



TOWN OF AVON, COLORADO
TOWN OF AVON MEETINGS FOR TUESDAY, MAY 10, 2016
REGULAR MEETING BEGINS AT 5:05 PM
AVON LIQUOR AUTHORITY MEETING BEGINS AT 5:00 PM
AVON TOWN HALL, ONE LAKE STREET

AVON LIQUOR LICENSING AUTHORITY MEETING BEGINS AT 5:00 PM (SEE SEPARATE AGENDA PAGE 3)

REGULAR MEETING BEGINS AT 5:05 PM

- 1. CALL TO ORDER & ROLL CALL**
- 2. APPROVAL OF AGENDA**
- 3. PUBLIC COMMENT – COMMENTS ARE WELCOME ON ITEMS NOT LISTED ON THE FOLLOWING AGENDA**
- 4. ACTION ITEMS**
 - 4.1. PUBLIC HEARING** OF RESOLUTION 16-16, APPROVING THE MEZA PUD AMENDMENT FOR LOT 110, BLOCK 1, WILDRIDGE SUBDIVISION (PLANNING DIRECTOR MATT PIELSTICKER)
 - 4.2. PRESENTATION OF THE 2015 TOWN AUDIT AND MOTION TO ACCEPT**
(ASSISTANT TOWN MANAGER SCOTT WRIGHT, PAUL BACKES, MCMAHAN & ASSOC., CPAs)
- 5. WORK SESSION**
 - 5.1. UPPER EAGLE REGIONAL WATER AUTHORITY/EAGLE COUNTY WATER AND SANITATION DISTRICT JOINT WORK SESSION** (COUNCILOR SARAH SMITH HYMES)
- 6. ACTION ITEMS**
 - 6.1. PUBLIC HEARING** SECOND READING OF ORDINANCE 16-07, ALLOWING FOOD TRUCKS TO OPERATE ON TOWN RIGHT-OF-WAYS (TOWN MANAGER VIRGINIA EGGER)
 - 6.2. ACTION ON RESOLUTION 16-17 SETTING THE LOCATIONS AND NUMBERS OF FOOD TRUCKS** (TOWN MANAGER VIRGINIA EGGER)
 - 6.3. PUBLIC HEARING** SECOND READING OF ORDINANCE 16-08 AMENDING SECTION 3.98.050(3) OF THE AVON MUNICIPAL CODE TO EXEMPT GOVERNMENTAL INSTITUTIONS FROM SALES TAX ON CONSTRUCTION MATERIALS (TOWN ATTORNEY ERIC HEIL)
 - 6.4. PUBLIC HEARING** FIRST READING OF ORDINANCE 16-09, APPROVING AN AMENDMENT TO THE AVON COMPREHENSIVE PLAN; DISTRICT 13: NOTTINGHAM ROAD COMMERCIAL DISTRICT (PLANNING DIRECTOR MATT PIELSTICKER)
 - 6.5. PUBLIC HEARING** RESOLUTION 16-18, TO AMEND THE 2016 TOWN OF AVON CAPITAL PROJECTS FUND BUDGET (ASSISTANT TOWN MANAGER SCOTT WRIGHT)

MEETING AGENDAS & PACKETS: [HTTP://WWW.AVON.ORG](http://www.avon.org) – AGENDAS ARE POSTED AT AVON TOWN HALL, RECREATION CENTER, AVON PUBLIC LIBRARY & AVON ELEMENTARY SCHOOL.

IF YOU HAVE ANY SPECIAL ACCOMMODATION NEEDS, PLEASE, IN ADVANCE OF THE MEETING, CALL TOWN CLERK DEBBIE HOPPE AT 970-748-4001 OR EMAIL DHOPPE@AVON.ORG WITH ANY SPECIAL REQUESTS.



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6.6. CONSENT AGENDA

6.6.1. APPROVAL OF RESOLUTION 16-15 FOR THE HOLY CROSS EASEMENTS, TRACT A RIVERSIDE FOR EAGLE VALLEY TRAIL (PROJECT ENGINEER JIM HORSLEY)

6.6.2. APPROVAL OF AN AMENDMENT TO INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF AVON AND EAGLE COUNTY, COLORADO CONCERNING THE AVON TO EAGLE-VAIL RECREATIONAL TRAIL PROJECT (PROJECT ENGINEER JIM HORSLEY)

6.6.3. MINUTES FROM APRIL 12, 2016 MEETING (TOWN CLERK DEBBIE HOPPE)

7. WORK SESSION

7.1. PUBLIC SAFETY FACILITY/POLICE STATION & NEW TOWN HALL – DEVELOPMENT & FINANCING SCHEDULES (TOWN MANAGER VIRGINIA EGGER)

8. WRITTEN REPORTS

8.1. MONTHLY FINANCIAL REPORT (BUDGET ANALYST KELLY HUITT)

8.2. 2017 BUDGET CALENDAR (BUDGET ANALYST KELLY HUITT)

9. COMMITTEE MEETING UPDATES: COUNCILORS AND MAYOR

9.1. TOWN CLEAN-UP DAY (COUNCILOR MEGAN BURCH)

9.2. COLORADO CREATIVE INDUSTRIES SUMMIT (MAYOR JENNIE FANCHER)

9.3. UPPER EAGLE REGIONAL WATER AUTHORITY (COUNCILOR SARAH SMITH HYMES)

9.4. EAGLE COUNTY CLIMATE ACTION COMMITTEE (COUNCILOR SARAH SMITH HYMES)

9.5. CLIMATE REALITY PROJECT (COUNCILOR SARAH SMITH HYMES)

10. MAYOR & COUNCIL COMMENTS

11. EXECUTIVE SESSION FOR THE PURPOSE OF DETERMINING POSITIONS RELATIVE TO MATTERS THAT MAY BE SUBJECT TO NEGOTIATIONS, DEVELOPING STRATEGY FOR NEGOTIATIONS, AND/OR INSTRUCTING NEGOTIATORS, UNDER C.R.S. §24-6-402(2)(E) AS WELL AS A CONFERENCE WITH THE TOWN ATTORNEY FOR THE PURPOSE OF RECEIVING LEGAL ADVICE UNDER C.R.S. §24-6-402(2)(B) CONCERNING 1) A POTENTIAL SPECIAL EVENT; AND 2) UPPER EAGLE REGIONAL WATER AUTHORITY FACILITIES

12. ACTION ITEM

12.1. REVIEW AND ACTION TO APPROPRIATE \$60,000.00 FROM THE GENERAL FUND CONTINGENCY TO LINE ITEM 69402 FINANCIAL SUPPORT – SIGNATURE EVENT SEED FUNDING (TOWN MANAGER VIRGINIA EGGER)

13. ADJOURNMENT

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AVON LIQUOR AUTHORITY MEETING BEGINS AT 5:00 PM
AVON TOWN HALL, ONE LAKE STREET

CALL TO ORDER AND ROLL CALL

1. APPROVAL OF AGENDA

2. PUBLIC COMMENT

3. RENEWAL OF LIQUOR LICENSES

3.1. APPLICANT: BENCHMARK LIQUORS, INC. D/B/A BEAVER LIQUORS

LOCATION: 110 E. BEAVER CREEK BLVD.

TYPE: RETAIL LIQUOR LICENSE

MANAGER: DAVID COURTNEY

3.2. APPLICANT: EAST WEST RESORTS LLC & AVON RIVERFRONT LLC D/B/ A WESTIN RIVERFRONT RESORT & SPA & MAYA

LOCATION: 126 RIVERFRONT LANE

TYPE: RESORT COMPLEX LICENSE

MANAGER: KRISTEN PRYOR

4. REPORT OF CHANGES CHANGE IN MANAGER

4.1. APPLICANT: EAST WEST RESORTS LLC & AVON RIVERFRONT LLC D/B/ A WESTIN RIVERFRONT RESORT & SPA & MAYA

LOCATION: 126 RIVERFRONT LANE

TYPE: RESORT COMPLEX LICENSE

CURRENT MANAGER: JOHN EVANS

NEW MANAGER: KRISTEN PRYOR

5. MINUTES FROM APRIL 12, 2016

6. ADJOURNMENT

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LIQUOR AUTHORITY REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council
From: Debbie Hoppe, Town Clerk
Meeting Date: May 10, 2016
Agenda Topic: Renewal Application–Beaver Liquors

PROPOSED MOTION

I move to approve (or deny stating the reasons for denial) the Renewal Application for Benchmark Liquors, Inc. d/b/a Beaver Liquors.

ACTION BEFORE COUNCIL

The Town Council serving as the Avon Liquor Licensing Authority will consider the following Liquor License Application for renewal at its Board meeting next week:

RENEWAL OF LIQUOR LICENSE

Applicant: Benchmark Liquors, Inc. d/b/a Beaver Liquors
Location: 110 E. Beaver Creek Blvd.
Type: Retail Liquor License
Manager: David Courtney

BACKGROUND

Colorado Liquor Code, 12-47-302, provides for guidelines related to liquor licensing renewals; applications for the renewal of an existing license shall be made to the local licensing authority. The Town Clerk, Town Attorney, and Police Department have reviewed the application submitted and referenced above and the materials are in order. The Police Report results show the following information:

Benchmark Liquors, Inc. d/b/a Beaver Liquors:

There have been no concerns or violations during the past year.

The owner/manager has been invited to attend the Liquor Board meeting.

During the liquor license renewal process, the Liquor Authority has broad discretion to consider any character issues related to the licensee holder at renewal in the same manner as granting a license. If there have been various types of behavior, such as failure to pay taxes and fraud, the courts have held these behaviors as a valid reason to find the applicant does not possess character. The Colorado Liquor Code §12-47-302 sets forth the local authority's ability to hold a hearing on the application for renewal. It is also noted that a "yes or no action" only is required on renewals; there are no conditions that can be mandated in this process.

Attachments:

- ✓ State of Colorado Renewal Application Form
- ✓ Avon Police Department Summary Reports

**RETAIL LIQUOR OR 3.2 BEER
LICENSE RENEWAL APPLICATION**

BEAVER LIQUORS
PO BOX 488
AVON CO 81620-0488

Fees Due	
Renewal Fee	\$227.50
Storage Permit \$100 x _____	_____
Optional Premise \$100 x _____	_____
Related Resort \$75 x _____	_____
Amount Due/Paid	

Make check payable to Colorado Department of Revenue. The State may convert your check to a one-time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department may collect the payment amount directly from your banking account electronically.

PLEASE VERIFY & UPDATE ALL INFORMATION BELOW


RETURN TO CITY OR COUNTY LICENSING AUTHORITY BY DUE DATE

Licensee Name BENCHMARK LIQUORS INC		DBA BEAVER LIQUORS		
Liquor License # 04377930000	License Type Liquor Store (city)	Sales Tax License # 04377930000	Expiration Date 6/19/2016	Due Date 5/5/2016
Operating Manager DAVID COURTNEY	Date of Birth [REDACTED]	Home Address 13 Deer Run Avon CO 81620		
Manager Phone Number 970 376-0155		Email Address david@Beaverliquors.com		
Street Address 110 E BEAVER CRK BLV AVON CO 81620-9999				Phone Number (970) 949 5040
Mailing Address PO BOX 488 AVON CO 81620-0488				

- Do you have legal possession of the premises at the street address above? ☒ YES ☐ NO
Is the premises owned or rented? ☐ Owned ☐ Rented* *If rented, expiration date of lease _____
- Since the date of filing of the last application, has there been any change in financial interest (new notes, loans, owners, etc.) or organizational structure (addition or deletion of officers, directors, managing members or general partners)? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders, owners (other than licensed financial institutions), officers, directors, managing members, or general partners are materially interested. ☐ YES ☒ NO
NOTE TO CORPORATION, LIMITED LIABILITY COMPANY AND PARTNERSHIP APPLICANTS: If you have added or deleted any officers, directors, managing members, general partners or persons with 10% or more interest in your business, you must complete and return immediately to your Local Licensing Authority, Form DR 8177: Corporation, Limited Liability Company or Partnership Report of Changes, along with all supporting documentation and fees.
- Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been convicted of a crime? If yes, attach a detailed explanation. ☐ YES ☒ NO
- Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been denied an alcohol beverage license, had an alcohol beverage license suspended or revoked, or had interest in any entity that had an alcohol beverage license denied, suspended or revoked? If yes, attach a detailed explanation.
☐ YES ☒ NO
- Does the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) have a direct or indirect interest in any other Colorado liquor license, including loans to or from any licensee or interest in a loan to any licensee? If yes, attach a detailed explanation. ☐ YES ☒ NO

AFFIRMATION & CONSENT

I declare under penalty of perjury in the second degree that this application and all attachments are true, correct and complete to the best of my knowledge.

Type or Print Name of Applicant/Authorized Agent of Business David Courtney	Title Owner
Signature 	Date 4.6.16

REPORT & APPROVAL OF CITY OR COUNTY LICENSING AUTHORITY

The foregoing application has been examined and the premises, business conducted and character of the applicant are satisfactory, and we do hereby report that such license, if granted, will comply with the provisions of Title 12, Articles 46 and 47, C.R.S. THEREFORE THIS APPLICATION IS APPROVED.

Local Licensing Authority For Town of Avon		Date
Signature	Title	Attest

**Avon Police Department
Liquor License Application**

Individual Name(s): David Courtney

Name of Business: Benchmark Liquors Inc. D/B/A Beaver Liquors

Type of License: ☒ Hotel & Restaurant
☐ Special Event Permit

Event Name:
Date of Event:

Location of Business: 110 East Beaver Creek Blvd
Avon, Colorado 81620

Date Received: 04/19/2016

Photographs/Fingerprints: ☒ On File
☐ Special Event – N/A

Investigation by:
☐ Detective Sergeant Jonathan Lovins
☒ Detective Jeremy Holmstrom

Date: 05/03/2016

CBI Criminal Investigation (attached): No recent records of arrest.

Local Criminal Investigation: Clear

Comments: No Negative contacts in the past 12 months

Liquor Code Violations in the past calendar year: ☐ Yes ☒ No

If yes, explain: _____

Smoking violation in the past calendar year: ☐ Yes ☒ No

If yes, explain: _____

☒ Background investigation conducted with no problems and or areas of concern.

N.C.I.C. database not accessed on this applicant.

Investigation Time: 2 hours.

Administration Time: 1 hour.

211
5.3.16



LIQUOR AUTHORITY REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council
From: Debbie Hoppe, Town Clerk
Meeting Date: May 10, 2016
Agenda Topic: Renewal Application–Westin Riverfront Resort & Spa & Maya

PROPOSED MOTION

I move to approve (or deny stating the reasons for denial) the Renewal Application for East West Resorts LLC & Avon Riverfront LLC d/b/ a Westin Riverfront Resort & Spa & Maya.

ACTION BEFORE COUNCIL

The Town Council serving as the Avon Liquor Licensing Authority will consider the following Liquor License Application for renewal at its Board meeting next week:

RENEWAL OF LIQUOR LICENSE

Applicant: East West Resorts LLC & Avon Riverfront LLC d/b/ a Westin Riverfront Resort & Spa & Maya
Location: 126 Riverfront Lane
Type: Resort Complex License
Manager: Kristen Pryor

BACKGROUND

Colorado Liquor Code, 12-47-302, provides for guidelines related to liquor licensing renewals; applications for the renewal of an existing license shall be made to the local licensing authority. The Town Clerk, Town Attorney, and Police Department have reviewed the application submitted and referenced above and the materials are in order. The Police Report results show the following information:

East West Resorts LLC & Avon Riverfront LLC d/b/ a Westin Riverfront Resort & Spa & Maya:
There have been no concerns or violations during the past year.

The owner/manager has been invited to attend the Liquor Board meeting.
During the liquor license renewal process, the Liquor Authority has broad discretion to consider any character issues related to the licensee holder at renewal in the same manner as granting a license. If there have been various types of behavior, such as failure to pay taxes and fraud, the courts have held these behaviors as a valid reason to find the applicant does not possess character. The Colorado Liquor Code §12-47-302 sets forth the local authority's ability to hold a hearing on the application for renewal. It is also noted that a "yes or no action" only is required on renewals; there are no conditions that can be mandated in this process.

Attachments:

- ✓ State of Colorado Renewal Application Form
- ✓ Avon Police Department Summary Reports

Submit to Local Licensing Authority


Retail Liquor or 3.2 License Renewal Application

Fees Due	
Renewal Fee	\$500.00
Storage Permit \$100 X _____	\$
Optional Premise \$100 X _____	\$
Amount Due/Paid	\$

Make check payable to: Colorado Department of Revenue. The State may convert your check to a one-time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department may collect the payment amount directly from your banking account electronically.

Please verify & update all information below

Return to city or county licensing authority by due date

Licensee Name EAST WEST RESORTS LLC & AVON RIVERFRONT LLC		DBA WESTIN RIVERFRONT RESORT & SPA & MAYA		
Liquor License # 15811800000	License Type Resort Complex (city)	Sales Tax License # 15811800000	Expiration Date 06/12/16	Due Date 04/28/16
Business Address 126 RIVERFRONT LN AVON CO 81620				Phone Number (970) 790 5500
Mailing Address PO BOX 9690 AVON CO 81620			Email cvidal@westinriverfrontbeavercreek.com	
Operating Manager KRISTEN PRIOR	Date of Birth [REDACTED]	Home Address 36 MILLERS CIRCLE RD EDWARDS CO 81632		Phone Number (970) 343-2267
1. Do you have legal possession of the premises at the street address above? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Are the premises owned or rented? <input checked="" type="checkbox"/> Owned <input type="checkbox"/> Rented* *If rented, expiration date of lease _____				
2. Since the date of filing of the last application, has there been any change in financial interest (new notes, loans, owners, etc.) or organizational structure (addition or deletion of officers, directors, managing members or general partners)? If yes, explain in detail and attach a listing of all liquor businesses in which these new lenders, owners (other than licensed financial institutions), officers, directors, managing members, or general partners are materially interested. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
3. Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been convicted of a crime? If yes, attach a detailed explanation. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
4. Since the date of filing of the last application, has the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) been denied an alcohol beverage license, had an alcohol beverage license suspended or revoked, or had interest in any entity that had an alcohol beverage license denied, suspended or revoked? If yes, attach a detailed explanation. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
5. Does the applicant or any of its agents, owners, managers, partners or lenders (other than licensed financial institutions) have a direct or indirect interest in any other Colorado liquor license, including loans to or from any licensee or interest in a loan to any licensee? If yes, attach a detailed explanation. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
Affirmation & Consent I declare under penalty of perjury in the second degree that this application and all attachments are true, correct and complete to the best of my knowledge.				
Type or Print Name of Applicant/Authorized Agent of Business KRISTEN D. PRIOR				Title GENERAL MANAGER
Signature 				Date 4/25/16
Report & Approval of City or County Licensing Authority The foregoing application has been examined and the premises, business conducted and character of the applicant are satisfactory, and we do hereby report that such license, if granted, will comply with the provisions of Title 12, Articles 46 and 47, C.R.S. Therefore this application is approved.				
Local Licensing Authority For Town of Avon				Date
Signature		Title		Attest



LIQUOR AUTHORITY REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council

From: Debbie Hoppe, Town Clerk

Meeting Date: May 10, 2016

Agenda

Topic: Report of Changes: Change in Manager for Westin Riverfront Resort & Spa & Maya

PROPOSED MOTION

I move to approve (or deny stating the reasons for denial) the Permit Application Change in Manager for East West Resorts LLC & Avon Riverfront LLC d/b/ a Westin Riverfront Resort & Spa & Maya.

ACTION BEFORE COUNCIL

Town Council acting as the Local Liquor Licensing Authority is asked to consider the Permit Application Change in Manager for East West Resorts LLC & Avon Riverfront LLC d/b/ a Westin Riverfront Resort & Spa & Maya. Kristen Pryor is the new manager John Evans, former manager on the property.

BACKGROUND

The Permit Application & Report of Changes Form is used when "manager" changes occur; the applicant completed a Report of Change form section 8. Once approved by the local authority, the application is forwarded to the Colorado Liquor Enforcement Division for its approval. Kristen Pryor, new manager, has been invited to attend the Liquor Board meeting to answer any questions.

The Liquor Code contains special requirements that there be a registered "manager" in the case of several types of licenses, i.e. hotel, restaurant, and tavern licenses. The Municipal Code Section 5.08.150 (c), requires background checks on all managers.

A background investigation has been completed by the Avon Police Department and the report indicates no concerns. The Colorado Bureau of Investigation report indicates no concerns.

PERMIT APPLICATION CHANGE OF MANAGER ATTACHMENTS:

The applicants for the permit application change of manager submitted the following materials:

- ✓ Permit application and report of changes (State form DR 8442)
- ✓ Individual History Record (State form DR 8404-1)
- ✓ Police Report on Background Checks

PERMIT APPLICATION AND REPORT OF CHANGES

CURRENT LICENSE NUMBER 15811800000
ALL ANSWERS MUST BE PRINTED IN BLACK INK OR TYPEWRITTEN
LOCAL LICENSE FEE \$ 175.00
APPLICANT SHOULD OBTAIN A COLORADO LIQUOR & BEER CODE BOOK TO ORDER CALL (303) 370-2165

1. Applicant is a <input type="checkbox"/> Corporation <input type="checkbox"/> Individual <input type="checkbox"/> Partnership..... <input checked="" type="checkbox"/> Limited Liability Company		PRESENT LICENSE NUMBER 15811800000
2. Name of Licensee EAST WEST RESORTS LLC & AVON RIVERFRONT LLC	3. Trade Name WESTIN RIVERFRONT RESORT & SPA & MAYA	
4. Location Address 126 RIVERFRONT LN		
City AVON	County EAGLE	ZIP 81620

SELECT THE APPROPRIATE SECTION BELOW AND PROCEED TO THE INSTRUCTIONS ON PAGE 2.

Section A – Manager reg/change	Section C
<p>• License Account No. <u>15811800000</u></p> <p>1983-750 (999) <input type="checkbox"/> Manager's Registration (Hotel & Restr.)...\$75.00</p> <p>2012-750 (999) <input type="checkbox"/> Manager's Registration (Tavern).....\$75.00</p> <p style="padding-left: 40px;"><input checked="" type="checkbox"/> Change of Manager (Other Licenses) NO FEE</p>	<p>2210-100 (999) <input type="checkbox"/> Retail Warehouse Storage Permit (ea) \$100.00</p> <p>2200-100 (999) <input type="checkbox"/> Wholesale Branch House Permit (ea).... 100.00</p> <p>2260-100 (999) <input type="checkbox"/> Change Corp. or Trade Name Permit (ea) . 50.00</p> <p>2230-100 (999) <input type="checkbox"/> Change Location Permit (ea)..... 150.00</p> <p>2280-100 (999) <input type="checkbox"/> Change, Alter or Modify Premises \$150.00 x _____ Total Fee _____</p> <p>2220-100 (999) <input type="checkbox"/> Addition of Optional Premises to Existing H/R \$100.00 x _____ Total Fee _____</p> <p>1988-100 (999) <input type="checkbox"/> Addition of Related Facility to Resort Complex \$75.00 x _____ Total Fee _____</p>
Section B – Duplicate License	
<p>• Liquor License No. _____</p> <p>2270-100 (999) <input type="checkbox"/> Duplicate License\$50.00</p>	

DO NOT WRITE IN THIS SPACE – FOR DEPARTMENT OF REVENUE USE ONLY

DATE LICENSE ISSUED	LICENSE ACCOUNT NUMBER	PERIOD
-750 (999)	-100 (999)	<div style="display: flex; justify-content: space-between;"> <div style="font-size: small;"> The State may convert your check to a one time electronic banking transaction. Your bank account may be debited as early as the same day received by the State. If converted, your check will not be returned. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your bank account electronically. </div> <div style="text-align: right;"> TOTAL AMOUNT DUE \$ </div> </div>
		.00

INSTRUCTION SHEET

FOR ALL SECTIONS, COMPLETE QUESTIONS 1-4 LOCATED ON PAGE 1

☒ **Section A**

To Register or Change Managers, check the appropriate box in section A and complete question 8 on page 4. Proceed to the Oath of Applicant for signature (Please note: Hotel, Restaurant, and Tavern licensees are required to register their managers).

☐ **Section B**


For a Duplicate license, be sure to include the liquor license number in section B on page 1 and proceed to page 4 for Oath of Applicant signature.

☐ **Section C**

Check the appropriate box in section C and proceed below.

- 1) *For a Retail Warehouse Storage Permit*, go to page 3 complete question 5 (be sure to check the appropriate box). Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 2) *For a Wholesale Branch House Permit*, go to page 3 and complete question 5 (be sure to check the appropriate box). Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 3) *To Change Trade Name or Corporation Name*, go to page 3 and complete question 6 (be sure to check the appropriate box). Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 4) *To modify Premise*, go to page 4 and complete question 9. Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 5) *For Optional Premises or Related Facilities* go to page 4 and complete question 9. Submit the necessary information and proceed to page 4 for Oath of Applicant signature.
- 6) *To Change Location*, go to page 3 and complete question 7. Submit the necessary information and proceed to page 4 for Oath of Applicant signature.

STORAGE PERMIT	<p>5. Retail Warehouse Storage Permit or a Wholesalers Branch House Permit</p> <p><input type="checkbox"/> Retail Warehouse Permit for:</p> <p style="margin-left: 40px;"><input type="checkbox"/> On-Premises Licensee (Taverns, Restaurants etc.)</p> <p style="margin-left: 40px;"><input type="checkbox"/> Off-Premises Licensee (Liquor stores)</p> <p><input type="checkbox"/> Wholesalers Branch House Permit</p> <p>Address of storage premise: _____</p> <p>City _____, County _____, Zip _____</p> <p>Attach a deed/ lease or rental agreement for the storage premises. Attach a detailed diagram of the storage premises.</p>								
CHANGE TRADE NAME OR CORPORATE NAME	<p>6. Change of Trade Name or Corporation Name</p> <p><input type="checkbox"/> Change of Trade name / DBA only</p> <p><input type="checkbox"/> Corporate Name Change (Attach the following supporting documents)</p> <ol style="list-style-type: none"> 1. Certificate of Amendment filed with the Secretary of State, or 2. Statement of Change filed with the Secretary of State, <u>and</u> 3. Minutes of Corporate meeting, Limited Liability Members meeting, Partnership agreement. <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%; padding: 2px;">Old Trade Name</td> <td style="width: 50%; padding: 2px;">New Trade Name</td> </tr> <tr> <td style="height: 30px;"></td> <td></td> </tr> <tr> <td style="padding: 2px;">Old Corporate Name</td> <td style="padding: 2px;">New Corporate Name</td> </tr> <tr> <td style="height: 30px;"></td> <td></td> </tr> </table>	Old Trade Name	New Trade Name			Old Corporate Name	New Corporate Name		
Old Trade Name	New Trade Name								
Old Corporate Name	New Corporate Name								
CHANGE OF LOCATION	<p>7. Change of Location</p> <p>NOTE TO RETAIL LICENSEES: An application to change location has a local application fee of \$750 payable to your local licensing authority. You may only change location within the same jurisdiction as the original license that was issued. Pursuant to 12-47-311 (1) C.R.S. Your application must be on file with the local authority thirty (30) days before a public hearing can be held.</p> <p>Date filed with Local Authority _____ Date of Hearing _____</p> <p>(a) Address of current premises _____</p> <p style="margin-left: 40px;">City _____ County _____ Zip _____</p> <p>(b) Address of proposed New Premises (Attach copy of the deed or lease that establishes possession of the premises by the licensee)</p> <p style="margin-left: 40px;">Address _____</p> <p style="margin-left: 40px;">City _____ County _____ Zip _____</p> <p>(c) New mailing address if applicable.</p> <p style="margin-left: 40px;">Address _____</p> <p style="margin-left: 40px;">City _____ County _____ State _____ Zip _____</p> <p>(d) Attach detailed diagram of the premises showing where the alcohol beverages will be stored, served, possessed or consumed. Include kitchen area(s) for hotel and restaurants.</p>								

CHANGE OF MANAGER	8. Change of Manager or to Register the Manager of a Tavern or a Hotel and Restaurant liquor license. (a) Change of Manager (attach Individual History DR 8404-I H/R and Tavern only) Former manager's name <u>JOHN EVANS</u> New manager's name <u>KRISTEN PRYOR</u> (b) Date of Employment <u>8/27/07</u> Has manager ever managed a liquor licensed establishment?..... Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Does manager have a financial interest in any other liquor licensed establishment?..... Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, give name and location of establishment _____		
MODIFY PREMISES OR ADDITION OF OPTIONAL PREMISES OR RELATED FACILITY	9. Modification of Premises, Addition of an Optional Premises, or Addition of Related Facility NOTE: Licensees may not modify or add to their licensed premises until approved by state and local authorities. (a) Describe change proposed _____ _____ (b) If the modification is temporary, when will the proposed change: Start _____ (mo/day/year) End _____ (mo/day/year) NOTE: THE TOTAL STATE FEE FOR TEMPORARY MODIFICATION IS \$300.00 (c) Will the proposed change result in the licensed premises now being located within 500 feet of any public or private school that meets compulsory education requirements of Colorado law, or the principal campus of any college, university or seminary? (If yes, explain in detail and describe any exemptions that apply) Yes <input type="checkbox"/> No <input type="checkbox"/> (d) Is the proposed change in compliance with local building and zoning laws? Yes <input type="checkbox"/> No <input type="checkbox"/> (e) If this modification is for an additional Hotel and Restaurant Optional Premises or Resort Complex Related Facility, has the local authority authorized by resolution or ordinance the issuance of optional premises? Yes <input type="checkbox"/> No <input type="checkbox"/> (f) Attach a diagram of the current licensed premises and a diagram of the proposed changes for the licensed premises. (g) Attach any existing lease that is revised due to the modification.		
OATH OF APPLICANT			
I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.			
Signature 		Title <u>GENERAL MANAGER</u>	Date <u>4/25/14</u>
REPORT AND APPROVAL OF LOCAL LICENSING AUTHORITY (CITY / COUNTY)			
The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the applicable provisions of Title 12, Articles 46 and 47, C.R.S., as amended. THEREFORE, THIS APPLICATION IS APPROVED.			
Local Licensing Authority (City or County) <u>Town of Avon</u>		Date filed with Local Authority <u>April 27, 2016</u>	
Signature		Title	Date
REPORT OF STATE LICENSING AUTHORITY			
The foregoing has been examined and complies with the filing requirements of Title 12, Article 47, C.R.S., as amended.			
Signature		Title	Date

10. Have you ever been convicted of a crime or received a suspended sentence, deferred sentence, or forfeited bail for any offense in criminal or military court or do you have any charges pending? (If yes, explain in detail.) ☐ Yes ☒ No

11. Are you currently under probation (supervised or unsupervised), parole, or completing the requirements of a deferred sentence? (If yes, explain in detail.) ☐ Yes ☒ No

12. Have you ever had any professional license suspended, revoked, or denied? (If yes, explain in detail.) ☐ Yes ☒ No

Personal and Financial Information

Unless otherwise provided by law, the personal information required in question #13 will be treated as confidential. The personal information required in question #13 is solely for identification purposes.

13a. Date of Birth	b. Social Security Number	c. Place of Birth	d. U.S. Citizen
		CHICAGO, IL	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
e. If Naturalized, state where		f. When	g. Name of District Court
h. Naturalization Certificate Number	i. Date of Certification	j. If an Alien, Give Alien's Registration Card Number	k. Permanent Residence Card Number
l. Height	m. Weight	n. Hair Color	o. Eye Color
5' 7"	165 lbs	BROWN	Hazel
			p. Gender
			FEMALE
			q. Race
			WHITE
r. Do you have a current Driver's License/ID? If so, give number and state.			
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No # [REDACTED] State CO			

14. Financial Information.

a. Total purchase price or investment being made by the applying entity, corporation, partnership, limited liability company, other.
\$ 0

b. List the total amount of the personal investment, made by the person listed on question #2, in this business including any notes, loans, cash, services or equipment, operating capital, stock purchases or fees paid. \$ 0

* If corporate investment only please skip to and complete section (d)

** Section b should reflect the total of sections c and e

c. Provide details of the personal investment described in 14b. You must account for all of the sources of this investment. (Attach a separate sheet if needed)

Type: Cash, Services or Equipment	Account Type	Bank Name	Amount

d. Provide details of the corporate investment described in 14 b. You must account for all of the sources of this investment. (Attach a separate sheet if needed)

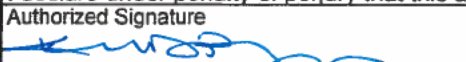
Type: Cash, Services or Equipment	Loans	Account Type	Bank Name	Amount

e. Loan Information (Attach copies of all notes or loans)

Name of Lender	Address	Term	Security	Amount

Oath of Applicant

I declare under penalty of perjury that this application and all attachments are true, correct, and complete to the best of my knowledge.

Authorized Signature	Print Signature	Title	Date
	KRISTEN D PRYOR	GENERAL MANAGER	4/25/16

**Avon Police Department
Liquor License Application**

Individual Name(s): Kristen Pryor

Name of Business: East West Resorts, LLC & Riverfront D/B/A Westin
Riverfront Resort & Spa

Type of License: ☒ Hotel & Restaurant
☐ Special Event Permit

Event Name:
Date of Event:

Location of Business: 126 Riverfront Lane
Avon, Colorado 81620

Date Received: 04/19/2016

Photographs/Fingerprints: ☒ On File
☐ Special Event – N/A

Investigation by:
☐ Detective Sergeant Jonathan Lovins
☒ Detective Jeremy Holmstrom

Date: 05/03/2016

CBI Criminal Investigation (attached): No records of arrest

Local Criminal Investigation: No problems

Comments: No negative contact in the past 12 months

Liquor Code Violations in the past calendar year: ☐ Yes ☒ No
If yes, explain: _____

Smoking violation in the past calendar year: ☐ Yes ☒ No
If yes, explain: _____

☒ Background investigation conducted with no problems and or areas of concern.

N.C.I.C. database not accessed on this applicant.

Investigation Time: 2 hours.

Administration Time: 1 hour.

RPJ
5-3-16



TOWN OF AVON, COLORADO

AVON LIQUOR LICENSING AUTHORITY MEETING MINUTES FOR TUESDAY, APRIL 12, 2016

AVON TOWN HALL, ONE LAKE STREET

1. CALL TO ORDER AND ROLL CALL

Start Time 00:00:01

Chairman Fancher called the meeting to order at 3:03 p.m. A roll call was taken and Board members present were Jake Wolf, Buz Reynolds, Scott Prince and Sarah Smith Hymes. Matt Gennett and Megan Burch were absent. Also present were Town Manager Virginia Egger, Town Attorney Eric Heil, Assistant Town Manager Scott Wright, Police Chief Bob Ticer, Recreation Director John Curutchet, Town Engineer Justin Hildreth, Executive Assistant to the Town Manager Preston Neill and Town Clerk Debbie Hoppe.

2. APPROVAL OF AGENDA

There were no changes to the agenda.

3. PUBLIC COMMENT – COMMENTS ARE WELCOME ON TOPICS NOT ON THE AGENDA

No public comments made.

4. RENEWAL OF LIQUOR LICENSES

Start Time 00:00:56

4.1. Applicant: Walmart Stores, Inc. d/b/a Walmart #119

Location: 171 Yoder Avenue

Type: 3.2% Beer Off Premises

Manager: Samuel Pothier

Board member Reynolds moved to approve the 3.2% Beer Off Premises License for Walmart Stores, Inc. d/b/a Walmart #119; Vice Chairman Wolf seconded the motion and it passed unanimously by those present. Board member Gennett and Board member Burch were absent.

4.2. Applicant: Montana's Cantina & Grill, LLC d/b/a Montana's Cantina & Grill

Location: 82 E. Beaver Creek Blvd

Type: Hotel and Restaurant License

Manager: Tom Beaver

Megan Burch arrived at 3:10 p.m.

Board member Smith Hymes moved to approve the Hotel and Restaurant License for Montana's Cantina & Grill, LLC d/b/a Montana's Cantina & Grill; Vice Chairman Wolf seconded the motion it passed on a 5 to 1 vote. Board member Prince voted no. Board member Gennett was absent.

5. MINUTES FROM MARCH 22, 2016

Start time 00:14:49

Vice Chairman Wolf moved to approve the Minutes from March 22, 2016; Board member Smith Hymes seconded the motion and it passed unanimously by those present. Board member Gennett was absent.



TOWN OF AVON, COLORADO

AVON LIQUOR LICENSING AUTHORITY MEETING MINUTES FOR TUESDAY, APRIL 12, 2016

AVON TOWN HALL, ONE LAKE STREET

6. Adjournment

There being no further business to come before the Board, the meeting adjourned at 3:18 p.m.

RESPECTFULLY SUBMITTED:

Debbie Hoppe, Town Clerk

APPROVED:

Jennie Fancher
Jake Wolf
Matt Gennett
Megan Burch
Albert "Buz" Reynolds
Scott Prince
Sarah Smith Hymes



TOWN COUNCIL REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council
From: Matt Pielsticker, Planning Director
Meeting Date: May 10, 2016
Agenda Topic: Motion to Continue the Public Hearing and Resolution No. 2016-16 – A Resolution Approving the Meza PUD Amendment for Lot 110, Block 1, Wildridge

I respectfully ask that the Public Hearing and Resolution No. 2016-16 – A Resolution Approving a Minor PUD Amendment application for Lot 110, Block 1, Wildridge Subdivision, be continued. Since publishing public hearing dates, the applicant has modified the application; this has pushed the schedule back to allow for additional time to address neighborhood comments and work with the Planning and Zoning Commission. Thank you.

PROPOSED MOTION

I move to continue the Public Hearing and Resolution No. 2016-16 – A Resolution Approving the Meza PUD Amendment application for Lot 110, Block 1, Wildridge Subdivision, to the May 24, 2016, Town Council meeting.



TOWN COUNCIL REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council

From: Scott Wright, Asst. Town Manager

Date: May 10, 2016

Topic: Presentation of 2015 Comprehensive Annual Financial Report and Communication with Governing Body

Action Before Council

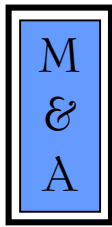
On Tuesday evening, Paul Backes with McMahon & Associates, the Town's independent auditing firm, will present their audit findings to the Avon Town Council along with the 2015 Comprehensive Annual Financial Report (CAFR).

Recommended Motion

After presentation of the audit report from the auditors, the Town Council should accept the report. The recommended motion would be "Move to accept the 2015 Comprehensive Annual Financial Report".

Attachments:

Communication with Governing Body



McMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

CHAPEL SQUARE, BLDG C
245 CHAPEL PLACE, SUITE 300
P.O. Box 5850, AVON, CO 81620

WEB SITE: WWW.MCMAHANCPA.COM
MAIN OFFICE: (970) 845-8800
FACSIMILE: (970) 845-8108
E-MAIL: MCMAHAN@MCMAHANCPA.CO

To the Honorable Mayor and Town Council Town of Avon, Colorado

We have audited the financial statements of Town of Avon, Colorado for the year ended December 31, 2015. Professional standards require that we provide you with the following information related to our audit.

Qualitative Aspects of Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Town of Avon, Colorado are described in the Notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

Estimated useful lives for depreciation on fixed assets: Management's estimate of depreciation is based on industry practice and experience.

Allowance for doubtful accounts: The Town has a number of receivables from developers and others. Some of the amounts owed to the Town may be uncollectable. The Town has recorded an allowance for doubtful accounts to reflect any anticipated default on receivables.

Estimated claims reserve: Management's estimate of the claims reserve liability is based on actual claims activity relative to stop loss refunds and premiums charged to departments.

We evaluated the key factors and assumptions used to develop estimates above and found that they are reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
DANIEL R. CUDAHY, CPA, CGMA

AVON: (970) 845-8800
ASPEN: (970) 544-3996
FRISCO: (970) 668-3481

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no misstatements detected as a result of audit procedures which were material, either individually or in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit

Management Representations

As is required in an audit engagement we have requested certain representations from management that are included in the management representation letter.

This letter is intended solely for the information and use of the Town Council, management, and others within the organization and is not intended to be, and should not be, used by anyone other than those specified parties.

Sincerely,

McMahan and Associates, L.L.C.
April 26, 2016



Town of Avon, Colorado

Comprehensive Annual Financial Report

for the year ended December 31, 2015

Prepared by:
Department of Finance

Scott C. Wright, CPA, CPFO
Asst. Town Manager / Director of Finance

TOWN OF AVON, COLORADO
LIST OF ELECTED AND APPOINTED OFFICIALS
December 31, 2015

TOWN COUNCIL

Jennie Fancher, Mayor
Jake Wolf, Mayor Pro Tem
Megan Burch
Matt Gennett
Sarah Smith Hymes
Scott Prince
Albert D. Reynolds

MANAGEMENT

Virginia Egger, Town Manager
Scott Wright, Asst. Town Manager / Finance Director
Jane Burden, Transit Superintendent
John Curutchet, Recreation Director
Justin Hildreth, Town Engineer
Gary Padilla, Public Works Director
Matt Pielsticker, Planning Director
Lance Richards, Human Resources Director
Robert Ticer, Police Chief
Jerry Wetzel, Acting Fleet Manager

TOWN OF AVON, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2015

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TOWN OF AVON, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2015

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INTRODUCTION



May 10, 2016

To the Honorable Mayor, Members of the Town Council and Citizens of the Town of Avon:

Town Charter and State statutes require that the Town of Avon (Town) issue a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards by a firm of licensed independent certified public accountants. Pursuant to these requirements, we hereby issue the comprehensive annual financial report of the Town of Avon for the fiscal year ended December 31, 2015.

This report consists of management's representations concerning the finances of the Town of Avon. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town of Avon has established a comprehensive internal control framework that is designed both to protect the Town's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town of Avon's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh the benefits, the Town of Avon's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Town of Avon's financial statements have been audited by McMahan and Associates, L.L.C., a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town of Avon for the fiscal year ended December 31, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town of Avon's financial statements for the fiscal year ended December 31, 2015, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's

Letter of Transmittal
Town of Avon, Colorado
May 10, 2016

Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of Avon's MD&A can be found immediately following the report of the independent auditors.

Profile of the Town

The Town of Avon was incorporated in 1978 and is located in Eagle County, eight miles west of the Town of Vail and seventeen miles east of the Town of Eagle. The Town sits north of U.S. Highway 6, directly adjacent to the Beaver Creek Resort and is bisected by Interstate Highway 70 from east to west. The primary transportation route to and from Avon is I-70. Aviation services and transportation are available at the Eagle County Airport, 24 miles west of the Town. The Town provides bus transportation services within the Town and offers, in funding partnership with the Beaver Creek Resort Company, a high-speed gondola that provides direct access to Beaver Creek Resort. Avon is also served by the Eagle County Regional Transit Authority which provides bus service throughout Eagle County. Eagle County encompasses approximately 1,694 square miles and spans from the summit of Vail Pass to Glenwood Canyon. Approximately 80% of Eagle County's land is public – comprised of National Forests, wilderness areas, Bureau of Land Management properties, and state and local public lands.

The Town of Avon currently encompasses approximately 8¼ square miles. The 2010 Census reported a population of 6,447. This figure represents the permanent resident population. Total population increases significantly during the winter tourist ski season.

The Town operates under the council/manager form of government. Policy-making and legislative authority are vested in the Town Council, which consists of a mayor and a six-member council. The Town Council is responsible, among other things, for passing ordinances, adopting the budget, and appointing a Town Manager, Town Attorney, Town Prosecutor and Municipal Judge. The Town Manager is responsible for carrying out the policies and ordinances of the Council, overseeing the day-to-day operations of the Town, and for appointing the heads of the Town's departments.

The Council is elected on a non-partisan basis. Council members are elected to four-year staggered terms with four council members elected in November, 2014, and the remaining three to be elected in November, 2016. The mayor and mayor pro-tem are elected from amongst the elected council members by a majority vote. The mayor presides at meetings of council and shall not vote until all other Council members present who are eligible to vote have had reasonable opportunity to vote. The affirmative concurring vote of four (4) Council members is required for the adoption of an ordinance, resolution, order for appropriation, approval of a contract or approval of an intergovernmental agreement.

Letter of Transmittal
Town of Avon, Colorado
May 10, 2016

The Town is a home-rule community empowered to levy a property tax on the assessed value of real property located within the Town. The Town collects a 4% sales tax on all retail sales, and a 4% accommodations tax on the lease or rental of hotel rooms, condominium units and other accommodations within the Town. The Town also collects a 2% real estate transfer tax on all sales of real property located within the Town. An important exception is within The Village at Avon Planned Unit Development where, in accordance with the Annexation and Development Agreement of October 13, 1998, and as subsequently amended, the Town does not currently collect these taxes. The Town has the power by state statute to extend its corporate limits by annexation, which is done periodically when deemed appropriate by the Town Council.

The Town provides a full range of municipal services including police protection; the construction and maintenance of parks, streets and roads, and infrastructure; recreational amenities and cultural activities and events; community planning and zoning; and general administrative services.

The annual budget serves as the foundation for the Town of Avon's financial planning and control. No later than October 15th, the Town Manager submits to the Mayor and Town Council a proposed budget for the calendar year commencing the following January 1st. The budget is prepared by fund, department, program and project and includes information on the prior year, current estimates and requested appropriations and estimated revenues for the upcoming year.

The Town Council holds public hearings and may change appropriations except for expenditures required by law for debt service or for estimated cash deficits. No change to the budget may increase the authorized expenditures to any amount greater than the total amount of funds available. The Town Council must adopt the budget by resolution prior to December 15th. Once adopted, the Town Council may at any time, by resolution, amend the budget. In addition, the Town Manager may transfer part or all of any unencumbered appropriation balance among programs within a department. A department is defined by the Town as a distinct, principal or specialized division (e.g. the department of public works).

Expenditures may not legally exceed budgeted appropriations at the fund level. Budget to actual comparison are provided in this report for all funds and are presented at a lower-than-required level of control to facilitate detailed financial analysis.

Budgetary comparisons for the Town's General Fund and its major special revenue funds (Avon Urban Renewal Authority, Water Fund) are presented as required supplemental information in this report. Budget to actual comparisons for all other Town funds are included as other supplemental information in this report.

Factors Affecting Financial Condition

The information presented in the financial statements is best understood when considered from a broader perspective rather than just the specific environment in which the Town operates.

Local Economy. Year-round tourism and winter recreation-related businesses account for a significant portion of the employment and earned income of area residents. Skier and snowboarder visits at Vail and Beaver Creek Resort account for almost 20% of the total such visits in Colorado. Called “A skier’s Disneyland” Skinet.com ranked Vail as the #7 ski resort in the West for the 2015-2016 season, while Beaver Creek Resort was ranked 10th.

In addition to skiing and associated winter-time activities, the area promotes a number of summer activities. The Town of Avon sponsors numerous special events throughout the year to area residents and visitors including a 4th of July fireworks display; multiple sporting events, such as Colorado’s annual Triple Bypass Bike Tour; and family-friendly activities like the Father’s Day Fishing Derby. Avon’s Whitewater Park, with three distinct water features, is also open all summer for boaters and spectators to enjoy. Offering several championship golf courses, Eagle County has earned a rating by Golf Digest Magazine as one of the top 40 golf communities in which to live. Other summer activities include hiking, horseback riding, bicycling, kayaking and rafting, as well as other recreational sports.

Property Values. Property tax, which is based on assessed property values and a mill rate, represents approximately thirty percent of the Town’s total tax revenues. Assessed values are dependent upon real property growth and market values of property, along with assessment ratios established by the State legislature. Overall, real property values in Eagle County dropped by 4.82 percent for the 2013 re-assessment, after dropping 22.85 percent from the previous re-assessment in 2011, resulting in workforce and service reductions for many local governments. In Avon, real property values declined by 25.29 percent in 2011 and another 7.59 percent in 2013 which has resulted in a reduction of approximately \$701,488 annually in general fund revenues used for basic municipal services. Reassessment values received late in 2015 for tax levies that will be collected in 2016 have seen an increase of approximately 18 percent.

Strategic Plan

Strategic Planning. Town Council updated and approved its *2016-17 Town of Avon Strategic Plan* on September 8, 2015. The 2016-17 budget utilizes a priority-based budget approach for using a strategic decision-making process in funding programs and services to best ensure effective use of the Town’s limited resources. This process is intended to evolve over time to provide more useful information as to the

Letter of Transmittal
Town of Avon, Colorado
May 10, 2016

relative importance of individual programs and services which can then be prioritized within and across departments. This budget approach requires budget narratives which describe discrete and specific activities and/or operations for each Town fund and program. Each operation is then quantified in terms of estimated personnel and nonpersonnel costs providing a total cost for the operation.

Current Initiatives

Economic Vitality: Special Events. Avon's economic development strategy recognizes the role of the Town in supporting business activity by ensuring that special events occur in Avon. The importance of Avon as a community is emphasized in the solicitation and selection of special events. Events must be accessible to Avon residents and in keeping with the Avon brand. A diversity of special events is important so that an array of businesses benefit from Town supported festivals, concerts and the arts over the course of the year. As in the previous two years, a significant investment in "seeding" new events was approved for 2016, which includes a total of \$275,000 assigned from General Fund Balance for potential new events with a focus on signature events at the new Nottingham Park Pavilion.

Nottingham Park Pavilion. In 2015, the Town completed construction of the H.A. Nottingham Park Pavilion, a year-round cultural and entertainment venue that can host festivals, concerts, art exhibitions, theater performances, educational events and private functions. The Pavilion's first event - Winter Wondergrass, a 3-day music festival – was held in late February, 2015. Several events for 2016 are already scheduled for the Pavilion, including the Cover Stock Music Festival, the Outlaws and Legends Music Festival, Avon Live! Summer concert series, and a Writers Conference.

Capital Improvement Projects.

The Town updates its capital improvements long-range plan annually. Several improvement projects are approved for 2016 that have been in the planning and design stage for several years.

Eagle Valley Trails Phase 3. The final phase of the Eagle Valley Trail will be completed in 2016 at an estimated cost of \$2,460,000. Grant funds will provide approximately 75 percent of the total project costs. The completed trail will connect Avon Rd. to the trail in Eagle-Vail and parallels the Eagle River.

Metcalf Road Bike Climbing Lane. This project construct a 6-foot bicycle climbing lane from Nottingham Road to Wildwood Road for improved safety for bicyclists.

Letter of Transmittal
Town of Avon, Colorado
May 10, 2016

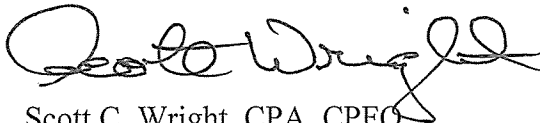
Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Avon for its comprehensive annual financial report (CAFR) for the fiscal year ended December 31, 2014. This was the twenty-fourth consecutive year that the Town has received this prestigious award. In order to be awarded a Certificate of Achievement, the Town published an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

The preparation of this report could not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report. Due credit should also be given to the Mayor, Town Council, and Town Manager for their interest, support and leadership in planning and conducting the operations of the Town in a responsible and progressive manner.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Scott C. Wright". The signature is fluid and cursive, with a large initial "S" and "W".

Scott C. Wright, CPA, CPFO
Asst. Town Manager / Finance Director



Government Finance Officers Association

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

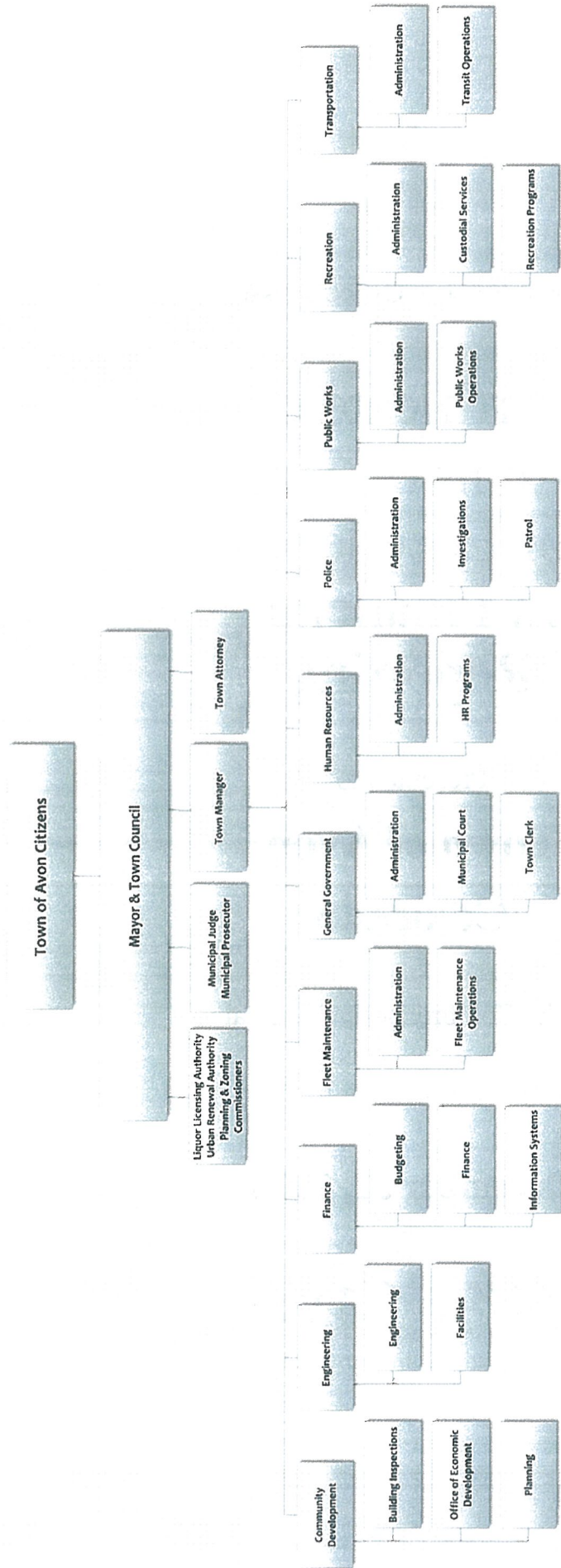
Presented to

**Town of Avon
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

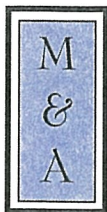
December 31, 2014

Executive Director/CEO





FINANCIAL SECTION



McMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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245 CHAPEL PLACE, SUITE 300
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INDEPENDENT AUDITOR'S REPORT

**The Honorable Mayor and Town Council
Town of Avon, 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 Avon, Colorado, (the "Town"), as of and for the year ended December 31, 2015, which collectively comprise the Town's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Avon, 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.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
DANIEL R. CUDAHY, CPA, CGMA

AVON: (970) 845-8800
ASPEN: (970) 544-3996
FRISCO: (970) 668-3481

INDEPENDENT AUDITOR'S REPORT
The Honorable Mayor and Town Council
Town of Avon, Colorado

Other Matters

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 3-16 to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information on pages 53-56 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's financial statements taken as a whole. The introductory section, combining fund financial statements, individual fund budgetary information, the Local Highway Finance Report, and the statistical section listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the Town's financial statements. The combining fund financial statements, the individual fund budgetary information, and the Local Highway Finance Report on pages 57-85 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining fund financial statements, individual fund budgetary information, and the Local Highway Finance Report is fairly stated in all material respects in relation to the 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 express no opinion on them.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
April 26, 2016

Management's Discussion and Analysis

As management of the Town of Avon, we offer readers of the Town of Avon's financial statements this narrative overview and analysis of the financial activities of the Town of Avon for the fiscal year ended December 31, 2015. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets and deferred outflows of the Town exceeded its liabilities and deferred inflows at the close of its fiscal year ended December 31, 2015 by \$93,196,973 (net position). Of this amount, \$12,143,289 is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors in accordance with the Town's fund designation and fiscal policies as more fully described below.
- The Town's total net position decreased by \$678,268.
- As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances of \$15,044,382, an increase of \$4,308,936 from the prior year. Approximately 34 percent of this total amount, \$5,046,651, is available for spending at the Town's discretion (unassigned fund balance).
- The unassigned fund balance for the General Fund was \$5,046,651, or 31.7 percent of total General Fund expenditures and other financing uses. This represents a \$1,505,729 increase from the prior year.
- The Town of Avon's long-term liabilities increased by a net \$2,300,232 during the current fiscal year. Regular principal payments were made on bonded debt in the amount of \$1,290,000 and new debt of \$3,800,000 was issued.

