

# **Town of Basalt**

**2015**

## **Comprehensive Annual Financial Report**



Town of Basalt, Colorado  
Comprehensive Annual Financial Report  
For the Year Ended December 31, 2015

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**July 25, 2016**

To the Citizens of the Town of Basalt, Colorado,

The Town of Basalt is pleased to submit the Comprehensive Annual Financial Report (CAFR) for the fiscal year ending December 31, 2015. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Town. To the best of our knowledge and belief, the enclosed data 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 various funds of the Town. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

This report includes all funds of the Town. The Town provides a range of services including police protection, water services, the construction and maintenance of streets and infrastructure, and recreational and cultural activities. There are no other entities over which the Town exercises financial accountability. Educational, fire protection, sanitary sewer, trash service and portions of the waters services are provided by separate entities.

Management's Discussion and Analysis (MDA) immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. Management's discussion and analysis complements this letter of transmittal and should be read in conjunction with it.

### **ECONOMIC CONDITION AND OUTLOOK**

The Town of Basalt is located in the middle of the Roaring Fork Valley and is split between Eagle and Pitkin Counties. Eagle and Pitkin County are major winter and summer tourist destinations in the United States and also attract visitors from throughout the world.

The Town, incorporated in 1901, operates under a Home Rule Charter that was adopted in 2002. The Town is managed based on the Town Manager-Council form of government. The governing body is made up of six councilmembers, who serve four-year staggered terms. Councilmembers are limited to two consecutive four-year terms. The Mayor is elected to a four-year term and also is limited to two consecutive four-year terms. The Town Manager serves as the Chief Executive Officer of the Town.

The Town's population is 3,857 with a current total annual budget of \$10,799,990. The Town covers 2 square miles and approximately 90% of the privately-owned land has been developed. Because of its location in the Roaring Fork Valley much of Basalt's business activity is driven by the tourism trade found in the Town of Snowmass Village (TOSV) and Aspen areas.

There are two primary commercial hubs in the town with the "old" downtown anchoring the commercial area on the east side of town and the newer Willits mixed-use development anchoring the commercial area on the west side of town. Other businesses within the Town include health care facilities, several schools, Basalt Regional Library, US Post Office, Woody Creek Distillery and many support and service businesses for the area.

The Town has traditionally been viewed as a bedroom community to Aspen, offering convenient services, a small town atmosphere, comfortable living conditions, a family environment, and a variety of outdoor recreational opportunities.

The Town is home to two gold medal trout streams (Fryingpan and Roaring Fork River) that are both a source of pride and are significant tourist attractions. The Town Council proactively addresses quality of life issues to ensure that the current standard of living is not only maintained, but ultimately enhanced. The Town, in cooperation with the Basalt Chamber of Commerce, hosts summer events that build on the areas strong tourism industry and bring guests and visitors to our two commercial centers.

### **MAJOR TOWN INITIATIVES**

The Town continues to facilitate and encourage both the improvement and redevelopment of the Pan & Fork Trailer Park. This redevelopment effort supports the continued implementation of the Town's River Master Plan. In August of 2011 the Town and the Roaring Fork Community Development Corporation (RFCDC) jointly entered into an agreement for the purchase and eventual redevelopment of the Pan and Fork Trailer Park.

During 2015 the Town continued the implementation of the Town's River Master Plan. This included updates to the Town's Master Plan and the development of the Basalt River Park. This area also saw the construction and opening of the Rocky Mountain Institute (RMI) Innovation Center that will ultimately bring 75 jobs to Basalt.

Additionally, during 2015 the Town finished the engineering and financing plan for the construction of a pedestrian underpass at SH 82 and Basalt Avenue. Construction will begin in the Fall of 2016. This has been a long-term project that the Town has contemplated for over 10 years and is critical to the development of the Southside and the enhancement of the Roaring Fork Transit Authority (RFTA) stops that were rebuilt and opened in 2013.

## **FUTURE TOWN INITIATIVES**

The Town is committed to balancing development/redevelopment with the need to preserve the natural amenities that make Basalt such a great place to live. In doing so, Town staff has embarked on building annual work plans that meet these two goals. These work plans also include long-range financial planning elements that allow the Town Council to make strategic investments while contemplating the operational needs of the organization and community.

In 2016, the Town will continue to work on the development of a new river park and private development as was outlined in the Downtown Area Advisory Committee Report, Planning and Zoning Commission and the Parks Open Space and Trails Committee (POST). Much of this work will require phasing over time given the large capital investment that will need to be made.

Also in 2016, the Town will begin the construction of the Basalt Avenue Underpass to improve pedestrian safety and enhance trail connections across SH 82 at Basalt Avenue. The total cost of this project will exceed \$7,000,000.

In 2016, the Town will continue its active role in the acquisition of affordable housing to enhance our ability to recruit and retain needed employees in our community.

In 2016 the Town will continue a review of all its revenue sources and begin to seek out new and diverse funding sources to restore General Fund balance. Basalt supports efforts for long-range, comprehensive capital infrastructure planning, budgeting, and refining strategies for the on-going maintenance, repair and replacement of our important infrastructure assets.

The police department remains committed to improving the level of service to the community. Continue emphasis on traffic safety, particularly in our burgeoning school zones, will be a priority. The Basalt Police Department will also maintain its focus on training, keeping personnel abreast of a variety of professional trends and development opportunities. In 2016 the Police Department will seek Certification of the Department.

## **FINANCIAL INFORMATION**

Town management is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Town 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, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of the control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

## **BUDGETARY CONTROLS**

The Town maintains various budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Town's governing body. Activities in the General Fund, Special Revenue Funds, Debt Service Fund and Water Fund are included in the annual appropriated budget. The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level. The Town also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts do not lapse at the year-end. However, unencumbered appropriations do lapse. 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.

## **OTHER INFORMATION**

### Independent Audit

Colorado statutes require an annual audit of the Town's financial statements. The audit for 2015 was conducted by Blair and Associates, Certified Public Accountants and their report on the financial statements is included in the financial section of this report.

## **ACKNOWLEDGEMENTS**

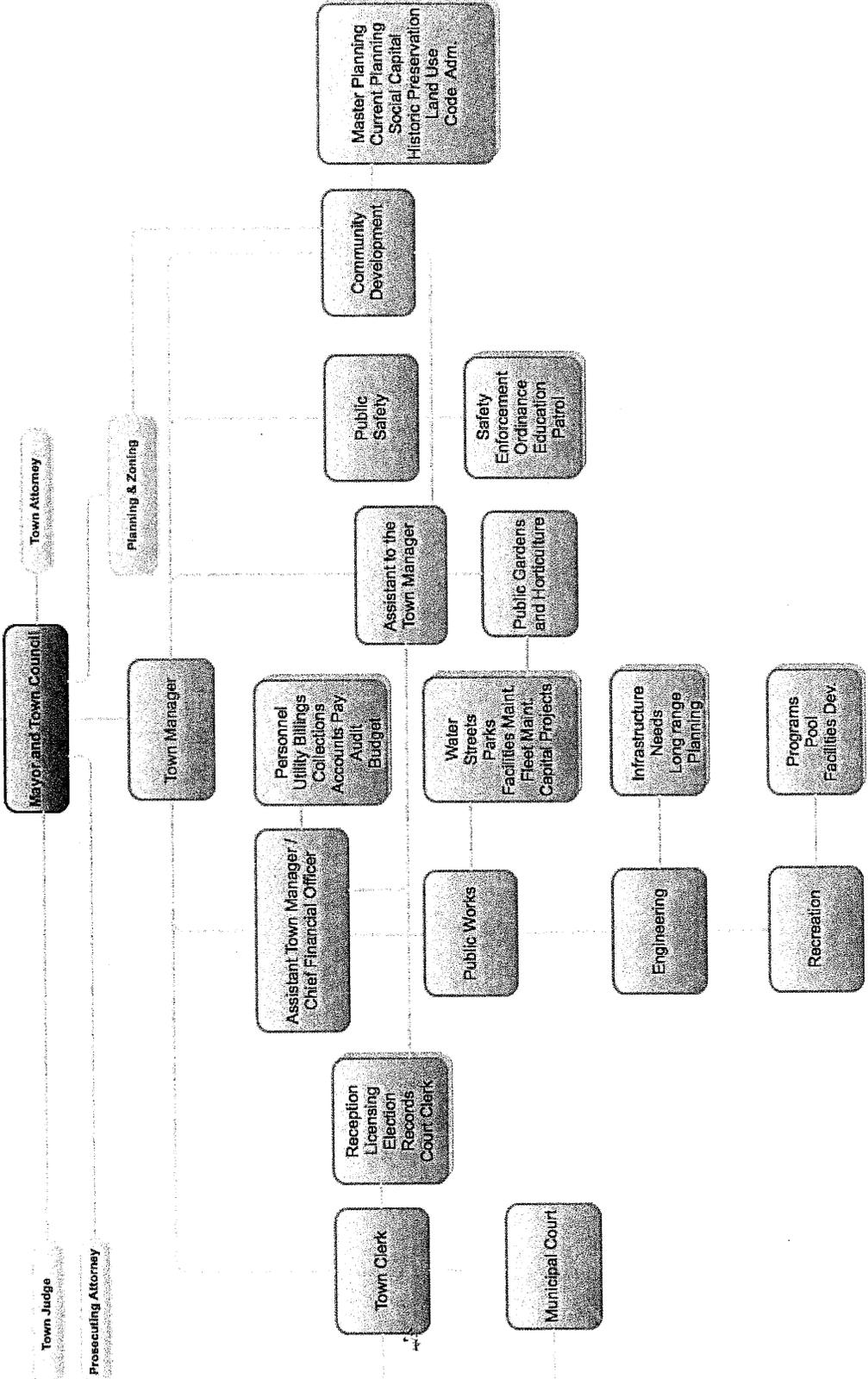
The preparation of this comprehensive annual financial report was made possible by the dedicated services of Brigitte Ironside. Our sincere appreciation is extended to all members of the staff, whose efforts made this report possible.

Respectfully submitted,

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Judi Tippetts  
Assistant Town Manager /CFO

**Citizens of Basalt**



# BASALT TOWN COUNCIL MEMBERS



**Mayor  
Jacque Whitsitt**



**Mayor Pro Tem,  
Rob Leavitt**



**Councilor,  
Bernie Grauer**



**Councilor,  
Gary Tennenbaum**



**Councilor,  
Mark Kittle**



**Councilor,  
Rick Stevens**



**Councilor,  
Herschel Ross**

List of Appointed Principal Officials

Mike Scanlon, Town Manager

Judith Tippetts, Finance Director

Pamela Schilling, Town Clerk

John Collins, Municipal Court Judge

Tom Smith, Town Attorney

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Town Council  
Town of Basalt, Colorado

**Report on the Financial Statements**

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 Town of Basalt, Colorado, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 Basalt, Colorado, as of December 31, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

B-1

### ***Emphasis of Matter***

As discussed in Note 16, the Town adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions-An Amendment of GASB Statement No.27*, effective January 1, 2015, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an Amendment of GASB Statement No. 68*, effective July 1, 2015. Our opinions were not modified with respect to this matter.

### ***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 B-3 through B-10 and E-1 through E-2 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 Basalt, Colorado's basic financial statements. The Combining Statements for the other governmental funds, Schedules of Revenues, Expenditures and Changes in Fund Balance Budget to Actual for the Governmental Funds, Schedules of Revenues, Expenditures and Changes in Available Resources-Budget and Actual-Enterprise Funds and local highway finance report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining Statements for the other governmental funds, Schedules of Revenues, Expenditures and Changes in Fund Balance Budget to Actual for the Governmental Funds, Schedules of Revenues, Expenditures and Changes in Available Resources-Budget and Actual-Enterprise 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 Statements for the other governmental funds, Schedules of Revenues, Expenditures and Changes in Fund Balance Budget to Actual for the Governmental Funds, Schedules of Revenues, Expenditures and Changes in Available Resources-Budget and Actual-Enterprise Funds and 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.

*Blair and Associates, P.C.*

Cedaredge, Colorado  
July 29, 2016

**TOWN OF BASALT**  
Management's Discussion and Analysis  
Fiscal Year Ended December 31, 2015

As management of the Town of Basalt (the "Town"), we offer readers of the Town's basic financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information provided in the financial statements.

**FINANCIAL HIGHLIGHTS**

- The Town's assets exceeded its liabilities by \$34,122,794 (i.e. net position) as of December 31, 2015, an increase of \$2,174,254 in comparison to the prior year.
- Governmental funds reported combined ending fund balances of \$6,157,135, a decrease of \$2,786,471 in comparison with the prior year.
- The Town's fund balance for the General Fund was \$5,974,565, a decrease of \$1,436,197 in comparison to the prior year.
- Total long-term liabilities increased by \$386,338 during the 2015 fiscal year with new debt issued in 2015.
- Property, sales and franchise taxes for governmental activities totaled \$6,982,085, or 86% of general revenues.

**OVERVIEW OF FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

***Government-wide Financial Statements***

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

The **statement of net position** presents information on all the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town 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 is reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future periods (e.g. uncollected taxes and earned but unused personal time).

The government-wide financial statements distinguish functions of the Town 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 of the Town include general government administration, police, public works, and culture and recreation. The Business-type Activities of the Town include the following utilities: water.

### ***Fund Financial Statements***

A *fund* is a grouping 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's funds can be divided into three categories: Governmental Funds, Proprietary Funds and Fiduciary 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 *short-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements. The accounting method is called *modified accrual* accounting.

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 *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town maintains two major government funds, the General and Bond Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund.

**Proprietary Funds** – The Town maintains one type of proprietary fund. *Enterprise Fund* is used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses a separate enterprise fund to account for its Water Fund.

## Notes to Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

#### Net Position

As noted previously, net position may serve over time as a useful indicator of the Town's financial position. For the year ended December 31, 2015, the Town's combined assets exceeded liabilities and deferred inflows of resources by \$34,122,794. Of this amount, \$4,333,965 is unrestricted and available to meet the Town's ongoing financial obligations.

By far the largest portion of net position is the investment in capital assets (net of related debt) of \$27,740,765 (81% of net position). This amount reflects the investment in all capital assets (e.g. infrastructure, land, buildings, and equipment) less any related debt used to acquire those assets that are still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources since capital assets themselves cannot be used to liquidate these liabilities.

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

| Assets  | Governmental Activities |               | Business-Type Activities |              | Total         |               |
|---|-------------------------|---------------|--------------------------|--------------|---------------|---------------|
|   | 2015                    | 2014          | 2015                     | 2014         | 2015          | 2014          |
| Current and other assets                        | \$ 8,029,246            | \$ 10,542,037 | \$ 242,125               | \$ 462,462   | \$ 8,271,371  | \$ 11,004,499 |
| Capital assets                                  | 30,729,660              | 25,059,886    | 4,440,032                | 4,644,662    | \$ 35,169,692 | \$ 29,704,548 |
| Total assets                                    | 38,758,906              | 35,601,923    | 4,682,157                | 5,107,124    | 43,441,063    | 40,709,047    |
| Deferred outflows of resources                  | 105,146                 | 86,735        | -                        | -            | 105,146       | 86,735        |
| Total assets and Deferred outflows of resources | 38,864,052              | 35,688,658    | 4,682,157                | 5,107,124    | 43,546,209    | 40,795,782    |
| Current liabilities                             | 599,420                 | 420,731       | 10,155                   | 49,426       | 609,575       | 470,157       |
| Non-current liabilities                         |                         |               |                          |              |               |               |
| Compensated absences                            | 143,479                 | 133,675       | -                        | -            | 143,479       | 133,675       |
| Long term debt                                  | 6,954,150               | 6,504,676     | 474,777                  | 537,913      | 7,428,927     | 7,042,589     |
| Total liabilities                               | 7,697,049               | 7,059,082     | 484,932                  | 587,339      | 8,181,981     | 7,646,421     |
| Deferred inflows of resources                   | 1,241,434               | 1,200,821     | -                        | -            | 1,241,434     | 1,200,821     |
| Net position                                    |                         |               |                          |              |               |               |
| Investment in capital assets, net related debt  | 23,669,731              | 18,436,209    | 3,965,255                | 4,106,749    | 27,634,986    | 22,542,958    |
| Restricted                                      | 2,153,843               | 3,696,394     | -                        | -            | 2,153,843     | 3,696,394     |
| Unrestricted                                    | 4,101,995               | 5,296,152     | 231,970                  | 413,036      | 4,333,965     | 5,709,188     |
| Total net position                              | \$ 29,925,569           | \$ 27,428,755 | \$ 4,197,225             | \$ 4,519,785 | \$ 34,122,794 | \$ 31,948,540 |

An additional portion of net position, \$2,153,843, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$4,333,965 (13% of net position), may be used to meet the government's ongoing obligations to citizens and creditors.

### Change in Net Position

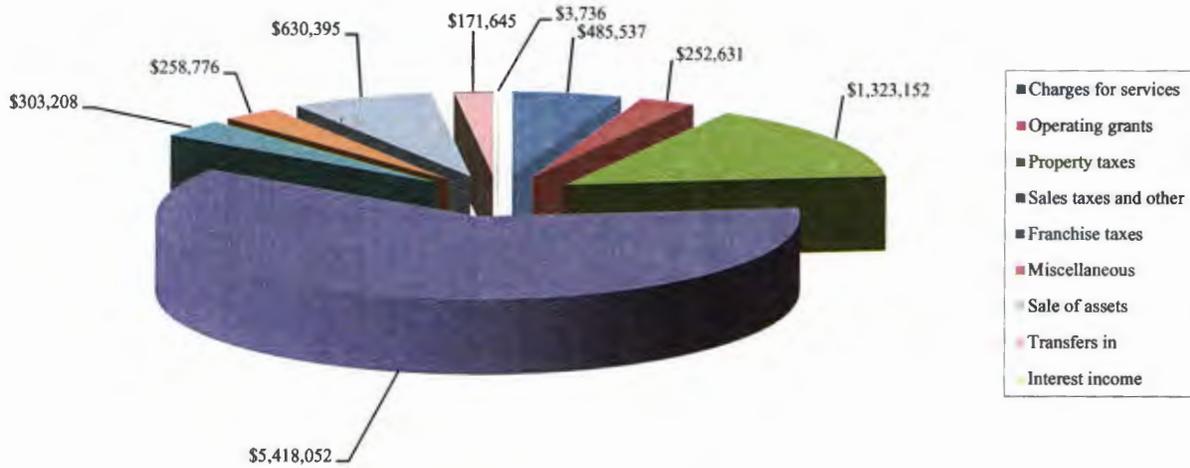
Governmental and business-type activities increased the Town's net position by \$2,174,254 in 2015.

|                          | Governmental Activities |                      | Business-Type Activities |                     | Total                |                      |
|--------------------------|-------------------------|----------------------|--------------------------|---------------------|----------------------|----------------------|
|                          | 2015                    | 2014                 | 2015                     | 2014                | 2015                 | 2014                 |
| Revenues                 |                         |                      |                          |                     |                      |                      |
| Program revenues         |                         |                      |                          |                     |                      |                      |
| Charges for services     | \$ 485,537              | \$ 1,067,754         | \$ 571,347               | \$ 596,664          | \$ 1,056,884         | \$ 1,664,418         |
| Operating grants         | 252,631                 | 248,582              | -                        | -                   | 252,631              | 248,582              |
| Capital grants           | -                       | -                    | 14,034                   | 21,964              | 14,034               | 21,964               |
| General Revenues         |                         |                      |                          |                     |                      |                      |
| Property taxes           | 1,134,619               | 1,018,535            | -                        | -                   | 1,134,619            | 1,018,535            |
| Sales taxes and other    | 5,606,585               | 4,896,943            | -                        | -                   | 5,606,585            | 4,896,943            |
| Franchise taxes          | 303,208                 | 295,321              | -                        | -                   | 303,208              | 295,321              |
| Miscellaneous            | 258,776                 | 89,348               | -                        | -                   | 258,776              | 89,348               |
| Sale of assets           | 630,395                 | -                    | -                        | -                   | 630,395              | -                    |
| Transfer in              | 171,645                 | 180,227              | (171,645)                | (180,227)           | -                    | -                    |
| Interest income          | 3,736                   | 11,230               | 589                      | 386                 | 4,325                | 11,616               |
| Total                    | 8,847,132               | 7,807,940            | 414,325                  | 438,787             | 9,261,457            | 8,246,727            |
| Expenses                 |                         |                      |                          |                     |                      |                      |
| General government       | 2,586,990               | 3,075,790            | -                        | -                   | 2,586,990            | 3,075,790            |
| Public safety            | 1,893,125               | 1,630,753            | -                        | -                   | 1,893,125            | 1,630,753            |
| Public works             | 973,619                 | 4,184,009            | 736,885                  | 580,130             | 1,710,504            | 4,764,139            |
| Culture and recreation   | 896,584                 | 973,478              | -                        | -                   | 896,584              | 973,478              |
| Total expenses           | 6,350,318               | 9,864,030            | 736,885                  | 580,130             | 7,087,203            | 10,444,160           |
| Increase in net position | 2,496,814               | (2,056,090)          | (322,560)                | (141,343)           | 2,174,254            | (2,197,433)          |
| Beginning                | 27,428,755              | 29,484,845           | 4,519,785                | 4,661,128           | 31,948,540           | 34,145,973           |
| Ending                   | <u>\$ 29,925,569</u>    | <u>\$ 27,428,755</u> | <u>\$ 4,197,225</u>      | <u>\$ 4,519,785</u> | <u>\$ 34,122,794</u> | <u>\$ 31,948,540</u> |

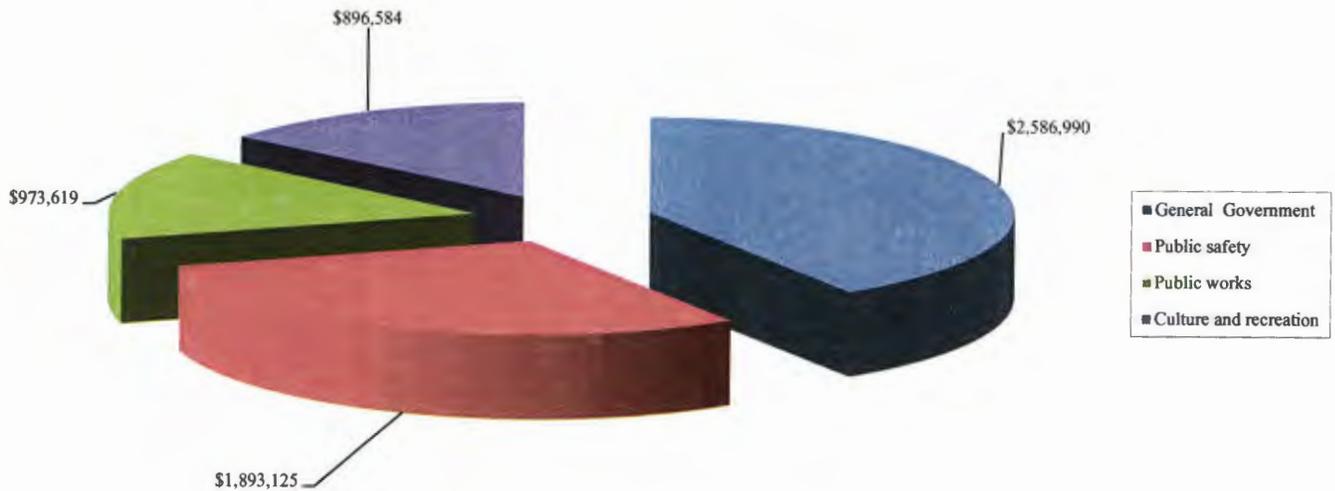
## Governmental Activities

Governmental activities increased the Town's net position by \$2,496,814.

