b>	<b>39,153,586</b>	<b>39,608,134</b>	<b>17,002,447</b>	<b>16,335,723</b>	<b>56,156,033</b>	<b>55,943,857</b>
<b>Ending Net Position</b>	<b>\$ 41,929,987</b>	<b>\$39,153,586</b>	<b>\$ 18,890,313</b>	<b>\$17,002,447</b>	<b>\$ 60,820,299</b>	<b>\$56,156,033</b>

## D. Financial Analysis of the Town's Funds

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance related legal requirements. The focus of governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. The Town's Governmental Funds are comprised of the following:

- General Fund
- Gondola Fund (special revenue)
- Tourism Fund (special revenue)
- Historical Museum Fund (special revenue)
- Debt Service Fund (acting for the Mountain Village Metropolitan District)
- Vehicle and Equipment Acquisition Fund
- Capital Projects Fund

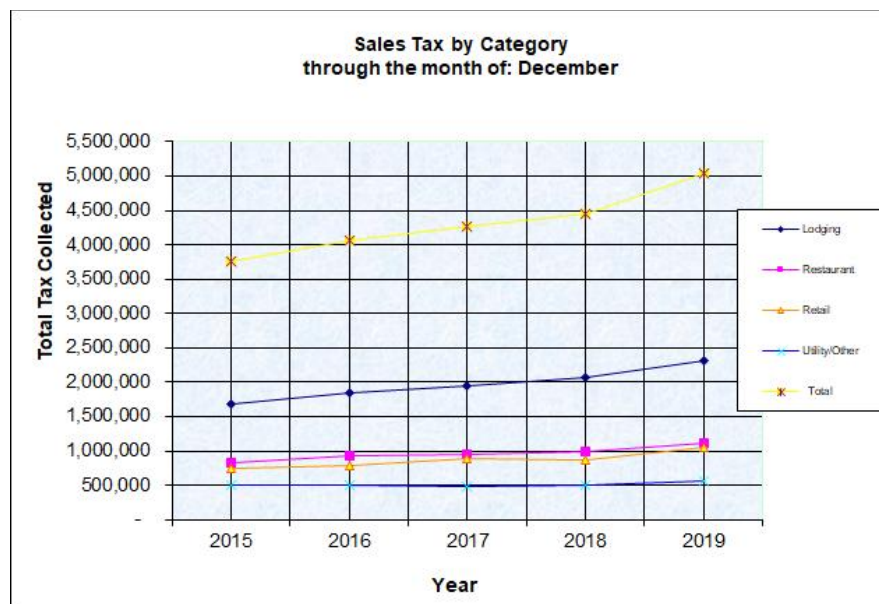
### General Fund

Revenues of \$11.7 million were over budgeted expectations by \$172,400. Expenditures came in under budget by \$819,000 leaving the general fund a surplus of \$1.7 million after inter-fund transfers. Budget savings were due to the continued efforts of staff in controlling expenditures, savings in employee expenses because of vacancies and turnover, and certain projects that went unspent. Total fund balance remains healthy at \$13.7 million.

### Sales Tax

Sales tax revenues of \$5.3 million increased from prior year by \$597,000 or 13.4% with record breaking tax collections. Sales tax increases were noticed most heavily in the retail category. This is primarily due to the requirement for out of area retailers to collect and remit local taxes to municipalities. Please see detailed analysis that follows.

Actual Sales Tax Base By Class, Through December 2019										
Category	Actual 2015	Actual 2016	PY % Increase	Actual 2017	PY % Increase	Actual 2018	PY % Increase	Actual 2019	PY \$ Variance	PY % Increase
	4.5%	4.5%	2015 to 2016	4.5%	2016 to 2017	4.5%	2017 to 2018	4.5%	2018 to 2019	2018 to 2019
Lodging	37,582,678	40,954,783	9%	43,143,970	5%	46,181,397	7%	51,496,832	5,315,434	11.51%
Restaurant	18,425,565	20,589,021	12%	21,149,461	3%	22,136,428	5%	24,623,787	2,487,359	11.24%
Retail	16,511,742	17,407,997	5%	19,663,256	13%	19,245,580	-2%	23,159,641	3,914,061	20.34%
Utility/Other	10,964,840	11,122,171	1%	10,939,985	-2%	11,205,285	2%	12,517,706	1,312,421	11.71%
Total	83,484,824	90,073,972	8%	94,896,671	5%	98,768,690	4%	111,797,965	13,029,276	13.19%



### **Tourism Fund**

Lodging taxes, restaurant taxes and business license fees flow through this fund to fund various Mountain Village marketing, promotion and economic development programs. Those programs include general regional marketing, promotion and group sales activity through Marketing Telluride Inc. (MTI) and various airline guaranty programs through the Telluride and Montrose Regional Air Organization (TMRAO).

Lodging tax receipts of \$2.1 million were up 12.3% from prior year, and restaurant tax receipts of \$494,255 show an increase of 12.2% from prior year. 2019 cash receipts include prior year taxes which are shown in the proper periods in the tables below. Business license fees of \$321,392 increased over prior year activity by less than 1%. Tourism activity generated approximately \$1.5 million for the airline guaranty program and \$1.3 million for regional marketing programs and group sales efforts. Overall, the town's tourism fund reinvested over \$2.8 million back into the region to support the various businesses operating in the community which includes additional funding of \$51,000 to MTI for a guest services agent. Please see the lodging and restaurant tax revenue summary below for further information.

Town of Mountain Village Colorado Lodging Tax Summary									
	2015	2016	2017	2018	2019		2018	2019	Budget
	Activity (4%)	Activity (4%)	Activity (4%)	Activity (4%)	Activity (4%)		Var %	Budget	Var %
Total	1,463,449	1,590,676	1,724,073	1,838,719	2,064,690		12.29%	2,082,475	-0.86%
Tax Base	36,586,237	39,766,902	43,101,835	45,967,963	51,617,250			52,061,875	

Town of Mountain Village Colorado Restaurant Tax Summary									
	2015	2016	2017	2018	2019		2018	2019	Budget
	Activity (2%)	Activity (2%)	Activity (2%)	Activity (2%)	Activity (2%)		Var %	Budget	Var %
Total	366,759	411,969	423,017	440,611	494,255		12.17%	473,400	4.22%
Tax Base	18,337,941	20,598,437	21,150,852	22,030,560	24,712,750			23,670,000	

### **Vehicle and Equipment Acquisition Fund**

Purchases in 2019 were for a compressor for Road & Bridge, a Plaza Services vehicle, a community services vehicle, and Police equipment. Total expenditures in 2019: \$135,460.

### **Capital Projects Fund**

Activity in the Capital Projects Fund was for consulting fees for a vehicle shop remodel. Total for 2019: \$20,426

### **Historical Museum Fund**

The Town instituted a voter approved mill levy January 1, 2005 for the purpose of providing funding to the Telluride Historical Museum for operating costs. The property taxes generated for this purpose in 2019 were approximately \$96,506 less \$1,935 in treasurer's fees.

### **Gondola Fund**

The Gondola Fund is used to account for the activity of financing, improving and operating the Gondola and Chondola transit system. The costs for this program are funded through contributions from TMVOA, Telluride Ski and Golf Company (Telski), as well as contributions and charges for extended operating hours. Current year funding of \$5 million was primarily provided by TMVOA (78%), with contributions of approximately \$4 million, \$212,387 (4%) provided by TSG from lift ticket sales, \$699,570 in capital grant funding (13.9%), \$141,241 in operating grant funding (2.8%), TOT contribution of \$36,000, and event operations funding of

\$6,262. Fund expenditures of \$5 million decreased over prior year by \$650,000. Decreases from prior year are primarily the result of capital and major repair expenses.

### **Debt Service Fund**

Current year debt service activity reflected \$405,000 in debt reduction (or 4.5%) from the prior year's outstanding bond level. The total general obligation bond debt outstanding at 12/31/2019 was \$8,570,000.

	2016	2017	2018	2019
Assessed Valuation	294,011,170	289,947,030	290,861,460	314,681,000
Tax Supported Bonds Outstanding	10,310,000	7,110,000	6,835,000	6,550,000
% of Tax Supported Bonds Outstanding vs. AV	4%	2%	2%	2%
Mill Levy	11.84	1.904	1.91	1.7415
Self Supported Bonds Outstanding	2,370,000	2,255,000	2,140,000	2,020,000

The Town's enterprise funds are comprised of the following:

- Housing Authority
  - Village Court Apartments (Affordable Housing)
  - Affordable Housing Development Fund
  - Mortgage Assistance Pool Fund
- Child Development Fund
- Broadband Fund
- Water and Sewer Fund
- Telluride Conference Center Fund
- Parking Services Fund

### **Village Court Apartments**

VCA net operating income of \$1.2 million (before capital and debt service obligations) increased from prior year by \$.2 million. Operating revenues of \$2.4 million increased over prior year. Operating costs of \$159,552 increased from prior year mainly due to appliance, floor, and carpet replacement at accelerated levels. Long term bonds and other debt were refinanced in 2014 to take advantage of continued low interest rates and longer term financing availability. That debt was reduced by \$406,393 in 2019.

### **Affordable Housing Development Fund**

Since 2007, The Town pledged 11.11% of sales taxes to the affordable housing development fund, 2019 contributions were \$560,214. Expenses of \$151,280 were for HOA dues and other small repair items for Town owned units, as well as support to the Regional Housing Authority.

### **Mortgage Assistance Pool Fund**

\$60,000 in mortgage assistance was granted.

### **Child Development Fund**

The Town has operated daycare services since 2004. In September of 2009, the director launched a preschool, in addition to the daycare and the fund is now called the Child Development Fund with daycare and preschool activities as individual departments. The daycare program provides services for approximately 21 children (6 infants and 15 toddlers) and the preschool accommodates up to 15 children. The preschool showed a surplus of \$8,779 and the daycare a deficit of \$113,534. General Fund subsidy requirement of \$105,018 for the program was down \$50,475 from 2018.

### **Parking Services Fund**

Operating costs in 2019 of \$485,694 include personnel, utilities, and maintenance, were offset by parking fees of \$564,325, which includes fines of \$49,968. Any deficit is funded by transfer from the general fund but was not required this year. In 2019, expenses were under budget \$54,000 due mainly to capital funds under budget and savings in maintenance costs. The gondola intercept parking bonds are not accounted for in this fund; rather it is in the Debt Service Fund.

### **Water and Sewer Fund**

The fund generated a surplus and added to reserves in the amount of \$826,000. Operating expenditures of \$1.48 million were \$108,100 less than prior year due to small variances in many accounts. Capital investment of \$802,000 was for regional sewer system improvements, power generators, new wells and pumps, and the “Ski Ranches” improvements. Remaining available reserves remain adequate.

### **Broadband Fund**

Revenues of 2.2 million surpassed prior year performance by \$95,000 due mainly to growth in internet subscribers and a rate increase for TV services, although TV subscribers continue to decrease. Operating expenses totaling \$1.7 million were \$51,200 more than prior year due to the increasing programming costs for TV services, consulting services, and personnel cost increases. The cable fund was able to return to the General Fund a transfer of \$169,531 which is the overhead administrative allocation and support fees for the local television station, but the General Fund transferred back \$424,383 to help fund a “fiber to the home” capital project expected to be finished in 2020. 2019 capital expense was \$981,650.

### **Telluride Conference Center**

In October 2009, the conference center operations were turned over to an outside local contractor. The required transfer from the general fund of \$197,239 was for HOA dues, marketing, and HVAC and facilities maintenance. Under the agreement, the town continues to fund these costs, and upon certain thresholds being met, will share in a portion of the revenues earned.

## **E. General Fund Budgetary Results**

The General Fund finished the fiscal year with a surplus of \$1.7 million. The budgeted surplus was \$365,400. The budgetary variance was the result of total expenditures coming in under budget by \$819,300, revenues exceeding budget by \$172,500 and other sources and uses under budget by \$318,552.

## **F. Capital Asset and Debt Administration**

### **Capital Assets**

The Town’s investment in capital assets for its governmental activities decreased by \$944,500, from \$45,716,684 to \$44,772,207, due to capital asset purchases. The Town’s investment in capital assets for its business-type activities, which include Village Court Apartments, other affordable housing endeavors, the water and sewer system, and the regional communication system increased \$516,500 from \$22,238,548 to \$22,755,038 primarily as a result of reclassifications and additions.

Additional information on the Town’s capital assets can be found in Note 9.

## **Long-Term Debt**

Total outstanding debt at the beginning of the fiscal year amounted to \$8,975,000. Throughout the year, \$405,000 was paid bringing the outstanding bond debt down to \$8,570,000 at year end.

Additional information on the Town's long-term debt can be found in Note 10.

## **Economic Factors and Budgetary Impacts**

Prior to 2008 the Town enjoyed several years of favorable economic conditions which resulted in operating surpluses allowing investments in affordable housing and the growth of fund reserves. While the Town has grown and begun to mature as a stable resort destination, it is still very much reliant on real estate development. As the national economy exited from a global recession in 2011 the pace of real estate development and property sales accelerated and the result has been a bottoming and now a property tax base beginning to recover its value lost during the recession. New challenges related to this recovery have arisen in Colorado as a result of the Constitutional amendment known as the Gallagher Amendment passed in 1982. By way of this amendment the taxable values for residential property have been reduced. The result is a lowering of the tax base and reduced revenue from the residential assessment for property tax. The impact has been lessened by new construction being added to the property valuation roll in Mountain Village and the State of Colorado acting to lessen the reduction to the residential component in order to slow the further erosion of the assessed valuation taxable across the state. As a result the near term fiscal impact has been minimal.

In March of 2020 the Town enacted an emergency declaration in response to the COVID-19 global pandemic. The County of San Miguel managed the local health emergency by ordering a closing and quarantine for all county citizens. As of June 1, 2020, the County and the Town went into a phased re-opening for limited lodging and restaurant business and for socially distanced construction projects. The economic impact of the reopening is yet to be determined. The impact of the early closing of the ski resort in March was negative but offset by a strong season up until that point with surpluses generated to offset the shortfalls in March and April.

## **Request for Information**

This financial report is designed to provide a general overview of the Town of Mountain Village's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in the report or requests for additional information should be addressed to:

Finance Director  
Town of Mountain Village  
455 Mountain Village Blvd-Suite A  
Mountain Village, CO 81435  
970.369-6407 kswain@mtnvillage.org



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## **Basic Financial Statements**

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## **Government-Wide Financial Statements**

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**Town of Mountain Village**  
**Statement of Net Position**  
**December 31, 2019**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash and Cash Equivalents (See Note 5)	\$ 1,119,077	\$ 8,410,184	\$ 9,529,261
Investments (See Note 5)	11,476,045	730,581	12,206,626
Receivables			
Taxes	5,670,426	-	5,670,426
Accounts	1,031,776	445,790	1,477,565
Notes (See Note 6)	-	224,000	224,000
Internal Balances	148,489	(148,489)	-
Accrued Revenues	-	-	-
Prepaid Items	245,266	28,899	274,165
Deposits (See Note 5)	12,184	6,571	18,755
Restricted Investments/Cash (See Note 5)			
Housing Authority	-	452,825	452,825
Bond Reserve Fund	1,389,470	-	1,389,470
Development Property Held for Sale (See Note 8)	-	278,268	278,268
Capital Assets			
Non-depreciable Capital Assets (See Note 9)	2,302,721	876,543	3,179,264
Depreciable Capital Assets (See Note 9)	42,469,486	21,878,495	64,347,981
Total assets	<u>65,864,941</u>	<u>33,183,666</u>	<u>99,048,607</u>
Deferred Outflow of Resources Related to Pensions (See Note 14)	2,599,585	557,167	3,156,752
Deferred Outflow of Resources Related to Other Post Employment Benefits (See Note 14)	82,448	17,671	100,119
Deferred Outflow of Resources Deferred Loss on Refunding	505,918	-	505,918
Deferred Outflow of Resources	<u>3,187,952</u>	<u>574,838</u>	<u>3,762,789</u>
<b>Liabilities</b>			
Accounts Payable	781,428	595,993	1,377,420
Accrued Expenses	581,395	47,723	629,118
Deposits	89,498	278,946	368,444
Due to Pooled Cash (See Note 5)	324,945	9,336	334,282
Accrued Interest Payable	27,052	-	27,052
Unearned Revenue	160,753	99,132	259,885
Noncurrent Liabilities (See Note 10)			
Due within one year	491,622	418,440	910,062
Due in more than one year:			
Other Noncurrent Liabilities	9,095,312	11,056,956	20,152,268
Net Pension Liability	10,164,551	2,178,559	12,343,109
Net OPEB Liability	853,048	182,833	1,035,881
Total liabilities	<u>22,569,603</u>	<u>14,867,918</u>	<u>37,437,521</u>
Deferred Inflow of Resources Related to Pensions (See Note 14)	-	-	-
Deferred Inflow of Resources Related to Other Post Employment Benefits (See Note 14)	1,299	278	1,577
Deferred Inflow of Resources Property Tax	4,552,006	-	4,552,006
Deferred Inflow of Resources	<u>4,553,304</u>	<u>278</u>	<u>4,553,583</u>
<b>Net Position</b>			
Net Investment in Capital Assets	35,801,450	11,279,643	47,081,093
Restricted For			
Debt Service	405,573	855,336	1,260,910
Emergencies	543,493	-	543,493
Unrestricted	5,179,470	6,755,330	11,934,800
Total Net Position	<u>\$41,929,986</u>	<u>\$18,890,310</u>	<u>\$60,820,296</u>

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

**Town of Mountain Village**  
**Statement of Activities**  
**For the Fiscal Year Ended December 31, 2019**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 1,901,191	\$ 41,074	\$ -	\$ -	\$ (1,860,117)	\$ -	\$ (1,860,117)
Administration	107,619	6,931	-	-	(100,688)	-	(100,688)
Public Safety	1,151,101	9,252	1,481	-	(1,140,368)	-	(1,140,368)
Roads & Bridges	1,796,339	447,104	7,435	-	(1,341,800)	-	(1,341,800)
Equipment & Property Maintenance	2,345,565	-	-	-	(2,345,565)	-	(2,345,565)
Culture & Recreation	552,237	15,970	-	-	(536,267)	-	(536,267)
Parking & Transportation	5,377,902	6,262	4,717,920	737,062	83,342	-	83,342
Economic Development	3,513,504	982,861	53,921	-	(2,476,722)	-	(2,476,722)
Interest on Long Term Debt	338,729	-	-	-	(338,729)	-	(338,729)
Total Governmental Activities	<u>17,084,187</u>	<u>1,509,454</u>	<u>4,780,757</u>	<u>737,062</u>	<u>(10,056,914)</u>	<u>-</u>	<u>(10,056,914)</u>
Business-type Activities:							
Housing Authority	2,458,320	2,324,024	-	-	-	(134,296)	(134,296)
Broadband	1,721,322	2,195,536	-	-	-	474,214	474,214
Child Development	547,267	480,620	97,055	-	-	30,408	30,408
Parking Services	434,665	564,325	-	-	-	129,660	129,660
Telluride Conference Center	482,538	-	-	-	-	(482,538)	(482,538)
Water and Sewer	2,201,198	3,147,818	-	118,829	-	1,065,449	1,065,449
Total Business-type Activities	<u>7,845,309</u>	<u>8,712,323</u>	<u>97,055</u>	<u>118,829</u>	<u>-</u>	<u>1,082,898</u>	<u>1,082,898</u>
<b>Total</b>	<u><u>\$ 24,929,497</u></u>	<u><u>\$ 10,221,777</u></u>	<u><u>\$ 4,877,812</u></u>	<u><u>\$ 855,891</u></u>			
General Revenues:							
Taxes:							
Property					4,516,714	-	4,516,714
Specific Ownership					224,573	-	224,573
Sales & Use					5,819,146	-	5,819,146
Lodging					2,064,690	-	2,064,690
Restaurant					494,255	-	494,255
Miscellaneous					90,710	114,070	204,780
Investment Earnings					283,186	7,830	291,016
Gain or (loss) on Sale of Assets					26,316	(3,208)	23,108
Transfers					(686,275)	686,275	-
Total General Revenues and Transfers					<u>12,833,315</u>	<u>804,967</u>	<u>13,638,281</u>
Change in Net Position					2,776,401	1,887,864	4,664,265
Net Position - Beginning					39,153,585	17,002,447	56,156,032
Net Position - Ending					<u><u>\$ 41,929,986</u></u>	<u><u>\$ 18,890,311</u></u>	<u><u>\$ 60,820,297</u></u>

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



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**Fund Financial Statements**

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**Town of Mountain Village**  
**Balance Sheet - Governmental Funds**  
**December 31, 2019**

	<u>General</u>	<u>Gondola</u>	<u>Debt Service</u>	<u>Tourism</u>	<u>Non-Major Governmental</u>	<u>Total</u>
Assets						
Cash and Cash Equivalents	\$ 109,125	\$ -	\$ 216,724	\$ 245,998	\$ 547,230	\$ 1,119,077
Investments	11,476,045	-	-	-	-	11,476,045
Receivables						
Taxes	4,692,397	-	523,234	354,783	100,013	5,670,426
Accounts	528,644	503,132	-	-	-	1,031,776
Grants	-	-	-	-	-	-
Notes	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Due from Other Funds	1,351,729	-	-	-	-	1,351,729
Prepaid Items	245,266	-	-	-	-	245,266
Deposits	12,184	-	-	-	-	12,184
Restricted Bond Reserve	-	-	1,389,470	-	-	1,389,470
Total Assets	<u>\$ 18,415,390</u>	<u>\$ 503,132</u>	<u>\$ 2,129,428</u>	<u>\$ 600,781</u>	<u>\$ 647,243</u>	<u>\$ 22,295,973</u>
Liabilities:						
Accounts Payable	\$ 534,570	\$ 100,997	\$ -	\$ 92,194	\$ 53,666	\$ 781,428
Accrued Payables	155,871	77,690	-	347,834	-	581,395
Due to Other Funds	-	-	1,203,239	-	-	1,203,239
Deposits	89,498	-	-	-	-	89,498
Due to Pooled Cash	-	324,444	-	-	501	324,945
Unearned Revenue	-	-	-	160,753	-	160,753
Total Liabilities	<u>779,939</u>	<u>503,132</u>	<u>1,203,239</u>	<u>600,781</u>	<u>54,167</u>	<u>3,141,258</u>
Deferred Inflows, Property Tax	<u>3,931,840</u>	<u>-</u>	<u>520,616</u>	<u>-</u>	<u>99,550</u>	<u>4,552,006</u>
Fund Balances:						
Nonspendable	257,450	-	-	-	-	257,450
Restricted for:						
Debt Service	-	-	405,573	-	-	405,573
Emergencies	543,493	-	-	-	-	543,493
Committed	81,257	-	-	-	-	81,257
Assigned - Appropriations	3,184,945	-	-	-	493,526	3,678,471
Unassigned	9,636,465	-	-	-	-	9,636,465
Total Fund Balances	<u>13,703,611</u>	<u>-</u>	<u>405,573</u>	<u>-</u>	<u>493,526</u>	<u>14,602,710</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 18,415,390</u>	<u>\$ 503,132</u>	<u>\$ 2,129,429</u>	<u>\$ 600,781</u>	<u>\$ 647,243</u>	<u>\$ 22,295,974</u>

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

**Town of Mountain Village**

**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**December 31, 2019**

Total Fund Balance - Governmental Funds	\$ 14,602,710
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Amounts reported for governmental activities in the statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and; therefore, are not reported as assets in the governmental funds:

Cost of Capital Assets	\$ 73,638,374	
Assets contributed from business type activities are not recognized in the funds but are recognized as transfers in the government wide statements.	51,029	
Less Accumulated Depreciation	<u>(28,917,195)</u>	44,772,207

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:

General Obligation Bonds	(8,570,000)	
Compensated Absences	<u>(616,176)</u>	(9,186,176)

Items related to pensions and other post employment benefits are considered to be long term items and are therefore not reported in the governmental funds.

Net Pension Liability	(10,164,551)	
Net OPEB Liability	(853,048)	
Deferred OPEB/Pension Outflows	2,682,034	
Deferred OPEB/Pension Inflows	<u>(1,299)</u>	(8,336,864)

Long-term debt premiums and discounts are reported in the governmental funds when first incurred, but deferred and amortized in the statement of Net Position.	(400,757)
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Accrued interest on long-term debt is not due and payable in the current period and, therefore, is not reported as a liability in the governmental funds.	(27,052)
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The difference between the net proceeds from the issuance of the refunding bonds and the carrying amount of refunded bonds is not reported in the governmental funds, but is deferred and amortized in the statement of Net Position.

505,918

Total Net Position - Governmental Activities	<u>\$ 41,929,986</u>
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The accompanying notes are an integral part of the financial statements.