Overview of the Financial Statements

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

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

The *statement of net position* presents information on all of the Town of Avon's assets and liabilities, with the difference between the two reported as net position. Over time, increases or

decreases in net position may serve as a useful indicator of whether 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 are 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 are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused compensated absences).

Both of the government-wide financial statements distinguish functions of the Town of Avon 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 of Avon include general government, community development, public safety, public works and utilities, and recreation and culture. The business-type activities of the Town include transportation and fleet maintenance operations.

The government-wide financial statements include not only the Town of Avon itself (known as the *primary government*), but also the Avon Urban Renewal Authority, a legally separate entity, which was established in August, 2007 to undertake urban renewal plans and projects with the Town. All members of the governing body are Town Council members. For financial reporting purposes, AURA is blended into the Town's financial statements and is reported as a major fund in the basic financial statements.

The government-wide financial statements can be found on pages 17-19 of this report.

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. The Town of Avon, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds, and proprietary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflow 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 near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental 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 Town's near-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 of Avon maintains seven individual governmental funds. 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, Avon Urban Renewal Authority fund, water fund, debt service fund and capital projects fund, all of which are considered to be major funds. Data from the other two nonmajor governmental funds (community enhancement fund, affordable housing fund) are combined into a single, aggregate presentation.

Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements* elsewhere in this report. The basic governmental fund financial statements can be found on pages 20-23 of this report.

Proprietary funds. The Town of Avon maintains two different types of proprietary funds. *Enterprise funds* are used to report the same function presented as business-type activities in the government-wide financial statements. The Town of Avon uses enterprise funds to account for its transportation operations and its fleet maintenance operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town of Avon uses an internal service fund to account for the rental of vehicles and equipment to Town departments for the accumulation of funds for future replacement. Because this service predominately benefits governmental rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the transit fund and the fleet maintenance fund operations. Separate information is also provided for the Town's internal service fund. The basic proprietary fund financial statements can be found on pages 24-27 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-52 of this report.

Required Supplemental Information. In addition to the basic financial statements and accompanying notes, this report also presents certain other required supplemental information. The Town of Avon adopts an annual appropriated budget for its General Fund and major special revenue fund. Budgetary comparison statements have been provided for the General Fund, Avon Urban Renewal Authority Fund, and Water Fund to demonstrate compliance with these budgets and can be found on pages 53-55 of this report.

Other Supplemental Information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented under other supplemental information immediately following the required supplemental information. Individual fund statements and schedules and other miscellaneous schedules can also be found in this section on pages 57-85 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Avon, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$93,196,973 as of December 31, 2015.

The largest portion of the Town's net position (76.9%) reflects its investment in capital assets (e.g. land, buildings, machinery and equipment, and infrastructure), net of any related debt used to acquire those assets that is still outstanding. The Town uses these assets to provide services to citizens, consequently, these assets are not available for future spending. Although the Town's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net position (10.1%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (13%) may be used to meet the Town's ongoing obligations to citizens and creditors.

Condensed Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Government</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Current and Other Assets	\$ 20,792,760	\$ 22,584,260	\$ 1,052,897	\$ 1,295,107	\$ 21,845,657	\$ 23,879,367
Restricted Assets	4,025,445	590,109	-	-	4,025,445	590,109
Capital Assets, net	<u>73,426,653</u>	<u>74,995,088</u>	<u>14,602,496</u>	<u>15,262,743</u>	<u>88,029,149</u>	<u>90,257,831</u>
Total Assets	<u>98,244,858</u>	<u>98,169,457</u>	<u>15,655,393</u>	<u>16,557,850</u>	<u>113,900,251</u>	<u>114,727,307</u>
Deferred Outflows of Resources	<u>13,176</u>	<u>27,556</u>	<u>-</u>	<u>-</u>	<u>13,176</u>	<u>27,556</u>
Other Liabilities	1,547,523	4,017,410	106,845	354,539	1,654,368	4,371,949
Noncurrent Liabilities	<u>13,716,889</u>	<u>11,213,459</u>	<u>3,009,558</u>	<u>3,215,756</u>	<u>16,726,447</u>	<u>14,429,215</u>
Total Liabilities	<u>15,264,412</u>	<u>15,230,869</u>	<u>3,116,403</u>	<u>3,570,295</u>	<u>18,380,815</u>	<u>18,801,164</u>
Deferred Inflows of Resources	<u>2,289,299</u>	<u>2,031,704</u>	<u>46,340</u>	<u>46,754</u>	<u>2,335,639</u>	<u>2,078,458</u>
Net Position:						
Net Investment in Capital Assets	60,000,945	64,112,399	11,633,282	12,097,298	71,634,227	76,209,697
Restricted	9,419,457	6,355,660	-	-	9,419,457	6,355,660
Unrestricted	<u>11,283,921</u>	<u>10,466,381</u>	<u>859,368</u>	<u>843,503</u>	<u>12,143,289</u>	<u>11,309,884</u>
Total Net Position	<u>\$ 80,704,323</u>	<u>\$ 80,934,440</u>	<u>\$ 12,492,650</u>	<u>\$ 12,940,801</u>	<u>\$ 93,196,973</u>	<u>\$ 93,875,241</u>

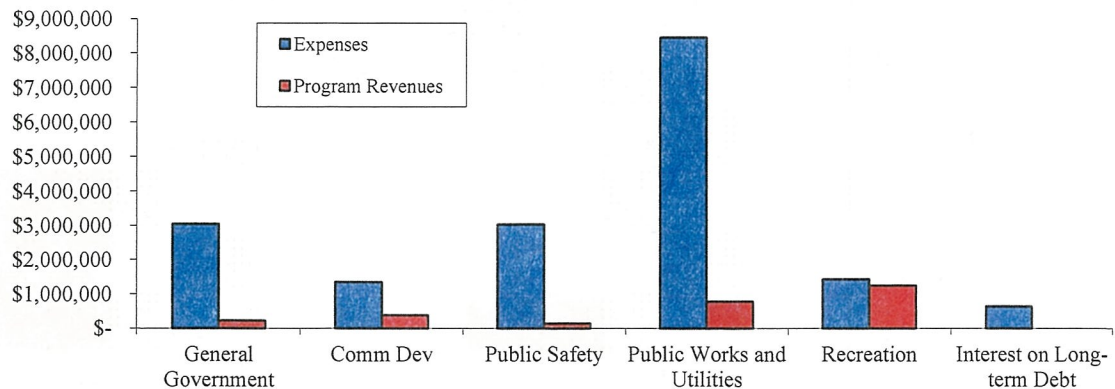
Analysis of the Town's Operations

Overall, the Town's net position by remained largely unchanged for 2015. Governmental activities decreased net position by \$230,117.

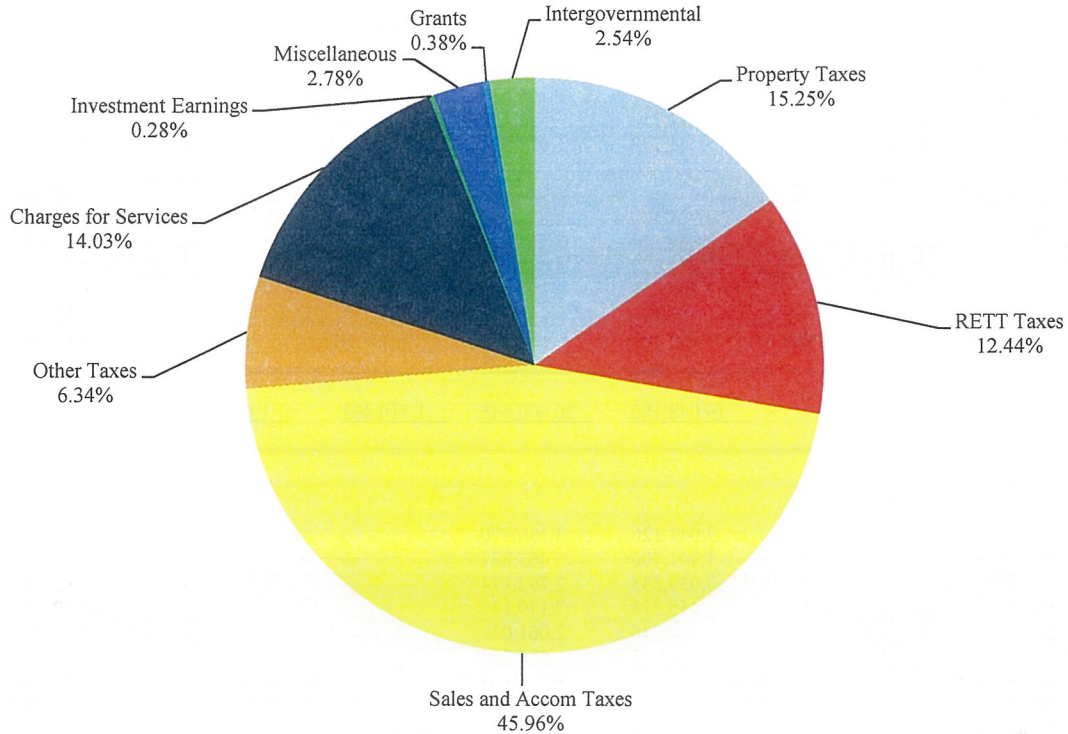
Change in Net Position

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Government</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2013</u>
REVENUES						
Program Revenues:						
Charges for Services	\$ 2,672,067	\$ 2,165,636	\$ 1,670,213	\$ 1,645,083	\$ 4,342,280	\$ 3,810,719
Operating Grants and Contributions	11,713	52,151	-	-	11,713	52,151
Capital Grants and Contributions	61,779	1,027,911	-	-	61,779	1,027,911
General Revenues:						
Taxes:						
Property Taxes	2,904,509	2,873,055	40,280	40,079	2,944,789	2,913,134
Real Estate Transfer Tax	2,369,314	3,764,526	-	-	2,369,314	3,764,526
Sales and Accommodation Taxes	8,754,673	8,089,010	-	-	8,754,673	8,089,010
Other Taxes	1,208,352	1,197,603	-	-	1,208,352	1,197,603
Unrestricted Investment Earnings	53,161	45,844	-	-	53,161	45,844
Grants & Contributions Not Restricted	482,769	883,884	-	-	482,769	883,884
Miscellaneous	<u>529,843</u>	<u>500,925</u>	<u>-</u>	<u>-</u>	<u>529,843</u>	<u>500,925</u>
Total Revenues	<u>19,048,180</u>	<u>20,600,545</u>	<u>1,710,493</u>	<u>1,685,162</u>	<u>20,758,673</u>	<u>22,285,707</u>
EXPENSES						
Program Activities:						
Governmental Activities:						
General Government	3,042,126	3,186,870	-	-	3,042,126	3,186,870
Community Development	1,341,706	463,821	-	-	1,341,706	463,821
Public Safety	3,039,333	2,792,174	-	-	3,039,333	2,792,174
Public Works and Utilities	8,458,218	7,179,132	-	-	8,458,218	7,179,132
Recreation and Culture	1,430,648	2,061,033	-	-	1,430,648	2,061,033
Interest on Long-term Debt	639,267	504,343	-	-	639,267	504,343
Business-type Activities:						
Transportation	-	-	1,979,505	1,686,778	1,979,505	1,686,778
Fleet Maintenance	<u>-</u>	<u>-</u>	<u>1,506,138</u>	<u>1,609,134</u>	<u>1,506,138</u>	<u>1,609,134</u>
Total Expenses	<u>17,951,298</u>	<u>16,187,373</u>	<u>3,485,643</u>	<u>3,295,912</u>	<u>21,436,941</u>	<u>19,483,285</u>
Excess (Deficiency) Before Contributions and Transfers	1,026,882	4,413,172	(1,775,150)	(1,610,750)	(678,268)	2,802,422
Capital Contributions	-	24,063,281	-	24,897	-	24,088,178
Transfers	<u>(1,326,999)</u>	<u>(1,160,000)</u>	<u>1,326,999</u>	<u>1,160,000</u>	<u>-</u>	<u>-</u>
Increase (Decrease) in Net Position	(230,117)	27,316,453	(448,151)	(425,853)	(678,268)	26,890,600
Net Position, Beginning of Year	<u>80,934,440</u>	<u>53,617,987</u>	<u>12,940,801</u>	<u>13,366,654</u>	<u>93,875,241</u>	<u>66,984,641</u>
Net Position, Ending	<u>\$ 80,704,323</u>	<u>\$ 80,934,440</u>	<u>\$12,492,650</u>	<u>\$12,940,801</u>	<u>\$ 93,196,973</u>	<u>\$ 93,875,241</u>

Expenses and Program Revenues – Governmental Activities



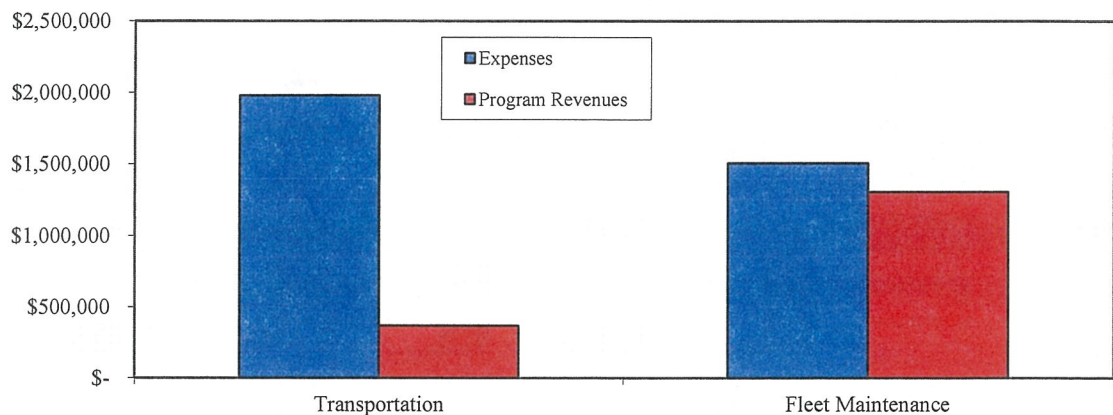
Revenues by Source – Governmental Activities



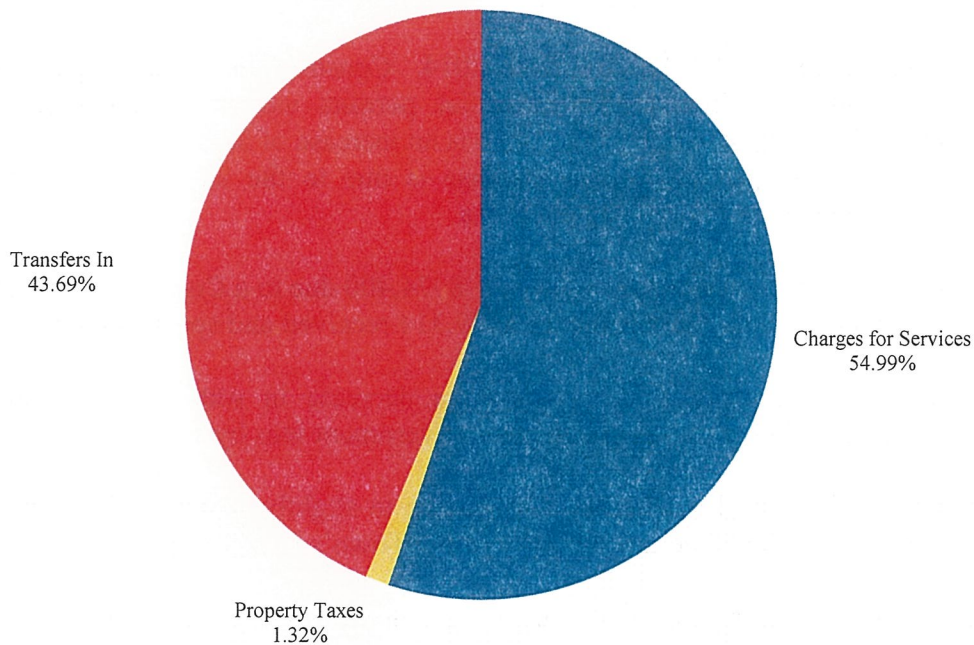
Business-type activities.

Net position of business-type activities decreased by \$448,151 in 2015. The key element of this decrease was depreciation of capital assets held by the Transit and Fleet Maintenance Enterprise Funds.

Expenses and Program Revenues – Business-type Activities



Revenues by Source – Business-type Activities



Financial Analysis of the Town's Funds

The following schedule presents a summary of governmental fund revenues for the year ended December 31, 2015 and the amount and percentage of increases and decreases in relation to the prior year.

Revenues	2015 Amount	Percent of Total	2014 Amount	Amount of Increase (Decrease)	Percent Increase (Decrease)
Taxes	\$15,236,848	80.36%	\$15,924,194	\$ (687,346)	(4.30%)
Licenses and Permits	335,741	1.77%	210,636	125,105	59.39%
Intergovernmental	989,546	5.22%	1,963,946	(974,400)	(49.61%)
Charges for Services	1,682,724	8.88%	1,757,625	(74,901)	(4.26%)
Fines and Forfeitures	129,356	0.68%	131,513	(2,157)	(1.64%)
Investment Earnings	53,158	0.28%	45,827	7,331	15.00%
Other Revenues	<u>532,353</u>	<u>2.81%</u>	<u>503,354</u>	<u>28,999</u>	<u>5.76%</u>
Total	<u>\$18,959,726</u>	<u>100.00%</u>	<u>\$20,537,095</u>	<u>\$ (1,577,369)</u>	

Total tax collections decreased by \$687,346 from the prior year. Property taxes declined by \$40,544 due to a slight reduction of assessed values within the Town combined with a small decrease in the mill rate levied. Total net assessed value of all property within the Town decreased by \$297,190 or .18% from the previous year. The general operating mill rate for the Town remained the same at 8.956 mills while the debt service mill rate decreased 0.051 mills to 3.251 mills. Sales taxes increased by \$542,719 or 6.98% from the previous year while accommodations taxes increased by 13.76% or \$137,036.

The Town collects a 2% tax from all sales of real property within the Town except within The Village at Avon Planned Unit Development. These revenues are dedicated solely for capital improvement projects. Real estate transfer tax collections decreased 37.06%, from \$3,764,526 in 2014 to \$2,369,314 in 2015.

Licenses and permits increased \$125,105 from 2014. Construction value for permits issued in 2015 totaled \$21,306,000, including commercial permits valued at \$14,336,000 and ten residential units with a value of \$6,970,000. This is an increase of \$6,070,100 in total value from the prior year. A large portion of this increase is due to the large permit issued for the construction of the new Buck Creek Medical Plaza.

Intergovernmental revenues decreased in 2015 by \$974,400 due to a Colorado State GOCO grant of \$497,000 and Eagle County trails grants of \$479,314 received and spent in the previous year.

Charges for services decreased \$74,901 due to a decrease in water tap fees of \$200,341. Recreation fees increased by \$77,613 and general government fees by \$44,951.

Investment earnings increased in 2015 by \$7,331 due to slightly higher yields and a concerted effort to increase the weighted average maturity of the Town's invested reserves.

The following schedule presents a summary of governmental fund expenditures for the year ended December 31, 2015 and the amount and percentage of increases and decreases in relation to the prior year.

<u>Expenditures</u>	<u>2015 Amount</u>	<u>Percent of Total</u>	<u>2014 Amount</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
Current:					
General Government	\$ 2,916,095	16.50%	\$ 3,084,616	\$ (168,521)	(5.46%)
Community Development	1,348,166	7.63%	456,063	892,103	195.61%
Public Safety	3,007,164	17.01%	2,726,711	280,453	10.29%
Public Works and Utilities	4,080,272	23.09%	3,799,489	280,783	7.39%
Parks and Recreation	1,147,149	6.49%	1,654,078	(506,929)	(30.65%)
Capital Improvements	3,284,852	18.59%	7,927,709	(4,642,857)	(58.56%)
Debt Service:					
Principal	1,264,966	7.16%	1,491,042	(226,076)	(15.16%)
Interest	503,269	2.85%	453,883	49,386	10.88%
Bond Issuance Costs	80,569	0.45%	-	80,569	NA
Fiscal Charges	<u>41,289</u>	<u>0.23%</u>	<u>51,007</u>	<u>(9,718)</u>	<u>(19.05%)</u>
Total	<u>\$17,673,791</u>	<u>100.00%</u>	<u>\$21,644,598</u>	<u>\$ (3,970,807)</u>	

Overall, governmental fund expenditures declined by \$3,970,807 in 2015. This was primarily due to a large decrease in capital improvement expenditures, offset by an increase in operating expenditures. Three major capital improvement projects reached completion in the prior year resulting in a decrease of \$4,642,857: the Nottingham Park Pavilion; the Avon Mall Improvements project; and the Phases I and II of the Eagle Valley Trails project.

Operating expenditure increases resulted from two major initiatives in 2015: First, the Salary Step Program, which was launched in January 2014, had its first full year of impacts in 2015 at an estimated cost of \$207,758. Second, the Town's investment in special events resulted in a significant investment in "seeding" new events and included a total of \$300,000 for potential new events with a focus on signature events at the new Nottingham Park Pavilion.

At the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$15,044,382, an increase of \$4,308,936 from the prior year. Of this total, \$3,220,640 is restricted due to external limitations on its use, such as by debt covenants, legal restrictions, or intention of grantors, donors or trustees. A total of \$6,764,030 has been committed or assigned meaning there are limitations resulting from its intended use, such as construction of capital assets, affordable housing, and for other purposes. The remaining \$5,059,712 is unassigned and can be used for any lawful purpose.

General Fund. The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund is \$5,046,651, while total fund balance is \$5,659,925. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance and total fund balance to total fund expenditures and other financing sources. Unassigned fund balance represents 31.7% of total fund expenditures and other financing uses, while total fund balance represents 35.6% of that same amount.

The fund balance of the General Fund increased by \$1,195,627, or 21.1%, in 2015. This increase is due largely to unanticipated revenues towards the end of the year and greater than expected departmental expenditure savings.

The fund balance of the General Fund represents approximately 42.4% of 2016 General Fund appropriations or the equivalent of approximately 5 months of operations. The Town has felt it necessary to retain this level of fund balance because of its heavy reliance on sales tax revenues. The Town's position as a resort community also places a heavy reliance upon several other factors including weather, the national economy, and tourism in general. The Town's fund balance provides the resources necessary to be more adaptable to the short-term financial environment and limits the need for capital financing.

Avon Urban Renewal Fund. At the end of the current fiscal year, the Avon Urban Renewal Fund had an ending fund balance of \$1,032,560. Of this amount, \$628,512 is restricted as a bond reserve and \$404,048 is restricted for urban renewal projects. The fund balance increased by \$98,941 in 2015, primarily due to property tax increment revenues exceeding required payments for debt service.

Water Fund. The Water Fund has an ending fund balance at the end of the fiscal year of \$1,016,159, which is an increase of \$99,929 for the previous year. This increase is due to tap fees and water surcharges exceeding operating expenditures for the year.

Debt Service Fund. The Debt Service Fund has a fund balance at the end of the fiscal year of \$529,117, all of which is restricted for the payment of debt service.

Capital Projects Fund. The Capital Project Fund has an ending fund balance at the end of the fiscal year of \$6,198,817 which is committed entirely to capital improvement projects.

Non-major Funds. The aggregate non-major funds have a combined fund balance of \$607,804. The net increase in fund balance during the current fiscal year in the aggregate non-major funds was \$81,214. The primary reason for this increase was the receipt of \$77,473 which represents 1% of gross revenues from sales of electricity within the Town of Avon from Holy Cross Energy for the 2015 calendar year.

General Fund Budgetary Highlights

The 2015 budget was guided by the *2015-2016 Town of Avon Strategic Plan*, which was updated and approved by the Town Council on September 9, 2014. Expenditure highlights included the salary step program, in its second year of implementation, designed to reflect the increasing value of an employee over the years and to provide an unbiased approach for any employee to reach the top of the pay range. Also highlighted in the 2015 budget was the importance of a diversity of special events in keeping with the Avon brand so that an array of businesses benefit from Town supported festivals, concerts and the arts over the course of the year. In 2015, a significant investment in “seeding” new events was approved which included a total of \$300,000 for potential new events with a focus on signature events at the new Nottingham Park Pavilion.

A number of budget changes are typically made throughout the year and at the Town’s adoption of its final revised budget in November. For the most part these changes are very minor and the increases and decreases are offsetting. The difference between the original budget and the final amended budget resulted in a net increase of \$656,047 in expenditure appropriations and an increase of \$1,349,999 in appropriated transfers-out for the 2015 budget year. Estimated revenues were increased by \$806,839 from the original budget.

Actual revenues further exceeded estimates by a total of \$321,535. Sales and accommodation tax revenues were very strong all year and ended the year with gains of 6.8% and 13.8%, respectively over the prior year. Departmental expenditures ended the year under the final revised budget by a net total of \$759,658.

Capital Assets and Debt Administration

Capital assets. The Town of Avon’s investment in capital assets for its governmental and business-type activities as of December, 31, 2015, amounts to \$88,029,149 (net of accumulated depreciation). This investment in capital assets includes land, public art, buildings, infrastructure, and machinery and equipment (see table below). The total decrease in the Town’s investment in capital assets for the current fiscal year was 2.47% (a 2.09% decrease for governmental activities and a 4.3% decrease for business-type activities).

Major capital assets events during the current fiscal year included the following:

- Capital Project Fund capital improvement expenditures totaled \$3,284,852 in 2015.
- Two major projects began the year in construction-in-progress: the Nottingham Park Pavilion and the 2014 Mall Improvements project. As of December 31, 2015, these projects had been capitalized at a cost of \$5,704,094 and there were no significant projects remaining in construction-in-progress.
- Avon Road landscaping was completed at a cost of \$438,130.
- Equipment replacements at the Avon Recreation Center totaled \$163,147 and included new cardio fitness equipment, and a steam generator, diving board, and new pool feature in the aquatics area.
- Town fleet replacements included 4 new police patrol vehicles (\$193,864) and a new pickup truck with plow (\$34,618) for the public works department.
- A water tap in the amount of \$25,520 was purchased out of the Water Fund.
- The Transit Enterprise Fund purchased a Rider/Scrubber for cleaning the Avon Regional Transportation Facility.
- The Fleet Maintenance Fund purchased a tire changer for \$11,995.

Town of Avon's Capital Assets (net of depreciation)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Land	\$ 10,522,633	\$ 10,497,113	\$ 411,834	\$ 411,834	\$10,934,467	\$10,908,947
Public Art	1,361,400	1,361,400	-	-	1,361,400	1,361,400
Water Rights	1,792,959	1,792,959	-	-	1,792,959	1,792,959
Constr. in Prog.	210,058	4,686,060	-	-	210,058	4,686,060
Buildings	9,964,067	6,568,486	12,162,298	12,532,041	22,126,365	19,100,527
Utilities	3,453,230	3,663,060	-	-	3,453,230	3,663,060
Mach. & Equip.	2,129,385	2,005,068	2,028,364	2,318,868	4,157,749	4,323,936
Infrastructure	<u>43,992,921</u>	<u>44,420,942</u>	<u>-</u>	<u>-</u>	<u>43,992,921</u>	<u>44,420,942</u>
Total	<u>\$73,426,653</u>	<u>\$74,995,088</u>	<u>\$14,602,496</u>	<u>\$15,262,743</u>	<u>\$88,029,149</u>	<u>\$90,257,831</u>

Additional information on the Town of Avon's capital assets can be found in Note 4 on pages 39-40 of this report.

Long-term debt. At the end of the current fiscal year, the Town of Avon had total long-term debt outstanding in the amount of \$15,735,000. Of this amount, \$515,000 comprises general obligation debt secured by a pledge of the full faith and credit of the Town and payable from ad valorem taxes which may be levied against all taxable property within the Town. Certificates of Participation which evidence assignments of proportionate interests in the right to receive payments pursuant to annually renewable lease agreements total \$9,020,000. The remainder of the Town's debt, \$6,200,000, represents bonds secured solely by specified revenue sources (i.e. revenue bonds).

Town of Avon's Outstanding Debt

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
G. O. Bonds	\$ 515,000	\$ 1,005,000	\$ -	\$ -	\$ 515,000	\$ 1,005,000
Revenue Bonds	6,200,000	6,520,000	-	-	6,200,000	6,520,000
Certificates of Participation	<u>6,280,000</u>	<u>2,825,000</u>	<u>2,740,000</u>	<u>2,875,000</u>	<u>9,020,000</u>	<u>5,700,000</u>
Total	<u>\$12,995,000</u>	<u>\$10,350,000</u>	<u>\$ 2,740,000</u>	<u>\$ 2,875,000</u>	<u>\$15,735,000</u>	<u>\$13,225,000</u>

The Town of Avon's long-term debt increased by a net amount of \$2,510,000 during the current fiscal year. Certificates of Participation in the amount of \$3.8 million were issued in 2015 and all regular principal payments totaling \$1,290,000 were made on outstanding bonded debt.

The Avon Town Charter limits the amount of general obligation debt the Town may issue to 25% of assessed valuation of all taxable property within the Town, or \$15 million, whichever is greater. The current legal debt margin for the Town is \$41,094,398, which is significantly greater than the Town's outstanding general obligation debt.

The Town's ratio of general bonded debt to actual taxable property value is 0.04%, compared to its high of 2.32% in 1997. In addition, the Town's net bonded debt per capita is \$80, the lowest in the Town's history. Additional information on the Town's long-term debt can be found in Note 5 on pages 40-46 of this report.

Economic Factors and Next Year's Budget and Rates

The 2016-17 budget is guided by the *2016-2017 Town of Avon Strategic Plan*, which was updated and approved by the Town Council on October 13, 2015. This is the second year that the Town has prepared a biennial budget. The budget reflects the Town's stable financial position and continues the trend of conservative budgeting and financial management that has enabled the Town to provide high-quality and cost-effective services during the economic downturn of the past as well as the strong economic recovery now being experienced in Avon and across Colorado. The four key outcomes identified in the Strategic Plan are:

- Support a strong community, building on strengths as a year-round mountain resort community;
- Preserve and enhance the natural environment;
- Develop inclusive & diverse economic, educational & cultural opportunities;
- Provide a responsive, cutting-edge & effective government

2016 Budget Highlights

The 2016 budget has been developed to address priorities with a major emphasis on the following:

- **Human Resources** - In 2015, Town Council gave direction to the Town Manager to establish a new Human Resources Department and to move forward in hiring a Director of

Human Resources. The new director will be focused in 2016 on reviewing and revising the Town's personnel handbook, establishing staff training programs, assisting department directors in carrying out their responsibilities regarding personnel matters, and assisting the Town Manager in developing strategic staffing plans.

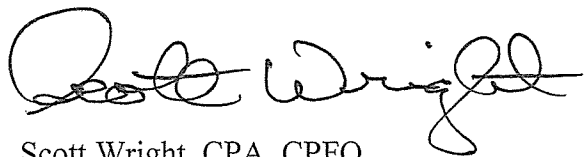
- **Special Events** - Avon's economic development strategy recognizes the role of the Town in supporting business activity by ensuring that special events occur in Avon. The Town's significant investment in special events continues in 2016 with several new and returning signature events. A total budget of \$125,000 is budgeted for signature events, with another \$275,000 set aside in fund balances for events unnamed at the time the budget was adopted. Another \$314,364 is budgeted for Town produced events.
- **Major Capital Projects** - Major capital improvement projects for 2016 include:
 - Nottingham Park Restroom Remodel - \$260,800.
 - Metcalf Road Bike Climbing Lane and Asphalt Overlay - \$1,260,000
 - Walkability Design - \$325,000
 - Eagle Valley Trail, Phase 3 - \$2,725,000

The Town's mill rate for general operating purposes will remain at 8.956 mills, while the mill rate for debt service will decrease from 3.251 to 2.809 mills. This decrease is required for property tax collections in the Debt Service Fund to not exceed 2016 debt service.

Sales tax and accommodations tax revenues for 2016 are both budgeted to grow 4% over the revised 2015 estimates. These revenue sources were revised up from the original adopted 2015 budget due to a strong year and a continuing growth. The Town's total 2016 appropriations for all funds equals \$28,461,175. Total estimated revenues for 2016 are \$30,065,090, and estimated total ending Fund Balances are \$16,980,727.

Requests for Information

This financial report is designed to provide a general overview of the Town of Avon's finances for all those with an interest in the Town's fiscal management. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Town of Avon, Colorado, PO Box 975, Avon, CO 81620.



Scott Wright, CPA, CPFO
Asst. Town Manager / Finance Director

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BASIC FINANCIAL STATEMENTS

TOWN OF AVON, COLORADO

STATEMENT OF NET POSITION DECEMBER 31, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 3,017,123	\$ 359,280	\$ 3,376,403
Investments	8,987,330	-	8,987,330
Receivables	8,657,605	207,908	8,865,513
Internal Balances	100,000	(100,000)	-
Prepaid Expenses	13,061	-	13,061
Inventory	-	585,709	585,709
Deposits	17,641	-	17,641
Restricted Assets - Cash and Cash Equivalents	4,025,445	-	4,025,445
Capital Assets, net of accumulated depreciation:			
Nondepreciable	13,887,050	411,834	14,298,884
Depreciable	59,539,603	14,190,662	73,730,265
Total Assets	98,244,858	15,655,393	113,900,251
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Loss on Advance Refunding of Debt	13,176	-	13,176
LIABILITIES			
Accounts Payable	408,233	81,259	489,492
Retainages Payable	39,956	-	39,956
Accrued Liabilities	107,192	15,756	122,948
Accrued Interest Payable	38,616	9,830	48,446
Deposits and Reserves	946,859	-	946,859
Unearned Revenues	6,667	-	6,667
Noncurrent Liabilities:			
Due Within One Year	1,666,371	244,103	1,910,474
Due In More Than One Year	12,050,518	2,765,455	14,815,973
Total Liabilities	15,264,412	3,116,403	18,380,815
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenue	2,289,299	40,190	2,329,489
Gain on Advance Refunding of Debt	-	6,150	6,150
Total Deferred Inflows of Resources	2,289,299	46,340	2,335,639
NET POSITION			
Net Investment in Capital Assets	60,000,945	11,633,282	71,634,227
Restricted For:			
Emergencies	552,335	-	552,335
Debt Service	1,157,629	-	1,157,629
Capital Improvements	6,198,817	-	6,198,817
Other Purposes	1,510,676	-	1,510,676
Unrestricted	11,283,921	859,368	12,143,289
Total Net Position	\$ 80,704,323	\$ 12,492,650	\$ 93,196,973

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

TOWN OF AVON, COLORADO

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2015

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government, Finance and Administration	\$ 3,042,126	\$ 219,364	\$ -	\$ -
Community Development	1,341,706	380,130	-	-
Public Safety	3,039,333	69,629	1,713	61,779
Public Works and Utilities	8,458,218	764,549	10,000	-
Recreation	1,430,648	1,238,395	-	-
Interest and Fiscal Charges on Long-term Debt	639,267	-	-	-
Total Governmental Activities	17,951,298	2,672,067	11,713	61,779
Business-type Activities:				
Transportation	1,979,505	366,242	-	-
Fleet Maintenance	1,506,138	1,303,971	-	-
Total Business-type Activities	3,485,643	1,670,213	-	-
Total Primary Government	\$ 21,436,941	\$ 4,342,280	\$ 11,713	\$ 61,779

General Revenues:

Property Taxes
 Real Estate Transfer Taxes
 Sales and Accommodation Taxes
 Other Taxes
 Unrestricted Investment Earnings
 Grants and Contributions Not Restricted
 to Specific Programs
 Miscellaneous

Transfers

Total General Revenues and Transfers

Increase (Decrease) in Net Position

Net Position - Beginning of Year

Net Position - End of Year

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

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-type Activities	Total
\$ (2,822,762)	\$ -	\$ (2,822,762)
(961,576)	-	(961,576)
(2,906,212)	-	(2,906,212)
(7,683,669)	-	(7,683,669)
(192,253)	-	(192,253)
(639,267)	-	(639,267)
(15,205,739)	-	(15,205,739)
-	(1,613,263)	(1,613,263)
-	(202,167)	(202,167)
-	(1,815,430)	(1,815,430)
(15,205,739)	(1,815,430)	(17,021,169)
2,904,509	40,280	2,944,789
2,369,314	-	2,369,314
8,754,673	-	8,754,673
1,208,352	-	1,208,352
53,161	-	53,161
482,769	-	482,769
529,843	-	529,843
(1,326,999)	1,326,999	-
14,975,622	1,367,279	16,342,901
(230,117)	(448,151)	(678,268)
80,934,440	12,940,801	93,875,241
<u>\$ 80,704,323</u>	<u>\$ 12,492,650</u>	<u>\$ 93,196,973</u>

TOWN OF AVON, COLORADO

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2015

	General Fund	Avon Urban Renewal Fund	Water Fund	Debt Service Fund	Capital Projects Fund
ASSETS					
Cash and Cash Equivalents	\$ -	\$ 414,587	\$ 352,718	\$ 20,184	\$ -
Investments	4,889,891	-	602,947	-	3,494,492
Receivables:					
- Interest	7,992	-	-	-	3,907
- Taxes	3,453,723	-	-	546,591	50,310
- Accounts	15,814	-	-	-	-
- Intergovernmental	152,360	-	62,216	43	-
- Employees	10,862	-	-	-	-
Prepaid Items	13,061	-	-	-	-
Due from Other Funds	103,000	-	-	-	-
Deposits	17,641	-	-	-	-
Notes Receivable	-	-	-	-	-
Restricted Assets - Cash and Cash Equivalents	-	628,512	-	508,890	2,888,043
Total Assets	\$ 8,664,344	\$ 1,043,099	\$ 1,017,881	\$ 1,075,708	\$ 6,436,752
LIABILITIES					
Accounts Payable	\$ 209,365	\$ 6,387	\$ 1,169	\$ -	\$ 191,312
Accrued Liabilities	105,487	1,152	553	-	-
Retainages Payable	-	-	-	-	39,956
Deposits and Reserves	946,859	-	-	-	-
Due to Other Funds	-	3,000	-	-	-
Unearned Revenues	-	-	-	-	6,667
Total Liabilities	1,261,711	10,539	1,722	-	237,935
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Notes Receivable	-	-	-	-	-
Unavailable Revenue - Property Taxes	1,742,708	-	-	546,591	-
Total Deferred Inflows of Resources	1,742,708	-	-	546,591	-
FUND BALANCES					
NonSpendable:	13,061	-	-	-	-
Restricted For:					
Emergencies	552,335	-	-	-	-
Urban Renewal	-	404,048	-	-	-
Water Projects	-	-	1,016,159	-	-
Debt Service	-	628,512	-	529,117	-
Community Enhancement	-	-	-	-	-
Committed To:					
Capital Improvements	-	-	-	-	6,198,817
Assigned For:					
Special Events	47,878	-	-	-	-
Affordable Housing	-	-	-	-	-
Unassigned	5,046,651	-	-	-	-
Total Fund Balances	5,659,925	1,032,560	1,016,159	529,117	6,198,817
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 8,664,344	\$ 1,043,099	\$ 1,017,881	\$ 1,075,708	\$ 6,436,752

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

**RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCE TO NET POSITION OF
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2015**

Other Governmental Funds	Total		
\$ 530,331	\$ 1,317,820	Total Governmental Fund Balances	\$ 15,044,382
-	8,987,330		
-	11,899	<i>Amounts reported for governmental activities in the Statement of Net Position are different because:</i>	
-	4,050,624	Capital assets used in governmental activities are not financial resources and therefore are not reported as an asset in the governmental funds.	
77,473	93,287	- Capital assets	118,010,814
-	214,619	- Accumulated depreciation	(47,308,905)
-	10,862		<u>70,701,909</u>
-	13,061		
-	103,000	Some liabilities, including bonds, notes and leases payable, and compensated absences are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.	
-	17,641	- Bonds payable	(6,707,684)
107,815	107,815	- Certificates of Participation payable	(6,280,000)
-	4,025,445	- Compensated absences payable	(278,005)
\$ 715,619	\$ 18,953,403		<u>(13,265,689)</u>
-		Notes receivable are not available to pay for current period expenditures and are deferred in the governmental funds.	
\$ -	\$ 408,233		<u>107,815</u>
-	107,192	Long-term receivables which are not available to pay for current period expenditures and are not reported in the governmental funds.	
-	39,956		<u>3,522,309</u>
-	946,859	Accrued interest payable is recognized for governmental activities but is not due and payable in the current period and therefore is not reported as a liability in the governmental funds.	
-	3,000		<u>(38,616)</u>
-	6,667	The internal service fund is used by management to charge the rental cost of certain vehicles and equipment to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the statement of net position.	
-	1,511,907		<u>4,632,213</u>
107,815	107,815	Net Position of Governmental Activities	\$ 80,704,323
-	2,289,299		
107,815	2,397,114		
-	13,061		
-	552,335		
-	404,048		
-	1,016,159		
-	1,157,629		
90,469	90,469		
-	6,198,817		
-	47,878		
517,335	517,335		
-	5,046,651		
607,804	15,044,382		
\$ 715,619	\$ 18,953,403		

TOWN OF AVON, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2015

	General Fund	Avon Urban Renewal Fund	Water Fund	Debt Service Fund	Capital Projects Fund
Revenues					
Taxes	\$ 11,569,168	\$ 756,471	\$ -	\$ 541,895	\$ 2,369,314
Licenses and Permits	335,741	-	-	-	-
Intergovernmental	949,546	-	-	-	40,000
Charges for Services	1,390,587	-	292,137	-	-
Fines and Forfeitures	129,356	-	-	-	-
Investment Earnings	19,563	3,617	-	10,580	18,167
Other Revenues	359,124	-	-	-	93,246
Total Revenues	14,753,085	760,088	292,137	552,475	2,520,727
Expenditures					
Current:					
General Govt., Finance & Administration	2,916,095	-	-	-	-
Community Development	1,348,166	-	-	-	-
Public Safety	3,007,164	-	-	-	-
Public Works and Utilities	3,655,220	232,844	192,208	-	-
Recreation	1,147,149	-	-	-	-
Capital Improvements	-	-	-	-	3,284,852
Debt Service:					
Principal	-	320,000	-	835,000	109,966
Interest	-	229,504	-	261,962	11,803
Bond Issuance Costs	-	-	-	-	80,569
Fiscal Charges	-	28,799	-	12,490	-
Total Expenditures	12,073,794	811,147	192,208	1,109,452	3,487,190
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,679,291	(51,059)	99,929	(556,977)	(966,463)
Other Financing Sources (Uses)					
Transfers In	1,538,335	150,000	-	578,106	2,095,000
Transfers Out	(3,021,999)	-	-	-	(2,116,441)
Debt Issuance Proceeds	-	-	-	-	3,800,000
Total Other Financing Sources (Uses)	(1,483,664)	150,000	-	578,106	3,778,559
Net Change in Fund Balances	1,195,627	98,941	99,929	21,129	2,812,096
Fund Balances, Beginning of Year	4,464,298	933,619	916,230	507,988	3,386,721
Fund Balances, End of year	\$ 5,659,925	\$ 1,032,560	\$ 1,016,159	\$ 529,117	\$ 6,198,817

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

**RECONCILIATION OF THE STATEMENT OF
REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2015**

		Net change in fund balances - Total Governmental Funds	\$ 4,308,936
		<i>Amounts reported for governmental activities in the Statement of Activities are different because:</i>	
		Governmental funds report capital outlays as expenditures. However, for governmental activities, those capital outlays other than the noncapitalizable items are shown in the Statement of Activities and the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Other Governmental Funds	Total	- Capital outlay	2,120,289
\$ -	\$ 15,236,848	- Depreciation	(3,753,584)
-	335,741		(1,633,295)
-	989,546		
-	1,682,724		
-	129,356		
1,231	53,158		
79,983	532,353		
81,214	18,959,726		
		Expenses reported in the Statement of Activities that do not require the use of current financial resources are not reported as expenditures in governmental funds.	
-	2,916,095	- Change in compensated absences payable	25,209
-	1,348,166	- Change in accrued interest payable on outstanding bonds	(6,155)
-	3,007,164	- Amortization of deferred loss on refunding and bond premium	(7,985)
-	4,080,272		11,069
-	1,147,149		
-	3,284,852		
-	1,264,966	Debt issuance proceeds are reported as Other Financing Sources in the governmental funds, but are reported as noncurrent liabilities in the Statement of Net Position	(3,800,000)
-	503,269		
-	80,569		
-	41,289		
-	17,673,791	Payment received on affordable housing notes receivable are reported as revenue in the governmental funds, but the repayment reduces notes receivable in the Statement of Net Position	(2,510)
81,214	1,285,935		
		Repayment of bond and lease principal are reported an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position:	
-	4,361,441	- Certificates of Participation retirements	345,000
-	(5,138,440)	- Bond principal retirements	810,000
-	3,800,000		1,155,000
-	3,023,001		
81,214	4,308,936	The internal service fund is used by management to charge the rental cost of certain vehicles and equipment to individual funds. The decrease in net position of the internal service fund is included in governmental activities.	(269,317)
526,590	10,735,446		
\$ 607,804	\$ 15,044,382	Change in Net Positon of Governmental Activities	\$ (230,117)

TOWN OF AVON, COLORADO

STATEMENT OF NET POSITION PROPRIETARY FUNDS DECEMBER 31, 2015

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Transit Fund	Fleet Maintenance Fund	Totals	
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 359,280	\$ -	\$ 359,280	\$ 1,699,303
Receivables:				
- Taxes	40,190	-	40,190	-
- Accounts	3,292	9,404	12,696	-
- Intergovernmental	41,968	113,054	155,022	-
Due From Other Funds	331,914	-	331,914	-
Inventory	-	585,709	585,709	-
Total Current Assets	776,644	708,167	1,484,811	1,699,303
Noncurrent Assets:				
Loans Receivable	-	-	-	646,190
Capital Assets:				
- Land	281,450	130,384	411,834	-
- Buildings	9,674,705	5,628,107	15,302,812	1,714,548
- Machinery and Equipment	3,815,001	333,847	4,148,848	5,556,528
- Accumulated Depreciation	(2,455,486)	(2,805,512)	(5,260,998)	(4,546,332)
Total Noncurrent Assets	11,315,670	3,286,826	14,602,496	3,370,934
Total Assets	12,092,314	3,994,993	16,087,307	5,070,237
LIABILITIES				
Current Liabilities:				
Accounts Payable	12,912	68,347	81,259	-
Accrued Liabilities	9,641	6,115	15,756	-
Accrued Interest Payable	-	9,830	9,830	-
Compensated Absences Payable	24,007	22,487	46,494	-
Due to Other Funds	-	431,914	431,914	-
Certificates of Participation - Current	-	137,496	137,496	-
Capital Leases Payable - Current	55,244	4,869	60,113	112,506
Total Current Liabilities	101,804	681,058	782,862	112,506
Noncurrent Liabilities:				
Certificates of Participation	-	2,639,631	2,639,631	-
Capital Leases Payable	115,826	9,998	125,824	325,518
Total Noncurrent Liabilities	115,826	2,649,629	2,765,455	325,518
Total Liabilities	217,630	3,330,687	3,548,317	438,024
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenue	40,190	-	40,190	-
Gain on Advance Refunding of Debt	-	6,150	6,150	-
Total Deferred Inflows of Resources	40,190	6,150	46,340	-
NET POSITION				
Net Investment in Capital Assets	11,144,600	488,682	11,633,282	2,286,720
Unrestricted	689,894	169,474	859,368	2,345,493
Total Net Position	\$ 11,834,494	\$ 658,156	\$ 12,492,650	\$ 4,632,213

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

TOWN OF AVON, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2015

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Transit Fund	Fleet Maintenance Fund	Totals	
Operating Revenues:				
Charges for Services	\$ 283,579	\$ 1,294,127	\$ 1,577,706	\$ 597,862
Other Operating Revenues	80,638	9,844	90,482	-
Total Operating Revenues	364,217	1,303,971	1,668,188	597,862
Operating Expenses:				
Cost of Operations	1,302,621	1,365,293	2,667,914	10,517
Depreciation and Amortization	551,658	140,845	692,503	486,224
Total Operating Expenses	1,854,279	1,506,138	3,360,417	496,741
Operating Income (Loss)	(1,490,062)	(202,167)	(1,692,229)	101,121
Nonoperating Revenues (Expenses):				
Taxes	40,280	-	40,280	-
Gain (Loss) on Disposal of Capital Assets	2,025	-	2,025	13,437
Investment Earnings	-	-	-	3
Interest Expense	(6,683)	(118,543)	(125,226)	-
Total Nonoperating Revenues (Expenses)	35,622	(118,543)	(82,921)	13,440
Income (Loss) Before Contributions and Transfers	(1,454,440)	(320,710)	(1,775,150)	114,561
Capital Contributions and Transfers				
Contributed Capital	-	-	-	166,122
Transfers In (Out)	1,026,999	300,000	1,326,999	(550,000)
Total Capital Contributions and Transfers	1,026,999	300,000	1,326,999	(383,878)
Change in Net Position	(427,441)	(20,710)	(448,151)	(269,317)
Net Position, Beginning of Year	12,261,935	678,866	12,940,801	4,901,530
Net Position, End of Year	\$ 11,834,494	\$ 658,156	\$ 12,492,650	\$ 4,632,213

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

TOWN OF AVON, COLORADO

STATEMENT OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2015

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Transit Fund	Fleet Maintenance Fund	Totals	
Cash Flows From Operating Activities				
Cash Received from Customers and Users	\$ 207,442	\$ 734,666	\$ 942,108	\$ -
Cash Received from Interfund Services Provided	79,066	539,258	618,324	597,862
Cash Payments to Suppliers	(566,690)	(660,323)	(1,227,013)	(10,517)
Cash Payments to Employees	(480,492)	(676,515)	(1,157,007)	-
Cash Payments for Interfund Services Used	(264,802)	(55,750)	(320,552)	-
Other Operating Revenues	80,638	9,844	90,482	-
Net Cash Provided by (Used in) Operating Activities	<u>(944,838)</u>	<u>(108,820)</u>	<u>(1,053,658)</u>	<u>587,345</u>
Cash Flows From Noncapital Financing Activities				
Taxes Received	40,280	-	40,280	-
Net Borrowings To (From) Other Funds	(82,388)	82,388	-	-
Borrowings To Other Entities	-	-	-	(717,989)
Repayments From Other Entities	-	-	-	71,799
Transfers In from Other Funds	1,026,999	300,000	1,326,999	(550,000)
Net Cash Provided by Noncapital Financing Activities	<u>984,891</u>	<u>382,388</u>	<u>1,367,279</u>	<u>(1,196,190)</u>
Cash Flows From Capital Financing Activities				
Acquisition and Construction of Capital Assets	(20,261)	(11,995)	(32,256)	(590,495)
Proceeds from Sales of Capital Assets	2,025	-	2,025	29,000
Interest Paid on Long-term Debt	(6,683)	(121,789)	(128,472)	-
Principal Paid on Long-term Debt	(53,538)	(139,784)	(193,322)	-
Net Cash Used in Capital Financing Activities	<u>(78,457)</u>	<u>(273,568)</u>	<u>(352,025)</u>	<u>(561,495)</u>
Cash Flows From Investing Activities				
Interest Received from Investments	-	-	-	3
Net Cash Provided by Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>3</u>
Net Increase in Cash and Cash Equivalents	<u>(38,404)</u>	<u>-</u>	<u>(38,404)</u>	<u>(1,170,337)</u>
Cash and Cash Equivalents, Beginning of Year	<u>397,684</u>	<u>-</u>	<u>397,684</u>	<u>2,869,640</u>
Cash and Cash Equivalents, End of Year	<u>\$ 359,280</u>	<u>\$ -</u>	<u>\$ 359,280</u>	<u>\$ 1,699,303</u>

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

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Transit Fund	Fleet Maintenance Fund	Totals	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating Income (Loss)	<u>\$ (1,490,062)</u>	<u>\$ (202,167)</u>	<u>\$ (1,692,229)</u>	<u>\$ 101,121</u>
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities				
Depreciation and Amortization	551,658	140,845	692,503	486,224
Change in Assets and Liabilities:				
Increase in Accounts Receivable	(2,578)	(9,304)	(11,882)	-
(Increase) Decrease in Intergovernmental Rec.	5,507	(10,899)	(5,392)	-
Increase in Inventory	-	(28,447)	(28,447)	-
Increase (Decrease) in Accounts Payable	(1,026)	27,513	26,487	-
Decrease in Accrued Liabilities	(11,672)	(12,646)	(24,318)	-
Increase (Decrease) in Comp. Absences Payable	3,335	(13,715)	(10,380)	-
Total Adjustments	<u>545,224</u>	<u>93,347</u>	<u>638,571</u>	<u>486,224</u>
Net Cash Provided by (Used in) Operating Activities	<u><u>\$ (944,838)</u></u>	<u><u>\$ (108,820)</u></u>	<u><u>\$ (1,053,658)</u></u>	<u><u>\$ 587,345</u></u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Noncash Transactions Affecting Financial Position				
Contributions of Capital Assets from				
Governmental Activities	\$ -	\$ -	\$ -	\$ 109,966
Capital Assets Disposed	-	-	-	(27,869)
Principal on Capital Leases Paid from				
Governmental Activities	-	-	-	56,156
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 138,253</u></u>

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2015

The financial statements of the Town of Avon have been prepared in conformity with generally accepted accounting principles (“GAAP”) as applied to governmental entities. The Governmental Accounting Standards Board (“GASB”) is the accepted standard-setting board for establishing governmental accounting and financial reporting principles. The following notes are an integral part of the Town’s Comprehensive Annual Financial Report.