Governmental Activities revenues for 2015



Governmental Activities expenses for 2015



## Business-type Activities

Business-type activities for the year resulted in a decrease in net position of \$322,560. Charges for services accounted for 98% of total revenues.

## FINANCIAL ANALYSIS OF GOVERNMENT'S FUNDS

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

As of the end of 2015, the Town's governmental funds reported combined ending fund balances of \$6,157,135 decrease of \$2,786,471 in comparison with the prior year. Of the combined ending fund balances for all governmental funds 62% of this total amount, \$3,820,722, constitutes unassigned fund balance, which is available for appropriation at the Town's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it is already committed to meet a State constitution mandated emergency reserve of \$324,000 and other purposes of \$2,012,413.

The Town has two major governmental funds the General and Bond Fund. At the end of 2015, unassigned fund balances of the General Fund were \$3,820,722. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The fund balance of the Town's General Fund decreased by \$1,436,197 during 2015.

**Proprietary funds.** The Town's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail.

The Town has one enterprise fund: Water Fund. At the end of 2015, the fund represented the following net position amounts:

|                           | <u>Water</u> |
|---------------------------|--------------|
| Unrestricted net position | \$ 166,470   |
| Total net position        | \$ 4,197,225 |
| Decrease in net position  | \$ (322,560) |

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The Town budgeted \$8,459,335 for 2015 expenditures. Actual expenditures were \$10,659,423.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

The Town’s investment in capital assets for its governmental and business-type activities as of December 31, 2015, was \$35,169,692, an increase of \$ 5,465,144 from the prior year. As required for this year by GASB 34, the investment in capital assets includes land, buildings, building improvements, and equipment.

|   | Balance<br>January 1, 2015 | Additions           | Dispositions      | Balance<br>December 31, 2015 |
|---|----------------------------|---------------------|-------------------|------------------------------|
| Governmental Activities                         |                            |                     |                   |                              |
| Capital assets not being depreciated            |                            |                     |                   |                              |
| Land  | \$ 13,287,140              | \$ 5,346,451        | \$ -              | \$ 18,633,591                |
|   | <u>13,287,140</u>          | <u>5,346,451</u>    | <u>-</u>          | <u>18,633,591</u>            |
| Capital assets being depreciated                |                            |                     |                   |                              |
| Buildings                                       | 3,074,623                  | -                   | -                 | 3,074,623                    |
| Improvements                                    | 573,596                    | 423,533             | -                 | 997,129                      |
| Equipment                                       | 1,925,639                  | 530,634             | (236,920)         | 2,219,353                    |
| Infrastructure                                  | 11,885,680                 | -                   | -                 | 11,885,680                   |
| Less accumulated depreciation                   | (5,686,792)                | (620,964)           | 227,040           | (6,080,716)                  |
|   | <u>11,772,746</u>          | <u>333,203</u>      | <u>(9,880)</u>    | <u>12,096,069</u>            |
| Total Governmental<br>Activities Capital Assets | <u>\$ 25,059,886</u>       | <u>\$ 5,679,654</u> | <u>\$ (9,880)</u> | <u>\$ 30,729,660</u>         |

|  | Balance<br>January 1, 2015 | Additions           | Dispositions | Balance<br>December 31, 2015 |
|--|----------------------------|---------------------|--------------|------------------------------|
| Business-Type Activities                         |                            |                     |              |                              |
| Capital assets no being depreciated              |                            |                     |              |                              |
| Land   | \$ 256,235                 | \$ -                | \$ -         | \$ 256,235                   |
| Capital assets being depreciated                 |                            |                     |              |                              |
| Water rights                                     | 441,862                    | -                   | -            | 441,862                      |
| Wells and springs                                | 752,672                    | -                   | -            | 752,672                      |
| Water plant                                      | 6,804,088                  | 66,000              | -            | 6,870,088                    |
| Hydro system                                     | 140,000                    | -                   | -            | 140,000                      |
| Machinery and equipment                          | 135,589                    | -                   | -            | 135,589                      |
| Less accumulated depreciation                    | (3,885,784)                | (270,630)           | -            | (4,156,414)                  |
| Capital assets being depreciated, net            | <u>4,388,427</u>           | <u>(204,630)</u>    | <u>-</u>     | <u>4,183,797</u>             |
| Total business-type<br>Activities capital assets | <u>\$ 4,644,662</u>        | <u>\$ (204,630)</u> | <u>\$ -</u>  | <u>\$ 4,440,032</u>          |

## Long-term Debt

As of December 31, 2015, the Town had long-term debt as follows:

|                                | Balance         |              |                | Balance           |              | Due Within |
|--------------------------------|-----------------|--------------|----------------|-------------------|--------------|------------|
|                                | January 1, 2015 | Additions    | Reductions     | December 31, 2015 | One Year     |            |
| <b>Governmental Activities</b> |                 |              |                |                   |              |            |
| Bonds payable-2013             | \$ 4,485,000    | \$ -         | \$ (525,000)   | \$ 3,960,000      | \$ 530,000   |            |
| Bonds payable-2014             | 1,888,000       | -            | (233,000)      | 1,655,000         | 252,000      |            |
| Lease payable                  | 131,676         | -            | (42,791)       | 88,885            | 43,883       |            |
| Line of credit                 | -               | 1,500,000    | (249,735)      | 1,250,265         | 1,250,265    |            |
| Accrued compensated absences   | 133,675         | 9,804        | -              | 143,479           | -            |            |
| Total                          | \$ 6,638,351    | \$ 1,509,804 | \$ (1,050,526) | \$ 7,097,629      | \$ 2,076,148 |            |
| <b>Enterprise Activities</b>   |                 |              |                |                   |              |            |
| Loan payable - Ruedi           | \$ 60,655       | \$ -         | \$ (11,414)    | \$ 49,241         | \$ 11,762    |            |
| Loan payable - CCWR            | 477,258         | -            | (51,722)       | 425,536           | 53,811       |            |
| Total                          | \$ 537,913      | \$ -         | \$ (63,136)    | \$ 474,777        | \$ 65,573    |            |

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The Town is in excellent financial condition.
- The Town would like to maintain its General Fund unreserved fund balance of at least three to four months of reserves.

## REQUEST FOR INFORMATION

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

Judith Tippetts  
Finance Director  
Town of Basalt

**Town of Basalt**  
**Statement of Net Position**  
**December 31, 2015**

|  | <b>Governmental<br/>Activities</b> | <b>Business -<br/>Type</b> | <b>Total</b>         |
|--|------------------------------------|----------------------------|----------------------|
| <b>Assets</b>  |                                    |                            |                      |
| Cash and cash equivalents                              | \$ 1,056,022                       | \$ (215,773)               | \$ 840,249           |
| Investments  | 3,190,498                          | 335,872                    | 3,526,370            |
| Restricted cash  | 1,829,843                          | -                          | 1,829,843            |
| Property taxes receivable                              | 1,138,421                          | -                          | 1,138,421            |
| Accounts receivable                                    | 623,116                            | 109,156                    | 732,272              |
| Prepaid and deposits                                   | 57,076                             | -                          | 57,076               |
| Inventories  | -                                  | 12,870                     | 12,870               |
| Capital assets, net                                    | 30,729,660                         | 4,440,032                  | 35,169,692           |
| FPPA net pension asset                                 | 134,270                            | -                          | 134,270              |
| <b>Total assets</b>                                    | <u>38,758,906</u>                  | <u>4,682,157</u>           | <u>43,441,063</u>    |
| <b>Deferred outflows of resources</b>                  |                                    |                            |                      |
| FPPA pension   | 63,223                             | -                          | 63,223               |
| Cost of Issuance of Bonds                              | 41,923                             | -                          | 41,923               |
| <b>Total deferred outflows of resources</b>            | <u>105,146</u>                     | <u>-</u>                   | <u>105,146</u>       |
| <b>Total Assets and Deferred Outflows of Resources</b> | <u>38,864,052</u>                  | <u>4,682,157</u>           | <u>43,546,209</u>    |
| <b>Liabilities</b>                                     |                                    |                            |                      |
| Accounts payable                                       | 387,136                            | 9,595                      | 396,731              |
| Accrued payroll and liabilities                        | 99,784                             | -                          | 99,784               |
| Accrued interest payable                               | -                                  | 560                        | 560                  |
| Customer deposits                                      | 112,500                            | -                          | 112,500              |
| Compensated absences                                   | 143,479                            | -                          | 143,479              |
| Non current liabilities                                |                                    |                            |                      |
| Due within one year                                    | 2,076,148                          | 49,241                     | 2,125,389            |
| Due in more than one year                              | 4,878,002                          | 425,536                    | 5,303,538            |
| <b>Total liabilities</b>                               | <u>7,697,049</u>                   | <u>484,932</u>             | <u>8,181,981</u>     |
| <b>Deferred inflows of resources</b>                   |                                    |                            |                      |
| Bond premium less discounts                            | 105,779                            | -                          | 105,779              |
| FPPA pension   | (2,766)                            | -                          | (2,766)              |
| Deferred property taxes                                | 1,138,421                          | -                          | 1,138,421            |
| <b>Total Deferred inflows of resources</b>             | <u>1,241,434</u>                   | <u>-</u>                   | <u>1,241,434</u>     |
| <b>Net Position</b>                                    |                                    |                            |                      |
| Invested in capital assets, net of related debt        | 23,669,731                         | 3,965,255                  | 27,740,765           |
| Restricted for:  |                                    |                            |                      |
| Emergencies  | 324,000                            | -                          | 324,000              |
| Other purposes   | 1,829,843                          | -                          | 1,829,843            |
| Unrestricted   | 4,101,995                          | 231,970                    | 4,333,965            |
| <b>Total net position</b>                              | <u>\$ 29,925,569</u>               | <u>\$ 4,197,225</u>        | <u>\$ 34,122,794</u> |

The accompanying notes are an integral part of this statement.

**Town of Basalt  
Statement of Activities  
December 31, 2015**

| Functions/Programs                    | <u>Expenses</u>     | <u>Program Revenues</u>                     |   |   |
|---------------------------------------|---------------------|---|---|---|
|                                       |                     | <u>Charges for<br/>Service and<br/>Fees</u> | <u>Operating<br/>Grants and<br/>Contributions</u> | <u>Capital<br/>Grants and<br/>Contributions</u> |
| <b>Primary government:</b>            |                     |   |   |   |
| <b>Governmental activities:</b>       |                     |   |   |   |
| General Government                    | \$ 2,586,990        | \$ (3,024)                                  | \$ -  | \$ -  |
| Public Safety                         | 1,893,125           | 72,817                                      | -   | -   |
| Public Works                          | 973,619             | 312,155                                     | 234,123   | -   |
| Culture and Recreation                | 896,584             | 103,589                                     | 18,508  | -   |
| <b>Total governmental activities</b>  | <u>6,350,318</u>    | <u>485,537</u>                              | <u>252,631</u>                                    | <u>-</u>  |
| <b>Business-type activities:</b>      |                     |   |   |   |
| Water                                 | 736,885             | 571,347                                     | -   | 14,034  |
| <b>Total business-type activities</b> | <u>736,885</u>      | <u>571,347</u>                              | <u>-</u>  | <u>14,034</u>                                   |
| <b>Total primary government</b>       | <u>\$ 7,087,203</u> | <u>\$ 1,056,884</u>                         | <u>\$ 252,631</u>                                 | <u>\$ 14,034</u>                                |

**General Revenues**

Taxes:

  Property taxes

  Specific ownership

  Sales taxes and miscellaneous

Franchise taxes

Miscellaneous

Investment earnings

Sale of assets

Transfers In (out)

**Total General Revenues**

**Changes in Net Position**

**Net Position-January 1**

**Net Position-December 31**

**Net (Expense) Revenue and Changes in Net Position**  
**Primary Government**

| <u>Governmental</u><br><u>Activities</u> | <u>Business-Type</u><br><u>Activities</u> | <u>Total</u>         |
|--|---|----------------------|
| \$ (2,590,014)                           | \$ -                                      | \$ (2,590,014)       |
| (1,820,308)                              | -   | (1,820,308)          |
| (427,341)                                | -   | (427,341)            |
| (774,487)                                | -   | (774,487)            |
| <u>(5,612,150)</u>                       |   | <u>(5,612,150)</u>   |
| -  | (151,504)                                 | (151,504)            |
| -  | <u>(151,504)</u>                          | <u>(151,504)</u>     |
| <u>(5,612,150)</u>                       | <u>(151,504)</u>                          | <u>(5,763,654)</u>   |
| 1,323,152                                | -   | 1,323,152            |
| 62,327                                   | -   | 62,327               |
| 5,355,725                                | -   | 5,355,725            |
| 303,208                                  | -   | 303,208              |
| 258,776                                  | -   | 258,776              |
| 3,736                                    | 589                                       | 4,325                |
| 630,395                                  | -   | 630,395              |
| 171,645                                  | (171,645)                                 | -                    |
| <u>8,108,964</u>                         | <u>(171,056)</u>                          | <u>7,937,908</u>     |
| 2,496,814                                | (322,560)                                 | 2,174,254            |
| 27,428,755                               | 4,519,785                                 | 31,948,540           |
| <u>\$ 29,925,569</u>                     | <u>\$ 4,197,225</u>                       | <u>\$ 34,122,794</u> |

The accompanying notes are an integral part of this statement.

**Town of Basalt  
Governmental Funds  
Balance Sheet  
December 31, 2015**

|   | <u>General<br/>Fund</u> | <u>Bond<br/>Fund</u> | <u>Other<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|---|-------------------------|----------------------|---|---|
| <b>Assets</b>   |                         |                      |   |   |
| Cash and cash equivalents   | \$ 711,868              | \$ 227,905           | \$ 116,249                              | \$ 1,056,022                            |
| Investments   | 3,182,257               | 2,041                | 6,200                                   | 3,190,498                               |
| Restricted Cash   | 1,829,843               | -                    | -                                       | 1,829,843                               |
| Taxes receivable  | 838,421                 | 300,000              | -                                       | 1,138,421                               |
| Accounts receivable   | 623,116                 | -                    | -                                       | 623,116                                 |
| Prepaid expenses  | 57,076                  | -                    | -                                       | 57,076                                  |
| Total assets  | <u>\$ 7,242,581</u>     | <u>\$ 529,946</u>    | <u>\$ 122,449</u>                       | <u>\$ 7,894,976</u>                     |
| <b>Liabilities and Fund Balance</b>                               |                         |                      |   |   |
| <b>Liabilities:</b>   |                         |                      |   |   |
| Accounts payable  | \$ 217,311              | \$ 169,825           | \$ -                                    | \$ 387,136                              |
| Accrued payroll and liabilities                                   | 99,784                  | -                    | -                                       | 99,784                                  |
| Deposit on construction   | 112,500                 | -                    | -                                       | 112,500                                 |
| Total liabilities   | <u>429,595</u>          | <u>169,825</u>       | <u>-</u>                                | <u>599,420</u>                          |
| <b>Deferred inflows of resources</b>                              |                         |                      |   |   |
| Deferred property taxes   | <u>838,421</u>          | <u>300,000</u>       | <u>-</u>                                | <u>1,138,421</u>                        |
| <b>Fund balances:</b>   |                         |                      |   |   |
| <b>Restricted:</b>  |                         |                      |   |   |
| Reserve for emergencies   | 324,000                 | -                    | -                                       | 324,000                                 |
| Debt service payments   | -                       | 60,121               | -                                       | 60,121                                  |
| Parks and Recreation  | -                       | -                    | 122,449                                 | 122,449                                 |
| <b>Committed:</b>   |                         |                      |   |   |
| Open space and trails   | 2,021,027               | -                    | -                                       | 2,021,027                               |
| Parks   | 166,488                 | -                    | -                                       | 166,488                                 |
| Transportation  | 23,238                  | -                    | -                                       | 23,238                                  |
| Willits development   | 713,640                 | -                    | -                                       | 713,640                                 |
| Highway and streets   | 330,997                 | -                    | -                                       | 330,997                                 |
| Other projects  | (1,425,547)             | -                    | -                                       | (1,425,547)                             |
| Unassigned  | 3,820,722               | -                    | -                                       | 3,820,722                               |
| Total fund balance  | <u>5,974,565</u>        | <u>60,121</u>        | <u>122,449</u>                          | <u>6,157,135</u>                        |
| Total liabilities, deferred inflows of resources and fund balance | <u>\$ 7,242,581</u>     | <u>\$ 529,946</u>    | <u>\$ 122,449</u>                       | <u>\$ 7,894,976</u>                     |

The accompanying notes are an integral part of this statement.

**Town of Basalt**  
**Reconciliation of the Governmental Funds Balance**  
**Sheet to the Statement of Net Position**  
**December 31, 2015**

---

**Total fund balance, governmental funds** \$ 6,157,135

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.

|                               |                    |            |
|-------------------------------|--------------------|------------|
| Cost of capital assets        | \$ 36,810,376      |            |
| Less accumulated depreciation | <u>(6,080,716)</u> | 30,729,660 |

Deferred outflows of resources related to pensions are applicable in future period, and, therefore, are not reported in the funds. Deferred outflows of resources are related to the difference between projected and actual earnings on pension investments and the difference between contributions and proportionate share of contributions. 200,259

Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Position.

|                                 |                  |             |
|---------------------------------|------------------|-------------|
| Bonds payable                   | \$ (5,615,000)   |             |
| Line of credit                  | \$ (1,250,265)   |             |
| Bond premium and discount costs | (105,779)        |             |
| Bond issuance costs             | 41,923           |             |
| Leases payable                  | (88,885)         |             |
| Compensated absences            | <u>(143,479)</u> | (7,161,485) |

**Net Position of Governmental Activities in the Statement of Net Position** \$ 29,925,569

**The accompanying notes are an integral part of this statement.**

**Town of Basalt**  
**Governmental Funds**  
**Statement of Revenues, Expenditures and Changes in Fund Balances**  
**For the Year Ended December 31, 2015**

|   | <u>General<br/>Fund</u> | <u>Bond<br/>Fund</u> | <u>Other<br/>Governmental<br/>Funds</u> | <u>Total<br/>Governmental<br/>Funds</u> |
|---|-------------------------|----------------------|---|---|
| <b>Revenues</b>                                 |                         |                      |   |   |
| Taxes   | \$ 6,569,424            | \$ 474,988           | \$ -                                    | \$ 7,044,412                            |
| Intergovernmental                               | 234,123                 | -                    | 18,508                                  | 252,631                                 |
| Licenses, permits and fees                      | 493,146                 | -                    | -                                       | 493,146                                 |
| Charges for service                             | 98,337                  | -                    | -                                       | 98,337                                  |
| Fines and forfeitures                           | 72,817                  | -                    | -                                       | 72,817                                  |
| Miscellaneous                                   | 83,734                  | 4                    | 11                                      | 83,749                                  |
| <b>Total revenues</b>                           | <u>7,551,581</u>        | <u>474,992</u>       | <u>18,519</u>                           | <u>8,045,092</u>                        |
| <b>Expenditures</b>                             |                         |                      |   |   |
| Current:  |                         |                      |   |   |
| General government                              | 5,363,659               | 94,761               | -                                       | 5,458,420                               |
| Public safety                                   | 1,985,952               | -                    | -                                       | 1,985,952                               |
| Public works                                    | 1,403,356               | 1,738,554            | -                                       | 3,141,910                               |
| Culture and recreation                          | 808,732                 | 55,780               | -                                       | 864,512                                 |
| Capital outlay                                  | 888,265                 | -                    | -                                       | 888,265                                 |
| Debt service payments                           | 249,735                 | 554,690              | -                                       | 804,425                                 |
| <b>Total expenditures</b>                       | <u>10,699,699</u>       | <u>2,443,785</u>     | <u>-</u>                                | <u>13,143,484</u>                       |
| <b>Excess of revenues<br/>over expenditures</b> | <u>(3,148,118)</u>      | <u>(1,968,793)</u>   | <u>18,519</u>                           | <u>(5,098,392)</u>                      |
| <b>Other Financing (Uses)</b>                   |                         |                      |   |   |
| Proceeds from line of credit                    | 1,500,000               | -                    | -                                       | 1,500,000                               |
| Proceeds from land sales                        | -                       | 600,000              | -                                       | 600,000                                 |
| Proceeds in trade ins                           | 40,276                  | -                    | -                                       | 40,276                                  |
| Underwriter discount                            | -                       | -                    | -                                       | -                                       |
| Transfers in                                    | 171,645                 | -                    | -                                       | 171,645                                 |
| <b>Total other financing (uses)</b>             | <u>1,711,921</u>        | <u>600,000</u>       | <u>-</u>                                | <u>2,311,921</u>                        |
| <b>Net change to fund balance</b>               | (1,436,197)             | (1,368,793)          | 18,519                                  | (2,786,471)                             |
| <b>Fund balance, January 1</b>                  | 7,410,762               | 1,428,914            | 103,930                                 | 8,943,606                               |
| <b>Fund balance, December 31</b>                | <u>\$ 5,974,565</u>     | <u>\$ 60,121</u>     | <u>\$ 122,449</u>                       | <u>\$ 6,157,135</u>                     |

The accompanying notes are an integral part of this statement.

**Town of Basalt**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances to the Statement of Activities**  
**For the Year Ended December 31, 2015**

---

**Net change in fund balances - total governmental funds** \$(2,786,471)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

|  |              |           |
|--|--------------|-----------|
| Fixed assets current additions             | \$ 6,300,618 |           |
| Depreciation expense                       | (620,964)    |           |
| Excess of capital outlay over depreciation | 5,679,654    | 5,679,654 |

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 government funds.