**Town of Mountain Village**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Fiscal Year Ended December 31, 2019**

	<b>General</b>	<b>Gondola</b>	<b>Debt Service</b>	<b>Tourism</b>	<b>Non-Major Governmental</b>	<b>Total</b>
<b>Revenues</b>						
Taxes	\$ 9,885,648	\$ -	\$ 578,279	\$ 2,558,945	\$ 96,506	\$ 13,119,377
Licenses & Permits	422,603	-	-	321,392	-	743,995
Intergovernmental	629,801	-	-	-	-	629,801
Contributions from Other Entities	-	4,179,868	203,200	-	-	4,383,068
Charges for Services	364,489	6,262	-	-	-	370,751
Fines & Forfeitures	10,152	-	-	-	-	10,152
Miscellaneous	78,861	781	-	10,759	-	90,401
Interest Income	277,886	-	5,301	-	-	283,186
Grants & Contributions	39,781	840,811	-	-	-	880,592
<b>Total Revenues</b>	<b>11,709,219</b>	<b>5,027,722</b>	<b>786,779</b>	<b>2,891,095</b>	<b>96,506</b>	<b>20,511,321</b>
<b>Expenditures</b>						
<b>Current:</b>						
General Government	3,501,517	-	-	-	-	3,501,517
Public Safety	1,032,255	-	-	-	-	1,032,255
Roads & Bridges	1,077,722	-	-	-	-	1,077,722
Equipment & Property Maintenance	1,947,279	-	-	-	-	1,947,279
Culture & Recreation	457,666	-	-	-	94,571	552,237
Parking & Transportation	344,182	3,823,499	-	-	-	4,167,681
Economic Development	642,311	-	-	2,871,193	-	3,513,504
<b>Debt Service:</b>						
Administrative Charges	-	-	18,820	1,500	1,935	22,255
Principal	-	-	405,000	-	-	405,000
Interest	-	-	333,925	-	-	333,925
<b>Capital Outlay:</b>						
General Government	79,280	-	-	-	155,489	234,769
Culture & Recreation	110,746	-	-	-	-	110,746
Public Safety	53,291	-	-	-	-	53,291
Road & Bridge	-	-	-	-	-	-
Equipment & Property Maintenance	-	-	-	-	-	-
Parking & Transportation	-	1,164,264	-	-	-	1,164,264
<b>Total Expenditures</b>	<b>9,246,251</b>	<b>4,987,763</b>	<b>757,745</b>	<b>2,872,693</b>	<b>251,995</b>	<b>18,116,447</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>2,462,968</b>	<b>39,959</b>	<b>29,034</b>	<b>18,402</b>	<b>(155,489)</b>	<b>2,394,874</b>
<b>Other Financing Sources (Uses)</b>						
Proceeds from Sale of Assets	12,496	-	-	-	13,820	26,316
Insurance Proceeds	9,225	-	-	-	26,048	35,273
Transfers In	635,461	-	-	-	157,616	793,077
Transfers Out	(1,444,471)	(39,959)	(27,548)	(18,402)	-	(1,530,380)
<b>Total Other Financing Sources (Uses)</b>	<b>(787,288)</b>	<b>(39,959)</b>	<b>(27,548)</b>	<b>(18,402)</b>	<b>197,484</b>	<b>(675,714)</b>
<b>Net Change in Fund Balances</b>	<b>1,675,680</b>	<b>-</b>	<b>1,486</b>	<b>-</b>	<b>41,995</b>	<b>1,719,161</b>
<b>Fund balance - Beginning of Year</b>	<b>12,027,932</b>	<b>-</b>	<b>404,088</b>	<b>-</b>	<b>451,531</b>	<b>12,883,551</b>
<b>Fund balance - End of Year</b>	<b>\$ 13,703,612</b>	<b>\$ -</b>	<b>\$ 405,573</b>	<b>\$ -</b>	<b>\$ 493,526</b>	<b>\$ 14,602,711</b>

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

**Town of Mountain Village**

**Reconciliation of the Governmental Funds Statement of Revenues,  
Expenditures, and Changes in Fund Balance to the Statement of Activities  
For the Fiscal Year Ended December 31, 2019**

Net Change in Fund Balance - Governmental Funds \$ 1,719,161

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

Capital outlays are reported as expenditures in the governmental  
funds; however, in the statement of activities, the cost is  
allocated over the estimated useful lives of the assets as  
depreciation expense. The following is the amount by which  
capital outlays exceeded depreciation in the current period:

Capital Outlay	\$ 1,577,554	
Capital Assets Deletions, Net	(3,000)	
Depreciation	<u>(2,570,059)</u>	(995,505)

Capital transfers from business-type activities to governmental funds  
are not recognized in the fund but are recognized as interfund  
transfers in the statement of activities. 51,029

Some expenses reported in the statement of activities do not require the  
use of current financial resources and, therefore, are not  
reported as expenditures in the governmental funds:

Pension Expense	1,691,089	
OPEB Expense	(22,758)	
Compensated Absences	(66,812)	
Accrued Interest Payable	<u>775</u>	1,602,293

The issuance of long-term debt provides current financial resources  
to governmental funds, while the repayment of principal of long-  
term debt consumes current financial resources of governmental  
funds. Neither transaction has any effect on Net Position in the  
government-wide statements. Also, governmental funds report  
the effect of issuance costs, premiums, discounts, and similar items  
when debt is issued, whereas these amounts are deferred and  
amortized in the statement of activities. This amount is the net  
effect of these differences in the treatment of long-term debt and  
related items.

Principal Payment	405,000	
Amortization of Deferred Loss on Refunding	(30,583)	
Premium on Bonds Payable	<u>25,004</u>	399,421

Change in Net Position of Governmental Funds \$ 2,776,399

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

**Town of Mountain Village**  
**Statement of Net Position - Enterprise Funds**  
**December 31, 2019**

	<b>Housing Authority</b>	<b>Water and Sewer</b>	<b>Broadband</b>	<b>Non-Major Enterprise Funds</b>	<b>Total</b>
<b>Assets</b>					
<b>Current Assets:</b>					
Cash and Cash Equivalents	\$ 2,785,266	\$ 5,159,546	\$ 211,364	\$ 254,007	\$ 8,410,184
Investments	730,581	-	-	-	730,581
Accounts Receivable	12,603	338,827	21,447	72,912	445,790
Prepaid Expenses	1,260	-	2,183	25,456	28,899
Deposits	1,800	1,136	3,635	-	6,571
<b>Total Current Assets</b>	<b>3,531,511</b>	<b>5,499,509</b>	<b>238,629</b>	<b>352,375</b>	<b>9,622,025</b>
<b>Noncurrent Assets:</b>					
Restricted Cash	452,825	-	-	-	452,825
Notes Receivable	224,000	-	-	-	224,000
<b>Development Property Held for Sale:</b>					
Buildings	278,268	-	-	-	278,268
<b>Capital Assets:</b>					
Land and Land Improvements	670,160	-	-	-	670,160
Buildings and Improvements	17,701,525	17,428,708	-	6,441,587	41,571,820
Construction in Progress	394,820	290,011	-	-	684,832
Communications System	-	-	3,225,253	-	3,225,253
Vehicles & Equipment	325,284	226,055	314,569	450,907	1,316,815
Less: Accumulated Depreciation	(10,337,537)	(8,271,375)	(1,897,668)	(4,207,261)	(24,713,841)
<b>Total Noncurrent Assets</b>	<b>9,709,347</b>	<b>9,673,399</b>	<b>1,642,154</b>	<b>2,685,233</b>	<b>23,710,133</b>
<b>Total Assets</b>	<b>13,240,858</b>	<b>15,172,909</b>	<b>1,880,783</b>	<b>3,037,608</b>	<b>33,332,157</b>
Deferred Outflow of Resources - Related to Pensions	113,959	144,579	126,901	171,727	557,167
Deferred Outflow of Resources - Related to OPEB	3,614	4,585	4,025	5,446	17,671
Deferred Outflow of Resources	117,573	149,165	130,926	177,174	574,838
<b>Liabilities</b>					
<b>Current Liabilities:</b>					
Accounts Payable	148,226	219,977	195,011	32,779	595,993
Accrued Expenses	8,663	12,657	10,942	15,463	47,723
Deposits	270,623	-	8,323	-	278,946
Unearned Revenue	89,132	-	-	10,000	99,132
Due to Other Funds	148,489	-	-	-	148,489
Current Portion of Notes and Bonds Payable	418,440	-	-	-	418,440
<b>Total Current Liabilities</b>	<b>1,083,573</b>	<b>232,633</b>	<b>214,275</b>	<b>67,578</b>	<b>1,598,059</b>
<b>Noncurrent Liabilities:</b>					
Revenue Bond Payable	11,056,956	-	-	-	11,056,956
Net OPEB Liability	37,395	47,443	41,642	56,352	182,833
Net Pension Liability	445,586	565,314	496,193	671,465	2,178,559
<b>Total Noncurrent Liabilities</b>	<b>11,539,938</b>	<b>612,758</b>	<b>537,835</b>	<b>727,817</b>	<b>13,418,348</b>
<b>Total Liabilities</b>	<b>12,623,510</b>	<b>845,391</b>	<b>752,111</b>	<b>795,395</b>	<b>15,016,407</b>
Deferred Inflow of Resources - Related to OPEB	57	72	63	86	278
Deferred Inflow of Resources	57	72	63	86	278
<b>Net Position</b>					
Net Investment in Capital Assets	(2,721,142)	9,673,399	1,642,154	2,685,233	11,279,643
Restricted for Debt Service	855,336	-	-	-	855,336
Unrestricted	2,600,670	4,803,211	(382,619)	(265,932)	6,755,330
<b>Total Net Position</b>	<b>\$ 734,864</b>	<b>\$14,476,610</b>	<b>\$ 1,259,535</b>	<b>\$ 2,419,301</b>	<b>\$ 18,890,310</b>

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

**Town of Mountain Village**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Enterprise Funds**  
**For the Fiscal Year Ended December 31, 2019**

	<b><u>Housing Authority</u></b>	<b><u>Water and Sewer</u></b>	<b><u>Broadband</u></b>	<b><u>Non-major Enterprise Funds</u></b>	<b><u>Total</u></b>
Operating Revenues:					
Charges for Sales & Services	\$ 2,324,024	\$ 3,147,817	\$ 2,195,536	\$ 1,024,937	\$ 8,692,314
Operating Grants and Contributions	-	-	-	97,055	97,055
Other	114,070	-	-	20,008	134,078
Total Operating Revenues	<u>2,438,094</u>	<u>3,147,817</u>	<u>2,195,536</u>	<u>1,142,000</u>	<u>8,923,447</u>
Operating Expenses:					
Cost of Sales & Services	1,259,514	1,463,419	1,645,911	1,099,163	5,468,007
Depreciation and Amortization	<u>629,520</u>	<u>737,778</u>	<u>75,411</u>	<u>299,758</u>	<u>1,742,467</u>
Total Operating Expenses	<u>1,889,035</u>	<u>2,201,198</u>	<u>1,721,322</u>	<u>1,398,921</u>	<u>7,210,475</u>
Operating Income (Loss)	<u>549,059</u>	<u>946,620</u>	<u>474,214</u>	<u>(256,920)</u>	<u>1,712,972</u>
Nonoperating Revenues (Expenses):					
Interest Income	7,830	-	-	-	7,830
Loss on Disposal of Assets	(3,208)	-	-	-	(3,208)
Major Repairs and Replacements	(185,475)	-	-	-	(185,475)
Interest Expense	(381,884)	-	-	-	(381,884)
Loan Fees	<u>(1,925)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,925)</u>
Total Nonoperating Revenue (Expenses)	<u>(564,661)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(564,661)</u>
Income (Loss) Before Transfers	<u>(15,602)</u>	<u>946,620</u>	<u>474,214</u>	<u>(256,920)</u>	<u>1,148,311</u>
Transfers In	614,553	-	424,383	302,257	1,341,194
Capital Contributions	-	-	-	(51,029)	(51,029)
Transfers Out	<u>(232,041)</u>	<u>(159,945)</u>	<u>(169,531)</u>	<u>(42,374)</u>	<u>(603,891)</u>
Net Transfers From (To) Other Funds	<u>382,512</u>	<u>(159,945)</u>	<u>254,852</u>	<u>208,854</u>	<u>686,274</u>
Capital Grants & Contributions	<u>-</u>	<u>118,829</u>	<u>-</u>	<u>(65,549)</u>	<u>53,280</u>
Change in Net Position	366,910	905,504	729,066	(113,615)	1,887,865
Total Net Position - Beginning of Year	<u>367,953</u>	<u>13,571,107</u>	<u>530,469</u>	<u>2,532,917</u>	<u>17,002,445</u>
Total Net Position - End of Year	<u>\$ 734,863</u>	<u>\$14,476,610</u>	<u>\$ 1,259,535</u>	<u>\$ 2,419,301</u>	<u>\$ 18,890,310</u>

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



**Town of Mountain Village**  
**Statement of Cash Flows - Enterprise Funds**  
**For the Fiscal Year Ended December 31, 2019**

	<b>Housing Authority</b>	<b>Water and Sewer</b>	<b>Broadband</b>	<b>Non-Major Enterprise Funds</b>	<b>Total</b>
Cash Flows from Operating Activities					
Receipts from Customers	\$ 2,336,845	\$ 3,298,263	\$ 2,219,363	\$ 1,024,781	\$ 8,879,251
Operating Contributions	-	-	-	97,055	97,055
Payments to Suppliers	(1,104,028)	(1,121,695)	(1,418,631)	(778,882)	(4,423,236)
Employee Mortgage Assistance	(60,000)	-	-	-	(60,000)
Payments to Employees	(273,936)	(389,289)	(284,135)	(489,878)	(1,437,238)
Other Receipts	28,440	-	-	-	28,440
Net Cash Provided by (Used in) Operating Activities	927,320	1,787,278	516,597	(146,923)	3,084,272
Cash Flows from Non-capital Financing Activities					
Non-Capital Purchases	-	-	-	(65,549)	(65,549)
Transfer of Capital Assets	-	-	-	(51,029)	(51,029)
Transfers to Other Funds	(232,041)	(159,945)	(169,531)	(42,374)	(603,891)
Transfers from Other Funds	614,553	-	424,383	302,257	1,341,194
Net Cash Provided by (Used in) Noncapital Financing Activities	382,512	(159,945)	254,852	143,305	620,725
Cash Flows from Capital and Related Financing Activities					
Principal Payments - Notes and Bonds	(406,393)	-	-	-	(406,393)
Interest Expense	(381,884)	-	-	-	(381,884)
Loan Fees	(1,925)	-	-	-	(1,925)
Purchase of Major Repairs and Replacements	(185,475)	-	-	-	(185,475)
Purchase of Capital Assets	(475,751)	(801,557)	(954,084)	-	(2,231,393)
Capital Grants and Contributions	-	118,829	-	-	118,829
Net Cash Used in Capital and Related Financing Activities	(1,451,428)	(682,728)	(954,084)	-	(3,088,240)
Cash Flows from Investing Activities					
Proceeds from Sale of Investments	521,247	-	-	-	521,247
Purchase of Investments	(524,455)	-	-	-	(524,455)
Interest Received	7,830	-	-	-	7,830
Net Cash Used in Investing Activities	4,622	-	-	-	4,622
Net Increase in Cash and Cash Equivalents	(136,973)	944,605	(182,635)	(3,618)	621,379
Cash and Cash Equivalents, Beginning of Year	2,922,240	4,214,943	393,998	257,626	7,788,807
Cash and Cash Equivalents, End of Year	\$ 2,785,267	\$ 5,159,548	\$ 211,363	\$ 254,008	\$ 8,410,186

Note: Totals may not foot due to rounding.

(Continued)

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

**Town of Mountain Village**

**Statement of Cash Flows - Enterprise Funds**  
**For the Fiscal Year Ended December 31, 2019**

	<u>Housing Authority</u>	<u>Water and Sewer</u>	<u>Broadband</u>	<u>Non-Major Enterprise Funds</u>	<u>Total</u>
Reconciliation of Operating Income					
(Loss) to Net Cash Provided by (Used in)					
Operating Activities					
Operating Income (Loss)	\$ 549,059	\$ 946,620	\$ 474,214	\$ (256,920)	\$ 1,712,972
Adjustments to Reconcile Operating Income (Loss)					
to Net Cash Provided by (Used in) Operating					
Activities					
Depreciation and Amortization	629,520	737,778	75,411	299,758	1,742,467
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	(62,515)	150,445	23,028	(25,914)	85,044
(Increase) Decrease in Unearned Revenue	(85,630)	-	-	-	(85,630)
Increase (Decrease) in Net Pension Liability	(106,695)	(15,777)	(73,684)	(149,622)	(345,779)
(Increase) Decrease in Prepaid Items	(1,260)	-	(2,024)	(25,456)	(28,740)
Increase (Decrease) in Accounts Payable	48,620	(33,423)	16,448	5,481	37,126
Increase (Decrease) in Accrued Expenses	(59,114)	1,635	2,406	-	(55,073)
Increase (Decrease) in Deferred Revenues	-	-	-	5,750	5,750
Increase (Decrease) in Deposits	15,335	-	799	-	16,134
	<u>\$ 378,261</u>	<u>\$ 840,658</u>	<u>\$ 42,383</u>	<u>\$ 109,997</u>	<u>\$ 1,371,299</u>
Total					
Net Cash Provided by (Used in)					
Operating Activities	<u>\$ 927,320</u>	<u>\$ 1,787,278</u>	<u>\$ 516,597</u>	<u>\$ (146,923)</u>	<u>\$ 3,084,272</u>

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

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## **Notes to Basic Financial Statements**

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# TOWN OF MOUNTAIN VILLAGE, COLORADO

## Notes to Basic Financial Statements

December 31, 2019

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### Note 1 - Summary of Significant Accounting Policies

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The financial statements of the Town of Mountain Village, Colorado (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the Town's accounting policies are described below:

#### A. Financial Reporting Entity

The Town of Mountain Village, Colorado (the Town) was incorporated March 10, 1995 and operates under a Home Rule Charter and a council/mayor form of government with seven elected council members. As required by accounting principles generally accepted in the United States of America, after consideration of any potential component units for which the Town is financially accountable, there are no component units required to be presented in these financial statements.

On December 13, 2006, the District Court, San Miguel County, Colorado, approved the dissolution of the Mountain Village Metropolitan District (the District) effective January 1, 2007, which was approved by the District's electors on November 7, 2006. **The District will stay in existence to the extent necessary to provide for the payment of the debt service requirements of its outstanding general obligation bonds.** The Town Council, acting as the Board of Directors of the District, will be responsible for setting an annual mill levy on behalf of the District for the payment of the debt service requirements.

All other assets and obligations of the District have been transferred to the Town for providing the following services:

- Domestic water system
- Wastewater treatment system
- Road and bridge system
- Transportation (Gondola, Chondola, Employee Shuttle Program and Municipal Bus)
- Public parks and recreational facilities
- Telluride Conference Center
- Television relay and translator facilities
- Water rights

At a special Town election on November 7, 2006, the electorate approved an increase in taxes by \$2.75 million in 2007, and by such amounts annually thereafter that may be generated by the imposition of an additional mill levy not to exceed 10 mills for the purpose of funding the continued administration, operation, maintenance and capital replacement of the facilities and operations being assumed by the Town upon the dissolution of the District, without limitations contained in Article X, Section 20, of the Colorado Constitution.

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

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**B. 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. For the most part, the effect of inter-fund activity has been removed from these statements. *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.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a 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*.

**C. Fund Financial Statements**

The accounts of the Town are organized on the basis of funds, which are considered separate accounting entities. 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 enterprise funds. Major individual governmental funds and major individual 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 *Gondola Fund* is used to account for revenues restricted for the purpose of financing, improving and operating a gondola and "Chondola" transit system for the benefit of the Telluride Mountain Village Resort Company dba Telluride Mountain Village Owners Association (TMVOA), TSG Ski & Golf Company (TSGC), the Town of Telluride, the Town of Mountain Village and San Miguel County, Colorado. The cost of operations and maintenance of the transit system is funded mainly through contributions from TMVOA and TSGC.

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

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- The *Debt Service Fund* is used to account for the accumulation of resources and payment of general obligation bond principal and interest.
- The *Tourism Fund*, which accounts for lodging taxes, restaurant taxes, and business license revenues remitted to Marketing Telluride, Inc. (MTI) to promote tourism in the Telluride and Mountain Village Communities, and the Telluride/Montrose Regional Air Organization to fund the Airline Guaranty Program.

The remaining governmental funds are aggregated and presented as non-major funds. Those funds include:

- The *Capital Projects Fund*, which accounts for the acquisition and construction of major capital facilities other than those financed by enterprise funds.
- The *Historical Museum Fund*, which accounts for the proceeds of a .333 property tax mill levy as authorized by the Town's electorate for remittance to the Telluride Historical Museum, a nonprofit entity.
- The *Vehicle and Equipment Acquisition Fund*, which accounts for the acquisition of vehicles and other capital equipment for the general government.

Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to external users on a continuing basis be financed or recovered primarily through user charges.

Enterprise funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the Town are charges for apartment rental, charges to users for water and sewer, Broadband Services, conference center sales and services, and preschool and daycare fees. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The Town's major enterprise funds consist of:

- The Town of Mountain Village *Housing Authority*, which accounts for the Village Court apartments, as well as the Affordable Housing Development Fund and the Mortgage Assistance Pool Fund.
- The *Water and Sewer Fund* which accounts for water service to Mountain Village, the "Ski Ranches", and West Meadows or "Skyfield" housing communities and maintaining sewer service for Mountain Village.
- The *Broadband Fund* which accounts for cable television, digital phone service, and high speed internet services to Mountain Village residents.

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

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The remaining enterprise funds are aggregated and presented as non-major funds. Those funds include:

- The *Telluride Conference Center (TCC) Fund* which accounts for the operations of the Telluride Conference Center, primarily funded by charges for sales and services, providing the area with 11,000 square feet of meeting space, video conferencing services, and food and beverage services. In October 2009, the conference center operations were turned over to an outside local party under an agreement that was transferred to another party November of 2012. A new agreement was executed in October 2015 with that party through December 2017 that includes two 5-year extension options.
- The *Child Development Fund*, which accounts for a daycare and preschool program in the Town.
- The *Parking Services Fund*, which accounts for all parking related expenses and revenues.

**D. Measurement Focus and Basis of Accounting**

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 and attach as a lien on property. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current year. Those revenues susceptible to accrual are taxes, interest revenue and charges for services. Entitlement revenues are not susceptible to accrual because generally, they are not measurable until received. Grant revenues are recognized as they are earned. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due, and compensated absences which are recognized when the obligations are expected to be liquidated with expendable available resources.

**E. Cash and Cash Equivalents**

For the purposes of the statement of cash flows of the enterprise funds, cash and cash equivalents consist of operating cash and highly liquid securities with an initial maturity of three months or less.

**F. Investments**

Money market funds and external investment pools are stated at cost, which is equal to fair value. All other investments are stated at fair value based on quoted market values.



**G. Use of Estimates**

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

**H. Property Taxes**

The Town of Mountain Village property taxes for the current year are levied and attach as a lien on property the following January 1. Property taxes in Mountain Village are payable in full by April 30 or in two equal installments due February 28 and June 15. Town property taxes are reported as receivable and deferred inflows of resources at December 31. The deferred property taxes are reported as revenue in the year they are available and collected.

**I. Restricted Assets**

Certain proceeds of the enterprise fund's revenue bonds, as well as other resources, are classified as restricted assets on the statement of net position because their use is limited by applicable bond covenants. The debt service fund is used to segregate resources accumulated for debt service payments. The debt service reserve fund is set aside to provide funds for potential deficiencies that could adversely affect debt service payments. When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

**J. Capital Assets**

Capital assets, which include property and equipment, 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 a value of \$5,000 or greater.

All assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value. The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend asset life is not capitalized.

Interest costs are capitalized when incurred by enterprise funds on debt where proceeds were used to finance the construction of assets. Interest earned on proceeds of tax exempt borrowing arrangements restricted for the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized.

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**Note 1 - Summary of Significant Accounting Policies (Continued)**

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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 and Improvements	30 - 31.5 years
Vehicles and Equipment	5 years
Gondola	50 years
Water System	40 years
Sewer System	50 years
Broadband Services System	20 years
Regional Communications System	10 years
Other Infrastructure	50 years

**K. Deferred Outflows/Inflows of Resources**

Deferred outflow of resources - a consumption of net position by the government that is applicable to a future reporting period.

Deferred inflow of resources - an acquisition of net position by the government that is applicable to a future reporting period.

**L. Accrued Liabilities for Compensated Absences**

It is the Town's policy to permit employees to accumulate earned but unused paid time off (PTO). In the government-wide statements, PTO is accrued when incurred and reported as a liability of the governmental and business-type activities. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations or retirements.

**M. Net Position**

Net Position represents the difference between assets and deferred outflows and liabilities and deferred inflows. Net Position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements on those assets. Net Position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

The Town's policy is to apply restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted resources are available.

**N. Inter-fund Transactions**

Inter-fund receivables and payables arise from inter-fund transactions and are recorded by all funds affected in the period in which transactions are executed. At year end, outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

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**Note 2 - Reconciliation of Government-Wide and Fund Financial Statements**

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The governmental funds balance sheet includes a reconciliation between *total fund balances - governmental funds* and *total net position - governmental activities* as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances - governmental funds* and *changes in net position - governmental activities* as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for government fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis of accounting were eliminated from the governmental fund statements during the consolidation of governmental activities.

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**Note 3 - Tax, Spending and Debt Limitations**

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Colorado voters passed an amendment to the State Constitution, Article X, Section 20. The amendment has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments, excluding “enterprises.” The amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment.

On June 25, 1996 the Town electorate authorized the Town to collect, receive, retain and spend all Town revenues beginning in 1996, without limitations imposed by the amendment.

The Amendment requires that an emergency reserve be maintained at three percent of fiscal year spending. A portion of the General Fund’s fund balance is classified as restricted for emergencies as required by the Amendment.

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**Note 4 - Budgets**

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Approximately five months prior to the beginning of each year, the Mayor prepares a proposed budget and an accompanying message for the ensuing year and submits it to the Town Council.

The budget represents a complete financial plan of all Town funds and activities for the ensuing year indicating anticipated revenues, proposed operating, debt and capital expenditures, including a provision for contingencies. In addition, a long-range capital expenditure program is submitted and incorporated into the current year budget as applicable. The total proposed expenditures and provisions for contingencies shall not exceed the total of estimated revenues plus fund balance.

A public hearing on the proposed budget and proposed capital program is held by the Town Council prior to its final adoption. After the public hearing, the Council may adopt the budget with or without amendment.

The Council shall adopt the budget by ordinance on or before the final day established by law for the certification of the ensuing year’s tax levy to the County. Adoption of the budget by the Town Council shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated and shall constitute a levy of the property tax therein proposed.

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**Note 4 – Budgets (Continued)**

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The point of budgetary control (i.e. the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level. If during the year the Mayor determines that there are revenues in excess of those estimated in the budget, the Council by ordinance may make supplemental appropriations for the year up to the amount of such excess. To meet an emergency affecting public property, health, peace or safety, the Council may make emergency appropriations. If at any time during the year it appears probable to the Mayor that the revenues available will be insufficient to meet the amount appropriated, he or she shall report to the Council without delay, indicating the estimated amount of deficit, any remedial action already taken, and his or her recommendation as to any further steps to be taken. Any time during the year the Mayor may transfer part or all of any unencumbered appropriation balance among programs within a department, within an office or within a fund. The Council may also, by ordinance, transfer part or all of any unencumbered appropriated balance from one department, office, or fund to another. The Town amended its original 2019 budget by decreasing budgeted expenditures for the various funds by \$11.6 million. Budget appropriations lapse at the end of each year.

Encumbrance accounting (open purchase orders, contracts in process and other commitments for the expenditure of funds in future periods) is not used by the Town for budget or financial reporting purposes.

Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Budgets for the enterprise funds are adopted on a basis consistent with the governmental funds. Following are the adjustments to convert GAAP basis expenditures to budgetary basis expenditures:

	VCA	Child Development	Telluride Conference Center	Broadband	Water and Sewer	Parking Services
GAAP Basis	\$ 2,308,553	\$ 547,267	\$ 482,538	\$ 1,721,322	\$ 2,194,165	\$ 485,695
Add (Deduct)						
Depreciation	(629,520)	(14,459)	(285,299)	(75,411)	(737,778)	-
Pension Expense	105,180	148,175	-	75,376	22,810	-
OPEB Expense	1,515	1,448	-	(1,692)	(7,033)	-
Capital Outlay	475,751	-	-	981,650	801,557	-
Debt Principal Payments	406,393	-	-	-	-	-
Budgetary Basis	2,667,872	682,430	197,239	2,701,246	2,273,721	485,695
Final Budget	2,798,009	710,984	215,833	2,806,723	2,484,451	539,694
Variance	\$ 130,136	\$ 28,554	\$ 18,594	\$ 105,477	\$ 210,730	\$ 53,999

**Budgeted Expenditures in Excess of Appropriations**

Expenditures for the Tourism Fund exceeded budget by \$18,636, which may be a violation of the Town's Charter. The budget overage resulted from increases in lodging and restaurant tax collections, as well as business licenses revenues, which is remitted to MTI and the Airline Guaranty by contractual agreement.

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**Note 4 – Budgets (Continued)**

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Expenditures for the Affordable Housing Development Fund exceeded budget by \$14,881, which may be a violation of the Town's Charter. The budget overage resulted from a new sublet rental unit leased by the Town.

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**Note 5 - Deposits and Investments**

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**A. Deposits**

The Colorado Public Deposit Protection Act (PDPA) governs the Town's cash deposits. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held. Each eligible depository with deposits in excess of the insured levels must pledge a collateral pool of defined eligible assets, to be maintained by another institution or held in trust for all of its local government depositors as a group, with a market value at least equal to 102% of the uninsured deposits. The State Regulatory Commissions for banks and savings and loan associations are required by statute to monitor the naming of eligible depositories and the reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2019, the carrying amount of the Town's deposits was \$10,260,167 and the bank balances were \$10,588,238. Of this amount, \$500,000 is covered by federal depository insurance and \$10,088,238 is collateralized with securities held in single financial institution collateral pools as provided by statute. Collateral for uninsured deposits is held by banks in the name of a number of government accounts of which the Town is a part.

**B. Investments****Credit Risk**

The Town's Charter specifies that the Town's investments conform to State statutes. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest including: obligations of the United States and certain United States government agency securities; certain international agency securities; general obligation and revenue bonds of 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; and corporate or bank debt subject to certain limitations. The Town has no investment policy that would further limit its investment choices.

**Interest Rate Risk**

The maximum maturity date for all securities shall be no more than five years from the date of purchase unless otherwise authorized by the governing body.

## Note 5 - Deposits and Investments (continued)

### C. A reconciliation of cash and investments to the amount shown on the statement of net position follows:

<b>Cash and Investments:</b>		
Cash on hand		\$ 3,624
Carrying amount of deposits		10,278,923
Carrying amount of investments		12,980,109
		<u>\$ 23,262,656</u>
<b>Statement of Net Position:</b>		
Cash		\$ 9,529,261
Due to pooled cash		(334,282)
Deposits		18,755
Investments		12,206,626
Debt service reserve fund		452,825
Bond reserve fund		1,389,470
		<u>\$ 23,262,656</u>

### Fair Value of Investments

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

**Level 1:** Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

**Level 2:** Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

**Level 3:** Unobservable inputs for an asset or liability.

The following table presents the fair value of measurements of assets recognized in the accompanying statement of net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31, 2019.

Investments by Fair Value Levels	Balance 12/31/2019	Fair Value Measurement		
		Level 1	Level 2	Level 3
<b>Governmental Activities</b>				
US Agency Securities	\$ -	\$ -	\$ -	\$ -
US Government Securities	10,539,059	-	10,539,059	-
Money Market Mutual Funds	2,430,643	-	2,430,643	-
Total	<u>\$ 12,969,702</u>	<u>\$ -</u>	<u>\$ 12,969,702</u>	<u>\$ -</u>

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**Note 5 - Deposits and Investments (continued)**


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The following summarizes the Town's investments and maturities as of December 31, 2019:

Investment Type	Fair Value	Maturity Date
Federal Farm Credit Bank (Rated AAA)	250,197	2020
Freddie Mac (Rated AAA)	249,660	2020
FED Home Loan Bank (Rated AAA)	250,024	2020
US Treasury Note (Rated AAA)	250,605	2020
FED Home Loan Bank (Rated AAA)	250,081	2020
Freddie Mac (Rated AAA)	500,022	2021
FED Home Loan Bank (Rated AAA)	500,317	2021
Federal Farm Credit Bank (Rated AAA)	249,542	2021
Federal Farm Credit Bank (Rated AAA)	499,756	2021
Freddie Mac (Rated AAA)	500,193	2021
FED Home Loan Bank (Rated AAA)	499,650	2021
FED Home Loan Bank (Rated AAA)	499,837	2022
Freddie Mac (Rated AAA)	499,726	2022
Freddie Mac (Rated AAA)	499,677	2022
Freddie Mac (Rated AAA)	500,044	2022
Federal Farm Credit Bank (Rated AAA)	499,921	2022
Freddie Mac (Rated AAA)	499,188	2023
Federal Farm Credit Bank (Rated AAA)	494,249	2023
Freddie Mac (Rated AAA)	497,424	2023
Federal Farm Credit Bank (Rated AAA)	500,058	2023
Federal Farm Credit Bank (Rated AAA)	496,077	2024
Freddie Mac (Rated AAA)	500,940	2024
Freddie Mac (Rated AAA)	501,429	2024
Intl Bk Recon & Develop (Rated AAA)	500,532	2024
Federal Farm Credit Bank (Rated AAA)	49,908	2021
Total	<u>10,539,059</u>	
First American Prime Obligations Rated AAA/A+1	402,511	2025
First American Prime Obligations Rated AAA/A+1	0	2025
First American Prime Obligations Rated AAA/A+1	452,825	2025
COLOTRUST	10,407	n/a
Money Market Funds (Unrated)	<u>1,575,307</u>	n/a
	-	
Total	<u>\$ 12,980,109</u>	

COLOTRUST and CSAFE are investment vehicles established for local government entities in Colorado to pool surplus funds for investment purposes. They are routinely monitored by the Colorado Division of Securities with regard to their operations and investments, which is also subject to provisions of C.R.S. Title 24, Article 75, Section 6. The fair value of the investments in COLOTRUST and CSAFE are the same as the value of the pool shares. None of these types of investments are categorized because they are not evidenced by securities that exist in physical or book entry form. COLOTRUST is rated AAAM by Standard and Poor's. Financial statements for COLOTRUST may be obtained from [www.colotruster.com](http://www.colotruster.com).

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**Note 6 - Note Receivable**

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The notes receivable in the amount of \$224,000 consists of notes from employees participating in the *Town of Mountain Village Housing Authority Employer Assisted Housing Program with Shared Appreciation*. The program is to assist employees who are unable to qualify for a conventional mortgage on various affordable for sale housing projects located in the Town or the community.

The notes are payable upon the sale of the real property or 30 days following resignation or termination.

The Town has promissory notes receivable from a developer in the total amount of \$234,000. Principal and any accrued interest at The Wall Street Journal prime plus one percent are payable June 23, 2019 or earlier on the occurrence of certain events specified in the notes including default. The note receivables were originally booked as unearned revenue to be recognized in the years funds are collected. Interest due on the notes remains unpaid and the notes are in default since June 1, 2015. The Town has notified the issuer of its default and has taken an accounting charge to remove the asset from the Town's books. The Town continues to look for a remedy through other legal means that it is engaged in.

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**Note 7 – Inter-fund Receivables, Payables and Transfers**

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Inter-fund receivables and payables consist of the following as of December 31, 2019:

Receivable Fund	Payable Fund	Amount
General Fund	Debt Service	\$ 1,203,239
General Fund	Housing Authority	\$ 148,489

The outstanding balances between funds result mainly from the time lag between the dates the receivable is incurred and the dates payments between funds are made.

Transfers between funds for the year ended December 31, 2019, were as follows:

Transfer From	Transfer To					Total
	General	Non-Major Governmental Funds	Housing Authority	Broadband Fund	Non-Major Enterprise Funds	
General Fund	\$ -	\$ 157,616	\$ 560,214	\$ 424,383	\$ 302,257	\$ 1,444,471
Gondola	39,959	-	-	-	-	39,959
Debt Service	27,548	-	-	-	-	27,548
Non-Major Enterprise Funds	42,374	-	-	-	-	42,374
Tourism Fund	18,402	-	-	-	-	18,402
Housing Authority	177,702	-	54,339	-	-	232,041
Broadband	169,531	-	-	-	-	169,531
Water and Sewer	159,945	-	-	-	-	159,945
Total	\$ 635,461	\$ 157,616	\$ 614,554	\$ 424,383	\$ 302,257	\$ 2,134,272

Transfers are used to move unrestricted revenues of various funds to the General Fund and to move General Fund revenues to other funds to provide subsidies or matching funds for various projects.



## Note 8 - Development Property Held for Sale

The Town owns 1 deed restricted condominium. Following is a summary of cumulative costs incurred as of December 31, 2019:

	Deed Restricted Town Properties	Total
Buildings	\$ 278,268	\$ 278,268
Total	\$ 278,268	\$ 278,268

## Note 9 - Capital Assets

Capital asset activity for the year ended December 31, 2019 was as follows:

	Balance 12/31/18	Additions	Transfers	Deletions	Balance 12/31/19
Governmental Activities					
Capital Assets Not Being Depreciated					
Land	\$ 2,253,578	\$ -	\$ -	\$ -	\$ 2,253,578
Construction in Progress	450,000	20,426	(421,283)	-	49,143
Total Capital Assets Not Being Depreciated	2,703,578	20,426	(421,283)	-	2,302,721
Capital Assets Being Depreciated					
Buildings and Improvements	12,338,476	218,769	-	-	12,557,245
Gondola Transit System	23,241,285	1,164,264	450,000	(16,737)	24,838,812
Vehicles and Equipment	5,464,599	174,095	-	(80,533)	5,558,160
Infrastructure	28,410,152	-	22,312	-	28,432,464
Total	69,454,512	1,557,127	472,312	(97,270)	71,386,681
Less Accumulated Depreciation:					
Buildings and Improvements	(5,231,753)	(435,184)	684,774	-	(4,982,163)
Gondola Transit System	(6,243,643)	(614,295)	(3,506)	16,737	(6,844,706)
Infrastructure	(10,478,231)	(1,052,110)	(1,213,578)	-	(12,743,919)
Vehicles and Equipment	(4,487,780)	(468,471)	532,310	77,533	(4,346,407)
Total	(26,441,407)	(2,570,059)	-	94,270	(28,917,195)
Capital Assets Being Depreciated, Net	43,013,106	(1,012,932)	472,312	(3,000)	42,469,486
Total Governmental Activities Capital Assets	\$ 45,716,684	\$ (992,506)	\$ 51,029	\$ (3,000)	\$ 44,772,207

## Note 9 - Capital Assets (Continued)

Depreciation was charged to governmental activity functions/programs as follows:

General Government		\$ 68,004
Administration		85,364
Public Safety		118,846
Roads & Bridges		718,617
Equipment & Property Maintenance		375,973
Parking & Transportation		1,203,255
Total		<u>\$ 2,570,059</u>

		Balance 12/31/18	Additions	Transfers	Deletions	Balance 12/31/19
Business-type Activities						
Capital Assets Not Being Depreciated:						
	Land	\$ 160,499	\$ -	\$ -	\$ -	\$ 160,499
	Construction in Progress	209,008	608,357	(101,322)	-	716,044
	Total	369,507	608,357	(101,322)	-	876,543
Capital Assets Being Depreciated:						
	Buildings and Improvements	24,606,940	14,623	-	-	24,621,562
	Water Systems	8,718,464	290,330	50,293	-	9,059,087
	Sewer Systems	8,040,852	328,769	-	-	8,369,621
	Broadband Systems	2,420,678	981,650	-	(177,075)	3,225,253
	Vehicles and Equipment	1,230,557	86,258	-	-	1,316,815
	Total	45,017,490	1,701,631	50,293	(177,075)	46,592,338
Less Accumulated Depreciation:						
	Buildings and Improvements	(13,004,942)	(889,227)	-	-	(13,894,169)
	Water Systems	(4,180,534)	(371,055)	-	-	(4,551,589)
	Sewer Systems	(3,200,851)	(343,916)	-	-	(3,544,767)
	Cable TV Systems	(1,765,638)	(44,969)	-	177,075	(1,633,532)
	Vehicles and Equipment	(996,485)	(93,302)	-	-	(1,089,787)
	Total	(23,148,449)	(1,742,469)	-	177,075	(24,713,843)
	Capital Assets Being Depreciated, Net	21,869,041	(40,838)	50,293	-	21,878,495
	Total Business-type Activities Capital Assets	<u>\$ 22,238,548</u>	<u>\$ 567,519</u>	<u>\$ (51,029)</u>	<u>\$ -</u>	<u>\$ 22,755,038</u>

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**Note 10 - Long-term Liabilities**

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**A. Changes in Long-term Liabilities**

Long-term liability activity for the year ended December 31, 2019 was as follows:

	Balance 12/31/18	Additions	Deletions	Balance 12/31/19	Due Within One Year
Governmental Activities:					
General Obligation Bonds:					
Tax Supported:					
Series 2014	6,835,000	-	(285,000)	6,550,000	285,000
Self Supported:					
Series 2011	2,140,000	-	(120,000)	2,020,000	120,000
Total General Obligation Bonds	8,975,000	-	(405,000)	8,570,000	405,000
Discount/Premiums, Net	425,761	-	(25,004)	400,757	25,004
Compensated Absences	549,364	778,832	(712,020)	616,176	61,618
Total Governmental	9,950,125	778,832	(1,142,024)	9,586,934	491,622
Business-type Activities					
Revenue Bonds	11,881,789	-	(406,393)	11,475,396	418,440
Total Business-type	11,881,789	-	(406,393)	11,475,396	418,440
Total Long-term Liabilities	\$ 21,831,914	\$ 778,832	\$ (1,548,417)	\$ 21,062,330	\$ 910,062

The compensated absences liabilities are liquidated by the General Fund.

**General Obligation Bonds*****Series 2011***

On September 1, 2011 the District issued \$3,025,000 in General Obligation Refunding Bonds. A portion of the net proceeds of the Bonds, together with other funds of the District, were used to fund an optional redemption at par of all outstanding 2001 Series bonds. TMVOA and TSGC agreed to fund all debt service costs related to the Series 2011 bonds.

The Bonds mature between 2011 and 2032 and are subject to redemption prior to maturity. Principal on the bonds is payable annually on December 1 with interest at 2.5% to 4.0%, payable semi-annually on June 1 and December 1.

The bonds maturing December 1, 2023, December 1, 2026, and December 1, 2032 (the "Term Bonds") are subject to mandatory sinking fund redemption at a price equal to the principal amount thereof plus accrued interest to the redemption date. The bonds subject to mandatory sinking fund redemption shall be selected by lot in such manner as the Registrar shall determine (giving proportionate weight to Bonds in denominations larger than \$5,000).

***Series 2014***

On December 1, 2014 the District issued \$7,155,000 in General Obligation Refunding Bonds. A portion of the net proceeds of the Bonds, together with other funds of the District, were used to

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**Note 10 - Long-term Liabilities (Continued)**

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fund an advance refunding of a portion of the 2006A Series bonds. The bonds maturing on or after December 1, 2018 in the aggregate principal amount of \$7,350,000 are the bonds defeased and paid from the refunding bond escrow.

The Bonds mature between 2015 and 2036 and are subject to redemption prior to maturity. Principal on the bonds is payable annually on December 1 with interest at 2.0% to 4.0%, payable semi-annually on June 1 and December 1.

The bonds maturing on or after December 1, 2023 are subject to redemption prior to maturity at the option of the district, on December 1, 2022 or on any date thereafter in whole or in part from such maturities as are selected by the district at a redemption price equal to the principal amount so redeemed plus accrued interest to the redemption date without a redemption premium.

The bonds were issued at a total cost of \$125,085. Total debt service remaining on the old bonds was \$12,298,025, the total debt service on the new bonds is \$10,914,086. The savings resulting from the cash flow differential between the old issue and the new issue was \$1,383,939. The present value of the savings was \$1,028,432.

The Town of Mountain Village pursuant to the terms of the Transfer of Assets and Assumption of Services Agreement and The District Dissolution Order, is now responsible for the public parking facility project. Commencing in December of 2007, the Town shall consider annually an appropriation in an amount sufficient to pay the principal and interest coming due on the Bonds from its available funds. If on or before December 15<sup>th</sup> of each year, commencing December 15, 2007, an amount sufficient to pay the principal of and interest due on the 2006A bond on the next succeeding June 1 and December 1 is not on deposit, The District is required to levy an ad valorem property tax sufficient to make such payments.

The Mountain Village Metropolitan District has outstanding general obligation bonds from two issues totaling \$8,570,000. The bonds are general obligations of the District payable from ad valorem taxes which may be levied against all taxable property within the District without limitation of rate and in an amount sufficient to pay the bonds when due. In the event of a default there are limited remedies available to owners of the bonds. There is no provision for acceleration of maturity of the principal of the bonds. Consequently, remedies available to the owners of the bonds may have to be enforced from year to year.

The Town's Housing Authority has an outstanding loan balance of \$11,475,396 related to business activities of the Town. The obligation is secured by a Deed of Trust. In the event of a default the lender may apply all amounts constituting pledged revenue to the unpaid principal of the loan and all interest accrued and unpaid. The lender may accelerate the loan including any prepayment fee and take any other action or remedy available under the law.

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**Note 10 - Long-term Liabilities (Continued)**

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**Debt Service Requirements**

Annual debt service requirements to maturity for general obligation bonds, are as follows:

Debt Service Requirements			
Year	Total	Principal	Interest
2020	729,625	405,000	324,625
2021	737,475	425,000	312,475
2022	733,425	435,000	298,425
2023	731,025	450,000	281,025
2024	738,025	475,000	263,025
2025	734,025	490,000	244,025
2026	726,150	500,000	226,150
2027	732,900	525,000	207,900
2028	733,725	545,000	188,725
2029	733,825	565,000	168,825
2030	733,175	585,000	148,175
2031	736,800	610,000	126,800
2032	727,400	625,000	102,400
2033	532,400	455,000	77,400
2034	534,200	475,000	59,200
2035	535,200	495,000	40,200
2036	530,400	510,000	20,400
	<u>\$ 11,659,775</u>	<u>\$ 8,570,000</u>	<u>\$ 3,089,775</u>

The 2011 and 2014 bond resolutions require the maintenance of a liquidity reserve of \$300,000. The liquidity reserve is available to pay debt service on all the District's outstanding General Obligation bonds.

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**Note 10 - Long-term Liabilities (Continued)**

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**Authorized Unissued Debt**

The Town has no authorized or unissued debt.

**Tax Exempt Loan**

On September 30, 2014 the Town of Mountain Village Housing Authority issued \$12,340,000 in tax exempt debt in the form of a loan secured by pledged revenues, a deed of trust, a sales tax revenue fund and a debt service reserve. The loan proceeds were used to refinance the Series 2000 revenue bonds. The loan has a fixed rate of 3.17% with a maturity date December 1, 2024.

Following is the debt service requirements of the 2014 Series A Loan to maturity:

Revenue Bonds Debt Service Requirements Loan Series 2014A			
Year	Total	Principal	Interest
2020	\$ 788,274	\$ 418,441	\$ 369,833
2021	\$ 788,278	\$ 432,904	\$ 355,374
2022	\$ 788,277	\$ 446,817	\$ 341,460
2023	\$ 788,277	\$ 461,178	\$ 327,099
2024	\$ 10,029,188	\$ 9,716,056	\$ 313,132
	<u>\$ 13,182,294</u>	<u>\$ 11,475,396</u>	<u>\$ 1,706,898</u>

**Pledged Revenues**

The Town has issued General Obligation and Housing Facility Revenue Bonds which are outstanding through year end. These bonds were issued to finance various projects within each of the issuing funds, with pledged revenues coming from property taxes levied (for GO Bonds) and rent revenues (for Housing Authority Debt).

	Amount Pledged	Term of Commitment
<b>Governmental Activities:</b>		
Series 11	\$ 2,020,000	2032
Series 14	\$ 6,550,000	2036
<b>Business-type Activities:</b>		
Series 14A Loan	\$ 11,475,396	2024

The total pledged revenue is not estimable in comparison to pledged debt in that revenues are uncertain to future amounts. However, the debt coverage requirement for each issue must be met or the bonds will be in default. This provides sufficient coverage each year for the pledged debt. The debt service coverage or comparison of pledged revenues net of specific operating expenses, for each pledged debt is outlined in the Pledged-Revenue Coverage Table in the Statistical Section of this Comprehensive Annual Financial Report.

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**Note 11 - Relationship with Other Entities**

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TMVOA and the Town are members of the Mountain Village Condominium Owner's Association (MVCOA), which was created to manage the complex that includes a grocery store, postal and municipal office facilities.

The Telluride Fire Protection District (Fire District) and the Town have an intergovernmental agreement for the ownership of a joint service facility. The Fire District is responsible for administration of the joint service facility. The Town reports its percentage interest in the joint facility as a capital asset and its percentage of the joint service facility's operating costs as an operating expense. The Town's carrying value of its interest in the joint facility was \$391,685 as of December 31, 2019.

Marketing Telluride, Inc. (MTI) provides services to promote the communities of Telluride and Mountain Village. During 2019, the Town contributed 100% of the Town's business license revenues, net of a 6% administrative fee and ½ of a 4% lodging tax, net of a 1% administrative fee, imposed on the rental of accommodations within the Town to assist in funding these services. The total amount expended related to the funding to MTI during 2019 was \$1.3 million, which includes an additional funding request of \$51,000 for a guest services agent.

Beginning in 2004, the Town imposed a 2% sales tax on bar and restaurant sales to fund the Airline Guaranty Program administered by the TMRAO. The objective of the Airline Guaranty Program is to increase air service into the Telluride and Montrose regional airports. In addition, in 2003, the lodging tax was increased to 4%, with 2% of the tax to fund services provided by MTI above. The additional 2% is to fund the Airline Guaranty Program. The amount remitted to TMRAO during 2019 was \$1.5 million.

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**Note 12 - Transfer of Assets and Assumption of Services**

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In 1997, TMVOA entered into an agreement with TSGC to pay a certain portion of operational costs of the Chondola, which provides supplemental public transportation within the Town. The agreement is for a term of one year and automatically renews for one-year terms unless terminated by either party. The final capital lease payment was made June 1, 2007. TMVOA assigned its responsibilities under the agreement to the District effective January 1, 2004. Effective January 1, 2007, the responsibilities under the agreement were transferred to the Town pursuant to the Order.

TMVOA and TSGC have agreed to fund operations and maintenance costs of the gondola transit system operated by the District through December 31, 2027. The operation and maintenance costs of the gondola are paid by TMVOA except for a 1% surcharge on certain ski lift tickets, which is contributed by TSGC. Effective January 1, 2007, the responsibilities under the agreement were transferred to the Town pursuant to the Order.

TSGC leases a portion of a maintenance facility formerly from the District, now the Town. The original lease is now paid and the monthly rental for the balance of the ninety-nine year lease is \$1 with an option to purchase by each party for \$10. Effective January 1, 2007 the lease was transferred to the Town pursuant to the Order.

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**Note 12 - Transfer of Assets and Assumption of Services (Continued)**

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In exchange for contributing certain water and sewer systems to the District in 1984, TSGC was to be given free water and sewer services and taps so long as such credit does not exceed \$36,000 annually, increasing by 4% each year. The Town assumed the obligation effective January 1, 2007. The Town has determined that the water credit exceeded the \$36,000, annually increased by 4% each year, therefore the agreement was terminated, and the Town will no longer be refunding water and sewer fees to TSG.

Effective January 1, 2004 TMVOA transferred the following functions and assets to the District.

- Common area property maintenance - open space parcels and related management functions.
- Trash services - trash facilities and removal.
- Postal operations - postal operations within Mountain Village.

Effective January 1, 2007, the village activities functions were transferred to the Town in accordance with the Order with continued funding by TMVOA. The Town continued the village activities function through August of 2007, at which time, it was transferred to TMVOA. Property Maintenance, Trash Services, and Postal Operations were transferred to the Town in accordance with the Order. The agreement with TMVOA for funding common area maintenance, trash services and postal functions was terminated and these functions and services were transferred to the Town effective January 1, 2007.

Under the agreement to sell Lots 50 and 51, TMVOA and MVMD agreed to purchase certain improvements to be constructed by the purchaser of the properties. These improvements include subsurface facilities (122 parking spaces, a loading dock and a pro-rata share of the cost to construct a ramp and tunnel to the garage), an ice skating rink, a skate rental facility, a building to house the Zamboni used for ice maintenance, public restrooms and certain plaza improvements. The purchase price for the subsurface facilities is \$5,867,000, plus an allowance of 8% (\$470,000) for soft costs. MVMD agreed to fund the subsurface facility costs through a bond issue in the amount of \$8,900,000. TMVOA subsequently assigned all of their rights to purchase the other improvements to MVMD (now the Town) and agreed to fund the purchase of all of the improvements, with the exception of the subsurface facilities.

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**Note 13 - Risk Management**

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The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Town belongs to the Colorado Intergovernmental Risk Sharing Agency (CIRSA) property and casualty pool, a public entity risk pool currently operating as a common risk management and insurance program for members. CIRSA is to be self-sustaining through member premiums and reinsures through commercial companies for claims in excess of certain limits for each insured event.

CIRSA members are subject to a supplemental assessment in the event of a deficiency. Claims settlements have not exceeded coverage in the last three years.



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**Note 13 - Risk Management (Continued)**

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Effective January 1, 2007, the Town changed its health insurance program from a self-insured program to a government pooled plan with the non-profit Colorado Employer Benefit Trust (CEBT). The Colorado Employer Benefit Trust (CEBT) is a multiple employer trust for public institutions providing employee benefits. Since 1980 CEBT has grown to approximately 34,000 members and about 385 participating groups. The Trust is governed by a Board of Trustees made up of representatives from participating groups. The Trust fund is approaching \$200 million in annual premium deposits with approximately \$50 million in reserves. The purpose of the CEBT is to spread risk of adverse claims over a larger base of members and to recognize reduced administrative costs through economies of scale. Under this program the Town takes on no additional risk beyond monthly premiums. If claim costs should exceed the Town's monthly plan premiums, CEBT will take on the additional cost associated with those claims. In 2019, claims from the Town employees and family members were 139% of premiums submitted.