Note 1. Summary of Significant Accounting Policies

A. Financial Reporting Entity

Primary Government. The Town of Avon, Colorado, was incorporated as a Town on April 24, 1978. On June 13, 1978, the citizenry voted to become a Home Rule City, as authorized by Article 20 of the Colorado State Constitution. The Town operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety, highways and streets, culture-recreation, public improvements, community development, planning and zoning, transportation, and general administrative services.

As required by generally accepted accounting principles, these financial statements present the Town of Avon (the primary government) and its component unit for which the Town is considered financially accountable. Financial accountability exists if the Town appoints a voting majority of an organization’s governing board and is able to impose its will on the organization, or if the organization provided benefits to, or imposes financial burdens upon the Town. Blended component units, although legally separate entities, are, in substance, part of the Town’s operations, so data from these units are combined with data of the Town.

The Town’s blended component unit are –

Avon Urban Renewal Authority (AURA) – The AURA is a body corporate duly organized and existing as an urban renewal authority established by the Town of Avon, Colorado pursuant to the Urban Renewal Law of the State of Colorado for the purpose of undertaking certain urban renewal activities within the Town. The boundaries of the AURA are coterminous with the boundaries of the Town. The bylaws of the AURA provide that the members of the Avon Town Council shall constitute the Commissioners of the AURA. The Mayor of the Town services as Chairman, the Mayor Pro-Tem serves as Vice Chairman, the Town Manager serves as the Executive Director and Secretary, the Finance Director serves as Treasurer, and the Town Clerk serves as the AURA Clerk. For financial reporting purposes, the AURA is blended into the Town’s financial statements and is reported in a single special revenue fund as a blended component unit. A separate budget is adopted for the AURA, however separate financial statements of the AURA are not issued.

Avon General Improvement District No. 1 – The Town of Avon General Improvement District No. 1 was organized on August 28, 2007, by adoption of Ordinance No. 07-07. The the services to be provided within and for the District include transportation and recreation

services and include the property known as Lots 1 and 2 of the final plat of the Chateau St. Claire subdivision, now commonly known as the Ascent. The members of the Avon Town Council constitute the Board of the District. The District levies a property tax to be used for transportation operations. For financial reporting purposes, the District is blended into the Town's financial statements and is reported in the Transit enterprise fund as a blended component unit. Separate budgets and financial statements of the District are not adopted or issued.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements. The government-wide financial statements (i.e. the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the Town (the primary government) and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

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

Fund Financial Statements. Fund financial statements report detailed information about the Town with the focus on major funds rather than on reporting funds by type. 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. Nonmajor funds are aggregated and presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

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

Measurement Focus and Basis of Accounting. The government-wide financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements. Revenues are recognized when earned and expenses are recognized when the liability is incurred regardless of the timing of related cash flows. Depreciation is computed and recorded as an operating expense. Expenditures for property, plant and

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2015

equipment are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue is recorded when susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (60 days). The major sources of revenue which are susceptible to accrual are property taxes, accommodations and sales taxes, and certain intergovernmental revenues. Expenditures generally are recorded when the liability is incurred, as under full accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Financial Statement Presentation – Fund Accounting. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts which are segregated for the purpose of accounting for specific activities. The Town uses funds to report results of operations and financial position, and demonstrate compliance with legal, contractual and regulatory requirements.

The Town's funds are classified into two broad fund categories and six generic fund types for financial reporting purposes: Governmental funds include the general, special revenue, debt service, and capital projects funds. Proprietary funds include enterprise funds and an internal service fund.

The Town's major governmental funds are:

- *General Fund* – This is the Town's primary operating fund. It is used to account for all activities of the Town not required to be accounted for in some other fund.
- *Avon Urban Renewal Fund* – This fund is used to account for the receipt of tax increment revenues and the activities of redevelopment that are undertaken by the Avon Urban Renewal Authority, including issuing debt and constructing public improvements.
- *Water Fund* – This fund is used to account for the cost of maintaining certain water-related assets and for the receipt of water surcharges and tap fees within the Town limits.
- *Debt Service Fund* – This fund is used to account for the accumulation of resources and payment of principal and interest on the Town's general obligation and sales tax revenue bonds.
- *Capital Projects Fund* – This fund is used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing

and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of all the Town's enterprise and internal service funds are charges to customers for sales and services. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The Town's major proprietary funds are:

- *Transit Fund* – This fund is used to account for the activities involved in operating the Town's transportation system.
- *Fleet Maintenance Fund* – This fund is used to account for the accumulation and allocation of costs associated with the maintenance of vehicles and rolling stock for the Town and certain other third-party governmental entities.

The Town's only internal service fund is the Equipment Replacement Fund. This fund is used to account for the rental of certain vehicles and equipment to other departments for the accumulation of funds for future replacement.

D. Budget Information

Budgets are adopted on a basis consistent with generally accepted accounting principles for all funds, with the exception of proprietary funds which are budgeted on the modified accrual basis of accounting. According to the Town's Charter, all appropriations except for capital projects or special revenue funds lapse at fiscal year-end. However, as a matter of practice, the Town adopts annual budgets for all funds. During the year, changes may be made to budgets by adoption of supplemental amendments by resolution of the Town Council.

E. Assets, Liabilities, and Deferred Outflows/Inflows of Resources

Cash and Investments. The Town concentrates the cash resources of its various funds in order to facilitate the management of cash. The balance in this concentration account is available to meet the Town's current operating requirements. Cash resources in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the Town's investments.

Town Charter and Colorado State statutes authorize the Town to invest its excess funds in direct U.S. Government securities, agencies, bonds and other obligations of states and political subdivisions, corporate bonds, money market mutual funds, and local government investment pools. Investments are stated at fair value on the balance sheet except for money-market investments that have a remaining maturity at time of purchase of one year or less. Investment income is recognized when earned.

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2015

Inventories. Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of any governmental fund inventories are recorded as expenditures when consumed rather than when purchased.

Restricted Assets. Restricted assets in the amount of \$508,890 are reported in the Debt Service Fund. This amount consists of a \$508,700 required debt service reserve account and an additional \$190 in a base rental fund for the Series 2010 Certificates of Participation. Both of these accounts are held in the Trust Department of UMB.

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

Capital Assets. Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. It is the Town's policy to capitalize expenditures with a cost greater than \$5,000 and an estimated useful life of more than one year. All purchased capital assets are stated at cost or estimated historical cost if actual historical records are not available. Donated capital assets are recorded at their estimated fair market value at the date of contribution. Major outlays for capital improvement projects are capitalized as projects are completed.

The Town's infrastructure consists of streets and roads, bridges, storm drainage, water rights and storage, heat recovery system, irrigation ditches, bike paths, and public parking.

The costs of normal maintenance and repair that do not add to the value of the asset or extend the estimated useful life are not capitalized but charged to operations as incurred. Depreciation of property, plant and equipment is computed using the straight-line method over the following estimated useful lives:

Buildings	10-50 years
Utilities	10-50 years
Machinery and Equipment	3-15 years
Infrastructure	10-100 years

Deferred Outflows/Inflows of Resources. In addition to assets, the government-wide and proprietary funds statements of net position and governmental funds balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Town has one item that qualifies for reporting in this category – *deferred loss on advance refunding of debt* reported in the government-wide statement of net position. A deferred loss on advance refunding of debt results from the difference in the carrying value of refunding debt and its reacquisition price. This amount is

deferred and amortized over the remaining life of the old debt or new debt, whichever is shorter.

In addition to liabilities, the government-wide and proprietary funds statement of net position and governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Town has two types of items that qualify for reporting in this category: deferred gain on advance refunding of debt and unavailable revenue. In the government-wide and proprietary funds statement of net position *deferred gain on advance refunding of debt* is the result of the difference between the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the life of the refunding bonds. The other type of item, *unavailable revenue*, is reported in the government-wide and proprietary fund statement of net position and in the governmental funds balance sheet. The Town reports *unavailable revenues* from two sources: property tax and notes receivable. *Unavailable revenue - notes receivable* arises only under a modified accrual basis of accounting and as such is only reported in the governmental funds balance sheet. *Unavailable revenue – property taxes* is reported in the government-wide and proprietary funds statement of net position and in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Long-term Obligations. In the government-wide and proprietary fund statement of net position long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the interest method. Bonds payable are reported net of the applicable bond premium or discount.

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 are reported as debt service expenditures.

F. Property Taxes

Property taxes are levied by the Town Council. The levy is based on the assessed valuation of property located within the Town as determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners. The County Treasurer collects the property taxes during the ensuing calendar year and remits the taxes collected to the Town on a monthly basis.

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2015

Property taxes are payable in full by April 30, or if in two equal installments, by February 28 and June 15. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. Property taxes, net of estimated uncollectible taxes, are recorded as receivable in the year levied and offset to deferred inflows of resources as unavailable revenue since they typically do not meet the availability criterion.

G. Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused personal time off (a combination of vacation and holidays) and sick pay benefits. There is no liability for unpaid accumulated sick leave since the Town's policy is to not pay for accumulated sick leave when employees separate from service. The liability for compensated absences is recorded as a non-current liability in the government-wide financial statements.

The current portion of this debt is estimated based on historical trends. In the fund financial statements governmental funds report a compensated liability payable only if they have matured, for example, as a result of employee resignations and retirements, while the proprietary funds report the liability as it is incurred. Within the governmental funds, the General Fund typically is used to liquidate any liabilities for compensated absences.

H. Fund Equity

The following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory or prepaid charges) or are required to be maintained intact;
- 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. In Avon's case this is an ordinance adopted by the Town Council. 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 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.

The Town establishes (and modifies or rescinds) fund balance commitments by passage of an ordinance. A fund balance commitment is further indicated in the budget document as a

designation or commitment of the fund. Assigned fund balance is established by the Town Council through adoption or amendment of the budget as intended for a specific purpose (such as the purchase of capital assets, construction, debt service, or other purposes).

When fund balance resources are available for a specific purpose in more than one classification, it is the Town's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. The Town considers all unassigned fund balances to be "reserves" for future operations or capital replacement as defined within Article X, Section 20 of the Constitution of the State of Colorado (see Note 10).

I. Statements of Cash Flows

For purposes of the statement of cash flows, the Town considers all highly liquid investments with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

J. Debt Costs

Unamortized premiums of \$5,860 (net of accumulated amortization of \$70,878) are reflected in noncurrent liabilities. Premiums are amortized over the remaining lives of the related debt issues using the straight-line method, which approximates the effective interest method.

Note 2. Legal Compliance – Budgets

No later than October 15th, the Town Manager submits to the Mayor and Town Council a proposed budget for the calendar year commencing the following January 1st. The budget is prepared by fund, department, program and project and includes information on the prior year, current estimates and requested appropriations and estimated revenues for the upcoming year.

The Town Council holds public hearings and may change appropriations except for expenditures required by law for debt service or for estimated cash deficits. No change to the budget may increase the authorized expenditures to any amount greater than the total amount of funds available. The Town Council must adopt the budget by resolution prior to December 15th. Once adopted, the Town Council may at any time, by resolution, amend the budget. In addition, the Town Manager may transfer part or all of any unencumbered appropriation balance among programs within a department. A department is defined by the Town as a distinct, principal or specialized division (e.g. the Department of Public Works).

Expenditures may not legally exceed budgeted appropriations at the fund level. Budgetary comparisons in the accompanying combined financial statements and in the individual fund statements are presented at a lower-than-required level of control to facilitate detailed financial analysis.

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2015

Note 3. Cash and Investments

Cash and investments as of December 31, 2015 are classified in the accompanying financial statements as follows:

Cash and Cash Equivalents	\$ 3,376,403
Investments	8,987,330
Restricted Assets - Cash and Cash Equivalents	<u>4,025,445</u>
Total	<u>\$ 16,389,178</u>

Cash and investments as of December 31, 2015 consist of the following:

Cash on Hand	\$ 4,950
Deposits With Financial Institutions	898,148
Local Government Investment Pools	6,498,750
Investments	<u>8,987,330</u>
Total	<u>\$ 16,389,178</u>

Investments Authorized by the Town of Avon Investment Policy

The table below identifies the **investment types** that are authorized for the Town by the Town's investment policy. The table also identifies certain provision of the Town's investment policy that address **interest rate risk**, **credit risk**, and **concentration of credit risk**.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Of Portfolio</u>	<u>Maximum Investment In One Issuer</u>
U.S. Treasury Obligations	5 years	None	None
Federal Agency Securities	5 years	None	None
Federal Instrumentality Securities	5 years	None	None
Repurchase Agreements	180 days	None	None
Commercial Paper	270 days	20%	5%
General Obligation Debt	5 years	None	None
Revenue Obligation Debt	5 years	None	None
Local Government Investment Pools	N/A	None	None
Money Market Funds	N/A	None	None
Time Certificates of Deposit	1 year	None	None

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The investment policy of the Town states that, to the extent possible, investments shall be matched with anticipated cash

flow requirements and known future liabilities. Unless matched to a specific cash flow requirement, the Town will not invest in securities maturing more than five years from the date of purchase. In addition, the Town shall maintain at least 15% of its total investment portfolio in investments maturing in 120 days or less. At least 10% of the portfolio shall be invested in overnight investments or securities that can be sold to raise cash on one day's notice.

Information about the sensitivity of the fair values of the Town's investments to market interest rate fluctuations is provided by the following table that shows the distribution of the Town's investments by maturity:

		Weighted Average Maturity (in Years)
Treasury Notes	\$ 4,492,580	1.066
Federal Instrumentality Securities:		
Federal Home Loan Bank	1,505,650	1.565
Federal National Mortgage Assn.	992,700	2.891
Federal Farm Credit Bank	1,996,400	.612
Local Government Investment Pools	6,498,750	NA
Held by Bond Trustee:		
Local Government Investment Pools	<u>508,890</u>	NA
Total	<u>\$15,994,970</u>	

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. U.S. Government securities or obligations explicitly or implicitly guaranteed by the U.S. Government are not considered to have credit risk exposure, including U.S. Treasury securities, securities of the Government National Mortgage Association, Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association.

Presented below is the minimum rating, as required by the Town's investment policy, for other investments of the Town as of December 31, 2015.

Ratings Standard & Poor's	Local Government Investment Pools	Money Market Funds
AAAm	<u>\$6,498,750</u>	<u>\$508,890</u>

Concentration of Credit Risk

With the exception of commercial paper investments, the investment policy of the Town contains no limitations on the amount that can be invested in any one issuer. Commercial

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2015

paper issuers are limited to no more than 5% of the Town's portfolio. The Town had no investments in commercial paper at December 31, 2015.

Investments in any one issuer (other than U.S. Treasury obligations, mutual funds, and local government investment pools) that represent 5% or more of total Town investments are as follows:

<u>Issuer</u>	<u>Investment Type</u>	<u>Reported Amount</u>	<u>% of Total Investments</u>
Federal Home Loan Bank	Federal Instrumentality Securities	\$ 1,505,650	13.31%
Federal National Mortgage Assn.	Federal Instrumentality Securities	992,700	8.78%
Federal Farm Credit Bank	Federal Instrumentality Securities	1,996,400	17.65%

Custodial Credit Risk

Deposits. Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Town would not be able to recover its deposits or would not be able to recover collateral securities that are in the possession of an outside party.

The Colorado Public Deposit Protection Act (PDPA) requires that cash be deposited in eligible public depositories and that deposits 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 with the Town being a named participant in the single institution collateral pool. The minimum pledging requirement is 102% of the uninsured deposits. The Colorado State Banking Board verifies the market value at least monthly. Bank assets (usually securities) are required by PDPA to be delivered to a third-party institution for safekeeping, and pledged to the Colorado Division of Banking. Based on the above, the Colorado State Auditor has concluded that there is no custodial risk for public deposits collateralized under PDPA.

Investments. Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, the Town would not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Town's investment policy provides that all investment securities, except certificates of deposit, local government investment pools, and money market funds purchased by the Town shall be settled on a delivery versus payment basis and will be delivered by either book entry or physical delivery and will be held in third-party safekeeping by the Town's approved custodian bank, its correspondent bank or the Depository Trust Company. An approved Safekeeping Agreement must be executed with each custodian bank prior to utilizing that bank's safekeeping services and to be eligible a financial institution must have an average Highline Banking Data Services Rating of 20 or better.

Local Government Investment Pools

Local government investment pools are trusts established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the trusts. The trusts operate similarly to a money market fund and each share is equal in value to \$1.00. A designated custodial bank serves as custodian pursuant to a custodian agreement. The custodian acts as safekeeping agent for the trusts' investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the trusts.

As of December 31, 2015, the Town of Avon held investments in the Colorado Local Government Liquid Asset Trust (Colotrust). Colotrust offers shares in two portfolios, Prime and Plus. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. Colotrust Plus may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies.

Note 4. Capital Assets

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

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated:				
Land and Land Improvements	\$ 10,497,113	\$ 25,520	\$ -	\$ 10,522,633
Public Art	1,361,400	-	-	1,361,400
Water Rights	1,792,959	-	-	1,792,959
Construction in Progress	<u>4,686,060</u>	<u>1,827,946</u>	<u>(6,303,948)</u>	<u>210,058</u>
Total Capital Assets, Not Being Depreciated	<u>18,337,532</u>	<u>1,853,466</u>	<u>(6,303,948)</u>	<u>13,887,050</u>
Capital Assets, Being Depreciated:				
Buildings	14,511,546	4,017,909	(6,083)	18,523,372
Utilities	4,484,891	-	-	4,484,891
Machinery and Equipment	5,410,830	552,319	(406,621)	5,556,528
Infrastructure	<u>80,250,553</u>	<u>2,579,496</u>	<u>-</u>	<u>82,830,049</u>
Total Capital Assets, Being Depreciated	<u>104,657,820</u>	<u>7,149,724</u>	<u>(412,704)</u>	<u>111,394,840</u>
Less Accumulated Depreciation:				
Buildings	(7,943,060)	(622,328)	6,083	(8,559,305)
Utilities	(821,831)	(209,830)	-	(1,031,661)
Machinery and Equipment	(3,405,762)	(400,133)	378,752	(3,427,143)
Infrastructure	<u>(35,829,611)</u>	<u>(3,007,517)</u>	<u>-</u>	<u>(38,837,128)</u>
Total Accumulated Depreciation	<u>(48,000,264)</u>	<u>(4,239,808)</u>	<u>384,835</u>	<u>(51,855,237)</u>
Total Capital Assets, Being Depreciated, Net	<u>56,657,556</u>	<u>2,909,916</u>	<u>(27,869)</u>	<u>59,539,603</u>
Governmental Activities Capital Assets, Net	<u>\$ 74,995,088</u>	<u>\$ 4,763,382</u>	<u>\$ (6,331,817)</u>	<u>\$ 73,426,653</u>

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Business-type Activities:	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	\$ 411,834	\$ -	\$ -	\$ 411,834
Capital Assets, Being Depreciated:				
Buildings	15,302,812	-	-	15,302,812
Machinery and Equipment	<u>4,118,268</u>	<u>32,256</u>	<u>(1,676)</u>	<u>4,148,848</u>
Total Capital Assets, Being Depreciated	<u>19,421,080</u>	<u>32,256</u>	<u>(1,676)</u>	<u>19,451,660</u>
Less Accumulated Depreciation:				
Buildings and Facilities	(2,770,771)	(369,743)	-	(3,140,514)
Machinery and Equipment	<u>(1,799,400)</u>	<u>(322,760)</u>	<u>1,676</u>	<u>(2,120,484)</u>
Total Accumulated Depreciation	<u>(4,570,171)</u>	<u>(692,503)</u>	<u>1,676</u>	<u>(5,260,998)</u>
Total Capital Assets, Being Depreciated, Net	<u>14,850,909</u>	<u>(660,247)</u>	<u>-</u>	<u>14,190,662</u>
Business-type Activities Capital Assets, Net	<u>\$ 15,262,743</u>	<u>\$ (660,247)</u>	<u>\$ -</u>	<u>\$ 14,602,496</u>

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

Governmental Activities:	
General Government	\$ 100,602
Community Development	2,126
Public Safety	147,439
Public Works and Utilities, including depreciation of general infrastructure assets	3,630,098
Recreation and Culture	<u>359,543</u>
Total Depreciation Expense – Governmental Activities	<u>\$ 4,239,808</u>
Business-type Activities:	
Transportation	\$ 551,658
Fleet Maintenance	<u>140,845</u>
Total Depreciation Expense – Business-type Activities	<u>\$ 692,503</u>

Note 5. Long-term Debt

General Obligation Bonds. The Town has issued general obligation bonds in order to provide funds for the acquisition and construction of major capital facilities and to refund outstanding general obligation bonds. These bonds are direct obligations and pledge the full faith and credit of the Town and are ultimately secured by the Town's general ad valorem tax collections.

General obligation bonds currently outstanding at December 31, 2015, are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
General Government - Refunding	4.00%	<u>\$ 515,000</u>

Annual debt service requirements to maturity for general obligation bonds outstanding at December 31, 2015, are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2016	<u>\$ 515,000</u>	<u>\$ 20,600</u>
Total	<u>\$ 515,000</u>	<u>\$ 20,600</u>

Revenue Bonds and Loans – Avon Urban Renewal Authority. Pursuant to the Urban Renewal Plan adopted for the Town Center West Urban Renewal Project Area (Project Area), generally known as Avon Town Center West, the Avon Urban Renewal Authority issued \$25 million in Series 2008 Tax Increment Adjustable Rate Revenue Bonds (Series 2008 Bonds) in February, 2008 for the purpose of financing the cost of constructing traffic, street and pedestrian improvements. In 2009, the Avon Urban Renewal Authority entered into a Series 2009 Variable Rate Loan Agreement (Series 2009 Loan) in the amount of \$7,200,000 with Vectra Bank for the purpose of refinancing the Authority's Series 2008 Tax Increment Adjustable Rate Revenue Bonds. Net proceeds from the Series 2009 Loan, along with unused proceeds and the reserve account balance from the Series 2008 bonds, were used to redeem the Series 2008 bonds.

In 2013, the Avon Urban Renewal Authority issued Series 2013 Tax Increment Revenue Bonds for the purpose of refinancing outstanding obligations of the Authority and to finance certain capital improvements. The Bonds constitute a pledge of, and an irrevocable first lien (but not an exclusive first lien), on all pledged revenues. Pledged revenues include the portion of the ad valorem proprietary taxes produced by the levies at the rates fixed each year by the governing bodies of the various taxing jurisdictions within the Urban Renewal Project Area. The levies are assessed upon that portion of the valuation for assessment of all taxable property in excess of a defined property tax base amount. The pledged revenues are reduced by a) any County collection fee (b) tax increment revenues required to be remitted by the Authority to the Confluence Metropolitan District pursuant to the Avon Station/Confluence IGA; and (c) ad valorem property taxes produced by a mill levy of any special district formed after May 28, 2009. Pledged revenues also include all amounts appropriated to the Authority to replenish reserves along with applicable investment earnings and any other legally available moneys which the Town determines, in its sole discretion, to deposit in the Bond Account.

The Bonds have a reserve requirement of \$628,240. If, at any time, the balance of the Reserve Account is less than the Reserve Requirement the Town Council has agreed to consider but is not obligated to, replenish the Reserve Account balance to the Reserve

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NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2015

Requirement. Until the Town credits an amount to the Reserve Account sufficient to replenish the Reserve Account balance to the Reserve Requirement, the Authority shall continue to credit Pledged Revenues to the Reserve Account to the extent available.

The Bonds shall be subject to optional redemption on any interest payment date with a redemption price of the Bonds not exceeding 101% of the principal amount so redeemed.

Revenue bonds and loans outstanding at December 31, 2015, are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
General Government – Avon Urban Renewal Authority	3.52%	<u>\$ 6,200,000</u>

Annual debt service requirements to maturity for revenue bonds outstanding at December 31, 2015, are as follows:

<u>Year Ending December 31</u>	<u>Avon Urban Renewal Authority</u>	
	<u>Principal</u>	<u>Interest</u>
2016	\$ 410,000	\$ 218,240
2017	395,000	203,808
2018	410,000	189,904
2019	425,000	175,472
2020	440,000	160,512
2021-2025	2,440,000	559,504
2026-2028	<u>1,680,000</u>	<u>119,680</u>
Total	<u>\$ 6,200,000</u>	<u>\$ 1,627,120</u>

Certificates of Participation. In 1998, the Town of Avon Finance Authority issued Certificates of Participation in order to finance the cost of constructing a fleet maintenance facility. The Certificates evidence assignments of proportionate interest in rights to receive payments pursuant to an annually terminable Lease Purchase and Sublease Agreement, dated as of July 1, 1998, and entered into between the Authority as lessor, and the Town of Avon as lessee. In 1999, the fleet maintenance facility was completed and the proceeds from the Certificates that were used directly in the construction of the fleet maintenance facility in the amount of \$5,141,250 (approximately 75%) were capitalized in the Fleet Maintenance Fund.

On November 16, 2010, the Town issued \$6,680,000 of Series 2010 Certificates of Participation with interest rates of 2% to 3.25%. The Certificates evidence a proportionate interest in the base rentals and other revenues under an annually renewable lease purchase agreement dated as of November 1, 2010, between UMB Bank, n.a., solely in its capacity as trustee under the Indenture, as lessor, and the Town of Avon, as lessee. These Certificates were used to refund the outstanding 1998 Certificates of Participation in the aggregate principal amount of \$3,990,000. The refunding resulted in an economic gain of \$43,298 with a cash flow savings of \$904,642. The remaining funds from the 2010 Certificates were

used as matching funds for the construction of the Avon Regional Transit Facility, which was completed and placed into service in October, 2013.

On January 14, 2015, the Town issued \$3,800,000 of Series 2014B Certificates of Participation with an interest rate of 3.03% to finance the cost of street improvements. The Certificates evidence a proportionate interest in the base rentals and other revenues under an annually renewable lease purchase agreement dated as of January 14, 2015, between UMB Bank, n.a., solely in its capacity as trustee under the Indenture, as lessor, and the Town of Avon.

Certificates of Participation outstanding at December 31, 2015, are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
General Government – Refunding and Capital	2.0% - 3.25%	<u>\$ 9,020,000</u>

Annual debt service requirements to maturity for Certificates of Participation outstanding at December 31, 2015, are as follows:

<u>Year Ending</u> <u>December 31</u>	<u>Governmental Activities</u>		<u>Business Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 345,000	\$ 224,557	\$ 135,000	117,957
2017	355,000	214,143	140,000	113,906
2018	365,000	203,080	145,000	109,357
2019	375,000	191,882	150,000	104,825
2020	390,000	179,839	155,000	99,575
2021-2025	2,170,000	676,758	890,000	386,000
2026-2030	<u>2,280,000</u>	<u>243,900</u>	<u>1,125,000</u>	<u>156,375</u>
Total	<u>\$ 6,280,000</u>	<u>\$ 1,934,159</u>	<u>\$ 2,740,000</u>	<u>\$ 1,087,995</u>

Capital Lease Obligations. The following leases are renewable on an annual basis, at the option of the Town, for consecutive one-year periods. Upon final payment, title to the leased assets will pass to the Town.

- Lease obligation for equipment with a total cost of \$563,811 and a book value net of accumulated depreciation at December 31, 2015 of \$376,919. Due in six remaining semi-annual installments of \$45,210 through August, 2018. Amortization is based on an interest rate of 3.162%. The Town may terminate the lease by paying the applicable purchase option on any scheduled payment. Balance at December 31, 2015, is \$256,860.
- Lease obligation for equipment with a total cost of \$217,004 and a book value net of accumulated depreciation at December 31, 2015 of \$150,315. Due in seven remaining semi-annual installments of \$16,803.27 through March, 2019. Amortization is based on an interest rate of 2.19%. The Town may terminate the lease by paying the applicable purchase option price on any scheduled payment. Balance at December 31, 2015, is \$112,636.

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- Lease obligation for equipment with a total cost of \$208,418 and a book value net of accumulated depreciation at December 31, 2015 of \$171,820. Due in six semi-annual installments of \$18,397 through August, 2018. Amortization is based on an interest rate of 1.77%. The Town may terminate the lease by paying the applicable purchase option on any scheduled payment. Balance at December 31, 2015 is \$107,044.
- Lease obligation for equipment with a total cost of \$168,986 and a book value net of accumulated depreciation at December 31, 2015 of \$152,510. Due in twelve semi-annual installments of \$13,139 through July, 2021. Amortization is based on an interest rate of 2.10%. The Town may terminate the lease by paying the applicable purchase option on any scheduled payment. Balance at December 31, 2015 is \$147,422.

Annual debt service requirements to maturity for Capital Lease Obligations outstanding at December 31, 2015, are as follows:

Year Ending December 31	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2016	\$ 112,506	\$ 9,264	\$ 60,113	\$ 5,217
2017	115,107	6,663	61,960	3,371
2018	117,771	3,999	63,865	1,466
2019	41,433	1,648	-	-
2020	25,336	943	-	-
2021	<u>25,871</u>	<u>408</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 438,024</u>	<u>\$ 22,925</u>	<u>185,938</u>	<u>\$ 10,054</u>

Changes in Long-term Liabilities. Long-term liability activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
- General Obligation Bonds	\$ 1,005,000	\$ -	\$ 490,000	\$ 515,000	\$ 515,000
- Revenue Bonds	6,520,000	-	320,000	6,200,000	410,000
- Certificates of Participation	<u>2,825,000</u>	<u>3,800,000</u>	<u>345,000</u>	<u>6,280,000</u>	<u>345,000</u>
	10,350,000	3,800,000	1,155,000	12,995,000	1,270,000
- Bond Premium	<u>12,255</u>	<u>-</u>	<u>6,395</u>	<u>5,860</u>	<u>5,860</u>
Total Bonds Payable	10,362,255	3,800,000	1,161,395	13,000,860	1,275,860
Capitalized Leases Payable	547,990	-	109,966	438,024	112,506
Compensated Absences	<u>303,214</u>	<u>515,584</u>	<u>540,793</u>	<u>278,005</u>	<u>278,005</u>
Governmental Activity Long-term Liabilities	<u>\$11,213,459</u>	<u>\$ 4,315,584</u>	<u>\$ 1,812,154</u>	<u>\$13,716,889</u>	<u>\$ 1,666,371</u>

Business-type Activities:					
Certificates of Participation	\$ 2,875,000	\$ -	\$ 135,000	\$ 2,740,000	\$ 135,000
Bond Premium	<u>39,623</u>	<u>-</u>	<u>2,496</u>	<u>37,127</u>	<u>2,496</u>
Total Bonds Payable	2,914,623	-	137,496	2,777,127	137,496
Capitalized Leases Payable	244,259	-	58,322	185,937	60,113
Compensated Absences	<u>56,874</u>	<u>92,120</u>	<u>102,500</u>	<u>46,494</u>	<u>46,494</u>
Business-type Activity Long-term Liabilities	<u>\$ 3,215,756</u>	<u>\$ 92,120</u>	<u>\$ 298,318</u>	<u>\$ 3,009,558</u>	<u>\$ 244,103</u>

Conduit Debt Obligations. The Town has sponsored the issuance of revenue bonds in prior years to provide financial assistance to private-sector entities for the acquisition and construction of facilities deemed to be in the public interest. Neither the Town, the State of Colorado, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying general purpose financial statements. Conduit debt obligations at December 31, 2015, are described as follows:

Eaglebend Affordable Housing Corporation. The Eaglebend Affordable Housing Corporation (Eaglebend) was formed on October 23, 1990, to help provide for affordable housing within the Town of Avon. Eaglebend operates exclusively on behalf and for the benefit of the Town to operate a 294-unit apartment project within the Town. The Town approved the formation and the issuance of the revenue bonds to finance the project and will obtain full legal title to the land, buildings and equipment upon payment in full of the bonds issued by Eaglebend.

On August 30, 2006, Eaglebend issued \$18,495,000 of Multifamily Housing Project Revenue Refunding Bonds Series 2006A, Series 2006B, and Series C Subordinate Multifamily Housing Project Bonds in order to defease \$17,455,000 of outstanding Series 1997A Eaglebend Affordable Housing Corporation Revenue Refunding Bonds, and \$1,355,000 of outstanding Series 1997B&C Subordinate Eaglebend Affordable Housing Corporation Revenue Refunding Bonds. At December 31, 2015, there was \$12,815,000 outstanding in Multifamily Housing Project Revenue Refunding Bonds, Series 2006A and Series 2006C.

Eaglebend Dowd Affordable Housing Corporation. The Eaglebend Dowd Affordable Housing Corporation (Dowd) was formed on March 24, 1998, to help provide for affordable housing within Eagle County. Dowd operates a 50-unit apartment project within Eagle County. The Town approved the formation and the issuance of the revenue bonds to finance the project and will obtain full legal title to the land, buildings and equipment upon payment in full of the bonds. The Town, however, is in no way obligated to pay the debt service on the bonds.

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2015

In 2003, the Town approved the issuance by Dowd of \$9,520,000 in Series 2003 Refunding Revenue Bonds in order to defease the outstanding Series 1998A Revenue Bonds by placing the proceeds of the Series 2003 bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. In August, 2013, Dowd issued \$8,450,000 in Series 2013 Multifamily Housing Project Refunding Revenue Bonds in order to refund the Series 2003 Bonds. In November, 2014, Dowd issued \$8,850,000 of Multifamily Housing Project Refunding Revenue Bonds, Series 2014A to refund and defease the Series 2013 bonds. As of December 31, 2015, there was \$8,684,482 outstanding in Series 2014A Multifamily Housing Project Refunding Revenue Bonds, and \$1,600,000 outstanding in Series 1998 B&C Subordinate Revenue Bonds.

Buffalo Ridge I and II Apartment Project. The Buffalo Ridge I Apartment Project consists of 68 units composed of 2 and 3-bedroom units in four buildings located on the north side of Interstate 70 east of the Town of Avon municipal fleet maintenance facility. The owner of the Buffalo Ridge I Apartments is the Buffalo Ridge Affordable Housing Corporation. In 2002 the Project issued Multifamily Housing Project Revenue Bonds, Series 2002 in order to finance construction costs relating to the Project. As part of the transaction, the lender originated a mortgage loan to the Project insured by the FHA, which was secured by a promissory note and a deed of trust. In addition, in order to provide security for the Bonds, the Project entered into a Financing Agreement among the Project, the lender and Wells Fargo Bank, NA, as trustee for the Bonds, pursuant to which the Project directed the Trustee to use proceeds of the Bonds to purchase from the lender fully modified mortgage-backed securities secured by the Government National Mortgage Association (the "GNMA Securities"). The bonds were redeemed in 2011 upon the sale of the GNMA Securities. Pursuant to the plan of financing, this project will be transferred to the Town of Avon upon the repayment in full of the outstanding bonds.

The project above is part of a total development comprised of 244 units. The Buffalo Ridge II Apartment Project consists of approximately 176 units in eleven (11) three-story buildings. The Town of Avon issued multifamily housing revenue bonds dated May 1, 2002, in order to provide financing to Buffalo Ridge II, LLLP, a Colorado limited liability partnership formed for the principal purpose of owning the project. On January 11, 2012, the \$14,940,000 outstanding in the Series 2002A Multifamily Housing Project Revenue Bonds and outstanding Series 2002B Taxable Multifamily Housing Project Revenue Bonds were defeased in full.

Defeased Debt. In addition to the outstanding debt discussed above, other bonds previously issued by the Town have been defeased (debt legally satisfied) by the issuance of refunding bonds. The detail of defeased bonds outstanding at December 31, 2015, is as follows:

Series 1996B, Town of Avon General Obligation Bonds	\$530,000
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Note 6. Employee Retirement Plans

Full-time Employees. The Town maintains two single-employer, defined contribution pension plans for full-time employees: (1) the Town of Avon Police Officers Money Purchase Pension Plan of which there are 25 participants, and (2) the Town of Avon General Employee Money Purchase Pension Plan of which there are 102 participants as of December 31, 2015. Plan administration and recordkeeping of these plans is provided by The Principal Financial Group.

A defined contribution pension plan has terms that specify how contributions to an individual's account are to be determined rather than the amount of pension benefits the individual is to receive. In a defined contribution plan, the pension benefits a participant will receive depend only on the amount contributed to the participant's account, earnings on investments of those contributions, and forfeitures of other participant's benefits that may be allocated to the participant's account.

All full-time employees are required to participate in one of the above retirement plans upon employment with the Town. The type of plan that an employee participates in is dependent on the type of employee (police officer or general government employee). Town ordinance provides that both the employee and the Town will contribute an amount equal to 11% of the employee's base salary each month.

Employees hired prior to September 30, 1990, become vested in accordance with a vesting schedule which is dependent on the type of employee and hire date. All employees hired after September 30, 1990, start partial vesting after two years of service and are fully vested after five years of service. In addition, if an employee reaches normal retirement age, dies, or becomes totally and permanently disabled his account becomes fully vested regardless of length of service. Forfeitures by employees who leave employment before being fully vested are applied, first, to offset administrative expenses of the plans, and second, to reduce matching employer contributions. Forfeitures totaling \$27,872 were used in 2015 for administrative expenses. No forfeitures were used to reduce matching employer contributions.

Contributions made by employees and the Town for the three years ended December 31, 2015, are as follows:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Employee Contributions	<u>\$ 577,084</u>	<u>\$ 522,844</u>	<u>\$ 523,292</u>
Town Contributions	<u>\$ 577,084</u>	<u>\$ 522,844</u>	<u>\$ 523,292</u>

Both the Town and the covered employees each made the required 11% contributions to the plans. There are no liabilities for benefits beyond the Town's matching payments. No changes in the various plan's provisions occurred in 2015.

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NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2015

Part-time, Temporary and Seasonal Employees. On October 14, 1997, the Town adopted a PTS Retirement Plan administered by the ICMA Retirement Corporation, and established under Section 457 of the Internal Revenue Code that pertains to deferred compensation plans. The PTS plan is designed specifically for employees who are part-time, temporary, or seasonal, and is defined as a Social Security replacement retirement plan. The PTS plan allows participants to defer federal and state income taxes on savings until retirement. The PTS plan requires a minimum contribution of 7.5% of an employee's salary per plan year. This 7.5% may be the employee's contribution, the employer's contribution or a combination of both. The Town elected to have 3.75% contributed by the employee and 3.75% matched by the Town. Employees also have the option to contribute additional amounts.

Upon separation of service, participants may withdraw the account balance in a lump-sum payment, roll the account balance over into another 457 plan, or continue to allow the account balance earn interest tax free. Taxes are paid when funds are withdrawn from the plan.

Contributions actually made by plan members and the Town for the three years ended December 31, 2015, are as follows:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Employees	<u>\$36,655</u>	<u>\$29,540</u>	<u>\$29,624</u>
Town	<u>\$25,490</u>	<u>\$25,183</u>	<u>\$25,879</u>

Both the Town and the covered employees each made the required 3.75% contributions to the plan. There are no liabilities for benefits beyond the Town's matching payments. As of December 31, 2015 there were 292 participants in this plan.

Note 7. 457 Deferred Compensation Plan

The Town offers its full-time employees an optional supplemental deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by ICMA Retirement Trust and allows eligible participants the opportunity to accumulate additional retirement savings with certain tax advantages. Deposits into the 457 plan are not subject to state or federal income taxes at the time of deposit, and earnings on these deposits are deferred until withdrawn. As of December 31, 2015 there were 50 participants in the 457 plan.

Note 8. Employee Health Care

The Town has a self-insurance plan for employee health and dental care. A third-party administrator processes individual employee claims and negotiates excess stop-loss insurance policies. Excess stop-loss insurance policies are purchased to cover individual claims in excess of \$35,000 and aggregate total yearly claims in excess of \$1,343,954.

Settled benefit claims did not exceed the aggregate total yearly claims for 2015. As of December 31, 2015, the Town held reserves for future claims in the amount of \$472,594.

The following represents the changes in the claims reserve for the Town for 2015 and 2014:

	<u>2015</u>	<u>2014</u>
Claims Reserve for Future Claims, Beginning of Year	\$ 250,217	\$ 323,046
Current Year Deposits for Estimated Claims	1,385,702	1,099,656
Excess Stop Loss Refunds for Specific (Individual) Claims	109,772	220,385
Claim Payments	<u>(1,273,097)</u>	<u>(1,392,870)</u>
Claims Reserve for Future Claims, End of Year	<u>\$ 472,594</u>	<u>\$ 250,217</u>

Note 9. Interfund Receivables, Payables and Transfers

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are reported in the fund financial statements as “due to/from other funds”. These interfund receivables and payables are expected to be repaid within the next year. The composition of these interfund balances as of December 31, 2015, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Fleet Maintenance Fund	\$ 100,000
General Fund	Avon Urban Renewal Fund	3,000
Transit Fund	Fleet Maintenance Fund	<u>331,914</u>
Total		<u>\$ 434,914</u>

Interfund Transfers:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 1,538,335	\$ 3,021,999
Urban Renewal Authority Fund	150,000	-
Debt Service Fund	578,106	-
Capital Projects Fund	2,095,000	2,116,441
Transit Enterprise Fund	1,026,999	-
Fleet Maintenance Enterprise Fund	300,000	-
Governmental Activities - Internal Service Fund	<u>-</u>	<u>550,000</u>
	5,688,440	5,688,440
Transfer In of Non-financial Resources		
To Internal Service Fund	<u>166,122</u>	<u>-</u>
Total	<u>\$ 5,854,562</u>	<u>\$ 5,688,440</u>

In the fund financial statements, total transfers in of \$5,854,562 are greater than total transfers out of \$5,688,440 because of the treatment of transfers of non-financial resources to the internal service fund. During the year, capital assets purchased in 2015 related to

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NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2015

governmental funds, with a book value of \$56,156 were transferred to the internal service fund. In addition, capital lease principal payments of \$109,966 were made on behalf of the internal service fund. No amounts were reported in the governmental funds as the amounts did not involve the transfer of financial resources. However, the internal service fund reported a transfer in for the capital resources received.

Note 10. Commitments and Contingencies

Litigation. The Town is a party to various legal proceedings. Town management is of the opinion that ultimate disposition of those subsequent pending claims and legal proceedings will not likely have a material adverse effect, if any, on the financial condition of the Town.

Construction Contract Commitments. As of December 31, 2015 there was one major construction contract commitments outstanding for the Avon Road Landscaping project in the amount of \$39,956.

Tax, Spending and Debt Limitations. Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments. Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

Enterprises, defined as government-owned business authorized to issue revenue bonds and receiving less than 10 percent of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. TABOR also requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The Town has established an emergency reserve in the General Fund for the year ended December 31, 2015 in the amount of \$552,335.

In November 1997, voters within the Town passed a ballot issue which permanently authorizes the Town, without an election, to take action on all spending and revenue raising measures which are limited by TABOR. In addition, voters authorized the Town to keep and spend all revenue collected by the Town regardless of any limitation contained in TABOR. The only exceptions are proposed sales or use tax rate increases and property tax rate increases which must be submitted to the voters, unless otherwise allowed by law.

The Town's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions,

including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

Note 11. Risk Management

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

The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA is a joint self-insurance pool created by intergovernmental agreement of 225 municipalities and 42 special districts to provide property, general and automobile liability and public officials coverage to its members. CIRSA is governed by a seven-member Board elected by and from its members.

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and that amounts are available from insurance providers under excess specific and aggregate insurance contracts.

Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so. The Town's annual contribution to CIRSA amounted to \$181,890 for 2015. The Town has not been informed of any excess losses that may have been incurred by the pool.

The Town continues to carry commercial insurance coverage for other risks of loss including workers compensation. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Note 12. Upper Eagle Regional Water Authority

The Town is a participant in the Upper Eagle Regional Water Authority. The Authority was formed pursuant to an establishing contract on September 18, 1984, by the following municipal and quasi-municipal corporations (Members) located in Eagle County, Colorado.

Arrowhead Metropolitan District
Beaver Creek Metropolitan District
Berry Creek Metropolitan District
Eagle-Vail Metropolitan District
Edwards Metropolitan District
Town of Avon

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2015

The Authority also provides water services to the Cordillera and Bachelor Gulch developments through contracts with Members.

The Authority was formed to make the best practicable use of the Members' joint resources in supplying water to the members and to further develop water resources and facilities in Eagle County. The Authority may not be terminated so long as bonds, notes or other obligations are outstanding, unless provision for full payment of such obligations has been made. At December 31, 2015, the Authority had debt with maturities through the year 2039.

The Town has a service contract with the Authority whereby the Authority provides and bills residents of the Town with water at a rate which is expected to cover its costs in providing water services and other functions. Such costs specifically include debt service requirements, depreciation, and operations and maintenance, including maintenance of the Town's water distribution system. As part of the agreement, the Town conveyed its water distributions facilities and leased its water rights, associated easements and improvements to the Authority at no cost. In consideration, the Authority has agreed to maintain the associated improvements and to administer and protect the Town's plan for augmentation and water decrees at no cost.

During 2015, the Authority collected \$152,707 in water surcharges for the Town.

Note 13. Major Taxpayers

For the year ended December 31, 2015 fifty-eight percent (58%) of the Town's sales tax revenues were received from the ten highest-paying companies.

Note 14. Related Parties

During the year ended December 31, 2015, the Town was engaged in one construction contract with Evans Chaffee Construction Group, Inc. with payments totaling \$1,229,420 for construction of the Nottingham Park Pavilion. One of the owners of the company, Chris Evans, was an Avon Town Council member at the time of the awarding of the contracts in 2014.



REQUIRED SUPPLEMENTAL INFORMATION

TOWN OF AVON, COLORADO

REQUIRED SUPPLEMENTAL INFORMATION

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 10,820,041	11,368,804	\$ 11,569,168	\$ 200,364
Licenses and Permits	153,500	273,500	335,741	62,241
Intergovernmental	948,956	970,968	949,546	(21,422)
Charges for Services	1,276,195	1,362,547	1,390,587	28,040
Fines and Forfeitures	101,900	131,612	129,356	(2,256)
Investment Earnings	15,000	15,000	19,563	4,563
Other Revenues	309,119	309,119	359,124	50,005
Total Revenues	<u>13,624,711</u>	<u>14,431,550</u>	<u>14,753,085</u>	<u>321,535</u>
Expenditures				
Current:				
General Govt., Finance & Administration	2,848,748	3,060,567	2,916,095	144,472
Community Development	1,060,377	1,471,513	1,348,166	123,347
Public Safety	2,992,877	3,008,713	3,007,164	1,549
Public Works	2,983,725	4,052,286	3,655,220	397,066
Recreation	2,191,678	1,215,373	1,147,149	68,224
Contingency	100,000	25,000	-	25,000
Total Expenditures	<u>12,177,405</u>	<u>12,833,452</u>	<u>12,073,794</u>	<u>759,658</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,447,306</u>	<u>1,598,098</u>	<u>2,679,291</u>	<u>1,081,193</u>
Other Financing Sources (Uses)				
Transfers In	1,538,335	1,538,335	1,538,335	-
Transfers Out	<u>(1,672,000)</u>	<u>(3,021,999)</u>	<u>(3,021,999)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(133,665)</u>	<u>(1,483,664)</u>	<u>(1,483,664)</u>	<u>-</u>
Net Change in Fund Balances	<u>1,313,641</u>	<u>114,434</u>	<u>1,195,627</u>	<u>1,081,193</u>
Fund Balances, Beginning of Year	<u>3,315,036</u>	<u>4,464,298</u>	<u>4,464,298</u>	<u>-</u>
Fund Balances, End of year	<u>\$ 4,628,677</u>	<u>\$ 4,578,732</u>	<u>\$ 5,659,925</u>	<u>\$ 1,081,193</u>

TOWN OF AVON, COLORADO

REQUIRED SUPPLEMENTAL INFORMATION AVON URBAN RENEWAL AUTHORITY FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 698,162	\$ 748,826	\$ 756,471	\$ 7,645
Investment Earnings	3,141	3,391	3,617	226
Total Revenues	701,303	752,217	760,088	7,871
Expenditures				
Current:				
General Government	950	950	-	950
Public Works and Utilities	256,625	268,857	232,844	36,013
Capital Improvements	-	40,000	-	40,000
Debt Service:				
Principal	320,000	320,000	320,000	-
Interest	229,504	229,504	229,504	-
Fiscal Charges	30,000	30,000	28,799	1,201
Total Expenditures	837,079	889,311	811,147	78,164
Excess (Deficiency) of Revenues Over (Under) Expenditures	(135,776)	(137,094)	(51,059)	86,035
Other Financing Sources (Uses)				
Transfers In:				
General Fund	150,000	150,000	150,000	-
Net Change in Fund Balances	14,224	12,906	98,941	86,035
Fund Balances, Beginning of Year	879,225	933,619	933,619	-
Fund Balances, End of year	\$ 893,449	\$ 946,525	\$ 1,032,560	\$ 86,035

TOWN OF AVON, COLORADO

REQUIRED SUPPLEMENTAL INFORMATION

WATER FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

(BUDGETARY BASIS) - BUDGET AND ACTUAL

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Charges for Services	\$ 170,000	\$ 170,000	\$ 292,137	\$ 122,137
Total Revenues	170,000	170,000	292,137	122,137
Expenditures				
Current:				
Public Works and Utilities	165,238	206,031	192,208	13,823
Total Expenditures	165,238	206,031	192,208	13,823
Net Change in Fund Balances	4,762	(36,031)	99,929	135,960
Fund Balances, Beginning of Year	844,469	916,230	916,230	-
Fund Balances, End of year	<u>\$ 849,231</u>	<u>\$ 880,199</u>	<u>\$ 1,016,159</u>	<u>\$ 135,960</u>

TOWN OF AVON, COLORADO

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION DECEMBER 31, 2015

Note 1. Budgetary Information

An annual budget is legally adopted on a basis consistent with generally accepted accounting principles for all funds, with the exception of proprietary funds which are budgeted on the modified accrual basis of accounting. Appropriations lapse at fiscal year-end except for capital projects and special revenue funds which may have project-length budgets that carryover from year-to-year. However, as a matter of practice, the Town adopts annual budgets for all funds. The budget is prepared by fund, department, program, object and project. Expenditures may not legally exceed budgeted appropriations at the fund level.

The Town Council holds public hearings and may change appropriations except for expenditures required by law for debt service or for estimated cash deficits. No change to the budget may increase the authorized expenditures to any amount greater than the total amount of funds available. The Town Council must adopt the budget by resolution prior to December 15th. Once adopted, the Town Council may at any time, by resolution, amend the budget. In addition, the Town Manager may transfer part or all of any unencumbered appropriation balance among programs within a department. A department is defined by the Town as a distinct, principal or specialized division (e.g. the Department of Public Works).



SUPPLEMENTAL SECTION

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Community Enhancement Fund – This fund is used to account for revenues received from a franchisee and restricted for use for beautification projects, energy conservation projects, equipment and technology upgrades for schools, scholarship funds, acquisition of open space and/or park land and development thereof, sponsorship of special community events, and undergrounding of overhead electric and other utility lines.

Affordable Housing Fund – This fund is used to accumulate and account for resources received and restricted for use in the Town's affordable housing program.