This is the change in net pension expense. 61,578

Sale of assets (9,881)

The issuance of long-term debt(e.g. bonds) provides current financial resources to governmental funds, while the repayment of the principal of the long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas the 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.

|                             |             |  |
|-----------------------------|-------------|--|
| Bond issuance costs         | (2,010)     |  |
| Bond premium less discounts | 13,222      |  |
| Line of credit              | (1,500,000) |  |

Repayment of long-term debt principal is reported as an expenditure in the governmental funds but reduces long-term liabilities in the statement of net position. 1,050,526

Increase in compensated absences (9,804)

**Change in net position of governmental funds** \$ 2,496,814

**The accompanying notes are an integral part of this statement.**

**Town of Basalt**  
**Statement of Net Position**  
**Enterprise Fund**  
**December 31, 2015**

|   | <b>Water<br/>Fund</b> |
|---|-----------------------|
| <b>Assets</b>                                   |                       |
| Current Assets:                                 |                       |
| Cash and cash equivalents                       | \$ (215,773)          |
| Investments                                     | 335,872               |
| Accounts Receivable, net                        | 109,156               |
| Inventories                                     | 12,870                |
| <b>Total current assets</b>                     | <b>242,125</b>        |
| <b>Noncurrent assets:</b>                       |                       |
| Capital assets:                                 |                       |
| Land and improvements                           | 256,235               |
| Wells, springs and water rights                 | 1,194,534             |
| Utility system                                  | 6,870,088             |
| Hydro system                                    | 140,000               |
| Equipment and furniture                         | 135,589               |
| Less Accumulated Depreciation                   | (4,156,414)           |
| <b>Total noncurrent assets</b>                  | <b>4,440,032</b>      |
| <b>Total assets</b>                             | <b>\$ 4,682,157</b>   |
| <br><b>Liabilities</b>                          |                       |
| Current liabilities:                            |                       |
| Accounts payable                                | 9,595                 |
| Accrued interest payable                        | 560                   |
| Current portion of long-term debt               | 49,241                |
| <b>Total current liabilities</b>                | <b>59,396</b>         |
| <br><b>Noncurrent liabilities:</b>              |                       |
| Loans payable                                   | 425,536               |
| <b>Total noncurrent liabilities</b>             | <b>425,536</b>        |
| <b>Total liabilities</b>                        | <b>484,932</b>        |
| <br><b>Net Position</b>                         |                       |
| Invested in capital assets, net of related debt | 3,965,255             |
| Reserve for rate covenant                       | 65,500                |
| Unrestricted                                    | 166,470               |
| <b>Total net position</b>                       | <b>\$ 4,197,225</b>   |

The accompanying notes are an integral part of this statement.

**Town of Basalt**  
**Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Enterprise Fund**  
**Year Ended December 31, 2015**

|   | <b>Water Fund</b>   |
|---|---------------------|
| <b>Operating revenues:</b>                    |                     |
| Charges for services                          | \$ 542,502          |
| Miscellaneous                                 | 28,845              |
| <b>Total operating revenues</b>               | <b>571,347</b>      |
| <b>Operating expenses:</b>                    |                     |
| Personnel services                            | 181,136             |
| Contractual services                          | 60,528              |
| Utilities                                     | 34,462              |
| Repairs and maintenance                       | 88,667              |
| Other supplies and expenses                   | 71,211              |
| Depreciation                                  | 270,630             |
| <b>Total operating expenses</b>               | <b>706,634</b>      |
| <b>Operating income (loss)</b>                | <b>(135,287)</b>    |
| <b>Nonoperating revenues (expenses):</b>      |                     |
| Interest and investment revenue               | 589                 |
| Transfers (out)                               | (171,645)           |
| Interest expense                              | (30,251)            |
| <b>Total nonoperating revenues (expenses)</b> | <b>(201,307)</b>    |
| <b>Income (loss) before transfers</b>         | <b>(336,594)</b>    |
| <b>Capital contributions-Tap Fees</b>         | <b>14,034</b>       |
| <b>Change in net position</b>                 | <b>(322,560)</b>    |
| <b>Net position, January 1</b>                | <b>4,519,785</b>    |
| <b>Net position, December 31</b>              | <b>\$ 4,197,225</b> |

The accompanying notes are an integral part of this statement.

**Town of Basalt**  
**Statement of Cash Flows**  
**Enterprise Fund**  
**Year Ended December 31, 2015**

|   | <b>Water Fund</b>   |
|---|---------------------|
| <b>Cash Flows From Operating Activities</b>   |                     |
| Cash received from customers  | \$ 577,785          |
| Cash payments to suppliers for goods and services   | (294,138)           |
| Cash payments for employees   | (181,136)           |
| <b>Net cash provided (used) by operating activities</b>   | <b>102,511</b>      |
| <b>Cash Flows from Noncapital Financing Activities</b>  |                     |
| Capital contributions-tap fees  | 14,034              |
| <b>Net cash provided (used) by noncapital financing activities</b>                                    | <b>14,034</b>       |
| <b>Cash Flows from Capital and Related Financing Activities</b>                                       |                     |
| Transfers (out)   | (171,645)           |
| Acquisition of capital assets   | (66,000)            |
| Interest expense  | (30,251)            |
| Principal payment on loans  | (63,137)            |
| <b>Net cash provided (used) by capital and related financing activities</b>                           | <b>(331,033)</b>    |
| <b>Cash Flows from Investing Activities</b>   |                     |
| Interest on investments   | 589                 |
| <b>Net increase (decrease) in cash and equivalents</b>  | <b>(213,899)</b>    |
| <b>Cash balances, January 1</b>   | <b>333,998</b>      |
| <b>Cash balances, December 31</b>   | <b>\$ 120,099</b>   |
| <b>Reconciling of operating income (loss) to net cash provided (used) by operating activities:</b>    |                     |
| Operating income (loss)   | <b>\$ (135,287)</b> |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: |                     |
| Depreciation expense  | 270,630             |
| Assets (increase) decrease:   |                     |
| Accounts receivable   | 6,438               |
| Liabilities increase (decrease):  |                     |
| Accounts payable  | (39,219)            |
| Accrued interest payable  | (51)                |
| Total adjustments   | 237,798             |
| <b>Net cash provided (used) by operating activities</b>   | <b>\$ 102,511</b>   |

The accompanying notes are an integral part of this financial statement

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 1 - Summary of Significant Accounting Policies

The financial statements of the Town of Basalt, 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 operates under a Home Rule Charter and a Council - Manager Form of government with seven elected Council members. As required by accounting principles generally accepted in the United States of America, these financial statements present the Town of Basalt (the primary government).

The Town has examined their relationship with potential component units based on the criteria in GASB No. 14. Based on that examination, the Town has determined that the Town has no component units.

The financial statements of the Town consist only of the funds and account groups of the Town. The Town has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the Town. Control or dependence is determined on the basis of budget, adoption, taxing authority, funding, and appointment of the respective governing board.

B. Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the activities of the Town and its component unit. For the most part, the effect of interfund 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 is 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*.

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 1 - Summary of Significant Accounting Policies (continued)

C. Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and 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 Bond Fund, which accounts for debt service payments on bonds. Revenues are mainly generated by property taxes.

The remaining governmental funds are aggregated and presented as nonmajor funds. Those funds include:

- The Conservation Trust Fund, which accounts for State of Colorado lottery funds to be used for parks and recreation services and capital investment.

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 the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are considered major funds because of community interests in the activities and sources of funding supporting these operations.

The Town reports the following major enterprise fund business-type activities:

- Water Fund, which account for all operations of the Town's water services. They are primarily financed by user charges.

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 1 - Summary of Significant Accounting Policies (continued)

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. 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. 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.

Those revenues susceptible to accrual are 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.

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

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 and restricted cash and highly liquid securities with an initial maturity of three months or less.

F. Investments

Investments are stated at fair value based on quoted market values with the exception of money market funds and external investment pools which are stated at cost which is equal to fair value.

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 1 - Summary of Significant Accounting Policies (continued)

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

Property taxes for the current year are levied and attach as a lien on property the following January 1. They are payable in full by April 30 or in two equal installments due February 28 and June 15. Property taxes levied in the current year and collected in the following year are reported as a receivable at December 31. However, since the taxes are not available to pay current liabilities, the receivable is recorded as deferred inflow of resources in the governmental and enterprise funds.

I. Restricted Assets

Certain proceeds from developers as well as other resources are classified as restricted assets on the balance sheet because their use is limited by applicable laws, ordinances or contracts.

J. Capital Assets

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

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

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 1 - Summary of Significant Accounting Policies (continued)

J. Capital Assets (continued)

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

| <u>Asset Class</u>              | <u>Useful Life</u> |
|---------------------------------|--------------------|
| Buildings                       | 50 years           |
| Building and Other Improvements | 25 years           |
| Water Systems                   | 20–50 years        |
| Furniture and Equipment         | 5-10 years         |
| Infrastructure                  | 25–40 years        |

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capitalized assets as their useful life often extends beyond most other capital assets and are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities.

K. Long-Term Liabilities

In the government-wide financial statements, and enterprise fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise fund type statement of net position. Bond issuance costs, as well as applicable bond premium and discounts, are deferred and amortized over the term of the related debt using the straight-line method of amortization.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

Certain of the Town's general obligation bonds, revenue bonds, special assessments bonds and capital leases are serviced from property taxes and other revenues of the Bond Fund. Other general obligation bonds are serviced from the enterprise funds. The long-term compensated absences are serviced from revenues of the General Fund from future appropriations.

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 1 - Summary of Significant Accounting Policies (continued)

L. Accrued Liabilities for Compensated Absences

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

M. Net Position

Net position represent the difference between assets, deferred outflows of resources, liabilities and deferred inflows of resources. 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 are 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.

N. Interfund Transactions

Interfund receivables and payables arise from interfund 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." Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

O. Inventory

Inventory in the Water Fund is valued at a lower cost (first in – first out) or market.

P. Fund Balance

In the fund financial statements, governmental funds report the following classification of fund balance:

- Non-spendable fund balance amounts that are not in spendable form (such as inventory) or are required to be maintained intact;

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 1 - Summary of Significant Accounting Policies (continued)

P. Fund Balance (continued)

- Restricted fund balance-amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation;
- Committed fund balance-amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance-amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance-amounts that are available for any purpose; positive amounts are reported only in the general fund.

When expenditures are incurred for purposes for which both restricted and unrestricted net position are available, the Town considers restricted funds to have been spent first. When expenditures are incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Town Council has provided otherwise in its commitment or assignment actions.

Note 2 - Reconciliation of Government-wide and Fund Financial Statements

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

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 3 - Tax, Spending and Debt Limitations

In November 1992 Colorado voters approved Amendment 1 to the state Constitution which is commonly known as the Taxpayer's Bill of Rights or the TABOR Amendment. The amendment applies to all units of local government and limits taxes, spending, revenue, and multi-year debt (excepting bond refundings to lower interest rates and adding employees to pension plans). The amendment does not apply to units of local government that are defined as an "Enterprise". The Town does not qualify as an "Enterprise".

The amendment defined the Town's year end, December 31, 1992, as the initial base year for purposes of defining compliance with the amendment. The amendment defines inflation and local growth. Future years' revenue, based upon prior years revenue, is only allowed to increase based upon the inflationary and local growth factors. Revenue received in excess of the prior years must be refunded to the voters on some reasonable basis, unless the voters were to approve retention of the excess revenue by the Town.

The Town placed a question on the April 1994 ballot that would permit the Town to keep and spend state grants, all sales tax and property tax revenues without limiting in any year the amount of other revenues that may be collected. The ballot language specified that there was to be no increase in the operating mill levy.

The ballot question was approved by the voters.

The amendment requires the Town to establish an "Emergency Reserve" which must be equal to 3% of current year's spending. Conditions under which these reserves may be spent are severely limited.

The Town believes that it is in compliance with the provisions of TABOR, as it is currently understood. Many of the provisions may not become fully understood without judicial review.

Note 4 - Budgets

An operating budget is adopted each fiscal year on a basis which differs from generally accepted accounting principles insofar as certain receipts, such as tap fees, are recognized as revenue for budgetary purposes in proprietary funds when they otherwise would not be. Certain expenditures, such as proprietary fund depreciation, are recognized for generally accepted accounting principles basis, but are not recognized for budgetary purposes.

Appropriations are made by the Town Council by means of supplemental appropriations at any time during the fiscal year. The cumulative effect of all supplemental appropriations is reflected in the budget comparison statements in the financial statements. The appropriations are adopted, and may not be exceeded on a total fund basis. The Town could be in violation of the Colorado budget law because expenditures exceeded budgetary amounts in the Bond Fund. The details of the budget calendar are outlined below:

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 4 - Budgets (continued)

- September 1: Statutory deadline for submission of proposed budget estimated by Town budget officer.
  - October 15: Statutory deadline of submission of proposed budget to the Board of Trustees.
  - October 20: Deadline for submission of request for excess levy to State Division of Local Governments with sufficient time to go to election, if denied.
  - December 10: Changes in assessed valuation made by the assessors will be made once only by a single notification to the County Commissioners or other body authorized by law to levy property tax and to the Department of Local Affairs.
  - December 15: Statutory deadline for certification of mill levies to the Board of County Commissioners unless an election for increased property tax revenue is being held.
  - December 22: Statutory deadline for Board of County Commissioners to levy taxes and certify the levies.
- On or before December 31, the Town shall enact an ordinance appropriating the budget for the ensuing fiscal year.
  - The Town does not use an encumbrance system for budgetary control.

Note 5 - Cash and Investments

|                               | Government-wide<br>Statement<br><u>of Net Position</u> |
|-------------------------------|--|
| Cash and cash equivalents     | \$ 840,249   |
| Investments                   | 3,526,370  |
| Temporarily restricted assets | <u>1,829,843</u>                                       |
| Total                         | <u>\$ 6,196,462</u>                                    |

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories; eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits. Collateral in the pool is considered to be equal to depository insurance pursuant to definitions listed in GASB Statement No. 4. At December 31, 2015, the bank balance of the Town's deposits was \$956,052 of which \$500,000 was covered by federal depository insurance and \$456,052 was collateralized under PDPA.

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 5 - Cash and Investments (continued)

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. Authorized investments include obligations of the United States and certain U.S. government agency securities; certain international agency securities; general obligation and revenue bonds of U.S. local government entities; bankers' acceptances of certain banks; commercial paper; local government investment pools; written repurchase agreements collateralized by certain authorized securities; certain money market funds; and, guaranteed investment contracts. The Town's investment policy follows Colorado statutes. At December 31, 2015 the Town's investments included funds held in Colotrust and Financial Investors Trust.

The Town had invested \$ 5,356,212 in the Colorado Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal functions of COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. These pools are not required to and are not registered with the SEC. COLOTRUST's funds are rated AAAM by Standard and Poor's, Fitch's and Moody's rating services.

Note 6 - Single Audit

In 2015 the Town of Basalt had no single audit requirement because the Town expended federal assistance of less than \$750,000 during the year.

Note 7 - Restricted Assets

The Town has restricted cash and investments in the General Fund for the following purposes:

|                     |                     |
|---------------------|---------------------|
| Developers and etc. | <u>\$ 1,829,843</u> |
|---------------------|---------------------|

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

Note 8 - Budget to Actual Presentation

The following schedule presents a reconciliation of expenditures on a GAAP basis with expenditures on a budgetary basis.

|                                      |               |
|--------------------------------------|---------------|
|                                      | Water<br>Fund |
| Expenditures on a GAAP basis         | \$ 908,530    |
| Add:                                 |               |
| Capital outlay and construction cost | 66,000        |
| Debt principal payments              | 63,137        |
| Deduct:                              |               |
| Depreciation expense                 | (270,630)     |
| Expenditures on a budgetary basis    | \$ 767,037    |

Note 9 - Bonds and Loans Payable

|                                | Balance<br>January 1, 2015 | Additions    | Reductions     | Balance<br>December 31, 2015 | Due Within<br>One Year |
|--------------------------------|----------------------------|--------------|----------------|------------------------------|------------------------|
| <b>Governmental Activities</b> |                            |              |                |                              |                        |
| Bonds payable-2013             | \$ 4,485,000               | \$ -         | \$ (525,000)   | \$ 3,960,000                 | \$ 530,000             |
| Bonds payable-2014             | 1,888,000                  | -            | (233,000)      | 1,655,000                    | 252,000                |
| Lease payables - TYMCO, Inc.   | 131,676                    | -            | (42,791)       | 88,885                       | 43,883                 |
| Line of credit                 | -                          | 1,500,000    | (249,735)      | 1,250,265                    | 1,250,265              |
| Accrued compensated absences   | 133,675                    | 9,804        | -              | 143,479                      | -                      |
| Total                          | \$ 6,638,351               | \$ 1,509,804 | \$ (1,050,526) | \$ 7,097,629                 | \$ 2,076,148           |
| <b>Enterprise Activities</b>   |                            |              |                |                              |                        |
| Loan payable - Ruedi           | \$ 60,655                  | \$ -         | \$ (11,414)    | \$ 49,241                    | \$ 11,762              |
| Loan payable - CCWR            | 477,258                    | -            | (51,722)       | 425,536                      | 53,811                 |
| Total                          | \$ 537,913                 | \$ -         | \$ (63,136)    | \$ 474,777                   | \$ 65,573              |

A. Loan Payable Ruedi Reservoir

The Town entered into a loan with Ruedi Reservoir for water rights July 12, 1999. The note on the water rights has an interest rate of 3.04% and repayment is to be made over twenty five years. Payment is due January 1 of each year. The following is a payment schedule of the loan:

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

Note 9 - Bonds and Loans Payable (continued)

Loan Payable Ruedi Reservoir (continued)

| <u>Year</u> | <u>Annual<br/>Payment</u> | <u>Principal</u> | <u>Interest</u> |
|-------------|---------------------------|------------------|-----------------|
| 2016        | \$ 13,262                 | \$ 11,762        | \$ 1,500        |
| 2017        | 13,262                    | 12,120           | 1,142           |
| 2018        | 13,262                    | 12,490           | 772             |
| 2019        | <u>13,261</u>             | <u>12,869</u>    | <u>392</u>      |
|             | <u>\$ 53,047</u>          | <u>\$ 49,241</u> | <u>\$ 3,806</u> |

B. Bonds Payable- Series 2013 Bonds

On August 23, 2011 the Town issued general obligation bonds series 2011 and separate, detached, registered coupons. The proceeds will be used for the purpose of retiring the series 2001 bonds. Interest on the 2011 bonds is payable semiannually on June 1 and December 1 commencing on June 1, 2012. The bond bears an interest rate 3.23%, calculated based on a 360-day year of twelve 30-day months. The bonds are to mature on December 1, 2021.

The bonds are subject to optional redemption prior to maturity on any business day at redemption price described below.

The bonds are subject to mandatory sinking fund redemption, at a redemption price equal to 100% of the principal amount to be so redeemed, plus accrued interest thereon, on each December 1 of the years and in the amounts as follows:

Debt Service Schedule Bonds

| <u>Year</u> | <u>Interest<br/>Rate</u> | <u>Payment</u>      | <u>Principal</u>    | <u>Interest</u>   |
|-------------|--------------------------|---------------------|---------------------|-------------------|
| 2016        | 2.00%                    | \$ 618,575          | \$ 530,000          | \$ 88,575         |
| 2017        | 2.00%                    | 617,975             | 540,000             | 77,975            |
| 2018        | 2.00%                    | 612,175             | 545,000             | 67,175            |
| 2019        | 2.00%                    | 606,275             | 550,000             | 56,275            |
| 2020        | 2.50%                    | 610,275             | 565,000             | 45,275            |
| 2021        | 2.00%                    | 606,150             | 575,000             | 31,150            |
| 2022        | 3.00%                    | 344,650             | 325,000             | 19,650            |
| 2023        | 2.00%                    | <u>339,900</u>      | <u>330,000</u>      | <u>9,900</u>      |
| Total       |                          | <u>\$ 4,355,975</u> | <u>\$ 3,960,000</u> | <u>\$ 395,975</u> |

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 9 - Bonds and Loans Payable (continued)

C. Bonds Payable- Series 2014 Bonds

On October 15, 2014 the Town issued general obligation bonds series 2014 and separate, detached, registered coupons. Interest on the 2014 bonds is payable semiannually on June 1 and December 1 commencing on June 1, 2015. The bond bears an interest rate 2.70%, calculated based on a 360-day year of twelve 30-day months. The bonds are to mature on December 1, 2021.

Debt Service Schedule Bonds

| <u>Year</u> | <u>Interest Rate</u> | <u>Payment</u>      | <u>Principal</u>    | <u>Interest</u>   |
|-------------|----------------------|---------------------|---------------------|-------------------|
| 2016        | 2.70%                | \$ 296,685          | \$ 252,000          | \$ 44,685         |
| 2017        | 2.70%                | 297,881             | 260,000             | 37,881            |
| 2018        | 2.70%                | 303,861             | 273,000             | 30,861            |
| 2019        | 2.70%                | 304,490             | 281,000             | 23,490            |
| 2020        | 2.70%                | 305,903             | 290,000             | 15,903            |
| 2021        | 2.70%                | 307,073             | 299,000             | 8,073             |
| Total       |                      | <u>\$ 1,815,893</u> | <u>\$ 1,655,000</u> | <u>\$ 160,893</u> |

D. Loan Payable - CWR and PDA

The Town borrowed \$ 948,246 in December 19, 2002, from the Colorado Water Resources and Power Development Authority (CWR and PDA) for the construction of a micro-filtration water treatment plant. The term of the loan will be semi annual payments of \$ 35,150.12 for 20 years at an annual interest rate of 4%. The following is a detailed breakdown of the debt service payments:

|              | <u>Annual Payments</u> | <u>Principal</u>  | <u>Interest</u>  |
|--------------|------------------------|-------------------|------------------|
| 2016         | \$ 70,300              | 53,811            | 16,489           |
| 2017         | 70,300                 | 55,986            | 14,314           |
| 2018         | 70,300                 | 58,247            | 12,053           |
| 2019         | 70,300                 | 60,601            | 9,699            |
| 2020         | 70,300                 | 64,667            | 5,633            |
| 2021 to 2022 | <u>140,820</u>         | <u>132,224</u>    | <u>8,596</u>     |
| Total        | <u>\$ 492,320</u>      | <u>\$ 425,536</u> | <u>\$ 66,784</u> |

In 2015, the Town met the required reserve and rate covenant.

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 9 - Bonds and Loans Payable (continued)

E. Lease Payable – TYMCO, Inc.

The Town borrowed \$ 177,825 on April 29, 2014, from the TYMCO, Inc. for the purchase of a street sweeper. The term of the lease will be annual payments of \$ 46,149.21 for 4 years at an annual interest rate of 2.25%, with an advance payment made in 2014. The following is a detailed breakdown of the debt service payments:

|       | Annual<br>Payments | Principal | Interest |
|-------|--------------------|-----------|----------|
| 2016  | \$ 46,149          | 43,883    | 2,266    |
| 2017  | 46,149             | 45,002    | 1,147    |
| Total | \$ 92,298          | \$ 88,885 | \$ 3,413 |

F. Treatment of compensated absences

The Town determined that accrual in the General Fund of accrued vacation and holiday leave was not expected to be paid with currently available resources. The amount of \$ 143,479 accrued at December 31, 2015 is reported on the statement of net position.