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**Note 14 - Retirement Plans**

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**Defined Benefit Pension Plan****Summary of Significant Accounting Policies**

*Pensions* The Town of Mountain Village participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: Concerning Modifications to the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years. The bill was signed into law by Governor Hickenlooper on June 4, 2018. A brief description of some of the major changes to plan provisions required by SB 18-200 for the LGDTF that were in effect on the LGDTF's December 31, 2018 measurement date are listed below. A full copy of the bill can be found online at [www.leg.colorado.gov](http://www.leg.colorado.gov).

- Increases employee contribution rates for the LGDTF by a total of 2 percent (to be phased in over a period of 3 years starting on July 1, 2019).
- Modifies the retirement benefits, including temporarily suspending and reducing the annual increase for all current and future retirees, increases the highest average salary for employees with less than five years of service credit on December 31, 2019 and raises the retirement age for new employees.

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**Note 14 - Retirement Plans (Continued)**

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- Member contributions, employer contributions, the direct distribution from the State, and the annual increases will be adjusted based on certain statutory parameters beginning July 1, 2020, and then each year thereafter, to help keep PERA on path to full funding in 30 years.
- Expands eligibility to participate in the PERA DC Plan to members of the Local Government Division hired on or after January 1, 2019. Beginning January 1, 2021, and every year thereafter, employer contribution rates for the LGDTF will be adjusted to include a defined contribution supplement based on the employer contribution amount paid to defined contribution plan participant accounts that would have otherwise gone to the defined benefit trusts to pay down the unfunded liability plus any defined benefit investment earnings thereon.

**General Information about the Pension Plan**

*Plan description* Eligible employees of The Town of Mountain Village are provided with pensions through the Local Government Division Trust Fund (LGDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Benefits provided as of December 31, 2018.* PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit.
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

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**Note 14 - Retirement Plans (Continued)**

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As of December 31, 2018, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments in certain years, referred to as annual increases in the C.R.S. Pursuant to SB 18-200, there are no annual increases (AI) for 2018 and 2019. Thereafter, benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure will receive an annual increase, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 1.5 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 will receive the lesser of an annual increase of 1.5 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the LGDTF. The automatic adjustment provision may raise or lower the aforementioned AI for a given year by up to one-quarter of 1 percent based on the parameters specified C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

*Contributions provisions as of December 31, 2018* Eligible employees and The Town of Mountain Village are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, et seq. and § 24-51-413. Eligible employees are required to contribute 8 percent of their PERA-includable salary during the period of 1/1/2019 through 12/31/2019. The employer contribution requirements during the period of 1/1/2019 through 12/31/2019 are summarized in the table below :

	January 1, 2018 through December 31, 2019
Employer Contribution Rate <sup>1</sup>	10.00%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) <sup>1</sup>	-1.02%
Amount Apportioned to the LGDTF <sup>1</sup>	8.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 <sup>1</sup>	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 <sup>1</sup>	1.50%
Total Employer Contribution Rate to the LGDTF <sup>1</sup>	12.68%

*Contribution Rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).*

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and The Town of Mountain Village is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from The Town of Mountain Village and enterprise funds were \$840,818 for the year ended December 31, 2019. The fund breakout is shown below:

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**Note 14 - Retirement Plans (Continued)**

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<b>Employer Contributions</b>	
Governmental Funds	\$ 692,414
Broadband Fund	33,801
Water/Sewer Fund	38,509
Child Development Fund	45,740
VCA (Affordable Housing) Fund	30,354
<b>Total</b>	<b>\$ 840,818</b>

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2019, The Town of Mountain Village reported a liability of \$12,343,109 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll forward the total pension liability to December 31, 2018. The Town of Mountain Village proportion of the net pension liability was based on The Town of Mountain Village contributions to the LGDTF for the calendar year 2017 relative to the total contributions of participating employers to the LGDTF. The fund breakout is shown below:

<b>Allocation of Net Pension Liability (NPL)</b>		
Governmental Funds	\$ 10,164,551	82.35%
Broadband Fund	496,193	4.02%
Water/Sewer Fund	565,314	4.58%
Child Development Fund	671,465	5.44%
VCA (Affordable Housing) Fund	445,586	3.61%
<b>Total</b>	<b>\$ 12,343,109</b>	<b>100.00%</b>

At December 31, 2018, The Town of Mountain Village proportion was 0.981783472%, which was an increase of 0.0173006438% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the recognized pension expenses for the Town and the enterprise funds were as follows:

<b>Pension Expense</b>	
Governmental Funds	\$ (998,675)
Broadband Fund	(41,575)
Water/Sewer Fund	15,700
Child Development Fund	(102,434)
VCA (Affordable Housing) Fund	(74,827)
<b>Total</b>	<b>\$ (1,201,812)</b>

For the year ended December 31, 2019, The Town of Mountain Village recognized pension expense of (\$1,201,812). At December 31, 2019, The Town of Mountain Village reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

## Note 14 - Retirement Plans (Continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 516,104	\$ -
Changes of assumptions or other inputs	-	-
Net difference between projected and actual earnings on pension plan investments	1,607,425	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	192,405	-
Contributions subsequent to the measurement date	840,818	-
<b>Total</b>	<b>\$ 3,156,752</b>	<b>\$ -</b>

\$840,818 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Amortization for the Year Ended 12/31:</b>	
2020	1,020,784
2021	299,477
2022	118,224
2023	877,449
Thereafter	-

*Actuarial assumptions* the total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 10.45 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	2.00 percent
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

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**Note 14 - Retirement Plans (Continued)**

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The revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2017 to December 31, 2018:

Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (automatic)	0% through 2019 and 1.5% compounded annually, thereafter
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

Males: Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

Females: Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2016, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. . These ranges were combined to produce the long-term expected rate of return by weighting

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**Note 14 - Retirement Plans (Continued)**

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the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>10 Year Expected Geometric Real Rate of Return</b>
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non US Fixed Income - Developed	1.84%	0.60%
Emerging Market Bonds	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
<b>Total</b>	<b>100.00%</b>	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

*Discount rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

## Note 14 - Retirement Plans (Continued)

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

*Sensitivity of the Town of Mountain Village proportionate share of the net pension liability to changes in the discount rate.* The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Collective Net Pension Liability	\$ 1,923,276,000	\$ 1,257,213,000	\$ 699,984,000
Governmental Funds	15,549,661	10,164,551	5,659,361
Broadband Fund	759,073	496,193	276,268
Water/Sewer Fund	864,814	565,314	314,753
Child Development Fund	1,027,203	671,465	373,855
VCA (Affordable Housing) Fund	681,655	445,586	248,091
<b>Town of Mountain Village Total</b>	<b>\$ 18,882,406</b>	<b>\$ 12,343,109</b>	<b>\$ 6,872,327</b>



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**Note 14 - Retirement Plans (Continued)**

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*Pension plan fiduciary net position* Detailed information about the LGDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**Payables to the pension plan****Changes between the measurement date of the net pension liability and The Town of Mountain Village.**

During the 2019 legislative session, the Colorado General Assembly passed HB 19-1217: PERA Public Employees' Retirement Association Local Government Division Member Contribution Rate. The bill was signed into law by Governor Polis on May 20, 2019 and eliminates the 2 percent increase in the contribution rate for members in the Local Government Division mandated by SB 18-200.

**Defined Contribution Pension Plans****Voluntary Investment Program**

*Plan Description* - Employees of The Town of Mountain Village that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report which includes additional information on the Voluntary Investment Program. That report can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Funding Policy* - The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. In addition, The Town of Mountain Village has agreed to match employee contributions up to 9 percent of covered salary as determined by the Internal Revenue Service. Employees are immediately vested in their own contributions, employer contributions and investment earnings. The 401(k) Plan member contributions from the Town for the year ended December 31, 2019, were \$332,016. The employer contributions to the 401(k) Plan from the Town for the year ended December 31, 2019 were \$265,217.

**Defined Benefit Other Post Employment Benefit (OPEB) Plan****Summary of Significant Accounting Policies**

*OPEB.* The Town of Mountain Village participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the HCTF have been determined using the economic resources measurement focus

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**Note 14 - Retirement Plans (Continued)**

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and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investments are reported at fair value.

**General Information about the OPEB Plan**

*Plan description.* Eligible employees of the Town of Mountain Village are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Benefits provided.* The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

***PERA Benefit Structure***

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit

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**Note 14 - Retirement Plans (Continued)**

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recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

*DPS Benefit Structure*

The maximum service-based premium subsidy is \$230 per month for retirees who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for retirees who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum subsidy, in each case, is for retirees with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The retiree pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

*Contributions.* Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Town of Mountain Village is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from The Town of Mountain Village were \$67,637 for the year ended December 31, 2019. The fund breakout is shown below:

<b>Employer Contributions</b>	
Governmental Funds	\$ 55,699
Broadband Fund	2,719
Water/Sewer Fund	3,098
Child Development Fund	3,679
VCA (Affordable Housing) Fund	2,442
<b>Total</b>	<b>\$ 67,637</b>

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**Note 14 - Retirement Plans (Continued)**

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**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At December 31, 2019, the Town of Mountain Village reported a liability of \$1,035,881 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2018, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2018. The Town of Mountain Village proportion of the net OPEB liability was based on The Town of Mountain Village contributions to the HCTF for the calendar year 2018 relative to the total contributions of participating employers to the HCTF. The fund breakout is shown below:

<b>Allocation of Net OPEB Liability (NPL)</b>		
Governmental Funds	\$ 853,048	82.35%
Broadband Fund	41,642	4.02%
Water/Sewer Fund	47,443	4.58%
Child Development Fund	56,352	5.44%
VCA (Affordable Housing) Fund	37,395	3.61%
<b>Total</b>	<b>\$ 1,035,881</b>	<b>100.00%</b>

At December 31, 2018, the Town of Mountain Village proportion was 0.0761373829%, which was an increase of 0.0011926068% from its proportion measured as of December 31, 2017.

For the year ended December 31, 2019, the Town of Mountain Village recognized OPEB expense of \$96,157. The breakout is as follows:

<b>OPEB Expense</b>	
Governmental Funds	\$ 78,457
Broadband Fund	4,411
Water/Sewer Fund	10,130
Child Development Fund	2,232
VCA (Affordable Housing) Fund	927
<b>Total</b>	<b>\$ 96,157</b>

At December 31, 2018, the Town of Mountain Village reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 3,760	\$ 1,577
Changes of assumptions or other inputs	7,267	-
Net difference between projected and actual earnings on pension plan investments	5,957	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	15,499	-
Contributions subsequent to the measurement date	67,637	-
<b>Total</b>	<b>\$ 100,119</b>	<b>\$ 1,577</b>

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**Note 14 - Retirement Plans (Continued)**

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\$67,637 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Amortization for the Year Ended 12/31:	
2020	5,069
2021	5,069
2022	5,069
2023	9,207
2024	3,775
Thereafter	2,717

*Actuarial assumptions.* The total OPEB liability in the December 31, 2017 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 percent in aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	5.00 percent
Medicare Part A premiums	3.25 percent for 2018, gradually rising to 5.00 percent in 2025
DPS benefit structure:	
Service-based premium subsidy	0.00 percent
PERACare Medicare plans	N/A
Medicare Part A premiums	N/A

Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each actuarial valuation and on the pattern of sharing of costs between employers of each fund to that point.

The actuarial assumptions used in the December 31, 2017, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting. In addition, certain actuarial assumptions pertaining to per capita

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**Note 14 - Retirement Plans (Continued)**

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health care costs and their related trends are analyzed and reviewed by PERA's actuary, as discussed below.

In determining the additional liability for PERACare enrollees who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2018 for the PERA Benefit Structure:

<b>Medicare Plan</b>	<b>Cost for Members Without Medicare Part A</b>	<b>Premiums for Members Without Medicare Part A</b>
Self-Funded Medicare Supplement Plans	\$736	\$367
Kaiser Permanente Medicare Advantage HMO	602	236
Rocky Mountain Health Plans Medicare HMO	611	251
UnitedHealthcare Medicare HMO	686	213

The 2018 Medicare Part A premium is \$422 per month.

In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age sixty-five or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

<b>Medicare Plan</b>	<b>Cost for Members Without Medicare Part A</b>
Self-Funded Medicare Supplement Plans	\$289
Kaiser Permanente Medicare Advantage HMO	300
Rocky Mountain Health Plans Medicare HMO	270
UnitedHealthcare Medicare HMO	400

All costs are subject to the health care cost trend rates, as discussed below.

Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2017, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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**Note 14 - Retirement Plans (Continued)**

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The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2018	5.00%	3.25%
2019	5.00%	3.50%
2020	5.00%	3.75%
2021	5.00%	4.00%
2022	5.00%	4.25%
2023	5.00%	4.50%
2024	5.00%	4.75%
2025+	5.00%	5.00%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

Healthy, post-retirement mortality assumptions for the School and Judicial Divisions were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 93 percent factor applied to rates for ages less than 80, a 113 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 68 percent factor applied to rates for ages less than 80, a 106 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

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**Note 14 - Retirement Plans (Continued)**

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For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The following health care costs assumptions were updated and used in the measurement of the obligations for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2018 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the HCTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>10 Year Expected Geometric Real Rate of Return</b>
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non US Fixed Income - Developed	1.84%	0.60%
Emerging Market Bonds	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
<b>Total</b>	<b>100.00%</b>	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.



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**Note 14 - Retirement Plans (Continued)**

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*Sensitivity of the Town of Mountain Village proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates.* The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	<b>in Trend</b>	<b>Trend Rates</b>	<b>in Trend</b>
PERACare Medicare trend rate	4.00%	5.00%	6.00%
Initial Medicare Part A trend rate	2.25%	3.25%	4.25%
Ultimate Medicare Part A trend rate	4.00%	5.00%	6.00%
Net OPEB Liability	\$ 1,007,276	\$ 1,035,881	\$ 1,068,782

*Discount rate.* The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2018, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Transfers of a portion of purchase service agreements intended to cover the costs associated with OPEB benefits were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the projection test indicates the HCTF's fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

## Note 14 - Retirement Plans (Continued)

*Sensitivity of the Town of Mountain Village proportionate share of the net OPEB liability to changes in the discount rate.* The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Collective Net OPEB Liability	\$ 1,522,328,000	\$ 1,360,542,000	\$ 1,222,230,000
Governmental Funds	954,486	853,048	766,328
Broadband Fund	46,594	41,642	37,409
Water/Sewer Fund	53,085	47,443	42,620
Child Development Fund	63,053	56,352	50,623
VCA (Affordable Housing) Fund	41,842	37,395	33,594
<b>Town of Mountain Village Total</b>	<b>\$ 1,159,061</b>	<b>\$ 1,035,881</b>	<b>\$ 930,574</b>

*OPEB plan fiduciary net position.* Detailed information about the HCTF's fiduciary net position is available in PERA's CAFR which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

### Law Enforcement Pension Plans

Law enforcement employees participate in the statewide Fire and Police Pension Association (FPPA) money purchase plan, a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the money purchase plan plus investment earnings. The employees contribute at the rate of 8% and the Town contributes at the rate of 14% of employee salaries. Member contributions are 100% vested. Employer contributions vest over a period of five years. Contribution obligations and benefit provisions of the plan are established under the authority of state statute.

Following is a summary of 2019 FPPA money purchase plan contributions:		
Total payroll		\$ 7,218,878
Covered payroll		444,610
Contributions:		
Town		62,246
Employees		35,569
Total		<u>\$ 97,815</u>

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**Note 14 - Retirement Plans (Continued)**

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The Town offers its law enforcement employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) held in the Deferred Compensation Plan Trusts for the exclusive benefit of participants and their beneficiaries. FPPA is trustee of the trusts. The Town has no ownership interest in the plan nor is the Town liable for losses under the deferred compensation plan. The Town matches the employee's contributions anywhere from 1% to 9%, depending on the employee's years of service. This is a discretionary match. For the year ended December 31, 2019, the Town contributed \$15,163 on \$19,318 of employee contributions.

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**Note 15 – Fund Balance Classifications**

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**General Fund**

The Town's policy is to apply committed resources first when an expense is incurred for purposes for which committed, restricted, assigned, and unassigned net position are available.

The non-spendable fund balance in the General Fund consists of deposits and prepaid expenses.

The assigned fund balance, authorized by Town Council, is for future purchases of vehicles or equipment in the vehicle and Equipment Acquisition Fund and the budgeted deficit in the General Fund.

The committed fund balance in the General Fund is collected revenues for energy mitigation that are unexpended but are to be used for specific purposes.

Colorado voters passed an amendment to the State Constitution, Article X, Section 20. The amendment has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments, excluding "enterprises." The amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment. On June 25, 1996 the Town electorate authorized the Town to collect, receive, retain and spend all Town revenues beginning in 1996, without limitations imposed by the amendment. The amendment requires that an emergency reserve be maintained at three percent of fiscal year spending. A portion of the General Fund's fund balance is classified as restricted for emergencies as required by the amendment.

The remaining fund balance in the General Fund is unassigned.

**Debt Service Fund**

The restricted fund balance in the Debt Service Fund is wholly restricted for debt service obligations.

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**Note 15 – Fund Balance Classifications (Continued)**

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**Vehicle & Equipment Acquisition Fund**

Town Council is authorized, by article VIII of The Town of Mountain Village Home Rule Charter to assign amounts to a specific purpose. The assigned fund balance in the Vehicle & Equipment

Acquisition Fund is to be used for future vehicle or equipment acquisitions via a resolution as adopted by Town Council.

**Special Revenue Funds**

**Gondola Fund** – Used to account for revenues restricted for the purpose of financing, improving and operating a gondola and “Chondola” transit system for the benefit of the Telluride Mountain Village Resort Company dba Telluride Mountain Village Owners Association (TMVOA), TSG Ski & Golf Company (TSGC), the Town of Telluride, the Town of Mountain Village and San Miguel County, Colorado. The cost of operations and maintenance of the transit system is funded through contributions from TMVOA and TSGC.

**Historical Museum Fund** - Accounts for the proceeds of a .333 property tax mill levy as authorized by the Town’s electorate for remittance to the Telluride Historical Museum, a nonprofit entity.

**Tourism Fund** - Accounts for lodging taxes, restaurant taxes, and business license revenues remitted to Marketing Telluride, Inc. (MTI) to promote tourism in the Telluride and Mountain Village Communities, and the Telluride/Montrose Regional Air Organization to fund the Airline Guaranty Program.

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**Note 16 – Subsequent Events**

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On March 14, 2020, the Governor of Colorado ordered all ski areas to be closed on March 15<sup>th</sup>, 2020. At that time the Town enacted an emergency declaration in response to the COVID-19 global pandemic. The County of San Miguel managed the local health emergency by ordering a closing and quarantine for all county citizens. The impact of the early closing of the ski resort in March was negative but offset by a strong season up until that point with surpluses generated to offset the shortfalls in March and April. The Town of Mountain Village is heavily reliant on ski visitors in the winter and various festivals in the summer as a source of local taxes. Most of the festivals have been cancelled for the summer of 2019. As of June 1, 2020, the County and the Town went into a phased re-opening for limited lodging and restaurant business and for socially distanced construction projects. The economic impact of the reopening is yet to be determined.

The Town is projecting a budget shortfall of 44% in sales tax for the 2020 tax year. Overall the Town expects general fund revenues to be 13% under the budgeted expectations. Capital expenditures have been cancelled or postponed and certain employees have been furloughed, totaling approximately 50% of the revenue shortfalls. Until a better understanding is reached of the impacts Covid-19 will have, the Town is taking conservative measures to mitigate the impact. The Town has healthy reserves but is taking a cautious approach knowing that the shortfalls could extend into the next fiscal year.

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### **Required Supplementary Information**

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**Town of Mountain Village**  
**General Fund**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**For the Fiscal Year Ended December 31, 2019**

	<b><u>Budgeted Amounts</u></b>			<b>Variance with Final Budget</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Actual</u></b>	
Revenues				
Taxes	\$ 9,232,575	\$ 9,919,032	\$ 9,885,648	\$ (33,384)
Licenses & Permits	337,708	411,010	422,603	11,593
Intergovernmental	552,131	563,978	629,801	65,823
Charges for Services	317,771	323,457	364,489	41,032
Fines & Forfeitures	7,841	12,241	10,152	(2,090)
Earnings on Deposits & Investments	45,000	200,000	277,886	77,886
Miscellaneous	79,118	63,618	78,861	15,243
Grants & Contributions	43,438	43,438	39,781	(3,657)
Total Revenues	<u>10,615,582</u>	<u>11,536,774</u>	<u>11,709,219</u>	<u>172,445</u>
Expenditures				
General Government	3,677,809	3,746,390	3,501,517	(244,873)
Public Safety	1,065,993	1,058,929	1,032,255	(26,674)
Roads & Bridges	1,135,064	1,129,614	1,077,722	(51,892)
Equipment & Property Maintenance	2,031,398	2,049,033	1,947,279	(101,754)
Culture & Recreation	562,537	542,841	457,666	(85,175)
Parking & Transportation	354,213	360,713	344,182	(16,531)
Economic Development	991,816	881,487	642,311	(239,176)
Capital Outlay	622,000	296,500	243,318	(53,182)
Total Expenditures	<u>10,440,830</u>	<u>10,065,507</u>	<u>9,246,251</u>	<u>(819,256)</u>
Excess of Revenues Over Expenditures	<u>174,752</u>	<u>1,471,267</u>	<u>2,462,968</u>	<u>991,701</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	-	15,000	12,496	(2,504)
Insurance Proceeds	-	9,225	9,225	-
Transfers In	677,395	670,643	635,461	(35,182)
Transfers Out	<u>(2,719,351)</u>	<u>(1,800,708)</u>	<u>(1,444,471)</u>	<u>356,237</u>
Total Other Financing Sources (Uses)	<u>(2,041,956)</u>	<u>(1,105,840)</u>	<u>(787,288)</u>	<u>318,552</u>
Net Change in Fund Balance	(1,867,204)	365,427	1,675,679	1,310,252
Fund Balance - Beginning of Year	<u>10,243,321</u>	<u>12,027,932</u>	<u>12,027,932</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 8,376,117</u>	<u>\$12,393,359</u>	<u>\$ 13,703,611</u>	<u>\$1,310,252</u>

The basis of budgeting is the same as GAAP and this schedule is presented on that basis.

See the accompanying independent auditors report.

**Town of Mountain Village**

**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual - Special Revenue Fund -**  
**Gondola Fund**

**For the Fiscal Year Ended December 31, 2019**

	<b>Budgeted Amounts</b>			<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Final Budget</b>
Revenues				
Contributions:				
Mountain Village Owner's Association	\$ 5,030,706	\$ 4,354,774	\$ 3,931,480	\$ (423,294)
Telluride Ski and Golf Company	200,000	200,000	212,387	12,387
Other Revenues:				
Event Operating Hours Subsidies	-	-	6,262	6,262
Grant Funding	532,040	832,040	840,811	8,771
Miscellaneous	-	-	781	781
Operating Contributions	36,000	36,000	36,000	-
Total Revenues	5,798,746	5,422,814	5,027,722	(395,092)
Expenditures				
Gondola:				
Grant Success Fees	8,474	27,001	27,001	-
Operations	1,950,227	1,868,255	1,811,697	(56,558)
MARRS	76,246	76,246	68,079	(8,167)
Maintenance	1,348,651	1,340,912	1,278,797	(62,115)
Fixed Costs	455,556	450,556	446,478	(4,078)
Contingency	121,554	118,859	-	(118,859)
Major Repairs and Maintenance	1,452,378	1,259,000	20,180	(1,238,820)
Capital Outlay	128,000	28,000	1,164,264	1,136,264
Chondola:				
Operations	212,660	198,985	171,266	(27,719)
Capital Outlay	-	-	-	-
Total Expenditures	5,753,746	5,367,814	4,987,763	(380,051)
Excess of Revenues				
Over Expenditures	45,000	55,000	39,959	15,041
Other Financing Uses				
Proceeds from Sale of Assets	-	-	-	-
Transfers To Other Funds	(45,000)	(55,000)	(39,959)	15,041
Other Financing Uses	(45,000)	(55,000)	(39,959)	15,041
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

The basis of budgeting is the same as GAAP and this schedule is presented on that basis.

See the accompanying independent auditors report.



**Town of Mountain Village**

**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual - Special Revenue Fund -**  
**Tourism Fund**

**For the Fiscal Year Ended December 31, 2019**

	<b>Budgeted Amounts</b>			<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Final Budget</b>
Revenues				
Sales and Marketing:				
Lodging Taxes	\$ 1,823,828	\$ 2,087,975	\$ 2,064,690	\$ (23,285)
Restaurant Taxes	445,251	475,200	494,255	19,055
Business License Fees	315,307	315,307	321,392	6,085
Penalties and Interest	21,000	10,500	10,759	259
Total Revenues	2,605,386	2,888,982	2,891,095	2,113
Expenditures				
Other Economic Development Contributions	40,000	40,000	50,995	10,995
Administrative Expense	2,500	2,500	1,500	(1,000)
Contract Sales and Marketing Services	1,199,184	1,327,213	1,324,130	(3,083)
Airline Guaranty	1,330,022	1,484,344	1,496,068	11,724
Total Expenditures	2,571,705	2,854,057	2,872,693	18,636
Revenues Over				
Expenditures Before Transfers	33,681	34,925	18,402	(16,523)
Transfers				
Transfer In (Out)	(33,681)	(34,925)	(18,402)	16,523
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

See the accompanying independent auditors report.