TOWN OF AVON, COLORADO

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS DECEMBER 31, 2015

	Special Revenue Funds		Total Nonmajor Governmental Funds
	Community Enhancement Fund	Affordable Housing Fund	
ASSETS			
Cash and Cash Equivalents	\$ 12,996	\$ 517,335	\$ 530,331
Receivables:			
- Accounts	77,473	-	77,473
Notes Receivable	-	107,815	107,815
Total Assets	<u>\$ 90,469</u>	<u>\$ 625,150</u>	<u>\$ 715,619</u>
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Notes Receivable	-	107,815	107,815
Total Deferred Inflows of Resources	<u>-</u>	<u>107,815</u>	<u>107,815</u>
FUND BALANCES			
Restricted For:			
Community Enhancement	90,469	-	90,469
Affordable Housing Programs	-	517,335	517,335
Total Fund Balances	<u>90,469</u>	<u>517,335</u>	<u>607,804</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 90,469</u>	<u>\$ 625,150</u>	<u>\$ 715,619</u>

TOWN OF AVON, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2015

	Special Revenue Funds		Total Nonmajor Governmental Funds
	Community Enhancement Fund	Affordable Housing Fund	
Revenues			
Investment Earnings	\$ -	\$ 1,231	\$ 1,231
Other Revenues	77,473	2,510	79,983
Total Revenues	77,473	3,741	81,214
Expenditures			
Current:			
General Government	-	-	-
Total Expenditures	-	-	-
Net Change in Fund Balances	77,473	3,741	81,214
Fund Balances, Beginning of Year	12,996	513,594	526,590
Fund Balances, End of year	\$ 90,469	\$ 517,335	\$ 607,804

TOWN OF AVON, COLORADO

COMMUNITY ENHANCEMENT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Other Revenues	\$ 84,000	\$ 84,000	\$ 77,473	\$ (6,527)
Total Revenues	<u>84,000</u>	<u>84,000</u>	<u>77,473</u>	<u>(6,527)</u>
Expenditures				
Current:				
Public Works and Utilities	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	84,000	84,000	77,473	(6,527)
Fund Balances, Beginning of Year	<u>18,728</u>	<u>12,996</u>	<u>12,996</u>	<u>-</u>
Fund Balances, End of year	<u>\$ 102,728</u>	<u>\$ 96,996</u>	<u>\$ 90,469</u>	<u>\$ (6,527)</u>

TOWN OF AVON, COLORADO

AFFORDABLE HOUSING FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues			
Investment Earnings	\$ 1,231	\$ 1,231	\$ -
Other Revenues	2,510	2,510	-
Total Revenues	<u>3,741</u>	<u>3,741</u>	<u>-</u>
Expenditures			
Current:			
General Government	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	3,741	3,741	-
Fund Balances, Beginning of Year	<u>513,594</u>	<u>513,594</u>	<u>-</u>
Fund Balances, End of year	<u>\$ 517,335</u>	<u>\$ 517,335</u>	<u>\$ -</u>

TOWN OF AVON, COLORADO

DEBT SERVICE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Taxes:				
Property Taxes	\$ 541,020	\$ 541,020	\$ 541,895	\$ 875
Investment Earnings	1,000	500	10,580	10,080
Total Revenues	<u>542,020</u>	<u>541,520</u>	<u>552,475</u>	<u>10,955</u>
Expenditures				
Debt Service:				
Principal	830,000	835,000	835,000	-
Interest	499,687	261,419	261,962	(543)
Fiscal Charges	20,820	20,820	12,490	8,330
Total Expenditures	<u>1,350,507</u>	<u>1,117,239</u>	<u>1,109,452</u>	<u>7,787</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(808,487)	(575,719)	(556,977)	18,742
Other Financing Sources (Uses)				
Transfers In:				
Capital Projects Fund	808,487	578,106	578,106	-
Net Change in Fund Balances	-	2,387	21,129	18,742
Fund Balances, Beginning of Year	<u>511,335</u>	<u>507,988</u>	<u>507,988</u>	<u>-</u>
Fund Balances, End of year	<u>\$ 511,335</u>	<u>\$ 510,375</u>	<u>\$ 529,117</u>	<u>\$ 18,742</u>

TOWN OF AVON, COLORADO

CAPITAL PROJECTS FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
Taxes:				
Real Estate Transfer Tax	\$ 3,825,312	\$ 2,250,000	\$ 2,369,314	\$ 119,314
Intergovernmental	30,000	40,000	40,000	-
Investment Earnings	3,741	3,741	18,167	14,426
Other Revenues	-	80,000	93,246	13,246
Total Revenues	3,859,053	2,373,741	2,520,727	146,986
Expenditures				
Capital Projects:				
Facilities	2,705,000	1,796,498	1,514,981	281,517
Land and Land Improvements	-	119,632	44,632	75,000
Roads and Streets	2,381,679	1,918,708	1,667,152	251,556
Strategic Planning	-	64,240	51,050	13,190
Communication and Technology	-	70,238	7,037	63,201
Debt Service:				
Capital Leases	121,265	121,770	121,769	1
Bond Issuance Costs	-	93,800	80,569	13,231
Total Expenditures	5,207,944	4,184,886	3,487,190	697,696
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,348,891)	(1,811,145)	(966,463)	844,682
Other Financing Sources (Uses)				
Transfers In:				
General Fund	120,000	1,545,000	1,545,000	-
Equipment Replacement Fund	-	550,000	550,000	-
Transfers Out:				
General Fund	(1,538,335)	(1,538,335)	(1,538,335)	-
Debt Service Fund	(808,487)	(578,106)	(578,106)	-
Debt Issue Proceeds	-	3,800,000	3,800,000	-
Total Other Financing Sources (Uses)	(2,226,822)	3,778,559	3,778,559	-
Net Change in Fund Balances	(3,575,713)	1,967,414	2,812,096	844,682
Fund Balances, Beginning of Year	6,547,338	3,386,721	3,386,721	-
Fund Balances, End of Year	\$ 2,971,625	\$ 5,354,135	\$ 6,198,817	\$ 844,682

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ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the Town Council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered through user charges; or where the Town Council has decided that periodic determination of net income is appropriate for accountability purposes.

Transit Fund – This fund is used to account for the activities involved in operating the Town's transportation system.

Fleet Maintenance Fund – This fund is used to account for the accumulation and allocation of costs associated with the maintenance of vehicles and rolling stock for the Town and certain other third-party governmental entities.

TOWN OF AVON, COLORADO

TRANSIT FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues:				
Taxes	\$ 40,191	\$ 40,191	\$ 40,280	\$ 89
Intergovernmental	328,000	107,995	-	(107,995)
Charges for Services	263,066	263,066	283,579	20,513
Other Revenue	63,080	63,080	80,638	17,558
Total Revenues	694,337	474,332	404,497	(69,835)
Expenditures:				
Administration	240,302	235,325	229,603	5,722
Operations	1,408,165	1,140,722	1,068,417	72,305
Wash Bay	221,131	132,967	85,083	47,884
Total Expenditures	1,869,598	1,509,014	1,383,103	125,911
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,175,261)	(1,034,682)	(978,606)	56,076
Other Financing Sources (Uses):				
Transfers In:				
General Fund	1,102,000	1,026,999	1,026,999	-
Sales of Capital Assets	-	-	2,025	2,025
Total Other Financing Sources (Uses)	1,102,000	1,026,999	1,029,024	2,025
Net Change in Fund Balances	(73,261)	(7,683)	50,418	58,101
Fund Balances, Beginning of Year	495,562	639,476	639,476	-
Fund Balances, End of Year	\$ 422,301	\$ 631,793	\$ 689,894	\$ 58,101

Fund Balances at December 31, 2015, is computed as follows:

Current Assets	\$ 776,644
Less: Current Liabilities and Deferred Inflows of Resources	(141,994)
Add: Current Portion of Capital Leases Payable	55,244
Fund Balances - December 31, 2015	\$ 689,894

**RECONCILIATION OF NET CHANGE IN FUND BALANCES (BUDGETARY BASIS)
TO CHANGE IN NET POSITION (GAAP BASIS)**

Net Change in Fund Balances (Budgetary Basis)	<u>\$ 50,418</u>
Adjustments to Reconcile Budgetary Basis to GAAP Basis	
Capitalization of Capital Assets	20,261
Principal Paid on Capital Leases	53,538
Depreciation	<u>(551,658)</u>
Total Adjustments	<u>(477,859)</u>
Change in Net Position (GAAP Basis)	<u><u>\$ (427,441)</u></u>

TOWN OF AVON, COLORADO

FLEET MAINTENANCE FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues:				
Charges for Services:				
Third-party Fleet Maintenance Charges	\$ 815,815	\$ 853,519	\$ 732,116	\$ (121,403)
Departmental Fleet Maintenance Services	546,543	550,910	539,258	(11,652)
Fuel Mark-up	10,000	10,000	22,753	12,753
Other Revenues	-	-	9,844	9,844
Total Revenues	<u>1,372,358</u>	<u>1,414,429</u>	<u>1,303,971</u>	<u>(110,458)</u>
Expenditures:				
Fleet Maintenance	<u>1,688,919</u>	<u>1,725,637</u>	<u>1,638,524</u>	<u>87,113</u>
Total Expenditures	<u>1,688,919</u>	<u>1,725,637</u>	<u>1,638,524</u>	<u>87,113</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(316,561)	(311,208)	(334,553)	(23,345)
Other Financing Sources (Uses):				
Transfers In:				
General Fund	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>-</u>
Net Change in Fund Balances	(16,561)	(11,208)	(34,553)	(23,345)
Fund Balances, Beginning of Year	<u>179,389</u>	<u>204,027</u>	<u>204,027</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 162,828</u>	<u>\$ 192,819</u>	<u>\$ 169,474</u>	<u>\$ (23,345)</u>

Fund Balances at December 31, 2015, is computed as follows:

Current Assets	\$ 376,253
Less: Current Liabilities	(349,144)
Add: Current Portion of Certificates of Participation	137,496
Add: Current Portion of Capital Leases Payable	<u>4,869</u>
Fund Balances - December 31, 2015	<u>\$ 169,474</u>

**RECONCILIATION OF NET CHANGE IN FUND BALANCES (BUDGETARY BASIS)
TO CHANGE IN NET POSITION (GAAP BASIS)**

Net Change in Fund Balances (Budgetary Basis) **\$ (34,553)**

**Adjustments to Reconcile Budgetary
Basis to GAAP Basis**

Principal Paid on Certificates of Participation	135,000
Principal Paid on Capital Lease Obligations	4,784
Capitalization of Capital Assets	11,995
Amortization of Premium and Gain on Advance Refunding of Debt	2,909
Depreciation	<u>(140,845)</u>

Total Adjustments **13,843**

Change in Net Position (GAAP Basis) **\$ (20,710)**

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INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the Town and to other government units, on a cost reimbursement basis.

Equipment Replacement Fund – This fund is used to account for the rental of certain vehicles and equipment to other departments for the accumulation of funds for future replacement.

TOWN OF AVON, COLORADO

EQUIPMENT REPLACEMENT FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues:				
Charges for Services:				
Equipment Replacement Charges	\$ 598,737	\$ 598,737	\$ 597,862	\$ (875)
Investment Earnings	-	-	3	3
Other Revenues	-	71,799	71,799	-
Total Revenues	<u>598,737</u>	<u>670,536</u>	<u>669,664</u>	<u>(872)</u>
Expenditures:				
Current:				
Other	-	717,989	717,989	-
Capital Outlay:				
Fleet and Heavy Equipment	246,977	255,537	257,028	(1,491)
Recreation Center Equipment & Improvements	182,888	184,606	164,091	20,515
Computer and Office Equipment	51,305	51,305	41,440	9,865
Machinery and Equipment	39,000	59,832	58,449	1,383
Total Expenditures	<u>520,170</u>	<u>1,269,269</u>	<u>1,238,997</u>	<u>30,272</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>78,567</u>	<u>(598,733)</u>	<u>(569,333)</u>	<u>29,400</u>
Other Financing Sources (Uses):				
Transfers Out:				
Capital Projects Fund	-	(550,000)	(550,000)	-
Sales of Capital Assets	27,000	27,000	29,000	2,000
Total Other Financing Sources (Uses)	<u>27,000</u>	<u>(523,000)</u>	<u>(521,000)</u>	<u>2,000</u>
Net Change in Fund Balances	105,567	(1,121,733)	(1,090,333)	31,400
Fund Balances, Beginning of Year	<u>2,791,015</u>	<u>2,789,636</u>	<u>2,789,636</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 2,896,582</u>	<u>\$ 1,667,903</u>	<u>\$ 1,699,303</u>	<u>\$ 31,400</u>

Fund Balances at December 31, 2015, is computed as follows:

Current Assets	\$ 1,699,303
Less: Current Liabilities	(112,506)
Add: Current Portion of Capital Leases Payable	112,506
Fund Balances - December 31, 2015	<u>\$ 1,699,303</u>

**RECONCILIATION OF NET CHANGE IN FUND BALANCES (BUDGETARY BASIS)
TO CHANGE IN NET POSITION (GAAP BASIS)**

Net Change in Fund Balances (Budgetary Basis)	\$ (1,090,333)
Basis to GAAP Basis	
Capitalization of Capital Assets	522,797
Loans Receivable	646,190
Book Value of Capital Assets Disposed	(27,869)
Transfers In of Non-financial Resources	166,122
Depreciation	<u>(486,224)</u>
Total Adjustments	<u>821,016</u>
Change in Net Position (GAAP Basis)	<u><u>\$ (269,317)</u></u>

MISCELLANEOUS SCHEDULES

TOWN OF AVON, COLORADO

DEBT SCHEDULE DECEMBER 31, 2015

Purpose	Schedule of Indebtedness					Payments Due In 2016	
	Date Issued	Interest Rate/Yield	Maturity Date	Amount Issued	Amount Outstanding	Principal	Interest
General Obligation Bonds:							
Series 2004:							
General Obligation Bonds	12/14/04	3.00% - 4.00%	12/1/16	3,460,000	515,000	515,000	20,600
Detached 'B' Interest Certificates	12/14/04	2.38% - 3.25%	12/1/09	215,000	-	-	-
Less: Original Issue Discount	12/14/04	N/A	12/1/09	(18,827)	-	-	-
Net General Obligation Bonds				3,656,173	515,000	515,000	20,600
Revenue Bonds:							
Series 2013, Avon URA Tax Increment							
Revenue Bonds	11/27/13	3.52%	12/1/28	6,825,000	6,200,000	410,000	218,240
Total Revenue Bonds				6,825,000	6,200,000	410,000	218,240
Certificates of Participation:							
Series 2010, Certificates of Participation	11/1/10	2.00% - 3.25%	12/1/18	6,680,000	5,435,000	270,000	233,888
Series 2014A, Certificates of Participation	1/14/15	3.03%	12/1/29	3,800,000	3,585,000	210,000	108,626
Total Certificates of Participation				10,480,000	9,020,000	480,000	342,514
Capital Lease Obligations							
Master Lease-Purchase, US Bancorp	8/26/11	3.162%	8/26/18	563,811	256,860	82,948	7,472
Master Lease-Purchase, US Bancorp	3/15/12	2.19%	3/15/19	217,004	112,636	31,310	2,296
Master Lease-Purchase, Commerce Bank	8/27/13	1.77%	8/27/18	175,326	107,044	35,054	1,740
Master Lease-Purchase, US Bancorp	7/25/14	2.10%	7/15/21	170,246	147,422	23,305	2,973
Total Capital Lease Obligations				1,126,387	623,962	172,617	14,481
Total Long-term Debt				\$ 22,087,560	\$ 16,358,962	\$ 1,577,617	\$ 595,835

TOWN OF AVON, COLORADO

DETAILED SCHEDULE OF GENERAL FUND EXPENDITURES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2015

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government:				
Mayor and Town Council	\$ 233,000	\$ 239,890	\$ 184,277	\$ 55,613
Boards and Commissions	15,299	15,299	11,499	3,800
Town Attorney	155,000	155,000	154,747	253
Municipal Court	99,349	109,763	93,929	15,834
Town Clerk	111,612	119,161	129,004	(9,843)
Town Manager	349,041	359,067	345,179	13,888
Community Relations	133,077	132,355	130,103	2,252
Subtotal General Government	1,096,378	1,130,535	1,048,738	81,797
Human Resources:				
Human Resources	220,896	371,589	360,438	11,151
Finance and Information Technology:				
Finance	771,070	779,580	765,611	13,969
Information Systems	371,273	383,706	372,197	11,509
Nondepartmental	389,131	395,157	369,111	26,046
Subtotal Finance and Administration	1,531,474	1,558,443	1,506,919	51,524
Total General Government, Finance and Administration	2,848,748	3,060,567	2,916,095	144,472
Community Development:				
Planning	261,570	288,835	275,066	13,769
Building Inspection	136,402	135,274	131,509	3,765
Economic Development	170,035	130,568	86,113	44,455
Town Produced Events	289,520	366,864	322,535	44,329
Signature Event Seed Funding	5,000	302,122	297,221	4,901
Community Grants	197,850	247,850	235,722	12,128
Total Community Development	1,060,377	1,471,513	1,348,166	123,347

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Safety: Police				
Administration	594,777	619,470	598,463	21,007
Patrol	2,155,027	2,136,521	2,152,751	(16,230)
Investigations	243,073	252,722	255,950	(3,228)
Total Public Safety	2,992,877	3,008,713	3,007,164	1,549
Public Works:				
Engineering	\$ 478,850	\$ 378,633	\$ 332,413	\$ 46,220
Roads and Bridges	1,473,326	1,494,783	1,341,416	153,367
Buildings and Facilities	1,031,549	1,160,027	1,050,863	109,164
Parks and Grounds	985,717	1,018,843	930,528	88,315
Total Public Works	3,969,442	4,052,286	3,655,220	397,066
Recreation:				
Administration	202,850	214,045	210,797	3,248
Adult Programs	27,668	35,359	32,161	3,198
Aquatics	436,271	435,468	386,788	48,680
Fitness	137,141	131,054	136,055	(5,001)
Front Desk	252,799	272,204	263,475	8,729
Youth Programs	121,491	121,165	111,995	9,170
Cabin	27,741	6,078	5,878	200
Total Recreation	1,205,961	1,215,373	1,147,149	68,224
Contingency	100,000	25,000	-	25,000
TOTAL EXPENDITURES	\$ 12,177,405	\$ 12,833,452	\$ 12,073,794	\$ 759,658

TOWN OF AVON, COLORADO

DETAILED SCHEDULE OF GENERAL FUND REVENUES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2015

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive
	Original	Final		(Negative)
Taxes:				
General Property Tax	\$ 1,492,044	\$ 1,492,044	\$ 1,489,051	\$ (2,993)
General Property Tax - Delinquent Collections	500	500	126	(374)
General Property Tax - Interest and Penalties	1,000	3,474	4,257	783
General Property Tax - Abatements	-	-	(599)	(599)
Specific Ownership Tax	105,000	120,000	113,308	(6,692)
Sales Tax	7,036,531	7,458,723	7,548,097	89,374
Utility Tax	110,000	110,000	106,786	(3,214)
Accommodations Tax	989,966	1,079,063	1,132,576	53,513
Penalties and Interest	15,000	35,000	50,021	15,021
Sales Tax Audit Assessments	5,000	5,000	23,979	18,979
VAA Retail Sales Fee	650,000	650,000	697,924	47,924
Franchise Fees	415,000	415,000	403,642	(11,358)
Total Taxes	10,820,041	11,368,804	11,569,168	200,364
Licenses and Permits:				
Liquor Licenses	7,000	7,000	8,709	1,709
Business Licenses	20,000	40,000	76,675	36,675
Contractor's Licenses	10,500	10,500	9,760	(740)
Building Permits	107,900	207,900	230,590	22,690
Road Cut Permits	8,000	8,000	9,657	1,657
Other Licenses and Permits	100	100	-	(100)
Mobile Vendor Cart Permits	-	-	350	350
Total Licenses and Permits	153,500	273,500	335,741	62,241
Intergovernmental:				
Federal:				
Click It or Ticket	8,000	8,000	4,950	(3,050)
Bullet Proof Vest Grant	1,400	1,400	1,713	313
State:				
LEAF Grant	22,000	25,512	19,956	(5,556)
High Visibility Grants	14,000	14,000	29,549	15,549
Local Government/Other Agency				
Eagle County - Trail Safety and Repair	-	10,000	10,000	-
Eagle River Youth Coalition	-	8,500	7,324	(1,176)
State/County Shared Revenue:				
Conservation Trust	65,000	65,000	61,906	(3,094)
Motor Vehicle Registration	22,000	22,000	24,927	2,927
Highway User's Tax	182,445	182,445	192,682	10,237
Cigarette Tax	40,000	40,000	41,597	1,597
County Sales Tax	453,111	453,111	415,074	(38,037)
Road & Bridge Fund	140,000	140,000	138,697	(1,303)
State Severance Tax	1,000	1,000	1,171	171
Total Intergovernmental	948,956	970,968	949,546	(21,422)

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Charges for Services:				
General Government:				
Photocopying Charges	\$ 300	\$ 300	\$ 5	\$ (295)
License Hearing Fees	100	100	25	(75)
Other Fees and Charges	1,250	1,250	2,200	950
Credit Card and Paper Filing Fees	250	250	2,394	2,144
Plan Check Fees	58,100	108,100	122,292	14,192
Subdivision Review Fees	1,000	1,000	1,325	325
Design Review Fees	20,000	20,000	15,704	(4,296)
Animal Control Fees	500	500	690	190
Abatement Services	-	-	5,000	5,000
Impact Fee Administrative Fees	2,500	2,500	1,434	(1,066)
Police Reports	600	600	685	85
Off-duty Police Employment	20,000	20,000	19,779	(221)
Fingerprinting Fees	4,000	4,000	6,137	2,137
VIN Inspection Fees	13,000	18,000	19,177	1,177
False Alarm Fees	1,000	1,000	440	(560)
National Night Out	500	1,175	1,175	-
DUI Reimbursement	14,000	22,092	22,236	144
Subtotal: General Government	137,100	200,867	220,698	19,831
Recreation Center:				
Admission Fees	751,500	751,500	801,103	49,603
Program Fees	42,000	42,000	25,005	(16,995)
Rentals	41,000	41,000	44,590	3,590
Merchandise Sales	12,500	12,500	11,321	(1,179)
Other Recreation Center Services	12,000	12,000	8,107	(3,893)
Fitness Program Revenues	63,000	63,000	54,096	(8,904)
Other Recreation:				
Adult Program Revenues	11,000	11,000	10,382	(618)
Cabin Equipment Rentals	30,000	9,500	10,165	665
Athletic Field Rentals	5,500	13,500	13,437	(63)
Cabin Concessions	3,000	50	37	(13)
Youth Program Revenues	111,000	111,000	94,831	(16,169)
Sponsorships	24,250	43,000	43,000	-
Event Fees	9,275	28,000	29,203	1,203
Special Event Admission Fees	23,070	23,630	24,612	982
Subtotal: Recreation	1,139,095	1,161,680	1,169,889	8,209
Total Charges for Services	1,276,195	1,362,547	1,390,587	28,040

TOWN OF AVON, COLORADO

DETAILED SCHEDULE OF GENERAL FUND REVENUES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2015 (CONTINUED)

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Fines and Forfeitures:				
Court Fines - Traffic	\$ 60,000	\$ 60,000	\$ 59,366	\$ (634)
Court Fines - Criminal	20,000	40,000	39,972	(28)
Court Fines - Parking	5,000	10,000	8,784	(1,216)
Court Costs	8,000	8,000	8,542	542
Jury Fees	150	150	-	(150)
Bond Forfeitures	500	500	-	(500)
Police Training Surcharge	8,250	8,250	7,980	(270)
Police Forfeiture Revenues	-	4,712	4,712	-
Total Fines and Forfeitures	101,900	131,612	129,356	(2,256)
Investment Earnings	15,000	15,000	19,563	4,563
Miscellaneous Revenues:				
Recreational Amenity Fees	230,000	230,000	232,883	2,883
Bond Issuance Fee	-	-	10,908	10,908
Lease of Town-owned Property	44,019	44,019	49,012	4,993
Miscellaneous Nonclassified Revenues	35,100	35,100	66,321	31,221
Total Miscellaneous Revenues	309,119	309,119	359,124	50,005
TOTAL REVENUES	\$ 13,624,711	\$ 14,431,550	\$ 14,753,085	\$ 321,535

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TOWN OF AVON, COLORADO

SCHEDULE OF CAPITAL PROJECT FUND PROJECT EXPENDITURES (BUDGETARY BASIS) - BUDGET AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED DECEMBER 31, 2015

Project Description	Actual Amounts			Total Project Budget	Variance with Budget - Positive (Negative)
	Prior Years	Current Year	Total		
CAPITAL IMPROVEMENT PROJECTS					
Facilities:					
<i>General Government Facilities:</i>					
Town Hall Acquisition	\$ 5,822	\$ 27,795	\$ 33,617	\$ 33,617	\$ -
<i>Joint Public Safety Facility Project</i>					
Design	-	69,606	69,606	364,140	294,534
<i>I70 Transit / PW Facilities Improvement Project:</i>					
Public Works Facilities (On Site & Lot 5)	662,985	41,046	704,031	719,474	15,443
<i>Transportation Facilities:</i>					
Transit Bus Shelters (4)	-	19,382	19,382	179,382	160,000
<i>Recreation Facilities:</i>					
Nottingham Park Pavillion	2,724,284	1,135,344	3,859,628	3,870,000	10,372
Recreation Center Exterior Renovation	-	52,902	52,902	52,750	(152)
Recreation Center Remodel - Phase 2	-	96,530	96,530	98,530	2,000
Recreation Center Boulderling Wall	-	48,646	48,646	50,000	1,354
Recreation Center Slide Refurbishment	-	23,730	23,730	59,000	35,270
Land and Land Improvements:					
Nottingham Lake Fishing Pier Repair	-	44,632	44,632	75,000	30,368
Roads and Streets:					
<i>Streetscape Improvements</i>					
Avon Road Streetscape Improvements	242,052	27,683	269,735	252,052	(17,683)
2014 Mall Improvements	1,789,645	54,820	1,844,465	1,992,703	148,238
Post Blvd Landscape Improvements	308,986	2,320	311,306	363,986	52,680
Post Blvd Electrical/Street Lgt Improvements	44,401	28,541	72,942	78,000	5,058
Roundabout #4 Art Element	-	10,000	10,000	255,525	245,525
Avon Road Landscaping Project	-	438,130	438,130	485,000	46,870
Roundabout #4 TCW Feature	75,343	1,718	77,061	60,000	(17,061)

Project Description	Actual Amounts			Total Project Budget	Variance with Budget - Positive (Negative)
	Prior Years	Current Year	Total		
CAPITAL IMPROVEMENT PROJECTS					
Roads and Streets (Continued)					
<i>Street Maintenance and Repair</i>					
2015 Paving / Road Improvements	-	717,372	717,372	729,684	12,312
Buck Creek Bridge Repair	-	280,865	280,865	280,865	-
West B/C Blvd. Pedestrian Crossing	-	49,318	49,318	49,318	-
<i>Street Improvements</i>					
Metcalf Bike Lane - Phase 1	-	32,883	32,883	860,000	827,117
Walkability - East and West B/C Blvd.	-	1,254	1,254	2,705,000	2,703,746
<i>Multi-Modal/Alternative Mobility</i>					
Eagle Valley Trail Phase 3 (CDOT Grant)	10,341	22,248	32,589	2,460,000	2,427,411
Strategic Planning:					
Space Needs Analysis	-	26,249	26,249	30,000	3,751
Tract G Feasibility Study	-	24,801	24,801	30,000	5,199
Communications and Technology:					
Timekeeping Software	24,762	7,037	31,799	35,000	3,201
Total Capital Improvement Projects	\$ 5,853,518	\$ 3,284,852	\$ 7,976,343	\$ 8,989,159	\$ 1,012,816

LOCAL HIGHWAY FINANCE REPORTCity or County:
Town of Avon
YEAR ENDING :
December 2015
Prepared By:
Valerie Barry
Phone:
970-748-4044

This Information From The Records of:

Town of Avon

Prepared By:
Phone:Valerie Barry
970-748-4044**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	1,779,139
3. Other local imposts (from page 2)	113,308
4. Miscellaneous local receipts (from page 2)	1,537,157
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	3,429,604
B. Private Contributions	
C. Receipts from State government (from page 2)	217,609
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	3,647,213

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	0
2. Maintenance:	1,854,106
3. Road and street services:	
a. Traffic control operations	34,304
b. Snow and ice removal	353,831
c. Other	
d. Total (a. through c.)	388,135
4. General administration & miscellaneous	
5. Highway law enforcement and safety	322,913
6. Total (1 through 5)	2,565,154
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	330,095
b. Redemption	751,964
c. Total (a. + b.)	1,082,059
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	1,082,059
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	3,647,213

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	6,347,081	3,800,000	751,964	9,395,117
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		3,647,213	3,647,213		(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
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	113,308	g. Other Misc. Receipts	
6. Total (1. through 5.)	113,308	h. Other Real Estate Xfer Tax	1,537,157
c. Total (a. + b.)	113,308	i. Total (a. through h.)	1,537,157
(Carry forward to page 1)		(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	192,682	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	24,927	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	24,927	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	217,609	3. Total (1. + 2.g)	
		(Carry forward to page 1)	

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments:

CIP Expenditures 1,537,157
CIP Revenues (1,537,157)
GF Expenditures 1,027,997
Specific Ownership (113,308)
HUTF (192,682)
Motor Vehicle Reg (24,927)
Debt Service Expense 1,082,059

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STATISTICAL SECTION

STATISTICAL SECTION

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

Financial Trends (Pages 88-97) – These schedules contain trend information to help readers understand how the Town's financial performance and well-being have changed over time.

Revenue Capacity (Pages 98-101) – These schedules contain information to help readers understand and assess the factors affecting the Town's ability to generate its own-source revenues, specifically property taxes.

Debt Capacity (Pages 102-105) – These schedules present information to help readers understand and assess the Town's debt burden and ability to issue additional debt.

Demographic and Economic Information (Pages 106-108) – These schedules offer demographic and economic information to help readers understand the environment in which the Town's financial activities take place and to provide information that facilitates comparisons of financial statement information over time and among other local governments.

Operating Information (Pages 109-111) – These schedules contain service and infrastructure information to help readers understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

TOWN OF AVON, COLORADO

NET POSITION BY COMPONENT LAST TEN FISCAL YEARS

	Fiscal Year			
	2006	2007	2008	2009
Governmental Activities				
Net Investment in Capital Assets	\$ 23,801,715	\$ 30,782,567	\$ 16,344,236	\$ 34,458,411
Restricted For:				
Emergencies	567,512	618,739	566,949	470,037
Debt Service	129,581	151,575	4,962,675	1,258,256
Capital Improvements	-	-	14,762,243	-
Purposes of Grantors	-	-	-	-
Unrestricted	18,928,339	18,905,443	17,245,855	16,488,477
Total Governmental Activities Net Position	<u>\$ 43,427,147</u>	<u>\$ 50,458,324</u>	<u>\$ 53,881,958</u>	<u>\$ 52,675,181</u>
Business-type Activities				
Net Investment in Capital Assets	\$ 1,884,063	\$ 2,651,190	\$ 2,855,688	\$ 2,729,412
Unrestricted	861,582	883,782	1,057,813	1,147,965
Total Business-type Activities Net Position	<u>\$ 2,745,645</u>	<u>\$ 3,534,972</u>	<u>\$ 3,913,501</u>	<u>\$ 3,877,377</u>
Primary Government				
Net Investment in Capital Assets	\$ 25,685,778	\$ 33,433,757	\$ 19,199,924	\$ 37,187,823
Restricted	697,093	770,314	20,291,867	1,728,293
Unrestricted	19,789,921	19,789,225	18,303,668	17,636,442
Total Primary Government Net Position	<u>\$ 46,172,792</u>	<u>\$ 53,993,296</u>	<u>\$ 57,795,459</u>	<u>\$ 56,552,558</u>

Source: Town of Avon Finance Department

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 35,651,654	\$ 34,738,700	\$ 36,904,217	\$ 34,774,531	\$ 64,112,399	\$ 60,000,945
503,650	447,963	428,947	476,619	598,376	552,335
1,055,410	1,047,077	1,015,589	1,139,575	1,136,228	1,157,629
3,000,722	2,972,175	2,530,266	4,635,904	3,386,451	6,198,817
-	2,967,954	2,454,968	2,374,222	1,234,605	1,510,676
15,935,700	14,345,936	13,544,676	10,217,136	10,466,381	11,283,921
<u>\$ 56,147,136</u>	<u>\$ 56,519,805</u>	<u>\$ 56,878,663</u>	<u>\$ 53,617,987</u>	<u>\$ 80,934,440</u>	<u>\$ 80,704,323</u>
\$ 2,154,069	\$ 1,815,425	\$ 1,761,245	\$ 12,583,125	\$ 12,097,298	\$ 11,633,282
1,219,055	1,256,004	943,960	783,529	843,503	859,368
<u>\$ 3,373,124</u>	<u>\$ 3,071,429</u>	<u>\$ 2,705,205</u>	<u>\$ 13,366,654</u>	<u>\$ 12,940,801</u>	<u>\$ 12,492,650</u>
\$ 37,805,723	\$ 36,554,125	\$ 38,665,462	\$ 47,357,656	\$ 76,209,697	\$ 71,634,227
4,559,782	7,435,169	6,429,770	8,626,320	6,355,660	9,419,457
17,154,755	15,601,940	14,488,636	11,000,665	11,309,884	12,143,289
<u>\$ 59,520,260</u>	<u>\$ 59,591,234</u>	<u>\$ 59,583,868</u>	<u>\$ 66,984,641</u>	<u>\$ 93,875,241</u>	<u>\$ 93,196,973</u>

TOWN OF AVON, COLORADO

CHANGES IN NET POSITION LAST TEN FISCAL YEARS

	Fiscal Year			
	2006	2007	2008	2009
Expenses				
Governmental Activities:				
General Government	\$ 2,234,335	\$ 2,936,738	\$ 3,082,524	\$ 2,431,143
Community Development	1,392,669	1,132,260	2,212,996	1,286,956
Public Safety	1,853,452	2,157,400	4,458,553	2,608,604
Public Works and Utilities	5,975,905	4,958,488	5,024,946	6,302,284
Recreation and Culture	2,313,164	2,604,528	2,572,347	2,752,142
Interest and Fiscal Charges on Long-term Debt	552,492	495,734	1,225,348	1,195,981
Total Governmental Activity Expenses	14,322,017	14,285,148	18,576,714	16,577,110
Business-type Activities:				
Transportation	2,187,410	2,321,139	2,224,427	1,485,763
Fleet Maintenance	1,989,005	2,362,400	2,424,791	2,325,339
Total Business-type Activity Expenses	4,176,415	4,683,539	4,649,218	3,811,102
Total Primary Government Expenses	\$ 18,498,432	\$ 18,968,687	\$ 23,225,932	\$ 20,388,212
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 117,639	\$ 125,832	\$ 194,938	\$ 164,061
Community Development	1,780,142	691,131	325,992	143,826
Public Safety	199,906	230,024	223,056	221,262
Public Works and Utilities	641,903	1,254,259	1,096,172	504,403
Recreation and Culture	1,410,646	1,450,420	1,408,587	1,272,902
Operating Grants and Contributions	52,538	74,078	21,573	59,857
Capital Grants and Contributions	1,662,000	2,301,778	3,458,199	269,853
Total Governmental Activity Program Revenues	5,864,774	6,127,522	6,728,517	2,636,164
Business-type Activities:				
Charges for Services	3,190,835	3,313,517	3,084,123	2,437,178
Capital Grants and Contributions	-	684,349	310,624	-
Total Business-type Activity Program Revenues	3,190,835	3,997,866	3,394,747	2,437,178
Total Primary Government Program Revenues	\$ 9,055,609	\$ 10,125,388	\$ 10,123,264	\$ 5,073,342
Net (Expense) Revenue				
Governmental Activities	\$ (8,457,243)	\$ (8,157,626)	\$ (11,848,197)	\$ (13,940,946)
Business-type Activities	(985,580)	(685,673)	(1,254,471)	(1,373,924)
Total Primary Government Net Expense	\$ (9,442,823)	\$ (8,843,299)	\$ (13,102,668)	\$ (15,314,870)

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 2,832,514	\$ 3,539,636	\$ 3,400,499	\$ 2,836,303	\$ 3,186,870	\$ 3,042,126
644,968	519,631	421,554	365,960	463,821	1,341,706
2,409,115	2,569,100	2,554,404	2,551,559	2,792,174	3,039,333
5,948,003	5,821,879	5,479,239	4,814,364	7,179,132	8,458,218
2,437,556	2,276,473	2,737,458	3,851,812	2,061,033	1,430,648
637,344	575,100	516,160	600,367	504,343	639,267
14,909,500	15,301,819	15,109,314	15,020,365	16,187,373	17,951,298
1,175,818	1,123,640	1,083,097	1,193,289	1,686,778	1,979,505
2,076,364	1,618,698	1,382,954	1,608,295	1,609,134	1,506,138
3,252,182	2,742,338	2,466,051	2,801,584	3,295,912	3,485,643
<u>\$ 18,161,682</u>	<u>\$ 18,044,157</u>	<u>\$ 17,575,365</u>	<u>\$ 17,821,949</u>	<u>\$ 19,483,285</u>	<u>\$ 21,436,941</u>
\$ 59,768	\$ 259,609	\$ 183,969	\$ 135,448	\$ 163,429	\$ 219,364
216,263	230,570	225,778	485,406	279,179	380,130
376,440	248,442	52,649	54,205	66,662	69,629
407,391	524,047	278,662	256,749	564,090	764,549
1,207,964	1,208,130	1,116,947	1,064,314	1,092,276	1,238,395
51,048	59,329	39,607	39,217	52,151	11,713
1,855,346	247,368	1,715,337	7,823,132	1,027,911	61,779
4,174,220	2,777,495	3,612,949	9,858,471	3,245,698	2,745,559
2,081,674	1,520,018	1,135,929	1,450,388	1,645,083	1,670,213
-	-	305,351	90,494	-	-
2,081,674	1,520,018	1,441,280	1,540,882	1,645,083	1,670,213
<u>\$ 6,255,894</u>	<u>\$ 4,297,513</u>	<u>\$ 5,054,229</u>	<u>\$ 11,399,353</u>	<u>\$ 4,890,781</u>	<u>\$ 4,415,772</u>
\$ (10,735,280)	\$ (12,524,324)	\$ (11,496,365)	\$ (5,161,894)	\$ (12,941,675)	\$ (15,205,739)
(1,170,508)	(1,222,320)	(1,024,771)	(1,260,702)	(1,650,829)	(1,815,430)
<u>\$ (11,905,788)</u>	<u>\$ (13,746,644)</u>	<u>\$ (12,521,136)</u>	<u>\$ (6,422,596)</u>	<u>\$ (14,592,504)</u>	<u>\$ (17,021,169)</u>

TOWN OF AVON, COLORADO

CHANGES IN NET POSITION (CONTINUED) LAST TEN FISCAL YEARS

	Fiscal Year			
	2006	2007	2008	2009
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes	\$ 2,765,362	\$ 2,766,725	\$ 3,340,475	\$ 3,640,183
Real Estate Transfer Taxes	3,039,518	2,540,943	3,093,021	1,761,980
Sales and Accommodation Taxes	5,873,857	6,518,299	6,841,114	5,651,085
Other Taxes	716,685	656,702	710,624	1,334,692
Unrestricted Investment Earnings	826,004	1,356,013	1,496,801	246,225
Intergovernmental	852,938	1,080,075	890,750	872,084
Loss on Disposal of Capital Assets	-	-	-	-
Miscellaneous	283,011	1,745,046	532,046	522,920
Capital Contributions	-	-	-	-
Transfers	(1,220,000)	(1,475,000)	(1,633,000)	(1,295,000)
Total Governmental Activities	13,137,375	15,188,803	15,271,831	12,734,169
Business-type Activities:				
Property Taxes	-	-	-	42,800
Capital Contributions	-	-	-	-
Loss on Disposal of Capital Assets	-	-	-	-
Transfers	1,220,000	1,475,000	1,633,000	1,295,000
Total Business-type Activities	1,220,000	1,475,000	1,633,000	1,337,800
Total Primary Government	\$ 14,357,375	\$ 16,663,803	\$ 16,904,831	\$ 14,071,969
Change in Net Position				
Governmental Activities	\$ 4,680,132	\$ 7,031,177	\$ 3,423,634	\$ (1,206,777)
Business-type Activities	234,420	789,327	378,529	(36,124)
Total Primary Government	\$ 4,914,552	\$ 7,820,504	\$ 3,802,163	\$ (1,242,901)

Source: Town of Avon Finance Department

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 4,195,297	\$ 3,672,307	\$ 3,027,319	\$ 3,039,132	\$ 2,873,055	\$ 2,904,509
2,159,525	1,616,982	1,707,648	1,574,502	3,764,526	2,369,314
5,748,325	6,190,839	6,340,557	7,249,935	8,089,010	8,754,673
1,268,120	1,323,246	499,114	625,756	1,197,603	1,208,352
163,991	87,099	37,827	21,296	45,844	53,161
854,130	857,474	839,112	864,231	883,884	482,769
-	-	(30,857)	-	-	-
442,522	372,222	344,503	408,142	500,925	529,843
907,500	-	-	(10,955,776)	24,063,281	-
(1,532,175)	(950,000)	(910,000)	(926,000)	(1,160,000)	(1,326,999)
14,207,235	13,170,169	11,855,223	1,901,218	40,258,128	14,975,622
41,580	40,371	40,032	40,375	40,079	40,280
(907,500)	-	-	10,955,776	24,897	-
-	-	(291,485)	-	-	-
1,532,175	950,000	910,000	926,000	1,160,000	1,326,999
666,255	990,371	658,547	11,922,151	1,224,976	1,367,279
\$ 14,873,490	\$ 14,160,540	\$ 12,513,770	\$ 13,823,369	\$ 41,483,104	\$ 16,342,901
\$ 3,471,955	\$ 645,845	\$ 358,858	\$ (3,260,676)	\$ 27,316,453	\$ (230,117)
(504,253)	(231,949)	(366,224)	10,661,449	(425,853)	(448,151)
\$ 2,967,702	\$ 413,896	\$ (7,366)	\$ 7,400,773	\$ 26,890,600	\$ (678,268)

TOWN OF AVON, COLORADO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year			
	2006	2007	2008	2009
Revenues				
Taxes	\$ 12,395,422	\$ 12,482,669	\$ 13,985,234	\$ 11,710,148
Licenses and Permits	827,890	419,292	245,793	124,130
Intergovernmental	2,523,356	3,455,931	1,178,614	1,201,794
Charges for Services	3,004,306	3,244,484	2,584,856	1,706,803
Fines and Forfeitures	73,854	84,290	131,525	129,530
Investment Earnings	826,004	1,356,013	1,496,801	246,225
Other Revenues	573,414	1,750,580	498,973	469,688
Total Revenues	20,224,246	22,793,259	20,121,796	15,588,318
Expenditures				
Current:				
General Government and Housing	2,127,325	2,871,963	3,038,856	3,138,391
Community Development	912,855	902,634	823,902	697,820
Public Safety	1,879,582	2,203,803	2,628,330	2,511,717
Public Works and Utilities	2,819,023	3,424,566	3,725,749	3,660,540
Recreation and Culture	2,168,903	2,483,910	2,579,779	2,375,945
Capital Improvements	4,245,404	7,786,590	9,979,969	2,746,286
Debt Service:				
Principal	1,296,250	1,348,750	1,407,500	26,416,250
Interest	504,122	448,474	1,048,416	824,535
Fiscal Charges	36,179	33,074	157,722	57,315
Bond Issuance Costs	-	-	280,734	160,000
Total Expenditures	15,989,643	21,503,764	25,670,957	42,588,799
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,234,603	1,289,495	(5,549,161)	(27,000,481)
Other Financing Sources (Uses)				
Transfers In	2,601,594	927,637	1,337,667	1,810,032
Transfers Out	(3,821,594)	(2,402,637)	(2,970,667)	(3,105,032)
Debt Issuance Proceeds	130,621	170,156	25,000,000	7,200,000
Payments to Escrow Agent	-	-	-	-
Sales of Capital Assets	1,504	-	-	-
Total Other Financing Sources (Uses)	(1,087,875)	(1,304,844)	23,367,000	5,905,000
Net Change in Fund Balances	\$ 3,146,728	\$ (15,349)	\$ 17,817,839	\$ (21,095,481)
Debt Service as a Percentage of Noncapital Expenditures	12.74%	12.56%	13.41%	66.88%

Source: Town of Avon Finance Department

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 12,728,883	\$ 12,083,403	\$ 11,574,638	\$ 12,489,325	\$ 15,924,194	\$ 15,236,848
215,635	219,265	207,670	336,548	210,636	335,741
2,760,524	1,164,171	2,594,056	8,324,980	1,963,946	989,546
1,474,968	1,593,303	1,473,552	1,556,262	1,757,625	1,682,724
147,057	197,103	151,533	104,736	131,513	129,356
163,991	87,099	37,827	21,296	45,827	53,158
442,522	368,568	380,647	531,738	503,354	532,353
17,933,580	15,712,912	16,419,923	23,364,885	20,537,095	18,959,726
2,560,405	3,411,329	3,088,911	2,762,979	3,084,616	2,916,095
598,692	519,268	421,133	369,158	456,063	1,348,166
2,354,235	2,516,612	2,551,488	2,539,475	2,726,711	3,007,164
3,224,695	3,429,238	3,192,763	1,911,225	3,799,489	4,080,272
2,144,447	2,054,477	2,148,410	3,328,177	1,654,078	1,147,149
5,554,096	1,023,914	4,087,083	11,837,101	7,927,709	3,284,852
1,495,000	1,195,000	1,240,000	7,300,000	1,491,042	1,264,966
543,331	526,288	470,455	423,487	453,883	503,269
70,657	56,614	43,622	39,145	51,007	41,289
77,695	-	-	133,330	-	80,569
18,623,253	14,732,740	17,243,865	30,644,077	21,644,598	17,673,791
(689,673)	980,172	(823,942)	(7,279,192)	(1,107,503)	1,285,935
1,945,004	1,090,335	1,591,071	2,081,160	4,888,511	4,361,441
(3,477,179)	(2,040,335)	(2,501,071)	(3,007,160)	(6,048,511)	(5,138,440)
3,310,000	-	-	6,851,367	-	3,800,000
(92,067)	-	-	-	-	-
-	-	-	1,151	-	-
1,685,758	(950,000)	(910,000)	5,926,518	(1,160,000)	3,023,001
\$ 996,085	\$ 30,172	\$ (1,733,942)	\$ (1,352,674)	\$ (2,267,503)	\$ 4,308,936
14.76%	12.39%	12.60%	39.77%	12.95%	11.37%

TOWN OF AVON, COLORADO

FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year				
	2006	2007	2008	2009	2010
General Fund					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 7,710
Restricted	567,512	618,739	566,949	470,037	503,650
Assigned	-	-	-	-	-
Unassigned	6,340,441	6,676,687	5,835,283	3,959,093	3,581,941
Total General Fund	<u>6,907,953</u>	<u>7,295,426</u>	<u>6,402,232</u>	<u>4,429,130</u>	<u>4,093,301</u>
All Other Governmental Funds					
Nonspendable	-	-	-	-	-
Restricted	2,442,827	3,201,845	22,779,562	3,933,265	6,930,731
Committed	7,731,519	6,693,875	5,701,165	5,539,422	3,968,735
Assigned	1,274,000	1,151,917	1,275,830	1,218,920	1,066,626
Unassigned	-	(2,113)	-	(57,429)	-
Total All Other Governmental Funds	<u>\$ 11,448,346</u>	<u>\$ 11,045,524</u>	<u>\$ 29,756,557</u>	<u>\$ 10,634,178</u>	<u>\$ 11,966,092</u>
	Fiscal Year				
	2011	2012	2013	2014	2015
General Fund					
Nonspendable	\$ -	\$ -	\$ 7,442	\$ -	\$ 13,061
Restricted	447,963	428,947	476,619	598,376	552,335
Assigned	413,251	413,251	413,251	325,000	47,878
Unassigned	3,329,981	3,134,327	4,369,187	3,540,922	5,046,651
Total General Fund	<u>4,191,195</u>	<u>3,976,525</u>	<u>5,266,499</u>	<u>4,464,298</u>	<u>5,659,925</u>
All Other Governmental Funds					
Nonspendable	-	-	-	270	-
Restricted	6,987,206	6,045,396	2,803,943	2,370,833	2,668,305
Committed	4,100,746	3,656,294	3,624,653	3,386,451	6,198,817
Assigned	810,418	680,408	1,307,854	513,594	517,335
Unassigned	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 11,898,370</u>	<u>\$ 10,382,098</u>	<u>\$ 7,736,450</u>	<u>\$ 6,271,148</u>	<u>\$ 9,384,457</u>

Source: Town of Avon Finance Department

Notes:

(1) Fiscal years 2006 through 2010 have been reclassified with implementation of GASB Statement No. 54 in fiscal year 2011.

TOWN OF AVON, COLORADO

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

Year	Property Tax				Sales Tax
	General	Specific Ownership	Penalties, Interest & Abatements	Delinquent Taxes	
2006	\$ 2,745,820	\$ 179,560	\$ 3,791	\$ 15,753	\$ 5,484,458
2007	2,762,486	171,976	4,126	113	6,083,115
2008	3,335,594	160,180	4,766	115	6,311,439
2009	3,608,547	132,059	12,663	18,973	5,104,620
2010	4,187,345	117,354	6,566	1,387	5,120,543
2011	3,689,677	93,596	(42,784)	25,414	5,461,559
2012	2,953,002	92,105	1,805	(19,593)	5,607,160
2013	2,935,986	96,850	5,421	875	6,492,756
2014	2,824,449	112,848	(64,246)	6	7,777,302
2015	2,783,905	113,308	7,124	172	8,320,021

Year	Utility Tax	Franchise Tax	Accommodations Tax	Real Estate Transfer Tax	Total
2006	\$ 129,537	\$ 361,779	\$ 435,206	\$ 3,039,518	\$ 12,395,422
2007	121,462	343,528	454,920	2,540,943	12,482,669
2008	153,842	396,602	529,675	3,093,021	13,985,234
2009	129,118	371,192	570,996	1,761,980	11,710,148
2010	146,852	361,530	627,782	2,159,525	12,728,883
2011	125,155	367,778	746,026	1,616,982	12,083,403
2012	127,060	372,054	733,397	1,707,648	11,574,638
2013	110,474	383,594	888,867	1,574,502	12,489,325
2014	109,441	404,328	995,540	3,764,526	15,924,194
2015	106,786	403,642	1,132,576	2,369,314	15,236,848

Source: Town of Avon Finance Department

TOWN OF AVON, COLORADO

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY LAST TEN FISCAL YEARS

Levy Year	Collection Year	Vacant Land	Residential Property	Commercial Property	Other Property	Total Gross Assessed Value
2005	2006	\$ 24,665,930	\$ 72,486,190	\$ 70,880,090	\$ 874,430	\$ 168,906,640
2006	2007	22,385,870	74,772,170	72,119,390	2,018,740	171,296,170
2007	2008	25,836,770	110,306,220	88,205,160	2,153,460	226,501,610
2008	2009	22,764,190	120,861,970	90,753,760	2,030,920	236,410,840
2009	2010	23,830,510	138,215,140	98,306,000	3,079,680	263,431,330
2010	2011	23,241,510	138,877,350	97,287,710	3,127,070	262,533,640
2011	2012	17,238,450	101,871,140	73,141,140	3,361,120	195,611,850
2012	2013	15,456,680	102,328,980	71,704,020	3,441,730	192,931,410
2013	2014	16,403,340	90,703,150	67,157,140	4,576,530	178,840,160
2014	2015	15,183,630	92,056,060	66,419,690	4,280,110	177,939,490

Levy Year	Collection Year	Less TIF District Increment (1)	Total Net Assessed Value	Direct Tax Rate	Actual Taxable Value	Value as a Percentage of Actual Value
2005	2006	\$ -	\$ 168,906,640	13.339	\$ 1,202,381,510	14.05%
2006	2007	-	171,296,170	13.287	1,232,738,120	13.90%
2007	2008	2,257,820	224,243,790	12.271	1,746,859,870	12.97%
2008	2009	10,266,600	226,144,240	11.392	1,880,466,430	12.57%
2009	2010	17,517,540	245,913,790	11.208	2,125,079,840	12.40%
2010	2011	17,481,590	245,052,050	11.220	2,127,634,050	12.34%
2011	2012	12,538,960	183,072,890	12.072	1,566,445,080	12.49%
2012	2013	12,511,160	180,420,250	11.983	1,564,516,920	12.33%
2013	2014	12,105,380	166,734,780	12.258	1,406,594,920	12.71%
2014	2015	11,501,900	166,437,590	12.207	1,417,405,720	12.55%

Source: Eagle County Assessor's Office, Abstract of Assessments

Notes: Property tax rates are stated in mills per \$1,000 of assessed valuation. Other property includes state assessed, agricultural, and abatements and corrections.

(1) The Avon Urban Renewal Authority was established in August, 2007.

TOWN OF AVON, COLORADO

DIRECT AND OVERLAPPING PROPERTY TAX RATES LAST TEN FISCAL YEARS

Taxing Entity	Collection Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Town of Avon										
General Operating	8.956	8.956	8.956	8.956	8.956	8.956	8.956	8.956	8.956	8.956
General Obligation Debt Service	4.383	4.331	3.315	2.436	2.252	2.264	3.116	3.027	3.302	3.251
Total Direct	13.339	13.287	12.271	11.392	11.208	11.220	12.072	11.983	12.258	12.207
Eagle County	8.499	8.499	8.499	8.499	8.499	8.499	8.499	8.499	8.499	8.499
Colleges and School Districts										
Colorado Mountain College	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997
Eagle County School District RE-50J	19.595	23.050	20.051	20.414	19.402	19.474	21.601	21.362	20.826	21.517
Metropolitan Districts										
Avon Metropolitan District	3.283	3.281	3.281	2.705	2.535	0.000	0.000	0.000	0.000	0.000
Avon Station Metropolitan District	45.000	45.000	45.000	45.000	45.000	45.000	58.000	58.000	58.000	58.000
Confluence Metropolitan District	45.000	45.000	45.000	45.000	0.000	0.000	0.000	0.000	0.000	0.000
Mountain Vista Metropolitan District	45.000	33.000	33.000	25.000	25.000	25.000	25.000	25.000	25.000	25.000
Village Metropolitan District	15.000	15.000	15.000	15.000	15.000	40.000	50.000	50.000	50.000	50.000
Other Special Districts										
Avon General Improvement District No. 1	0.000	0.000	0.000	9.396	9.396	9.396	15.288	15.288	17.557	17.557
Eagle River Fire Protection District	3.800	3.800	5.550	5.550	5.550	5.550	5.650	7.553	9.238	9.392
Eagle Valley Library District	2.750	2.750	2.750	2.750	2.750	2.750	2.750	2.750	2.750	2.750
Eagle River Water and Sanitation District	1.214	1.111	0.826	0.826	0.795	0.796	0.932	0.931	0.946	0.954
Colorado River Water Conservancy District	0.230	0.221	0.191	0.199	0.166	0.188	0.228	0.242	0.254	0.253
Eagle County Health Services District	2.010	2.006	2.019	2.055	1.780	1.768	1.764	2.023	2.006	2.019

Source: Eagle County Assessor's Office, Abstract of Assessment

Notes: Property tax rates are stated in mills per \$1,000 of assessed valuation. The Town's general operating mill rate may be increased only by a majority approval of the Town's residents during a general election. Rates for debt service are set based on each year's debt service requirements.