Note 10 - Defined Benefit Pension Plan

Statewide Defined Benefit Pension Plan for Police Officers

The Town's police officers participate in the Statewide Defined Benefit Plan (SWDB), which is a cost-sharing multiple-employer defined benefit pension plan. The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan.

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 10 - Defined Benefit Pension Plan (continued)

Statewide Defined Benefit Pension Plan for Police Officers (continued)

Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and their employers are contributing at the rate of 8 percent of base salary for a total contribution rate of 16 percent through 2014. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 20 percent of base salary through 2014. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the re-entry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

The contribution rate for members and employers of affiliated social security employers is 4 percent of base salary for a total contribution rate of 8 percent through 2014. Per the 2014 member election, members of the affiliate social security group will have their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of base salary. Employer contributions will remain at 4 percent resulting in a combined contribution rate of 10 percent in 2022.

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

Note 10 - Defined Benefit Pension Plan (continued)

Statewide Defined Benefit Pension Plan for Police Officers (continued)

**Pension Liabilities/ (Asset), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2015, the Entity reported a net pension asset of \$ 134,270. The net pension asset was measured as of December 31, 2014, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2015.

At December 31, 2015, the Entity reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

|   | <u>Deferred Outflows<br/>of Resource</u> | <u>Deferred Inflows<br/>of Resources</u> |
|---|--|--|
| Difference between expected and actual experience   | \$                                       | \$ (2,766)                               |
| Changes in proportion and differences between<br>Contributions and proportionate share of contributions | (9,483)                                  | -  |
| Net difference between projected and actual earnings<br>on pension plan investments                     | 10,586                                   | -  |
| Contributions subsequent to the measurement date  | <u>62,120</u>                            | <u>-</u>                                 |
| Total   | <u>\$ 63,223</u>                         | <u>\$ (2,766)</u>                        |

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year ended December 31: |          |
|-------------------------|----------|
| 2016                    | \$ 2,356 |
| 2017                    | \$ 1,513 |
| 2018                    | \$ -     |
| 2019                    | \$ -     |
| 2020                    | \$ -     |
| Thereafter              | \$ -     |

The January 1, 2014 actuarial valuation was used to determine the Actuarially Determined Contribution for the fiscal year ending December 31, 2014. The valuation used the following actuarial assumption and other inputs:

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

Note 10 - Defined Benefit Pension Plan (continued)

Statewide Defined Benefit Pension Plan for Police Officers (continued)

**Methods and Assumptions Used to Determine Contribution Rates:**

|                                      |                            |
|--------------------------------------|----------------------------|
| Actuarial Cost Method                | Entry Age Normal           |
| Amortization Method                  | Level % of payroll, Open   |
| Amortization Period                  | 30 years                   |
| Asset Valuation Method               | 5-Year smoothed fair value |
| Long-term Investment rate of return* | 7.5%                       |
| Projected Salary Increases           | 4.0%-14.0%                 |
| Cola adjustment                      | 0.0%                       |
| *Includes Inflation At               | 3.0%                       |

The RP-2000 Combined Mortality Table with Blue Collar Adjustment, projected with Scale AA, 40 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members. The RP-2000 Combined Mortality Table with Blue Collar Adjustment, projected with Scale AA is used in the projection of post-retirement benefits.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2014 are summarized in the following table:

| Asset Class           | Target Allocation | Long-Term Expected Rate of Return |
|-----------------------|-------------------|-----------------------------------|
| Global Equity         | 40.0%             | 8.9%                              |
| Equity Long/Short     | 10.0%             | 7.5%                              |
| Illiquid Alternatives | 18.0%             | 10.5%                             |
| Fixed Income          | 15.0%             | 4.6%                              |
| Absolute Return       | 12.0%             | 6.5%                              |
| Managed Futures       | 4.0%              | 5.5%                              |
| Cash                  | 1.0%              | 2.5%                              |
| <b>Total</b>          | <b>100.00%</b>    |                                   |

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

Note 10 - Defined Benefit Pension Plan (continued)

Statewide Defined Benefit Pension Plan for Police Officers (continued)

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 7.50%.

Discount rate: Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.65% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.50%.

Regarding the sensitivity of the net pension liability to changes in the Single Discount Rate, the following presents the plan's net pension (asset) liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

| 1% Decrease | Single Discount Rate<br>Assumption | 1% Increase |
|-------------|------------------------------------|-------------|
| 6.50%       | 7.50%                              | 8.50%       |
| \$126,592   | \$(134,270)                        | \$(351,862) |

Note 11 - Allowance for Uncollectible Accounts Receivable

Because the Town of Basalt can impose a lien on property for uncollected utility charges, no allowance for uncollectible accounts receivable is provided.

Note 12 - Risk Management

The town is exposed to various risk of loss related to torts; theft of; injuries to employees; and natural disasters. The town pays an annual premium to a commercial insurance carrier for property/casualty and for its workmen's compensation insurance coverage.

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 13 - Interfund Transfers

A schedule of interfund transfers during the year ended December 31, 2015 follows:

| <u>Fund</u> | <u>Transfers in</u> | <u>Transfers Out</u> |
|-------------|---------------------|----------------------|
| General     | \$ 171,645          | \$ -                 |
| Water       | -                   | 171,645              |
| Total       | <u>\$ 171,645</u>   | <u>\$ 171,645</u>    |

Note 14 - Employee Benefits

A. Deferred Compensation

The Town offers its employees a deferred compensation plan created in accordance with internal revenue Code Section 457. The plan, available to all Town employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseen non-reimbursed emergency.

B. Retirement Plan

The Town participates in the Hunter Benefits Consulting Group, Inc. (HBCG), which is a qualified plan as defined by IRS Code Section 401 (A). The plan provides retirement benefits through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings.

There are no unfunded past service liabilities. All full-time employees are required to participate in the plan upon the first day of the payroll period following the employee's date of hire. The Town is required to contribute 5% of employee compensation excluding overtime. The employee is required to contribute an amount equal to the Town's contribution. Employees are immediately vested in their participant contributions and become vested in employer contributions to the plan over a six-year period.

The Town's total payroll for 2015 was \$2,896,084 and covered payroll was \$1,834,840. During 2015, the Town and employees made the required 5% contribution amounting to \$91,742, for a total of \$183,484.

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

Note 15 - Capital Assets

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

|  | Balance              |                     |                   | Balance<br>December 31, 2015 |
|--|----------------------|---------------------|-------------------|------------------------------|
|  | January 1, 2015      | Additions           | Dispositions      |                              |
| <b>Governmental Activities</b>                           |                      |                     |                   |                              |
| Capital assets not being depreciated                     |                      |                     |                   |                              |
| Land   | \$ 13,287,140        | \$ 5,346,451        | \$ -              | \$ 18,633,591                |
|  | <u>13,287,140</u>    | <u>5,346,451</u>    | <u>-</u>          | <u>18,633,591</u>            |
| Capital assets being depreciated                         |                      |                     |                   |                              |
| Buildings  | 3,074,623            | -                   | -                 | 3,074,623                    |
| Improvements   | 573,596              | 423,533             | -                 | 997,129                      |
| Equipment  | 1,925,639            | 530,634             | (236,920)         | 2,219,353                    |
| Infrastructure   | 11,885,680           | -                   | -                 | 11,885,680                   |
| Less accumulated depreciation                            | <u>(5,686,792)</u>   | <u>(620,964)</u>    | <u>227,040</u>    | <u>(6,080,716)</u>           |
|  | <u>11,772,746</u>    | <u>333,203</u>      | <u>(9,880)</u>    | <u>12,096,069</u>            |
| <b>Total Governmental<br/>Activities Capital Assets</b>  | <u>\$ 25,059,886</u> | <u>\$ 5,679,654</u> | <u>\$ (9,880)</u> | <u>\$ 30,729,660</u>         |
|  |                      |                     |                   |                              |
|  | Balance              |                     |                   | Balance<br>December 31, 2015 |
|  | January 1, 2015      | Additions           | Dispositions      |                              |
| <b>Business-Type Activities</b>                          |                      |                     |                   |                              |
| Capital assets not being depreciated                     |                      |                     |                   |                              |
| Land   | \$ 256,235           | \$ -                | \$ -              | \$ 256,235                   |
| Capital assets being depreciated                         |                      |                     |                   |                              |
| Water rights   | 441,862              | -                   | -                 | 441,862                      |
| Wells and springs  | 752,672              | -                   | -                 | 752,672                      |
| Water plant  | 6,804,088            | 66,000              | -                 | 6,870,088                    |
| Hydro system   | 140,000              | -                   | -                 | 140,000                      |
| Machinery and equipment                                  | 135,589              | -                   | -                 | 135,589                      |
| Less accumulated depreciation                            | <u>(3,885,784)</u>   | <u>(270,630)</u>    | <u>-</u>          | <u>(4,156,414)</u>           |
| Capital assets being depreciated, net                    | <u>4,388,427</u>     | <u>(204,630)</u>    | <u>-</u>          | <u>4,183,797</u>             |
| <b>Total business-type<br/>Activities capital assets</b> | <u>\$ 4,644,662</u>  | <u>\$ (204,630)</u> | <u>\$ -</u>       | <u>\$ 4,440,032</u>          |

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

|  |                   |
|--|-------------------|
| General government                     | \$ 274,149        |
| Public safety                          | 79,115            |
| Culture and recreation                 | 32,072            |
| Public works, including infrastructure | <u>235,628</u>    |
| Total depreciation expenses            | <u>\$ 620,964</u> |
| Water                                  | <u>\$ 270,630</u> |

Town of Basalt  
Notes to the Financial Statements  
December 31, 2015

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Note 16 - Restatement Due To Change in Accounting Principle

During the year, the Town retroactively changed its method of accounting for pension contributions and related obligations to conform to GASB No. 68, Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27. Under the new accounting method, the Town accrues a net pension asset of \$ 95,880 and deferred outflow of resources of \$ 42,802 related to its participation in a multiple-employer cost-sharing retirement plan. The effect of the change increased beginning net position from \$27,290,073 for governmental activities to \$27,428,755.

**Town of Basalt**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual**  
**General Fund**  
**For the Year Ended December 31, 2015**

|   | Budgeted Amount     |                     |                     | Variance with                              |
|---|---------------------|---------------------|---------------------|--|
|   | Original            | Final               | Actual              | Final Budget<br>Favorable<br>(Unfavorable) |
| <b>Revenues</b>   |                     |                     |                     |  |
| Taxes   | \$ 5,716,820        | \$ 5,716,820        | \$ 6,569,424        | \$ 852,604                                 |
| Intergovernmental   | 237,464             | 237,464             | 234,123             | (3,341)                                    |
| Licenses, permits and fees  | 665,520             | 665,520             | 493,146             | (172,374)                                  |
| Charges for service   | 156,700             | 156,700             | 98,337              | (58,363)                                   |
| Fines and forfeitures   | 74,950              | 74,950              | 72,817              | (2,133)                                    |
| Miscellaneous   | 59,500              | 59,500              | 83,734              | 24,234                                     |
| <b>Total revenue</b>  | <u>6,910,954</u>    | <u>6,910,954</u>    | <u>7,551,581</u>    | <u>640,627</u>                             |
| <b>Expenditures</b>   |                     |                     |                     |  |
| General government  | 2,959,246           | 2,959,246           | 5,363,659           | (2,404,413)                                |
| Public safety   | 1,803,791           | 1,803,791           | 1,945,676           | (141,885)                                  |
| Public works  | 1,245,037           | 1,245,037           | 1,403,356           | (158,319)                                  |
| Culture and recreation  | 834,492             | 834,492             | 808,732             | 25,760                                     |
| Capital outlay  | 1,616,769           | 1,616,769           | 888,265             | 728,504                                    |
| Debt service  | -                   | -                   | 249,735             | (249,735)                                  |
| <b>Total expenditures</b>   | <u>8,459,335</u>    | <u>8,459,335</u>    | <u>10,659,423</u>   | <u>(2,200,088)</u>                         |
| <b>Excess of revenues over (under) expenditures</b>                               | (1,548,381)         | (1,548,381)         | (3,107,842)         | (1,559,461)                                |
| <b>Other financing sources (uses)</b>   |                     |                     |                     |  |
| Operating transfers in  | 171,645             | 171,645             | 171,645             | -  |
| <b>Total other financing sources</b>  | <u>171,645</u>      | <u>171,645</u>      | <u>171,645</u>      | <u>-</u>                                   |
| <b>Excess (deficiency) of revenue and other sources over (under) expenditures</b> | (1,376,736)         | (1,376,736)         | (2,936,197)         | (1,559,461)                                |
| <b>Fund Balance-January 1</b>   | 5,601,198           | 5,601,198           | 7,410,762           | 1,809,564                                  |
| <b>Fund Balance-December 31</b>   | <u>\$ 4,224,462</u> | <u>\$ 4,224,462</u> | <u>\$ 4,474,565</u> | <u>\$ 250,103</u>                          |

The accompanying notes are an integral part of this financial statement

**Town of Basalt**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances- Budget and Actual**  
**Bond Fund**  
**For the Year Ended December 31, 2015**

|                                 | <u>Budgeted Amounts</u> |                     | <u>Actual</u>    | <b>Variance with</b> |
|---------------------------------|-------------------------|---------------------|------------------|----------------------|
|                                 | <u>Original</u>         | <u>Final</u>        |                  | <b>Final Budget</b>  |
| <b>Revenues</b>                 |                         |                     |                  | <b>Favorable</b>     |
| Property taxes                  | \$ 533,694              | \$ 533,694          | \$ 474,988       | \$ (58,706)          |
| Interest income                 |                         | -                   | 4                | 4                    |
| Land sales                      | 600,000                 | 600,000             | 600,000          | -                    |
| <b>Total revenues</b>           | <u>1,133,694</u>        | <u>1,133,694</u>    | <u>1,074,992</u> | <u>(58,702)</u>      |
| <b>Expenditures</b>             |                         |                     |                  |                      |
| Treasurer's fees                | 6,000                   | 6,000               | 10,000           | (4,000)              |
| Administration fees             | 650                     | 650                 | 525              | 125                  |
| Supplies                        | -                       | -                   | 1,560            | (1,560)              |
| Park development                |                         |                     | 55,780           | (55,780)             |
| Legal & Professional            | -                       | -                   | 82,676           | (82,676)             |
| Engineering and design          | 1,039,540               | 1,039,540           | 1,738,554        | (699,014)            |
| Debt service                    |                         |                     |                  |                      |
| Principal                       | 460,000                 | 460,000             | 463,000          | (3,000)              |
| Interest                        | 70,950                  | 70,950              | 91,690           | (20,740)             |
| Capital outlay                  | 1,930,000               | 1,930,000           | -                | 1,930,000            |
| <b>Total expenditures</b>       | <u>3,507,140</u>        | <u>3,507,140</u>    | <u>2,443,785</u> | <u>1,063,355</u>     |
| <b>Excess revenues over</b>     |                         |                     |                  |                      |
| <b>(under) expenditures</b>     | (2,373,446)             | (2,373,446)         | (1,368,793)      | 1,004,653            |
| <b>Fund Balance-January 1</b>   | 2,116,082               | 2,116,082           | 1,428,914        | (687,168)            |
| <b>Fund Balance-December 31</b> | <u>\$ (257,364)</u>     | <u>\$ (257,364)</u> | <u>\$ 60,121</u> | <u>\$ 317,485</u>    |

The accompanying notes are an integral part of this financial statement

**Town of Basalt**  
**Combining Balance Sheet**  
**Other Governmental Funds**  
**December 31, 2015**

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|  | <b>Conservation<br/>Trust<br/>Trust Fund</b> |
|--|--|
| <b>Assets</b>                              |  |
| Cash and cash equivalents                  | \$ 116,249                                   |
| Investments                                | 6,200  |
| <b>Total assets</b>                        | \$ 122,449                                   |
| <br><b>Liabilities and Fund Balances</b>   |  |
| <b>Liabilities:</b>                        |  |
| Accounts payable                           | \$ -   |
| <b>Total liabilities</b>                   | -  |
| <br><b>Fund balances:</b>                  |  |
| Unreserved:                                | 122,449                                      |
| <b>Total fund balances</b>                 | 122,449                                      |
| <b>Total liabilities and fund balances</b> | \$ 122,449                                   |

**Town of Basalt**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Other Governmental Funds**  
**December 31, 2015**

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|                                  | <u>Conservation<br/>Trust Fund</u> |
|----------------------------------|------------------------------------|
| <b>REVENUES</b>                  |                                    |
| Intergovernmental                | \$ 18,508                          |
| Interest earnings                | 11                                 |
| <b>Total revenues</b>            | <u>18,519</u>                      |
| <br><b>EXPENDITURES</b>          |                                    |
| Current:                         |                                    |
| Culture and recreation           | <u>-</u>                           |
| <b>Total expenditures</b>        | <u>-</u>                           |
| <b>Change in fund balance</b>    | 18,519                             |
| <b>Fund balance, January 1</b>   | <u>103,930</u>                     |
| <b>Fund balance, December 31</b> | <u><u>\$ 122,449</u></u>           |

**Town of Basalt**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances- Budget and Actual**  
**Conservation Trust Fund**  
**For the Year Ended December 31, 2015**

|  | <u>Budgeted Amounts</u> |                   | <u>Actual</u>            | <u>Variance with<br/>Final Budget<br/>Favorable<br/>(Unfavorable)</u> |
|--|-------------------------|-------------------|--------------------------|---|
|  | <u>Original</u>         | <u>Final</u>      |                          |   |
| <b>Revenues</b>                                      |                         |                   |                          |   |
| Grants   | \$ 17,500               | \$ 17,500         | \$ <b>18,508</b>         | \$ 1,008  |
| Interest income                                      | 8                       | 8                 | <b>11</b>                | 3   |
| <b>Total revenues</b>                                | <u>17,508</u>           | <u>17,508</u>     | <u><b>18,519</b></u>     | <u>1,011</u>  |
| <b>Expenditures</b>                                  |                         |                   |                          |   |
| Park improvements                                    | -                       | -                 | -                        | -   |
| <b>Total expenditures</b>                            | <u>-</u>                | <u>-</u>          | <u>-</u>                 | <u>-</u>  |
| <b>Excess revenues over<br/>(under) expenditures</b> | 17,508                  | 17,508            | <b>18,519</b>            | 1,011   |
| <b>Fund Balance-January 1</b>                        | 102,379                 | 102,379           | <b>103,930</b>           | 1,551   |
| <b>Fund Balance-December 31</b>                      | <u>\$ 119,887</u>       | <u>\$ 119,887</u> | <u>\$ <b>122,449</b></u> | <u>\$ 2,562</u>   |

**Town of Basalt**  
**Statement of Revenues, Expenditures and Changes in Available Resources - Budget and Actual**  
**Water Fund**  
**For the Year Ended December 31, 2015**

|  | Budgeted Amounts  |                   | Actual            | Variance with              |
|--|-------------------|-------------------|-------------------|----------------------------|
|  | Original          | Final             |                   | Final Budget               |
| Revenues                                     |                   |                   |                   | Favorable<br>(Unfavorable) |
| User charges                                 | \$ 585,000        | \$ 585,000        | \$ 542,502        | \$ (42,498)                |
| Other revenues                               | 17,000            | 17,000            | 28,845            | 11,845                     |
| Tap fees                                     | 2,000             | 2,000             | 14,034            | 12,034                     |
| Interest income                              | 300               | 300               | 589               | 289                        |
| <b>Total revenues</b>                        | <u>604,300</u>    | <u>604,300</u>    | <u>585,970</u>    | <u>(18,330)</u>            |
| <b>Expenses</b>                              |                   |                   |                   |                            |
| <b>Source</b>                                |                   |                   |                   |                            |
| Water rights                                 | 10,000            | 10,000            | 6,999             | 3,001                      |
| Utilities                                    | 3,500             | 3,500             | 3,082             | 418                        |
| Capital expenditures                         | 10,000            | 10,000            | 96,664            | (86,664)                   |
| <b>Total source</b>                          | <u>23,500</u>     | <u>23,500</u>     | <u>106,745</u>    | <u>(83,245)</u>            |
| <b>Treatment</b>                             |                   |                   |                   |                            |
| Repair and maintenance                       | 10,000            | 10,000            | 38,897            | (28,897)                   |
| Chemical                                     | 8,000             | 8,000             | 9,629             | (1,629)                    |
| Equipment and operations                     | 1,000             | 1,000             | 1,203             | (203)                      |
| Utilities                                    | 8,000             | 8,000             | 9,114             | (1,114)                    |
| <b>Total treatment</b>                       | <u>27,000</u>     | <u>27,000</u>     | <u>58,843</u>     | <u>(31,843)</u>            |
| <b>Lines</b>                                 |                   |                   |                   |                            |
| Miscellaneous                                | -                 | -                 | -                 | -                          |
| Professional services                        | 10,000            | 10,000            | 3,753             | 6,247                      |
| Equipment operation                          | 3,000             | 3,000             | 98                | 2,902                      |
| Repairs, maintenance and supplies            | 14,000            | 14,000            | 49,770            | (35,770)                   |
| Utilities                                    | 10,000            | 10,000            | 14,180            | (4,180)                    |
| <b>Total lines</b>                           | <u>37,000</u>     | <u>37,000</u>     | <u>67,801</u>     | <u>(30,801)</u>            |
| <b>Administration</b>                        |                   |                   |                   |                            |
| Salaries                                     | 129,400           | 129,400           | 136,723           | (7,323)                    |
| Payroll taxes                                | 9,716             | 9,716             | 10,118            | (402)                      |
| Employee benefits                            | 36,450            | 36,450            | 34,295            | 2,155                      |
| Professional services                        | 46,000            | 46,000            | 56,775            | (10,775)                   |
| Supplies and printing                        | 750               | 750               | 985               | (235)                      |
| Telephone                                    | 3,600             | 3,600             | 8,086             | (4,486)                    |
| Miscellaneous                                | 5,950             | 5,950             | 7,087             | (1,137)                    |
| Overhead                                     | 180,227           | 180,227           | 171,645           | 8,582                      |
| Capital expenditures                         | 7,800             | 7,800             | 14,545            | (6,745)                    |
| <b>Total administration</b>                  | <u>419,893</u>    | <u>419,893</u>    | <u>440,259</u>    | <u>(20,366)</u>            |
| <b>Debt service</b>                          | <u>130,956</u>    | <u>130,956</u>    | <u>93,388</u>     | <u>37,568</u>              |
| <b>Total expenses</b>                        | <u>638,349</u>    | <u>638,349</u>    | <u>767,036</u>    | <u>(128,687)</u>           |
| Excess of revenues over (under) expenditures | (34,049)          | (34,049)          | (181,066)         | (147,017)                  |
| Available resources-January 1                | 536,509           | 536,509           | 347,536           | (188,973)                  |
| Available resources-December 31              | <u>\$ 502,460</u> | <u>\$ 502,460</u> | <u>\$ 166,470</u> | <u>\$ (335,990)</u>        |