**Town of Mountain Village**  
**Schedule of the Town's Proportionate Share of the Net Pension Liability**  
**Last Six Years - Pension Schedules will eventually be shown for the last ten years, information will be added as it becomes available**

	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2013</b></u>
Town of Mountain Village proportion (share) of the collective net pension liability	0.9817834720%	0.9644828282%	0.9648373425%	0.9835017662%	0.9782010094%	0.9833245881%
Town of Mountain Village share of the collective pension liability	\$ 12,343,109	\$ 10,738,841	\$ 13,028,594	\$ 10,834,069	\$ 8,767,731	\$ 8,091,985
Covered payroll	\$ 6,439,455	\$ 6,084,367	\$ 5,848,122	\$ 5,586,318	\$ 5,362,058	\$ 5,241,993
Town of Mountain Village proportionate share of the net pension liability as a percentage of it's covered payroll	191.68%	176.50%	222.78%	193.94%	163.51%	154.37%
Plan fiduciary net pension as a percentage of the total pension liability	75.96%	79.37%	73.65%	76.87%	80.72%	81.00%

**The amounts presented for each fiscal year were determined as of December 31**

**Town of Mountain Village**  
**Schedule of Activity - Employer Pension Contributions**  
**Last Six Years - Pension Schedules will eventually be shown for the last ten years, information will be added as it becomes available**

	<u>December 31, 2019</u>	<u>December 31, 2018</u>	<u>December 31, 2017</u>	<u>December 31, 2016</u>	<u>December 31, 2015</u>	<u>December 31, 2014</u>
Statutorily Required Contributions	\$ 840,818	\$ 816,523	\$ 771,498	\$ 741,542	\$ 708,245	\$ 679,663
Contributions in Relation to the Statutorily Required Contribution	<u>840,818</u>	<u>816,523</u>	<u>771,498</u>	<u>741,542</u>	<u>708,245</u>	<u>679,663</u>
Contribution Deficiency (Excess)	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Covered Payroll	6,631,057	6,439,455	6,084,367	5,848,122	5,586,318	5,362,058
Contributions as a percentage of Employer Payroll	12.7%	12.7%	12.7%	12.7%	12.7%	12.7%

**The amounts presented for each fiscal year were determined as of December 31**

**Town of Mountain Village**  
**Schedule of the Town's Proportionate Share of the Net OPEB Liability**  
**Last Three Years - OPEB Schedules will eventually be shown for the last ten years, information will be added as it becomes available (1)**

	<u><b>2018</b></u>	<u><b>2017</b></u>	<u><b>2016</b></u>
Town of Mountain Village proportion (share) of the collective net OPEB liability	0.0761373829%	0.0749447761%	0.0740643865%
Town of Mountain Village share of the collective OPEB liability	\$ 1,035,881	\$ 973,982	\$ 960,270
Covered payroll	\$ 6,439,455	\$ 6,084,367	\$ 5,848,122
Town of Mountain Village proportionate share of the net OPEB liability as a percentage of it's covered payroll	16.09%	16.01%	16.42%
Plan fiduciary net OPEB as a percentage of the total OPEB liability	17.03%	17.53%	0.02%

**The amounts presented for each fiscal year were determined as of December 31**

**(1) The Town implemented GASB 75 beginning in 2018. Information prior to 2016 is not available.**

**Town of Mountain Village**  
**Schedule of Activity - Employer OPEB Contributions**  
**Last Three Years - Pension Schedules will eventually be shown for the last ten years, information will be added as it becomes available (1)**

	<u>December 31, 2019</u>	<u>December 31, 2018</u>	<u>December 31, 2017</u>
Statutorily Required Contributions	\$ 67,637	\$ 65,682	\$ 62,061
Contributions in Relation to the Statutorily Required Contribution	<u>67,637</u>	<u>65,682</u>	<u>62,061</u>
Contribution Deficiency (Excess)	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>	\$ <u><u>-</u></u>
Covered Payroll	6,631,057	6,439,455	6,084,367
Contributions as a percentage of Employer Payroll	1.02%	1.02%	1.02%

**The amounts presented for each fiscal year were determined as of December 31**

**(1) The Town implemented GASB 75 beginning in 2018. Information prior to 2016 is not available.**

**Due to the implementation of GASB 75 in 2018, 2017 - 2019 contributions are separated between PERA and OPEB**

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### **Other Supplementary Information**

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**Town of Mountain Village**

**Combining Balance Sheet - Nonmajor Governmental Funds**

**December 31, 2019**

	<b><u>Special Revenue Fund</u></b>		<b>Vehicle and Equipment Acquisition Fund</b>	<b>Total</b>
	<b>Historical Museum</b>	<b>Capital Projects Fund</b>		
Assets				
Cash	\$ -	\$ 11,604	\$ 535,626	\$ 547,230
Receivables:				
Taxes	100,013	-	-	100,013
Grants	-	-	-	-
Interest	-	-	-	-
Total Assets	<u>100,013</u>	<u>11,604</u>	<u>535,626</u>	<u>647,243</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts Payable	(38)	-	53,704	53,666
Due to Pooled Cash	<u>501</u>	<u>-</u>	<u>-</u>	<u>501</u>
Total Liabilities	<u>463</u>	<u>-</u>	<u>53,704</u>	<u>54,167</u>
Deferred Inflows of Resources, Property Tax	<u>99,550</u>	<u>-</u>	<u>-</u>	<u>99,550</u>
Fund Balances:				
Assigned	<u>-</u>	<u>11,604</u>	<u>481,922</u>	<u>493,526</u>
Total Fund Balance	<u>\$ -</u>	<u>\$ 11,604</u>	<u>\$ 481,922</u>	<u>\$ 493,526</u>

See the accompanying independent auditors report.

**Town of Mountain Village**

**Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balance - Nonmajor Governmental Funds**  
**For the Fiscal Year Ended December 31, 2019**

	<b><u>Special Revenue Fund</u></b>		<b>Vehicle and Equipment Acquisition Fund</b>	
	<b>Historical Museum</b>	<b>Capital Projects Fund</b>		<b>Total</b>
Revenues				
Taxes	\$ 96,506	\$ -	\$ -	\$ 96,506
Grant Revenues	-	-	-	-
Total Revenues	<u>96,506</u>	<u>-</u>	<u>-</u>	<u>96,506</u>
Expenditures				
Culture and Recreation	94,571	-	-	94,571
Vehicles and Equipment	-	-	135,063	135,063
Capital Outlay	-	20,426	-	20,426
Grant Success Fees	-	-	-	-
Administrative Costs	1,935	-	-	1,935
Total Expenditures	<u>96,506</u>	<u>20,426</u>	<u>135,063</u>	<u>251,995</u>
Revenues Over (Under) Expenditures	<u>-</u>	<u>(20,426)</u>	<u>(135,063)</u>	<u>(155,489)</u>
Other Financing Sources (Uses)				
Proceeds from Sale of Assets	-	-	13,820	13,820
Insurance Claim Proceeds	-	-	26,048	26,048
Transfers In (Out)	-	-	157,616	157,616
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>197,484</u>	<u>197,484</u>
Net Change in Fund Balance	-	(20,426)	62,421	41,995
Fund Balance, Beginning of Year	<u>-</u>	<u>32,030</u>	<u>419,501</u>	<u>451,531</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 11,604</u>	<u>\$ 481,922</u>	<u>\$ 493,526</u>

See the accompanying independent auditors report.

**Town of Mountain Village**

**Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual - Special Revenue Fund -  
Historical Museum Fund  
For the Fiscal Year Ended December 31, 2019**

	<b>Budgeted Amounts</b>			<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Final Budget</b>
Revenues				
Property Taxes	\$ 96,857	\$ 96,857	\$ 96,506	\$ (351)
Expenditures				
Administrative Costs	1,942	1,942	1,935	(7)
Culture and Recreation	94,915	94,915	94,571	(344)
Total Expenditures	96,857	96,857	96,506	(351)
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

See the accompanying independent auditors report.

**Town of Mountain Village**

**Schedule of Revenues, Expenditures, and Changes in  
Fund Balance - Budget and Actual -  
Vehicle and Equipment Acquisition Fund  
For the Fiscal Year Ended December 31, 2019**

	<b><u>Budgeted Amounts</u></b>			<b><u>Variance with</u></b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Actual</u></b>	<b><u>Final Budget</u></b>
Revenues				
Insurance Claim Proceeds	\$ -	\$ -	\$ 26,048	\$ 26,048
Grant Revenues	-	-	-	-
Total Revenues	-	-	26,048	26,048
Expenditures				
Vehicles and Equipment	191,716	166,216	135,063	(31,153)
Grant Success Fees	-	-	-	-
Total Expenditures	191,716	166,216	135,063	(31,153)
Revenue Under Expenditures Before Transfers and Other Financing Sources	(191,716)	(166,216)	(109,015)	57,201
Other Financing Sources				
Proceeds from Sale of Assets	-	-	13,820	13,820
Transfers In	249,231	216,081	157,616	(58,465)
Total Other Financing Sources (Uses)	249,231	216,081	171,436	(44,645)
Net Change in Fund Balance	57,515	49,865	62,421	12,556
Fund Balance, Beginning of Year	432,587	419,501	419,501	-
Fund Balance, End of Year	<u>\$ 490,102</u>	<u>\$ 469,366</u>	<u>\$ 481,922</u>	<u>\$ 12,556</u>

See the accompanying independent auditors report.

**Town of Mountain Village**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual**  
**Debt Service Fund**  
**For the Fiscal Year Ended December 31, 2019**

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Property Taxes	\$ 587,545	\$ 587,545	\$ 578,279	\$ (9,266)
Contributions from Other Entities	203,200	203,200	203,200	-
Interest Income	2,000	2,000	5,301	3,301
Miscellaneous Income	-	-	-	-
Total Revenues	<u>792,745</u>	<u>792,745</u>	<u>786,779</u>	<u>(5,966)</u>
Expenditures				
Debt Service:				
Administrative Charges	21,730	20,138	18,820	(1,318)
Principal	405,000	405,000	405,000	-
Interest	<u>333,925</u>	<u>333,925</u>	<u>333,925</u>	<u>-</u>
Total Expenditures	<u>760,655</u>	<u>759,063</u>	<u>757,745</u>	<u>(1,318)</u>
Income (Loss) Before Transfers	<u>32,090</u>	<u>33,682</u>	<u>29,034</u>	<u>(4,648)</u>
Other Financing Uses				
Transfers Out	<u>(32,000)</u>	<u>(32,000)</u>	<u>(27,548)</u>	<u>4,452</u>
Total Other Financing Uses	<u>(32,000)</u>	<u>(32,000)</u>	<u>(27,548)</u>	<u>4,452</u>
Net Change in Fund Balances	90	1,682	1,486	(196)
Fund Balance - Beginning of Year	<u>450,633</u>	<u>404,088</u>	<u>404,088</u>	<u>-</u>
Fund Balance - End of Year	<u>\$ 450,723</u>	<u>\$ 405,770</u>	<u>\$ 405,573</u>	<u>\$ (196)</u>

See the accompanying independent auditors report.

**Town of Mountain Village**

**Schedule of Revenues, Expenditures, and Changes in**  
**Fund Balance - Budget and Actual -**  
**Capital Projects Fund**  
**For the Fiscal Year ended December 31, 2019**

	<b>Budgeted Amounts</b>			<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Actual</b>	<b>Final Budget</b>
Revenues				
Grant Revenues	\$ -	\$ -	\$ -	\$ -
Interest Income	-	-	-	-
Total Revenues	-	-	-	-
Expenditures				
Capital Outlay	75,000	50,000	20,426	(29,574)
Income (Loss) Before Other Financing Sources and Uses	(75,000)	(50,000)	(20,426)	29,574
Other Financing Sources and Uses				
Transfer In (Out)	75,000	17,970	-	(17,970)
Net Change in Fund Balance	-	(32,030)	(20,426)	11,604
Fund Balance, Beginning of Year	32,030	32,030	32,030	-
Fund Balance, End of Year	\$ 32,030	\$ -	\$ 11,604	\$ 11,604

See the accompanying independent auditors report.

**Town of Mountain Village**

**Combining Schedule of Net Position -**  
**Housing Authority Enterprise Fund**  
**December 31, 2019**

	<b>Village Court Apartments</b>	<b>Affordable Housing Development</b>	<b>Mortgage Assistance Pool</b>	<b>Total</b>
<b>Assets</b>				
Current Assets				
Cash and Cash Equivalents	\$ 1,192,559	\$ 1,509,677	\$ 83,030	\$ 2,785,266
Investments	328,070	402,511	-	730,581
Accounts Receivable	12,603	-	-	12,603
Deposits	-	1,800	-	1,800
Prepaid Expenses	1,260	-	-	1,260
Total Current Assets	<u>1,534,493</u>	<u>1,913,988</u>	<u>83,030</u>	<u>3,531,511</u>
Non Current Assets				
Restricted Cash	452,825	-	-	452,825
Notes Receivable	-	-	224,000	224,000
Development Property Held for Sale				
Buildings and Improvements	-	278,268	-	278,268
Capital Assets				
Land and Land Improvements	670,160	-	-	670,160
Construction in Progress	394,820	-	-	394,820
Buildings and Improvements	17,701,525	-	-	17,701,525
Vehicles and Equipment	325,284	-	-	325,284
Less Accumulated Depreciation	<u>(10,337,537)</u>	<u>-</u>	<u>-</u>	<u>(10,337,537)</u>
Total Noncurrent Assets	<u>9,207,079</u>	<u>278,268</u>	<u>224,000</u>	<u>9,709,347</u>
Total Assets	<u>10,741,572</u>	<u>2,192,256</u>	<u>307,030</u>	<u>13,240,858</u>
Deferred Outflow of Resources - Related to Pensions	113,959	-	-	113,959
Deferred Outflow of Resources - Related to OPEB	3,614	-	-	3,614
Deferred Outflow of Resources - Deferred Loss on Refunding	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Outflow of Resources	<u>117,573</u>	<u>-</u>	<u>-</u>	<u>117,573</u>
<b>Liabilities</b>				
Current Liabilities				
Accounts Payable	141,906	6,321	-	148,226
Accrued Expenses	8,663	-	-	8,663
Due to Other Funds	148,489	-	-	148,489
Deposits	268,823	1,800	-	270,623
Unearned Revenue	89,132	-	-	89,132
Current Portion of Notes and Bond Payable	<u>418,440</u>	<u>-</u>	<u>-</u>	<u>418,440</u>
Total Current Liabilities	<u>1,075,452</u>	<u>8,121</u>	<u>-</u>	<u>1,083,573</u>
Noncurrent Liabilities				
Net Pension Liability	445,586	-	-	445,586
Net OPEB Liability	37,395	-	-	37,395
Revenue Bonds Payable	<u>11,056,956</u>	<u>-</u>	<u>-</u>	<u>11,056,956</u>
Total Noncurrent Liabilities	<u>11,539,938</u>	<u>-</u>	<u>-</u>	<u>11,539,938</u>
Total Liabilities	<u>12,615,390</u>	<u>8,121</u>	<u>-</u>	<u>12,623,510</u>
Deferred Inflow of Resources - Related to Pensions	57	-	-	57
Deferred Inflow of Resources - Related to OPEB	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflow of Resources	<u>57</u>	<u>-</u>	<u>-</u>	<u>57</u>
<b>Net Position</b>				
Net Investment in Capital Assets	(2,721,142)	-	-	(2,721,142)
Restricted for Debt Service	452,825	402,511	-	855,336
Unrestricted	<u>512,015</u>	<u>1,781,624</u>	<u>307,030</u>	<u>2,600,670</u>
Total Net Position	<u>\$ (1,756,302)</u>	<u>\$ 2,184,135</u>	<u>\$ 307,030</u>	<u>\$ 734,864</u>

See the accompanying independent auditors' report.

**Town of Mountain Village**

**Combining Schedule of Revenues, Expenses, and Changes in Net Position -**

**Housing Authority Enterprise Fund**

**For the Fiscal Year ended December 31, 2019**

	<b>Village Court Apartments</b>	<b>Affordable Housing Development</b>	<b>Mortgage Assistance Pool</b>	<b>Total</b>
Operating Revenues				
Rental/Sales Income	\$ 2,290,402	\$ 33,623	\$ -	\$ 2,324,024
Other	113,920	-	150	114,070
Total Operating Revenues	2,404,321	33,623	150	2,438,094
Operating Expenses				
Office Operations	94,479	-	-	94,479
General and Administrative	114,769	92,625	-	207,394
Utilities	403,479	1,079	-	404,558
Repair and Maintenance	495,507	57,576	-	553,083
Depreciation and Amortization	629,520	-	-	629,520
Total Operating Expenses	1,737,755	151,280	-	1,889,035
Operating Income (Loss)	666,567	(117,657)	150	549,059
Nonoperating Revenue (Expense)				
Interest Income	7,830	-	-	7,830
Major Repairs and Replacements	(185,475)	-	-	(185,475)
Loss on Disposal of Assets	-	(3,208)	-	(3,208)
Interest Expense	(381,884)	-	-	(381,884)
Loan Fees	(1,925)	-	-	(1,925)
Total Nonoperating Revenues (Expenses)	(561,453)	(3,208)	-	(564,661)
Income (Loss) Before Transfers	105,113	(120,865)	150	(15,602)
Transfers In	-	560,214	54,339	614,553
Transfers Out	(156,163)	(75,878)	-	(232,041)
Total Transfers In (Out)	(156,163)	484,336	54,339	382,512
Capital Grants and Contributions	-	-	-	-
Changes in Net Position	(51,050)	363,471	54,489	366,910
Net Position, Beginning of Year	(1,705,252)	1,820,664	252,541	367,953
Net Position, End of Year	\$ (1,756,302)	\$ 2,184,135	\$ 307,030	\$ 734,863

See the accompanying independent auditors' report.



**Town of Mountain Village**

**Combining Schedule of Cash Flows -**  
**Housing Authority Enterprise Fund**  
**For the Fiscal Year ended December 31, 2019**

	<b>Village Court Apartments</b>	<b>Affordable Housing Development</b>	<b>Mortgage Assistance Pool</b>	<b>Total</b>
Cash Flows from Operating Activities				
Receipts from Renters	\$ 2,299,781	\$ 37,064	\$ -	\$ 2,336,845
Payments to Suppliers	(958,977)	(145,052)	-	(1,104,028)
Employee Mortgage Assistance	-	-	(60,000)	(60,000)
Payments to Employees	(273,936)	-	-	(273,936)
Other Receipts	28,290	-	150	28,440
Net Cash Provided by (Used in) Operating Activities	1,095,157	(107,987)	(59,850)	927,320
Cash Flows from Non-capital Financing Activities				
Transfers to Other Funds	(156,163)	(75,878)	-	(232,041)
Transfers from Other Funds	-	560,214	54,339	614,553
Net Cash Provided by (Used in) Noncapital Financing Activities	(156,163)	484,336	54,339	382,512
Cash Flows from Capital and Related Financing Activities				
Principal Payments	(406,393)	-	-	(406,393)
Interest Expense	(381,884)	-	-	(381,884)
Major Repairs and Replacements	(185,475)	-	-	(185,475)
Purchase of Capital Assets	(475,751)	-	-	(475,751)
Loan Fees	(1,925)	-	-	(1,925)
Net Cash Used in Capital and Related Financing Activities	(1,451,428)	-	-	(1,451,428)
Cash Flows from Investing Activities				
Proceeds from Sale of Investments	-	521,247	-	521,247
Purchase of Investments	-	(524,455)	-	(524,455)
Interest Received	7,830	-	-	7,830
Net Cash Used in Investing Activities	7,830	(3,208)	-	4,622
Net Increase (Decrease) in Cash and Cash Equivalents	(504,603)	373,141	(5,511)	(136,973)
Cash, Beginning of Year	1,697,163	1,136,536	88,541	2,922,240
Cash, End of Year	<u>\$ 1,192,560</u>	<u>\$ 1,509,677</u>	<u>\$ 83,030</u>	<u>\$ 2,785,267</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Operating Income (Loss)	\$ 666,567	\$ (117,657)	\$ 150	\$ 549,059
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Depreciation and Amortization	629,520	-	-	629,520
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	(2,515)	-	(60,000)	(62,515)
Increase (Decrease) in Net Pension Liability	(106,695)	-	-	(106,695)
(Increase) Decrease in Prepaid Items	(1,260)	-	-	(1,260)
Increase (Decrease) in Accounts Payable	42,391	6,229	-	48,620
Increase (Decrease) in Accrued Expenses	(59,114)	-	-	(59,114)
Increase (Decrease) in Unearned Revenues	(85,630)	-	-	(85,630)
Increase (Decrease) in Deposits	11,894	3,441	-	15,335
Total Adjustments	428,591	9,670	(60,000)	378,261
Net Cash Provided by (Used in) Operating Activities	<u>\$ 1,095,157</u>	<u>\$ (107,987)</u>	<u>\$ (59,850)</u>	<u>\$ 927,320</u>

See the accompanying independent auditor's report.

**Town of Mountain Village**

**Schedule of Revenues, Expenditures, and Changes in  
Working Capital - Budget and Actual (Budgetary Basis) -  
Village Court Apartments**

**For the Fiscal Year ended December 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
Operating Revenues				
Rental Income	\$ 2,287,771	\$ 2,288,308	\$ 2,290,402	\$ 2,094
Other	79,260	98,650	113,920	15,270
Total Operating Income	<u>2,367,031</u>	<u>2,386,958</u>	<u>2,404,321</u>	<u>17,363</u>
Operating Expenditures				
Office Operations	199,920	211,172	201,175	(9,997)
General and Administrative	133,935	131,450	114,769	(16,681)
Utilities	395,945	419,008	403,479	(15,529)
Repairs and Maintenance	443,293	523,933	495,507	(28,426)
Contingency	16,264	15,869	-	(15,869)
Total Operating Expenditures	<u>1,189,357</u>	<u>1,301,432</u>	<u>1,214,929</u>	<u>(86,503)</u>
Excess of Operating Revenues Over Operating Expenditures	<u>1,177,674</u>	<u>1,085,526</u>	<u>1,189,392</u>	<u>103,866</u>
Nonoperating Revenues (Expenditures)				
Interest Revenue	60	3,500	7,830	4,330
Interest Expense	(731,884)	(381,884)	(381,884)	-
Loan Fees	(100,000)	-	(1,925)	(1,925)
Major Repairs and Replacements	(453,323)	(301,300)	(185,475)	115,825
Capital Outlay	(9,400,000)	(400,000)	(475,751)	(75,751)
Loss on Disposal of Assets	-	-	-	-
Debt Principal Payments	(606,393)	(406,393)	(406,393)	-
Total Nonoperating Revenues (Expenditures)	<u>(11,291,540)</u>	<u>(1,486,077)</u>	<u>(1,443,598)</u>	<u>42,479</u>
Transfers Out	(162,959)	(156,163)	(156,163)	-
Transfers In	9,972,093	95,337	-	(95,337)
Total Operating Transfers	<u>9,809,134</u>	<u>(60,826)</u>	<u>(156,163)</u>	<u>(95,337)</u>
Net Change in Working Capital	(304,732)	(461,377)	(410,369)	51,008
Working Capital, Beginning of Year	304,732	461,377	461,377	-
Working Capital, End of Year	<u>\$ -</u>	<u>\$ -</u>	51,008	<u>\$ 51,008</u>
Add (Deduct):				
Depreciation and Amortization			(629,520)	
Debt Principal			406,393	
Pension Expense			105,180	
OPEB Expense			1,515	
Capital Outlay			475,751	
Carryover from Prior Years			(2,166,629)	
Net Position, End of Year, GAAP Basis			<u>\$ (1,756,302)</u>	

See the accompanying independent auditor's report.

**Town of Mountain Village**

**Schedule of Revenues, Expenditures, and Changes in**  
**Working Capital - Budget and Actual (Budgetary Basis) -**  
**Affordable Housing Development Fund**  
**For the Fiscal Year ended December 31, 2019**

	<b><u>Budgeted Amounts</u></b>		<b><u>Actual</u></b>	<b><u>Variance with Final Budget</u></b>
	<b><u>Original</u></b>	<b><u>Final</u></b>		
Revenues				
Sale/Rental Proceeds	\$ 297,778	\$ 33,469	\$ 33,623	\$ 154
Expenditures				
Operating Expenditures	403,375	139,453	151,280	11,827
Property Purchases/Transfers	-	-	-	-
Total Expenditures	403,375	139,453	151,280	11,827
Excess (Deficiency) of Revenues Over (Under)				
Expenditures Before Transfers	(105,597)	(105,984)	(117,657)	(11,673)
Nonoperating Revenues (Expenditures)				
Loss on Disposal of Assets	-	-	(3,208)	(3,208)
Total Nonoperating Revenues (Expenditures)	-	-	(3,208)	(3,208)
Transfers				
Transfers In	505,159	547,107	560,214	13,107
Transfer Out	(1,552,799)	(170,532)	(75,878)	94,654
Total Transfers In (Out)	(1,047,640)	376,575	484,336	107,761
Net Change in Working Capital	(1,153,237)	270,591	363,471	92,880
Working Capital, Beginning of Year	(841,780)	(841,780)	(526,067)	315,713
Working Capital, End of Year	<u>\$ (3,996,034)</u>	<u>\$ (571,189)</u>	(162,596)	<u>\$ 408,593</u>
Add (Deduct):				
Carryover from Prior Years			2,346,732	
Net Position, End of Year, GAAP Basis			<u>\$ 2,184,135</u>	

See the accompanying independent auditor's report.

**Town of Mountain Village**

**Schedule of Revenues, Expenditures, and Changes in**  
**Working Capital - Budget and Actual (Budgetary Basis) -**  
**Mortgage Assistance Pool**  
**For the Fiscal Year ended December 31, 2019**

	<b><u>Budgeted Amounts</u></b>		<b><u>Actual</u></b>	<b><u>Variance with Final Budget</u></b>
	<b><u>Original</u></b>	<b><u>Final</u></b>		
Revenues	\$ -	\$ -	\$ 150	\$ 150
Expenditures				
Mortgage Assistance	<u>60,000</u>	<u>60,000</u>	<u>60,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under)				
Expenditures Before Transfers	<u>(60,000)</u>	<u>(60,000)</u>	<u>(59,850)</u>	<u>150</u>
Transfers				
Transfers In	<u>60,000</u>	<u>54,489</u>	<u>54,339</u>	<u>(150)</u>
Net Change in Working Capital	-	(5,511)	(5,511)	-
Working Capital, Beginning of Year	<u>41,183</u>	<u>41,183</u>	<u>41,183</u>	<u>-</u>
Working Capital, End of Year	<u>\$ 41,183</u>	<u>\$ 35,672</u>	<u>35,672</u>	<u>\$ -</u>
Add (Deduct):				
Carryover from Prior Years			<u>271,358</u>	
Net Position, End of Year, GAAP Basis			<u>\$ 307,030</u>	

See the accompanying independent auditor's report.