TOWN OF AVON, COLORADO

PRINCIPAL PROPERTY TAX PAYERS CURRENT YEAR AND NINE YEARS AGO

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Total Town of Avon Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town of Avon Assessed Value
CSB Properties Holdings LLC	\$ 9,554,910	1	4.53%			
Traer Creek-WMT LLC	6,121,680	2	2.90%	\$ 6,882,680	1	4.07%
Traer Creek-HD LLC	4,147,000	3	1.96%	4,933,990	2	2.92%
Beaver Creek Vacation Ownership Plan	3,489,410	4	1.65%		NA	
Points of Colorado - Time Share	3,435,420	5	1.63%	1,940,080	10	1.15%
Avon Wynfield LLC	2,685,690	6	1.27%	2,991,730	5	1.77%
Riverfront Village Hotel, LLC	2,676,550	7	1.27%		NA	
Avon Mountain Center LLC	2,555,860	8	1.21%		NA	
Dillon Real Estate Co, Inc	2,353,580	9	1.12%		NA	
Mountain Vista Condominium Assoc Inc.	2,029,210	10	0.96%		NA	
Riverfront Mtn Villas Condo Assoc Inc.	1,950,430	11	0.92%		NA	
Avon Partners II, LLC	1,838,610	12	0.87%	3,786,620	4	2.24%
Public Service Co. of Colorado (Xcel)	1,793,160	13	0.85%		NA	
Brookside Park Signature Lofts LLC	1,770,480	14	0.84%		NA	
Traer Creek Plaza LLC	1,566,860	15	0.74%		NA	
Chapel Square Ventures LP				4,813,140	3	2.85%
Traer Creek-RP LLC				2,525,430	6	1.50%
Comcast of Colorado VII LLC				2,176,800	7	1.29%
Mountain Star, LLC				2,042,530	8	1.21%
Riverview Park Assoc, Inc.				1,986,490	9	1.18%
Total Assessed Value of the Fifteen Largest Taxpayers	47,968,850		22.73%	34,079,490		20.18%
Total Gross Assessed Value of Other Taxpayers	163,093,060		77.27%	134,827,150		79.82%
Total Gross Assessed Value of All Taxpayers	\$ 211,061,910		100.00%	\$ 168,906,640		100.00%

Source: Eagle County Assessor's Office

TOWN OF AVON, COLORADO

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

Levy Year	Collection Year	(1) Total Tax Levy	Current Tax Collections	Percent of Current Taxes Collected	(2) Delinquent Tax Collections	Total Tax Collections	Ratio of Total Tax Collections To Total Tax Levy
2005	2006	\$ 2,741,233	\$ 2,745,820	100.17%	\$ 15,753	\$ 2,761,573	100.74%
2006	2007	2,763,603	2,762,486	99.96%	114	2,762,600	99.96%
2007	2008	3,243,214	3,205,612	98.84%	115	3,205,727	98.84%
2008	2009	3,110,763	3,060,762	98.39%	21,861	3,082,623	99.10%
2009	2010	3,285,710	3,208,908	97.66%	1,387	3,210,295	97.70%
2010	2011	2,789,855	2,704,440	96.94%	4,970	2,709,409	97.12%
2011	2012	2,250,055	2,209,593	98.20%	(19,296)	2,190,298	97.34%
2012	2013	2,202,287	2,160,634	98.11%	875	2,161,509	98.15%
2013	2014	2,083,835	2,042,508	98.02%	6	2,042,514	98.02%
2014	2015	2,071,895	2,029,571	97.96%	172	2,029,743	97.97%

Source: Town of Avon Finance Department

Notes: (1) Taxes are due and payable on January 1 based on the prior year's assessed valuation.

(2) Information on outstanding delinquent taxes is not available.

TOWN OF AVON, COLORADO

RATIOS OF OUTSTANDING DEBT BY TYPE LAST TEN FISCAL YEARS

Fiscal Year	Governmental Activities					Capital Leases
	General Obligation Bonds	Special Assessment Bonds	Revenue Bonds	Certificates of Participation	Loans	
2006	\$ 6,457,189	\$ -	\$ 3,110,000	\$ 1,245,000	\$ -	\$ 427,307
2007	5,523,818	-	2,770,000	1,166,250	-	820,870
2008	4,546,752	-	27,420,000	1,083,750	-	665,176
2009	3,714,230	-	2,050,000	997,500	7,075,000	503,368
2010	2,842,835	-	1,670,000	3,310,000	6,825,000	335,205
2011	2,411,440	-	1,275,000	3,195,000	6,565,000	420,063
2012	1,960,045	-	870,000	3,075,000	6,295,000	476,227
2013	1,498,650	-	7,270,000	2,950,000	-	516,378
2014	1,017,255	-	6,520,000	2,825,000	-	547,990
2015	520,860	-	6,200,000	6,280,000	-	438,024

Fiscal Year	Business-Type Activities		Total Primary Government	Percentage of Personal Income	Per Capita
	Certificates of Participation	Capital Leases			
2006	\$ 3,735,000	\$ 54,549	\$ 15,029,045	0.64%	\$ 2,217
2007	3,498,750	44,243	13,823,931	0.52%	2,022
2008	3,251,250	32,822	36,999,750	1.39%	5,348
2009	2,992,500	20,954	17,353,553	0.69%	2,582
2010	3,419,606	8,621	18,411,267	0.73%	2,856
2011	3,302,110	377,753	17,546,366	0.70%	2,477
2012	3,174,614	326,774	16,177,660	0.64%	2,533
2013	3,047,119	303,251	15,585,398	0.62%	2,440
2014	2,914,623	244,259	14,069,127	0.56%	2,202
2015	2,777,127	185,937	16,401,948	0.65%	2,568

Source: Town of Avon Finance Department

TOWN OF AVON, COLORADO

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT DECEMBER 31, 2015

Government Unit	Debt Outstanding	Estimated Percentage Applicable ^a	Estimated Share of Overlapping Debt
Debt Repaid With Property Taxes			
Confluence Metropolitan District	\$ 23,050,000	100.00%	\$ 23,050,000
Eagle County School District RE-50J	138,995,000	8.54%	11,871,132
Other Debt			
Eagle County	19,215,000	8.54%	1,641,094
Eagle River Fire Protection District	5,642,640	24.48%	1,381,110
Traer Creek Metropolitan District	39,175,000	100.00%	39,175,000
Subtotal - Overlapping debt			77,118,335
Town of Avon Direct Debt			13,438,884
Total Direct and Overlapping Debt			<u>\$ 90,557,219</u>

Source: Various Governmental Entities, Eagle County Finance Department

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Avon. This process recognizes that, when considering the Town's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

^a The basic approach to estimating the applicable percentage of overlapping debt was to divide the assessed value of the portion overlapping the Town to the total assessed value of the overlapping entity.

TOWN OF AVON, COLORADO

RATIO OF GENERAL BONDED DEBT OUTSTANDING AND LEGAL DEBT MARGIN LAST TEN FISCAL YEARS

	Fiscal Year			
	2006	2007	2008	2009
General Bonded Debt Outstanding General Obligation Bonds	\$ 4,678,774	\$ 4,151,798	\$ 3,601,127	\$ 3,215,000
Actual Taxable Property Value	1,202,381,510	1,232,738,120	1,746,859,870	1,880,466,430
Net Assessed Value	168,906,640	171,296,170	224,243,790	226,144,240
Percentage of General Bonded Debt Outstanding to Actual Taxable Property Value	0.39%	0.34%	0.21%	0.17%
Town of Avon Population	6,778	6,838	6,919	6,720
Per Capita	\$ 690	\$ 607	\$ 520	\$ 478
Legal Debt Limit	\$ 42,226,660	\$ 42,824,043	\$ 56,060,948	\$ 56,536,060
Total Debt Applicable to Limit	(4,678,774)	(4,151,798)	(3,601,127)	(3,215,000)
Legal Debt Margin	\$ 37,547,886	\$ 38,672,245	\$ 52,459,821	\$ 53,321,060
Total Debt Applicable to the Limit as a Percentage of Legal Debt Limit	11.08%	9.70%	6.42%	5.69%

Source: Eagle County Assessor's Office, State of Colorado Division of Local Governments

Fiscal Year					
2010	2011	2012	2013	2014	2015
\$ 2,805,000	\$ 2,380,000	\$ 2,380,000	\$ 1,480,000	\$ 1,005,000	\$ 515,000
2,125,079,840	2,127,634,050	1,566,445,080	1,564,516,920	1,406,594,920	1,417,405,720
245,913,790	245,052,050	183,072,890	180,420,250	166,734,780	166,437,590
0.13%	0.11%	0.15%	0.09%	0.07%	0.04%
6,447	7,085	6,393	6,388	6,410	6,472
\$ 435	\$ 336	\$ 372	\$ 232	\$ 157	\$ 80
\$ 61,478,448	\$ 61,263,013	\$ 45,768,223	\$ 45,105,062	\$ 41,683,695	\$ 41,609,398
(2,805,000)	(2,380,000)	(2,380,000)	(1,480,000)	(1,005,000)	(515,000)
\$ 58,673,448	\$ 58,883,013	\$ 43,388,223	\$ 43,625,062	\$ 40,678,695	\$ 41,094,398
4.56%	3.88%	5.20%	3.28%	2.41%	1.24%

TOWN OF AVON, COLORADO

DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

Year	Town of Avon Population	Eagle County Population	Eagle County Personal Income (In \$1,000's)	Eagle County Per Capita Personal Income	Eagle County Median Age	Eagle County RE-50J School Enrollment	Denver / Boulder Consumer Price Index	Eagle County Unemployment Rate
2006	6,778	50,612	\$ 2,502,442	\$ 46,985	34.70	5,885	197.7	3.40%
2007	6,838	52,517	2,676,538	47,511	35.20	5,405	202.0	3.10%
2008	6,919	53,898	2,740,563	49,635	35.70	5,445	209.9	3.60%
2009	6,720	55,269	2,511,100	45,430	36.30	6,249	208.5	7.30%
2010	6,447	52,197	2,533,900	44,709	36.60	6,181	212.4	8.80%
2011	7,085	54,212	2,521,062	48,618	36.30	6,344	220.3	8.70%
2012	6,393	51,874	2,515,096	48,485	35.20	6,244	224.6	8.20%
2013	6,388	53,811	2,005,000	48,750	36.00	6,549	230.8	5.20%
2014	6,410	52,460	2,644,828	50,416	36.20	6,713	237.2	4.75%
2015	6,472	53,605	3,065,540	57,927	36.50	6,546	240.0	2.10%

N/A - Information not available.

Information was compiled by the Demographic Section of the Colorado Division of Local Government, Bureau of Labor Statistics and U.S. Census Bureau. School Enrollment was obtained by Eagle County School District Administration Office based on June Enrollment. Per Capita Personal Income obtained from Bureau of Economic Analysis, Regional Economic Accounts.

TOWN OF AVON, COLORADO

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

Employer	2015		2006	
	Employees	Rank	Employees	Rank
Westin Riverfront Resort & Spa	262	1		
Wal-Mart	250	2	280	2
Maya, Mexican Kitchen	133	3		
Home Depot	130	4	213	3
City Market	130	5	112	6
Eagle River Water & Sanitation	99	6	47	9
Christie Lodge	84	7	158	5
Town of Avon	82	8	99	7
Sheraton Mountain Vista	75	9	161	4
Montana's Bar & Grill	25	10		
Denny's			304	1
Finnegans			48	8

Sources: Various Town of Avon businesses, Department of Labor

TOWN OF AVON, COLORADO

COMMERCIAL AND RESIDENTIAL CONSTRUCTION LAST TEN FISCAL YEARS

Year	Total Permits Issued	Commercial Construction		Residential Construction		Total Building Construction Value
		Square Footage	Value	No. of Units	Value	
2006	146	26,639	\$ 114,860,200	12	\$ 13,980,955	\$ 128,841,155
2007	166	19,242	25,248,538	93	10,970,648	36,219,186
2008	145	11,416	2,525,749	15	11,165,780	13,691,529
2009	91	-	725,000	3	8,683,371	9,408,371
2010	112	16,517	3,215,036	7	9,806,550	13,021,586
2011	125	2,210	922,600	9	8,412,190	9,334,790
2012	126	54,250	11,400,000	8	2,448,500	13,848,500
2013	159	217,293	27,121,876	12	9,027,760	36,149,636
2014	156	-	1,500,000	10	13,735,900	15,235,900
2015	153	114,614	14,336,000	10	6,970,000	21,306,000

Source: Town of Avon Community Development Department

TOWN OF AVON, COLORADO

FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

	Full-time Equivalent Employees as of December 31				
	2006	2007	2008	2009	2010
General Government					
Administration	5.00	5.00	5.75	5.75	5.75
Finance	6.00	7.00	7.00	7.00	8.00
Community Development	8.00	9.00	8.75	6.75	6.75
Police	18.00	19.00	21.00	22.00	22.00
Public Works & Engineering	21.90	25.90	26.90	25.65	22.40
Transportation	13.00	13.00	14.00	8.00	4.50
Fleet Maintenance	11.10	12.10	12.10	13.10	13.10
Parks and Recreation	17.00	18.00	19.00	16.00	14.00
Total	100.00	109.00	114.50	104.25	96.50
	2011	2012	2013	2014	2015
General Government					
Administration	5.75	5.75	3.75	4.75	4.75
Finance	8.00	8.00	13.00	11.00	11.00
Community Development	5.00	4.00	3.00	5.00	5.00
Police	20.00	20.00	20.00	20.00	20.00
Public Works & Engineering	22.40	20.40	12.00	11.00	11.00
Transportation	4.35	4.35	4.00	4.00	5.00
Fleet Maintenance	9.25	7.25	8.00	8.00	8.00
Recreation	12.00	12.00	17.00	15.00	17.00
Total	86.75	81.75	80.75	78.75	81.75

Source: Town of Avon Budget

TOWN OF AVON, COLORADO

OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

	Fiscal Year			
	2006	2007	2008	2009
Town of Avon Facilities and Services:				
Miles of Streets	23.04	23.04	23.73	23.73
Number of Street Lights	408	408	433	433
Culture and Recreation:				
Miles of Bike/Pedestrian Paths	5.60	5.60	5.60	5.60
Miles of dirt, singletrack trails	0.00	0.00	0.00	0.00
Parks / Lakes	5/1	5/1	5/1	5/1
Park Acreage	672	672	672	672
Tennis/Volleyball /Basketball Courts/Pickleball Courts	4 / 3 / 3	4 / 3 / 3	4 / 3 / 3	4 / 3 / 3
Recreation Centers	1	1	1	1
Softball / Soccer Fields	1 / 2	1 / 2	1 / 2	1 / 2
Playgrounds	4	4	4	4
Performance Art Pavilion				
Police Protection:				
Number of Stations	1	1	1	1
Number of Police Personnel and Officers	18	16	18	21
Number of Patrol Units	12	12	14	13
Number of Law Violations:				
General Ordinance Violations	278	333	267	168
Traffic Violations	566	243	351	287
Parking Violations	245	6	3	13
Facilities and Services Not Included in the Reporting Entity:				
Libraries:				
Number of Libraries / Volumes	1 / 78,021	1 / 85,378	1 / 76,228	1 / 79,560
Water System:				
Miles of Water Mains	24.99	24.99	24.99	24.99
Number of Service Connections	3,462	3,675	3,761	3,787
Daily Average Consumption in Gallons	842,234	778,373	943,787	687,693
Maximum Daily Capacity of Plant in Gallons	10MGD	10MGD	10MGD	10MGD
Sanitary Sewer System:				
Miles of Sanitary Sewers	33.44	33.44	33.44	33.44
Number of Treatment Plants	1	1	1	1
Number of Service Connections	3,546	3,801	3,821	3,913
Maximum Daily Capacity of Treatment Plant in Gallons	4.3MGD	4.3MGD	4.3MGD	4.3MGD
Education:				
Number of Elementary Schools / Instructors	1 / 32	1 / 53	1 / 27	1 / 23
Fire Protection:				
Number of Stations	8	9	9	9
Number of Fire Personnel and Officers	44	51	56	47
Number of Calls Answered	2,572	2,469	2,855	2,262
Number of Inspections Conducted	385	494	565	397

Fiscal Year					
2010	2011	2012	2013	2014	2015
23.73	23.73	23.73	23.73	23.73	23.73
454	632	632	632	613	619
5.60	8.75	8.75	8.75	8.82	8.82
0.00	0.00	0.00	0.00	11.00	11.00
5/1	5/1	5/1	5/1	5/1	5/1
672	672	672	672	672	672
4 / 3 / 3	4 / 2 / 3	4 / 2 / 3	4 / 2 / 3 / 2	4 / 2 / 3 / 2	4 / 2 / 3 / 2
1	1	1	1	1	1
1 / 2	1 / 2	1 / 2	1 / 2	1 / 2	1 / 2
4	4	4	4	4	4
				1	1
1	1	1	1	1	1
20	18	20	20	20	21
15	15	16	16	16	15
157	218	396	207	438	384
831	1,204	495	285	372	314
379	285	110	165	366	282
1 / 80,054	1 / 83,008	1 / 82,193	1 / 79,405	1 / 80,239	1 / 79,226
24.99	24.99	24.99	24.99	24.99	24.99
3,802	3,799	3,814	3,831	3,897	3,917
672,789	687,099	589,567	675,728	706,833	706,833
10MGD	10MGD	10MGD	10MGD	10MGD	10MGD
33.44	33.44	33.44	33.44	33.44	33.44
1	1	1	1	1	1
3,916	3,933	3,953	3,969	4,038	4,086
4.3MGD	4.3MGD	4.3MGD	4.3MGD	4.3MGD	4.3MGD
1 / 23	1 / 23	1 / 23	1 / 27	1 / 25	1 / 27
9	9	8	5	5	5
56	55	55	66	64	67
2,167	2,198	2,089	2,244	2,357	636
141	166	190	154	154	122

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TO: Honorable Mayor Fancher and Town Council members
FROM: Eric J. Heil, Town Attorney
RE: Water Work Session
DATE: May 6, 2016

SUMMARY: Linn Brooks, District General Manager of the Upper Eagle River Water Authority, will lead a work session on water matters. Attached is a memorandum from Linn Brooks outlining a variety of discussion items and describing items which have been completed since the 2013 Summit.

For efficiency, the following order of topics for review and discussion is recommended:

- Traer Creek Water Tank
- Regional and Local Water Supply Overview
- Water Demand Management Objectives, etc.
- Unallocated Water Policy
- Heat Recovery System
- Avon/District Authority Administrative Coordination
- Water System Impact Fees

Please note that the Water Treat Plant Ground Lease on Tract P will be discussed in executive session.

Thank you, Eric

Attachments: ERWSD/UERWA Memorandum, dated May 4, 2016
Heil Memorandum re: Unallocated Water Policy, dated May 5, 2016



MEMORANDUM

TO: Town of Avon Council
FROM: Linn Brooks, District General Manager
DATE: May 6, 2016
RE: Topics for Water Work Session

The items listed below are of mutual interest to the Town of Avon and Eagle River Water and Sanitation District (District) and Upper Eagle Regional Water Authority (Authority). As reference, the District manages the Authority via an operations agreement, and the Town of Avon is a member of the Authority.

These topics for discussion were reviewed at a pre-meeting with District and Town of Avon staff, as well as Avon councilmembers, Mayor Jennie Fancher and Ms. Sarah Smith Hymes. The attendees recognized the completion of many action items that stemmed from a 2013 summit between the Town and District. Summaries of these items are included at the beginning of this document.

Jason Cowles, District Planning Supervisor, and I will attend the Town's May 10 work session and provide three presentations: Regional and Local Water Supply Overview; Water Demand Management; and Tap Fees. This memo summarizes these topics and additional topics on which we will be prepared to answer questions in the work session. The entire list of discussion items includes the following:

- Traer Creek Water Tank
- Regional and Local Water Supply Overview
- Water Demand Management Objectives
- Unallocated Water Policy
- Avon Drinking Water Facility (ADWF) Land Lease
- Heat Recovery System
- Avon/District-Authority Administrative Coordination
- Water System Impact Fee (WSIF)

Completed Items from 2013 Summit

Authority Agreement

The Authority Agreement was fully executed on May 27, 2015. The Agreement was an update to the original 1984 agreement that formed the Authority with its six original member entities. The 2015 updated agreement was needed to accurately set forth the current relationship of the Authority to its members. The update included amendments made throughout the years and now reflects current conditions. Substantial attention was paid to stipulations in the agreement related to a possible dissolution of the Authority or the withdrawal of a member district, though all members agreed that these were unlikely.

Recreation Path Berm

In 2002, Avon wished to extend its bike path along the Eagle River, which necessitated crossing the District's AWWTP property. The District cooperated by contributing one half of the cost of the design through the plant property and installed a fence to separate the areas of public access from the plant property. An easement deed was executed that allowed for the bike path on the District's property and required Avon to install an irrigation system and landscaping, which was completed.

Mountain Star Water Tank Funding

A water tank in Mountain Star was contemplated by the developer but never constructed. The Town of Avon and Mountain Star POA entered into an agreement on March 22, 2016, to fund the tank. Annexation of the tank site into the Avon Town boundary occurred on April 12 and tank construction is expected to commence during the week of May 9, weather dependent. The Authority is constructing the tank per its Major Facilities Policy, which was approved by the Authority and District Boards in October 2015. The policy provides that the Authority and District shall provide all project management services for major facilities, including planning, design, and engineering; bidding, construction cost estimates, contract award, and construction management to completion and throughout the warranty period. This ensures that critical water and wastewater infrastructure is designed and constructed for the optimal combination of long lifespan, overall project value, and recurring operation and maintenance costs.

The Authority's contributions to the tank include procurement of the tank site through a land swap with the Forest Service, PRV upgrades in the area, tank upgrades, and staff time related to the engineering process, annexation, construction management, and related administrative functions.

Water Authority Rate Increase

In 2013, the Authority proposed an increase in its debt service base rate that would be used for debt service payments on revenue bonds. The increase was higher than the Denver-Boulder CPI and required the unanimous consent of all member districts. All member districts approved of the new rate, which was effective in January 2014.

Beginning with the 2014 budget, the Authority undertook a five-year plan to reduce the need for bonding and cover the Authority's operating expenses with revenue; the economic climate had reduced plant investment fees, which had previously funded the replacement and smaller capital projects. Annual 3% base rate increases were envisioned and have successfully closed the gap between operating expenses and revenue.

The 2014 budget also included a new capital replacement base rate of \$3.25/month to be implemented in 2014. All member districts approved the new base rate and it was effective with April 2014 billing.

Authority's Water System Impact Fee (formerly called Plant Investment Fee)

A tap fee is the system capacity impact fee collected by the Authority for the right to connect to the water system. Water system impact fees collected are based on square footage for residential; assessment of fixtures for commercial; and a combination of both for mixed use. Tap fees collected by the Authority for Contracting Parties are remitted to the appropriate Contracting Party.

The Authority undertook a tap fee study in 2015, and the resulting fee is now in effect for all service areas. The District will undertake a tap fee study and adjust its rate in 2016 for sewer connections.

Discussion Items

Traer Creek Water Tank

Background/History:

- Construction of a Traer Creek Tank within the Village at Avon development was mandated by the Authority by the end of 2005, per an agreement with Traer Creek – this did not occur
- A moratorium was placed on water service within the Traer Creek development was ratified on January 1, 2006, and remained in place until the requirement for a tank was met.
- First phase of construction began in 2013, continued into 2014; the Authority did not provide project management services for the construction.
- A resolution was passed by the Authority in March 2014, lifting the moratorium on water service to Traer Creek pending tank completion and Authority acceptance of construction.
- In August 2014, Jim Collins reported the moratorium was officially lifted as Traer Creek met all requirements for doing so
- Authority was completing inspections in November 2014 prior to final acceptance
- Tank passed leak test, this was reported to the Authority Board in December 2014; surface repairs still needed on tank floor and roof
- Tank came online in February 2015
- Staff report to Board that Traer Creek tank was functioning well in March 2015; Authority Board approved acceptance of the tank at March 26, 2015, meeting
- Tank failed May 25, 2015, when water staff noticed tank was leaking at 425 gallons/minute via its SCADA monitoring system; tank was drained and remains offline

Moving forward – Pressure Reducing Valve Project

Without the capacity of the Traer Creek Tank, the Authority is limited to approximately 250 new SFEs for new service. The Authority is undertaking a construction project to allow water storage tanks at higher elevations in the system to download to the valley floor, which will allow service to an additional 620 SFEs. This project will be completed by summer 2017 and coupled with another project for cost savings and other efficiencies. This will allow development to continue until the Traer Creek Tank is returned to service.

Regional and Local Water Supply Overview:

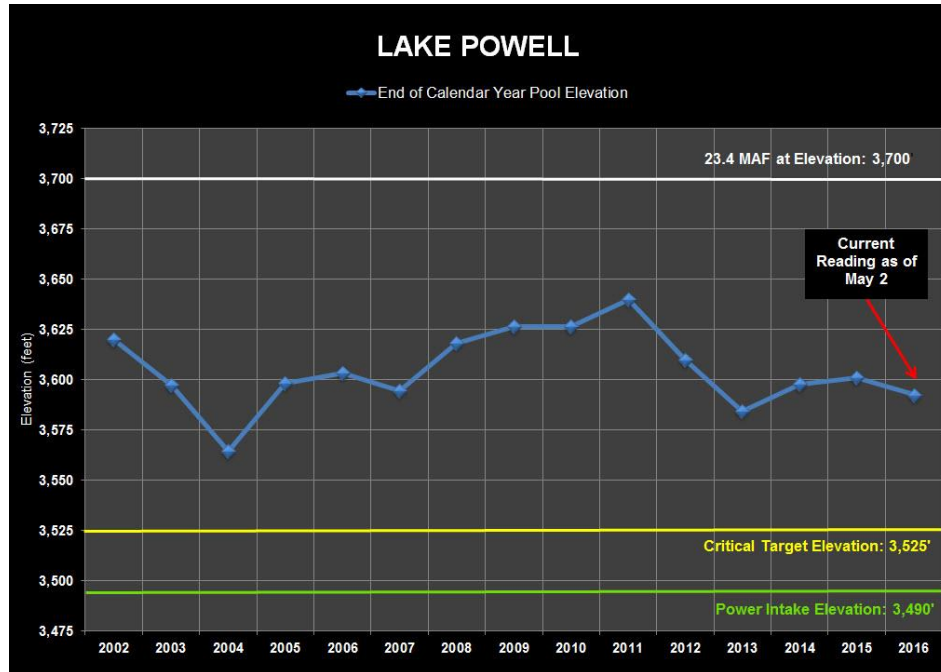
- **Colorado Compact: 10-year Rolling Average**
Background: The Colorado River is managed by the 1922 Colorado River Compact that was signed by seven states including Colorado. The upper basin includes Colorado, New Mexico, Utah, and Wyoming. The lower basin includes Nevada, Arizona, and California. At the time of the compact, development was rapidly occurring in the Lower Basin states, especially in California. The first in time, first in right system of prior appropriation was well established at that time. Before enactment of the compact, the federal Supreme Court held that any interstate water issues between two states that had adopted the prior appropriation doctrine would be resolved using prior appropriation tenets, which could have left the upper basin states with little water for future development. Instead, the compact was a cooperative agreement between the upper and lower basin states, ensuring that the upper basin states had water reserves when these areas finally developed and put their water to beneficial use.

The compact provides that the upper basin states cannot deplete the flow of the river below 75,000,000 million acre feet in any 10-year period. To date, the upper basin states have never delivered less than 7,500,000 acre-feet in a given year; therefore, the 10-year rolling average

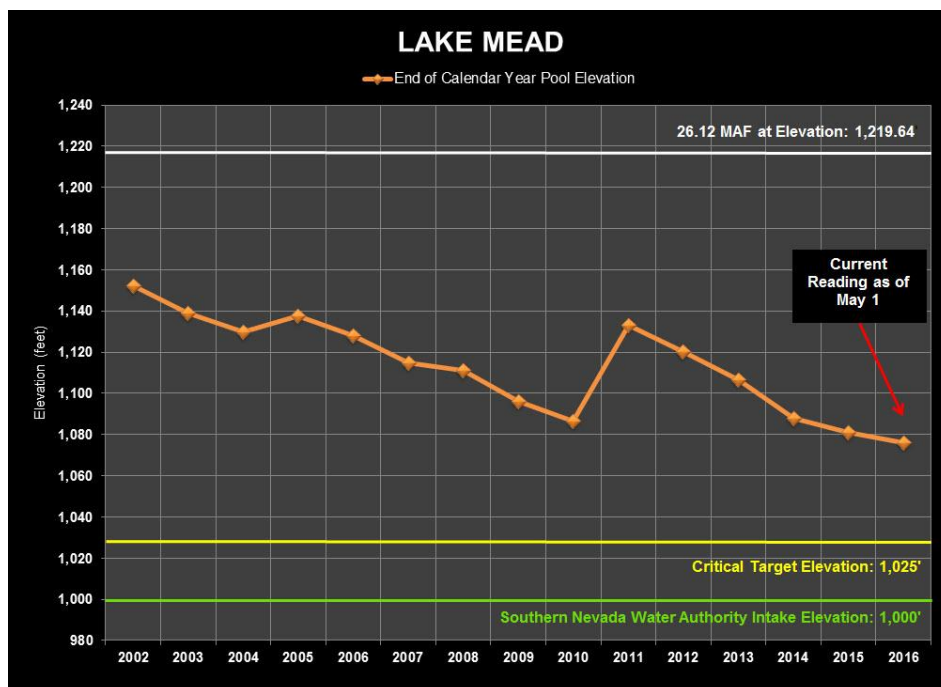
continues to comply with the terms of the compact, and a compact “call” is at least 10 years away under any circumstances.

Lakes Powell and Mead serve as the equalization storage for the river, effectively evening out high flow years with low flow years to maintain a reliable water supply in a basin subject to extreme natural variability. Therefore, water managers closely watch the water levels in these two reservoirs. Elevations below critical target levels could result in power shortages, water use curtailment requirements and litigation.

Current graphs:



Credit: ERWSD, 2016



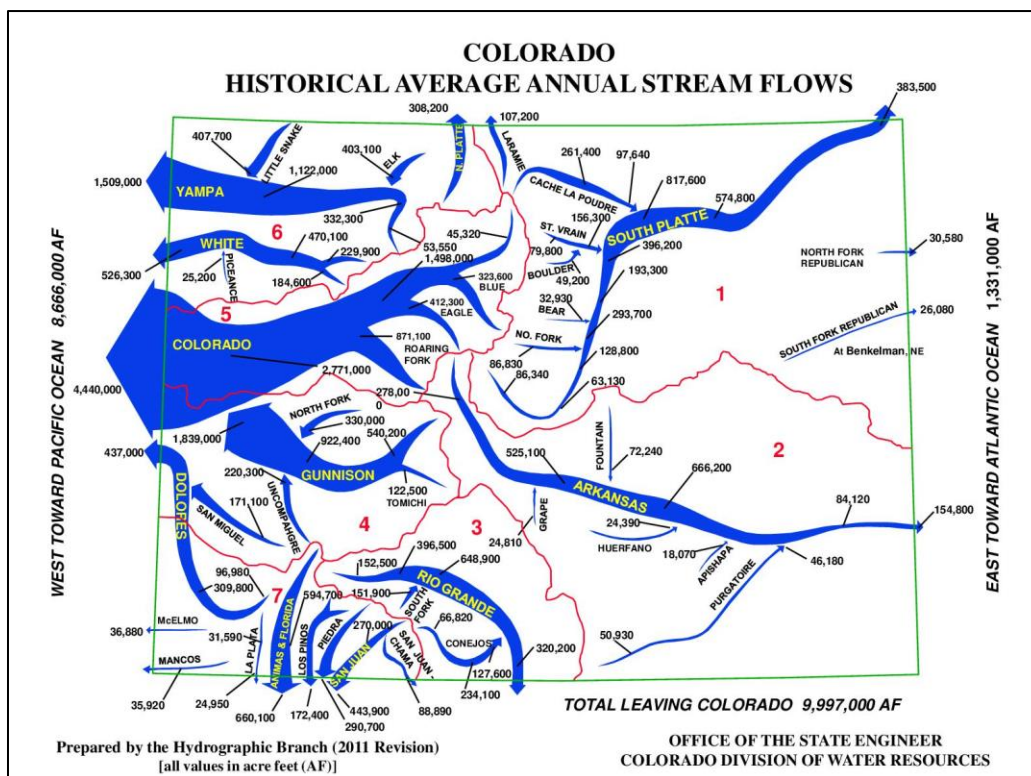
Credit: ERWSD, 2016

Levels in Lakes Mead and Powell have been low since the drought of 2002. Lake Powell is currently 45% full and Lake Mead is 37% full. All involved parties understand that avoidance of a compact call is of critical economic importance to the region.

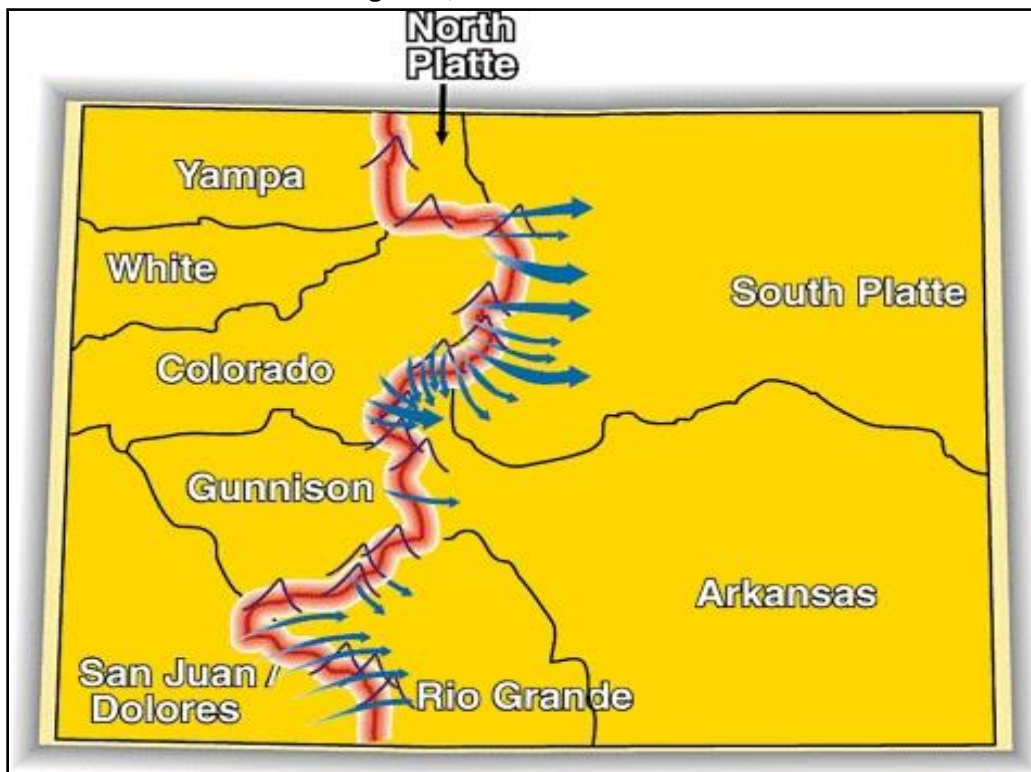
Current efforts to avoid compact curtailment include:

- 2007 Interim Guidelines that are in effect through 2025 and include coordinated operation of Lakes Mead (upper basin) and Powell (lower basin) to minimize lower basin shortages, while not adversely affecting upper basin yield; the guidelines control releases from Glen Canyon Dam, which affects Lake Powell levels
 - Overuse by the lower basin states continues to draw down Lake Mead
 - Conservation or overuse by upper basin states can and will affect Lake Powell levels
 - Lakes Mead and Powell and their operations are interconnected by the interim guidelines, therefore how the lower basin uses water affects upper basin outcomes
- Colorado River System Conservation Program – funding pilot projects to reduce demands in Colorado River Basin
- Colorado Water Plan addresses efforts to collaboratively manage the Colorado River supply to avoid compact curtailment
- California enacted mandatory water use reductions in 2015 following the lowest snowpack ever recorded; these efforts have been largely successful as the state conserved nearly 1.19 million acre feet from June 2015 – February 2016. More work in the lower basin will be required to cure the “structural deficit” of overuse of Lake Mead water.

- Statewide Infrastructure

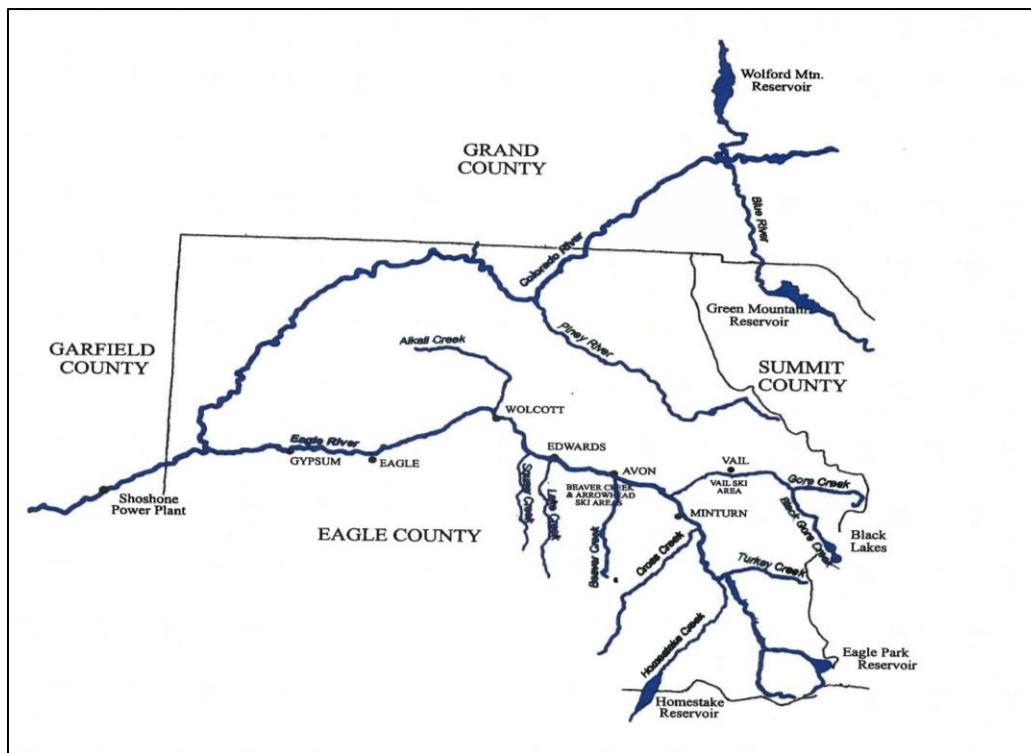


Credit: Office of the State Engineer, 2011



Credit: Colorado River Water Conservation District, 2016

- **Local Infrastructure**



- **Water Supply Reserves Under Drought Conditions**

The **firm yield** of the District and Authority water supply is considered the amount of water available to serve approved development in an extended drought, and is the supply that is considered when the District and Authority commit to serve new development. The current firm yield is calculated based on the historic three-year period with the lowest basin water supply yield in the approximately 60-year period of record for local stream flows. Eagle Park Reservoir, which is currently not fully allocated, contains sufficient water to weather three years of extended drought at full allocation. The reservoir is additionally backed for a fourth year of supply by Homestake Reservoir. The District and Authority own additional water in Homestake Reservoir that is currently unallocated and, at least for the foreseeable future, could be used to back the District and Authority systems should the Eagle Park supplies prove insufficient.

These estimates of drought yield are very conservative, and assume that all water uses during a drought period would continue as in normal years. History indicates that water conservation efforts during drought periods are effective in stretching the water supply in drought years, and would likely extend the period of reliable drought supply beyond four years.

Water Demand Management Objectives and Policies and Results of Mountain Star Pilot Program

Background: The Board adopted a Water Demand Management Plan in 2014, the purpose of which is “to use water more efficiently over time, in order to use the existing supply to serve an expanding population, while protecting water rights and the natural water resource.”

Since then, the Board has adopted the following policies:

- **Water Services Agreement (WSA) policy:** This goal of this policy is to document the water use proposed by the developer; requirements for payment of tap and other application and connection fees and cash-in-lieu of water rights dedication (if applicable); and the Authority's commitment to provide water service to the development and any conditions related thereto. The policy also provides the Authority certainty of the amount of water committed to new uses and provides a means by which the Authority can hold customers accountable to limiting water use to that which was paid for at the time of the Authority's commitment to serve.

The WSA requires identification of the property to be served; definition of the proposed water use; stating the methods used to calculate water use for water rights dedication, including safety factors; stating the methods used to calculate water use for tap fee determination; stating that the water use is limited to that which is documented in the agreement; remedies available to the Authority and customer in the case of exceedance of the limit; and requirement that such limitation shall permanently encumber and run with the property and shall be recorded.

- **Policy for Alternative Calculation of Cash-in-Lieu of Water Rights Dedication Fee:** This policy provides that the Authority may choose in its sole discretion to reduce the amount of the cash-in-lieu fee charged to customers that demonstrate the ability to use less water than would be assumed using the Authority's Water Demand Worksheet calculation, which is based on system averages. The purpose of this alternative calculation is to provide a cost incentive to developers to design water efficient buildings and landscaping, which will result in lower ongoing water use for the life of the project.
- **Irrigation Account Water System Impact Fee:** The District and Authority adopted an updated methodology for calculating impact fees for irrigation accounts. Irrigation accounts are those that serve outdoor uses only, such as subdivision entry statements, pocket parks and ball fields. Irrigation accounts are not related to indoor uses of a structure. The impact fee is based on the planned irrigated area. The proposed application rate of irrigation water is calculated for the specific microclimate and considers irrigation system efficiency to arrive at the total gallons of water per month that, if applied to the irrigated area, would result in a high quality landscape without wasting water. This volume of water also is the amount of water billed in Tier One usage for the property. Water use above Tier One would result in higher dollar per gallon charges.

This concept will be used in calculating water budgets once that program is developed.

District staff conducted the first year of a Water Demand Management pilot project in 2015. The purpose of the pilot project was:

- Develop a water budgeting program that meets the unique needs of our community and customers;
- Reduce water waste;
- Explore new technologies to capture water use data and provide it to customers to assist them in managing their water use effectively; and
- Educate property owners and landscaping contractors in water-saving technologies, including auditing water uses on the property; updating irrigation systems for efficiency; and managing irrigation schedules to water only when needed. This can be accomplished by limiting water application rates to match the local rate of evapotranspiration, turning off irrigation schedules during rainy periods and matching application rates to the landscaping type (e.g., turf, mulched areas, low-water-using plant species, native areas, etc.).

The pilot project included 13 properties, 10 in Mountain Star, one in Wildridge, and two in the Edwards area. Significant water savings were documented for all properties, with an average savings of 40 – 50%.

The District created a full-time, permanent position for a Water Demand Management Coordinator. The pilot project will continue to expand in 2016 and will include implementation of a customer data portal (smart phone app). The Authority will undertake a water conservation plan in 2017.

The District's efforts in managing water supply and demand can be supported and enhanced by land use authorities such as the Town of Avon, which have the ability to enforce property development guidelines. Our staff is eager to begin coordinating with the Town staff in this effort.

Unallocated Water Policy Update

Background: Discussions about the updated Authority Agreement uncovered some outstanding issues regarding the Authority's unallocated water. An Authority board subcommittee was formed to start discussions regarding the matter in April 2015. Since then, much progress has been made on the matter.

Status: Expected approval of a policy by Authority in May, pending resolution of outstanding items with Town of Avon.

ADWF Land Lease

Background: In 1985, the Authority leased from Avon a portion of Tract P, Benchmark at Beaver Creek Subdivision, for a term of 99 years, for the Avon Drinking Water Facility and the expansion area. The lease encompassed only the footprint of the existing building and excluded surrounding areas located within the fence line of the premises that are currently used for parking of District/Authority vehicles and activities related to the operation of the plant. The Town has reserved the "air space" over the plant for future facilities.

Status: The Authority wishes to extend the leased area to include the area within the fence line to ensure continued provision of high quality water services to the Authority customers. The Authority would ultimately like to purchase the land from the Town and is working towards agreement on appraisal instructions with the Town, to prepare for a ballot question to sell the property to the Authority.

Heat Recovery System

Avon approached the District in 2008 to joint-venture on a system to capture heat from the wastewater plant to heat the recreation center and street and sidewalk areas. The District donated an easement within its plant property for the Town's facilities, contributed \$332,400, and continues to donate heat to the project. The existing agreement covers design and implementation but not operations and maintenance.

Status: Need to draft an O&M agreement.

Avon/District-Authority Administrative Coordination

Summary: Town and water provider administration activities intersect at many points. Examples include:

- Development approval referrals (water rights, water efficient landscape design, water service agreements, infrastructure design approval, etc.)
- Building permit approvals (grease traps)
- Master planning
- Town of Avon Comprehensive plan (add specific water supply planning elements to this plan)

District staff believes that both entities could improve the value of our processes to our constituents by coordinating on these important community matters.

Water System Impact Fee (WSIF)

Background: The Authority maintains a policy that growth must pay for growth. The Authority's Water System Impact Fee (WSIF) (formerly called the Plant Investment Fee) is a one-time impact fee for system capacity that is charged to new customers at the time of connection to the water system. New customers are assessed for their share of system capacity in order to reimburse existing customers who paid the upfront costs for capacity to serve future growth. The WSIF is intended to place existing customers and new customers on equal footing regarding their investments in the water system. The fee was originally established in 2001, and had been annually adjusted for inflation. These increases adjust for the present value of money and are not intended to account for the significant capital expenditures made by the Authority since 2001, nor did they account for recommended capital improvements from the 2008 Master Plan update. The 2015 WSIF Study used industry best practices to establish a rational nexus for the updated fee, which was recommended to recover, on average, \$9,041 per single family equivalent (SFE). The WSIF increase was approved by each of the Authority member entities in the spring of 2015 prior to implementation.

The District collects the Authority's WSIF, as well as local area Tap Fees that are passed on to each of the Authority member entities and contracting entities. These local area tap fees have historically been used to pay off bonds used to finance the initial construction of their local water system infrastructure. By 2015, the Eagle-Vail Metro District, Beaver Creek Metro District, Edwards Metro District, Arrowhead Metro District, and Berry Creek Metro District had stopped collecting member entity tap fees as these entities had satisfied their debt obligations and were no longer responsible for capital improvements to the water system. In addition to the Town of Avon, the Arrowhead Mountain Metro District, the Cordillera Metro District, and the Traer Creek Metro District continue to collect their entity tap fees as these entities have continuing financial obligations for their local water system capital improvements.

The Authority has implemented the following policies for the WSIF and water rates, which support affordable housing:

- Payment of the WSIF may be deferred up to 10 years for affordable housing projects.
- There is no "minimum" payment amount for the WSIF. The WSIF is based upon residential unit square footage, thus smaller units pay a proportionately smaller WSIF.
- The Authority's Treated Water Storage Fee, which was assessed at \$1,225/SFE for the use of capacity in regional water storage tanks, was eliminated following the adoption of the WSIF, as the costs of the Authority's regional water storage tanks were incorporated into the WSIF.
- Efficiency Units and Studio Units are only assessed 0.5 SFE for billing purposes. These customers pay lower monthly base rates as a result.

TO: Honorable Mayor Fancher and Town Council members
FROM: Eric J. Heil, Town Attorney
RE: Unallocated Water Policy
DATE: May 5, 2016

SUMMARY: The Upper Eagle Regional Water Authority ("UERWA") formed an Unallocated Water Rights Policy Committee ("Committee") at the request and suggestion of the Town of Avon in fall of 2015. The Committee was a follow-up to the adoption of the **Authority Agreement Amending and Restating the Agreement Establishing the Upper Eagle Regional Water Authority and The Master Service Contract** ("2015 Authority Agreement") on May 27, 2015. The 2015 Authority Agreement was the result of four years of effort by the parties to update and consolidate the original 1984 Agreement Establishing the UERWA and the 1998 Master Service Contract. As part of that process, there was recognition of the existing surplus of "Unallocated Water Rights" and the lack of a policy to provide guidance on the allocation of Unallocated Water Rights. The 2015 Authority Agreement specifically defines "Allocated Water" and "Unallocated Water." The proposed Unallocated Water Policy is attached to this memorandum. In accordance with the 2015 Authority Agreement and the general law, the adoption of a policy requires a majority vote of the Board of Directors of the UERWA.

RECOMMENDATION: I am providing a recommendation of adoption of the Unallocated Water Policy, as attached, which is made in consultation with Sarah Smith-Hymes as the primary designated Elected Official representative for the Town of Avon on the UERWA Board of Directors. A summary of specific issues and considerations is described below.

PROPOSED MOTION: NOTE: The nature of the structure of the UERWA is that the Avon Town Council does not adopt the proposed policy as a Town policy, rather, the Council can direct its representative on the UERWA Board to vote in favor of the policy. ***"I move to direct Sarah Smith-Hymes to vote in favor of adopting the Unallocated Water Policy."***

BACKGROUND: The UERWA has acquired water rights in addition to the water rights conveyed or leased by the Contracting Parties (i.e. the 6 members of the UERWA). The UERWA calculates the current Unallocated Water Rights to equal 316.294 acre feet. Unallocated Water Rights have been used to supplement the water rights provided by a Contracting Party when such water rights are insufficient to meet water use demands and Unallocated Water Rights have been used for cash-in-lieu of water rights dedications. Cash-in-Lieu of water rights dedication is efficient for smaller projects where obtaining small quantities of water rights would be expensive, time-consuming and burdensome (e.g. Red House, Wyndam and Brookside projects in Avon).

The UERWA has adopted a series of policies concerning water rights dedications and water demand management, including:

July 14, 2014 – Revision to Water Demand Management Plan

January 13, 2016 – Policy for Water Service Agreements for New Water Use.

January 13, 2016 – Joint Resolution of UERWA and Eagle River Water & Sanitation District to Adopt Impact Fees for New Irrigation and Sprinkler Accounts.

January 21, 2016 – Water Dedication Policy

These policies, which are incorporated by reference in the Unallocated Water Rights policy, address several of the Town's identified goals for the Unallocated Water Rights policy, including the requirement to dedicate water rights if available and support for water conservation measures.

POLICY CONSIDERATIONS: The Unallocated Water Policy continues the general "first-come, first-serve" approach that the UERWA has followed since its inception, with the following conditions, qualifications and limitations:

1. Restricts the allocation of Unallocated Water to Contracting Parties (i.e. the 6 members of the UERWA). Allocation of Unallocated Water to non-Contracting Parties would require unanimous consent of the Contracting Parties to amend the 2015 Authority Agreement.
2. States that the Board of Directors shall re-evaluate the Unallocated Water Policy when the Unallocated Water Rights are reduced by 150 acre feet or if the amount of storage comprising the Unallocated Water Rights is less than 50 feet.
3. Cross-references the Water Dedication Policy, which states a preference for dedication of water rights when available to serve the property.
4. Cross-references the Water Demand Management Plan, which includes policies that promote water conservation.
5. States the Board of Directors may reserve and withhold allocation of a portion of Unallocated Water Rights to meet unanticipated water demands or to store senior historic consumptive use credits in a Colorado River Compact Storage Bank.

The proposed Unallocated Water Policy meets all of the objectives expressed by the Town of Avon with the exception of (1) defining "large developments" and adopting guidance that large developments are not appropriate for allocation of Unallocated Water Rights and (2) stating that cash-in-lieu of water rights should be used for developing or acquiring additional water supplies. The concern expressed by the Town of Avon was that a single, unanticipated large development could utilize a significant portion of the remaining Unallocated Water Rights, leaving the remaining Contracting Parties without a convenient and readily available pool of Unallocated Water Rights for other projects that come up from time to time. The remainder of the Unallocated Water Rights committee members felt that defining "large developments" was not necessary. The current Allocated Water Rights for each Contracting Party are already matched to serve the development plans for each member that exists today. It is very speculative to estimate the potential for new "large developments" that are not planned or identified today. A review of the UERWA boundaries and boundaries of the Contracting Parties indicates that there is very little non-federal land which has not been included in existing development plans (see the Map of the UERWA boundaries). With regard to the use of cash-in-lieu, by law, such payments can only be used for water rights related purposes, including reimbursement for the cost of Unallocated Water Rights already acquired or acquisition or development of new water supplies.

Overall, the proposed Unallocated Water Policy meets nearly all the goals identified by the Avon Town Council.

Thank you, Eric

Attachment A: Unallocated Water Policy

Attachment B: Map of the UERWA boundaries

Attachment A: Draft Unallocated Water Policy

UNALLOCATED WATER POLICY

The Authority Agreement Amending and Restating the Agreement Establishing the Upper Eagle Regional Water Authority and the Master Service Contract dated May 27, 2015 (the “Authority Agreement”) defines at Section 19 the Authority’s Unallocated Water Rights as any direct flow water rights that are owned by the Authority and not originally conveyed by a Contracting Party, and any storage water rights that are owned or leased by the Authority and not originally conveyed or assigned by a Contracting Party, and any other water rights owned by the Authority and not allocated to a Contracting Party pursuant to the definition of Allocated Water Rights. The Allocated Water Rights are defined in Section 17 of the Authority Agreement. The Authority Agreement further provides that the Water Right Reports prepared for each Contracting Party shall be periodically updated at least every two years to identify the Allocated Water Rights and the Unallocated Water Rights. The Authority Agreement additionally provides that the Unallocated Water Rights shall be retained by the Authority for its use and for the benefit of the Contracting Parties that remain members of the Authority.

In view of the foregoing, it is the policy of the Authority that all or any portion of the Authority’s Unallocated Water Rights may be allocated to a Contracting Party, as that term is defined in the Authority Agreement, on a first come first serve basis where the board of directors of the Authority (1) has determined that the Developer is not able to meet the dedication of water right provisions of the Authority’s Water Dedication Policy; (2) has agreed to accept a cash payment in lieu of water rights pursuant to the Authority’s Water Dedication Policy for a development within the service area of a Contracting Party; and (3) has determined that the development is in compliance with the objectives of the Authority’s Water Demand Management Plan.