**Town of Basalt**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended December 31, 2015**

| Revenues                          | Budgeted Amounts |                  | Actual           | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|-----------------------------------|------------------|------------------|------------------|---|
|                                   | Original         | Final            |                  |   |
| <b>Taxes</b>                      |                  |                  |                  |   |
| Property tax                      | \$ 781,820       | \$ 781,820       | \$ 848,164       | \$ 66,344   |
| Specific ownership                | 29,000           | 29,000           | 62,327           | 33,327  |
| Sales tax                         | 4,600,000        | 4,600,000        | 5,267,396        | 667,396   |
| Lodging tax                       | 29,000           | 29,000           | 72,036           | 43,036  |
| Cigarette                         | 16,000           | 16,000           | 16,293           | 293   |
| Franchise                         | 261,000          | 261,000          | 303,208          | 42,208  |
| <b>Total taxes</b>                | <u>5,716,820</u> | <u>5,716,820</u> | <u>6,569,424</u> | <u>852,604</u>  |
| <b>Licenses and permits</b>       |                  |                  |                  |   |
| SIF and other fees                | 100,000          | 100,000          | 568              | (99,432)  |
| Building permits                  | 400,000          | 400,000          | 129,106          | (270,894)   |
| Contractor license & testing      | 11,000           | 11,000           | 13,900           | 2,900   |
| Liquor license                    | 4,000            | 4,000            | 5,071            | 1,071   |
| Business license                  | 12,000           | 12,000           | 8,099            | (3,901)   |
| Affordable housing rent           | 33,360           | 33,360           | 167,621          | 134,261   |
| Traffic impact fees               | -                | -                | 1,500            | 1,500   |
| Willits lane fees                 | 35,000           | 35,000           | 10,684           | (24,316)  |
| Energy impact fee                 | 2,560            | 2,560            | 13,074           | 10,514  |
| Transfer assessment fees RFC      | 17,500           | 17,500           | 11,864           | (5,636)   |
| RETA-Willits and Sopris Meadows   | 50,000           | 50,000           | 129,654          | 79,654  |
| Transportation fee                | -                | -                | 1,805            | 1,805   |
| Other                             | 100              | 100              | 200              | 100   |
| <b>Total licenses and permits</b> | <u>665,520</u>   | <u>665,520</u>   | <u>493,146</u>   | <u>(172,374)</u>  |
| <b>Intergovernmental</b>          |                  |                  |                  |   |
| Grants                            | 15,000           | 15,000           | 15,000           | -   |
| Highway users                     | 117,664          | 117,664          | 123,629          | 5,965   |
| County road and bridge            | 90,000           | 90,000           | 78,355           | (11,645)  |
| Motor vehicle                     | 14,800           | 14,800           | 17,139           | 2,339   |
| <b>Total intergovernmental</b>    | <u>237,464</u>   | <u>237,464</u>   | <u>234,123</u>   | <u>(3,341)</u>  |
| <b>Charges for services</b>       |                  |                  |                  |   |
| Administrative fees               | 171,645          | 171,645          | 171,645          | -   |
| Zoning                            | 25,000           | 25,000           | (18,219)         | (43,219)  |
| Cemetery                          | 1,000            | 1,000            | 1,825            | 825   |
| Pool fees                         | 51,200           | 51,200           | 38,477           | (12,723)  |
| Park dedication fees              | 500              | 500              | 3,397            | 2,897   |
| Recreation fees                   | 70,000           | 70,000           | 61,715           | (8,285)   |
| Miscellaneous sales               | 9,000            | 9,000            | 11,142           | 2,142   |
| <b>Total charges for services</b> | <u>328,345</u>   | <u>328,345</u>   | <u>269,982</u>   | <u>(58,363)</u>   |

**Town of Basalt**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended December 31, 2015**

| Revenues (continued)               | Budgeted Amounts |              | Actual       | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|------------------------------------|------------------|--------------|--------------|---|
|                                    | Original         | Final        |              |   |
| <b>Fines and forfeitures</b>       |                  |              |              |   |
| Traffic                            | 36,000           | 36,000       | 44,463       | 8,463   |
| Other                              | 38,950           | 38,950       | 28,354       | (10,596)  |
| <b>Total fines and forfeitures</b> | 74,950           | 74,950       | 72,817       | (2,133)   |
| <b>Miscellaneous</b>               |                  |              |              |   |
| Interest                           | 8,000            | 8,000        | 3,721        | (4,279)   |
| Rent                               | 1,500            | 1,500        | 275          | (1,225)   |
| Sale of assets                     | -                | -            | 18,351       | 18,351  |
| Refunds of expenditures            | 15,000           | 15,000       | 22,882       | 7,882   |
| Other Revenue                      | 35,000           | 35,000       | 38,505       | 3,505   |
| <b>Total miscellaneous</b>         | 59,500           | 59,500       | 83,734       | 24,234  |
| <b>Total Revenues</b>              | \$ 7,082,599     | \$ 7,082,599 | \$ 7,723,226 | \$ 640,627  |
| <b>Expenditures</b>                |                  |              |              |   |
| <b>General government</b>          |                  |              |              |   |
| <b>Legislative</b>                 |                  |              |              |   |
| Salaries                           | \$ 72,000        | \$ 72,000    | \$ 71,999    | \$ 1  |
| Payroll taxes and etc.             | 5,628            | 5,628        | 5,592        | 36  |
| Supplies                           | 7,500            | 7,500        | 5,780        | 1,720   |
| Dues                               | 35,000           | 35,000       | 27,520       | 7,480   |
| Economic development               | 25,000           | 25,000       | 21,475       | 3,525   |
| Training/ Education                | 2,500            | 2,500        | 252          | 2,248   |
| Communications                     | 20,000           | 20,000       | 14,248       | 5,752   |
| Travel                             | 2,000            | 2,000        | -            | 2,000   |
| Miscellaneous                      | 40,000           | 40,000       | 173,485      | (133,485)   |
| Trustee Disc. Fund                 | 780,000          | 780,000      | 1,812,534    | (1,032,534)   |
| <b>Total legislative</b>           | 989,628          | 989,628      | 2,132,885    | (1,143,257)   |
| <b>Judicial</b>                    |                  |              |              |   |
| Professional fees                  | 20,700           | 20,700       | 23,119       | (2,419)   |
| Data Processing                    | 1,200            | 1,200        | 889          | 311   |
| <b>Total judicial</b>              | 21,900           | 21,900       | 24,008       | (2,108)   |
| <b>Elections</b>                   |                  |              |              |   |
| Judges and supplies                | 7,200            | 7,200        | 59           | 7,141   |
| <b>Total elections</b>             | 7,200            | 7,200        | 59           | 7,141   |

**Town of Basalt**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended December 31, 2015**

| Expenditures (continued)                                 | Budgeted Amounts |           | Actual    | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|--|------------------|-----------|-----------|---|
|  | Original         | Final     |           |   |
| <b>Finance</b>   |                  |           |           |   |
| Treasurer's fees   | -                | -         | 623       | (623)   |
| <b>Total finance</b>                                     | -                | -         | 623       | (623)   |
| <br><b>Administration</b>                                |                  |           |           |   |
| Salaries   | 498,650          | 498,650   | 520,162   | (21,512)  |
| Payroll taxes  | 37,556           | 37,556    | 35,760    | 1,796   |
| Employee benefits  | 87,193           | 87,193    | 80,815    | 6,378   |
| Equipment lease  | 15,000           | 15,000    | 24,642    | (9,642)   |
| Office supplies  | 25,000           | 25,000    | 34,105    | (9,105)   |
| Telephone  | 2,700            | 2,700     | 3,092     | (392)   |
| Travel   | 9,250            | 9,250     | 13,209    | (3,959)   |
| Advertising  | 40,000           | 40,000    | 30,841    | 9,159   |
| Insurance and bonds                                      | 95,000           | 95,000    | 169,181   | (74,181)  |
| Town code  | 1,000            | 1,000     | 6,792     | (5,792)   |
| Professional services                                    | 118,750          | 118,750   | 182,970   | (64,220)  |
| Miscellaneous  | 131,340          | 131,340   | 95,439    | 35,901  |
| Capital expenditures                                     | -                | -         | 61,260    | (61,260)  |
| <b>Total administration</b>                              | 1,061,439        | 1,061,439 | 1,258,268 | (196,829)   |
| <br><b>Planning and zoning</b>                           |                  |           |           |   |
| Salaries   | 278,617          | 278,617   | 302,429   | (23,812)  |
| Payroll taxes  | 21,314           | 21,314    | 22,331    | (1,017)   |
| Employee benefits  | 47,662           | 47,662    | 57,839    | (10,177)  |
| Office supplies  | 14,000           | 14,000    | 20,190    | (6,190)   |
| Professional service                                     | 160,000          | 160,000   | 151,526   | 8,474   |
| Other  | 30,950           | 30,950    | 20,781    | 10,169  |
| <b>Total planning and zoning</b>                         | 552,543          | 552,543   | 575,096   | (22,553)  |
| <br><b>Building operation and maintenance</b>            |                  |           |           |   |
| Salaries   | 53,054           | 53,054    | 85,518    | (32,464)  |
| Payroll taxes  | 4,059            | 4,059     | 5,959     | (1,900)   |
| Employee benefits  | 17,346           | 17,346    | 31,559    | (14,213)  |
| Contract labor   | 25,000           | 25,000    | 13,306    | 11,694  |
| Supplies   | 10,000           | 10,000    | 33,867    | (23,867)  |
| Telephone  | 9,000            | 9,000     | 15,101    | (6,101)   |
| Utilities and refuse removal                             | 141,000          | 141,000   | 63,363    | 77,637  |
| Maintenance and repair                                   | 49,500           | 49,500    | 1,120,040 | (1,070,540)   |
| Other  | 7,577            | 7,577     | 4,007     | 3,570   |
| Capital expenditures                                     | 10,000           | 10,000    | -         | 10,000  |
| <b>Total building operations<br/>    and maintenance</b> | 326,536          | 326,536   | 1,372,720 | (1,046,184)   |
| <br><b>Total general government</b>                      | 2,959,246        | 2,959,246 | 5,363,659 | (2,404,413)   |

**Town of Basalt**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended December 31, 2015**

| Expenditures (continued)                 | Budgeted Amounts |                  | Actual           | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|--|------------------|------------------|------------------|---|
|  | Original         | Final            |                  |   |
| <b>Public safety - Police Department</b> |                  |                  |                  |   |
| Salaries                                 | 812,620          | 812,620          | <b>898,318</b>   | (85,698)  |
| Payroll taxes                            | 7,834            | 7,834            | <b>19,149</b>    | (11,315)  |
| Pension plan                             | 69,775           | 69,775           | <b>77,439</b>    | (7,664)   |
| Employee benefits                        | 164,300          | 164,300          | <b>164,107</b>   | 193   |
| Office supplies                          | 40,230           | 40,230           | <b>27,793</b>    | 12,437  |
| Investigation                            | 4,875            | 4,875            | <b>5,311</b>     | (436)   |
| Memberships and dues                     | 23,110           | 23,110           | <b>22,186</b>    | 924   |
| Professional service                     | 8,870            | 8,870            | <b>1,682</b>     | 7,188   |
| Uniforms                                 | 14,054           | 14,054           | <b>11,481</b>    | 2,573   |
| Telephone                                | 12,948           | 12,948           | <b>9,763</b>     | 3,185   |
| Utilities                                | 22,728           | 22,728           | <b>19,366</b>    | 3,362   |
| Training                                 | 29,704           | 29,704           | <b>20,084</b>    | 9,620   |
| Insurance and bonds                      | 100              | 100              | <b>100</b>       | -   |
| Communications                           | 190,930          | 190,930          | <b>174,831</b>   | 16,099  |
| Equipment leasing                        | 2,256            | 2,256            | <b>1,603</b>     | 653   |
| Capital expenditures                     | 10,981           | 10,981           | <b>9,524</b>     | 1,457   |
| Miscellaneous                            | 245,159          | 245,159          | <b>346,041</b>   | (100,882)   |
| <b>Total police department</b>           | <b>1,660,474</b> | <b>1,660,474</b> | <b>1,808,778</b> | <b>(148,304)</b>  |
| <b>Building inspection</b>               |                  |                  |                  |   |
| Salaries                                 | 102,571          | 102,571          | <b>104,640</b>   | (2,069)   |
| Payroll taxes                            | 7,847            | 7,847            | <b>7,056</b>     | 791   |
| Employee benefits                        | 18,649           | 18,649           | <b>16,663</b>    | 1,986   |
| Office supplies and books                | 3,000            | 3,000            | <b>1,223</b>     | 1,777   |
| Telephone                                | 350              | 350              | <b>440</b>       | (90)  |
| Data Processing                          | 7,500            | 7,500            | <b>2,608</b>     | 4,892   |
| Miscellaneous                            | 3,400            | 3,400            | <b>4,268</b>     | (868)   |
| <b>Total planning and zoning</b>         | <b>143,317</b>   | <b>143,317</b>   | <b>136,898</b>   | <b>6,419</b>  |
| <b>Total public safety</b>               | <b>1,803,791</b> | <b>1,803,791</b> | <b>1,945,676</b> | <b>(141,885)</b>  |
| <b>Public works</b>                      |                  |                  |                  |   |
| <b>Engineering</b>                       |                  |                  |                  |   |
| Salaries                                 | 65,000           | 65,000           | <b>35,548</b>    | 29,452  |
| Payroll taxes                            | 4,973            | 4,973            | <b>2,719</b>     | 2,254   |
| Employee benefits                        | 10,650           | 10,650           | <b>12,788</b>    | (2,138)   |
| Professional Fees                        | 25,000           | 25,000           | <b>15,489</b>    | 9,511   |
| Flood Plain Administration               | 3,000            | 3,000            | <b>2,704</b>     | 296   |
| Miscellaneous                            | 260              | 260              | <b>486</b>       | (226)   |
| <b>Total Engineering</b>                 | <b>108,883</b>   | <b>108,883</b>   | <b>69,734</b>    | <b>39,149</b>   |

**Town of Basalt**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended December 31, 2015**

| Expenditures (continued)                 | Budgeted Amounts |            | Actual     | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|--|------------------|------------|------------|---|
|  | Original         | Final      |            |   |
| <b>Streets</b>                           |                  |            |            |   |
| Salaries                                 | 185,449          | 185,449    | 124,112    | 61,337  |
| Payroll taxes                            | 12,653           | 12,653     | 9,339      | 3,314   |
| Employee benefits                        | 36,815           | 36,815     | 25,965     | 10,850  |
| Supplies                                 | 22,000           | 22,000     | 18,977     | 3,023   |
| Street repair and maintenance            | 385,000          | 385,000    | 388,635    | (3,635)   |
| Equipment maintenance                    | 7,500            | 7,500      | 1,798      | 5,702   |
| Miscellaneous                            | 109,882          | 109,882    | 181,963    | (72,081)  |
| Uniforms                                 | 1,000            | 1,000      | 964        | 36  |
| Snow removal                             | 83,000           | 83,000     | 75,796     | 7,204   |
| Street lighting                          | 24,000           | 24,000     | 31,809     | (7,809)   |
| Capital expenditures                     | 95,000           | 95,000     | 264,636    | (169,636)   |
| <b>Total street and alleys</b>           | 962,299          | 962,299    | 1,123,994  | (161,695)   |
| <b>Motor pool</b>                        |                  |            |            |   |
| Salaries                                 | 41,460           | 41,460     | 46,540     | (5,080)   |
| Payroll taxes                            | 3,172            | 3,172      | 3,560      | (388)   |
| Employee benefits                        | 9,023            | 9,023      | 3,457      | 5,566   |
| Contract labor                           | 6,000            | 6,000      | 9,951      | (3,951)   |
| Equipment repair and maintenance         | 12,000           | 12,000     | 10,074     | 1,926   |
| Fuel                                     | 50,000           | 50,000     | 39,571     | 10,429  |
| Miscellaneous                            | 1,600            | 1,600      | 2,403      | (803)   |
| Capital expenditures                     | 275,113          | 275,113    | 370,630    | (95,517)  |
| Fleet allocation                         | (398,368)        | (398,368)  | (486,186)  | 87,818  |
| <b>Total motor pool</b>                  | -                | -          | -          | -   |
| <b>Public Works Administration</b>       |                  |            |            |   |
| Salaries                                 | \$ 120,000       | \$ 120,000 | \$ 152,863 | \$ (32,863)   |
| Payroll taxes                            | 9,180            | 9,180      | 11,438     | (2,258)   |
| Employee benefits                        | 20,190           | 20,190     | 29,623     | (9,433)   |
| Dues and memberships                     | 1,000            | 1,000      | 936        | 64  |
| Supplies                                 | 2,500            | 2,500      | 909        | 1,591   |
| Travel                                   | 250              | 250        | -          | 250   |
| Training                                 | 2,500            | 2,500      | 1,097      | 1,403   |
| Telephone                                | 3,000            | 3,000      | 2,190      | 810   |
| Repair and maintenance                   | 2,500            | 2,500      | 87         | 2,413   |
| Miscellaneous                            | 12,735           | 12,735     | 10,485     | 2,250   |
| <b>Total public works administration</b> | 173,855          | 173,855    | 209,628    | (35,773)  |
| <b>Total public works</b>                | 1,245,037        | 1,245,037  | 1,403,356  | (158,319)   |

**Town of Basalt**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended December 31, 2015**

| Expenditures (continued)      | Budgeted Amounts |            | Actual     | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|-------------------------------|------------------|------------|------------|---|
|                               | Original         | Final      |            |   |
| <b>Culture and recreation</b> |                  |            |            |   |
| <b>Cemetery</b>               |                  |            |            |   |
| Maintenance                   | 1,500            | 1,500      | -          | 1,500   |
| Capital outlay                | 4,000            | 4,000      | 4,243      | (243)   |
| <b>Total cemetery</b>         | 5,500            | 5,500      | 4,243      | 1,257   |
| <br>                          |                  |            |            |   |
| <b>Pool</b>                   |                  |            |            |   |
| Salaries                      | 65,000           | 65,000     | 82,715     | (17,715)  |
| Payroll taxes                 | 4,973            | 4,973      | 6,301      | (1,328)   |
| Employee benefits             | 1,800            | 1,800      | 2,079      | (279)   |
| Operating supplies            | 15,800           | 15,800     | 5,822      | 9,978   |
| Utilities                     | 16,000           | 16,000     | 24,479     | (8,479)   |
| Incentive program             | 3,000            | 3,000      | 1,150      | 1,850   |
| Repair and maintenance        | 10,000           | 10,000     | 14,144     | (4,144)   |
| Uniforms                      | 4,000            | 4,000      | 902        | 3,098   |
| Chemicals                     | 6,000            | 6,000      | 6,646      | (646)   |
| Miscellaneous                 | 4,000            | 4,000      | 7,575      | (3,575)   |
| <b>Total pool</b>             | \$ 130,573       | \$ 130,573 | \$ 151,813 | \$ (21,240)   |
| <br>                          |                  |            |            |   |
| <b>Recreation</b>             |                  |            |            |   |
| Salaries                      | 70,800           | 70,800     | 99,689     | (28,889)  |
| Payroll taxes                 | 5,034            | 5,034      | 7,189      | (2,155)   |
| Employee benefits             | 18,140           | 18,140     | 23,737     | (5,597)   |
| Contract labor                | 60,000           | 60,000     | 48,634     | 11,366  |
| Advertising                   | 1,500            | 1,500      | 1,527      | (27)  |
| Equipment                     | 4,000            | 4,000      | 8,423      | (4,423)   |
| Dues and memberships          | 500              | 500        | 585        | (85)  |
| Program supplies              | 8,500            | 8,500      | 3,188      | 5,312   |
| Printing / brochures          | 2,000            | 2,000      | 681        | 1,319   |
| Uniforms                      | 10,000           | 10,000     | 6,828      | 3,172   |
| Office supplies               | 1,000            | 1,000      | 1,214      | (214)   |
| Telephone                     | 12,000           | 12,000     | 7,666      | 4,334   |
| IGA-REI (in kind)             | 8,800            | 8,800      | 7,900      | 900   |
| Miscellaneous                 | 17,738           | 17,738     | 23,992     | (6,254)   |
| <b>Total recreation</b>       | \$ 220,012       | \$ 220,012 | \$ 241,253 | \$ (21,241)   |

**Town of Basalt**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**General Fund**  
**For the Year Ended December 31, 2015**

| Expenditures (continued)                         | Budgeted Amounts    |                     | Actual              | Variance with<br>Final Budget<br>Favorable<br>(Unfavorable) |
|--|---------------------|---------------------|---------------------|---|
|  | Original            | Final               |                     |   |
| <b>Public Gardens</b>                            |                     |                     |                     |   |
| Salaries   | \$ 149,340          | \$ 149,340          | \$ 74,148           | \$ 75,192   |
| Payroll taxes                                    | 11,425              | 11,425              | 5,672               | 5,753   |
| Employee benefits                                | 34,693              | 34,693              | 12,315              | 22,378  |
| Professional fees                                | -                   | -                   | -                   | -   |
| Dues and memberships                             | 1,400               | 1,400               | 182                 | 1,218   |
| Training and education                           | 1,800               | 1,800               | 538                 | 1,262   |
| Materials and operating supplies                 | 23,000              | 23,000              | 8,413               | 14,587  |
| Weed Management Education                        | 750                 | 750                 | -                   | 750   |
| Contract labor                                   | 116,500             | 116,500             | 143,499             | (26,999)  |
| Uniforms   | 900                 | 900                 | 1,213               | (313)   |
| Small equipment and tools                        | 2,500               | 2,500               | 231                 | 2,269   |
| Fleet allocation                                 | 38,779              | 38,779              | 72,313              | (33,534)  |
| Telephone  | 720                 | 720                 | 1,283               | (563)   |
| Utilities  | 8,000               | 8,000               | 9,096               | (1,096)   |
| Portable toilets                                 | 4,100               | 4,100               | 3,403               | 697   |
| Repair and maintenance-irrigation                | 6,000               | 6,000               | 5,278               | 722   |
| Repair and maintenance-small equipment           | 3,000               | 3,000               | 1,897               | 1,103   |
| Repair and maintenance-facilities                | 2,000               | 2,000               | 204                 | 1,796   |
| Seed and forest garden                           | 5,000               | 5,000               | 6,212               | (1,212)   |
| Equipment Leasing                                | 3,000               | 3,000               | 552                 | 2,448   |
| Tree management                                  | 23,000              | 23,000              | 23,124              | (124)   |
| <b>Total Public Gardens</b>                      | <b>435,907</b>      | <b>435,907</b>      | <b>369,573</b>      | <b>66,334</b>   |
| <b>Town sharing</b>                              |                     |                     |                     |   |
| Discretionary Expenditures                       | 42,500              | 42,500              | 41,850              | 650   |
| <b>Total town sharing</b>                        | <b>42,500</b>       | <b>42,500</b>       | <b>41,850</b>       | <b>650</b>  |
| <b>Total culture and recreation</b>              | <b>834,492</b>      | <b>834,492</b>      | <b>808,732</b>      | <b>25,760</b>   |
| <b>Capital Outlay</b>                            | <b>1,616,769</b>    | <b>1,616,769</b>    | <b>888,265</b>      | <b>(728,504)</b>  |
| <b>Total expenditures</b>                        | <b>8,459,335</b>    | <b>8,459,335</b>    | <b>10,409,688</b>   | <b>(1,950,353)</b>  |
| <b>Excess of revenues over (under) expenditu</b> | <b>(1,376,736)</b>  | <b>(1,376,736)</b>  | <b>(2,686,462)</b>  | <b>(1,309,726)</b>  |
| <b>Fund Balance-January 1</b>                    | <b>5,601,198</b>    | <b>5,601,198</b>    | <b>7,410,762</b>    | <b>1,809,564</b>  |
| <b>Fund Balance-December 31</b>                  | <b>\$ 4,224,462</b> | <b>\$ 4,224,462</b> | <b>\$ 4,724,300</b> | <b>\$ 499,838</b>   |