**Town of Mountain Village**

**Schedule of Revenues, Expenditures, and Changes in**  
**Working Capital - Budget and Actual (Budgetary Basis) -**  
**Water and Sewer Fund**  
**For the Fiscal Year ended December 31, 2019**

	<u>Budgeted Amounts</u>			
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Operating Revenues				
Charges for Services	\$ 2,922,365	\$ 2,922,365	\$ 3,147,818	\$ 225,453
Operating Expenditures				
Operating Costs	1,723,493	1,641,541	1,479,196	(162,345)
Excess of Operating Revenues Over Operating Expenditures	1,198,872	1,280,824	1,668,621	387,797
Nonoperating Revenues (Expenditures)				
Capital Outlay	(1,296,950)	(842,910)	(801,557)	41,353
Grants and Contributions	107,000	107,000	118,829	11,829
Total Nonoperating Revenues (Expenditures)	(1,189,950)	(735,910)	(682,728)	53,182
Transfers Out	(170,976)	(159,945)	(159,945)	-
Net Change in Working Capital	(162,054)	384,969	825,948	440,979
Working Capital, Beginning of Year	3,924,800	3,857,122	4,481,963	624,841
Working Capital, End of Year	<u>\$ 3,762,746</u>	<u>\$ 4,242,091</u>	5,307,911	<u>\$ 1,065,820</u>
Add (Deduct):				
Depreciation			(737,778)	
Pension Expense			22,810	
OPEB Expense			(7,033)	
Capital Outlay			801,557	
Carryover from Prior Years			9,089,143	
Net Position, End of Year, GAAP Basis			<u>\$ 14,476,610</u>	

See the accompanying independent auditor's report.

**Town of Mountain Village**

**Schedule of Revenues, Expenditures, and Changes in**  
**Working Capital - Budget and Actual (Budgetary Basis) -**  
**Broadband Enterprise Fund**

**For the Fiscal Year ended December 31, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Operating Revenues				
Charges for Sales and Services	\$ 2,075,871	\$ 2,076,591	\$ 2,195,536	\$ 118,945
Total Revenues	2,075,871	2,076,591	2,195,536	118,945
Operating Expenditures				
Cost of Sales and Services	1,718,078	1,736,923	1,719,596	(17,327)
Contingency	3,000	3,000	-	(3,000)
Total Expenditures	1,721,078	1,739,923	1,719,596	(20,327)
Excess (Deficiency) of Operating Revenues Over (Under) Operating Expenditures	354,793	336,668	475,940	139,272
Nonoperating Expenditures				
Capital Outlay	(1,561,645)	(1,066,800)	(954,084)	112,716
Total Non-Operating Expenditures	(1,561,645)	(1,066,800)	(954,084)	112,716
Transfers				
Transfers In	1,377,588	648,805	424,383	(224,422)
Transfers Out	(170,736)	(169,531)	(169,531)	-
Total Transfers	1,206,852	479,274	254,852	(224,422)
Net Change in Working Capital	-	(250,858)	(223,292)	27,566
Working Capital, Beginning of Year	55,953	250,858	227,165	(23,693)
Working Capital, End of Year	\$ 55,953	\$ -	3,873	\$ 3,873
Add (Deduct):				
Capital Outlay			954,084	
Pension Expense			75,376	
OPEB Expense			(1,692)	
Depreciation			(75,411)	
Carryover from Prior Years			303,304	
Net Position, End of Year, GAAP Basis			\$ 1,259,535	

See the accompanying independent auditor's report.

**Town of Mountain Village**

**Combining Statement of Net Position -**  
**Nonmajor Enterprise Funds**  
**December 31, 2019**

	<b>Child Development</b>	<b>Telluride Conference Center</b>	<b>Parking Services</b>	<b>Total</b>
Current Assets				
Cash	\$ 9,446	\$ -	\$ 244,561	\$ 254,007
Accounts Receivable	17,407	-	55,505	72,912
Prepaid Expenses	-	25,456	-	25,456
Total Current Assets	26,853	25,456	300,066	352,375
Capital Assets				
Buildings and Improvements	199,368	6,242,219	-	6,441,587
Vehicles and Equipment	27,650	423,256	-	450,907
Less Accumulated Depreciation	(211,889)	(3,995,372)	-	(4,207,261)
Total Capital Assets	15,129	2,670,104	-	2,685,233
Total Assets	41,982	2,695,559	300,066	3,037,608
Deferred Outflow of Resources - Related to OPEB	5,446	-	-	5,446
Deferred Outflow of Resources - Related to Pensions	171,727	-	-	171,727
Total Deferred Outflows	177,174	-	-	177,174
Current Liabilities				
Accounts Payable	4,699	-	28,080	32,779
Due to Pooled Cash	-	9,336	-	9,336
Accrued Expenses	12,155	-	3,308	15,463
Unearned Revenue	10,000	-	-	10,000
Total Current Liabilities	26,853	9,336	31,388	67,578
Noncurrent Liabilities				
Net OPEB Liability	56,352	-	-	56,352
Net Pension Liability	671,465	-	-	671,465
Total Noncurrent Liabilities	727,817	-	-	727,817
Total Liabilities	754,670	9,336	31,388	795,395
Deferred Inflow of Resources - Related to OPEB	86	-	-	86
Deferred Inflow of Resources - Related to Pensions	-	-	-	-
Total Deferred Inflows	86	-	-	86
Net Position				
Net Investment in Capital Assets	15,129	2,670,104	-	2,685,233
Unrestricted	(550,729)	16,119	268,678	(265,932)
Total Net Position	\$ (535,600)	\$ 2,686,223	\$ 268,678	\$ 2,419,301

See the accompanying independent auditor's report.

**Town of Mountain Village**

**Combining Statement of Revenues, Expenses, and Changes  
in Net Position - Nonmajor Enterprise Funds  
For the Fiscal Year Ended December 31, 2019**

	<b>Child Development</b>	<b>Telluride Conference Center</b>	<b>Parking Services</b>	<b>Total</b>
Operating Revenues				
Charges for Sales and Services	\$ 460,612	\$ -	\$ 564,325	\$ 1,024,937
Operating Grants and Contributions	97,055	-	-	97,055
Other Revenues	20,008	-	-	20,008
Total Operating Revenues	<u>577,675</u>	<u>-</u>	<u>564,325</u>	<u>1,142,000</u>
Operating Expenses				
Cost of Sales and Services	532,808	197,239	369,116	1,099,163
Depreciation Expense	14,459	285,299	-	299,758
Total Operating Expenses	<u>547,267</u>	<u>482,538</u>	<u>369,116</u>	<u>1,398,921</u>
Operating Gain (Loss)	<u>30,408</u>	<u>(482,538)</u>	<u>195,209</u>	<u>(256,920)</u>
Non-operating Revenues (Expenses)				
Non-Capital Purchases	-	-	(65,549)	(65,549)
Total Non-Operating Revenue (Expenses)	<u>-</u>	<u>-</u>	<u>(65,549)</u>	<u>(65,549)</u>
Profit/Loss Before Capital Contributions and Transfers	30,408	(482,538)	129,660	(322,469)
Transfers				
Transfers In	105,018	197,239	-	302,257
Capital Contributions	-	-	(51,029)	(51,029)
Transfers Out	-	-	(42,374)	(42,374)
Total Operating Transfers	<u>105,018</u>	<u>197,239</u>	<u>(93,403)</u>	<u>208,854</u>
Changes in Net Position	135,427	(285,299)	36,257	(113,615)
Net Position, Beginning of Year	<u>(671,027)</u>	<u>2,971,522</u>	<u>232,422</u>	<u>2,532,917</u>
Net Position, End of Year	<u>\$ (535,600)</u>	<u>\$ 2,686,223</u>	<u>\$ 268,678</u>	<u>\$ 2,419,301</u>

See the accompanying independent auditor's report.



**Town of Mountain Village**

**Combining Statement of Cash Flows -**  
**Nonmajor Enterprise Funds**  
**For the Fiscal Year Ended December 31, 2019**

	<b>Child Development</b>	<b>Telluride Conference Center</b>	<b>Parking Services</b>	<b>Total</b>
Cash Flows From Operating Activities:				
Operating Contributions	\$ 97,055	\$ -	\$ -	\$ 97,055
Cash Receipts	476,374	-	548,407	1,024,781
Payments to Suppliers	(285,515)	(221,517)	(271,850)	(778,882)
Payments to Employees	(394,585)	-	(95,293)	(489,878)
Net Cash Used in Operating Activities	(106,671)	(221,517)	181,264	(146,923)
Cash Flows from Non-capital Financing Activities:				
Non-Capital Purchases	-	-	(65,549)	(65,549)
Transfer of Capital Assets	-	-	(51,029)	(51,029)
Transfers (to)/from Other Funds	105,018	197,239	(42,374)	259,883
Net Cash Provided by Noncapital Financing Activities	105,018	197,239	(158,952)	143,305
Net Increase (Decrease) in Cash and Cash Equivalents	(1,652)	(24,278)	22,312	(3,618)
Cash and Cash Equivalents, Beginning of Year	11,098	24,278	222,250	257,626
End of Year	<u>\$ 9,446</u>	<u>\$ 0</u>	<u>\$ 244,562</u>	<u>\$ 254,008</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities				
Operating Gain (Loss)	30,408	(482,538)	195,209	(256,920)
Adjustments to Reconcile Operating Loss to Net Cash Used in Operating Activities				
Depreciation	14,459	285,299	-	299,758
(Increase) Decrease in Accounts Receivable	(9,996)	-	(15,918)	(25,914)
(Increase) Decrease in Prepaid Items	-	(25,456)	-	(25,456)
Increase (Decrease) in Net Pension Liability	(149,622)	-	-	(149,622)
Increase (Decrease) in Unearned Revenues	5,750	-	-	5,750
Increase (Decrease) in Accounts Payable and Accrued Expenses	2,330	1,178	1,973	5,481
Net Cash Used in Operating Activities	<u>\$ (106,671)</u>	<u>\$ (221,517)</u>	<u>\$ 181,264</u>	<u>\$ (146,923)</u>

See the accompanying independent auditor's report.

**Town of Mountain Village**

**Schedule of Revenues, Expenditures, and Changes in**  
**Working Capital - Budget and Actual (Budgetary Basis) -**  
**Child Development Enterprise Fund**  
**For the Fiscal Year ended December 31, 2019**

	<b><u>Budgeted Amounts</u></b>		<b><u>Actual</u></b>	<b><u>Variance with Final Budget</u></b>
	<b><u>Original</u></b>	<b><u>Final</u></b>		
Operating Revenues				
Charges for Services	\$ 452,563	\$ 451,563	\$ 460,612	\$ 9,049
Other Revenues	18,000	17,000	20,008	3,008
Grant Proceeds	59,705	87,510	97,055	9,545
Total Revenues	<u>530,268</u>	<u>556,073</u>	<u>577,675</u>	<u>21,602</u>
Operating Expenditures				
Operating Costs	<u>722,118</u>	<u>710,984</u>	<u>682,430</u>	<u>(28,554)</u>
Deficiency of Operating Revenues Under Operating Expenditures	(191,850)	(154,911)	(104,755)	50,156
Transfers In	<u>191,850</u>	<u>154,911</u>	<u>105,018</u>	<u>(49,893)</u>
Net Change in Working Capital	-	-	264	264
Working Capital, Beginning of Year	<u>(3,155)</u>	<u>(3,155)</u>	<u>(3,419)</u>	<u>(264)</u>
Working Capital, End of Year	<u><u>\$ (3,155)</u></u>	<u><u>\$ (3,155)</u></u>	<u>(3,155)</u>	<u><u>\$ -</u></u>
Add (Deduct):				
Depreciation			(14,459)	
OPEB Expense			1,448	
Pension Expense			148,175	
Carryover from Prior Years			<u>(667,608)</u>	
Net Position, End of Year, GAAP Basis			<u><u>\$ (535,600)</u></u>	

See the accompanying independent auditor's report.

**Town of Mountain Village**  
**Schedule of Revenues, Expenditures, and Changes in**  
**Working Capital - Budget and Actual (Budgetary Basis) -**  
**Telluride Conference Center**  
**For the Fiscal Year ended December 31, 2019**

	<b><u>Budgeted Amounts</u></b>			<b>Variance</b>
	<b><u>Original</u></b>	<b><u>Final</u></b>	<b><u>Actual</u></b>	<b><u>with Final</u></b>
				<b><u>Budget</u></b>
Operating Revenues				
Operating Contributions	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Operating Expenditures				
Operating Costs	242,033	195,833	197,239	(1,406)
Excess (Deficiency) of Operating Revenues				
Over (Under) Operating Expenditures	(242,033)	(195,833)	(197,239)	(1,406)
Nonoperating Expenditures				
Capital Outlay	(20,000)	(20,000)	-	20,000
Non-Operating Revenues (Expenses)	(20,000)	(20,000)	-	20,000
Transfers				
Transfers In	262,033	215,833	197,239	(18,594)
Total Operating Transfers	262,033	215,833	197,239	(18,594)
Net Change in Working Capital	-	-	-	-
Working Capital, Beginning of Year	1,318	1,318	1,318	-
Working Capital, End of Year				
End of Year	<u>\$ 1,318</u>	<u>\$ 1,318</u>	1,318	<u>\$ -</u>
Add (Deduct):				
Depreciation			(285,299)	
Capital Outlay			-	
Carryover from Prior Years			<u>2,970,205</u>	
Net Position, End of Year, GAAP Basis			<u>\$ 2,686,223</u>	

See the accompanying independent auditor's report.

**Town of Mountain Village**

**Schedule of Revenues, Expenditures, and Changes in  
Working Capital - Budget and Actual (Budgetary Basis) -**

**Parking Services Fund**

**For the Fiscal Year Ended December 31, 2019**

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
Revenues				
Contributions:				
Contributions/Shared Expense from Other Entities	\$ 13,473	\$ -	\$ -	\$ -
Other Revenues:				
Parking Permits	12,000	11,855	11,350	(505)
Parking Fines	30,000	46,929	49,968	3,039
Parking Revenues	388,000	461,305	503,007	41,702
Total Revenues	443,473	520,089	564,325	44,236
Expenditures				
Parking Services	163,971	243,230	221,193	(22,037)
Gondola Parking Garage	118,084	70,084	55,751	(14,333)
Surface Lots	28,900	28,900	20,826	(8,074)
Heritage Parking Garage	105,735	92,680	70,329	(22,351)
Meadows Parking	-	-	1,016	1,016
Total Expenditures	416,690	434,894	369,116	(65,778)
Excess (Deficiency) of Revenues Over (Under) Expenditures	26,783	85,195	195,209	110,014
Nonoperating (Expenditures) Revenues				
Non-Capital Purchases	(129,800)	(104,800)	(65,549)	39,251
Transfer of Assets to Governmental Activities	-	-	(51,029)	(51,029)
Transfers from Other Funds	58,490	-	-	-
Transfers to Other Funds	(41,337)	(42,374)	(42,374)	-
Other Financing Sources (Uses), Net	(112,647)	(147,174)	(158,952)	(11,778)
Change in Fund Balance	(85,864)	(61,979)	36,257	98,236
Fund Balance, Beginning of Year	85,864	232,421	232,421	-
Fund Balance, End of Year	\$ -	\$ 170,442	\$ 268,678	\$ 98,236

See the accompanying independent auditors report.

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: Town of Mountain Village
		YEAR ENDING : December 2019
This Information From The Records Of Town of Mountain Village	Prepared By: Phone: (970)369-6448	Julie Vergari

**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)	-
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	917,601
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	-
2. General fund appropriations	653,520	b. Snow and ice removal	160,121
3. Other local imposts (from page 2)	339,319	c. Other	-
4. Miscellaneous local receipts (from page 2)	-	d. Total (a. through c.)	160,121
5. Transfers from toll facilities	-	4. General administration & miscellaneous	-
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	-
a. Bonds - Original Issues	-	6. Total (1 through 5)	1,077,722
b. Bonds - Refunding Issues	-	<b>B. Debt service on local obligations:</b>	
c. Notes	-	1. Bonds:	
d. Total (a. + b. + c.)	-	a. Interest	-
7. Total (1 through 6)	992,839	b. Redemption	-
<b>B. Private Contributions</b>	-	c. Total (a. + b.)	-
<b>C. Receipts from State government</b> (from page 2)	84,883	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	-	a. Interest	-
<b>E. Total receipts (A.7 + B + C + D)</b>	1,077,722	b. Redemption	-
		c. Total (a. + b.)	-
		3. Total (1.c + 2.c)	-
		<b>C. Payments to State for highways</b>	-
		<b>D. Payments to toll facilities</b>	-
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	1,077,722

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	-	1,077,722	1,077,722	-	-

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2019	

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	275,775	a. Interest on investments	-
b. Other local imposts:		b. Traffic Fines & Penalties	-
1. Sales Taxes	-	c. Parking Garage Fees	-
2. Infrastructure & Impact Fees	63,544	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.)	63,544	h. Other	-
c. Total (a. + b.)	339,319	i. Total (a. through h.)	-
	(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	79,748	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	5,135	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.)	5,135	g. Total (a. through f.)	-
4. Total (1. + 2. + 3.f)	84,883	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	-	-	-
b. Engineering Costs	-	-	-
c. Construction:			
(1). New Facilities	-	-	-
(2). Capacity Improvements	-	-	-
(3). System Preservation	-	-	-
(4). System Enhancement & Operation	-	-	-
(5). Total Construction (1) + (2) + (3) + (4)	-	-	-
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	-	-
			(Carry forward to page 1)

Notes and Comments:

## TOWN OF MOUNTAIN VILLAGE

### Statistical Section

December 31, 2019

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

### Contents

#### Financial Trends

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

- A-1 Net Position by Component
- A-2 Changes in Net Position
- A-3 Program Revenues by Function/Program
- A-4 Fund Balances, Governmental Funds
- A-5 Changes in Fund Balances, Governmental Funds
- A-6 Tax Revenues by Source, Governmental Funds
- A-7 User Fee Revenues, Enterprise Funds
- A-8 Enterprise Fund Expenses

#### Revenue Capacity

These schedules contain information to help the reader assess the Town's most significant local revenue source, the property tax.

- B-1 Actual Value and Estimated Assessed Value of Taxable Property
- B-2 Direct and Overlapping Property Tax Rates
- B-3 Principal Property Taxpayers
- B-4 Property Tax Levies and Collections

#### Debt Capacity

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

- C-1 Ratios of Outstanding Debt by Type
- C-2 Direct and Overlapping Bond Debt
- C-3 Pledged-Revenue Coverage
- C-4 Legal Debt Margin Information

#### Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

- D-1 Demographic and Economic Statistics
- D-2 Principal Employers

#### Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

- E-1 Full-Time Equivalent Town Employees by Function/Program
- E-2 Operating Indicators by Function/Program
- E-3 Capital Asset Statistics by Function/Program

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The Town implemented GASB 34 in 2004; schedules presenting government-wide information include information beginning in that year.

**TOWN OF MOUNTAIN VILLAGE**  
**Net Position by Component**  
**Last Ten Years**

**TABLE A-1**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Governmental Activities:										
Net Investment in Capital Assets	\$ 35,801,449	\$ 35,778,398	\$ 36,036,460	\$ 32,372,113	\$ 30,763,276	\$ 29,055,499	\$ 27,532,327	26,700,785	26,241,771	\$ 26,634,411
Restricted for:										
Debt Service	405,573	404,087	450,278	947,096	743,941	750,647	734,651	1,033,003	1,056,461	1,023,210
Emergencies	543,493	547,975	641,878	619,295	551,223	536,090	532,144	501,617	502,267	522,750
Unrestricted	5,179,470	2,447,828	3,216,687	2,872,639	2,878,480	7,047,403	6,046,962	3,160,555	2,819,313	1,115,565
Total Net Position	<u>41,929,986</u>	<u>39,178,288</u>	<u>40,345,303</u>	<u>36,811,143</u>	<u>34,936,921</u>	<u>37,389,639</u>	<u>34,846,083</u>	<u>31,395,960</u>	<u>30,619,811</u>	<u>29,295,936</u>
Business-type Activities:										
Net Investment in Capital Assets	11,279,643	10,356,758	10,436,162	11,330,752	12,230,261	11,694,046	13,318,565	13,681,119	15,789,269	19,000,536
Restricted for:										
Capital Projects	-	-	-	-	-	-	-	-	-	-
Debt Service	855,336	857,723	852,366	850,109	850,160	850,023	450,000	450,077	450,062	453,806
Unrestricted	6,755,330	5,787,966	5,210,881	3,562,653	2,250,944	4,313,988	3,377,277	3,606,621	2,679,130	2,108,087
Total Net Position	<u>18,890,310</u>	<u>17,002,447</u>	<u>16,499,409</u>	<u>15,743,514</u>	<u>15,331,365</u>	<u>16,858,058</u>	<u>17,145,842</u>	<u>17,737,817</u>	<u>18,918,460</u>	<u>21,562,429</u>
Primary Government:										
Net Investment in Capital Assets	47,081,093	46,135,156	46,472,622	43,702,865	42,993,537	40,749,545	40,850,892	40,381,904	42,031,039	45,634,947
Restricted for:										
Debt Service	1,260,910	1,261,810	1,302,643	1,797,205	1,594,101	1,600,670	1,184,651	1,483,080	1,506,523	1,477,016
Capital Projects	-	-	-	-	-	-	-	-	-	-
Emergencies	543,493	547,975	641,878	619,295	551,223	536,090	532,144	501,617	502,267	522,750
Unrestricted	11,934,800	8,235,794	8,427,568	6,435,292	5,129,424	11,361,392	9,424,239	6,767,176	5,498,443	3,223,652
Total Net Position	<u>60,820,296</u>	<u>56,180,735</u>	<u>56,844,712</u>	<u>52,554,657</u>	<u>50,268,286</u>	<u>54,247,697</u>	<u>\$ 51,991,925</u>	<u>\$ 49,133,777</u>	<u>\$ 49,538,271</u>	<u>\$ 50,858,365</u>



**TOWN OF MOUNTAIN VILLAGE**  
**Changes in Net Position**  
**Last Ten Years**

TABLE A-2

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Primary Government:										
Program Expenses:										
Governmental Activities:										
General Government	\$ 11,867,345	\$ 14,726,414	\$ 13,988,003	\$ 14,918,579	\$ 12,733,573	\$ 12,114,348	\$ 12,816,565	\$ 13,393,334	\$ 13,532,429	\$ 12,544,856
Public Safety	1,151,101	1,045,572	964,517	947,987	899,441	926,589	1,211,029	930,812	941,734	956,624
Culture and Recreation	552,237	620,871	607,253	538,001	485,452	487,552	430,976	623,271	673,324	685,898
Economic Development	3,513,504	3,477,676	3,145,477	3,110,718	2,681,472	2,348,837	2,220,203	1,433,224	1,307,533	1,173,179
Total Governmental Activities Expenses	17,084,187	19,870,532	18,705,250	19,515,286	16,799,937	15,877,325	16,678,773	16,380,641	16,455,020	15,360,557
Business-type Activities:										
Housing Authority	2,458,320	2,633,077	2,358,389	2,229,997	2,309,596	2,536,978	2,347,284	2,526,775	4,893,022	2,311,278
Water & Sewer	2,201,198	2,219,360	2,201,536	2,083,243	2,041,858	2,059,875	2,013,911	1,989,756	2,048,121	1,860,514
Telluride Conference Center	482,538	502,306	500,926	498,242	495,140	416,111	416,067	449,473	442,267	539,740
Daycare Program	547,267	797,545	772,782	605,668	572,489	567,180	563,955	574,001	569,756	582,369
Parking Services	434,665	299,944	405,192	286,610	280,298	328,928	288,821	259,665	354,796	307,891
Cable TV	1,721,322	1,793,692	1,704,488	1,783,156	1,541,273	1,393,850	1,361,458	1,317,112	1,324,139	1,447,972
Regional Communication System	-	-	-	-	-	-	193,646	210,346	216,768	273,699
Total Business-type Activities Expenses	7,845,309	8,245,923	7,943,312	7,486,915	7,240,654	7,302,922	7,185,143	7,327,128	9,848,870	7,323,463
Total Primary Government Expenses	24,929,497	28,116,455	26,648,562	27,002,201	24,040,591	23,180,248	23,863,916	23,707,769	26,303,890	22,684,020
Program Revenues:										
Governmental Activities:										
Charges for Services:										
General Government	511,079	525,328	523,332	405,889	463,438	332,853	598,790	686,119	820,898	756,085
Public Safety	9,252	9,448	10,625	2,765	7,146	5,592	4,150	(558)	5,156	25,578
Transportation	6,262	3,556	14,157	7,029	16,663	5,525	11,779	9,380	2,880	35,854
Economic Development	982,861	972,118	1,225,480	847,437	826,881	787,029	1,249,554	604,430	569,292	676,872
Total Charges for Services	1,509,454	1,510,450	1,773,594	1,263,120	1,314,128	1,130,999	1,864,273	1,299,371	1,398,226	1,494,389
Operating Grants and Contributions	4,780,757	5,099,138	5,187,988	5,104,263	3,677,500	3,883,361	3,520,479	3,477,497	3,473,031	3,060,688
Capital Grants and Contributions	737,062	888,328	209,970	986,478	964,267	482,543	537,244	291,709	391,258	568,732
Total Governmental Activities Program Revenues	7,027,273	7,497,916	7,171,552	7,353,861	5,955,896	5,496,903	5,921,996	5,068,578	5,262,515	5,123,809
Business-type Activities:										
Housing Authority:										
Charges for Services	2,324,024	2,274,472	2,257,221	2,287,713	2,277,184	1,941,392	1,766,045	1,677,183	1,708,925	1,746,086
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	147,708	732,292	-
Water & Sewer										
Charges for Services	3,147,818	3,019,668	2,790,778	2,438,021	2,439,540	2,362,197	2,379,454	2,125,578	2,116,620	1,896,887
Capital Grants and Contributions	118,829	113,108	276,548	42,960	173,002	37,761	176,725	124,573	20,356	92,472
Telluride Conference Center										
Charges for Services	-	-	-	-	-	-	-	-	-	76
Operating Grants and Contributions	-	-	-	-	-	-	-	-	14,200	-
Child Development:										
Charges for Services	480,620	445,726	454,663	478,042	441,422	430,994	429,238	404,664	352,011	344,450
Operating Grants and Contributions	97,055	66,905	38,650	46,522	38,499	26,075	39,475	40,099	40,798	40,586
Capital Grants and Contributions	-	-	-	-	-	9,240	-	-	-	32,050
Broadband										
Charges for Services	2,195,536	2,100,372	1,945,869	1,818,604	1,717,541	1,625,486	1,572,602	1,522,159	1,472,986	1,410,430
Parking Services:										
Charges for Services	564,325	421,557	480,887	397,478	494,359	376,729	311,311	272,803	251,935	170,877
Operating Grants and Contributions	-	5,985	12,230	9,953	7,732	20,771	19,567	24,419	25,124	30,590
Regional Communication System:										
Charges for Services	-	-	-	-	-	-	15,767	27,024	36,000	37,344
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-type Activities Program Revenues	8,928,207	8,447,793	8,256,845	7,519,293	7,589,279	6,830,646	6,710,184	6,366,210	6,771,247	5,801,848
Total Primary Government Program Revenues	15,955,480	15,945,709	15,428,397	14,873,154	13,545,174	12,327,549	12,632,180	11,434,787	12,033,761	10,925,657