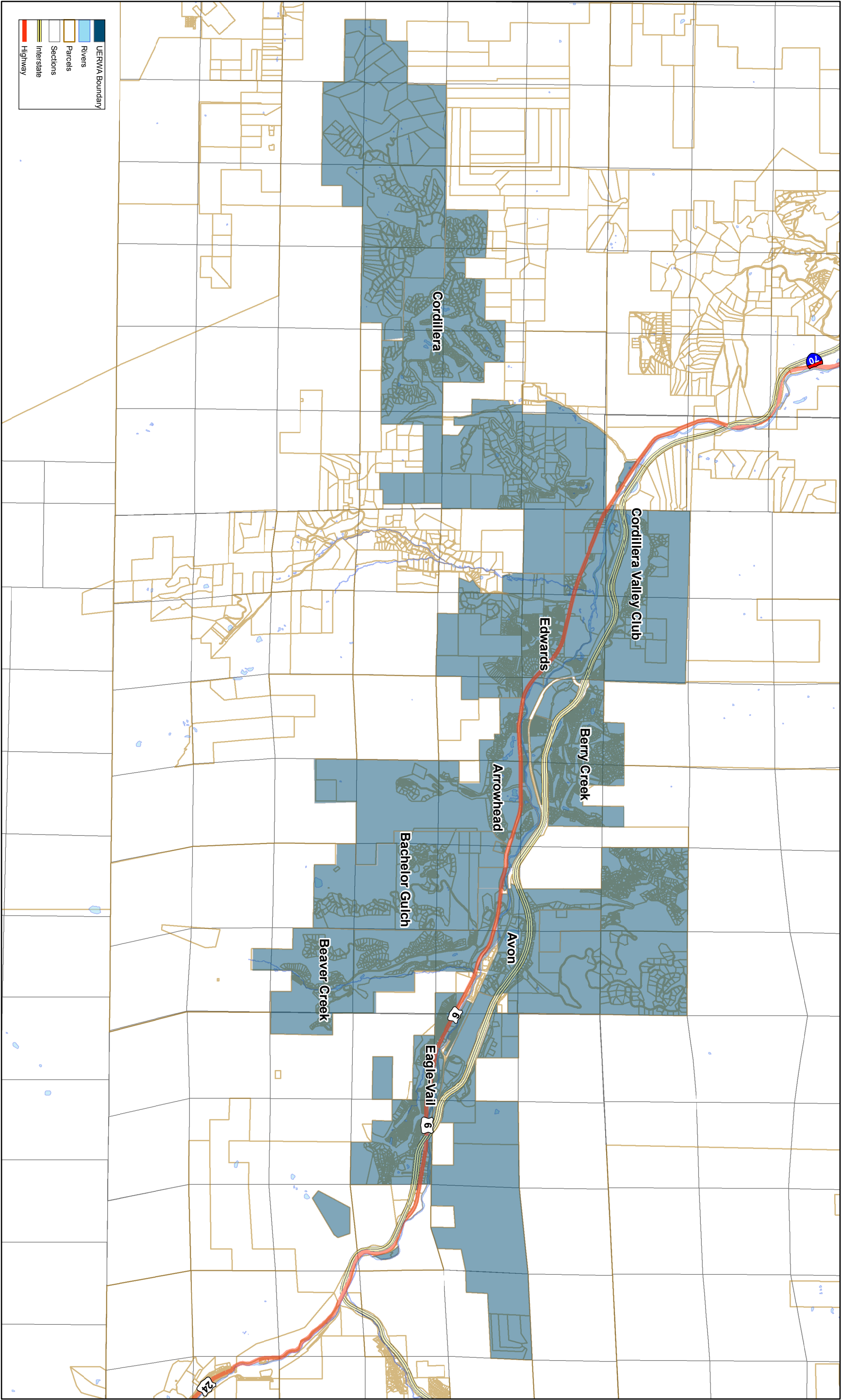
It shall further be the policy of the Authority to have the board of directors determine periodically whether to reserve and withhold from allocating a portion of the Unallocated Water Rights to meet unanticipated future water demands, or to store senior historic consumptive use credits in a Colorado River Compact storage bank.

As of the date of the adoption of this policy, the board of directors has determined that the amount of the Unallocated Water Rights equals 316.294 acre feet. The board of directors shall periodically review and reevaluate this policy at its discretion; provided, however, there shall be a mandatory review and reevaluation of this policy if the amount of Unallocated Water Rights is reduced by 150 acre feet, or if the amount of storage comprising the Unallocated Water Rights is less than 50 acre feet.

Adopted and approved this _____ day of February, 2016.

By /s/ George Gregory, President and Board Chair

Upper Eagle Regional Water Authority
Water Service Boundary



Attachment B: UERWA Service Map

From: Tom Ruemmler [<mailto:truemmler@hotmail.com>]
Sent: Wednesday, May 04, 2016 9:56 AM
To: Avon Council Web
Cc: Virginia Egger; Scott Wright
Subject: \$27,000 in Water & Sewer tap fees can be eliminated

The Eagle River Water and Sewer District has calculated they could eliminate all tap fees (about \$27,000) by increasing the monthly SFE (Single Family Equivalent) fee by \$10.21. This is another example that by spreading taxes over more payers, the tax becomes palatable. Keep this in mind for your May 10, 2016 work secession with ERWSD.

This would be another step towards more affordable housing and would also stimulate the local economy and thus increase sale tax revenues.

Other alternatives exist that would spreading the cost of water and sewer over more payers include increasing the sale tax collect by the county and then the county supplements the Eagle River Water and Sewer District. Another would be increasing the lodging tax. Both of these methods would spread the costs to more payers and the tourists that use the services.

Catherine Hayes of Eagle River Water and Sewer District did the calculations that verify a \$10.12 SFE increase will offset the "tap fees". I can email those the calculations to anyone that requests them.

By also eliminating Avon's RETT (real estate transfer tax) the cost of purchasing new construction could be reduced by more than \$40,000. Furthermore, considerably less money would be consumed by closing costs since the RETT is not rolled into the loan amount. It is an additional closing cost.

Tom Ruemmler
719 293-0655



TOWN COUNCIL REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council
From: Preston Neill, Executive Assistant to the Town Manager
Date: May 10, 2016
Agenda Topic: Public Hearing and Second Reading of Ordinance 16-07, Allowing Food Trucks to Operate on Town Right-of-Ways

ACTION BEFORE COUNCIL:

Review and consideration of Ordinance 16-07 that would allow food trucks to operate on Town right-of-ways.

RECOMMENDED MOTION:

I move to approve Ordinance No. 16-07, an Ordinance Allowing Food Trucks to Operate on Town Right-of-Ways.

BACKGROUND:

At its March 22, 2016 work session, Town Council reviewed a staff report about allowing one or more food trucks to operate on Town property and right-of-ways. Subsequently, Council provided direction to staff to present an ordinance allowing food trucks to operate on Town right-of-ways in up to three locations near Harry A. Nottingham Park, but limit permits to one truck at a time. Council wished for the food truck permit(s) to be monitored as a test case through 2016.

A change to the Avon Municipal Code is the first step to allowing food trucks on Town right-of-ways, and while Council direction is to limit the locations and number of permits, staff has prepared the ordinance to allow Council to grant additional locations and numbers in the future.

First reading of Ordinance 16-07 was approved on April 12, 2016.

ATTACHMENT :

Resolution 16-07



**TOWN OF AVON, COLORADO
ORDINANCE 16-07**

**AMENDING SECTION 5.04.020 OF THE AVON MUNICIPAL CODE,
ALLOWING FOOD TRUCKS TO OPERATE ON RIGHT-OF-WAYS**

WHEREAS, Colorado municipalities are authorized to regulate the use of public streets, sidewalks and rights-of-way for public health, safety, welfare and convenience; and

WHEREAS, mobile food vehicles or “food trucks”, are a national trend and provide the useful service of convenient and varied dining options in business areas and in areas that lack businesses providing nutritional dietary options; and

WHEREAS, the Council of the Town of Avon finds it in the interest of the public health, safety, welfare and convenience to authorize the operation of mobile food vehicles within the Town of Avon, subject to regulations to protect the safe and convenient use of public rights-of-way; and

WHEREAS, approval of this Ordinance on First Reading is intended only to confirm that the Town Council desires to comply with the requirements of the Avon Home Rule Charter by setting a public hearing in order to provide the public an opportunity to present testimony and evidence regarding the application and that approval of this Ordinance on First Reading does not constitute a representation that the Town Council, or any member of the Town Council, supports, approves, rejects, or denies this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF AVON, COLORADO the following:

Section 1. Recitals Incorporated. The above and foregoing recitals are incorporated herein by reference and adopted as findings and determinations of the Town Council.

Section 2. Amendment to Avon Municipal Code Section 5.04.020 Definitions. Avon Municipal Code Section 5.04.020 is hereby amended to read as follows:

Vendor means any person who sells or attempts to sell, or offers to the public, any services, goods, wares or merchandise including, but not limited to food or beverage, from any outdoor location from a mobile or stationary cart, table, or vehicle regardless of whether a fee is charged for such goods or services.

Section 3. Codification Amendments. The codifier of the Town’s Municipal Code, Colorado Code Publishing, is hereby authorized to make such numerical and formatting changes as may be necessary to incorporate the provisions of this Ordinance within the Avon Municipal Code. The Town Clerk is authorized to correct, or approve the correction by the codifier, of any typographical error in the enacted regulations, provided that such correction shall not

substantively change any provision of the regulations adopted in this Ordinance. Such corrections may include spelling, reference, citation, enumeration, and grammatical errors.

Section 4. Severability. If any provision of this Ordinance, or the application of such provision to any person or circumstance, is for any reason held to be invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable. The Town Council hereby declares that it would have passed this Ordinance and each provision thereof, even though any one of the provisions might be declared unconstitutional or invalid. As used in this Section, the term “provision” means and includes any part, division, subdivision, section, subsection, sentence, clause or phrase; the term “application” means and includes an application of an ordinance or any part thereof, whether considered or construed alone or together with another ordinance or ordinances, or part thereof, of the Town.

Section 5. Effective Date. This Ordinance shall take effect thirty (30) days after the date of final passage in accordance with Section 6.4 of the Avon Home Rule Charter.

Section 6. Safety Clause. The Town Council hereby finds, determines and declares that this Ordinance is promulgated under the general police power of the Town of Avon, that it is promulgated for the health, safety and welfare of the public, and that this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare. The Town Council further determines that the Ordinance bears a rational relation to the proper legislative object sought to be obtained.

Section 7. No Existing Violation Affected. Nothing in this Ordinance shall be construed to release, extinguish, alter, modify, or change in whole or in part any penalty, liability or right or affect any audit, suit, or proceeding pending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing which may have been incurred or obtained under any ordinance or provision hereby repealed or amended by this Ordinance. Any such ordinance or provision thereof so amended, repealed, or superseded by this Ordinance shall be treated and held as remaining in force for the purpose of sustaining any and all proper actions, suits, proceedings and prosecutions, for the enforcement of such penalty, liability, or right, and for the purpose of sustaining any judgment, decree or order which can or may be rendered, entered, or made in such actions, suits or proceedings, or prosecutions imposing, inflicting, or declaring such penalty or liability or enforcing such right, and shall be treated and held as remaining in force for the purpose of sustaining any and all proceedings, actions, hearings, and appeals pending before any court or administrative tribunal.

Section 8. Publication. The Town Clerk is ordered to publish this Ordinance in accordance with Chapter 1.16 of the Avon Municipal Code.

[EXECUTION PAGE FOLLOWS]

INTRODUCED AND ADOPTED ON FIRST READING AND REFERRED TO PUBLIC HEARING on April 12, 2016 and setting such public hearing for May 10, 2016 at the Council Chambers of the Avon Municipal Building, located at One Lake Street, Avon, Colorado.

BY:

ATTEST:

Jennie Fancher, Mayor

Debbie Hoppe, Town Clerk

ADOPTED ON SECOND AND FINAL READING on May 10, 2016.

BY:

ATTEST:

Jennie Fancher, Mayor

Debbie Hoppe, Town Clerk

APPROVED AS TO FORM:

Eric J. Heil, Town Attorney



TOWN COUNCIL REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council
From: Preston Neill, Executive Assistant to the Town Manager
Date: May 10, 2016
Agenda Topic: Resolution 16-17 Establishing Locations and Number of Food Trucks

ACTION BEFORE COUNCIL:

Review and consideration of Resolution 16-17 that would establish locations and number of food trucks in the Town of Avon.

RECOMMENDED MOTION:

I move to approve Resolution 16-17, Establishing the Locations and Number of Food Trucks.

BACKGROUND:

Upon adoption of *Ordinance 16-07, Allowing Food Trucks to Operate on Town Right-of-Ways*, the locations and maximum number of vendor permits for food trucks must be established by Council. During Council's April 12th discussion of food truck locations, the Council consensus was to allow the Town Manager to set locations around Harry A. Nottingham Park, but to limit the number to only one food truck to operate at a time.

ATTACHMENT:

Resolution 16-17



**TOWN OF AVON, COLORADO
RESOLUTION 16-17**

ESTABLISHING THE LOCATIONS AND MAXIMUM NUMBER OF FOOD TRUCKS

WHEREAS, the Avon Town Council has determined that allowing food trucks in locations near Harry A. Nottingham Park is a viable strategy to bring activity and vibrancy and will provide for expanded small business opportunity; and

WHEREAS, the Avon Town Council adopted Ordinance 16-07, Allowing Food Trucks to Operate on Right-of-Ways; and

WHEREAS, Section 5.04.080 (b) of the Avon Municipal Code requires that the Avon Town Council establish the location and maximum number of vendor permits by resolution; and

NOW, THEREFORE BE IT RESOLVED that the Avon Town Council approves that one (1) food truck is allowed to operate on any one location near the Harry A. Nottingham Park. The Town Manager is authorized to identify and test locations near the park, including but not limited to the following sites mapped on Exhibit A:

- Location #1: The parking lot on north side of Harry A. Nottingham Park.
- Location #2: The two northerly parking spaces in the parking lot located on the east side of the Municipal Building.
- Location #3: The northwest corner of the parking lot located on the north side of the Recreation Center.

ADOPTED May 10, 2016

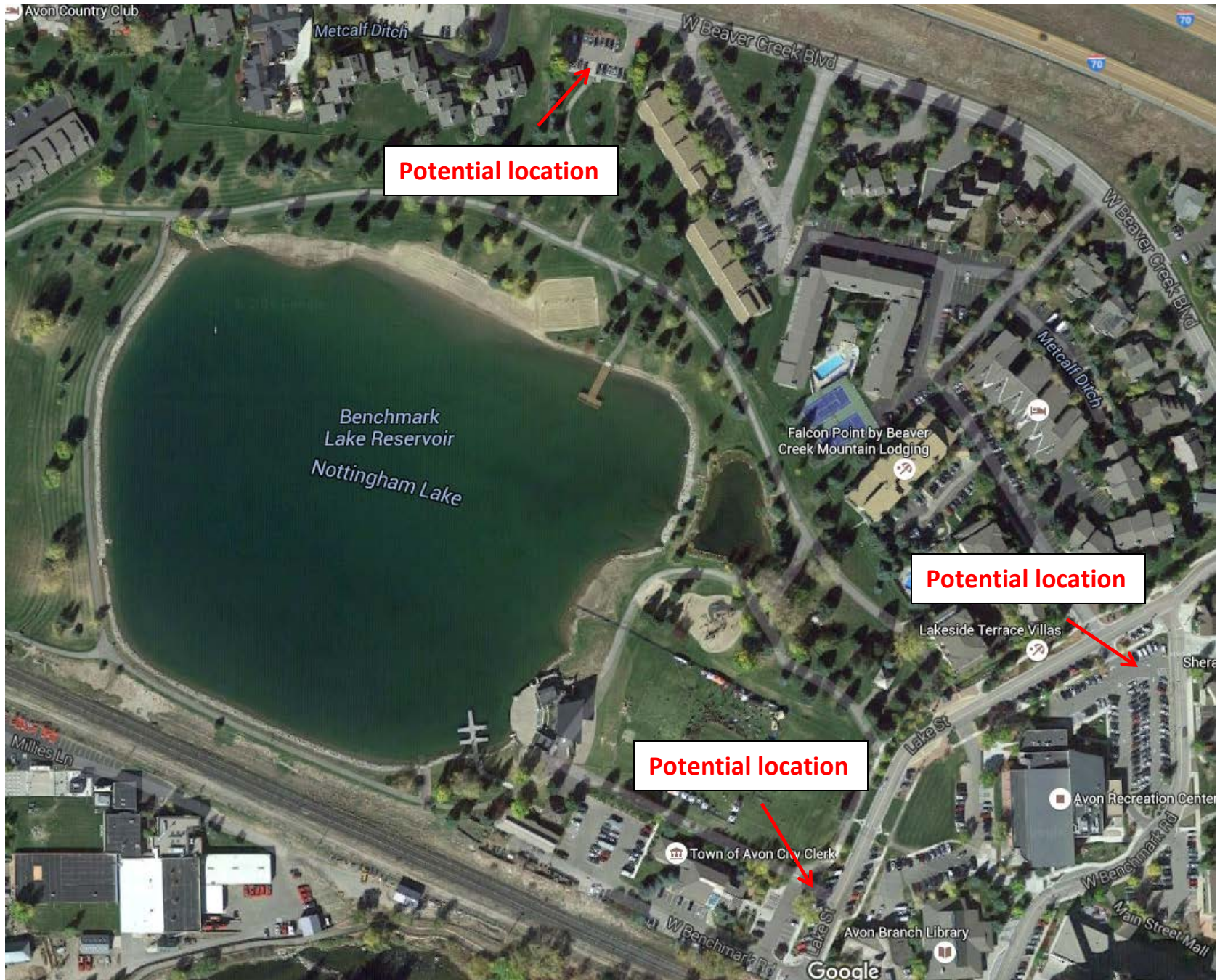
AVON TOWN COUNCIL

By: _____
Jennie Fancher, Mayor

Attest: _____
Debbie Hoppe, Town Clerk

EXHIBIT A

POTENTIAL FOOD TRUCK LOCATIONS NEAR HARRY A. NOTTINGHAM PARK



TO: Honorable Mayor Fancher and Town Council members
FROM: Eric J. Heil, Town Attorney
RE: Ordinance No. 16-08 Sales Tax Exemption for Governmental Institutions
DATE: May 5, 2016

SUMMARY: Ordinance No. 16-08 is presented to Council for Second and Final Reading. Ordinance No. 16-08 amends the Avon Municipal Code to exempt governmental institutions from paying sales tax on construction materials. A simple amendment to Section 3.08.050(3) of the Avon Municipal Code will accomplish this change by deleting the reference to Section 3.08.050(1) and thereby deleting the regulation that governmental institutions are NOT exempt from paying sales tax on construction materials. Council adopted first reading of Ordinance No. 16-08 at its last meeting on April 12, 2016.

Proposed Motion: "I move to approve Ordinance No. 16-08 **Amending Chapter 3.08.050(3) of the Avon Municipal Code to Exempt Governmental Institutions from Sales Tax on Construction Materials** on second and final reading."

BACKGROUND: Town Council reviewed the Avon Municipal Code and the imposition of sales tax on construction materials delivered into the Town of Avon earlier this year. Council was presented with a list of options for amending the Sales Tax Regulations, including Option 5 which read:

5. **Enact an Exemption for Public Facilities and Projects:** Council may amend Chapter 3.08 to exempt the imposition of sales tax on construction materials used for public facilities and projects. Such exemption would simply repeal Section 3.08.050(3) so that the Town's sales tax regulations are consistent with the State's sales tax regulations. Such an exemption would apply to both sales by in-Town retailer-vendors and sales by out-of-Town retailer vendors that deliver to Town.

From those discussions a majority of Council favored exempting governmental institutions from paying sales tax on construction materials. Such an exemption would follow the State of Colorado's exemption for governmental institutions.

FINANCIAL IMPACT: The Town Council has already approved a waiver of the sales tax for the proposed regional fire station facility. The Upper Eagle Regional Water Authority has requested a waiver of the sales tax on construction materials for the Mountain Star water storage tank. There are no other proposed or pending governmental institution projects in the near future (possibly a expansion of the Eagle River Water and Sanitation District waste water treatment facility in Avon). Therefore, the projected financial impacts are very speculative. In very general terms, for every \$1,000,000 of governmental institution construction projects in Avon, assuming ½ of the cost is construction materials, the Town would forego \$20,000 in sales tax revenue.

EFFECT OF TABOR: The municipal code change would be permanent and could not be reversed or re-instated without a voter approval in Avon.

Section 3.08.050 – Exempt taxpayers is reprinted below with the language amendment proposed in Ordinance No 16-08 shown in REDLINE/STRIKE-OUT:

3.08.050 - Exempt taxpayers.

Sales to the following classes of taxpayers shall be exempt from the tax imposed by this Chapter:

- (1) Sales to the United States government; to the State, its departments or institutions and to the political subdivisions thereof, in their governmental capacity only; in all sales to the Town; providing, however, that no commercial, industrial or other banking institution, organized or chartered by the United States government, any agency or department thereof, or by the State, shall be considered a governmental institution for the purpose of this exemption;
- (2) Sales by or to religious, charitable and eleemosynary institutions, in the conduct of their regular religious, charitable and eleemosynary functions and activities;
- (3) Nothing herein contained shall be deemed to exempt from the tax levied by this Chapter sales of building material or supplies to be used by a contractor for the construction of an improvement for any of the institutions or agencies enumerated in Subsections ~~(1) or~~ (2) above.

Thank you, Eric

Attachment: Ordinance No. 16-08



**TOWN OF AVON, COLORADO
ORDINANCE NO. 16-08**

**AMENDING SECTION 3.08.050(3) OF THE AVON MUNICIPAL CODE TO
EXEMPT GOVERNMENTAL INSTITUTIONS FROM SALES TAX ON
CONSTRUCTION MATERIALS**

WHEREAS, pursuant to C.R.S. §31-15-103 and §31-15-104, and pursuant to the home rule powers of the Town of Avon (“Town”), the Town Council has the power to make and publish ordinances necessary and proper to provide for the safety, preserve the health, promote the prosperity, and improve the morals, order, comfort, and convenience of its inhabitants;

WHEREAS, the Town Council finds that the exemption of governmental institutions from sales tax on construction materials will reduce the cost the constructing and updating governmental institutions in Avon and will follow the State of Colorado sales tax exemption on construction materials for governmental institutions; and,

WHEREAS, approval of this Ordinance on First Reading is intended only to confirm that the Town Council desires to comply with the requirements of the Avon Home Rule Charter by setting a public hearing in order to provide the public an opportunity to present testimony and evidence regarding the application and that approval of this Ordinance on First Reading does not constitute a representation that the Town Council, or any member of the Town Council, supports, approves, rejects, or denies this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF AVON, COLORADO the following:

Section 1. Recitals Incorporated. The above and foregoing recitals are incorporated herein by reference and adopted as findings and determinations of the Town Council.

Section 2. Section 3.08.050(3) Amended. Section 3.08.050(3) – Exempt taxpayers. of the Avon Municipal Code is hereby amended by repealing Section 3.08.050(3) in its entirety and re-enacting to read as follows:

“Nothing herein contained shall be deemed to exempt from the tax levied by this Chapter sales of building material or supplies to be used by a contractor for the construction of an improvement for any of the institutions or agencies enumerated in Subsection (2) above.”

Section 3. Codification Amendments. The codifier of the Town’s Municipal Code, Colorado Code Publishing, is hereby authorized to make such numerical and formatting changes as may be necessary to incorporate the provisions of this Ordinance within the Avon Municipal Code. The Town Clerk is authorized to correct, or approve the correction by the codifier, of any typographical error in the enacted regulations, provided that such correction shall not

ATTACHMENT: ORD NO. 16-08

substantively change any provision of the regulations adopted in this Ordinance. Such corrections may include spelling, reference, citation, enumeration, and grammatical errors.

Section 4. **Non-severability.** If any provision of this Ordinance, or the application of such provision to any person or circumstance, is for any reason held to be invalid or enforceable, such invalidity or effect shall render the entire ordinance void and not effective, it being the intention of the Council that is this all provisions of this Ordinance are not severable and that Council would not have adopted this Ordinance if any provision of this Ordinance is invalid or not effective. As used in this Section, the term “provision” means and includes any part, division, subdivision, section, subsection, sentence, clause or phrase; the term “application” means and includes an application of an ordinance or any part thereof, whether considered or construed alone or together with another ordinance or ordinances, or part thereof, of the Town.

Section 5. **Effective Date.** This Ordinance shall take effect thirty (30) days after the date of final passage in accordance with Section 6.4 of the Avon Home Rule Charter.

Section 6. **Safety Clause.** The Town Council hereby finds, determines and declares that this Ordinance is promulgated under the general police power of the Town of Avon, that it is promulgated for the health, safety and welfare of the public, and that this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare. The Town Council further determines that the Ordinance bears a rational relation to the proper legislative object sought to be obtained.

Section 7. **Publication.** The Town Clerk is ordered to publish this Ordinance in accordance with Chapter 1.16 of the Avon Municipal Code.

[EXECUTION PAGE FOLLOWS]

ATTACHMENT: ORD NO. 16-08

INTRODUCED AND ADOPTED ON FIRST READING AND REFERRED TO PUBLIC HEARING on April 12, 2016 and setting such public hearing for May 10, 2016 at the Council Chambers of the Avon Municipal Building, located at One Lake Street, Avon, Colorado.

BY:

ATTEST:

Jennie Fancher, Mayor

Debbie Hoppe, Town Clerk

ADOPTED ON SECOND AND FINAL READING on May 10, 2016.

BY:

ATTEST:

Jennie Fancher, Mayor

Debbie Hoppe, Town Clerk

APPROVED AS TO FORM:

Eric J. Heil, Town Attorney



TOWN COUNCIL REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council
From: Matt Pielsticker, AICP, Planning Director
Meeting Date: May 10, 2016
Agenda Topic: **Public Hearing** and First Reading of Ordinance No. 16-09, An Ordinance Amending the Comprehensive Plan; District 13: *Nottingham Road Commercial District*

SUMMARY

The attached Ordinance (**Exhibit A**) approves an application to amend the Comprehensive Plan. Specifically, the application pertains to District 13: *Nottingham Road Commercial District* and results in more flexibility for building height and setback requirements related to the Joint Public Safety facility. The Joint Public Safety facility is located on property zoned Public Facility (PF); accordingly, the Avon Municipal Code allows development plans to vary from dimensional standards when there are unique design features if made part of the Comprehensive Plan. The Planning and Zoning Commission ("PZC") reviewed the application at their April 5, 2016 meeting, where they approved the Development Plan for the Joint Public Safety contingent upon final approval of the Comprehensive Plan Amendment by the Town Council.

STAFF ANALYSIS & PZC REVIEW

The attached staff report to PZC includes a more detailed summary of the application and analysis of the mandatory review criteria. The PZC packet, including their resolution and recommendation, is attached (**Exhibit B**) for your review and consideration.

PROPOSED MOTION

"Move to approve Ordinance No. 16-09, An Ordinance Amending the Comprehensive Plan for District 13: *Nottingham Road Commercial District*."

EXHIBITS

- A - Ordinance No. 16-09
- B - Staff Report to PZC and Attachments



**TOWN OF AVON, COLORADO
ORDINANCE NO. 16-09**

**AMENDING THE COMPREHENSIVE PLAN; DISTRICT 13:
NOTTINGHAM ROAD COMMERCIAL DISTRICT**

WHEREAS, the Town of Avon (“Town”) is a home rule municipal corporation and body politic organized under the laws of the State of Colorado and possessing the maximum powers, authority and privileges to which it is entitled under Colorado law; and

WHEREAS, the Eagle River Fire Protection District (“Applicant”) submitted development applications to the Town including a Major Development Plan and a Comprehensive Plan Amendment for the Joint Public Safety Facility project; and

WHEREAS, the Joint Public Safety Facility is located on a property zoned Public Facilities (PF), and according to the Comprehensive Plan is located within District 13: *Nottingham Road Commercial District*; and

WHEREAS, a Major Development Plan Application for the Joint Public Safety Facility was approved by the Planning and Zoning Commission contingent upon approval of a Comprehensive Plan amendment; and

WHEREAS, according to the Avon Municipal Code (“AMC”) §7.20.080(e), the PF district is “intended to provide sites for public uses such as community centers, police and fire stations and governmental facilities,” and unless otherwise set forth in the Avon Comprehensive Plan the dimensional standards for the zone district apply; and

WHEREAS, the Joint Public Safety Facility has unique design features, including a training tower and layout of emergency vehicle bays for effective ingress and egress, which are directly related to the performance and functioning of the public facility and which do not meet the dimensional standards set forth in the Public Facilities zone district; and

WHEREAS, the Applicant submitted a Comprehensive Plan Amendment application (“Application”) to the Town’s Community Development Department for amendments to District 13: *Nottingham Road Commercial District* to set forth certain dimensional standards in the Avon Comprehensive Plan which reflect the unique design features of the Joint Public Safety Facility; and

WHEREAS, the Town’s Planning & Zoning Commission (“PZC”), after publishing and posting notice as required by law, held a public hearing on April 5, 2016; and prior to formulating a recommendation to the Town Council considered all comments, testimony, evidence and Town Staff reports; and then took action to adopt Resolution 2016-03 to make a recommendation to the Town Council for approval of the Application, and

WHEREAS, the Town Council of the Town of Avon, after publishing and posting notice in accordance with the requirements of AMC §7.16.020(d), *Step 4: Notice*, held public hearings on May 10, 2016, and May 24, 2016 and prior to taking final action considered all comments, testimony, evidence and Town Staff reports; and then took action by approving this Ordinance; and

WHEREAS, in accordance with AMC §7.12.020, *Town Council*, and in addition to other authority granted by the Town Charter, its ordinances or State of Colorado law, the Town Council has application review and decision-making authority to approve, approve with conditions or deny the Application; and

WHEREAS, pursuant to AMC §7.16.030(c), *Review Criteria*, the Town Council has considered the applicable review criteria for a Comprehensive Plan Amendment and specifically finds that the Application meets the criteria in AMC §7.16.030(c)(1) that the Joint Public Safety Facility as designed provides an essential public benefit of fire and police protection and other locations are not feasible or practical due to the proximity to the I-70 interchange and minimum size and access requirements for the Joint Public Safety Facility; and

WHEREAS, development in District 13: *Nottingham Road Commercial District* in accordance with the Application will provide for orderly growth in accordance with the policy and goals set forth in the Comprehensive Plan;

WHEREAS, the Application provides flexibility with site design and building form that are in response to changing circumstances in District 13: *Nottingham Road Commercial District*; and

WHEREAS, it is the Town Council's opinion the health, safety and welfare of the citizens by locating essential public safety services in an appropriate location of Town, sized accordingly with a 50 year design; and

WHEREAS, approval of this Ordinance on First Reading is intended only to confirm the Town Council desires to comply with the requirements of the *Avon Home Rule Charter* by setting a Public Hearing in order to provide the public an opportunity to present testimony and evidence regarding the application, and that approval of this Ordinance on First Reading does not constitute a representation that the Town Council, or any member of the Town Council, supports, approves, rejects, or denies this Ordinance;

NOW THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF AVON, COLORADO:

Section 1. Recitals Incorporated. The above and foregoing recitals are incorporated herein by reference and adopted as findings and determinations of the Town Council.

Section 2. Comprehensive Plan Amendment. The Comprehensive Plan is hereby amended to modify language in District 13: *Nottingham Road Commercial District*, as attached ("**Exhibit A to Ordinance No. 16-09**").

Section 3. Severability. If any provision of this Ordinance, or the application of such provision to any person or circumstance, is for any reason held to be invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are declared to be severable. The Town Council hereby declares that it has passed this Ordinance and each provision thereof, even though any one of the provisions might be declared unconstitutional or invalid. As used in this Section, the term “provision” means and includes any part, division, subdivision, section, subsection, sentence, clause or phrase; the term “application” means and includes an application of an ordinance or any part thereof, whether considered or construed alone or together with another ordinance or ordinances, or part thereof, of the Town.

Section 4. Effective Date. This Ordinance shall in no event take effect sooner than thirty (30) days after final adoption in accordance with Section 6.4 of the Avon Home Rule Charter.

Section 5. Safety Clause. The Town Council hereby finds, determines and declares this Ordinance is promulgated under the general police power of the Town of Avon, that it is promulgated for the health, safety and welfare of the public and this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare. The Town Council further determines that the Ordinance bears a rational relation to the proper legislative object sought to be obtained.

Section 6. No Existing Violation Affected. Nothing in this Ordinance shall be construed to release, extinguish, alter, modify, or change in whole or in part any penalty, liability or right or affect any audit, suit, or proceeding pending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing which may have been incurred or obtained under any ordinance or provision hereby repealed or amended by this Ordinance. Any such ordinance or provision thereof so amended, repealed, or superseded by this Ordinance shall be treated and held as remaining in force for the purpose of sustaining any and all proper actions, suits, proceedings and prosecutions, for the enforcement of such penalty, liability, or right, and for the purpose of sustaining any judgment, decree or order which can or may be rendered, entered, or made in such actions, suits or proceedings, or prosecutions imposing, inflicting, or declaring such penalty or liability or enforcing such right, and shall be treated and held as remaining in force for the purpose of sustaining any and all proceedings, actions, hearings, and appeals pending before any court or administrative tribunal.

Section 7. Correction of Errors. Town Staff is authorized to insert proper dates, references to recording information and make similar changes, and to correct any typographical, grammatical, cross-reference, or other errors which may be discovered in any documents associated with this Ordinance and documents approved by this Ordinance provided that such corrections do not change the substantive terms and provisions of such documents.

Section 8. Publication. The Town Clerk is ordered to publish this Ordinance in accordance with Chapter 1.16 of the Avon Municipal Code.

[EXECUTION PAGE FOLLOWS]

INTRODUCED AND ADOPTED ON FIRST READING AND REFERRED TO PUBLIC HEARING on May 10, 2016 and setting such public hearing for May 24, 2016 at the Council Chambers of the Avon Municipal Building, located at One Lake Street, Avon, Colorado.

BY:

ATTEST:

Jennie Fancher, Mayor

Debbie Hoppe, Town Clerk

ADOPTED ON SECOND AND FINAL READING on May 24, 2015.

BY:

ATTEST:

Jennie Fancher, Mayor

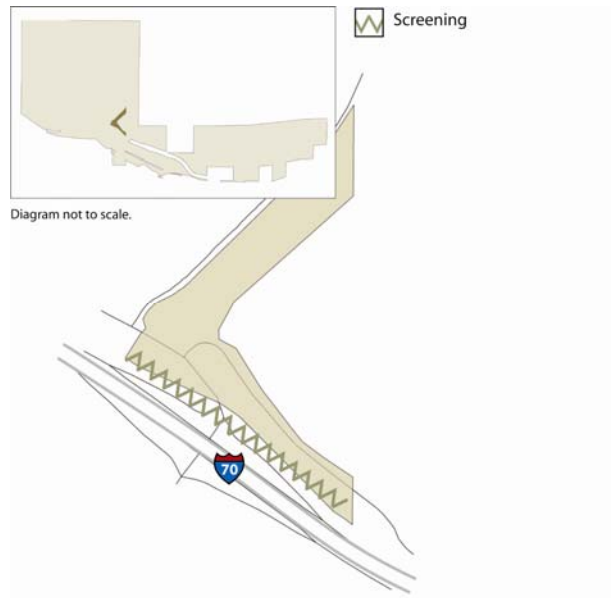
Debbie Hoppe, Town Clerk

APPROVED AS TO FORM:

Eric J. Heil, Town Attorney

Town District Planning Principles

Medium Priority Districts



District 13: Nottingham Road Commercial District

This area's proximity to the I-70/Avon Road Interchange establishes its importance to the Town's identity. Development and redevelopment that occurs here should reflect the standards in the Town Center, but should not compete with the Town Center in terms of size of buildings or intensity of development.


A secondary commercial district.

Planning Principles:

- Limit access points on Nottingham Road to simplify traffic movements.
- Require landscape setbacks and internal landscaping of parking lots.
- Screen all equipment and storage areas from view.
- Limit building heights and setbacks to that which is compatible with the existing surrounding development.
- Allow a building height of up to 60' on Lot 1B, Buck Creek Subdivision (zoned Public Facility), for a joint public safety facility, and allow scale and proportion in response to the adjacent medical office building height and scale.
- Development intensity and activity should diminish when traveling north on Buck Creek Road.



Staff Report

Meeting Date April 5, 2016
Project type Comprehensive Plan Amendment
Prepared By Matt Pielsticker, Planning Director 

Staff Report Overview

This staff report contains one application for consideration by PZC:

- CPA16003: Comprehensive Plan Amendment for *Nottingham Road Commercial District*.

Application Purpose

7.16.030 Comprehensive Plan Amendment

The amendment process is established in order to provide flexibility in response to changing circumstances, to reflect changes in public policy, and to advance the general welfare of the Town.

Introduction

The Applicant, Goulding Development Advisors, LLC, is proposing a Comprehensive Plan Amendment for *District 13: Nottingham Road Commercial District*. The proposal is submitted in conjunction with the Major Development Plan application for a joint public safety facility and proposes to modify the language of *District 13: Nottingham Road Commercial District* to address dimensional standards of the public safety facility.. Attached to this Staff Report is a strikethrough of the Avon Comprehensive Plan that shows the proposed changes.

According to the Avon Municipal Code Table §7.20.080(e), the PF district is “intended to provide sites for public uses such as community centers, police and fire stations and governmental facilities. The uses permitted in this district are identified by location in the Avon Comprehensive Plan. Unless otherwise set forth in the Avon Comprehensive Plan, the following dimensional requirements shall apply for the PF zone district”:

Table 7.20-11 Dimensions for the Public Facilities District								
Max Density units/acre)	Min. Lot Size (acres or sq. ft.)	Min. Lot Width (feet)	Max. Lot Coverage (%)	Min. Front Setback (feet)	Min. Side Setback (feet)	Min. Rear Setback (feet)	Max. Building Height (feet)	Max. Units/Lot
n/a	n/a	40	60	20	20	20	40	n/a

This application is being submitted because the Major Development Plan includes heights exceeding that currently specified above for the PF zone district, and one of the side setbacks is less than 20 feet.

Process

The PZC will recommend approval or denial of this application to the Town Council at the April 5, 2016 hearing, and will be considered for final review by Town Council at a hearing scheduled for May 10, 2016.

Review Criteria

The review procedures for this application are governed by the Development Code. According to the AMC §7.16.030(c), *Review Criteria*, the following criteria must be considered prior to formulating a recommendation to the Avon Town Council:

(1) The surrounding area is compatible with the land use proposed in the plan amendment or the proposed land use provides an essential public benefit and other locations are not feasible or practical;

Staff Response: *The surrounding area is generally commercial in nature, and the Buck Creek drainage separates and buffers the property from the Walking Mountains residential and educational land uses. The Civic/Public land use designation within the Avon Comprehensive Plan specifies that public land uses should be evaluated separately based on compatibility with adjacent uses.*

The site layout of this project was designed at a conceptual level during the review of the Medical Office Building on Lot 1A to ensure compatibility and suitability of each property for the intended land uses. At that time, the setbacks and compatibility between properties was reviewed and found to be appropriate. The land uses are compatible in terms of use, size layout, and massing.

(2) Transportation services and infrastructure have adequate current capacity, or planned capacity, to serve potential traffic demands of the land use proposed in the plan amendment;

Staff Response: *Allowing flexible development standards for properties within the Nottingham Road Commercial District should not impact transportation infrastructure or resultant demand in the area. There was a transportation study provided at the time of rezoning and that study remains valid. The study contemplated buildout of both properties and modeled their resultant potential impact on surrounding infrastructure.*

According to the study provided by Charles Buck, a traffic engineer with Feldburg, Hult and Ullevig, the development will generate approximately 1,870 vehicle trips per day (VPD), increasing the traffic on Nottingham Road from 12,100 VPD to 13,970 VPD, an increase of 15%. The traffic study concluded that the additional traffic generated will not increase congestion on Nottingham Road. The traffic will cause minor delays to vehicles attempting to make a left hand turn from Swift Gulch Road and Buck Creek Road onto Nottingham Road. This issue already exists and will slightly increase as a result of the development.

Emergency vehicles causing long delays and back-ups on Nottingham Road when exiting is not expected to be significant since currently the delays when the emergency vehicles enter Avon Road at Benchmark Road are not, a roundabout with 28,042 VPD, twice the volume than Nottingham Road. The Town is committed to maintaining a safe road system and will hire a traffic engineer to evaluate Nottingham Road and the Swift Gulch Road and Buck Creek Road intersections once the two projects are complete and buildings occupied.

(3) Public services and facilities have adequate current capacity, or planned capacity, to serve the land use proposed in the plan amendment;

Staff Response: *The land uses within the Nottingham Road Commercial District can be adequately served by public services. Water and wastewater requirements have been evaluated by the Water District and the property can be served.*

(4) The proposed land use in the plan amendment will result in a better location or form of development for the Town, even if the current plan designation is still considered appropriate;

Staff Response: The land uses and program for Lot 1A and Lot 1B, Buck Creek, were studied in detail by Davis Partnership Architects in early 2015. This site itself is strategically located near the Interstate, with quick access to areas where first responders frequent. Allowing a taller building height and some reduced areas of side setback result in a more efficient use of the land, and forms that are in context with the surroundings.

(5) Strict adherence to the current plan would result in a situation neither intended nor in keeping with other key elements and policies of the plan;

Staff Response: Adherence to the current plan and dimensional requirements of the PF zone district would result in a situation neither intended nor in keeping with other elements of the plan. The 40' height limit would limit the ability to house a fire station with training facilities. It should be noted that the training tower element was part of the original Buck Creek PUD for Lot 1A (previously about 150' to the south) and is suitable for this project.

(6) The proposed plan amendment will promote the purposes stated in this Development Code; and,

Staff Response: The Purposes stated in the Development Code are achieved with the siting and development of the properties for valuable public safety facilities in a site layout and scale appropriate for buildout of the community.

(7) The proposed plan amendment will promote the health, safety or welfare of the Avon Community and will be consistent with the general goals and policies of the Avon Comprehensive Plan.

Staff Response: The plan amendment is supported by the Comprehensive Plan policies (as stated in the application), and will help to ensure that essential public safety facilities are provided near the people who use them, at a scale appropriate for future buildout potential of the community.

Staff Recommendation for CPA16003 Comprehensive Plan Amendment

Staff recommends approving the Resolution 16-03, recommending approval of a Comprehensive Plan Amendment application for the *Nottingham Road Commercial District*.

Recommended Motion:

"I move to approve Resolution 16-03, a resolution recommending that the Town Council approve the Comprehensive Plan Amendment for the *Nottingham Road Commercial District*."

Attachments

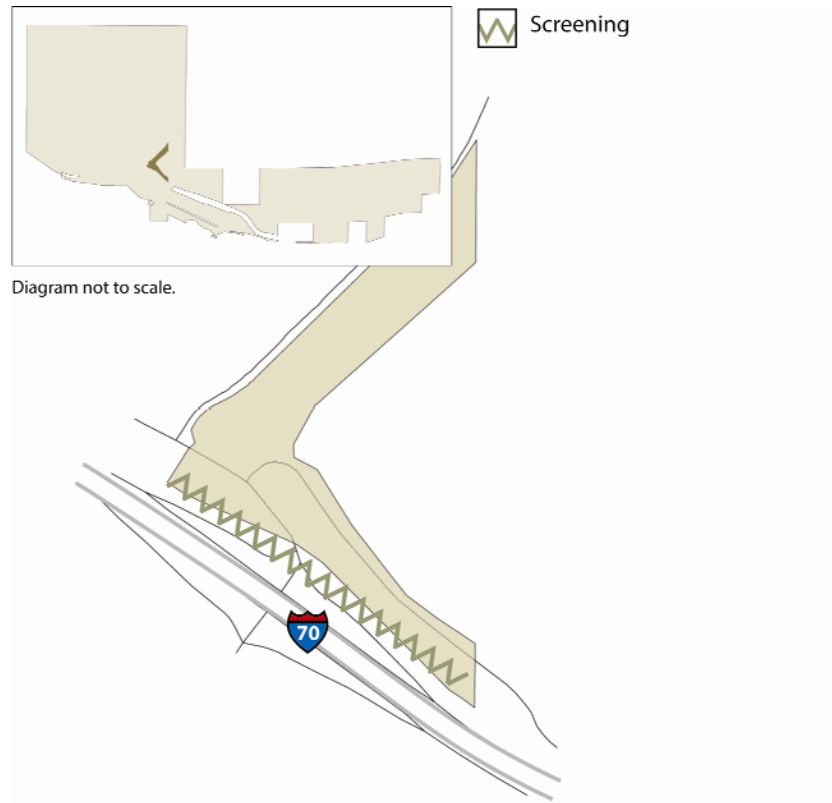
A: District 13: Nottingham Road Commercial District Strikethrough

B: Project Narrative

C: Resolution 16-03

Town District Planning Principles

Medium Priority Districts



District 13: Nottingham Road Commercial District

This area's proximity to the I-70/Avon Road Interchange establishes its importance to the Town's identity. Development and redevelopment that occurs here should reflect the standards in the Town Center, but should not compete with the Town Center in terms of size of buildings or intensity of development.

A secondary commercial district

Planning Principles:

- Limit access points on Nottingham Road to simplify traffic movements.
- Require landscape setbacks and internal landscaping of parking lots.
- Screen all equipment and storage areas from view.
- Limit building heights and setbacks to that which is compatible with the existing surrounding development. (Allowing Building Heights up to 60' with scale and proportion in response to the Medical Office Building height and scale.)
- Development intensity and activity should diminish when traveling north on Buck Creek Road.

Lot 1B Narrative Avon Public Safety Facility



Submittal Date: March 02, 2016

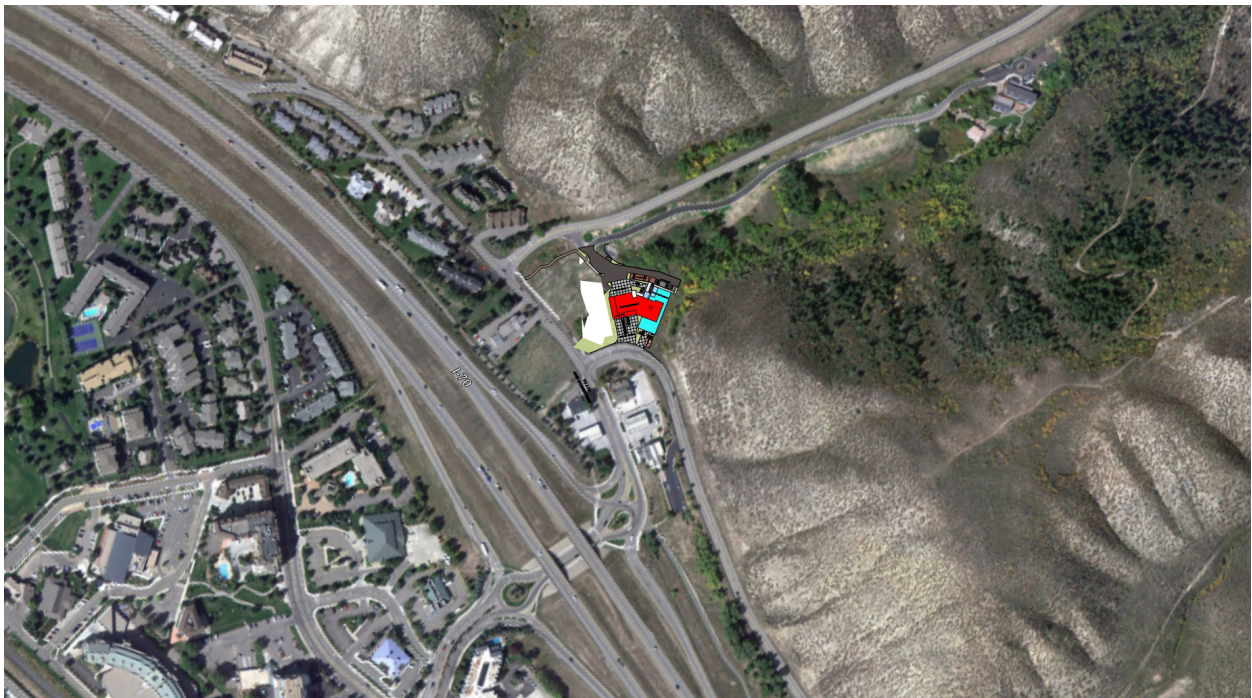
Applicant:

Eagle River Fire Protection District
PO Box 2308
Avon , CO 81632
(970) 331-1732

Consultants:

Architecture/Landscape Architecture
Davis Partnership Architects
2901 Blake Street, Suite 100
Denver , CO 80205
(303) 861-8555

Civil Engineer
Martin / Martin
0101 Fawcett Road, Suite 260
Avon, CO 81620
(970) 926-6009



Lot 1B highlighted in aerial shown above

Lot 1B

Applicant's Written Statement

Specific Reasons for the Site

Eagle River Fire Protection District, the Applicant, is planning to develop a Public Safety Facility on Lot 1B. Lot 1B is currently zoned PF, Public Facilities. It was part of the Buck Creek PUD and identified as a Fire Station and an Administration Building on Lot 1A prior to the Nexcore Medical Office Building project. Lot 1B was removed from the PUD and rezoned to the PF Zone District. The plans for a Fire and Administration Building were then identified as more suitable to the Lot 1B site. The PF district is intended to provide sites for public uses such as community centers, police and fire stations and governmental facilities. The uses permitted in this district are identified by location in the Avon Comprehensive Plan. The PF district includes a building height restriction of 40 feet. The building height of Applicant's development plan has a Fire Training tower that is 57' tall. The remainder of the building is a three story facility. The portion that is two stories will conform to the 40' height but the portion of the three stories is at 48'-5" height. The Applicant would like to modify the Avon Comprehensive Plan to allow the 48'-5" for the building and 57' height for the Fire Training tower.

The existing Utility Easement on the east will be adjusted to accommodate parking and retaining walls. The easement adjustment will run through a concurrent process that will reduce the current width from 30' to 20'.

The PF zone required setbacks on all sides are 20'. The Applicant would like to modify the Avon Comprehensive Plan to allow a 7.5' building setback on the west side. The shared property line with Lot 1A allows a 0' setback for their MC zone, but the development provided 7.5' along the majority of the shared property line. The revised property line pushed towards Lot 1A but still left a 4' setback bringing the total landscaped area between properties to 11.5' to the building overhang. This setback along the shared west property line is to accommodate the fire parking bays, driveway and building eave overhang.

Per the PF zone parking use type is determined by the director based on standards for the closest comparable use. The Applicant is proposing 48 spaces to be used for current use and future expansion. The numbers were determined by staff from both facilities based on needs. The applicant also used a comparison to other public buildings and fire/police stations in seventeen other communities. Many mountain communities determined the number of spaces to be by a jurisdiction authority, others were based on count of beds and SF calculations. The proposed building is broken down by 8 beds, 10,300 sf of police office space and 14,000 sf of fire administration.

Assessment of Impacts on Town Services

Assessing the impacts on Town services by comparing the current and proposed use of Lot 1B, involves the comparison of the relative impacts of the Public Safety Facility development where an existing vacant lot stands. Many of the below services were evaluated at the time of development of Lot 1A and included a Public Facility.

Transportation. The existing Transportation Study was updated to account for the traffic generated by Lot 1A (medical office use) and included anticipated traffic for Lot 1B.

Water. The estimated water consumption for Applicant's Public Safety Facility use is less than what the original multi-family units would have consumed under the old PUD for 1B. The Buck Creek PUD submittal, dated January 16, 2009, estimated the annual water usage intensity of 11 multi-family units (townhomes) at 3.696 ac. ft./yr. For the Public Safety Facility the Applicant is providing an estimate of water consumption based historical data from buildings of similar size and use in its portfolio. The Applicant estimates that its 24,300 square foot Public Safety Facility will have an annual water usage intensity of 1,400 gal./day, which equals 1.57 ac. ft./yr.

Sewer. The ERW&SD has adequate capacity to treat the wastewater estimated for Applicant's proposed use. Do we have documentation (will call) letters from all the services?

Schools. The proposed project will have no impact on schools.

Emergency Services. Development of Lot 1B as a Fire and Police facility will provide emergency services central to the area but is not expected to place more demand on these services. Police and Fire use is for employee and some public use. Police employees are stationed at the office full time and patrol cars come and go at all times of day and night. Public will only park on site between 8am and 5pm as those are the police station business hours. Fire employees live at the fire station on 48 hour shifts and park on site as do their visitors. In the case of an emergency situation fire trucks would dispatch from the south apron out of the apparatus bay on to Swift Gulch Road and on to their destination. Police would dispatch, if necessary, from the parking lot to Buck Creek Road. If the exit to Buck Creek is blocked, an emergency ramp is provided onto Swift Gulch Road.

Police. Development of the project will place Police central to the community but is not anticipated to require a greater demand

Parks and Recreation. The project will result in no impact on parks and recreation.

Medical. The project will not affect emergency response times throughout the valley and will be accessible for public services for the Town of Avon and its residents.

Library. The proposed project will have no impact on the library.

Response to Mandatory Review Criteria in Section 7.16.030(c) of the Town of Avon Municipal Code

(1)

The surrounding area is compatible with the land use proposed in the plan amendment or the proposed land use provides an essential public benefit and other locations are not feasible or practical;

The proposed Land Use is a Public Facility and zoned for such. This proposed land use conforms to the definition of Civic/Public currently within the Avon Comprehensive Plan as;

Civic/Public – Public areas are intended to contain uses related to community services, such as fire stations, schools, community centers, hospitals, municipal centers, recreation centers, police stations, and municipal maintenance yards. Each proposed public use should be evaluated separately in terms of its land area and topographical constraints, as well as its compatibility with adjacent uses.

The proposed development was determined within the Buck Creek PUD to be a compatible land use and was planned for a fire station and administration building. The accompanying MDP document for the Fire and Police building shows that this building land area and topographic constraints will work if a portion of the building is three stories. The three story portion will need to be taller than the current allowed height. The fire tower exceeding the height limit was anticipated for and incorporated into the original Buck Creek PUD prior to the rezone to the PF district.

District 13: Nottingham Road Commercial District

This area's proximity to the I-70/Avon Road Interchange establishes its importance to the Town's identity. Development and redevelopment that occurs here should reflect the standards in the Town Center, but should not compete with the Town Center in terms of size of buildings or intensity of development.