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

|  |  |
|--|--|
| <b>LOCAL HIGHWAY FINANCE REPORT</b>  | City or County:<br>Town of Basalt                    |
|  | YEAR ENDING :<br>December 2015                       |
| This Information From The Records Of (example - City of _ or County of Town of Basalt) | Prepared By: Judi Tippetts<br>Phone: 970 927-9851 #2 |

**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)                   | 442,189   |
| a. Motor Fuel (from Item I.A.5.)                         |           | 2. Maintenance:                                   | 409,410   |
| 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                           | 792,841   | b. Snow and ice removal                           | 75,796    |
| 3. Other local imposts (from page 2)                     | 62,327    | c. Other  | 31,809    |
| 4. Miscellaneous local receipts (from page 2)            | 128,058   | d. Total (a. through c.)                          | 107,605   |
| 5. Transfers from toll facilities                        |           | 4. General administration & miscellaneous         | 164,790   |
| 6. Proceeds of sale of bonds and notes:                  |           | 5. Highway law enforcement and safety             |           |
| a. Bonds - Original Issues                               |           | 6. Total (1 through 5)                            | 1,123,994 |
| b. Bonds - Refunding Issues                              |           | <b>B. Debt service on local obligations:</b>      |           |
| c. Notes   |           | 1. Bonds:   |           |
| d. Total (a. + b. + c.)                                  | 0         | a. Interest                                       |           |
| 7. Total (1 through 6)                                   | 983,226   | b. Redemption                                     |           |
| <b>B. Private Contributions</b>                          |           | c. Total (a. + b.)                                | 0         |
| <b>C. Receipts from State government (from page 2)</b>   | 140,768   | 2. Notes:   |           |
| <b>D. Receipts from Federal Government (from page 2)</b> | 0         | a. Interest                                       |           |
| <b>E. Total receipts (A.7 + B + C + D)</b>               | 1,123,994 | b. Redemption                                     |           |
|  |           | c. Total (a. + b.)                                | 0         |
|  |           | 3. Total (1.c + 2.c)                              | 0         |
|  |           | <b>C. Payments to State for highways</b>          |           |
|  |           | <b>D. Payments to toll facilities</b>             |           |
|  |           | <b>E. Total disbursements (A.6 + B.3 + C + D)</b> | 1,123,994 |

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

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

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

|  | A. Beginning Balance | B. Total Receipts | C. Total Disbursements | D. Ending Balance | E. Reconciliation |
|--|----------------------|-------------------|------------------------|-------------------|-------------------|
|  |                      | 1,123,994         | 1,123,994              |                   | 0                 |

Notes and Comments:

**LOCAL HIGHWAY FINANCE REPORT**

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

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

| ITEM                              | AMOUNT                    | ITEM                                      | AMOUNT                    |
|-----------------------------------|---------------------------|---|---------------------------|
| <b>A.3. Other local imposts:</b>  |                           | <b>A.4. Miscellaneous local receipts:</b> |                           |
| a. Property Taxes and Assessments |                           | a. Interest on investments                |                           |
| b. Other local imposts:           |                           | b. Traffic Fines & Penalties              | 49,703                    |
| 1. Sales Taxes                    |                           | c. Parking Garage Fees                    |                           |
| 2. Infrastructure & Impact Fees   |                           | d. Parking Meter Fees                     |                           |
| 3. Liens                          |                           | e. Sale of Surplus Property               |                           |
| 4. Licenses                       |                           | f. Charges for Services                   |                           |
| 5. Specific Ownership &/or Other  | 62,327                    | g. Other Misc. Receipts                   |                           |
| 6. Total (1. through 5.)          | 62,327                    | h. Other                                  | 78,355                    |
| c. Total (a. + b.)                | 62,327                    | i. Total (a. through h.)                  | 128,058                   |
|                                   | (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                    | 123,629 | 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           | 17,139  | d. Federal Transit Admin                   |                           |
| d. Other (Specify)                       |         | e. U.S. Corps of Engineers                 |                           |
| e. Other (Specify)                       |         | f. Other Federal                           |                           |
| f. Total (a. through e.)                 | 17,139  | g. Total (a. through f.)                   | 0                         |
| 4. Total (1. + 2. + 3.f)                 | 140,768 | 3. Total (1. + 2.g)                        |                           |
|  |         |  | (Carry forward to page 1) |

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

|   | ON NATIONAL<br>HIGHWAY<br>SYSTEM<br>(a) | OFF NATIONAL<br>HIGHWAY<br>SYSTEM<br>(b) | TOTAL<br>(c)              |
|---|---|--|---------------------------|
| <b>A.1. Capital outlay:</b>                         |   |  |                           |
| a. Right-Of-Way Costs                               |   |  | 0                         |
| b. Engineering Costs                                |   |  | 0                         |
| c. Construction:                                    |   |  |                           |
| (1). New Facilities                                 |   |  | 0                         |
| (2). Capacity Improvements                          | 442,189                                 |  | 442,189                   |
| (3). System Preservation                            |   |  | 0                         |
| (4). System Enhancement & Operation                 |   |  | 0                         |
| (5). Total Construction (1) + (2) + (3) + (4)       | 442,189                                 | 0  | 442,189                   |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5) | 442,189                                 | 0  | 442,189                   |
|   |   |  | (Carry forward to page 1) |

Notes and Comments:

**TOWN OF BASALT**  
**Net (Expenses) Revenues and Changes in Net Position**  
**2006-2015**

|   | 2006         | 2007         | 2008         | 2009         | 2010         | 2011         | 2012         | 2013         | 2014          | 2015         |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|
| <b>Expenses</b>                             |              |              |              |              |              |              |              |              |               |              |
| <b>Primary Government</b>                   |              |              |              |              |              |              |              |              |               |              |
| <b>Governmental activities</b>              |              |              |              |              |              |              |              |              |               |              |
| General government                          | \$ 1,803,466 | \$ 2,004,463 | \$ 1,417,987 | \$ 2,384,176 | \$ 1,870,866 | \$ 2,050,593 | \$ 2,345,304 | \$ 2,870,421 | \$ 3,075,790  | \$ 2,586,990 |
| Public Safety                               | \$ 1,203,989 | \$ 1,259,492 | \$ 1,345,478 | \$ 1,517,178 | \$ 1,300,935 | \$ 1,405,174 | \$ 1,200,108 | \$ 1,375,878 | \$ 1,630,753  | \$ 1,893,125 |
| Public Works in Administration              | \$ 893,911   | \$ 595,876   | \$ 1,594,675 | \$ 851,598   | \$ 856,179   | \$ 673,729   | \$ 765,983   | \$ 748,985   | \$ 4,184,009  | \$ 973,619   |
| Culture & Recreation                        | \$ 705,854   | \$ 707,894   | \$ 743,686   | \$ 730,278   | \$ 639,315   | \$ 614,361   | \$ 792,321   | \$ 853,533   | \$ 973,478    | \$ 896,584   |
| <b>Total governmental activities</b>        | \$ 4,607,020 | \$ 4,567,725 | \$ 5,101,826 | \$ 5,483,230 | \$ 4,667,295 | \$ 4,743,857 | \$ 5,123,696 | \$ 5,848,817 | \$ 9,864,030  | \$ 6,350,318 |
| <b>Business-type activities</b>             |              |              |              |              |              |              |              |              |               |              |
| Water                                       | \$ 678,114   | \$ 776,909   | \$ 725,069   | \$ 793,706   | \$ 470,130   | \$ 687,776   | \$ 625,654   | \$ 621,517   | \$ 580,130    | \$ 736,885   |
| Total business-type activities expense:     | \$ 678,114   | \$ 776,909   | \$ 725,069   | \$ 793,706   | \$ 470,130   | \$ 687,776   | \$ 625,654   | \$ 621,517   | \$ 580,130    | \$ 736,885   |
| Total primary government expense            | \$ 5,285,134 | \$ 5,344,634 | \$ 5,828,895 | \$ 6,276,936 | \$ 5,137,425 | \$ 5,431,633 | \$ 5,749,350 | \$ 6,470,334 | \$ 10,444,160 | \$ 7,087,203 |
| <b>Revenues</b>                             |              |              |              |              |              |              |              |              |               |              |
| <b>Governmental activities</b>              |              |              |              |              |              |              |              |              |               |              |
| <b>Program Revenues</b>                     |              |              |              |              |              |              |              |              |               |              |
| Charges for services                        | \$ 101,976   | \$ 137,064   | \$ 79,945    | \$ 71,926    | \$ 33,900    | \$ 31,215    | \$ 42,545    | \$ 119,807   | \$ 34,484     | \$ (3,024)   |
| General government                          | \$ 23,464    | \$ 19,568    | \$ 23,085    | \$ 28,175    | \$ 23,132    | \$ 27,165    | \$ 19,967    | \$ 38,311    | \$ 80,696     | \$ 72,817    |
| Public Safety                               | \$ 1,141,656 | \$ 1,225,771 | \$ 798,655   | \$ 101,009   | \$ 123,191   | \$ 315,221   | \$ 257,388   | \$ 527,065   | \$ 842,516    | \$ 312,155   |
| Public Works in Administration              | \$ 120,155   | \$ 132,770   | \$ 374,745   | \$ 135,970   | \$ 117,238   | \$ 120,918   | \$ 120,890   | \$ 129,101   | \$ 110,058    | \$ 103,589   |
| Culture & Recreation                        | \$ 1,387,251 | \$ 1,515,173 | \$ 1,276,430 | \$ 337,060   | \$ 297,461   | \$ 494,519   | \$ 440,790   | \$ 814,284   | \$ 1,067,754  | \$ 485,537   |
| <b>Total governmental program revenue</b>   | \$ 1,387,251 | \$ 1,515,173 | \$ 1,276,430 | \$ 337,060   | \$ 297,461   | \$ 494,519   | \$ 440,790   | \$ 814,284   | \$ 1,067,754  | \$ 485,537   |
| <b>Operating grants</b>                     |              |              |              |              |              |              |              |              |               |              |
| <b>General government</b>                   |              |              |              |              |              |              |              |              |               |              |
| Public Safety                               | \$ 214,576   | \$ 238,762   | \$ 221,943   | \$ 338,246   | \$ 552,691   | \$ 277,402   | \$ 227,787   | \$ 231,471   | \$ 230,029    | \$ 234,123   |
| Public Works in Administration              | \$ 23,482    | \$ 227,261   | \$ 134,414   | \$ 15,310    | \$ 14,512    | \$ 15,461    | \$ 19,318    | \$ 20,716    | \$ 18,553     | \$ 18,508    |
| Culture & Recreation                        | \$ 238,058   | \$ 466,023   | \$ 356,357   | \$ 353,556   | \$ 567,203   | \$ 292,863   | \$ 247,105   | \$ 252,187   | \$ 248,582    | \$ 252,631   |
| <b>Total governmental activities operat</b> | \$ 476,116   | \$ 932,046   | \$ 712,714   | \$ 707,112   | \$ 1,134,406 | \$ 585,676   | \$ 494,210   | \$ 504,374   | \$ 497,164    | \$ 505,262   |
| <b>Capital Grants</b>                       |              |              |              |              |              |              |              |              |               |              |
| <b>General government</b>                   |              |              |              |              |              |              |              |              |               |              |
| Public Safety                               | \$ -         | \$ -         | \$ 940,000   | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          | \$ -         |
| Public Works in Administration              | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          | \$ -         |
| Culture & Recreation                        | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          | \$ -         |
| <b>Total governmental activities capita</b> | \$ -         | \$ -         | \$ 940,000   | \$ -         | \$ -         | \$ -         | \$ -         | \$ -         | \$ -          | \$ -         |
| <b>Total governmental activities progr</b>  | \$ 1,625,309 | \$ 1,981,196 | \$ 2,572,787 | \$ 3,533,556 | \$ 5,672,033 | \$ 7,877,382 | \$ 2,471,105 | \$ 2,526,561 | \$ 2,485,348  | \$ 2,527,863 |
| <b>Business-type activities</b>             |              |              |              |              |              |              |              |              |               |              |
| Charges for services                        | \$ 633,779   | \$ 591,332   | \$ 640,420   | \$ 566,440   | \$ 621,270   | \$ 556,267   | \$ 769,254   | \$ 607,562   | \$ 596,664    | \$ 571,347   |
| Water                                       | \$ 633,779   | \$ 591,332   | \$ 640,420   | \$ 566,440   | \$ 621,270   | \$ 556,267   | \$ 769,254   | \$ 607,562   | \$ 596,664    | \$ 571,347   |
| Total Business-type operating revenue       | \$ 633,779   | \$ 591,332   | \$ 640,420   | \$ 566,440   | \$ 621,270   | \$ 556,267   | \$ 769,254   | \$ 607,562   | \$ 596,664    | \$ 571,347   |

**TOWN OF BASALT**  
**Net (Expenses) Revenues and Changes in Net Position**  
**2006-2015**

|  | 2006           | 2007           | 2008           | 2009           | 2010           | 2011           | 2012           | 2013           | 2014           | 2015           |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Continued</b>                                   |                |                |                |                |                |                |                |                |                |                |
| Operating grants and contributions                 | \$ 88,837      | \$ 64,700      | \$ 92,550      | \$ 24,624      | \$ 3,913       | \$ 49,797      | \$ 97,921      | \$ 31,459      | \$ 21,964      | \$ 14,034      |
| Water  | \$ 88,837      | \$ 64,700      | \$ 92,550      | \$ 24,624      | \$ 3,913       | \$ 49,797      | \$ 97,921      | \$ 31,459      | \$ 21,964      | \$ 14,034      |
| Total business-type activities operating           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Capital grants                                     |                |                |                |                |                |                |                |                |                |                |
| Water  | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Total Business-type capital grants                 | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Net (expense) revenue                              | \$ (2,981,711) | \$ (2,586,529) | \$ (2,529,039) | \$ (4,792,594) | \$ (3,802,631) | \$ (3,956,475) | \$ (4,435,801) | \$ (4,782,346) | \$ (8,647,694) | \$ (5,612,150) |
| Governmental activities                            | \$ 44,502      | \$ (120,877)   | \$ 7,901       | \$ (202,642)   | \$ 155,053     | \$ (81,712)    | \$ 241,521     | \$ 17,504      | \$ 38,498      | \$ (151,504)   |
| Business-type activities                           | \$ (2,981,711) | \$ (2,586,529) | \$ (2,529,039) | \$ (4,792,594) | \$ (3,802,631) | \$ (3,956,475) | \$ (4,435,801) | \$ (4,782,346) | \$ (8,647,694) | \$ (5,612,150) |
| Total primary government net (expense)             | \$ (2,892,709) | \$ (2,707,406) | \$ (2,521,138) | \$ (4,995,236) | \$ (3,647,578) | \$ (4,038,187) | \$ (4,194,280) | \$ (4,764,842) | \$ (8,609,196) | \$ (5,763,654) |
| General Revenues and Other Changes in Net Position |                |                |                |                |                |                |                |                |                |                |
| Governmental activities                            |                |                |                |                |                |                |                |                |                |                |
| Taxes  | \$ 734,784     | \$ 771,353     | \$ 791,842     | \$ 841,878     | \$ 885,718     | \$ 913,882     | \$ 935,876     | \$ 969,763     | \$ 1,018,535   | \$ 1,134,819   |
| Property taxes                                     | \$ 44,054      | \$ 39,857      | \$ 35,503      | \$ 32,235      | \$ 29,783      | \$ 26,106      | \$ 28,532      | \$ 37,833      | \$ 36,866      | \$ 62,327      |
| Specific ownership                                 | \$ 2,614,409   | \$ 3,974,056   | \$ 4,341,160   | \$ 3,790,983   | \$ 3,767,485   | \$ 3,745,352   | \$ 3,862,863   | \$ 4,633,629   | \$ 4,860,077   | \$ 5,544,258   |
| Sales tax and miscellaneous                        | \$ 260,442     | \$ 232,222     | \$ 266,669     | \$ 283,859     | \$ 274,488     | \$ 281,290     | \$ 268,704     | \$ 296,270     | \$ 295,321     | \$ 303,208     |
| Franchise taxes                                    | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Intergovernmental                                  | \$ 80,682      | \$ 252,925     | \$ 390,010     | \$ 97,121      | \$ 179,760     | \$ 141,896     | \$ 127,057     | \$ 223,462     | \$ 89,348      | \$ 258,776     |
| Miscellaneous                                      | \$ 661         | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Grants and contributions not restrictive           | \$ 213,393     | \$ 230,601     | \$ 145,101     | \$ 61,420      | \$ 24,779      | \$ 16,030      | \$ 17,016      | \$ 11,070      | \$ 11,616      | \$ 3,736       |
| Investment income                                  | \$ 199,037     | \$ 116,859     | \$ 813,090     | \$ 7,468       | \$ 2,107       | \$ -           | \$ -           | \$ -           | \$ -           | \$ 630,395     |
| Sale of Assets                                     | \$ 150,208     | \$ 160,268     | \$ 180,796     | \$ 186,050     | \$ 190,000     | \$ 186,368     | \$ 163,128     | \$ 171,645     | \$ -           | \$ 171,645     |
| Transfers  | \$ 4,297,660   | \$ 5,778,141   | \$ 6,964,171   | \$ 5,281,014   | \$ 5,354,120   | \$ 5,314,924   | \$ 5,503,176   | \$ 6,345,662   | \$ 6,311,763   | \$ 8,108,964   |
| Total governmental activities                      | \$ 124,373     | \$ 138,210     | \$ 59,041      | \$ 7,834       | \$ 3,501       | \$ 1,204       | \$ 748         | \$ 430         | \$ 386         | \$ 589         |
| Business-type activities                           |                |                |                |                |                |                |                |                |                |                |
| Miscellaneous                                      | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Investment income                                  | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Sale of Assets                                     | \$ 124,373     | \$ 132,983     | \$ 59,041      | \$ 7,834       | \$ (190,000)   | \$ (186,368)   | \$ (163,128)   | \$ (171,645)   | \$ (180,227)   | \$ (171,645)   |
| Transfers  | \$ 4,422,033   | \$ 5,811,124   | \$ 7,023,212   | \$ 5,288,848   | \$ 5,167,621   | \$ 5,129,760   | \$ 5,340,796   | \$ 6,174,447   | \$ 6,131,922   | \$ 7,937,908   |
| Total Business-type activities                     | \$ 4,422,033   | \$ 5,811,124   | \$ 7,023,212   | \$ 5,288,848   | \$ 5,167,621   | \$ 5,129,760   | \$ 5,340,796   | \$ 6,174,447   | \$ 6,131,922   | \$ 7,937,908   |
| Total Primary Government                           | \$ 1,315,949   | \$ 3,191,612   | \$ 4,435,132   | \$ 488,420     | \$ 1,551,489   | \$ 1,358,449   | \$ 1,067,375   | \$ 1,067,375   | \$ (2,056,090) | \$ 2,496,814   |
| Change in Net Position                             | \$ 14,675,355  | \$ 15,944,551  | \$ 19,136,163  | \$ 23,571,295  | \$ 24,085,651  | \$ 25,637,140  | \$ 26,995,589  | \$ 26,995,589  | \$ 29,346,163  | \$ 27,428,755  |
| Net Position January 1                             | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Infrastructure Net Position                        | \$ (153,257)   | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Prior Period Adjustment                            | \$ 15,838,047  | \$ 19,136,163  | \$ 23,571,295  | \$ 24,059,715  | \$ 25,637,140  | \$ 26,995,589  | \$ 28,062,964  | \$ 27,290,073  | \$ 29,925,569  | \$ 29,925,569  |
| Net Position December 31                           | \$ 15,838,047  | \$ 19,136,163  | \$ 23,571,295  | \$ 24,059,715  | \$ 25,637,140  | \$ 26,995,589  | \$ 28,062,964  | \$ 27,290,073  | \$ 29,925,569  | \$ 29,925,569  |
| Business-type activities                           |                |                |                |                |                |                |                |                |                |                |
| Change in Net Position                             | \$ 168,875     | \$ 12,106      | \$ 66,942      | \$ (194,808)   | \$ (31,446)    | \$ (266,876)   | \$ 79,141      | \$ 79,141      | \$ (141,343)   | \$ (322,560)   |
| Net Position January 1                             | \$ 4,994,243   | \$ 5,179,780   | \$ 5,191,886   | \$ 5,258,828   | \$ 5,064,020   | \$ 5,032,574   | \$ 4,735,698   | \$ 4,735,698   | \$ 4,661,128   | \$ 4,519,785   |
| Prior Period Adjustment                            | \$ 16,662      | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           | \$ -           |
| Net Position December 31                           | \$ 5,179,780   | \$ 5,191,886   | \$ 5,258,828   | \$ 5,064,020   | \$ 5,032,574   | \$ 4,765,698   | \$ 4,814,839   | \$ 4,814,839   | \$ 4,519,785   | \$ 4,197,225   |
| Total Primary Government                           | \$ 21,017,827  | \$ 24,328,049  | \$ 28,830,123  | \$ 28,123,735  | \$ 30,669,714  | \$ 31,761,287  | \$ 32,877,803  | \$ 32,877,803  | \$ 31,809,858  | \$ 34,122,794  |