**TOWN OF MOUNTAIN VILLAGE**  
**Changes in Net Position**  
**Last Ten Years**

**TABLE A-2**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Net (Expense)/Revenues:										
Governmental Activities	(10,056,914)	(12,372,616)	(11,533,698)	(12,161,425)	(10,844,041)	(10,380,422)	(10,756,777)	(11,312,063)	(11,192,505)	(10,236,748)
Business-type Activities	<u>1,082,898</u>	<u>201,870</u>	<u>313,534</u>	<u>32,377</u>	<u>348,625</u>	<u>(472,277)</u>	<u>(474,959)</u>	<u>(960,918)</u>	<u>(3,077,623)</u>	<u>(1,521,615)</u>
Total Primary Government Net Expense	<u>(8,974,016)</u>	<u>(12,170,746)</u>	<u>(11,220,165)</u>	<u>(12,129,048)</u>	<u>(10,495,417)</u>	<u>(10,852,699)</u>	<u>(11,231,736)</u>	<u>(12,272,982)</u>	<u>(14,270,128)</u>	<u>(11,758,363)</u>
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Property	4,516,714	4,407,067	7,334,897	7,368,209	7,070,688	7,128,873	7,709,941	7,845,065	8,357,159	7,635,783
Specific Ownership	224,573	224,100	325,149	291,693	303,008	287,077	258,341	219,426	211,892	211,838
Sales and Use	5,819,146	5,041,962	5,460,964	4,497,202	4,394,807	3,502,280	4,196,071	2,780,228	2,745,202	2,807,409
Lodging	2,064,690	1,846,440	1,721,579	1,638,909	1,502,265	1,203,169	1,082,424	872,113	871,063	782,576
Restaurant	494,255	441,005	422,623	412,054	367,006	314,825	274,993	246,473	243,948	224,278
Miscellaneous	90,710	95,991	100,150	90,656	114,614	144,401	126,629	116,976	152,874	107,955
Grants and Contributions Not Restricted to Specific Programs	-	34,532	1,672	8,172	40,534	43,990	-	-	-	-
Interest Earnings	283,186	161,639	36,824	49,223	62,211	94,542	9,122	65,634	56,860	87,025
Gain on Sale of Capital Assets	26,316	-	-	-	-	-	-	-	7,807	-
Transfers	<u>(686,275)</u>	<u>(334,668)</u>	<u>(336,000)</u>	<u>(320,470)</u>	<u>495,157</u>	<u>204,820</u>	<u>549,382</u>	<u>25,455</u>	<u>(130,424)</u>	<u>(587,322)</u>
Total Governmental Activities General Revenues	<u>12,833,315</u>	<u>11,918,068</u>	<u>15,067,857</u>	<u>14,035,648</u>	<u>14,350,289</u>	<u>12,923,978</u>	<u>14,206,903</u>	<u>12,171,370</u>	<u>12,516,382</u>	<u>11,269,542</u>
Business-type Activities:										
Miscellaneous	114,070	124,801	105,096	59,251	72,856	389,133	384,538	352,202	308,442	246,270
Investment Earnings	7,830	5,383	1,264	52	72	179	470	931	905	1,321
Gain (Loss) on Sale of Capital Assets	(3,208)	-	-	-	-	-	-	-	(6,117)	-
Contributions	-	-	-	-	-	-	-	-	-	-
Transfers	<u>686,275</u>	<u>334,668</u>	<u>336,000</u>	<u>320,470</u>	<u>(495,157)</u>	<u>(204,820)</u>	<u>(549,381)</u>	<u>(25,455)</u>	<u>130,424</u>	<u>587,322</u>
Total Business-type Activities General Revenues	<u>804,967</u>	<u>464,852</u>	<u>442,361</u>	<u>379,773</u>	<u>(422,228)</u>	<u>184,493</u>	<u>(164,373)</u>	<u>327,678</u>	<u>433,654</u>	<u>834,913</u>
Total Primary Government General Revenues and Transfers	<u>13,638,281</u>	<u>12,382,920</u>	<u>15,510,218</u>	<u>14,415,421</u>	<u>13,928,061</u>	<u>13,108,470</u>	<u>14,042,530</u>	<u>12,499,048</u>	<u>12,950,036</u>	<u>12,104,455</u>
Change in Net Position:										
Governmental Activities	2,776,401	(454,548)	3,534,159	1,874,223	3,506,248	2,543,555	3,450,126	859,307	1,323,876	1,032,794
Business-type Activities	<u>1,887,864</u>	<u>666,722</u>	<u>755,894</u>	<u>412,150</u>	<u>(73,604)</u>	<u>(287,784)</u>	<u>(639,332)</u>	<u>(633,241)</u>	<u>(2,643,969)</u>	<u>(686,702)</u>
Total Primary Government	<u>\$ 4,664,265</u>	<u>\$ 212,174</u>	<u>\$ 4,290,053</u>	<u>\$ 2,286,373</u>	<u>\$ 3,432,644</u>	<u>\$ 2,255,772</u>	<u>\$ 2,810,794</u>	<u>\$ 226,066</u>	<u>\$ (1,320,093)</u>	<u>\$ 346,093</u>

**TOWN OF MOUNTAIN VILLAGE**  
**Program Revenues by Function/Program**  
**Last Ten Years**

**TABLE A-3**

Function/Program:	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Governmental Activities:										
General Government	\$ 511,079	\$ 525,328	\$ 523,332	\$ 405,889	\$ 463,438	\$ 332,853	\$ 598,790	\$ 686,119	\$ 820,898	\$ 756,085
Administration										
Public Safety	9,252	9,448	10,625	2,765	7,146	5,592	4,150	(558)	5,156	25,578
Parking & Transportation	6,262	3,556	14,157	7,029	16,663	5,525	11,779	9,380	2,880	35,854
Economic Development	982,861	972,118	1,225,480	847,437	826,881	787,029	1,249,554	604,430	569,292	676,872
Operating Grants and Contributions	4,780,757	5,099,138	5,187,988	5,104,263	3,677,500	3,883,361	3,520,479	3,477,497	3,473,031	3,060,688
Capital Grants and Contributions	737,062	888,328	209,970	986,478	964,267	482,543	537,244	291,709	391,258	568,732
Total Governmental Activities	<u>7,027,273</u>	<u>7,497,916</u>	<u>7,171,552</u>	<u>7,353,861</u>	<u>5,955,896</u>	<u>5,496,903</u>	<u>5,921,996</u>	<u>5,068,578</u>	<u>5,262,515</u>	<u>5,123,809</u>
Business-type Activities:										
Housing Authority:										
Charges for Services	2,324,024	2,552,330	2,257,221	2,287,713	2,277,184	1,941,392	1,766,045	1,677,183	1,708,925	1,746,086
Operating Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-	-	-	147,708	732,292	-
Water & Sewer										
Charges for Services	3,147,818	3,019,668	2,790,778	2,438,021	2,439,540	2,362,197	2,379,454	2,125,578	2,116,620	1,896,887
Operating Grants and Tap Fee Contributions	118,829	113,108	276,548	42,960	173,002	37,761	176,725	124,573	20,356	92,472
Telluride Conference Center										
Charges for Services	-	-	-	-	-	-	-	-	-	76
Operating Grants and Tap Fee Contributions	-	-	-	-	-	-	-	-	14,200	-
Daycare Program:										
Charges for Services	480,620	445,726	454,663	478,042	441,422	430,994	429,238	404,664	352,011	344,450
Operating Grants and Contributions	97,055	66,905	38,650	46,522	38,499	26,075	39,475	40,099	40,798	40,586
Capital Grants and Contributions	-	-	-	-	-	9,240	-	-	-	32,050
Broadband										
Charges for Services	2,195,536	2,100,372	1,945,869	1,818,604	1,717,541	1,625,486	1,572,602	1,522,159	1,472,986	1,410,430
Parking Services:										
Charges for Services	564,325	421,557	480,887	397,478	494,359	376,729	311,311	272,803	251,935	170,877
Operating Grants and Contributions	-	5,985	12,230	9,953	7,732	20,771	19,567	24,419	25,124	30,590
Regional Communication System:										
Charges for Services	-	-	-	-	-	-	15,767	27,024	36,000	37,344
Capital Grants and Contributions	-	-	-	-	-	-	-	-	-	-
Total Business-type Activities	<u>8,928,207</u>	<u>8,725,652</u>	<u>8,256,845</u>	<u>7,519,293</u>	<u>7,589,279</u>	<u>6,830,646</u>	<u>6,710,184</u>	<u>6,366,210</u>	<u>6,771,247</u>	<u>5,801,848</u>
Total Primary Government	\$ <u>15,955,480</u>	\$ <u>16,223,568</u>	\$ <u>15,428,397</u>	\$ <u>14,873,154</u>	\$ <u>13,545,174</u>	\$ <u>12,327,549</u>	\$ <u>12,632,180</u>	\$ <u>11,434,787</u>	\$ <u>12,033,761</u>	\$ <u>10,925,657</u>

**TOWN OF MOUNTAIN VILLAGE**  
**Fund Balances, Governmental Funds**  
**Last Ten Years**

**TABLE A-4**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
General Fund:										
Restricted for:										
Long-term Receivable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Emergencies	543,493	547,975	641,878	619,295	551,223	536,090	532,144	501,617	502,267	522,750
Non-spendable	257,450	301,361	264,540	288,447	287,930	322,325	395,397	34,385	251,876	325,498
Committed	81,257	-	-	-	-	-	-	-	-	-
Unassigned	9,636,465	11,178,597	8,433,159	8,538,573	8,146,194	6,253,526	5,709,655	3,324,779	2,612,323	1,448,541
Total Fund Balance	<u>10,518,666</u>	<u>12,027,932</u>	<u>9,339,578</u>	<u>9,446,315</u>	<u>8,985,348</u>	<u>7,111,942</u>	<u>6,637,196</u>	<u>3,860,781</u>	<u>3,366,466</u>	<u>2,296,789</u>
All Other Governmental Funds:										
Restricted for:										
Debt Service	405,573	404,087	450,278	947,096	743,941	750,647	734,651	1,033,003	1,056,461	1,126,669
Capital Projects	-	-	-	-	-	-	-	-	-	-
Assigned	3,678,471	451,531	1,943,532	239,544	157,316	91,938	20,346	102,710	48,623	11,424
Unassigned, Reported in:	-	-	-	-	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	<u>4,084,044</u>	<u>855,617</u>	<u>2,393,809</u>	<u>1,186,641</u>	<u>901,257</u>	<u>842,584</u>	<u>754,997</u>	<u>1,135,713</u>	<u>1,105,084</u>	<u>1,138,093</u>
Total Governmental Funds										
Restricted for:										
Long-term Receivables	-	-	-	-	-	-	-	-	-	-
Debt Service	405,573	404,087	450,278	947,096	750,647	750,647	734,651	1,033,003	1,056,461	1,126,669
Capital Projects	-	-	-	-	-	-	-	-	-	-
Emergencies	543,493	547,975	641,878	619,295	536,090	536,090	532,144	501,617	502,267	522,750
Non-spendable	257,450	301,361	264,540	288,447	322,325	322,325	395,397	34,385	251,876	325,498
Committed	81,257	-	-	-	-	-	-	-	-	-
Assigned	3,678,471	451,531	1,943,532	239,544	91,938	91,938	20,346	102,710	48,623	11,424
Unassigned, Reported in:										
General Fund	9,636,465	11,178,597	8,433,159	8,538,573	8,185,605	6,253,526	5,709,655	3,324,779	2,612,323	1,448,541
Other Funds	-	-	-	-	-	-	-	-	-	-
Total Fund Balances	\$ <u>14,602,710</u>	\$ <u>12,883,549</u>	\$ <u>11,733,387</u>	\$ <u>10,632,956</u>	\$ <u>9,886,605</u>	\$ <u>7,954,526</u>	\$ <u>7,392,193</u>	\$ <u>4,996,494</u>	\$ <u>4,471,550</u>	\$ <u>3,434,882</u>
Percent change from previous year	<u>13.3%</u>	<u>9.8%</u>	<u>10.3%</u>	<u>7.5%</u>	<u>24.3%</u>	<u>7.6%</u>	<u>47.9%</u>	<u>11.7%</u>	<u>30.2%</u>	<u>-5.3%</u>

(1) Effective January 1, 2007 the Town of Mountain Village assumed all functions of the Mountain Village Metropolitan District

**TOWN OF MOUNTAIN VILLAGE**  
**Changes in Fund Balances, Governmental Funds**  
**Last Ten Years**

**TABLE A-5**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Revenues:										
Taxes	\$ 13,119,377	\$ 11,960,574	\$ 15,265,211	\$ 14,208,068	\$ 13,637,774	\$ 12,436,224	\$ 13,521,770	\$ 11,963,305	\$ 12,429,265	\$ 11,661,884
Licenses and Permits	743,995	667,418	887,675	599,560	631,681	545,126	762,552	417,710	432,166	464,527
Intergovernmental	629,801	475,260	374,212	377,290	375,754	363,555	440,285	415,315	455,538	445,252
Charges for Services	370,751	395,716	503,424	275,112	357,801	284,648	736,705	441,139	494,218	554,579
Fines and Forfeitures	10,152	57,899	8,282	11,157	7,146	4,093	2,725	(558)	5,156	25,578
Investment Earnings	283,186	161,639	36,824	49,223	62,211	94,543	41,151	65,634	56,860	87,025
Grants and Contributions	5,263,659	5,901,623	5,503,850	6,090,741	4,583,515	4,346,616	3,968,785	3,769,206	3,875,430	3,861,383
Miscellaneous	90,401	95,991	100,150	90,656	114,614	97,266	108,789	142,742	152,874	115,770
Total Revenue	<u>20,511,321</u>	<u>19,716,120</u>	<u>22,679,628</u>	<u>21,701,806</u>	<u>19,770,495</u>	<u>18,172,070</u>	<u>19,582,763</u>	<u>17,214,493</u>	<u>17,901,506</u>	<u>17,215,998</u>
Expenditures:										
Current:										
General Government	10,694,200	10,603,186	9,943,665	10,765,818	9,362,252	9,003,564	9,722,040	10,073,500	10,014,456	10,472,575
Public Safety	1,032,255	910,530	829,791	828,338	811,016	714,239	765,603	838,821	850,149	870,536
Culture and Recreation	552,237	620,871	607,253	538,001	485,452	487,552	434,215	574,777	673,324	685,898
Economic Development	3,513,504	3,477,676	3,145,477	3,110,718	2,681,472	2,348,837	2,220,203	1,433,224	1,307,533	1,176,543
Capital Outlay	1,563,071	1,898,128	2,953,051	1,950,973	1,343,475	954,735	952,990	163,233	425,183	376,793
Debt service:										
Administrative Charges	22,255	22,557	109,099	119,633	119,254	113,844	114,780	114,912	140,822	90,412
Bond Issuance Costs	-	-	-	-	-	120,673	-	-	-	-
Principal	405,000	390,000	3,315,000	2,695,000	2,815,000	3,185,000	2,495,000	2,400,000	2,140,000	1,840,000
Interest	333,925	342,875	492,608	634,675	756,186	941,225	1,033,300	1,122,098	1,190,754	1,306,384
Total Expenditures	<u>18,116,447</u>	<u>18,265,822</u>	<u>21,395,944</u>	<u>20,643,157</u>	<u>18,374,106</u>	<u>17,869,670</u>	<u>17,738,132</u>	<u>16,720,567</u>	<u>16,742,221</u>	<u>16,819,141</u>
Excess of Revenues Over (Under) Expenditures	<u>2,394,874</u>	<u>1,450,298</u>	<u>1,283,684</u>	<u>1,058,650</u>	<u>1,396,389</u>	<u>302,400</u>	<u>1,844,631</u>	<u>493,927</u>	<u>1,159,285</u>	<u>396,857</u>
Other Financing Sources (Uses):										
Transfers In	793,077	1,012,284	1,724,070	1,303,273	1,710,628	1,579,663	1,787,359	856,571	890,208	611,163
Transfers Out	(1,530,380)	(1,346,952)	(2,060,070)	(1,623,743)	(1,215,471)	(1,489,270)	(1,237,977)	(831,117)	(1,020,632)	(1,198,485)
Payments of Refunded Bonds	-	-	-	-	-	(7,445,847)	-	-	(3,025,000)	-
Insurance Proceeds	35,273	35,273	149,777	-	-	-	-	-	-	-
Issuance of Refunded Bonds	-	-	-	-	-	7,571,396	-	-	3,025,000	-
Proceeds from Sale of Capital Assets	26,316	34,532	2,972	8,172	40,534	43,990	1,685	5,563	7,807	-
Total Other Financing Sources (Uses)	<u>(675,714)</u>	<u>(264,863)</u>	<u>(183,251)</u>	<u>(312,298)</u>	<u>535,690</u>	<u>259,933</u>	<u>551,067</u>	<u>31,018</u>	<u>(122,617)</u>	<u>(587,322)</u>
Net Change in Fund Balances	<u>\$ 1,719,161</u>	<u>\$ 1,185,435</u>	<u>\$ 1,100,432</u>	<u>\$ 746,351</u>	<u>\$ 1,932,079</u>	<u>\$ 562,332</u>	<u>\$ 2,395,698</u>	<u>\$ 524,945</u>	<u>\$ 1,036,668</u>	<u>\$ (190,465)</u>
Debt Service as a Percent of Non-capital Expenditures	<u>4.5%</u>	<u>4.5%</u>	<u>20.6%</u>	<u>17.8%</u>	<u>21.0%</u>	<u>24.4%</u>	<u>21.0%</u>	<u>21.3%</u>	<u>20.4%</u>	<u>19.1%</u>

**TOWN OF MOUNTAIN VILLAGE**  
**Tax Revenues by Source, Governmental Funds**  
**Last Ten Years**

**TABLE A-6**

<b>Year</b>	<b>Property</b>	<b>Specific Ownership</b>	<b>Sales</b>	<b>Use and Cigarette</b>	<b>Lodging</b>	<b>Restaurant</b>	<b>Penalties and Interest</b>	<b>Total</b>
2010	7,613,001	211,838	2,314,439	487,124	782,576	224,278	29,157	11,662,414
2011	8,315,474	211,892	2,474,576	268,297	871,063	243,948	44,014	12,429,264
2012	7,790,254	219,426	2,496,731 (1)	279,374	872,113	246,473	60,423	11,964,795
2013	7,694,069	258,341	2,955,474	1,229,436	1,082,424	274,993	27,032	13,521,770
2014	7,026,165	287,077	3,138,781	357,359	1,203,169	314,825	23,316	12,350,692
2015	7,055,375	303,008	3,812,811	570,271	1,502,265	367,006	27,037	13,637,773
2016	7,350,889	291,693	4,008,650	479,148	1,638,909	412,054	26,724	14,208,067
2017	7,334,897	325,149	4,270,722	1,184,263	1,720,340	421,623	8,218	15,265,211
2018	4,407,067	224,100	4,437,870	587,017	1,833,880	439,896	30,745	11,960,575
2019	4,509,529	224,573	5,042,434	769,303	2,064,690	494,255	14,594	13,119,377
Change								
2010-2019	-40.8%	6.0%	117.9%	57.9%	163.8%	120.4%	-49.9%	12.5%
2010-2017	-3.7%	53.5%	84.5%	143.1%	119.8%	88.0%	-71.8%	30.9%
2015-2019	-36.1%	-25.9%	32.2%	34.9%	37.4%	34.7%	-46.0%	-3.8%

(1) Effective January 1, 2012 the Town of Mountain Village began self collection of sales taxes.

**Town of Mountain Village**  
**User Fee Revenues, Enterprise Funds**  
**Last Ten Years**

**TABLE A-7**

<b>Year</b>	<b>Water and Sewer Fund User Fees</b>	<b>Water System Development User (Tap) Fees</b>	<b>Broadband Fund User Fees</b>	<b>Child Development Fund User Fees</b>	<b>Parking Services Fund User Fees</b>	<b>Housing Authority User Fees</b>	<b>Telluride Conference Center Fund User Fees</b>	<b>Total User Fees</b>
2010	1,896,887	92,472	1,410,430	344,450	170,212	1,990,255	76	5,904,782
2011	2,116,620	20,356	1,472,986	352,011	263,113	2,010,108	-	6,235,194
2012	2,125,578	124,573	1,522,159	393,119	286,544	2,029,386	-	6,481,360
2013	2,379,454	176,725	1,572,602	415,121	323,035	2,151,523	-	7,018,459
2014	2,362,197	37,761	1,625,486	430,994	368,318	2,342,523	920	7,168,199
2015	2,439,540	173,002	1,717,541	441,422	494,359	2,350,040	-	7,615,904
2016	2,438,021	42,960	1,818,604	460,305	397,478	2,346,963	-	7,504,332
2017	2,790,778	276,548	1,945,869	454,663	480,887	2,257,221	-	8,205,966
2018	3,019,668	113,108	2,100,372	445,726	421,557	2,274,472	-	8,374,903
2019	3,147,818	118,829	2,195,536	480,620	564,325	2,324,024	-	8,831,152

**Town of Mountain Village**  
**Enterprise Fund Expenses**  
**Last Ten Years**

**TABLE A-8**

	Operations						Capital Outlay						Total Expenses
	Water and Sewer Fund	Broadband Fund	Child Development Fund	Parking Services Fund	Housing Authority Fund	Telluride Conference Center Fund	Water and Sewer Fund	Broadband Fund	Child Development Fund	Parking Services Fund	Housing Authority Fund	Telluride Conference Center Fund	
2010	1,247,676	1,207,522	560,678	339,115	1,148,880	222,319	11,841	54,898	32,050	-	-	-	4,824,979
2011	1,403,872	1,086,474	546,161	351,065	1,116,628	130,749	27,284	10,057	-	-	1,021,836	-	5,694,126
2012	1,380,534	1,155,171	550,406	259,665	1,599,720	139,959	121,563	19,897	-	-	63,543	15,525	5,305,984
2013	1,305,576	1,214,275	540,929	281,338	1,076,244	105,542	401,407	105,431	-	-	283,011	92,787	5,406,540
2014	1,447,875	1,237,251	544,006	328,928	1,093,578	120,368	298,653	41,971	9,240	-	206,806	33,648	5,362,324
2015	1,414,788	1,384,582	553,015	280,298	1,033,410	193,103	1,756,814	125,976	-	-	90,721	-	6,832,707
2016	1,416,328	1,620,961	586,679	286,610	1,094,375	196,206	326,024	51,774	-	-	170,044	-	5,749,000
2017	1,458,927	1,583,014	613,717	405,192	1,181,232	199,089	382,628	131,574	-	-	201,745	5,564	6,162,683
2018	1,587,320	1,660,393	668,388	299,944	1,574,749	202,543	607,301	227,622	-	5,615	714,771	-	7,548,647
2019	1,479,196	1,719,596	682,430	369,116	1,259,514	197,239	801,557	954,084	-	65,549	661,226	-	8,189,507



**TOWN OF MOUNTAIN VILLAGE**  
**Actual Value and Estimated Assessed Value of Taxable Property**  
**Last Ten Years**

**TABLE B-1**

<b>Collection Year</b>	<b>Assessment Year</b>	<b>Vacant Property</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Personal Property</b>	<b>State Assessed</b>	<b>Less: Tax-Exempt Property</b>	<b>Total Taxable Actual Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Assessed Taxable Value</b>	<b>Taxable Estimated Assessed Value as a % of Actual Total Taxable Value</b>
2010	2009	352,810,365	2,914,840,872	120,616,538	19,392,657	678,808	32,849,849	3,375,489,391	13.448	370,033,758	10.96%
2011	2010	340,682,083	2,979,575,525	102,003,092	28,002,801	664,919	31,938,566	3,418,989,854	13.604	373,861,120	10.93%
2012	2011	285,890,645	2,564,807,411	81,866,265	26,986,021	743,724	31,912,149	2,928,597,597	13.691	318,849,890	10.89%
2013	2012	225,264,565	2,177,223,916	117,188,460	21,971,079	N/A	34,225,675	2,507,422,345	13.479	317,578,720	12.67%
2014	2013	213,148,847	2,147,342,272	90,787,423	21,529,847	712,289	33,739,055	2,439,781,623	13.485	265,515,290	10.88%
2015	2014	231,186,150	2,529,775,804	93,154,429	20,427,600	508,131	41,826,618	2,833,225,496	13.460	266,407,970	9.40%
2016	2015	228,599,611	2,466,526,089	89,150,287	20,755,650	674,965	41,832,526	2,763,874,076	13.447	294,538,840	10.66%
2017	2016	224,533,231	2,467,868,983	89,423,928	21,852,112	633,586	43,543,186	2,760,768,654	13.589	294,011,170	10.65%
2018	2017	218,489,561	2,683,621,949	91,328,149	23,321,304	400,206	155,371,444	2,861,789,725	13.717	314,681,000	11.00%
2019	2018	197,066,289	2,972,959,400	132,629,306	28,354,103	N/A	156,743,565	3,174,265,533	13.660	316,402,400	9.97%
2020	2019	195,273,835	2,964,609,268	128,299,320	30,256,664	324,999	156,812,480	3,161,951,606	13.485	314,681,000	9.95%

N/A - information is not available.