Planning Principles:

- **Limit access points on Nottingham Road to simplify traffic movements.**
The proposed development is planned to share the existing access point from Buck Creek Road and has no access to Nottingham Road. The Buck Creek Road access is shared by Lot 1A. Emergency exit only access from Swift Gulch Road is proposed.
- **Require landscape setbacks and internal landscaping of parking lots.**
The proposed development plans for landscaping to be accomplished within areas of the parking lot and property setbacks as well as maintaining existing landscape and native areas around the undeveloped portion of the property. The request for a reduced setback between Lot 1A and Lot 1B is reduced from code but greater than what is required on Lot 1A. This area is intended to be landscaped.
- **Screen all equipment and storage areas from view.**
All equipment and storage areas will be screen from public roads and from view with plantings and structures as required.
- **Limit building heights to that which is compatible with the existing surrounding development.**
Although the request for the third story and the fire tower to exceed the height limit set in the PF Zone of 45', the height is lower than the adjacent Lot 1A property of 60', including the fire tower. The development will be compatible with the existing surrounding development adjacent in height (less than) and materials.
- **Development intensity and activity should diminish when traveling north on Buck Creek Road.**
The proposed development will have emergency fire access exiting onto Buck Creek Road. Police access is intended to be from the shared drive from Buck Creek Road. The police will use this road except in the rare circumstances it is blocked

Transportation services and infrastructure have adequate current capacity or planned capacity, to serve potential traffic demands of the land use proposed in the plan amendment;

The Transportation Study completed for Lot 1A indicates that the development will not cause traffic congestion nor degrade level of service on Avon roadways to an unreasonable degree. According to the Lot 1A Transportation Study, peak traffic demands will not reduce the level of service on roadways and intersections below an acceptable standard and since the fire and police do not produce heavy traffic demands the same will be true of Lot 1B. The Applicant's proposed development plan will adequately address the effective coordination of pedestrian and vehicular transportation in a manner that is attractive aesthetically.

(3)

Public services and facilities have adequate current capacity or planned capacity to serve the land use proposed in the plan amendment;

The fire and police station use is a less intensive use with respect to water consumption, wastewater service, schools, library, parks, and recreation than multi-family residential and was planned for within the Buck Creek PUD. The Town has adequate facilities to serve the proposed development without diminishing service to existing developments. The ERW&SD has the capacity to handle the water and wastewater requirements.

(4)

The proposed land use in the plan amendment will result in a better location or form of development for the Town, even if the current plan designation is still considered appropriate;

Lot 1B land is suitable for the proposed development of a fire and police station. Having this location is conveniently situated in the Town of Avon and is beneficial to Avon residents. The proposed development plans are not likely to result in any adverse impacts on other properties in the vicinity. If any impacts were deemed to be adverse, these are unlikely to be significant. Traffic and site lighting have been considered to identify any possible adverse effects on other property in the vicinity of the subject tract.

(5)

Strict adherence to the current plan would result in a situation neither intended nor in keeping with other key elements and policies of the plan;

The original Buck Creek PUD included the exception of a fire tower to be 60' tall. When Lot 1A and Lot 1B were switched and the fire police station was moved to Lot 1B, the site was taken out of the Buck Creek PUD and rezoned to PF (Public Facility). The original intention was for a fire and administrative building, but now includes a fire and police station. In order to meet the program requirements of the fire and police services, a portion of the building is three stories and the fire tower is still needed. This causes the request to exceed the height limits in this zone district. The adjacent Lot 1A has a 60' height limit. In addition, the footprint requirements of the garage bay to house the fire equipment and the exiting topography of the site require the encroachment of the side setback by XX'.

(6)

The proposed plan amendment will promote the purposes stated in this Development Code; and

The Applicant understands that the Town of Avon's entitlement process requires evidence of substantial compliance with the purpose of the Development Code. The purposes and goals of the Development Code are described in Section 7.04.030 (a) through (p), and the Applicant is addressing these items in order as follows:

(a) Divide the Town into zones, restricting and requiring therein the location, erection, construction, reconstruction, alteration and use of buildings, structures and land for trade, industry, residence and other specified uses; regulate the intensity of the use of lot areas; regulate and determine the area of open spaces surrounding such buildings; establish building lines and locations of buildings designed for specified industrial, commercial, residential and other uses within such areas; establish standards to which buildings or structures shall conform; establish standards for use of areas adjoining such buildings or structures;

Project is in compliance with current PF Zone District. The PF district is intended to provide sites for public uses such as community centers, police and fire stations and governmental facilities.

(b) Implement the goals and policies of the Avon Comprehensive Plan and other applicable planning documents of the Town;

The proposed project is compatible with the Avon Comprehensive Plan and other applicable planning documents of the Town, as described herein:

District 13: Nottingham Road Commercial District

This area's proximity to the I-70/Avon Road Interchange establishes its importance to the Town's identity. Development and redevelopment that occurs here should reflect the standards in the Town Center, but should not compete with the Town Center in terms of size of buildings or intensity of development.

Planning Principles:

- **Limit access points on Nottingham Road to simplify traffic movements.**

This project is planned to have no entrances to the development from Nottingham Road. This also is consistent with the Buck Creek PUD which this site was once a part of. Entrance from Buck Creek Road will serve Parcel 1B.

Sidewalks are going to connect to existing sidewalks on the medical office building site and terminate at the property line going up Swift Gulch Road.

- **Require landscape setbacks and internal landscaping of parking lots.**

Following the PF Zone, Parcel 1B will respect the natural features of the site and provide additional landscaping, following code for any future development.

- **Screen all equipment and storage areas from view.**

The geometry of the roof and the natural terrain of the site will allow the proposed development to screen all equipment and storage areas from view. This will be demonstrated further in the development plan.

- **Limit building heights to that which is compatible with the existing surrounding development.**

This project will follow the PF zoning by reducing the massing and present a frontage that is in scale with the neighboring development. The PF zone allows a building that is 40' from finish floor, but the planned building will have a tower that is at 57'-0" above finished floor. The location of the building will place the long side facing Swift Gulch, and there is an opportunity to step back the upper levels to reduce massing.

- **Development intensity and activity should diminish when traveling north on Buck Creek Road once the MOB and Public Safety Facility are completed.**

Per the PF zoning the most intense uses, this development will be located at the Nottingham Road/Swift Gulch Road intersections. With this project, the land use planning will not change that configuration and will honor the goal of the intensity of the overall development diminishing north along Buck Creek Road.

(c) Comply with the purposes stated in state and federal regulations which authorize the regulations in this Development Code;

The Applicant's Development Plan submittal indicates compliance with the Development Code and the state and federal regulations authorizing the Code.

(d) Avoid undue traffic congestion and degradation of the level of service provided by streets and roadways, promote effective and economical mass transportation and enhance effective, attractive and economical pedestrian opportunities;

The Applicant's Transportation Study completed for 1A indicates that the development of these lots will not cause traffic congestion nor degrade level of service on Avon roadways to an unreasonable degree.

(e) Promote adequate light, air, landscaping and open space and avoid undue concentration or sprawl of population;

The proposed development of Lot 1B will not hinder the promotion of adequate light, air, landscaping and open space. Development of Lot 1B in the PF District will assist the Town of

Avon in avoiding undue concentration or sprawl of population. The Applicant's Development Plan submittal indicates compliance with Development Code requirements in connection with light, air, landscaping and open space.

(f) Provide a planned and orderly use of land, protection of the environment and preservation of viability, all to conserve the value of the investments of the people of the Avon community and encourage a high quality of life and the most appropriate use of land throughout the municipality;

Development in the PF Zone fosters a planned and orderly use of land. The development of Lot 1B will encourage a high quality of life by bringing additional high quality public safety facilities services and emergency response times to the Town of Avon. The Applicant's Development Plan will meet Town of Avon standards for environmental protection, as required by the Development Code.

(g) Prevent the inefficient use of land; avoid increased demands on public services and facilities which exceed capacity or degrade the level of service for existing residents; provide for phased development of government services and facilities which maximizes efficiency and optimizes costs to taxpayers and users; and promote sufficient, economical and high-quality provision of all public services and public facilities, including but not limited to water, sewage, schools, libraries, police, parks, recreation, open space and medical facilities;

The proposed development in PF Zone enables the Applicant to improve the access to high quality public safety for the residents of the Town of Avon. This enhancement of public safety in the Town can be developed efficiently and without degrading levels of government services to residents. The results of applicant's studies of traffic, water consumption and sewage treatment all indicate that the development will reduce the strain on government services and facilities.

(h) Minimize the risk of damage and injury to people, structures and public infrastructure created by wild fire, avalanche, unstable slopes, rock fall, mudslides, flood danger and other natural hazards;

Applicant's development of Lot 1B poses no increase in risk due to natural hazards. The civil engineering associated with the development plan is intended to minimize the risks to people, structures, and public infrastructure described herein.

(i) Achieve or exceed federal clean air standards;

Applicant's development plan is expected to meet or exceed federal clean air standards.

(j) Sustain water sources by maintaining the natural watershed, preventing accelerated erosion, reducing runoff and consequent sedimentation, eliminating pollutants introduced directly into streams and enhancing public access to recreational water sources;

Applicant's development plan will incorporate the necessary features to maintain the existing watershed and mitigate adverse consequences of stormwater runoff. The stormwater will be treated for water quality before discharge into Buck Creek.

(k) Maintain the natural scenic beauty of the Eagle River Valley in order to preserve areas of historical and archaeological importance, provide for adequate open spaces, preserve scenic views, provide recreational opportunities, sustain the tourist-based economy and preserve property values;

The proposed development would provide a beneficial service to residents and tourists in need of convenient, shorter response time public safety. Development of Lot 1B will not impair scenic beauty, or consume areas of historical or archeological importance.

(l) Promote architectural design which is compatible, functional, practical and complimentary checking to Avon's sub-alpine environment;

The architecture of the development plan and design solution will be sensitive to the context of the immediate environs and the larger Avon community. Materials will be of a quality to last within the existing environment and chosen based on the influences from the immediate context of the natural area and visual connection to the Avon Community.

(m) Achieve innovation and advancement in design of the built environment to improve efficiency, reduce energy consumption, reduce emission of pollutants, reduce consumption of non-renewable natural resources and attain sustainability;

The Applicant understands the objectives of efficiency in engineering and design, and is experienced in developing healthcare facilities that reduce waste and are environmentally responsible.

(n) Achieve a diverse range of attainable housing which meets the housing needs created by jobs in the Town, provides a range of housing types and price points to serve a complete range of life stages and promotes a balanced, diverse and stable full time residential community which is balanced with the visitor economy;

The proposed public safety facility development will create a work environment for several paying jobs for highly trained and educated individuals.

(o) Promote quality real estate investments which conserve property values by disclosing risks, taxes and fees; by incorporating practical and comprehensible legal arrangements; and by promoting accuracy in investment expectations; and

The Applicant develops only high quality police and fire real estate assets. Applicant expects to comply with all applicable codes and regulations as it rezones and develops Lot 1B.

(p) Promote the health, safety and welfare of the Avon community.

The professionals and services of the public safety facility are intended to promote the health and welfare of the community. The development plan will be designed and implemented in a way that contributes to a safe community environment for public, visitors, staff, pedestrians and vehicular transportation.

(7) The proposed plan amendment will promote the health, safety or welfare of the Avon Community and will be consistent with the general goals and policies of the Avon Comprehensive Plan.

Consistency with the Avon Comprehensive Plan.

District 13: Nottingham Road Commercial District

This area's proximity to the I-70/Avon Road Interchange establishes its importance to the Town's identity. Development and redevelopment that occurs here should reflect the standards in the Town Center, but should not compete with the Town Center in terms of size of buildings or intensity of development.

Planning Principles:

- **Limit access points on Nottingham Road to simplify traffic movements.**

This project is planned to have no entrances to the development from Nottingham Road. This also is consistent with the Buck Creek PUD. The main entrance from Buck Creek Road will serve all vehicular traffic public and employees. The fire truck exit will be onto Swift Gulch as will be the Police emergency exit. The Police Sally Port entry and exit will be accessed from Swift Gulch.

- **Require landscape setbacks and internal landscaping of parking lots.**

Following the PF Zone, Parcel 1B will respect the natural features of the site and provide additional landscaping around the proposed development following code and best practices.

- **Screen all equipment and storage areas from view.**

The geometry of the roof and the natural terrain of the site will allow the proposed development to screen all equipment and storage areas from view. This will be demonstrated further in the development plan.

- **Limit building heights to that which is compatible with the existing surrounding development.**

This project will follow the PF zoning by reducing the massing and present a frontage that is in scale with the neighboring development. The PF zone allows a building that is 40' from finish floor, but the planned building will have a tower that is at 57'-0" above finished floor. The location of the building will place the long side facing Swift Gulch, and there is an opportunity to step back the upper levels to reduce massing.

• **Development intensity and activity should diminish when traveling north on Buck Creek Road.**

Per the PF zoning the most intense uses, this development will be located at the Buck Creek Road/Swift Gulch Road intersections. With this project, the land use planning will not change that configuration and will honor the goal of the intensity of the overall development diminishing north along Buck Creek Road.

Conformity with the Town of Avon Plan Goals

Goal C.1. - Provide a balance of land uses that offers a range of housing options, diverse commercial and employment opportunities, inviting guest accommodations, and high quality civic and recreational facilities, working in concert to strengthen Avon's identity as both a year-round residential community and as a commercial, tourism and economic center.

The addition of a public safety facility use will provide a convenient location for high quality fire fighter response times to the community. A public safety facility can be used year round and provide an essential service to both residence and visitors.

Goal C.1.2 - Ensure each development contributes to a healthy jobs/housing balance in the Town and surrounding area.

The proposed public safety development will provide an employment opportunity for both existing and future residents of Avon. The location balances with the proposed residences planned for the remainder of the Buck Creek PUD planning area.

Goal C.1.6 - Include sufficient land for public uses such as schools, recreation, community facilities (such as childcare), and government services near the people who use them.

The proposed public safety facility will serve the majority of the Avon community.

Goal D.1.1 - Encourage creative, forward thinking development consistent with adopted plans.

The planned public safety facility building use is a forward thinking safety opportunity to Avon that benefits the public. This type of development upholds the town's goals and policies for the benefit the community.

Goal D.2 - Create community gateways and streetscapes that reflect and strengthen Avon's unique community character and image.

The proposed public safety facility building along with the medical office building on the adjacent parcel will become a landmark for the immediate neighborhood and serve as a gateway to Nottingham Road.

Goal H.3.4 - Ensure outdoor lighting does not create undesirable light pollution and complies with the "Dark Sky Ordinance". Revisit the ordinance as needed to ensure it is achieving the desired goals.

The proposed development within the site will comply with the "Dark Sky Ordinance".



**TOWN OF AVON, COLORADO
PLANNING AND ZONING COMMISSION RESOLUTION 16-03**

**A RESOLUTION RECOMMENDING TO THE AVON TOWN COUNCIL APPROVAL OF CASE #CPA16003,
AN APPLICATION APPROVING AMENDMENTS TO AVON COMPREHENSIVE PLAN
DISTRICT 13: NOTTINGHAM ROAD COMMERCIAL DISTRICT**

WHEREAS, the Applicant submitted a concurrent Major Development Plan Application for a joint public safety facility located in an area identified in the Public Facilities Zone District (PF);

WHEREAS, according to the Avon Municipal Code Table §7.20.080(e), the PF district is “intended to provide sites for public uses such as community centers, police and fire stations and governmental facilities. The uses permitted in this district are identified by location in the Avon Comprehensive Plan. Unless otherwise set forth in the Avon Comprehensive Plan, the following dimensional requirements shall apply for the PF zone district”:

Table 7.20-11 Dimensions for the Public Facilities District								
Max Density units/acre)	Min. Lot Size (acres or sq. ft.)	Min. Lot Width (feet)	Max. Lot Coverage (%)	Min. Front Setback (feet)	Min. Side Setback (feet)	Min. Rear Setback (feet)	Max. Building Height (feet)	Max. Units/Lot
n/a	n/a	40	60	20	20	20	40	n/a

WHEREAS, the Major Development Plan for Lot 1B, Buck Creek includes building heights in excess of 40 feet and side setbacks that are less than 20 feet in portions of the develop, consistent with neighboring development; and

WHEREAS, the Property is located in an area identified within the Avon Comprehensive Plan as District 13: Nottingham Road Commercial District; and

WHEREAS, this Avon Comprehensive Plan Amendment application ensures compliance with and compatibility with neighboring development; and

WHEREAS, the Avon Planning and Zoning Commission held Public Hearings on April 5, 2016 and April 19, 2016, where public comments were considered prior to formulating a recommendation on the Application to Council; and

WHEREAS, the Planning and Zoning Commission makes the following findings with respect to the Application:

1. The amendment is desirable to respond to changed conditions that have resulted in the Nottingham Road Commercial District.
2. The Application was reviewed in accordance with AMC §7.16.030 Comprehensive Plan Amendment, and found to be in compliance with the review criteria.

3. The Application promotes the health, safety, and welfare of the Avon community by locating essential public safety services in an appropriate location of Town; sized accordingly with a minimum 50 year design horizon.

NOW THEREFORE, BE IT RESOLVED, that the Planning and Zoning Commission recommends that the Town Council of the Town of Avon approve the Application to amend the Avon Comprehensive Plan as set forth in Exhibit to PZC Resolution 16-03.

ACCEPTED, APPROVED, AND ADOPTED THIS 29 DAY OF APRIL, 2016
AVON PLANNING AND ZONING COMMISSION

SIGNED:


Chairperson



TOWN COUNCIL REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council

From: Scott Wright, Asst. Town Manager

Date: May 10, 2016

Re: 2016 Supplemental Budget Amendment Resolution No. 2016-18

Action Before Council

A capital projects fund budget amendment is before Town Council in order to appropriate the funds necessary for the real estate closing on the Mountain Vista Office Building that will be used as the new Avon Town Hall. Closing is scheduled for May 20. The purchase price is \$1.5 million plus estimated closing costs of \$25,000 for a total new appropriation of \$1,525,000. These funds have previously been held as assigned fund balance.

Proposed Motion

"Move to approve Resolution 2016-18, a Resolution Summarizing Expenditures and Revenues by Fund and Amending the 2016 Capital Projects Fund Budget for the Town of Avon for the Calendar Year 2016".

Summary

It is anticipated that staff will come back to Council at a future date with another supplemental budget amendment for the Capital Project fund for the design and construction of the tenant finishes.

Attachments:

1. Resolution No. 2016-18
2. Capital Projects Fund Supplemental Amendment No. 2

**TOWN OF AVON, COLORADO
RESOLUTION NO. 16-18**

SERIES OF 2016

**A RESOLUTION TO AMEND THE 2016 TOWN OF AVON CAPITAL
PROJECTS FUND BUDGET**

**A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES BY
FUND AND AMENDING THE 2016 CAPITAL PROJECTS FUND BUDGET FOR
THE TOWN OF AVON, COLORADO, FOR THE CALENDAR YEAR
BEGINNING ON THE FIRST DAY OF JANUARY, 2016 AND ENDING ON THE
LAST DAY OF DECEMBER, 2016**

WHEREAS, the Town Council of the Town of Avon has previously adopted the 2016 Capital Projects Fund budget; and

WHEREAS, the Town Council reviewed the revised estimated revenues and expenditures for 2016; and

WHEREAS, the Town Council finds it necessary to amend the 2016 Capital Projects Fund budget to more accurately reflect the revenues and expenditures for 2016; and

WHEREAS, the Town Council has caused to be published a notice containing the date and time of a public hearing at which the adoption of the proposed budget amendment will be considered and a statement that the proposed budget amendment is available for public inspection at the office of the Town Clerk located in the Avon Town Hall during normal business hours, and that any interested elector of the Town of Avon may file any objection to the proposed budget amendment at any time prior to the final adoption of the proposed budget amendment; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance as required by law.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF
THE TOWN OF AVON, COLORADO:**

Section 1. That estimated revenues and expenditures for the Capital Projects Fund are revised as follows for 2016:

	Original or Previously Amended <u>2016 Budget</u>	Current Proposed Amended <u>2016 Budget</u>
<u>Capital Projects Fund</u>		
Beginning Fund Balance	\$ 6,238,773	\$ 6,198,817
Revenues and Other Sources	7,591,906	7,591,906
Expenditures and Other Uses	<u>6,818,614</u>	<u>8,343,614</u>
Ending Fund Balance	<u>\$ 7,012,065</u>	<u>\$ 5,447,109</u>

Section 2. That the Capital Projects Fund budget, as submitted, amended, and hereinabove summarized by fund, hereby is approved and adopted as the capital program budget of the Town of Avon for the year stated above.

Section 3. That the Capital Projects Fund budget as hereby approved and adopted shall be signed by the Mayor and made part of the public record of the Town.

ADOPTED this 10th day of May, 2016.

AVON TOWN COUNCIL

By: _____
Jennie Fancher, Mayor

Attest: _____
Debbie Hoppe, Town Clerk

Capital Projects Fund #41 Supplemental Amendment No. 2

Fund Summary

	Actual 2015	Original or Prev. Amended Budget 2016	Proposed Revised Budget 2016	Difference Increase (Decrease)
REVENUES				
Taxes	\$ 2,369,314	\$ 2,100,000	\$ 2,100,000	\$ -
Intergovernmental	40,000	1,878,534	1,878,534	-
Investment Earnings	18,167	13,372	13,372	-
Other Revenue	93,246	80,000	80,000	-
Total Revenues	2,520,727	4,071,906	4,071,906	-
Other Sources:				
Transfer In from Other Funds	2,095,000	1,020,000	1,020,000	-
Bond Issue Proceeds	3,800,000	2,500,000	2,500,000	-
Total Other Sources	5,895,000	3,520,000	3,520,000	-
TOTAL REVENUES AND OTHER SOURCES	8,415,727	7,591,906	7,591,906	-
EXPENDITURES				
Capital Improvements:				
Facilities	1,514,981	685,932	2,210,932	1,525,000
Land and Land Improvements	44,632	369,484	369,484	-
Roads and Streets	1,667,152	4,624,684	4,624,684	-
Water Fund Projects	-	150,000	150,000	-
Communications and Technology	7,037	63,201	63,201	-
Strategic Planning	51,050	-	-	-
Other	-	5,000	5,000	-
Debt Service:				
Bond Issuance Costs	80,569	-	-	-
Capital Leases	121,769	121,770	121,770	-
Total Expenditures	3,487,190	6,020,071	7,545,071	1,525,000
Other Uses				
Operating Transfer-Out - General Fund	1,538,335	219,735	219,735	-
Operating Transfer-Out - Debt Service Fund	578,106	578,808	578,808	-
Total Other Uses	2,116,441	798,543	798,543	-
TOTAL EXPENDITURES AND OTHER USES	5,603,631	6,818,614	8,343,614	1,525,000
NET SOURCE (USE) OF FUNDS	2,812,096	773,292	(751,708)	(1,525,000)
FUND BALANCE, Beginning of Year	3,386,721	6,238,773	6,198,817	(39,956)
FUND BALANCE, End of Year	\$ 6,198,817	\$ 7,012,065	\$ 5,447,109	\$ (1,564,956)
Fund Balances				
Restricted For:				
Street Improvements	\$ 2,752,445	\$ 1,356,333	\$ 1,492,445	\$ 136,112
Asphalt Overlay	240,000	480,000	480,000	-
Assigned For:				
Avon Town Hall Relocation	1,425,000	1,500,000	-	(1,500,000)
URA Town Center West Improvements - Bond Proceeds	-	2,500,000	2,500,000	-
Unassigned and Unreserved	1,781,372	1,175,732	974,664	(201,068)
Total Fund Balances	\$ 6,198,817	\$ 7,012,065	\$ 5,447,109	\$ (1,564,956)

Capital Projects Fund #41

Supplemental Amendment No. 2

Revenue Detail

Description	Actual 2015	Original or Prev. Amended Budget 2016	Proposed Revised Budget 2016	Difference Increase (Decrease)
Taxes:				
Penalties and Interest	\$ 289	\$ -	\$ -	\$ -
Real Estate Transfer Tax	2,369,025	2,100,000	2,100,000	-
Total Taxes	2,369,314	2,100,000	2,100,000	-
Intergovernmental:				
Federal / State:				
MAP-21 Grant (CFDA 20.205)	-	1,355,000	1,355,000	-
Local Government / Other:				
ECO Grant - Traer Creek Bus Stop (50%)	-	30,000	30,000	-
Eagle County Trails Grant - Phase 3	-	453,534	453,534	-
Asphalt Overlay Contributions - TCMD	40,000	40,000	40,000	-
Total Intergovernmental	40,000	1,878,534	1,878,534	-
Investment Earnings:				
Interest Earnings	20,633	13,372	13,372	-
Net Increase (Decrease) in Fair Value	(2,466)	-	-	-
Total Investment Earnings	18,167	13,372	13,372	-
Other Revenues:				
Asphalt Overlay Contributions - Developer	80,000	80,000	80,000	-
Donations and Contributions	10,000	-	-	-
Project cost Reimbursements	2,194	-	-	-
Nonclassified	1,052	-	-	-
Total Other Revenues	93,246	80,000	80,000	-
Other Sources:				
Transfer In from General Fund:				
Short-term Loan	1,425,000	-	-	-
Asphalt Overlay	120,000	120,000	120,000	-
Unassigned General Fund Balance	-	150,000	150,000	-
Transfer In from Avon URA	-	500,000	500,000	-
Transfer In from Community Enhancement Fund	-	100,000	100,000	-
Transfer In from Water Fund	-	150,000	150,000	-
Transfer In from Equipment Replacement Fund	550,000	-	-	-
Bond Issue Proceeds	3,800,000	2,500,000	2,500,000	-
Total Other Sources	5,895,000	3,520,000	3,520,000	-
TOTAL REVENUES	\$ 8,415,727	\$ 7,591,906	\$ 7,591,906	\$ -

Capital Projects Fund #41 Supplemental Amendment No. 2

CIP Projects Inventory

		Project Expenditures							
		(1)	(2)	(3)	(4)	(1+2+4)			
		2014 and		Current	Proposed	Revised	Total Project Budget		Difference
Account		Prior	Actual	Budget	Revised	Estimated			Increase
Number	Description	Actuals	2015	2016	Budget	Project-to-Date Expenditures	Current	Proposed	(Decrease)
CAPITAL IMPROVEMENT PROJECTS									
Facilities:									
General Government Facilities:									
11011	Town Hall Acquisition - 2014	\$ 5,822	\$ 27,795	\$ -	\$ -	\$ 33,617	\$ 33,617	\$ 33,617	-
	Mountain Vista Office Building	-	-	-	1,525,000	1,525,000	-	1,525,000	1,525,000
Joint Public Safety Facility Project:									
12003	Design	-	69,606	294,534	294,534	364,140	364,140	364,140	-
I70 Transit / PW Facilities Improvement Project:									
13005	Public Works Facilities (On Site & Lot 5)	662,985	41,046	-	-	704,031	719,474	719,474	-
Transportation Facilities:									
14010	Fleet Maintenance EPDM Roof Replacement	-	-	80,000	80,000	80,000	80,000	80,000	-
14014	Fleet Maintenance Building Improvements	-	-	80,000	80,000	80,000	80,000	80,000	-
14011	Transit Bus Shelters (4)	-	19,382	140,618	140,618	160,000	250,000	250,000	-
14012	Transit Bus Stop - Traer Creek Plaza	4,490	-	55,510	55,510	60,000	60,000	60,000	-
Cultural and Recreational Facilities:									
15012	Nottingham Park Pavilion	2,724,284	1,135,344	-	-	3,859,628	3,870,000	3,870,000	-
15013	Recreation Center Exterior Renovation	-	52,902	-	-	52,902	52,750	52,750	-
15014	Recreation Center - Remodel - Phase 2	-	96,530	-	-	96,530	98,530	98,530	-
15015	Recreation Center - Boulderling Wall	-	48,646	-	-	48,646	50,000	50,000	-
15016	Recreation Center - Slide Refurbishment	-	23,730	35,270	35,270	59,000	59,000	59,000	-
Land and Land Improvements:									
21016	Nottingham Park Zone C Improvements - Playground Dr	3,966	-	71,034	71,034	75,000	975,000	975,000	-
21017	Nottingham Park - Restroom Remodel	-	-	260,400	260,400	260,400	260,400	260,400	-
21021	Fishing Pier Repairs	-	44,632	-	-	44,632	75,000	75,000	-
21022	Eagle River Whitewater Park Repair	-	-	10,000	10,000	10,000	10,000	10,000	-
21023	Eaglebend Affordable Housing Landscaping Project	-	-	28,050	28,050	28,050	28,050	28,050	-

Capital Projects Fund #41 Supplemental Amendment No. 2

CIP Projects Inventory

Account Number	Description	Project Expenditures					Total Project Budget		Difference Increase (Decrease)	
		(1)	(2)	(3)	(4)	(1+2+4)				
		2014 and Prior	Actual	Current	Proposed	Revised	Project-to-Date	Current		Proposed
		Actuals	2015	Budget 2016	Revised Budget 2016	Estimated Expenditures				
CAPITAL IMPROVEMENT PROJECTS										
Roads and Streets:										
Streetscape Improvements										
31014	Avon Rd. Streetscape Update	242,052	27,683	-	-	269,735	252,052	252,052	-	
31015	2014 Mall Improvements	1,789,645	54,820	-	-	1,844,465	1,992,703	1,992,703	-	
31018	Post Blvd. Landscaping Improvements	308,986	2,320	25,000	25,000	336,306	363,986	363,986	-	
31019	Post Blvd. Electrical Assessment and Street Lights	44,401	28,541	-	-	72,942	78,000	78,000	-	
31022	Avon Rd. / I70 Overpass Pedestrian Safety Imp.	-	-	88,000	88,000	88,000	88,000	88,000	-	
31024	Roundabout #4 TCW Art Element	-	10,000	15,000	15,000	25,000	255,525	255,525	-	
31025	2015 Avon Rd. Landscaping Project	-	438,130	-	-	438,130	485,000	485,000	-	
31026	Mall Improvements - Phase 2	-	-	15,000	15,000	15,000	240,000	240,000	-	
35003	Roundabout #4 TCW Feature	75,343	1,718	-	-	77,061	60,000	60,000	-	
New	Wayfinding Signage	-	-	45,000	45,000	45,000	45,000	45,000	-	
Annual Street Maintenance and Repair:										
33015	2015 Paving/Road Improvements	-	717,372	-	-	717,372	729,684	729,684	-	
32016	Buck Creek Bridge Repair	-	280,865	-	-	280,865	280,865	280,865	-	
34025	West B/C Blvd. Pedestrian Crossing	-	49,318	15,000	15,000	64,318	64,318	64,318	-	
34032	West B/C Blvd. Slurry Seal - Lake Street to US 6	-	-	150,000	150,000	150,000	150,000	150,000	-	
32018	Post Blvd. Settlement Repair	-	-	75,000	75,000	75,000	75,000	75,000	-	
32019	Wildwood Road Repair	-	-	75,000	75,000	75,000	75,000	75,000	-	
Street Improvements										
34014	Metcalf Bike Lane - Phase 1	-	32,883	827,117	827,117	860,000	860,000	860,000	-	
32017	Metcalf Bike Lane Overlay	-	-	400,000	400,000	400,000	400,000	400,000	-	
34033	Walkability - East & West B/C Blvd.	-	1,254	203,746	203,746	205,000	2,705,000	2,705,000	-	
New	2016 Safety Improvements - West B/C Blvd	-	-	30,000	30,000	30,000	30,000	30,000	-	
New	West B/C Blvd. RR Crossing Improvements	-	-	10,000	10,000	10,000	10,000	10,000	-	
Multi-Modal/Alternative Mobility:										
34015	Eagle Valley Trails - Phase 3	10,341	22,248	2,427,411	2,427,411	2,460,000	2,460,000	2,460,000	-	
34016	Eagle Valley Trails - Undergrounding Project	-	-	100,000	100,000	100,000	100,000	100,000	-	
Recreational Trails Program:										
34026	Trails Master Plan	-	-	23,410	23,410	23,410	23,410	23,410	-	
34027	Soft and Hard Surface Trail Improvements	-	-	100,000	100,000	100,000	150,000	150,000	-	

Capital Projects Fund #41 Supplemental Amendment No. 2

CIP Projects Inventory

		Project Expenditures							
		(1)	(2)	(3)	(4)	(1+2+4)			
Account		2014 and		Current	Proposed	Revised	Total Project Budget		Difference
Number	Description	Prior	Actual	Budget	Budget	Project-to-Date			Increase
		Actuals	2015	2016	2016	Expenditures	Current	Proposed	(Decrease)
CAPITAL IMPROVEMENT PROJECTS									
Water Fund Projects:									
21020	Pumphouse Pump Replacement	-	-	150,000	150,000	150,000	150,000	150,000	-
Strategic Planning:									
79111	Space Needs Analysis	-	26,249	-	-	26,249	30,000	30,000	-
79112	Tract G Feasibility Study	-	24,801	-	-	24,801	30,000	30,000	-
Communications and Technology:									
81008	Fullcourt	-	-	60,000	60,000	60,000	60,000	60,000	-
81010	Timekeeping Software and Peripheral Devices	24,762	7,037	3,201	3,201	35,000	35,000	35,000	-
Other:									
93012	Historical Preservation	-	-	5,000	5,000	5,000	5,000	5,000	-
Total Capital Improvement Projects		\$ 5,897,077	\$ 3,284,852	\$ 5,898,301	\$ 7,423,301	\$ 16,605,230	\$ 19,349,504	\$ 20,874,504	\$ 1,525,000



TOWN COUNCIL REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council
From: Jim Horsley, Project Engineer
Eric Heil, Town Attorney
Meeting Date: May 10, 2016
Agenda Topic: Resolution No. 16-15, Approving Holy Cross Energy Underground Right-Of-Way Easement and Trench, Conduit, and Vault Agreement for the Eagle Valley Trail Construction Project

ACTION BEFORE COUNCIL

Review and approve Resolution No. 16-15, Approving Holy Cross Energy Underground Right-Of-Way Easement and Trench, Conduit, and Vault Agreement for the Eagle Valley Trail Construction Project.

PROPOSED MOTION

I move to approve Resolution No. 16-15, Approving Holy Cross Energy Underground Right-Of-Way Easement and Trench, Conduit, and Vault Agreement for the Eagle Valley Trail Construction Project.

DISCUSSION

In addition to trail construction, the Eagle Valley Trail Project includes placement of 1,170 feet of overhead electric and communications lines below ground. The proposed electric conduit routing is below the trail on Tract A Riverside, Town owned property. The Holy Cross Energy Underground Right-Of-Way Easement, attached as Exhibit A, is required to facilitate installation of facilities to bury the existing overhead electric lines and allows the right of access to property to construct, repair, operate, and maintain underground and aboveground electric facilities. The Trench, Conduit, and Vault Agreement, attached as Exhibit B, specifies construction and clearance requirements. The Town Attorney has reviewed and approved the Agreements.

ATTACHMENTS:

Resolution No. 16-15

Exhibit A: Holy Cross Energy Underground Right-Of-Way Easement

Exhibit B: Holy Cross Energy Trench, Conduit, and Vault Agreement



RESOLUTION NO. 16-15

**APPROVING HOLY CROSS ENERGY UNDERGROUND RIGHT-OF-WAY
EASEMENT ACROSS TRACT A, RIVERSIDE, AVON, COLORADO AND TRENCH,
CONDUIT AND VAULT AGREEMENT**

WHEREAS, the Town of Avon is constructing a new segment of Eagle Valley Trail, regional recreational trail, in partnership and with support from Eagle County and the Colorado Department of Transportation, and such construction project presents a cost effective opportunity to underground overhead electrical lines owned by Holy Cross Energy, and Holy Cross Energy has agreed to cooperate with this project;

WHEREAS, the Avon Town Council has determined that the undergrounding of electrical lines across Tract A, Riverside, Avon, Colorado will improve the aesthetic enjoyment of the river corridor area and will thereby promote the health, safety and general welfare of the Avon community; and,

WHEREAS, the Town Council finds that approval of the attached Holy Cross Energy Underground Right-of-Way Easement Across Tract A, Riverside, Avon, Colorado and approval of the Trench, Conduit and Vault Agreement will promote the health, safety, prosperity, convenience and general welfare of the Avon community.

NOW THEREFORE, the Avon Town Council, hereby **RESOLVES** to approve the following Holy Cross Energy Underground Right-of-Way Easement Across Tract A, Riverside, Avon, Colorado (attached to this Resolution as **Exhibit A**) and the Trench, Conduit, and Vault Agreement (attached to this Resolution as **Exhibit B**).

ADOPTED May 10, 2016 by the AVON TOWN COUNCIL

By: _____
Jennie Fancher, Mayor

Attest: _____
Debbie Hoppe, Town Clerk

**HOLY CROSS ENERGY
UNDERGROUND RIGHT-OF-WAY EASEMENT**

KNOW ALL MEN BY THESE PRESENTS, that the undersigned,

TOWN OF AVON, a Colorado municipal corporation

(hereinafter called "Grantor"), for a good and valuable consideration, the receipt whereof is hereby acknowledged, does hereby grant unto Holy Cross Energy, a Colorado corporation whose post office address is P. O. Box 2150, Glenwood Springs, Colorado (hereinafter called "Grantee") and to its successors and assigns, the right of ingress and egress across lands of Grantor, situate in the County of Eagle, State of Colorado, described as follows:

Tract A, Riverside, according to the Final Plat thereof, situated in Section 12, Township 5 South, Range 82 West of the 6th P.M., more particularly described at Reception Number 408979 in the office of the Eagle County Clerk and Recorder, Eagle, Colorado.

And, to construct, reconstruct, repair, change, enlarge, re-phase, operate, and maintain an underground electric transmission or distribution line, or both, with the underground vaults, conduit, fixtures and equipment used or useable in connection therewith, together with associated equipment required above ground, within the above mentioned lands, upon an easement described as follows:

An easement containing underground power lines with above ground pad mounted equipment as constructed, the location of said Easement upon the above described property is shown on Exhibit A attached hereto and made a part hereof by reference.

The rights herein granted specifically allow Grantee to install additional underground and/or pad-mounted facilities within the easement described herein.

It shall be the Grantor's responsibility to ensure that splice vaults, switchgear vaults and transformer vaults installed hereunder on said real property are accessible by Grantee's boom trucks and other necessary equipment and personnel at all times. The use of such access by Grantee shall not require removal or alteration of any improvements, landscaping, or other obstructions. The ground surface grade shall not be altered within ten (10) feet of said splice, switchgear and transformer vaults, nor along the power line route between the vaults. The ground surface grade at said splice vaults and switchgear vaults shall be six (6) inches below the top of the pad. The ground surface grade at said splice vaults shall be even with the top of the pad. The manhole opening of said splice vaults shall be uncovered (excluding snow) and accessible at all times. Improvements, landscaping or any other objects placed in the vicinity of said transformers and switchgear shall be located so as not to hinder complete opening of the equipment doors. The ground surface within ten (10) feet of said transformer and switchgear doors shall be flat, level and free of improvements, landscaping, and other obstructions. Improvements, landscaping and other objects will be kept a minimum of four (4) feet from non-opening sides and backs of said transformers and switchgear. Grantor hereby agrees to maintain the requirements of this paragraph and further agrees to correct any violations which may occur as soon as notified by Grantee. Said corrections will be made at the sole cost and expense of Grantor.

Together with the right to remove any and all trees, brush, vegetation and obstructions within said easement and the right to pile spoils outside said easement during construction and maintenance, when such is reasonably necessary for the implementation and use of the rights hereinabove granted. In areas where vegetation is disturbed by the above described use of the easement, the ground surface shall be seeded using a standard native mix by Grantee. Grantor agrees that landscaping or other surface improvements added on said easement after the date of execution hereof will be minimized and that Grantee will not be responsible for damage to said additional landscaping or surface improvements caused by exercise of its rights granted by this easement.

Grantor agrees that all facilities installed by Grantee on the above described lands, shall remain the property of Grantee, and shall be removable at the option of Grantee.

Grantor covenants that they are the owners of the above described lands and that the said lands are free and clear of encumbrances and liens of whatsoever character, except those held by the following: All those of Record.

TO HAVE AND TO HOLD, said right-of-way and easement, together with all and singular, the rights and privileges appertaining thereto, unto Grantee, its successors and assigns, forever.

IN WITNESS WHEREOF, Grantor has caused these presents to be duly executed on this _____ day of _____, 20_____.

The individual signing this Holy Cross Energy Underground Right-of-Way Easement hereby represents that he/she has full power and authority to sign, execute, and deliver this instrument.

TOWN OF AVON, a Colorado municipal corporation

By: _____
Mayor

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20_____, by _____ as Mayor of Town of Avon, a Colorado municipal corporation.

WITNESS my hand and official seal.
My commission expires:

Notary Public


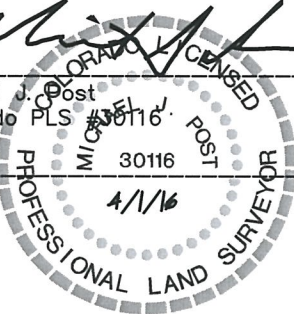
Address: _____

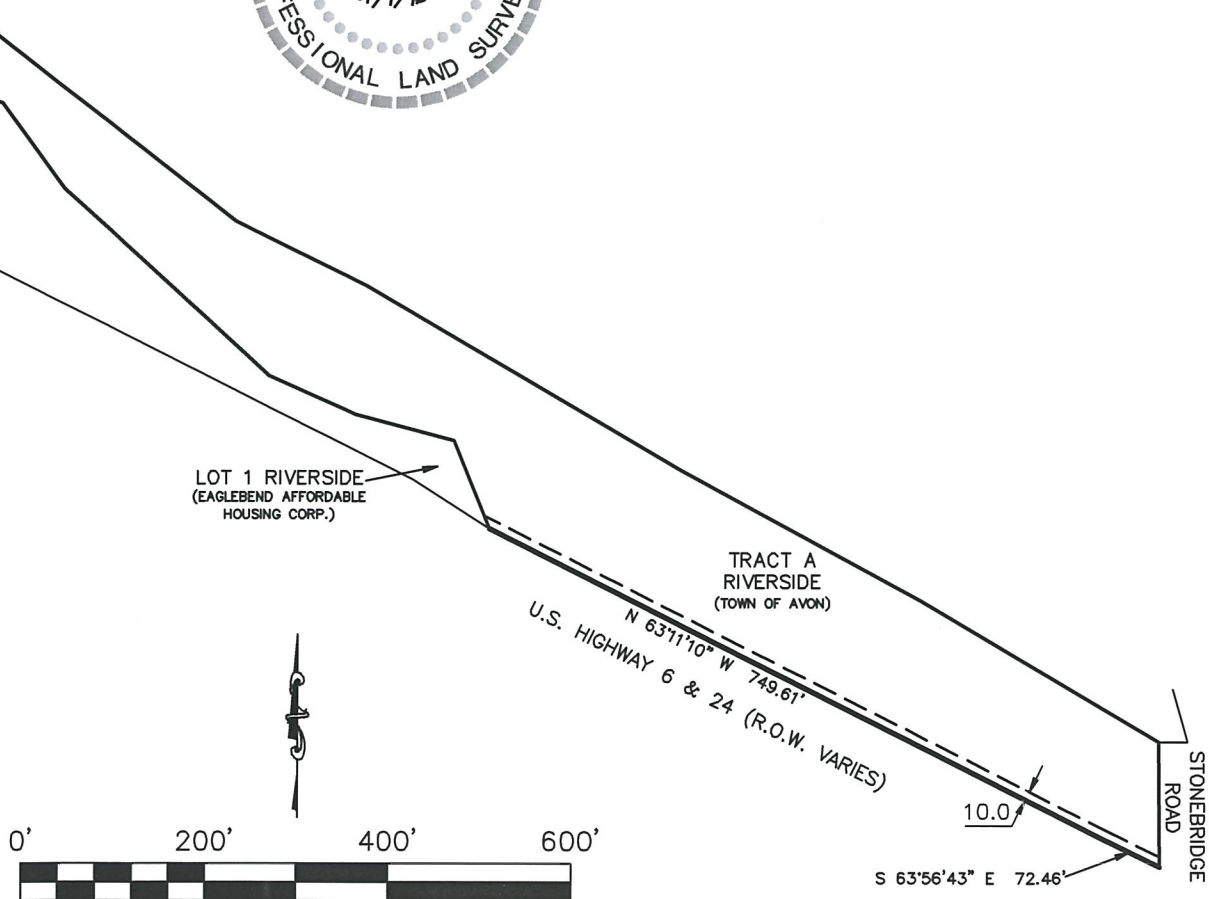
EXHIBIT A

EASEMENT DESCRIPTION

That part of Tract A, Riverside according to the map thereof recorded at Reception No. 408979 in the office of the Eagle County, Colorado, Clerk and Recorder, described as follows:

The southwesterly ten feet of said Tract A with the westerly limit ending at the easterly boundary of Lot 1, Riverside according to the map thereof recorded at Reception No. 408979 in the office of the Eagle County, Colorado, Clerk and Recorder, containing 0.189 acres more or less.


Michael J. Post
Colorado PLS #30116
Date: 4/1/16




EAGLE VALLEY SURVEYING, INC.

41199 HIGHWAY 6 & 24, EAGLE-VALE
P.O. BOX 1230
EDWARDS, CO. 81632
(970)949-1406

TRENCH, CONDUIT, AND VAULT AGREEMENT

This agreement is made and entered into this _____ day of _____, 20_____, between TOWN OF AVON, a Colorado municipal corporation, whose mailing address is 1 Lake Street, Avon, Colorado 81620, hereinafter called "Owner", and Holy Cross Energy, a Colorado corporation whose mailing address is P. O. Box 2150, Glenwood Springs, Colorado 81602, hereinafter called "Holy Cross".

WHEREAS, Holy Cross has been requested by Owner to provide underground electric facilities, hereinafter called "Facilities", to serve a project known as Avon Eaglebend Highway 6 UG, hereinafter called "Project"; and,

WHEREAS, Owner is required to provide all excavation, conduit and vault installation, backfill, compaction and cleanup needed to construct said requested Facilities; and,

WHEREAS, Owner owns real property described as follows: Tract A, Riverside, according to the Final Plat thereof, situated in Section 12, Township 5 South, Range 82 West of the 6th P.M., more particularly described at the Reception Number 408979 in the office of the Eagle County Clerk and Recorder, Eagle, Colorado hereinafter called "Property", which Property is the real property where the Project is being developed; and,

WHEREAS, installation of Facilities to serve the Project may require trenching or other excavation on certain real property adjacent to the Project described as follows: Colorado Department of Transportation U.S. Highway 6 Right-Of-Way, hereinafter called "Adjacent Land".

NOW, THEREFORE, Owner and Holy Cross agree as follows:

1. Owner shall provide all excavation, conduit and vault installation, backfill, compaction and cleanup necessary for installation of Facilities to serve the Project. Such excavation shall be located as shown on the construction plans approved by Holy Cross, and performed in accordance with Holy Cross Vault Installation Specifications, Construction Specifications and inspector requirements. Any deviation from the approved construction plans will not be made unless approved by Holy Cross in advance. All Facilities installed hereunder shall be inspected during construction by Holy Cross and shall meet all Holy Cross requirements prior to acceptance of such Facilities by Holy Cross.
 - a. Prior to commencement of any work hereunder, Holy Cross shall furnish to Owner its Vault Installation Specifications and Construction Specifications and such specifications are made a part hereof by reference.
 - b. All Facilities installed within the Property and Adjacent Land shall be within dedicated or conveyed and recorded utility easements.
 - c. The top of all conduits installed hereunder shall be located a minimum of 48" below the final grade of the ground surface.
 - d. A twelve-inch (12") minimum separation will be maintained between conduits installed for the Facilities and all other new or existing underground utilities. Wherever possible, this separation will be horizontal. The Facilities conduit separation from plastic gas lines shall be greater than this minimum wherever practicable.
 - e. Holy Cross will supply the necessary conduit and vaults for installation by the Owner upon completion of contractual arrangements. Owner assumes responsibility for all material lost or damaged after such material has been issued to and signed for by Owner or by an agent of Owner. Alternatively, Owner may provide its own conduit and vaults meeting Holy Cross specifications for use on the Project and convey such provided material to Holy Cross with an acceptable Bill of Sale. After installation by the Owner and acceptance by Holy Cross, Holy Cross shall continue as the owner of the conduit, vaults and related structures and facilities.
 - f. If conduit and/or vault installation provided by Owner for the Project are found to be unusable or improperly constructed, irrespective of whether such discovery is made during or after installation, Owner will be responsible for correcting said problems at its expense as specified by Holy Cross and Owner shall reimburse Holy Cross for all additional costs resulting from conduit and/or vault installation being unusable or improperly constructed.
2. Despite the fact that Holy Cross reserves the right to specify acceptable work performed hereunder, Owner shall perform work hereunder as an independent contractor, including, but not limited to, the hiring and firing of its own employees, providing its own tools and equipment, payment of all wages, taxes, insurance, employee withholdings, and fees connected with its work on the Project.
3. Owner shall obtain all necessary digging permits and utility locations prior to excavation for work performed hereunder. Owner shall repair all damage caused during excavation promptly and at its expense. No excavation will be undertaken within five (5) feet of existing underground electric facilities except under the on site supervision of a Holy Cross employee.
4. Owner shall indemnify, save, and hold harmless Holy Cross, its employees and agents, against any and all loss, liability, claims, expense, suits, causes of action, or judgments for damages to property or injury or death to persons that may arise out of work performed hereunder, or because of a breach of any of the promises, covenants and agreements herein made by the Owner. Owner shall promptly defend Holy Cross whenever legal proceedings of any kind are brought against it arising out of work performed hereunder by the Owner and/or work performed at the direction of the Owner. In the event Owner

shall fail to promptly defend Holy Cross, it shall be liable to Holy Cross, and shall reimburse it, for all costs, expenses and attorney fees incurred in defending any such legal proceeding. Owner agrees to satisfy, pay, and discharge any and all judgments and fines rendered against Holy Cross arising out of any such proceedings. Owner also agrees to promptly satisfy and pay any monetary settlements of disputes that arise hereunder, provided Owner has been given the opportunity to join in

such settlement agreements. The above indemnification clause shall not apply to state and local governments or local service districts. In lieu thereof, whenever Owner is a government or district it shall procure and maintain in effect at least \$1,000,000 of public liability insurance covering the acts, damages and expenses described in the above indemnification clause. Upon Holy Cross' request, such an Owner shall furnish a Certificate of Insurance verifying the existence of such insurance coverage.

5. Owner shall repair, at its expense, any excavation settlement and damage to asphalt paving or other surface improvements caused by such settlement resulting from work performed hereunder within the Property and Adjacent Land for a period of two (2) years beginning on the date backfill and cleanup are completed.
6. Owner, at its expense, shall stop the growth of thistles and/or other noxious weeds in all areas disturbed by excavation performed hereunder for a period of two (2) years beginning on the date backfill and cleanup are completed.
7. In the event Owner shall not promptly complete all of the obligations hereinabove agreed to be performed by Owner, Holy Cross may give written notice by registered or certified mail demanding Owner to complete the work and obligations undertaken by Owner herein, and if such is not completed within 30 days after receipt of such notice by Owner, Holy Cross may complete the work and obligations hereof. If Holy Cross shall be required to complete the work, all costs of completion shall be chargeable to and collectible from Owner.
8. As set forth in paragraph 1 above, Owner covenants that the trench, and all Facilities within the trench installed hereunder shall be located within dedicated or conveyed and recorded utility easements and at the proper depth below finished grade. It shall be the obligation of Owner to properly locate and construct the Facilities within the easement. Should it ever be discovered that such Facilities have not been properly located within dedicated or conveyed and recorded utility easements, or at the proper depth, it shall be the obligation of Owner to provide new easements for the actual location of the Facilities, or to relocate the Facilities within the easement, all of which shall be at the sole cost and expense of Owner.
9. It shall be Owner's responsibility to ensure that splice vaults, switchgear vaults and transformer vaults installed hereunder on the Property are accessible by Holy Cross boom trucks and other necessary equipment and personnel at all times. The use of such access by Holy Cross shall not require removal or alteration of any improvements, landscaping, or other obstructions. The ground surface grade shall not be altered within ten (10) feet of said splice, switchgear and transformer vaults, nor along the power line route between the vaults. The ground surface grade at said transformer and switchgear vaults shall be six (6) inches below the top of the pad. The ground surface grade at said splice vaults shall be even with the top of the pad. The manhole opening of said splice vaults shall be uncovered (excluding snow) and accessible at all times. Improvements, landscaping or any other objects placed in the vicinity of said transformers and switchgear shall be located so as not to hinder complete opening of the equipment doors. The ground surface within ten (10) feet of said transformer and switchgear doors shall be flat, level and free of improvements, landscaping, and other obstructions. Improvements, landscaping and other objects will be kept a minimum of four (4) feet from non-opening sides and backs of said transformers and switchgear. Owner hereby agrees to maintain the requirements of this paragraph and further agrees to correct any violations that may occur as soon as notified by Holy Cross. Said corrections will be made at the sole cost and expense of Owner.
10. All Holy Cross meter locations must be approved in advance. Notwithstanding such advance approval, it shall be the Owner's responsibility to maintain acceptable access, as determined solely by Holy Cross, to all Holy Cross meters at all times. At any time in the future, should access to any Holy Cross meters be determined by Holy Cross to be unacceptable, then it shall be the Owner's responsibility, at the Owner's sole cost, to correct the access and make it acceptable, as determined solely by Holy Cross.
11. If at any time in the future the Colorado Department of Transportation, or any governing body with jurisdiction, or any of their respective successors and assigns, requires the relocation of any of said Facilities that have been installed within their respective road right-of-ways, such relocation shall be at the sole cost and expense of the Owner.
12. Owner covenants that it is the owner of the above described Property and that said Property is free and clear of encumbrances and liens of any character, except those held by the following: All those of Record.

The promises, agreements and representations made by Owner herein shall be covenants that run with the Property and shall be binding upon the successors in interest, and assigns, of the Property.

The individual signing this Trench, Conduit and Vault Agreement hereby represents that he/she has full power and authority to sign, execute, and deliver this instrument.

TOWN OF AVON, a Colorado municipal corporation

By: _____
Mayor

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____,
by _____ as Mayor of Town of Avon, a Colorado municipal corporation.

WITNESS my hand and official seal.
My commission expires:

Notary Public
Address: _____

Holy Cross Energy, a Colorado corporation

By: _____
David Bleakley, Senior Manager – Engineering Department

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____,
by David Bleakley, Senior Manager – Engineering Department, Holy Cross Energy, a Colorado corporation.

WITNESS my hand and official seal.
My commission expires:

Notary Public
Address: _____



TOWN COUNCIL REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council
From: Jim Horsley, Project Engineer
Date: May 10, 2016
Re: Amendment to the Intergovernmental Agreement between the Town of Avon and Eagle County, Colorado Concerning the Avon to Eagle Vail Recreational Trail Project

ACTION BEFORE TOWN COUNCIL

To review and approve, approve with changes or deny the Amendment to the Intergovernmental Agreement between the Town of Avon and Eagle County, Colorado Concerning the Avon to Eagle-Vail Recreation Trail Project.