**TOWN OF BASALT**  
**NET ASSETS BY COMPONENT**  
**2006-2015**  
**(Accrual Basis of Accounting)**

|  | 2006          | 2007          | 2008          | 2009          | 2010          | 2011          | 2012          | 2013          | 2014          | 2015          |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Governmental Activities</b>                     |               |               |               |               |               |               |               |               |               |               |
| Capital assets net of related debt                 | \$ 11,277,045 | \$ 14,263,155 | \$ 16,466,162 | \$ 17,781,272 | \$ 19,368,810 | \$ 20,394,949 | \$ 21,819,133 | \$ 19,463,556 | \$ 18,436,209 | \$ 30,729,660 |
| Restricted   | 1,341,302     | 1,145,615     | 993,931       | 958,843       | 908,627       | 2,590,994     | 2,840,041     | 3,088,704     | 3,696,394     | 2,153,843     |
| Unrestricted                                       | 3,326,204     | 3,727,393     | 6,111,202     | 5,319,600     | 5,359,703     | 3,409,646     | 3,403,790     | 7,074,020     | 5,157,470     | 4,101,995     |
| Total Governmental activities net of related debt  | \$ 15,944,551 | \$ 19,136,163 | \$ 23,571,295 | \$ 24,059,715 | \$ 25,637,140 | \$ 26,995,589 | \$ 28,062,964 | \$ 29,626,280 | \$ 27,290,073 | \$ 36,985,498 |
| <b>Business Type Activities</b>                    |               |               |               |               |               |               |               |               |               |               |
| Capital assets net of related debt                 | \$ 2,489,197  | \$ 2,374,406  | \$ 2,275,715  | \$ 2,911,807  | \$ 2,685,263  | \$ 4,330,189  | \$ 4,259,817  | \$ 4,186,468  | \$ 4,106,749  | \$ 3,965,225  |
| Restricted   | -             | -             | -             | -             | 65,500        | -             | -             | -             | -             | -             |
| Unrestricted                                       | 2,690,693     | 2,817,480     | 2,983,113     | 2,152,213     | 2,251,811     | 4,05,509      | 555,022       | 474,660       | 413,036       | 231,970       |
| Total Business-Type Activities net of related debt | \$ 5,179,780  | \$ 5,191,886  | \$ 5,258,828  | \$ 5,064,020  | \$ 5,002,574  | \$ 4,735,698  | \$ 4,814,839  | \$ 4,661,128  | \$ 4,519,785  | \$ 4,197,195  |
| <b>Primary Government</b>                          |               |               |               |               |               |               |               |               |               |               |
| Capital assets net of related debt                 | \$ 13,766,242 | \$ 16,637,561 | \$ 18,741,877 | \$ 20,693,079 | \$ 22,054,073 | \$ 25,325,138 | \$ 26,078,950 | \$ 23,650,024 | \$ 22,542,958 | \$ 34,694,885 |
| Restricted   | 1,341,302     | 1,145,615     | 993,931       | 958,843       | 974,127       | 2,590,994     | 2,840,041     | 3,088,704     | 3,696,394     | 2,153,843     |
| Unrestricted                                       | 6,016,767     | 6,544,873     | 9,094,315     | 7,471,813     | 7,611,514     | 3,815,155     | 3,958,812     | 7,548,680     | 5,570,506     | 4,333,965     |
| Total Primary Government net assets                | \$ 21,124,331 | \$ 24,328,049 | \$ 28,830,123 | \$ 29,123,735 | \$ 30,639,714 | \$ 31,731,287 | \$ 32,877,803 | \$ 34,287,408 | \$ 31,809,858 | \$ 41,182,693 |

Financial Trends

**TOWN OF BASALT**  
**FUND BALANCE OF GOVERNMENTAL FUNDS**  
**2006-2015**  
**(Modified Accrual Basis of Accounting)**

|                        | 2006         | 2007         | 2008         | 2009         | 2010         | 2011         | 2012         | 2013         | 2014         | 2015         |
|------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| General Fund           |              |              |              |              |              |              |              |              |              |              |
| Restricted             |              |              |              |              |              |              |              |              |              |              |
| Emergency Reserves     | \$ 112,626   | \$ 148,429   | \$ 233,733   | \$ 198,645   | \$ 148,429   | \$ 148,429   | \$ 148,429   | \$ 397,092   | \$ 247,100   | \$ 324,000   |
| Committed              | -            | -            | -            | -            | -            | 737,157      | 1202542      | 1,202,542    | 1,887,449    | 2,021,027    |
| Open space and trails  | -            | -            | -            | -            | -            | 262,228      | 254728       | 254,728      | 266,488      | 166,488      |
| Parks                  | -            | -            | -            | -            | -            | 108,778      | 108778       | 108,778      | 21,433       | 23,238       |
| Transportation         | -            | -            | -            | -            | -            | 744,576      | 567114       | 567,114      | 666,995      | 713,640      |
| Willits development    | -            | -            | -            | -            | -            | 330,997      | 330997       | 330,997      | 330,997      | 330,997      |
| Highway and streets    | -            | -            | -            | -            | -            | 112,672      | 112672       | 112,672      | -            | -            |
| Traffic enforcement    | -            | -            | -            | -            | -            | 146,157      | 114781       | 114,781      | 275,932      | (1,425,547)  |
| Other Projects         | -            | -            | -            | -            | -            | -            | -            | -            | -            | -            |
| Reserved/Assigned      | 1,228,676    | 997,186      | 760,198      | 760,198      | 760,198      | -            | -            | -            | -            | -            |
| Unreserved/ Unassigned | 3,710,589    | 3,788,181    | 5,891,701    | 5,176,356    | 5,168,692    | 3,134,031    | 3,156,977    | 4,598,842    | 3,714,368    | 3,820,722    |
| Total General Fund     | \$ 5,051,891 | \$ 4,933,796 | \$ 6,885,632 | \$ 6,135,199 | \$ 6,077,319 | \$ 5,725,025 | \$ 5,997,018 | \$ 7,687,546 | \$ 7,410,762 | \$ 5,974,565 |

|                       |              |           |            |            |            |            |            |              |              |           |
|-----------------------|--------------|-----------|------------|------------|------------|------------|------------|--------------|--------------|-----------|
| Bond Fund             |              |           |            |            |            |            |            |              |              |           |
| Restricted            |              |           |            |            |            |            |            |              |              |           |
| Debt service payments | \$ -         | \$ -      | \$ -       | \$ -       | \$ -       | \$ 290,218 | \$ 259,072 | \$ 2,471,956 | \$ 1,428,914 | \$ 60,121 |
| Committed             | -            | -         | -          | -          | -          | -          | -          | -            | -            | -         |
| Assigned              | -            | -         | -          | -          | -          | -          | -          | -            | -            | -         |
| Unassigned            | (365,846)    | 17,535    | 226,723    | 247,526    | 266,807    | -          | -          | -            | -            | -         |
| Total Bond Fund       | \$ (365,846) | \$ 17,535 | \$ 226,723 | \$ 247,526 | \$ 266,807 | \$ 290,218 | \$ 259,072 | \$ 2,471,956 | \$ 1,428,914 | \$ 60,121 |

|                                    |             |        |            |          |           |           |           |           |            |            |
|------------------------------------|-------------|--------|------------|----------|-----------|-----------|-----------|-----------|------------|------------|
| All other Governmental Funds       |             |        |            |          |           |           |           |           |            |            |
| Restricted                         |             |        |            |          |           |           |           |           |            |            |
| Parks and recreation               | \$ -        | \$ -   | \$ -       | \$ -     | \$ -      | \$ 45,317 | \$ 64,649 | \$ 85,370 | \$ 103,930 | \$ 122,449 |
| Committed                          | -           | -      | -          | -        | -         | -         | -         | -         | -          | -          |
| Assigned                           | -           | -      | -          | -        | -         | -         | -         | -         | -          | -          |
| Unassigned                         | (44,252)    | 943    | 105,683    | 2,801    | 29,850    | -         | -         | -         | -          | -          |
| Total All other Governmental Funds | \$ (44,252) | \$ 943 | \$ 105,683 | \$ 2,801 | \$ 29,850 | \$ 45,317 | \$ 64,649 | \$ 85,370 | \$ 103,930 | \$ 122,449 |

|                                 |              |              |              |              |              |              |              |               |              |              |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------------|
| Total Governmental Funds        |              |              |              |              |              |              |              |               |              |              |
| Restricted                      | \$ 112,626   | \$ 148,429   | \$ 233,733   | \$ 198,645   | \$ 148,429   | \$ 483,964   | \$ 472,150   | \$ 2,954,418  | \$ 1,779,944 | \$ 506,570   |
| Committed                       | -            | -            | -            | -            | -            | 2,442,565    | 2,691,612    | 2,691,612     | 3,449,294    | 1,829,843    |
| Assigned                        | 1,228,676    | 997,186      | 760,198      | 760,198      | 760,198      | -            | -            | -             | -            | -            |
| Unassigned                      | 3,300,491    | 3,806,659    | 6,224,107    | 5,426,683    | 5,465,349    | 3,134,031    | 3,156,977    | 4,598,842     | 3,714,368    | 3,820,722    |
| Total Governmental Fund Balance | \$ 4,641,793 | \$ 4,952,274 | \$ 7,218,038 | \$ 6,385,526 | \$ 6,373,976 | \$ 6,090,560 | \$ 6,320,739 | \$ 10,244,872 | \$ 8,943,606 | \$ 6,157,135 |

Beginning with fiscal year 2011, the Town implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions".

**TOWN OF BASALT**  
**Changes in Fund Balances of Governmental Funds**  
**2006-2015**

|   | 2006              | 2007              | 2008               | 2009                | 2010               | 2011                | 2012              | 2013                | 2014                  | 2015                  |
|---|-------------------|-------------------|--------------------|---------------------|--------------------|---------------------|-------------------|---------------------|-----------------------|-----------------------|
| <b>Governmental Funds</b>                         |                   |                   |                    |                     |                    |                     |                   |                     |                       |                       |
| <b>Revenues</b>                                   |                   |                   |                    |                     |                    |                     |                   |                     |                       |                       |
| Taxes   | \$3,653,689       | \$5,017,488       | \$5,435,174        | \$ 4,928,955        | \$4,957,474        | \$4,970,630         | \$5,195,975       | \$ 5,939,485        | \$ 6,210,799          | \$ 6,569,424          |
| Intergovernmental revenues                        | 238,709           | 466,023           | 356,357            | 353,556             | 567,203            | 292,863             | 247,105           | 252,187             | 248,582               | 252,631               |
| Licenses and permits                              | 970,856           | 1,449,996         | 849,719            | 171,125             | 170,514            | 365,893             | 302,729           | 630,175             | 895,861               | 493,146               |
| Charges for Services                              | 208,586           | 175,723           | 446,370            | 178,464             | 142,579            | 142,282             | 159,932           | 251,590             | 130,071               | 98,337                |
| Fines & forfeitures                               | 20,115            | 17,436            | 20,584             | 25,972              | 23,132             | 27,165              | 19,967            | 38,311              | 80,696                | 72,817                |
| Miscellaneous revenue                             | 481,769           | 355,544           | 494,868            | 120,061             | 165,775            | 117,105             | 102,235           | 128,739             | 61,704                | 83,745                |
| <b>Total revenues</b>                             | <b>5,573,724</b>  | <b>7,482,210</b>  | <b>7,603,072</b>   | <b>5,778,133</b>    | <b>6,026,677</b>   | <b>5,915,938</b>    | <b>6,027,943</b>  | <b>7,240,487</b>    | <b>7,627,713</b>      | <b>7,570,100</b>      |
| <b>Expenditures</b>                               |                   |                   |                    |                     |                    |                     |                   |                     |                       |                       |
| General government                                | 1,549,968         | 1,688,046         | 1,968,099          | 2,005,161           | 2,120,610          | 1,698,894           | 2,018,205         | 2,736,883           | 2,912,037             | 5,363,659             |
| Public Safety                                     | 1,240,698         | 1,254,600         | 1,347,821          | 2,257,530           | 1,364,724          | 1,329,082           | 1,136,145         | 1,330,287           | 1,782,516             | 1,985,952             |
| Public works in Administration                    | 1,281,128         | 1,160,433         | 1,440,210          | 915,456             | 743,386            | 1,085,327           | 1,150,286         | 1,469,874           | 4,023,144             | 1,403,356             |
| Culture and recreation                            | 838,756           | 1,562,484         | 793,272            | 715,710             | 624,747            | 659,287             | 687,756           | 836,798             | 942,847               | 808,732               |
| Capital Outlay                                    | -                 | 1,374,342         | 479,536            | 733,186             | 918,240            | 1,222,916           | 588,537           | 31,388              | 555,582               | 888,265               |
| Debt service payments                             | 456,938           | 515,455           | 512,795            | 419,410             | 458,627            | 420,214             | 349,963           | 276,154             | 671,897               | 249,735               |
| <b>Total expenditures</b>                         | <b>5,367,488</b>  | <b>7,555,360</b>  | <b>6,541,733</b>   | <b>7,046,453</b>    | <b>6,230,334</b>   | <b>6,415,720</b>    | <b>5,930,892</b>  | <b>6,681,384</b>    | <b>10,888,023</b>     | <b>10,699,699</b>     |
| Excess (deficiency) of revenues over expenditures | 206,236           | (73,150)          | 1,061,339          | (1,268,320)         | (203,657)          | (499,782)           | 97,051            | 559,103             | (3,260,310)           | (3,129,599)           |
| <b>Other financing sources (uses)</b>             |                   |                   |                    |                     |                    |                     |                   |                     |                       |                       |
| Bond proceeds                                     |                   |                   |                    |                     |                    |                     |                   |                     | 1888000               | -1968793              |
| Underwriter discount                              |                   |                   |                    |                     |                    |                     |                   |                     | -6891                 |                       |
| Lease proceeds                                    |                   |                   |                    |                     |                    |                     |                   |                     | 177825                |                       |
| Sale of Assets                                    | 219,903           | 83,859            | 846,200            | 7,468               | 2,107              | -                   | -                 | -                   | -                     | 640,276               |
| Loan proceeds                                     | 338,361           | 139,504           | 177,429            | 242,291             | -                  | -                   | -                 | 3,193,386           | -                     | 1,500,000             |
| Operating Transfers in (out)                      | 150,208           | 160,268           | 180,796            | 186,050             | 190,000            | 186,368             | 163,128           | 171,645             | 180,227               | 171,645               |
| <b>Total other financing sources (uses)</b>       | <b>708,472</b>    | <b>383,631</b>    | <b>1,204,425</b>   | <b>435,809</b>      | <b>192,107</b>     | <b>186,368</b>      | <b>163,128</b>    | <b>3,365,031</b>    | <b>2,239,161</b>      | <b>343,128</b>        |
| <b>Net Change to Fund Balance</b>                 | <b>\$ 914,708</b> | <b>\$ 310,481</b> | <b>\$2,265,764</b> | <b>\$ (832,511)</b> | <b>\$ (11,550)</b> | <b>\$ (313,414)</b> | <b>\$ 260,179</b> | <b>\$ 3,924,134</b> | <b>\$ (1,021,149)</b> | <b>\$ (2,786,471)</b> |
| <b>Enterprise Funds - Water</b>                   |                   |                   |                    |                     |                    |                     |                   |                     |                       |                       |
| <b>Revenue</b>                                    |                   |                   |                    |                     |                    |                     |                   |                     |                       |                       |
| User Charges                                      | \$ 628,634        | \$ 586,345        | \$ 638,019         | \$ 563,022          | \$ 590,374         | \$ 554,198          | \$ 624,979        | \$ 584,749          | \$ 575,891            | \$ 542,502            |
| Other Revenue                                     | 5,145             | 4,987             | 2,401              | 3,418               | 30,896             | 2,069               | 144,275           | 22,813              | 20,773                | 28,845                |
| <b>Total Revenues</b>                             | <b>633,779</b>    | <b>591,332</b>    | <b>640,420</b>     | <b>566,440</b>      | <b>621,270</b>     | <b>556,267</b>      | <b>769,254</b>    | <b>607,562</b>      | <b>596,664</b>        | <b>571,347</b>        |
| <b>Expenses</b>                                   |                   |                   |                    |                     |                    |                     |                   |                     |                       |                       |
| <b>Operating</b>                                  |                   |                   |                    |                     |                    |                     |                   |                     |                       |                       |
| Administration                                    |                   |                   |                    |                     |                    |                     |                   |                     |                       |                       |
| Personnel Services                                | 234,239           | 274,839           | 316,495            | 311,073             | 103,553            | 167,673             | 180,026           | 176,367             | 136,737               | 181,136               |
| Contractual services                              | 67,877            | 32,922            | 56,249             | 59,384              | 53,425             | 41,093              | 39,622            | 40,474              | 58,646                | 60,528                |
| Utilities   | 23,265            | 21,413            | 25,691             | 27,224              | 23,455             | 22,115              | 26,709            | 28,882              | 25,445                | 34,462                |
| Repairs and Maintenance                           | 18,346            | 30,718            | 18,042             | 16,136              | 15,813             | 13,377              | 32,290            | 29,921              | 4,617                 | 88,667                |
| Other supplies and expenses                       | 83,047            | 191,430           | 84,427             | 158,609             | 45,111             | 155,084             | 43,512            | 48,261              | 63,941                | 71,211                |
| Depreciation                                      | 212,848           | 189,873           | 189,054            | 188,034             | 197,607            | 259,139             | 275,630           | 275,095             | 262,960               | 270,630               |
| <b>Total Expenses</b>                             | <b>639,622</b>    | <b>741,195</b>    | <b>689,958</b>     | <b>760,460</b>      | <b>438,964</b>     | <b>658,481</b>      | <b>597,789</b>    | <b>599,000</b>      | <b>552,346</b>        | <b>706,634</b>        |
| Net income (loss) from operations                 | (5,843)           | (149,863)         | (49,538)           | (194,020)           | 182,306            | (102,214)           | 171,465           | 8,562               | 44,318                | (135,287)             |
| <b>Non-operating revenue (expense)</b>            |                   |                   |                    |                     |                    |                     |                   |                     |                       |                       |
| Interest revenue                                  | 124,373           | 138,210           | 59,041             | 7,834               | 3,501              | 1,204               | 748               | 430                 | 386                   | 589                   |
| Interest expense                                  | (38,492)          | (35,714)          | (35,111)           | (33,246)            | (31,166)           | (29,295)            | (27,865)          | (22,517)            | (27,784)              | (30,251)              |
| Gain (loss) on sale of assets                     | -                 | (5,227)           | -                  | -                   | -                  | -                   | -                 | -                   | -                     | -                     |
| Grants  | -                 | -                 | -                  | -                   | -                  | 48,180              | 70,845            | -                   | -                     | -                     |
| <b>Total non-operating revenue (expense)</b>      | <b>85,881</b>     | <b>97,269</b>     | <b>23,930</b>      | <b>(25,412)</b>     | <b>(27,665)</b>    | <b>20,089</b>       | <b>43,728</b>     | <b>(22,087)</b>     | <b>(27,398)</b>       | <b>(29,662)</b>       |
| Transfer from (to) other funds                    |                   |                   |                    |                     |                    |                     |                   |                     |                       |                       |
| General Fund                                      | -                 | -                 | -                  | -                   | (190,000)          | (186,368)           | (163,128)         | (171,645)           | (180,227)             | (171,645)             |
| Capital Contributions Tap Fees                    | 88,837            | 64,700            | 92,550             | 24,624              | 3,913              | 1,617               | 27,076            | 31,459              | 21,964                | 14,034                |
| <b>Change in Net Position</b>                     | <b>\$ 168,875</b> | <b>\$ 12,106</b>  | <b>\$ 66,942</b>   | <b>\$ (194,808)</b> | <b>\$ (31,446)</b> | <b>\$ (266,876)</b> | <b>\$ 79,141</b>  | <b>\$ (153,711)</b> | <b>\$ (141,343)</b>   | <b>\$ (322,560)</b>   |

Financial Trends

**TOWN OF BASALT**  
**GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE**  
**2006-2015**  
(accrual basis of accounting)

| FISCAL YEAR | Sales Tax   | Lodging Tax | Property Tax | Bond Property Tax | Specific Ownership | Cigarette Tax | Franchise Tax | Motor Vehicle | Highway User Tax | County Road & Bridge Tax | Total        |
|-------------|-------------|-------------|--------------|-------------------|--------------------|---------------|---------------|---------------|------------------|--------------------------|--------------|
|             | 2006        | \$2,550,452 | \$ 37,705    | \$ 435,169        | \$ 299,615         | \$ 44,054     | \$ 26,252     | \$260,442     | \$ 14,397        | \$111,001                | \$ 61,199    |
| 2007        | \$3,902,321 | \$ 47,274   | \$ 470,451   | \$ 300,902        | \$ 39,857          | \$ 24,461     | \$232,222     | \$ 12,840     | \$100,473        | \$ 65,989                | \$ 5,196,790 |
| 2008        | \$4,273,993 | \$ 41,086   | \$ 494,882   | \$ 296,960        | \$ 35,503          | \$ 26,081     | \$266,669     | \$ 13,516     | \$ 98,556        | \$ 93,641                | \$ 5,640,887 |
| 2009        | \$3,737,907 | \$ 28,703   | \$ 539,186   | \$ 302,692        | \$ 32,235          | \$ 24,373     | \$263,859     | \$ 13,231     | \$103,260        | \$ 97,141                | \$ 5,142,587 |
| 2010        | \$3,717,805 | \$ 30,152   | \$ 584,861   | \$ 300,857        | \$ 29,783          | \$ 19,528     | \$274,488     | \$ 13,184     | \$116,723        | \$ 132,134               | \$ 5,219,515 |
| 2011        | \$3,703,304 | \$ 28,320   | \$ 621,309   | \$ 292,573        | \$ 26,106          | \$ 17,728     | \$281,290     | \$ 15,059     | \$114,574        | \$ 132,769               | \$ 5,233,032 |
| 2012        | \$3,917,064 | \$ 29,402   | \$ 655,729   | \$ 280,147        | \$ 28,532          | \$ 16,397     | \$268,704     | \$ 14,090     | \$116,143        | \$ 82,554                | \$ 5,408,762 |
| 2013        | \$4,589,128 | \$ 28,677   | \$ 693,599   | \$ 276,154        | \$ 37,833          | \$ 15,824     | \$298,270     | \$ 14,901     | \$115,492        | \$ 86,078                | \$ 6,155,956 |
| 2014        | \$4,812,798 | \$ 31,619   | \$ 735,917   | \$ 282,618        | \$ 36,866          | \$ 15,660     | \$295,321     | \$ 13,921     | \$119,979        | \$ 76,631                | \$ 6,421,330 |
| 2015        | \$5,455,929 | \$ 72,036   | \$ 659,631   | \$ 474,988        | \$ 62,327          | \$ 16,292     | \$303,209     | \$ 17,139     | \$123,629        | \$ 78,355                | \$ 7,263,535 |