**Source:** San Miguel County Assessor's Office

**TOWN OF MOUNTAIN VILLAGE**  
**Property Tax Rates**  
**Direct and Overlapping Governments**  
**Last Ten Years**

**TABLE B-2**

Fiscal Year	Town Direct Rates				Overlapping Rates								
	Operations *	Debt (1)	Mountain Village Historical Museum	Total Direct	Mountain Village Metropolitan District	Telluride Fire District	San Miguel County	Library District R-1	Telluride School District	Lone Tree Cemetery District	San Miguel Authority of Regional Transportation	Southwestern Water Conservation District	Telluride Hospital District
2011	13.271	-	0.333	13.604	8.794	2.498	10.120	3.492	10.290	0.051	-	0.272	2.294
2012	13.358	-	0.333	13.691	10.750	2.947	10.120	3.587	10.113	0.051	-	0.291	2.304
2013	13.146	-	0.333	13.479	10.823	2.967	10.120	3.630	8.678	0.051	-	0.307	2.288
2014	13.152	-	0.333	13.485	13.325	3.038	10.120	3.710	8.989	0.051	-	0.368	2.286
2015	13.127	-	0.333	13.460	13.052	3.020	10.120	3.655	11.922	0.051	-	0.362	2.280
2016	13.114	-	0.333	13.447	11.820	2.855	10.120	3.661	11.332	0.049	-	0.340	2.280
2017	13.256	-	0.333	13.589	11.840	2.958	10.120	3.656	11.447	0.150	0.750	0.395	2.280
2018	13.384	-	0.333	13.717	1.904	2.940	10.870	2.830	11.059	0.150	0.750	0.407	2.299
2019	13.327	-	0.333	13.660	1.910	2.943	11.967	2.902	13.025	0.156	0.775	0.407	3.608
2020	13.152	-	0.333	13.485	1.742	4.857	11.652	3.555	12.485	0.150	0.752	0.403	3.417

**Source:** San Miguel County Treasurer's Office

Tax rates are per \$1,000 assessed valuation, a rate of 1,000 results in \$1 of revenue for every \$1,000 of assessed

\* The mill levy for general operating expenses has remained stable - the small variances are caused by refunds and abatements.

(1) The debt for the town is still serviced through the district.

Combined Mill Levy for the Town of Mountain Village Residents by year:

2011	22.398	2016	25.267
2012	24.441	2017	25.429
2013	24.302	2018	15.621
2014	26.810	2019	15.570
2015	26.512	2020	15.227

**TOWN OF MOUNTAIN VILLAGE**  
**Principal Property Taxpayers**  
**Current Year and Ten Years Ago**

**TABLE B-3**

Taxpayer	Type of Business	2019			2010		
		Taxable Assessed Value	Rank	Percentage of Town's Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Town's Taxable Assessed Value
TSG Assets Holdings	Ski Area Owner and Operator	\$ 12,705,060	1	4.0%	\$ 8,488,320	3	2.3%
Telluride Ski and Golf Company	Ski Area Owner and Operator	11,277,350	2	3.6%	9,193,410	2	2.5%
Telluride Resort Partners (1)	Hotel/Condominium Units	8,797,840	3	2.8%	11,324,440	1	3.0%
AMMV Investments, LLC / Club Telluride LLC	Residential Ownership Club	2,487,520	4	0.8%	2,638,030	8	0.7%
MV Holdings LLC	Real Estate Investment Group	2,331,600	5	0.7%	-		0.0%
Club Telluride Company I LLC	Residential Ownership Club	2,267,060	6	0.7%	2,311,110	10	0.6%
Yellow Brick Road Company LLC	Private Property Owner	2,124,770	7	0.7%	-		0.0%
Northern Trust NA AS TRTEE ET AL	Financial Institution	2,062,190	8	0.7%	2,361,470	9	0.6%
TSG Gondola LLC	Ski Area Owner and Operator	2,050,000	9	0.7%	-		0.0%
Telluride LLC	Private Property Owner	1,459,580	10	0.5%	-		0.0%
Primegro Telluride LLC	Real Estate Developer	-		0.0%	2,722,530	7	0.7%
Peaks Resort and Spa (Telluride Resort and Spa LLC)	Hotel and Spa	-		0.0%	4,333,330	4	1.2%
Telluride Holdings LLC	Real Estate Investment Group	-		0.0%	-		0.0%
Villas at Cortina Developers LLC	Real Estate Developer	-		0.0%	-		0.0%
Stonegate Sundance Partners, LLC	Real Estate Developer	-		0.0%	3,879,700	5	1.0%
Lot 161CR Mountain Village LLC	Developer	-		0.0%	3,304,840	6	0.9%
Exclusive Resorts	Residential Ownership Club	-		0.0%	-		0.0%
St. Sophia Partners, LLLP	Real Estate Developer	-		0.0%	-		0.0%
Butler, Alice L as Trustee	Private Property Owner	-		0.0%	-		0.0%
Subtotal Principal Taxpayers		47,562,970		15.1%	50,557,180		13.5%
All Other Taxpayers		267,118,030		84.9%	323,303,940		86.5%
Total Taxpayers		\$ 314,681,000		100.0%	\$ 373,861,120		100.0%

**Source: San Miguel County Assessor's Office**

(1) Formerly Lost Creek Associates & RAL Mountain Village Lodging & Ektornet US Telluride LLC, & Madeline Property Owner LLC

**TOWN OF MOUNTAIN VILLAGE**  
**Property Tax Levies and Collections**  
**Last Ten Years**

**TABLE B-4**

<u>Collection Year</u>	<u>Assessment Year</u>	<u>Total Tax Levy for Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy</u>		<u>Collection in Subsequent Years</u>	<u>Total Collections to Date</u>	
			<u>Amount</u>	<u>% of Levy</u>		<u>Amount</u>	<u>% of Levy</u>
2010	2009	7,743,049	7,613,326	98.32%	(5,731)	7,607,595	98.25%
2011	2010	8,368,027	8,330,119	99.55%	(12,169)	8,317,950	99.40%
2012	2011	7,793,017	7,742,011	99.35%	(1,076)	7,740,935	99.33%
2013	2012	7,717,798	7,697,744	99.74%	163	7,697,907	99.74%
2014	2013	7,118,465	7,116,268	99.97%	-	7,116,268	99.97%
2015	2014	7,063,008	7,060,595	99.97%	-	7,060,595	99.97%
2016	2015	7,442,123	7,376,897	99.12%	(25,988)	7,350,909	98.77%
2017	2016	7,476,559	7,479,876	100.04%	(144,607)	7,335,269	98.11%
2018	2017	4,529,348	4,523,908	99.88%	-	4,523,908	99.88%
2019	2018	4,518,902	4,518,813	100.00%		4,518,813	100.00%

**Source:** San Miguel County Treasurer Office

**Notes:** The San Miguel County Treasurer's fee has not been deducted from the collection amounts. The negative numbers reflect abatements (refunds) that have been granted to property owners who successfully protested their valuations in the tax area in subsequent years.

- (1) The Mountain Village Metropolitan District dissolved effective 1/1/2007; all the assets and obligations were transferred to the Town of Mountain Village

**TOWN OF MOUNTAIN VILLAGE**  
**Ratios of Outstanding Debt by Type -Town of Mountain Village**  
**Last Ten Years**

**TABLE C-1**

<b>Year</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>		<b>Total Primary Government</b>	<b>Percentage of Actual Property Value (1)</b>	<b>Per Capita (2)</b>	<b>Per Personal Income</b>
	<b>General Obligation Bonds (1)</b>	<b>Revenue Bonds (3)</b>	<b>Note Payable</b>				
2010	28,105,000	13,020,000	1,110,691	42,235,691	1.2%	32,167	721
2011	26,090,000	12,840,000	1,088,946	40,018,946	1.4%	29,954	652
2012	23,565,000	12,650,000	1,066,251	37,281,251	1.5%	27,555	580
2013	21,070,000	12,450,000	1,042,247	34,562,247	1.4%	25,395	513
2014	18,190,000	12,340,000	1,017,055	31,547,055	1.1%	22,844	447
2015	15,375,000	12,275,527	660,221	28,310,748	1.0%	20,500	382
2016	12,680,000	12,340,000	292,600	25,312,600	0.9%	17,978	326
2017	9,365,000	12,275,527	-	21,640,527	0.8%	15,381	266
2018	8,975,000	11,881,789	-	20,856,789	0.7%	14,688	244
2019	8,570,000	11,475,396	-	20,045,396	0.6%	13,977	228

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

(1) See Table B-1 for taxable property value data.

(2) See Table D-1 for population data.

(3) The revenue bonds were issued on December 29, 2000.

Mountain Village Metropolitan District merged into the Town of Mountain Village 1/1/2007

**Town Of Mountain Village**  
**Direct and Overlapping Bond Debt**  
**December 31, 2019**

**TABLE C-2**

<b>Governmental Unit</b>	<b>2019 Valuation</b>	<b>Bond Debt Outstanding</b>	<b>Estimated Percentage Applicable</b>	<b>Estimated Share of Overlapping Debt</b>
Library District R-1	\$ -	\$ -	#DIV/0!	\$ #DIV/0!
Telluride Fire District	-	-	#DIV/0!	#DIV/0!
Subtotal		-		#DIV/0!
Mountain Village Metropolitan District, a unit of the Town of Mountain Village	314,681,000	8,570,000 (1)	100.0%	8,570,000
Total Direct and Overlapping Debt		\$ <u>8,570,000</u>		\$ <u>#DIV/0!</u>

**Sources:** San Miguel County Assessor's Office for the valuation; each governmental unit for the debt outstanding data.

**Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule** estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the Town of Mountain Village by taking the total valuation of MV divided by the total valuation of the entire district times the outstanding debt of each entity. This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. This does not imply that every taxpayer is a resident, and therefore responsible for (1) For the purposes of debt service, Mountain Village Metropolitan District has been kept in existence until all debt service is retired.

# TOWN OF MOUNTAIN VILLAGE

## Pledged-Revenue Coverage

Last Ten Years

TABLE C-3

Village Court Apartments (VCA) Revenue Bonds and Construction Note (1)						
Year	Gross Revenue	Less:	Net	Debt Service		Coverage
		Operating Expenses	Available Revenue	Principal	Interest	
2010	1,986,020	1,121,823	864,197	22,298	486,158	1.70
2011	1,996,266	1,095,394	900,872	201,745	293,179	1.82
2012	2,007,358	1,003,534	1,003,824	214,502	272,229	2.06
2013	2,129,888	1,049,555	1,080,333	224,004	266,229	2.20
2014	2,324,246	1,005,537	1,318,710	285,801	262,799	2.40
2015	2,337,461	1,030,000	1,307,461	356,834	480,291	1.56
2016	2,333,828	987,015	1,346,814	367,621	432,260	1.68
2017	2,343,641	1,049,464	1,294,177	357,073	406,401	1.70
2018	2,386,123	1,055,377	1,330,746	393,738	394,539	1.69
2019	2,404,321	1,214,929	1,189,392	406,393	381,884	1.51

**Notes:** Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

Gross revenues include non-operating interest income and grants and contributions.

Operating expenses do not include interest, loan fees, depreciation, or amortization.

- (1) The VCA revenue bonds were issued on December 29, 2000. The construction Note issued in 2006.
- (2) The Telluride Mountain Village Owners Association (TMVOA) guarantees the debt service payments to the extent not covered by operating surpluses by pledging its property owner assessments and guaranteeing the obligation by funding the guaranty fund in the amount of \$1,350,000.

**Town of Mountain Village - Mountain Village Metropolitan District**  
**Legal Debt Margin Information**  
**Last Ten Years**

**TABLE C-4**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Assessed Value	\$ <u>314,681,000</u>	\$ <u>290,861,460</u>	\$ <u>289,947,030</u>	\$ <u>294,011,170</u>	\$ <u>294,538,840</u>	\$ <u>266,407,970</u>	\$ <u>265,515,290</u>	\$ <u>317,578,720</u>	\$ <u>318,849,890</u>	\$ <u>373,861,120</u>
Debt Limit	157,340,500	145,430,730	144,973,515	147,005,585	147,269,420	133,203,985	132,757,645	158,789,360	159,424,945	186,930,560
Total Net Debt Applicable to Limit	<u>6,550,000</u>	<u>6,835,000</u>	<u>7,110,000</u>	<u>10,310,000</u>	<u>12,890,000</u>	<u>15,595,000</u>	<u>18,370,000</u>	<u>20,765,000</u>	<u>23,065,000</u>	<u>25,080,000</u>
Legal debt margin	\$ <u>150,790,500</u>	\$ <u>138,595,730</u>	\$ <u>137,863,515</u>	\$ <u>136,695,585</u>	\$ <u>134,379,420</u>	\$ <u>117,608,985</u>	\$ <u>114,387,645</u>	\$ <u>138,024,360</u>	\$ <u>136,359,945</u>	\$ <u>161,850,560</u>
Total Net Debt Applicable to the Limit as a percentage of the Debt Limit	4.2%	4.7%	4.9%	7.0%	8.8%	11.7%	13.8%	13.1%	14.5%	13.4%

**Source:** San Miguel County Assessor's Office for the assessed value.



**TOWN OF MOUNTAIN VILLAGE**  
**Demographic and Economic Statistics**  
**Last Ten Years**

**TABLE D-1**

Town of Mountain Village					San Miguel County Area				
Year	Population	Per Capita Personal Income	Per Capita Total Income	Zoned Population	Population	Per Capita Personal Income	Per Capita Total Income	School Enrollment	Unemployment Rate
2008	1,309	-	-	8,027	7,366	53,312	392,696,192	1,010	3.9%
2009	1,272	-	-	8,027	7,379	55,871	412,271,932	973	6.6%
2010	1,313	45,520	59,767,117	8,027	7,356	58,553	430,714,271	954	7.6%
2011	1,336	-	-	8,027	7,487	61,363	459,427,150	1,032	7.8%
2012	1,353	-	-	8,027	7,580	64,309	487,460,368	738	6.9%
2013	1,361	-	-	8,027	7,621	67,396	513,621,684	863	5.5%
2014	1,381	-	-	8,027	7,738	70,631	546,539,301	835	3.7%
2015	1,381	-	-	8,027	7,840	74,021	580,323,312	907	2.4%
2016	1,408	-	-	8,027	8,023	77,574	622,374,842	933	2.4%
2017	1,407	-	-	8,027	8,045	81,297	614,303,502	902	2.7%
2018	1,420	-	-	8,027	8,177	85,432	632,795,880	913	3.4%
2019	1,434	-	-	8,027	8,259	87,995	726,730,136	920	2.5%

**Source:** Population and income data provided by the Colorado Division of local Government, State Demography Office; school enrollment data provided by Telluride School District; unemployment data provided by the US Bureau of Labor Statistics. Personal per capita income for the Town of Mountain Village is only calculated every ten years during the U.S. Census. Telluride School District enrollment as of 2016 includes Pre-K through 12th grade.

**TOWN OF MOUNTAIN VILLAGE**

**Principal Employers**

**Last Ten Years**

**TABLE D-2**

2019					
Employer	Type of Business	Employees	% of Total Employment	Rank	
Telluride Ski and Golf Company (1)	Ski Area Owner and Operator	986	76.95%	1	
Madeline Property Owners (Hotel Madeline)	Hotel and Restaurants	156	12.17%	2	
Town of Mountain Village	Government	139	10.88%	3	
Total		1,281			
2018					
Employer	Type of Business	Employees	% of Total Employment	Rank	
Telluride Ski and Golf Company (1)	Ski Area Owner and Operator	1,077	79.05%	1	
Madeline Property Owners (Hotel Madeline)	Hotel and Restaurants	146	10.72%	2	
Town of Mountain Village	Government	139	10.23%	3	
Total		1,362			
2017					
Employer	Type of Business	Employees	% of Total Employment	Rank	
Telluride Ski and Golf Company (1)	Ski Area Owner and Operator	1,050	77.05%	1	
Madeline Property Owners (Hotel Madeline)	Hotel and Restaurants	176	12.92%	2	
Town of Mountain Village	Government	137	10.03%	3	
Total		1,363			
2016					
Employer	Type of Business	Employees	% of Total Employment	Rank	
Telluride Ski and Golf Company (1)	Ski Area Owner and Operator	1,050	76.63%	1	
Madeline Property Owners (Hotel Madeline)	Hotel and Restaurants	185	13.50%	2	
Town of Mountain Village	Government	135	9.87%	3	
Total		1,370			
2015					
Employer	Type of Business	Employees	% of Total Employment	Rank	
Telluride Ski and Golf Company (1)	Ski Area Owner and Operator	1,020	86.22%	1	
Madeline Property Owners (Hotel Madeline)	Hotel and Restaurants	163	13.78%	2	
Town of Mountain Village	Government	132	11.12%	3	
Total		1,183			
2014					
Employer	Type of Business	Employees	% of Total Employment	Rank	
Telluride Ski and Golf Company (1)	Ski Area Owner and Operator	953	72.17%	1	
Town of Mountain Village	Government	129	9.80%	2	
Telluride Resort and Spa	Hotel, Restaurants, and Spa	125	9.47%	3	
Ektornet (Hotel Madeline)	Hotel and Restaurants	113	8.56%	4	
Total		1,320			
2013					
Employer	Type of Business	Employees	% of Total Employment	Rank	
Telluride Ski and Golf Company (1)	Ski Area Owner and Operator	965	73.26%	1	
Town of Mountain Village	Government	130	9.88%	2	
Telluride Resort and Spa	Hotel, Restaurants, and Spa	121	9.19%	3	
Ektornet (Hotel Madeline)	Hotel and Restaurants	101	7.67%	4	
Total		1,317			
2012					
Employer	Type of Business	Employees	% of Total Employment	Rank	
Telluride Ski and Golf Company	Ski Area Owner and Operator	1,050	69.12%	1	
Ektornet (Hotel Madeline & Inn at Lost Creek)	Hotel and Restaurants	180	11.85%	2	
Telluride Resort and Spa	Hotel, Restaurants, and Spa	145	9.55%	3	
Town of Mountain Village	Government	144	9.48%	4	
Total		1,519			
2011					
Employer	Type of Business	Employees	% of Total Employment	Rank	
Telluride Ski and Golf Company	Ski Area Owner and Operator	1,010	68.94%	1	
Ektornet (Hotel Madeline & Inn at Lost Creek)	Hotel and Restaurants	157	10.72%	2	
Telluride Resort and Spa	Hotel, Restaurants, and Spa	150	10.24%	3	
Town of Mountain Village	Government	148	10.10%	4	
Total		1,465			
2010					
Employer	Type of Business	Employees	% of Total Employment	Rank	
Telluride Ski and Golf Company	Ski Area Owner and Operator	970	67.09%	1	
RAL Lodging LLC (Capella & Inn at Lost Creek)	Hotel and Restaurants	175	12.10%	2	
Telluride Resort and Spa	Hotel, Restaurants, and Spa	153	10.58%	3	
Town of Mountain Village	Government	148	10.22%	4	
Total		1,446			

(1) In 2013, TSG purchased the Inn at Lost Creek and in 2015, The Peaks Resort and Spa.

**Source:** Human Resource departments for various agencies.

**TOWN OF MOUNTAIN VILLAGE**  
**Full-Time Equivalent Town Employees by Function/Program**  
**Last Ten Years**

**TABLE E-1**

<u>Year</u>	<u>General Government</u>	<u>Public Safety</u>	<u>Planning and Development</u>	<u>Housing Authority</u>	<u>Daycare Program</u>	<u>Administration</u>	<u>Road &amp; Bridge/Shop</u>	<u>Parking &amp; Transit</u>	<b>Plaza Services</b> <u>Parks &amp; Recreation</u>	<u>Gondola</u>	<u>Water &amp; Sewer</u>	<u>Broadband Fund</u>	<u>Total</u>
2010	3.80	9.70	6.00	5.50	9.20	8.50	13.00	18.15	17.95	45.00	7.00	4.00	147.80
2011	3.80	9.70	7.00	6.00	8.55	9.20	13.00	18.15	17.95	44.10	6.50	4.00	147.95
2012	3.50	8.70	6.85	6.15	8.55	9.50	12.50	17.90	15.70	44.25	6.50	4.00	144.10
2013	3.50	7.70	5.00	6.15	8.50	9.50	12.50	6.95	15.80	44.05	6.50	4.00	130.15
2014	3.50	7.70	4.85	6.15	8.50	9.50	12.00	4.90	17.90	43.95	6.50	4.00	129.45
2015	3.50	7.70	5.85	6.15	8.50	9.50	12.00	4.80	19.00	44.10	6.50	4.00	131.60
2016	4.00	7.70	6.25	6.15	8.20	9.00	12.00	5.80	20.25	45.40	6.50	4.00	135.25
2017	4.00	7.70	6.25	6.15	9.50	10.00	11.84	5.18	19.88	45.92	6.33	4.00	136.75
2018	4.00	8.70	6.25	7.15	9.50	12.00	11.84	6.40	18.63	44.60	6.33	4.00	139.40
2019	4.00	8.70	6.25	7.15	9.50	12.20	11.84	6.40	17.63	44.60	6.33	4.80	139.40

**Source:** Town of Mountain Village Human Resources Department

**TOWN OF MOUNTAIN VILLAGE**  
**Operating Indicators by Function/Program**  
**Last Ten Years**

**TABLE E-2**

Function/Program:	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
General:										
Business Licenses Issued (3)	1,541	1,340	1,325	1,263	1,101	1,043	1,038	1,035	944	778
Business Licenses Revenue	\$ 321,392	\$ 313,553	\$ 320,389	\$ 296,585	\$ 281,898	\$ 270,572	\$ 268,235	\$ 245,933	\$ 228,506	201,719
Skier Days (1)	385,220	535,387	425,206	487,144	505,592	478,211	454,259	424,822	423,927	420,621
Real Estate Transfer Assessments (RETA)	\$ 7,014,416	\$ 5,692,753	\$ 8,478,982	\$ 5,700,044	\$ 5,416,271	\$ 6,301,078	\$ 3,962,093	\$ 4,873,158	\$ 2,684,481	4,318,347
Planning and Development Services:										
Construction Permits Issued	98	97	115	107	83	93	128	127	48	87
Building Permits Valuation	\$ 45,036,262	\$ 30,532,893	\$ 64,003,406	\$ 22,855,998	\$ 28,594,840	\$ 17,782,576	\$ 56,574,803	\$ 37,471,121	\$ 18,130,969	27,388,886
Housing Authority										
Occupancy Rate	99.32%	98.53%	97.13%	99.28%	99.36%	95.53%	87.16%	81.56%	81.36%	85.92%
Public Works:										
Street Resurfacing (miles)	1.60	2.57	6.49	3.51	1.00	1.06	3.30	1.50	0.00	5.00
Water:										
Average Daily Consumption (gallons)	776,485	806,564	593,477	661,178	619,452	530,348	644,682	686,717	695,070	545,099
Wastewater:										
Average Daily Sewage Treatment (gallons)	270,953	251,580	216,159	258,150	232,521	240,565	223,572	212,085	218,071	212,312
Transit:										
Gondola Passengers	3,151,603	3,026,131	2,813,254	2,778,910	2,617,642	2,407,193	2,283,778	2,171,113	2,148,977	2,298,067
Chondola Passengers	134,052	132,608	118,257	111,256	122,086	118,232	108,156	N/A	N/A	N/A
Bus Passengers	68,605	53,264	55,935	46,221	43,490	40,003	35,889	N/A	N/A	N/A
Employee Shuttle Riders	16,990	15,053	14,887	15,530	18,752	16,780	20,362	N/A	N/A	N/A
Dial A Ride Passengers	110,129	85,578	92,092	46,221	74,008	48,172	26,887	59,280	66,973	61,411
Broadband Services:										
Cable TV Subscribers	1,625	1,695	1,715	1,691	1,685	1,560	1,423	1,412	1,448	1,501
Phone Subscribers	98	102	102	99	98	96	88	84	77	37
Internet Subscribers	1,845	1,842	1,840	1,820	1,815	1,012	952	955	954	910
Daycare Services:										
Average # of Resident Infants Tended Per Day	5.12	5.70	5.49	5.52	5.04	4.39	3.92	4.57	2.57	2.02
Average # of Resident Toddlers Tended Per Day	14.78	12.55	13.44	12.73	11.15	12.14	12.45	9.10	8.52	9.95
Average # of Non-resident Infants Tended Per Day	0.00	0.00	0.16	0.49	0.65	0.77	0.73	0.92	1.19	1.15
Average # of Non-resident Toddlers Tended Per Day	0.21	1.07	1.65	2.53	2.27	1.10	1.83	2.18	3.57	5
Preschool Services:										
Average # of Resident Students Tended Per Day	15.44	14.48	13.47	11.02	11.02	9.81	8.55	9.80	9.11	8.67
Average # of Non-resident Students Tended Per Day	0.55	0.24	0.00	3.71	3.71	4.06	4.98	4.30	3.60	2.81
Conference Center: (2)										
Attendance at Events	18,901	23,316	27,624	27,390	36,937	28,943	13,321	11,839	11,530	24,309
Number of Event Days	64	78	119	130	150	81	129	87	103	131
Percentage of Possible Event Days	17.53%	21.37%	32.60%	35.62%	41.10%	22.19%	35.34%	23.84%	28.22%	35.89%

N/A - information is not available or has changed in the way that it is tracked.

**Sources:** Various town departments. skier days data provided by the Telluride Ski and Golf Company.

(1) Skier Days represents the number of skiers visits. The ski compay reports by the ski season rather than calendar year, due to Covid-19, the 2019/2020 ski season was cut short 21 days.

(2) Conference Center operations are contracted out to a management company.

(3) The increase in BL's from 2009-2011 was due mainly to a change in the BL ordinance and new audit procedures. For business licensing and tax collections, the Town went to an online filing and payment system in 2012. The jump in number of licensees from 2018 to 2019 was affected by new laws requiring remote sellers to pay sales taxes without a physical presence. However, remote sellers are granted a "no fee" license, therefore revenues did not increase proportionately.

**TOWN OF MOUNTAIN VILLAGE**  
**Capital Asset Statistics by Function/Program**  
**Last Ten Years**

**TABLE E-3**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Function/Program:										
Public Safety:										
Stations	1	1	1	1	1	1	1	1	1	1
Public Works:										
Streets (miles)	20	20	20	20	20	20	18	18	18	18
Water Mains (miles)	38	38	38	38	35	35	30	30	30	30
Sewer Lines (miles)	29	29	29	29	29	29	19	19	19	19
Fleet:										
Vehicles (1)	96	99	104	98	82	81	79	78	79	80
Broadband Services:										
Cable TV Line (miles)	36	36	34	33	33	33	33	33	33	33
Parks and Recreation:										
Acreage of Parks and Open Space	1169	1169	1169	1169	1169	1169	1169	1169	1169	1169
Miles of Maintained Trails (Winter)	15	15	15	15	15	15	15	13	13	13
Miles of Maintained Trails (Summer)	13	13	13	13	16	16	16	10	8	8
Ponds	1	1	1	3	3	3	3	3	3	4
Outdoor Ice Skating Rink	1	1	1	1	1	1	1	1	1	1
Outdoor Ice Skating Pond	1	1	1	1	0	0	0	0	0	1
Conference Center	1	1	1	1	1	1	1	1	1	1

**Sources:** Various town departments.

(1) Due to the classification of "vehicles" by our insurance company, we have reclassified trailers from "equipment" to "vehicles" in our system, thus increasing the count in 2016.

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