PROPOSED MOTION

I move to approve the Amendment to the Intergovernmental Agreement between the Town of Avon and Eagle County, Colorado Concerning the Avon to Eagle-Vail Recreation Trail Project.

BACKGROUND

In 2011 and 2014, the Town and Eagle County entered into an Intergovernmental Agreement (IGA) to fund the construction of the Eagle Valley Trail from Avon Road to the Eagle-Vail I-70 interchange. The Beaver Creek to Stonebridge Drive segment is the last segment that needs to be constructed as outlined in the IGAs. There is \$159,136 of Eagle County's funds remaining unspent from the 2014 IGA and this amendment increases Eagle County's contribution by \$350,000 to \$459,136. Eagle County previously contributed \$463,864 to the segments constructed in 2014 over the Eagle River and Beaver Creek.

This IGA memorializes the increased financial contribution that was previously approved by the ECO Trails Committee and County Commissioners in 2015.

The project was awarded to Ewing Construction at the April 12, 2016 Town Council meeting and will be constructed this summer.

EXHBIT

Amendment to Intergovernmental Agreement between the Town of Avon and Eagle County, Colorado Concerning the Avon to Eagle-Vail Recreational Trail Project.

AMENDMENT TO INTERGOVERNMENTAL AGREEMENT BETWEEN
THE TOWN OF AVON AND EAGLE COUNTY, COLORADO
CONCERNING THE AVON TO EAGLE-VAIL RECREATIONAL TRAIL PROJECT

THIS AMENDMENT ("Amendment") is effective as of the ____ day of _____, 2016, by and between the Town of Avon, a Colorado municipal corporation, (hereinafter "Town") and Eagle County, a body corporate and politic of the state of Colorado (hereinafter "County"). Collectively the Town and County shall be referred to as the "Parties".

RECITALS

WHEREAS, C.R.S. 29-20-101 *et. seq.*, encourages intergovernmental agreements through which local governments cooperate and participate in joint projects; and

WHEREAS, County and Town entered into an Intergovernmental Agreement dated April 19, 2011 ("2011 IGA") for purposes of shared design, engineering and construction of the Project; and

WHEREAS, the Parties entered into a further Intergovernmental Agreement dated August 19, 2014 (the "2014 IGA") related to the Project; and

WHEREAS, the Town submitted an additional funding request to County in 2015 which was approved by County for funding in 2016 and the Parties desire to document the same; and

WHEREAS, the Parties further desire to extend the term of the 2014 IGA as set forth herein.

AMENDMENT

NOW THEREFORE, in consideration of the foregoing and the mutual rights and obligations as set forth below, the Parties agree as follows:

1. Paragraph 2.1 PROJECT FUNDING as set forth in the 2014 IGA is hereby supplemented and amended by the addition of the following sentence at the end of paragraph 2.1:

"The Parties agree that at the end of 2015, of the County funds identified in the 2011 IGA and the 2014 IGA, \$159,136 of County funds remained for the Project. The Town made a request for additional funds to the County in 2015, to supplement those remaining funds. The County approved an additional \$350,000 of funding for the Project such that a total of \$459,136 of County funds remain available to the Town in 2016 for the Project. In no event shall County funds for the Project exceed \$459,136 as approved in County's 2016 budget."

2. Paragraph 6.1 of the 2014 IGA is hereby amended and restated to read as follows:

"6.1 This Agreement will be effective as of the day and year first set forth above and will terminate on December 31, 2016. This Agreement shall automatically renew for

one year terms (December 31 of each succeeding year) until December 31, 2019 unless earlier terminated as set forth herein.”

3. Capitalized terms in this Amendment will have the same meaning as in the 2014 IGA. To the extent that the terms and provisions of the Amendment conflict with, modify or supplement portions of the 2014 IGA, the terms and provisions contained in this Amendment shall govern and control the rights and obligations of the Parties.
4. Except as expressly altered, modified and changed in this Amendment, all terms and provisions of the 2014 IGA shall remain in full force and effect, and are hereby ratified and confirmed in all respects as of the date hereof.
5. This Amendment shall be binding on the Parties hereto, their heirs, executors, successors, and assigns.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment the day and year first above written.

COUNTY OF EAGLE, STATE OF COLORADO,
By and Through Its BOARD OF COUNTY
COMMISSIONERS

By: _____
Jeanne McQueeney, Chair

Attest:

By: _____
Teak J. Simonton, Clerk to the Board

TOWN OF AVON

By: _____
Jennie Fancher, Mayor

Attest:

By: _____
Debbie Hoppe, Town Clerk



TOWN OF AVON, COLORADO
AVON MEETING MINUTES FOR TUESDAY, APRIL 12, 2016
AVON TOWN HALL, ONE LAKE STREET

1. CALL TO ORDER & ROLL CALL

Mayor Fancher called the meeting to order at 3:18 p.m. A roll call was taken and Council members present were Sarah Smith Hymes, Scott Prince, Megan Burch, Buz Reynolds, and Jake Wolf. Matt Gennett was absent. Also present were Town Manager Virginia Egger, Town Attorney Eric Heil, Assistant Town Manager Scott Wright, Police Chief Bob Ticer, Recreation Director John Curutchet, Planning Director Matt Pielsticker, Executive Assistant to the Town Manager Preston Neill and Town Clerk Debbie Hoppe.

2. APPROVAL OF AGENDA

Mayor Fancher asked to add Resolution 16-14 in support of Colorado HB 1336 "Concerning the Creation of a Single Geographic Rating Area for Health Insurers to use when Establishing Rates for Individual Health Insurance Plan." Mayor Fancher also asked to add a proclamation honoring Phil Struve's years of service on the Planning and Zoning Commission. The agenda was approved with suggested changes.

3. PUBLIC COMMENT

Tom Ruemmler asked to provide additional public comment at 8:30 p.m. David Strandjord and Peter Buckley commented.

4. ACTION ITEMS

START TIME: 00:19:47

4.1. MOUNTAIN STAR WATER TANK

4.1.1 PUBLIC HEARING SECOND READING OF ORDINANCE 16-04, AN ORDINANCE APPROVING THE ANNEXATION OF THE MOUNTAIN STAR TANK PROPERTY (TOWN ATTORNEY ERIC HEIL)

Mayor Fancher opened the Public Hearing and no comments were made. Councilor Reynolds moved to approve Ordinance No. 16-04 Annexing the Mountain Star Water Storage Tank Site Property on first reading; Councilor Burch seconded the motion and it passed unanimously by those present. Councilor Gennett was absent.

4.1.2 PUBLIC HEARING SECOND READING OF ORDINANCE 16-05, AN ORDINANCE APPROVING A COMPREHENSIVE PLAN AMENDMENT AND THE ZONING OF THE MOUNTAIN STAR TANK PROPERTY IN THE PUBLIC FACILITIES ZONE DISTRICT (TOWN ATTORNEY ERIC HEIL)

Mayor Fancher opened the Public Hearing and no comments were made. Councilor Reynolds moved to approve second and final reading Ordinance No. 16-05 Approving Amendments to the Town of Avon comprehensive plan and rezoning application for the Mountain Star Tank Site Property in the Public Facilities Zone District; Councilor Smith Hymes seconded the motion and it passed unanimously by those present. Councilor Prince requested a maintenance agreement. Mayor Pro Tem Wolf agreed with the request for a maintenance agreement. Councilor Gennett was absent.

4.1.3 PUBLIC HEARING ON A 1041 PERMIT FOR THE CONSTRUCTION OF THE MOUNTAIN STAR WATER STORAGE TANK (PLANNING DIRECTOR MATT PIELSTICKER)



TOWN OF AVON, COLORADO
AVON MEETING MINUTES FOR TUESDAY, APRIL 12, 2016
AVON TOWN HALL, ONE LAKE STREET

Mayor Fancher opened the Public Hearing and no comments were made. Councilor Smith Hymes moved to approve the 1041 Permit for construction of the Mountain Star Water Storage Tank as described in the application materials dated February 12, 2016, and to strike the year 2016 to add 2017, with the following findings and conditions:

Findings

1. The Application was reviewed in accordance with Avon Municipal Code Chapter 7.40, 1041 Regulations, and found to be in conformance with the mandatory review criteria outlined in Matt Pielsticker's Staff Report dated April 12, 2016.

Conditions

1. Prior to construction a Grading and/or Building Permit will be obtained from the Community Development Department.
2. Permit is valid from April 15, 2016 to November 15, 2016.

Councilor Reynolds seconded the motion and it passed unanimously by those present. Councilor Gennett was absent.

4.2. RESOLUTION 16-08 TO SET NUMBER AND LOCATIONS FOR MOBILE VENDOR CARTS IN NOTTINGHAM PARK (EXECUTIVE ASSISTANT TO THE TOWN MANAGER PRESTON NEILL)

Councilor Reynolds moved to approve Resolution 16-08, A Resolution Establishing the Locations for two (2) Mobile Vendor Carts in Harry A. Nottingham Park; Councilor Smith Hymes seconded the motion and it passed unanimously by those present. Councilor Gennett was absent.

4.3. FIRST READING OF ORDINANCE 16-07, AN ORDINANCE ALLOWING FOOD TRUCKS TO OPERATE ON TOWN RIGHT-OF-WAYS (EXECUTIVE ASSISTANT TO THE TOWN MANAGER PRESTON NEILL)

Councilor Smith Hymes moved to approve Ordinance No. 16-07, an Ordinance Allowing Food Trucks to Operate on Town Right-of-Ways; Councilor Prince seconded the motion and it passed unanimously by those present. Councilor Gennett was absent.

4.4. FIRST READING OF ORDINANCE 16-08 AMENDING SECTION 3.98.050(3) OF THE AVON MUNICIPAL CODE TO EXEMPT GOVERNMENTAL INSTITUTIONS FROM SALES TAX ON CONSTRUCTION MATERIALS (TOWN ATTORNEY ERIC HEIL)

Councilor Prince moved to approve Ordinance 16-08 Amending Section 3.98.050(3) of the Avon Municipal Code to Exempt Governmental Institutions from Sales Tax on Construction Materials on first reading and set a public hearing on May 10, 2016 for second reading; Councilor Burch seconded the motion and it passed unanimously by those present. Councilor Gennett was absent.

4.5. PUBLIC HEARING ON RESOLUTION 16-12 APPROVING A MINOR PUD AMENDMENT TO THE MINERVINI PUD (PLANNING DIRECTOR MATT PIELSTICKER)

Mayor Fancher opened the Public Hearing and no comments were made. Councilor Reynolds moved to approve Resolution 16-12, A Resolution approving File #PUD16002, an Application for a



TOWN OF AVON, COLORADO
AVON MEETING MINUTES FOR TUESDAY, APRIL 12, 2016
AVON TOWN HALL, ONE LAKE STREET

Minor PUD Amendment to the Minervini PUD; Councilor Prince seconded the motion and it passed unanimously by those present. Councilor Gennett was absent.

4.6. PUBLIC HEARINGS – REVIEW AND ACTION ON RECOMMENDED 2016 AMENDED BUDGETS

4.6.1. RESOLUTION 16-10 TO AMEND THE 2016 TOWN OF AVON GENERAL, EQUIPMENT REPLACEMENT AND WATER FUNDS BUDGETS (ASSISTANT TOWN MANAGER SCOTT WRIGHT)
Councilor Gennett arrived at 4:40 p.m.

Mayor Fancher opened the Public Hearing and no comments were made. Councilor Reynolds moved to approve Resolution 16-10 to amend the 2016 Town of Avon, General, Equipment Replacement and Water Funds Budgets; Councilor Burch seconded the motion and it passed unanimously by those present.

4.6.2. PRESENTATION OF TOWN OF AVON 2016 CAPITAL PROJECTS UPDATE
(TOWN ENGINEER JUSTIN HILDRETH)

4.6.3. RESOLUTION 16-11, TO AMEND THE 2016 TOWN OF AVON CAPITAL PROJECTS FUND BUDGET
(ASSISTANT TOWN MANAGER SCOTT WRIGHT)

Tab Bonidy and Peter Buckley commented. Mayor Fancher opened the Public Hearing and no comments were made. Councilor Reynolds moved to approve Resolution 16-11 to amend the 2016 Town of Avon Capital Projects Fund Budget; Councilor Smith Hymes seconded the motion and it passed unanimously by those present.

**4.7. REVIEW AND ACTION ON A CONSTRUCTION CONTRACT FOR THE REGIONAL TRAIL COMPLETION
(TOWN ENGINEER JUSTIN HILDRETH)**

Councilor Reynolds moved to authorize issuance of Notice of Award for the Eagle Valley Trail – Beaver Creek to Stonebridge Drive project contract to the low bidder, Ewing Trucking & Construction, LLC, in the amount of \$2,189,611; Councilor Burch seconded the motion and it passed unanimously by those present.

**4.8. REVIEW AND ACTION FOR A PRE-APPROVAL OF THE METCALF ROAD BIKE CLIMBING LANE
(TOWN ENGINEER JUSTIN HILDRETH)**

Councilor Prince moved to preauthorize issuance of Notice of Award for the Metcalf Road Bicycle Climbing Lane Project contract, provided the low bid is within budget, as approved in the Town of Avon 2016 Capital Projects Fund; Councilor Smith Hymes seconded the motion and it passed unanimously by those present.

Agenda item addition:

Resolution 16-14 in Support of Colorado HB 1336 “Concerning the Creation of a Single Geographic Rating Area for Health Insurers to use when Establishing Rates for Individual Health Insurance Plan”
Peter Buckley commented.



TOWN OF AVON, COLORADO
AVON MEETING MINUTES FOR TUESDAY, APRIL 12, 2016
AVON TOWN HALL, ONE LAKE STREET

Councilor Prince moved to approve Resolution 16-14 in Support of Colorado HB 1336 “Concerning the Creation of a Single Geographic Rating Area for Health Insurers to use when Establishing Rates for Individual Health Insurance Plan.” Councilor Burch seconded the motion and it passed unanimously by those present

4.9. UPDATE ON VAIL VALLEY TRAILS CONNECTION (RICH CARROLL)

4.10. REVIEW AND ACTION ON A LETTER OF SUPPORT FOR THE VAIL VALLEY TRAILS CONNECTION APPLICATION IN SUPPORT OF AN IMBA RIDE CENTER DESIGNATION (RICH CARROLL)

Councilor Burch moved to approve the letter of support for the Vail Valley Trails Connection Application in support of an IMBA Ride Center Designation with Councilor Smith Hymes’ edit; Councilor Gennett seconded the motion and it passed unanimously by those present.

4.11. PRESENTATION BY HOLY CROSS ENERGY OF 2015 COMMUNITY ENHANCEMENT FUND REBATE (MANAGER OF MEMBER SERVICE STEVE CASEY)

4.12. INTERVIEWS AND APPOINTMENT OF UP TO FOUR PLANNING AND ZONING COMMISSION MEMBERS (MAYOR JENNIE FANCHER)

Martin Golembiewski, Kenneth Howell and John Minervini were appointed for 2 year terms. Jared Barnes was appointed for a 1 year term.

4.13. PUBLIC HEARING SECOND READING OF ORDINANCE 15-11, AN ORDINANCE AMENDING THE AVON MUNICIPAL CODE TABLE 7.16-1 AND SECTION 7.16.060(H)(1) CONCERNING AMENDMENTS TO WILDRIDGE PUD APPLICATIONS (PLANNING DIRECTOR MATT PIELSTICKER)

Mayor Fancher opened the Public Hearing and no comments were made. Councilor Reynolds moved to approve Ordinance 15-11 (**Exhibit A**), thereby approving Case #CTA15001, an application for a code text amendment pertaining to the Wildridge Subdivision, to add a new Section 7.16.060(h)(1)(iii) *Amendments to Wildridge PUD* to the Avon Development Code and edit Table 7.16-1 accordingly, together with the findings of fact; Councilor Prince seconded the motion and it passed on a 4 to 3 vote. Councilor Burch, Councilor Gennett and Mayor Pro Tem Wolf voted no.

4.14. PUBLIC HEARING SECOND READING OF ORDINANCE 16-06, APPROVING A PURCHASE AND SALE AGREEMENT OF THE PHASE 1B OFFICE BUILDING, MOUNTAIN VISTA RESORT SUBDIVISION (TOWN ATTORNEY ERIC HEIL)

Mayor Fancher opened the Public Hearing and Tab Bonidy, Peter Buckley, Kenneth Powell and Clark Shively commented. Councilor Reynolds moved to approve second and final reading of Ordinance 16-06 Approving the Purchase and Sale Agreement for Lot 4, Mountain Vista Resort Subdivision, Town of Avon, Colorado; Mayor Pro Tem Wolf seconded the motion and it passed on a 5 to 2 vote. Councilor Prince and Councilor Gennett voted no.



TOWN OF AVON, COLORADO
AVON MEETING MINUTES FOR TUESDAY, APRIL 12, 2016
AVON TOWN HALL, ONE LAKE STREET

4.15. PUBLIC HEARING SECOND READING OF ORDINANCE 16-03, AMENDING CHAPTER 3.08 OF THE AVON MUNICIPAL CODE TO ENACT SECTION 3.08.037 TO PROVIDE A TEMPORARY SALES TAX CREDIT FOR THE INSTALLATION OF RENEWABLE ENERGY COMPONENTS (TOWN ENGINEER JUSTIN HILDRETH)

Mayor Fancher opened the Public Hearing and no comments were made. Councilor Prince moved to move to approve Ordinance 16-03, An Ordinance Amending Chapter 3.08 of the Avon Municipal Code to Enact Section 3.08.037 to provide a Temporary Sales Tax Credit for the Components for Production of Energy from Renewable Sources and a waiver of planning review and building permit fees for renewable energy projects. Councilor Prince also moved to make the credit effective on April 13, 2016; Councilor Smith Hymes seconded the motion and it passed unanimously by those present.

4.16. CONSENT AGENDA

START TIME: 06:02:19

4.16.1. RESOLUTION 16-13, DELEGATING AUTHORITY TO APPOINT ELECTION JUDGES TO THE AVON TOWN CLERK (TOWN CLERK DEBBIE HOPPE)

4.16.2. APPROVAL OF BUS PURCHASE AGREEMENT BETWEEN THE TOWN OF AVON AND GILLIG, LLC (TRANSIT DIRECTOR JANE BURDEN)

4.16.3. MINUTES FROM MARCH 22, 2016 MEETING (TOWN CLERK DEBBIE HOPPE)

Councilor Burch moved to approve the Consent Agenda; Councilor Gennett seconded the motion and it passed unanimously by those present.

5. WRITTEN REPORTS

5.1. 2016-17 TOWN AVON STRATEGIC PLAN QUARTERLY UPDATE (TOWN MANAGER VIRGINIA C. EGGER)

6. COMMITTEE MEETING UPDATES: COUNCILORS AND MAYOR

6.1. AFFORDABLE HOUSING BOARD UPDATE (COUNCILOR MEGAN BURCH)

7. MAYOR & COUNCIL COMMENTS



TOWN OF AVON, COLORADO
AVON MEETING MINUTES FOR TUESDAY, APRIL 12, 2016
AVON TOWN HALL, ONE LAKE STREET

8. ADJOURNMENT

There being no further business to come before the Council, the regular meeting adjourned at 9:25 p.m.

RESPECTFULLY SUBMITTED:

Debbie Hoppe, Town Clerk

APPROVED:

Jennie Fancher

Jake Wolf

Matt Gennett

Megan Burch

Albert "Buz" Reynolds

Scott Prince

Sarah Smith Hymes



TOWN COUNCIL REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council
From: Virginia C. Egger, Town Manager
Date: May 10, 2016
Agenda Topic: Public Safety Facility/Police Station & New Town Hall – Development & Finance Schedules

ACTION BEFORE COUNCIL:

Town staff is meeting on Monday afternoon to prepare the scope of work and schedules for the financing and construction of the Avon Police Station and finishing of the new Town Hall. We will provide the work to Council later that day or Tuesday morning for your review and direction at the meeting.



FISCAL YEAR 2016 FINANCIAL REPORT

May 10, 2016

-
1. Fiscal Year 2016 Financial Report Cover Memo
 2. Sales and Accommodations Tax Reports – February 2016
 3. Real Estate Transfer Tax Report and Monthly Detail – March 2016
 4. Recreation Center Admissions – March 2016
 5. General Fund Year-To-Date Expenditures - March 2016
 6. Fleet Maintenance Fund Year-To Date Expenditures - March 2016
 7. Transit Fund Year-To Date Expenditures - March 2016



TOWN COUNCIL REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council
From: Kelly Huitt, Budget Analyst

Meeting Date: May 10, 2016

Agenda

Topic: Fiscal Year 2016 Financial Report – January/February

SUMMARY

Revenues

SALES TAX

- Sales tax revenue for the month of February is down -\$14,245 or -1.81% compared to February 2015, but up .98% compared to the budget. This year-over-year decrease includes \$21,170 from new businesses, and after adjusting for new business growth, -4.49% is the loss in revenue from existing business for the month. A portion of this loss is attributable to increased February 2015 sales tax related to the Alpine World Ski Championships
- February sales tax collections show considerable increases for the Grocery, Specialty, and Health category at 10.36%, Sporting Goods Rental/Retail at 12.18%, and Home/Garden with an 8.52% increase compared to February 2015. However, a few categories had substantial declines: Miscellaneous Retail decreased -18.26%, Other businesses are down -41.71%, and Service Related entities declined -72.24%. The decrease in existing business growth from Miscellaneous Retail can be partially attributed to two entities being re-categorized. The large decrease in the Service Related category is due to wide variances in returns from interior design and architecture businesses, which were unusually high in February 2015, coupled with increased returns in February 2015 from sales tax catch up related to increased compliance. The Other business category is also down due increased returns in February 2015 from sales tax catch up related to increased compliance with construction suppliers and contractors.

Sales Tax Monthly Totals - February 2016			
Category	2014/2015	Growth	Growth
	Variance	Existing Business	New Business
Home/Garden	2,950.57	-6.12%	14.64%
Grocery, Specialty, Health	17,397.54	6.88%	3.48%
Liquor Stores	2,494.31	6.72%	0.00%
Sporting Goods Retail/Rental	12,097.37	12.18%	0.00%
Miscellaneous Retail	(4,578.40)	-18.29%	0.03%
Accommodations	11,679.93	5.49%	1.10%
Restaurants/Bars	954.84	-4.87%	5.58%
Other	(32,915.76)	-42.39%	0.67%
Service Related	(24,325.46)	-72.93%	0.69%
Total	(\$14,245.06)	-4.49%	2.68%

ACCOMMODATIONS TAX

- Accommodations tax revenue for February is up \$10,314, or 5.89% compared to February 2015, and up 8.76% compared to the monthly budget.
- February 2016 accommodations tax collections increased 24.45% for Hotels, while Timeshares and Vacation Rentals were down -11.80% and -13.67%, respectively compared to February 2015.

REAL ESTATE TRANSFER TAX

- 2016 real estate transfer tax collections for March equal \$265,061.65, which is a \$96,317 increase over March 2015. The sales of one home in Mountain Star and two units at the Riverfront Resort and Spa make up \$130,850 of this monthly total.
- Year-to-date RETT collections are right on track at 25.25% of the 2016 annual budget.

RECREATION CENTER ADMISSIONS

- March admissions fees at the ARC total \$76,023, a -6.91% decrease over March 2015. Year-to-date admissions are 10.31% above 2015, and \$25,164 over the estimated annual budget.

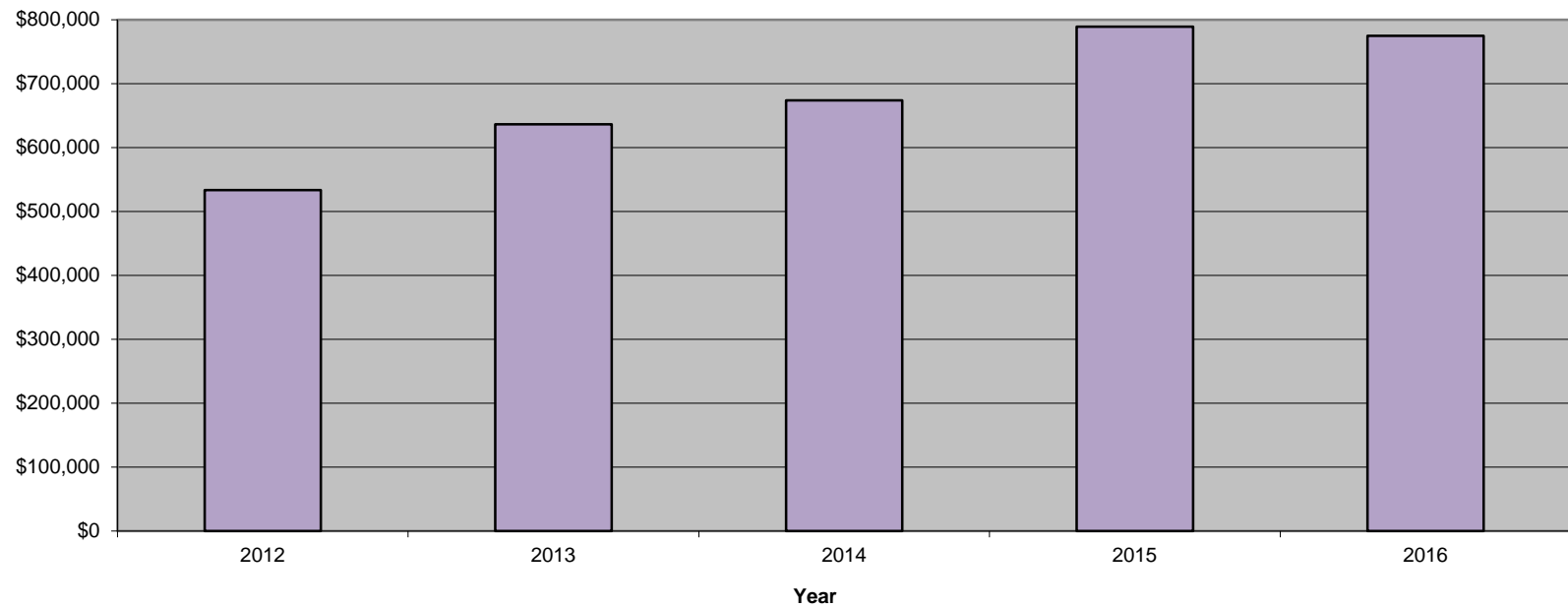
Expenditures

- General Fund expenditures through March 2016 total 31.81% of the 2016 annual budget. These expenditures include the Town's annual insurance premium, \$40,000 for the Winter Wondergrass event, \$50,000 toward the writer's conference, \$118,710 spent for community grants, as well as a large encumbrance for the Town Attorney.
- Fleet expenditures for March are at 22.62% of the total budget. These costs include blanket encumbrances for stock parts and ongoing expenditures such as regularly purchased shop supplies and monthly copier charges.
- Transit funds are 38.37% expended compared to the 2016 budget. These expenditures include a \$135,000 expenditure for the 2015 people mover bus purchase, as well as \$176,000 for the Town's half of the 2016 gondola operations.

**TOWN OF AVON
SALES TAX
2016 Actual vs. Budget**

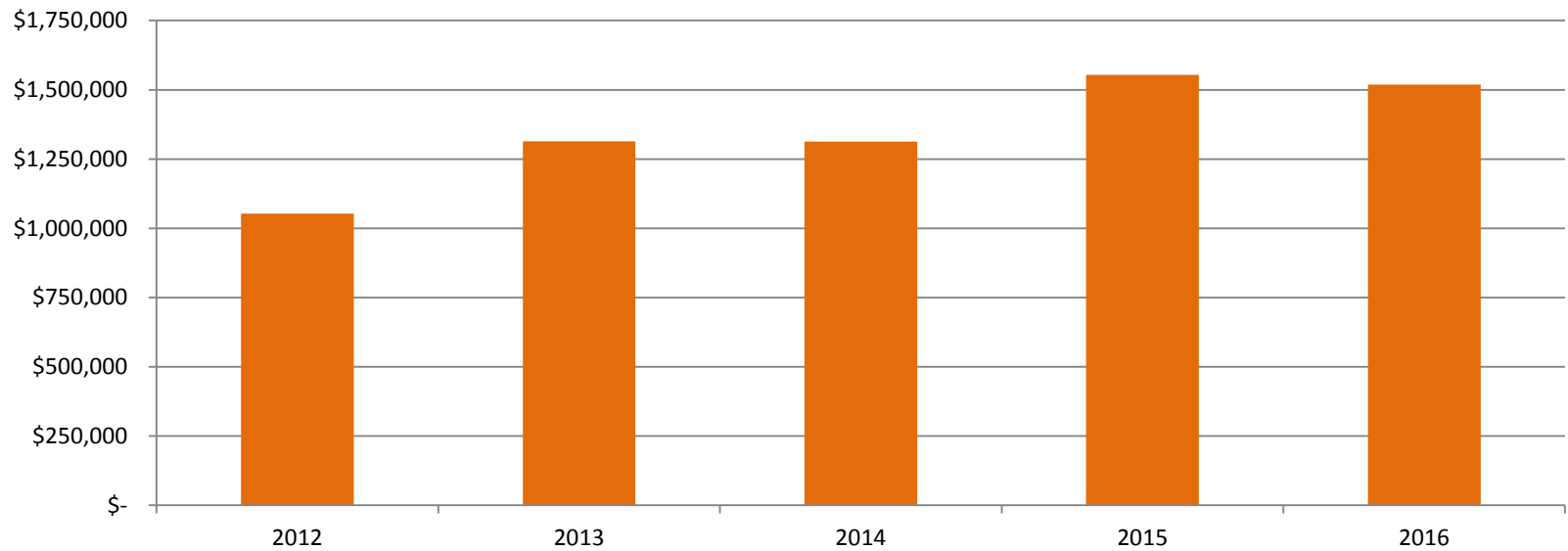
	Actual Collections					Budget	YTD Collections	Budget	% of change
	2011	2012	2013	2014	2015	2016	2016	Variance	from 2015
January	\$ 511,040.76	\$ 519,784.89	\$ 677,943.78	\$ 638,863.27	\$ 765,195.68	\$ 754,412	\$ 743,689.78	\$ (10,722.17)	-2.81%
February	532,903.25	533,546.48	636,702.27	673,722.03	788,999.06	767,268	774,754.00	\$ 7,486.36	-1.81%
March	665,532.70	643,910.29	720,267.31	793,301.96	875,499.53	896,356			
April	305,269.73	304,220.84	307,407.13	381,839.56	403,560.42	412,562			
May	236,424.93	270,082.79	309,938.72	340,332.28	353,840.11	366,107			
June	406,828.27	430,588.57	490,329.18	538,517.31	570,424.51	590,545			
July	452,873.44	472,215.40	537,479.66	570,959.86	601,516.82	638,618			
August	419,977.29	455,439.86	504,332.25	547,085.80	572,647.57	605,764			
September	391,546.49	424,793.75	475,362.88	546,016.59	595,235.68	589,641			
October	299,193.35	341,711.43	356,925.96	417,921.46	423,701.53	445,802			
November	301,407.41	336,060.63	362,460.94	397,935.36	438,315.55	445,009			
December	921,815.61	852,868.64	981,917.79	1,221,263.98	1,159,160.45	1,244,988			
Total	<u>\$ 5,444,813.23</u>	<u>\$ 5,585,223.57</u>	<u>\$ 6,361,067.87</u>	<u>\$ 7,067,759.46</u>	<u>\$ 7,548,096.91</u>	<u>\$ 7,757,072</u>	<u>\$ 1,518,443.78</u>	<u>\$ (3,235.81)</u>	<u>-2.30%</u>

Sales Tax Collections for February

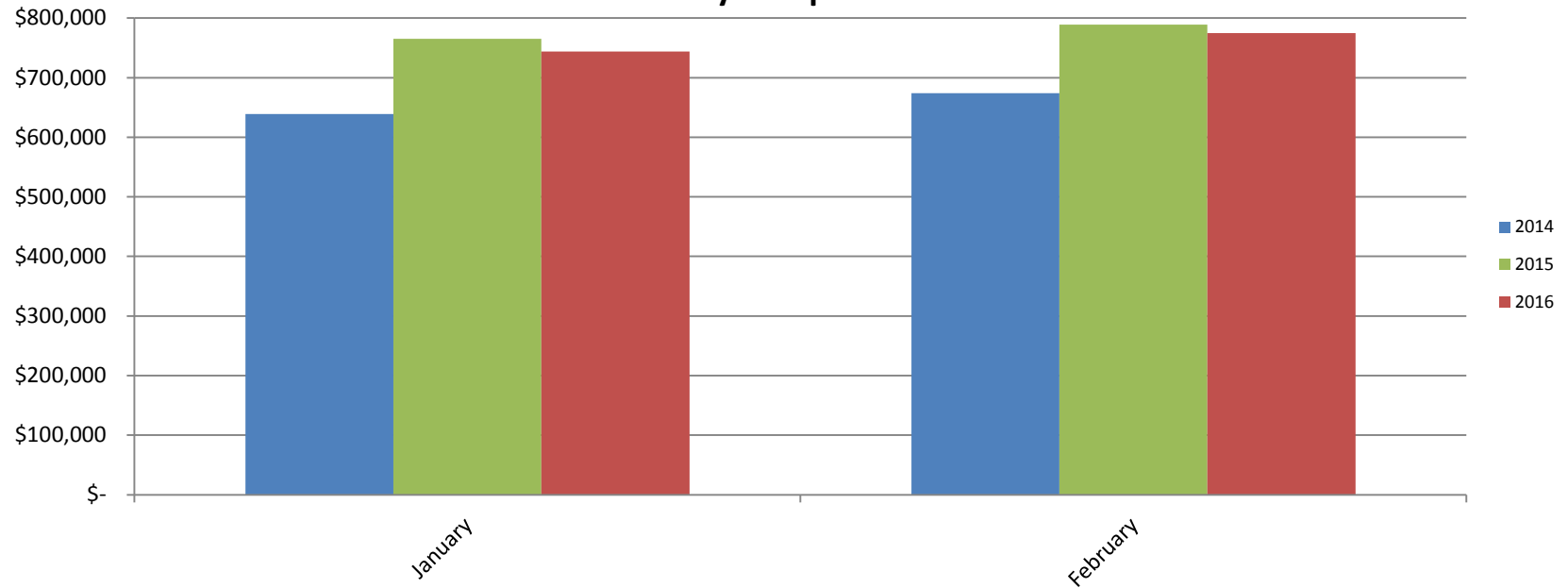


**TOWN OF AVON
SALES TAX
2016 Actual vs. Budget**

YTD Sales Tax Comparison January - February

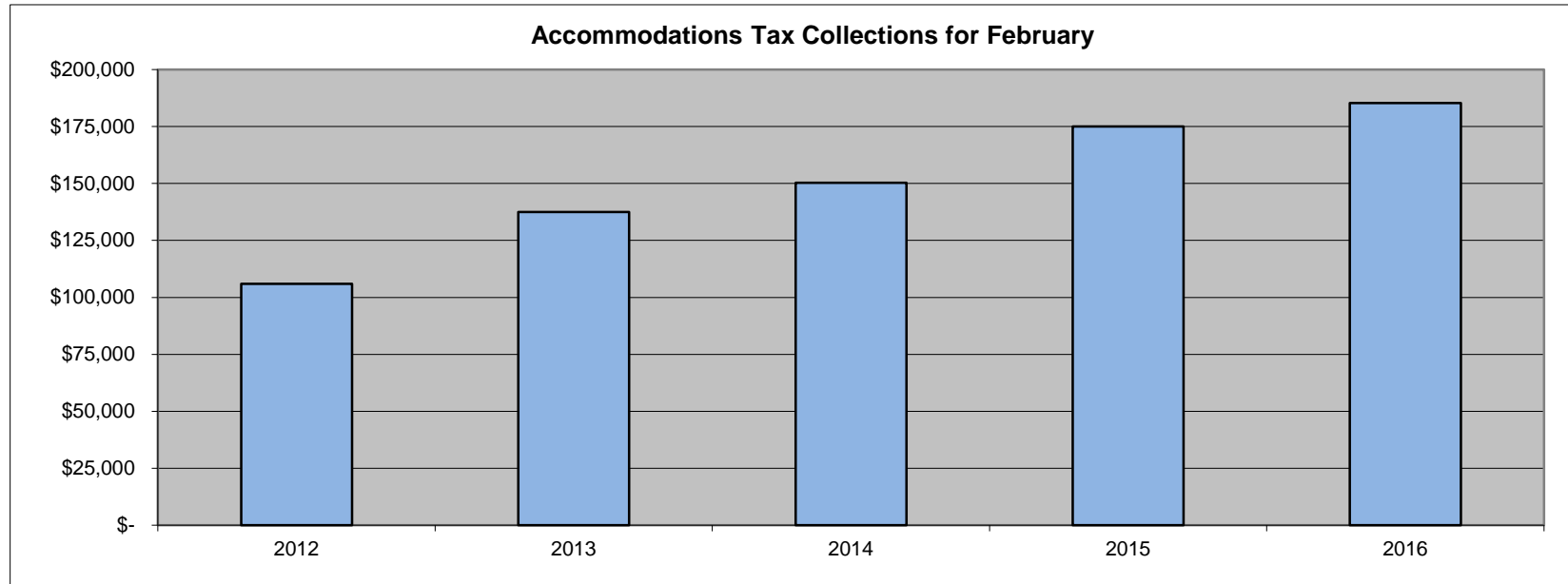


Sales Tax Monthly Comparison 2014-2016



**TOWN OF AVON
ACCOMMODATIONS TAX
2016 Actual vs. Budget**

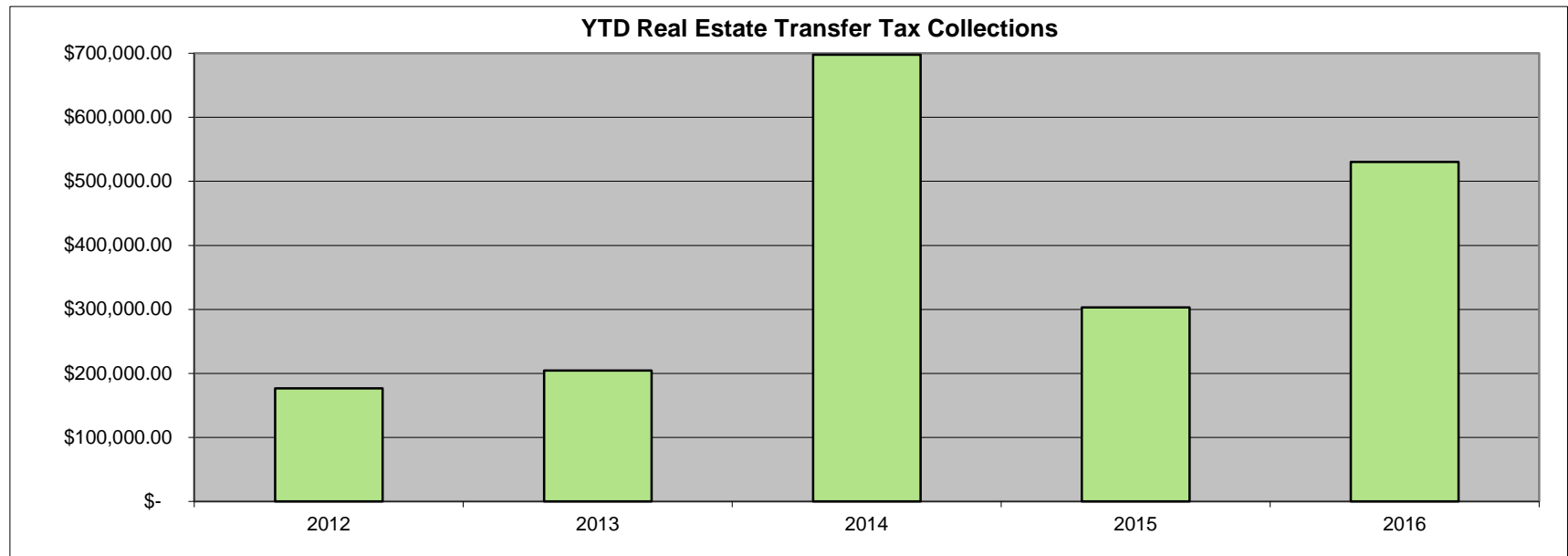
	Actual Collections					Budget	YTD Collections	Budget	% change
	2011	2012	2013	2014	2015	2016	2016	Variance	2015
January	\$ 85,233.73	\$ 90,118.88	\$ 108,508.43	\$ 129,851.78	\$ 164,361.04	\$ 144,277	\$ 168,424.63	\$ 24,147.30	2.47%
February	114,035.90	106,016.32	137,503.61	150,317.06	175,056.31	170,447	185,370.53	\$ 14,923.11	5.89%
March	122,145.16	115,043.42	153,208.80	168,597.39	183,650.29	185,351			
April	26,214.58	20,786.24	26,494.49	31,626.02	34,825.13	34,928			
May	15,152.82	16,664.44	24,527.17	21,961.97	28,002.56	26,533			
June	49,999.66	56,012.17	66,578.91	54,232.23	53,397.46	69,938			
July	62,928.07	66,726.73	73,008.92	81,083.01	86,301.22	92,358			
August	52,037.55	58,358.93	67,688.07	71,044.33	75,107.71	80,924			
September	35,521.81	42,245.24	44,661.37	50,840.16	60,417.74	58,324			
October	21,801.56	25,879.51	27,154.53	34,977.59	38,706.72	37,068			
November	24,971.33	22,786.42	28,171.04	32,064.02	34,328.47	35,521			
December	135,984.00	112,759.02	131,361.43	168,944.85	198,421.26	186,556			
Total	<u>\$ 746,026.17</u>	<u>\$ 733,397.32</u>	<u>\$ 888,866.77</u>	<u>\$ 995,540.41</u>	<u>\$ 1,132,575.91</u>	<u>\$ 1,122,226</u>	<u>\$ 353,795.16</u>	<u>\$ 39,070.41</u>	<u>4.24%</u>



Town of Avon
Real Estate Transfer Tax
2016 Actual vs. Budget

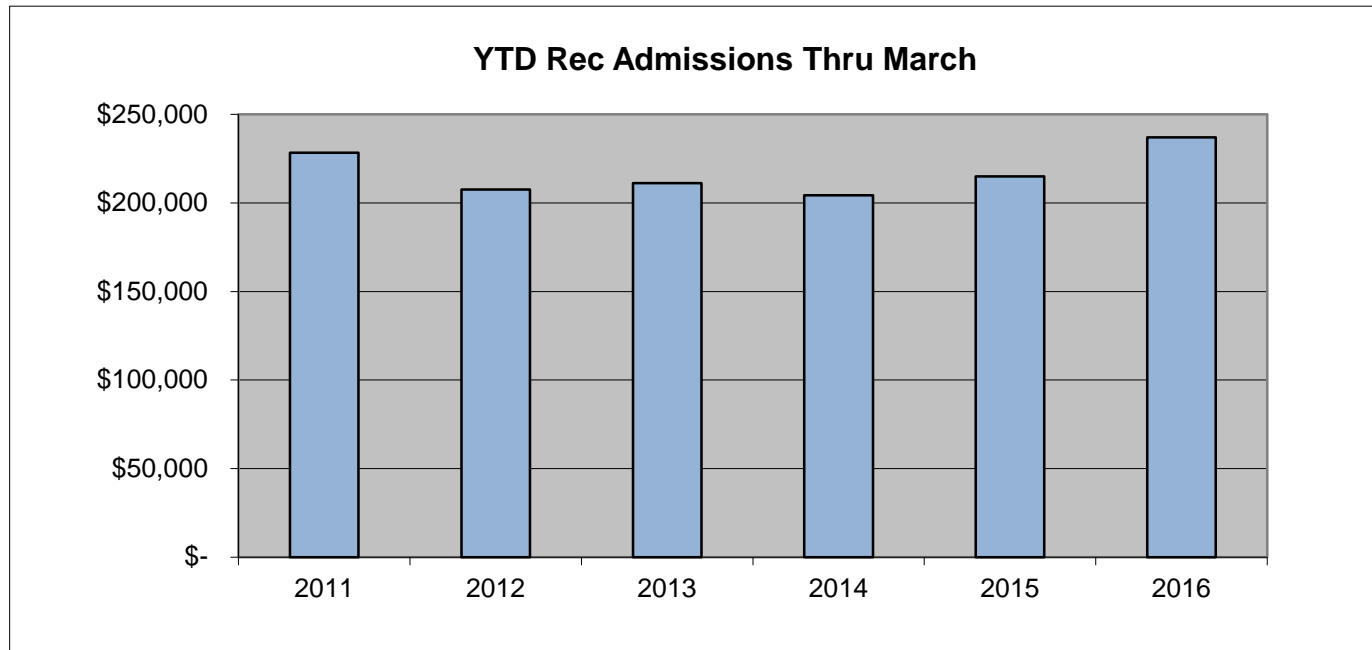
	Actual Collections					Budget 2016	YTD Collections 2016	\$ change 2015	% of change 2015
	2011	2012	2013	2014	2015				
January	\$ 57,540.00	\$ 50,204.00	\$ 22,535.00	\$ 85,126.74	\$ 48,640.40	\$ 50,308	\$ 64,422.00	\$ 15,781.60	32.45%
February	230,705.50	41,750.07	55,872.69	562,219.70	85,479.08	185,960	200,850.86	115,371.78	134.97%
March	187,099.47	84,760.49	125,927.64	50,375.06	168,744.22	117,537	265,061.65	96,317.43	57.08%
April	249,482.30	219,195.80	144,437.80	197,656.36	125,266.30	178,341			
May	187,668.62	270,170.12	121,784.12	183,745.60	237,971.08	190,782			
June	49,606.58	169,040.47	90,309.74	220,009.15	294,434.84	156,880			
July	46,707.37	71,057.40	386,434.78	141,051.52	396,838.68	198,546			
August	106,785.21	232,505.93	97,579.70	154,032.32	152,380.93	141,616			
September	140,876.56	96,389.34	157,010.67	267,886.92	291,223.61	181,646			
October	64,005.33	176,889.62	169,839.80	178,044.24	172,855.22	145,112			
November	98,057.44	150,549.86	112,491.82	122,582.66	169,328.38	124,416			
December	198,448.03	145,134.57	83,382.60	1,598,062.92	225,862.90	428,856			
Total	\$ 1,616,982.41	\$ 1,707,647.67	\$ 1,567,606.36	\$ 3,760,793.19	\$ 2,369,025.64	\$ 2,100,000	\$ 530,334.51	\$ 227,470.81	75.11%

Budget 2,100,000.00
Variance, Favorable (Unfavorable) \$ (1,569,665.49)



TOWN OF AVON
RECREATION CENTER ADMISSION FEES
2016 Actual vs. Budget

	2011	2012	2013	2014	2015	Budget 2016	YTD Collections 2016	Budget Variance	% of change from 2015
January	\$ 76,386	\$ 66,113	\$ 70,040	\$ 62,607	\$ 64,723	\$ 67,526	\$ 74,674	\$ 7,148	15.37%
February	72,997	78,782	68,578	63,838	68,506	70,075	86,342	16,267	26.04%
March	78,985	62,670	72,616	77,902	81,664	74,275	76,023	1,748	-6.91%
April	59,991	49,982	64,370	61,760	55,452	57,927			
May	47,368	44,880	35,064	43,119	50,067	43,809			
June	49,850	49,442	46,194	55,052	58,431	51,452			
July	70,839	73,067	71,491	61,472	66,400	68,201			
August	68,324	67,510	57,329	63,233	66,389	64,131			
September	40,822	38,141	43,829	36,846	44,719	40,602			
October	52,476	41,588	48,803	75,818	61,167	55,602			
November	93,746	94,044	93,822	29,570	71,384	76,009			
December	80,985	72,059	69,258	77,672	112,201	81,892			
Total	\$ 792,769	\$ 738,277	\$ 741,394	\$ 708,889	\$ 801,102	\$ 751,500	\$ 237,039	\$ 25,164	10.31%



General Fund

March 2016 Expenditures to Date

Department Expenditure Summaries

Dept./Div. Number	Description	2016 Budget	Encumbrances Outstanding	Year To Date Expenditures	Available Balance	YTD/Budget
General Government:						
111	Mayor and Town Council	\$ 210,907	\$ 9,384	\$ 60,332	\$ 141,191	33.06%
112	Boards and Commissions	15,300	-	2,688	12,612	17.57%
113	Town Attorney	130,000	114,375	12,085	3,540	97.28%
115	Town Clerk	135,636	18,802	30,800	86,034	36.57%
121	Municipal Court	124,210	16,253	20,230	87,727	29.37%
131	Town Manager	366,967	940	79,803	286,224	22.00%
133	Community Relations	149,897	10,372	14,027	125,498	16.28%
Total General Government		1,132,917	170,126	219,965	742,826	34.43%
Human Resources Department:						
132	Human Resources	411,819	7,685	95,912	308,222	25.16%
Finance & IT Department:						
141	Finance	812,834	11,457	169,311	632,066	22.24%
143	Information Systems	384,846	35,895	115,001	233,950	39.21%
149	Nondepartmental	398,813	75,148	218,331	105,334	73.59%
Total Finance & IT		1,596,493	122,500	502,643	971,350	39.16%
Total General Gov't Departments		3,141,229	300,311	818,520	2,022,398	35.62%
Community Development:						
212	Planning	317,767	22,600	34,052	261,115	17.83%
213	Building Inspection	146,758	3,750	32,782	110,226	24.89%
214	Economic Development	40,600	-	10,000	30,600	24.63%
215	Town Produced Events	314,364	2,675	34,587	277,102	11.85%
216	Signature Event Seed Funding	125,000	-	154,800	(29,800)	123.84%
217	Community Grants	230,150	14,250	118,710	97,190	57.77%
Total Community Development		1,174,639	43,275	384,931	746,433	36.45%
Police Department:						
311	Administration	658,376	26,173	140,843	491,360	25.37%
312	Patrol	2,331,166	40,429	775,323	1,515,414	34.99%
313	Investigations	263,742	2,654	57,783	203,305	22.92%
Total Police		3,253,284	69,256	973,949	2,210,079	32.07%
Public Works:						
412	Engineering	273,664	21,912	49,711	202,041	26.17%
413	Roads and Bridges	1,612,864	83,514	328,886	1,200,464	25.57%
415	Parks	1,093,645	21,291	224,074	848,280	22.44%
418	Buildings & Facilities	1,109,892	172,011	250,936	686,945	38.11%
Total Public Works		4,090,065	298,728	853,607	2,937,730	28.17%
Recreation Department:						
514	Administration	238,222	12,337	66,835	159,050	33.23%
515	Adult Programs	58,827	-	11,644	47,183	19.79%
516	Aquatics	427,447	7,377	100,962	319,108	25.35%
518	Fitness	132,740	-	77,677	55,063	58.52%
519	Guest Services	292,090	5,121	68,673	218,296	25.26%
521	Youth Programs	132,412	4,088	19,007	109,317	17.44%
Total Recreation		1,281,738	28,923	344,798	908,017	29.16%
TOTAL OPERATING EXPENDITURES		\$ 12,940,955	\$ 740,493	\$ 3,375,805	8,824,657	31.81%

Fleet Maintenance Enterprise Fund

March 2016 Expenditures to Date

Expenditure Summary

Dept./Div. Number	Description	2016 Budget	Encumbrances Outstanding	Year To Date Expenditures	Available Balance	YTD/Budget
EXPENDITURES						
Public Works:						
434	Fleet Maintenance	\$ 1,785,969	\$ 66,848	\$ 337,119	\$ 1,382,002	22.62%
Total Operating Expenditures		<u>1,785,969</u>	<u>66,848</u>	<u>337,119</u>	<u>1,382,002</u>	<u>22.62%</u>
TOTAL EXPENDITURES		<u>\$ 1,785,969</u>	<u>\$ 66,848</u>	<u>\$ 337,119</u>	<u>\$ 1,382,002</u>	<u>22.62%</u>

Transit Enterprise Fund

March 2016 Expenditures to Date

Expenditure Summary

Dept./Div. Number	Description	2016 Budget	Encumbrances Outstanding	Year To Date Expenditures	Available Balance	YTD/Budget
EXPENDITURES						
431	Transit Administration	\$ 239,797	\$ 33,617	\$ 66,474	\$ 139,706	41.74%
432	Transit Operations	1,549,213	3,250	600,838	945,125	38.99%
435	Wash Bay	159,486	8,110	35,395	115,981	27.28%
Total Operating Expenditures		1,948,496	44,977	702,707	1,200,812	38.37%
TOTAL EXPENDITURES		<u>\$ 1,948,496</u>	<u>\$ 44,977</u>	<u>\$ 702,707</u>	<u>\$ 1,200,812</u>	<u>38.37%</u>



TOWN COUNCIL REPORT

To: Honorable Mayor Jennie Fancher and Avon Town Council
From: Kelly Huitt, Budget Analyst

Meeting Date: May 10, 2016

Agenda

Topic: 2017 Budget Calendar

SUMMARY

A calendar outlining the 2017 budget development and approval process, including Town Council work sessions, is attached for your review. Maintaining the strategy of a budget that plans for two years in the future, staff will soon begin work on the 2017-2018 biennial budget.

The strategic plan is set for adoption in June, with a revenue and personnel presentation following in August and a CIP update in September. The draft budget will be submitted to Council at the end of September in time for a budget work session on September 27th and another possible work session on October 11th if necessary. In light of the upcoming November election, the public hearing and final budget adoption is scheduled for October 25th. Finally, the certification of mill levies is set to take place on December 13th.

ATTACHMENTS

2017 Budget Calendar



2017 Budget Calendar

Date	Event/Activity
June 14	Council Review of Strategic Plan
June 20 - Aug 7	Budget Entry by Staff
Aug 9	Revenues and Personnel Presentation to Council
Aug 15 - Sept 9	Budget Review with Department Heads
Sept 13	CIP Presentation to Council and Community Grant Requests
Sept 21	Completion of Draft Budget for Town Council Budget Work Sessions
Sept 27	Town Council Budget Work Session
Oct 11	Possible Town Council Budget Work Session if Necessary
Oct 18	Notice of Public Hearing Published in Newspaper
Oct 25	Public Hearing and Adoption of 2017 Operating, URA, CIP Budgets
Dec 13	Certification of Mill Levies