Financial Trends

**TOWN OF BASALT**  
**Outstanding Debt by Type**  
**2006-2015**

| <u>Fiscal Year</u> | <u>Governmental Activities</u>  |                |                       | <u>Business-Type Activities</u> |                  |                           | <u>Total</u> |
|--------------------|---------------------------------|----------------|-----------------------|---------------------------------|------------------|---------------------------|--------------|
|                    | <u>General Obligation Bonds</u> | <u>Coupons</u> | <u>Capital Leases</u> | <u>Ruedi Loan</u>               | <u>CCWR Loan</u> | <u>Primary Government</u> |              |
| 2006               | \$ 3,000,000                    | \$ 66,175      | \$ 402,084            | \$ 140,390                      | \$ 824,915       | \$ 4,433,564              |              |
| 2007               | \$ 2,930,000                    | -              | \$ 167,843            | \$ 131,411                      | \$ 787,239       | \$ 4,016,493              |              |
| 2008               | \$ 2,775,000                    | -              | \$ 248,155            | \$ 122,159                      | \$ 748,040       | \$ 3,893,354              |              |
| 2009               | \$ 2,610,000                    | -              | \$ 375,381            | \$ 112,625                      | \$ 707,258       | \$ 3,805,264              |              |
| 2010               | \$ 2,440,000                    | -              | \$ 198,769            | \$ 102,801                      | \$ 664,828       | \$ 3,406,398              |              |
| 2011               | \$ 2,330,000                    | -              | \$ 67,683             | \$ 92,678                       | \$ 620,683       | \$ 2,490,361              |              |
| 2012               | \$ 2,141,000                    | -              | \$ 124,701            | \$ 81,928                       | \$ 574,756       | \$ 2,922,385              |              |
| 2013               | \$ 5,010,000                    | -              | \$ 124,071            | \$ 81,928                       | \$ 526,973       | \$ 5,742,972              |              |
| 2014               | \$ 6,373,000                    | -              | \$ 131,676            | \$ 60,655                       | \$ 477,258       | \$ 7,042,589              |              |
| 2015               | \$ 5,615,000                    | -              | \$ 88,885             | \$ 49,241                       | \$ 425,536       | \$ 6,178,662              |              |

Financial Trends

**TOWN OF BASALT**  
**Capital Assets and Depreciation**  
**2006-2015**

|      | <b>Business-Type Activities</b> |              |              | <b>Governmental Activities</b> |              |               |
|------|---------------------------------|--------------|--------------|--------------------------------|--------------|---------------|
|      | Capital Assets                  | Depreciation | Net Assets   | Capital Assets                 | Depreciation | Net Assets    |
| 2006 | \$ 5,570,756                    | \$ 2,116,254 | \$ 3,454,502 | \$ 16,527,172                  | \$ 1,781,868 | \$ 14,745,304 |
| 2007 | \$ 5,551,975                    | \$ 2,258,920 | \$ 3,293,055 | \$ 19,537,668                  | \$ 2,107,870 | \$ 17,429,798 |
| 2008 | \$ 5,593,887                    | \$ 2,447,974 | \$ 3,145,913 | \$ 21,968,280                  | \$ 2,478,963 | \$ 19,489,317 |
| 2009 | \$ 6,367,697                    | \$ 2,636,008 | \$ 3,731,689 | \$ 23,731,866                  | \$ 2,965,210 | \$ 20,766,656 |
| 2010 | \$ 6,286,506                    | \$ 2,833,615 | \$ 3,452,891 | \$ 25,482,801                  | \$ 3,475,222 | \$ 22,007,579 |
| 2011 | \$ 8,115,648                    | \$ 3,072,098 | \$ 5,043,550 | \$ 27,416,052                  | \$ 4,023,420 | \$ 23,392,632 |
| 2012 | \$ 8,264,228                    | \$ 3,347,728 | \$ 4,916,500 | \$ 28,591,267                  | \$ 4,631,134 | \$ 23,960,133 |
| 2013 | \$ 8,418,192                    | \$ 3,622,823 | \$ 4,795,369 | \$ 29,806,804                  | \$ 5,201,025 | \$ 24,605,779 |
| 2014 | \$ 8,530,446                    | \$ 3,885,784 | \$ 4,644,662 | \$ 30,746,678                  | \$ 5,686,792 | \$ 25,059,886 |
| 2015 | \$ 8,596,446                    | \$ 4,156,414 | \$ 4,440,032 | \$ 36,810,376                  | \$ 6,080,716 | \$ 30,729,660 |

| Town of Basalt  | TOWN OF BASALT                                    |                   |
|---|---|-------------------|
| Town Assessed Valuation   | ASSESSED AND ACTUAL PROPERTY VALUES FOR 2006-2015 |                   |
| Includes Eagle and Pitkin Counties  | 2013  | 2015              |
| Vacant Assessed   | \$ 6,198,720                                      | \$ 227,974,340    |
| Vacant Actual   | \$ 21,374,897                                     | \$ 786,117,960    |
| Residential Assessed  | \$ 61,782,250                                     | \$ 2,070,003,740  |
| Residential Actual  | \$ 776,158,920                                    | \$ 25,937,560,520 |
| Commercial Assessed   | \$ 64,328,130                                     | \$ 705,321,350    |
| Commercial Actual   | \$ 221,821,138                                    | \$ 2,273,631,580  |
| Industrial Assessed   | \$ 710,940  | \$ 716,390        |
| Industrial Actual   | \$ 2,451,517                                      | \$ 2,470,300      |
| Agricultural Assessed   | \$ 113,390  | \$ 12,060,500     |
| Agricultural Actual   | \$ 391,000  | \$ 91,211,450     |
| Natural Resources Assessed  | \$ -  | \$ 3,631,820      |
| Natural Resources Actual  | \$ -  | \$ 12,523,500     |
| State Assessed  | \$ 1,684,080                                      | \$ 30,955,640     |
| State Actual  | \$ 5,807,172                                      | \$ 19,760,540     |
| Total Taxable Assessed  | \$ 134,817,510                                    | \$ 3,050,663,780  |
| Total Taxable Actual  | \$ 1,028,004,644                                  | \$ 29,123,275,850 |
| Exempt Property Assessed  | \$ 160,105,990                                    |                   |
| Exempt Property Actual  | \$ 176,847,580                                    |                   |
| <b>SOURCE:</b>  |   |                   |
| 1) All property other than residential improved property assessed at 29% of Actual Value, except oil and gas production which is assessed at 87.5% of Actual Value.                               |   |                   |
| 2) Residential property assessed at varying percentages of Actual Value under Colorado Constitutional Amendment as follows: 2004-2013: 7.96%.   |   |                   |
| <a href="http://dola.colorado.gov/dpt/publications/docs/2013_Annual_Report/Cities/TownsbyClass.pdf">http://dola.colorado.gov/dpt/publications/docs/2013_Annual_Report/Cities/TownsbyClass.pdf</a> |   |                   |

**TOWN OF BASALT  
MILL LEVY  
2006-2015**

Eagle County

|             | <b>Mill Levy</b> | <b>Net Assessed Value</b> |    | <b>Total Tax Levied</b> |    | <b>Property Tax Collected</b> | <b>Percent of Levy Collected</b> |
|-------------|------------------|---------------------------|----|-------------------------|----|-------------------------------|----------------------------------|
| <b>2006</b> | 6.474            | 113,687,070               | \$ | 736,010                 | \$ | 734,784                       | 99.83%                           |
| <b>2007</b> | 6.560            | 117,605,520               | \$ | 771,492                 | \$ | 771,353                       | 99.98%                           |
| <b>2008</b> | 5.058            | 160,483,990               | \$ | 811,728                 | \$ | 791,842                       | 97.55%                           |
| <b>2009</b> | 5.181            | 165,113,470               | \$ | 855,453                 | \$ | 841,878                       | 98.41%                           |
| <b>2010</b> | 5.391            | 154,497,940               | \$ | 832,898                 | \$ | 885,718                       | 106.34%                          |
| <b>2011</b> | 6.139            | 152,397,560               | \$ | 935,569                 | \$ | 913,882                       | 97.68%                           |
| <b>2012</b> | 6.386            | 152,508,770               | \$ | 973,921                 | \$ | 935,876                       | 96.09%                           |
| <b>2013</b> | 7.560            | 134,852,500               | \$ | 1,019,485               | \$ | 969,753                       | 95.12%                           |
| <b>2014</b> | 7.560            | 136,294,037               | \$ | 1,030,383               | \$ | 1,018,535                     | 98.85%                           |
| <b>2015</b> | 9.881            | 134,852,500               | \$ | 1,332,531               | \$ | 1,323,152                     | 99.30%                           |

Tax lien sale in November for any property taxes not paid in the current year.

[http://dola.colorado.gov/dpt/publications/docs/2015\\_Annual\\_Report/EagleCert.pdf](http://dola.colorado.gov/dpt/publications/docs/2015_Annual_Report/EagleCert.pdf)

**TOWN OF BASALT  
SALES TAX REVENUE BY TYPE  
2006-2015**

| Type of Revenue        | 2006                | 2007                | 2008                | 2009                | 2010                | 2011                | 2012                | 2013                | 2014                | 2015                |
|------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Automotive             | \$ 120,305          | \$ 180,457          | \$ 214,301          | \$ 192,696          | \$ 175,531          | \$ 170,305          | \$ 170,820          | \$ 177,244          | \$ 178,862          | \$ 196,740          |
| Lodging                | 45,188              | 67,782              | 73,290              | 44,752              | 45,840              | 51,512              | 45,307              | 45,352              | 63,189              | 61,582              |
| Restaurant without Bar | 68,626              | 102,939             | 126,979             | 112,190             | 90,936              | 95,625              | 97,267              | 99,395              | 122,299             | 121,771             |
| Restaurant with Bar    | 199,026             | 298,539             | 342,064             | 273,136             | 300,906             | 299,504             | 321,038             | 324,675             | 352,575             | 387,726             |
| Retail Sales           | 465,459             | 698,188             | 686,090             | 502,125             | 510,405             | 472,219             | 530,719             | 649,191             | 643,204             | 812,344             |
| Sporting Retail        | 66,281              | 99,422              | 116,065             | 109,908             | 116,854             | 132,198             | 143,509             | 174,225             | 195,905             | 216,476             |
| Finance                | 5,161               | 7,742               | 7,035               | 8,030               | 6,659               | 8,119               | 7,028               | 7,541               | 8,692               | 5,545               |
| In - Home Sales        | 1,670               | 2,505               | 3,529               | 3,919               | 4,333               | 4,053               | 2,845               | 2,240               | 2,282               | 2,412               |
| Retail Liquor          | 104,522             | 156,783             | 179,973             | 181,219             | 170,302             | 175,506             | 180,354             | 205,495             | 225,686             | 236,381             |
| Telecommunications     | 70,871              | 106,306             | 88,638              | 126,507             | 117,812             | 128,922             | 115,108             | 102,842             | 95,332              | 94,082              |
| Utilities              | 82,993              | 124,490             | 150,015             | 143,337             | 150,303             | 148,177             | 148,841             | 176,489             | 163,381             | 171,063             |
| Building               | 266,893             | 400,339             | 373,183             | 231,488             | 174,806             | 177,389             | 190,423             | 200,375             | 239,048             | 276,876             |
| Retail Food            | 845,471             | 1,268,207           | 1,440,453           | 1,366,379           | 1,288,804           | 1,321,114           | 1,481,407           | 1,922,181           | 1,932,081           | 2,062,905           |
| <b>Total</b>           | <b>\$ 2,342,466</b> | <b>\$ 3,513,699</b> | <b>\$ 3,801,615</b> | <b>\$ 3,295,686</b> | <b>\$ 3,153,491</b> | <b>\$ 3,184,643</b> | <b>\$ 3,434,666</b> | <b>\$ 4,087,245</b> | <b>\$ 4,222,536</b> | <b>\$ 4,645,903</b> |

## Top Fifteen Assessed Properties in Basalt by Owner EAGLE COUNTY

| 2014                                     |              |              | 2016                                   |              |             |
|--|--------------|--------------|--|--------------|-------------|
| OWNER NAME                               | ACTUAL       | ASSESSED     | OWNER NAME                             | ACTUAL       | ASSESSED    |
| TKG WILLITS TOWN CENTER LLC              | \$18,776,470 | \$ 5,445,160 | TKG WILLITS TOWN CENTER LLC            | \$13,384,110 | \$3,881,380 |
| DILLON REALESTATE CO INC                 | \$ 6,515,320 | \$ 1,889,450 | WILLITS BLOCK 12 LLC                   | \$10,926,820 | \$3,168,780 |
| TKG-STORAGEMART PARTNERS PORTFOLIO LLC   | \$ 5,781,380 | \$ 1,676,590 | RMI INNOVATION CENTER LLC              | \$ 7,372,100 | \$2,137,910 |
| VALLEY VIEW HOSPITAL ASSOCIATION         | \$ 5,653,280 | \$ 1,639,450 | DILLON REALESTATE CO INC               | \$ 6,515,320 | \$1,889,450 |
| DONNINGTON INVESTMENTS LLC               | \$ 5,336,810 | \$ 1,547,670 | TKG-STORAGEMART PARTNERS PORTFOLIO LLC | \$ 5,781,380 | \$1,676,590 |
| STUTSMAN TRI-ALLIANCE LTD                | \$ 5,375,750 | \$ 1,352,580 | VALLEY VIEW HOSPITAL ASSOCIATION       | \$ 5,653,280 | \$1,639,450 |
| KNAPP, MICHAEL P., ST - IDEVCO INC       | \$ 4,112,400 | \$ 1,192,600 | WILLITS TOWN CENTER LLC                | \$ 5,392,360 | \$1,563,780 |
| WILLITS TOWN CENTER LLC                  | \$ 3,957,650 | \$ 1,121,430 | DONNINGTON INVESTMENTS LLC             | \$ 5,034,350 | \$1,459,960 |
| 255 GOLD RIVERS COURT HOLDINGS LLC       | \$ 3,500,000 | \$ 1,015,000 | STUTSMAN TRI-ALLIANCE LTD              | \$ 5,375,750 | \$1,352,580 |
| QWEST CORP                               | \$ 3,426,830 | \$ 993,780   | ASPEN SKIING COMPANY LLC               | \$ 4,570,940 | \$1,325,570 |
| DB COOPER LLC                            | \$ 4,022,460 | \$ 899,940   | KNAPP, MICHAEL P., ST - IDEVCO INC     | \$ 4,112,400 | \$1,192,600 |
| KEELTY DEV LLC                           | \$ 1,014,760 | \$ 869,050   | WILLITS TOWN CENTER LLC                | \$ 3,957,650 | \$1,121,430 |
| WHOLE FOODS MARKET ROCKY MTN/SW LP 10298 | \$ 2,657,240 | \$ 770,600   | QWEST CORP                             | \$ 3,625,404 | \$1,051,260 |
| BASALT CENTER PTNSHP                     | \$ 2,615,100 | \$ 758,380   | DB COOPER LLC                          | \$ 4,022,460 | \$ 899,940  |
| ALPINE BANK                              | \$ 2,609,480 | \$ 756,750   | KEELTY DEV LLC                         | \$ 4,014,760 | \$ 869,050  |

## Top Fifteen Assessed Properties in Basalt by Owner PITKIN COUNTY

| 2014  |              |              | 2015                                      |              |             |
|---|--------------|--------------|---|--------------|-------------|
| OWNER NAME                                  | ACTUAL       | ASSESSED     | OWNER NAME                                | ACTUAL       | ASSESSED    |
| ROARING FORK CLUB CABIN OPERATIONS          | \$45,592,600 | \$3,629,210  | ROARING FORK CLUB CABIN OPERATIONS        | \$47,941,000 | \$3,900,160 |
| ROARING FOR CLUB LLC                        | \$10,696,000 | \$3,101,840  | ROARING FOR CLUB LLC                      | \$11,303,400 | \$3,277,990 |
| BASALT MINI STORAGE LLC                     | \$4,608,400  | \$ 1,336,430 | NORTH FORK LLC                            | \$5,008,000  | \$1,452,320 |
| MYERS & ASSOC PROPERTIES LLC                | \$3,171,500  | \$ 919,740   | MYERS & ASSOC PROPERTIES LLC              | \$3,454,900  | \$1,001,930 |
| RIVER PARK LLC                              | \$3,093,600  | \$ 897,150   | RIVER PARK LLC                            | \$3,033,300  | \$ 879,650  |
| BASALT CENTER LLC                           | \$2,767,500  | \$ 802,580   | BASALT CENTER LLC                         | \$2,442,400  | \$ 708,300  |
| DD BUILDINGS LLC                            | \$2,796,600  | \$ 666,690   | DD BUILDINGS LLC                          | \$2,961,000  | \$ 700,840  |
| SOUTH SIDE DRIVE LLC                        | \$1,896,800  | \$ 550,070   | RFC TWO EAGLES PARTNERS LLC               | \$200,000    | \$ 580,000  |
| ISBERIAN STEPHAN G & HEATHER REV TRUST      | \$1,626,100  | \$ 471,570   | SOUTH SIDE DRIVE LLC                      | \$1,700,000  | \$ 493,000  |
| 100 SOUTHSIDE LLC                           | \$1,519,200  | \$ 417,220   | ISBERIAN STEPHAN G & HEATHER REV TRUST    | \$1,574,600  | \$ 456,640  |
| DA TRUST 50%                                | \$1,428,000  | \$ 414,120   | EXCHANGE BANK                             | \$1,499,000  | \$ 434,710  |
| ARMOUR SPENCER D III 2012 IRR TRUST         | \$1,327,100  | \$ 384,860   | MONUMENT REAL ESTATE GROUP LLC            | \$1,570,000  | \$ 417,430  |
| SURVIVORS TRUST CREATED DEC 31 2006 UNDER E | \$4,717,200  | \$ 375,490   | DA TRUST                                  | \$1,435,400  | \$ 416,260  |
| EXCHANGE BANK                               | \$1,290,100  | \$ 374,130   | WATERMAN GAYLE C                          | \$4,979,200  | \$ 396,340  |
| WATERMAN GAYLE C                            | \$4,484,800  | \$ 356,990   | SURVIVORS TRUST CREATED DEC 31 2006 UNDEF | \$4,815,700  | \$ 383,330  |

TOWN OF BASALT  
LOCAL DEMOGRAPHICS  
(Most current data available)

| Population Year | Area                           | County       | Jobs | County | Jobs       |
|-----------------|--------------------------------|--------------|------|--------|------------|
| 2012            | Accommodation and Food         | Eagle County | 7457 | Pitkin | 4088       |
|                 | Admin and Waste                | Eagle County | 1987 | Pitkin | 1753       |
|                 | Agriculture                    | Eagle County | 208  | Pitkin | 127        |
|                 | Arts                           | Eagle County | 3912 | Pitkin | 2253       |
|                 | Construction                   | Eagle County | 3317 | Pitkin | 1007       |
|                 | Finance Activity               | Eagle County | 734  | Pitkin | 410        |
|                 | Government                     | Eagle County | 3260 | Pitkin | 2152       |
|                 | Health Services                | Eagle County | 2162 | Pitkin | 589        |
|                 | Information                    | Eagle County | 364  | Pitkin | 205        |
|                 | Management and Enterprise      | Eagle County | 117  | Pitkin | 41         |
|                 | Manufacturing                  | Eagle County | 322  | Pitkin | 103        |
|                 | Mining                         | Eagle County | 16   | Pitkin | suppressed |
|                 | Other                          | Eagle County | 2512 | Pitkin | 1433       |
|                 | Private Education              | Eagle County | 348  | Pitkin | 403        |
|                 | Professional and Technical     | Eagle County | 2158 | Pitkin | 1311       |
|                 | Real Estate                    | Eagle County | 3052 | Pitkin | 2153       |
|                 | Retail Trade                   | Eagle County | 3555 | Pitkin | 1430       |
|                 | Transportation and Warehousing | Eagle County | 626  | Pitkin | 216        |
|                 | Utilities                      | Eagle County | 68   | Pitkin | suppressed |
|                 | Wholesale Trade                | Eagle County | 355  | Pitkin | 141        |

Source : Colorado Department of Labor State Demographics Website  
[https://dola.colorado.gov/demog\\_webapps/jsn\\_parameters.jsf](https://dola.colorado.gov/demog_webapps/jsn_parameters.jsf)

### Population by Age Group Colorado Municipalities - 2010

| Municipality | Median Age | Under 15 | Aged 15 to 24 | Aged 25 to 44 | Aged 45 to 64 | Aged 65+ |
|--------------|------------|----------|---------------|---------------|---------------|----------|
| 3857.00      | 37         | 813      | 336           | 1,363         | 1,103         | 242      |

Source : Colorado Department of Labor State Demographics Website  
<http://dola.colorado.gov/dlg/demog/2010censusdata.html#>

**TOWN OF BASALT**  
**Operational Statistics by Fund**  
**2006-2015**

**General Fund Operation Statistics**

| TYPES  | 2006          | 2007          | 2008          | 2009       | 2010       | 2011         | 2012         | 2013          | 2014          | 2015         |
|--|---------------|---------------|---------------|------------|------------|--------------|--------------|---------------|---------------|--------------|
| Building Permits Issued  |               |               |               |            |            |              |              |               |               |              |
| Multi Family Units   | 25            | 10            | 2             | 0          | 0          | 0            | 0            | 10            | 8             | 17           |
| Single Family Units  | 16            | 12            | 6             | 1          | 1          | 1            | 4            | 10            | 4             | 2            |
| Commercial Buildings   | 2             | 2             | 2             | 0          | 0          | 1            | 1            | 3             | 2             | 7            |
| Total Value  | \$ 16,400,292 | \$ 24,252,287 | \$ 13,001,706 | \$ 350,000 | \$ 300,000 | \$ 6,710,397 | \$ 2,217,782 | \$ 19,699,200 | \$ 26,079,602 | \$ 7,412,000 |
| New single family, multi family and commercial construction including initial tenant finish but no remodels. |               |               |               |            |            |              |              |               |               |              |
| Population   | 3243          | 3303          | 3496          | 3828       | 3849       | 3831         | 3836         | 3857          | 3893          | 3919         |

**Water Fund Operation Statistics**

| TYPES                   | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|-------------------------|------|------|------|------|------|------|------|------|------|------|
| New Connections or Taps | 22   | 11   | 18   | 1    | 1    | 2    | 5    | 6    | 10   | 1    |