



TOWN OF AVON, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2008

Prepared by:
Department of Finance

Scott C. Wright, CPA, CPFO, Director

TOWN OF AVON, COLORADO
LIST OF ELECTED AND APPOINTED OFFICIALS
December 31, 2008

TOWN COUNCIL

Ron Wolfe, Mayor
Brian Sipes, Mayor Pro-Tem
Rich Carroll
Dave Dantas
Kristi Ferraro
Amy Phillips
Albert D. Reynolds

MANAGEMENT

Larry Brooks, Town Manager
Eric Heidemann, Asst. Town Manager - Community Development
Scott Wright, Asst. Town Manager - Finance
Justin Hildreth, Town Engineer
Meryl Jacobs, Director of Recreation
Brian Kozak, Police Chief
Patty McKenny, Director of Administration / Town Clerk
Jenny Strehler, Director of Public Works and Transportation

INDEPENDENT AUDITORS

McMahan and Associates, LLC
Certified Public Accountants

TOWN OF AVON, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED DECEMBER 31, 2008

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May 29, 2009

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, 2008.

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 their 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, 2008, 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, 2008, 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.

Letter of Transmittal
Town of Avon, Colorado
May 29, 2009

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). 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 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. With a population of 7,455, as most recently projected by a 2006 housing needs assessment performed by the Town, it is Eagle County's most populous town. This figure represents the permanent resident population. Total population increases significantly during the winter 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 Clerk 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 three council members elected in November, 2008, and the remaining four to be elected in November, 2010. 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 but has no power to vote except in the case of a tie of the council members present and voting.

Letter of Transmittal
Town of Avon, Colorado
May 29, 2009

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 fund (Avon Urban Renewal Authority) 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.

Letter of Transmittal
Town of Avon, Colorado
May 29, 2009

Factors Affecting Financial Condition

Recreation and Tourism. Year-round tourism and skiing-related businesses account for a significant portion of the employment and earned income of area residents. Skier visits at Vail and Beaver Creek account for almost 20% of the total skier visits in Colorado. In addition, Vail was ranked by *SKI Magazine* as the #2 ski resort in North America for the 2008-09 season, while Beaver Creek was ranked 6th.

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 other family-friendly activities like Lakeside Cinema and 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. Several championship golf courses are located in Eagle County and Golf Digest has rated Eagle County as one of the top 40 golf communities in which to live. Other summer activities include hiking, horseback riding, bicycling, kayaking and rafting, and other recreational sports.

New Development / Town Center West. New development continues to occur in Avon because of the Town's prime location at the base of the Beaver Creek ski resort. Beaver Creek's position as a very high quality, destination year-round resort has influenced Avon's growth and development.

In 2006, the Town approved a development agreement with East West Partners for the Westin Riverfront Resort & Spa project located on the site formerly referred to as the Confluence, located at the confluence of Beaver Creek and the Eagle River, and now platted as the Riverfront subdivision. The first phase of this project opened in September 2008, including a 210 room Westin hotel, a restaurant, and a spa and fitness center. Other amenities resulting from this development include the Riverfront Gondola, which offers direct access to Beaver Creek Ski Resort; a 5-acre public riverfront park; a public plaza; and the Westin's overall connectivity with Avon West Town Center and Avon Station, the new transit station built in 2007.

In 2006 the Town began the process of creating an urban renewal authority in order to facilitate the financing of public improvements and to encourage redevelopment in the core area of Avon. The Avon Urban Renewal Authority was established in July, 2007 and an urban renewal plan for Town Center West was adopted in August, 2007. In February, 2008 the Authority issued \$25 million of Tax Increment Adjustable Rate Revenue Bonds for the purpose of construction of public improvements in Town Center West.

Approximately \$4.356 million of these funds were used in 2008 to construct Lake Street, a new roadway that was needed to improve circulation between the Town's

Letter of Transmittal
Town of Avon, Colorado
May 29, 2009

Nottingham Park and the downtown core area. Lake Street's meandering sidewalks, gurgling Buck Creek, abundant landscaping and new lighting help soften the buffer between the Park and the roadway. In addition, a portion of Lake Street will evolve into an intersection with Main Street, where a large public plaza that will serve as a primary focal point, meeting point and overlook into the park is planned.

An additional \$949,350 of URA funds were used in 2008 for the design of Main Street. The final design includes a pedestrian-friendly orientation and several public gathering spaces, including five focal point spaces or plaza spaces, which will provide space for community gathering, public art, and additional programming. Main Street was scheduled for construction in 2009, but due to the economic climate is on hold until further notice.

Other town center improvements that occurred in 2008 include the adoption of a park master plan for Nottingham Park, a key landmark in the Town of Avon. This plan, developed through extensive public input, includes recommendations for improvements such as a new fishing pier, a shallow wading area at the lakeshore, path improvements, new pathway lighting, and new tots and kids play areas.

The Avon East Town Center District master plan was also adopted by Town Council in 2008. The intent of the master plan is to guide public and private redevelopment projects in the Avon East Town Center District. The plan analyzes the opportunities and constraints of redevelopment, identifies proposed changes, and proposes implementation.

Cash Management Policies and Procedures. Cash temporarily idle during the year was invested in direct obligations of the U.S. Treasury and U.S. Instrumentalities, as well as local government investment pools and money market mutual funds. At year-end, the maturities of the U.S Treasury and Instrumentality obligations range from 9 days to 3.44 years, with a weighted average final maturity of 380 days. The weighted average yield at cost on the entire portfolio of investments is 3.74%.

Investment income includes appreciation in the fair value of investments. Increases in fair value during the current year, however, do not necessarily represent trends that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the Town intends to hold to maturity.

Risk Management. The Town of Avon has an aggressive risk management program which encompasses the functions of safety/loss prevention, loss control, risk financing, risk transfer, and risk assessment. Any claims are promptly reported to the Town's Director of Administration for investigation and follow-up.

Letter of Transmittal
Town of Avon, Colorado
May 29, 2009

Vehicular and property claims are reviewed during the Town's weekly safety review meeting for recommendation regarding possible corrective action.

The Town has continued its participation in CIRSA, the Colorado Intergovernmental Risk Sharing Agency, which is a self-funded municipal pool of approximately 240 Colorado municipalities and special districts. Workers compensation insurance is purchased from Pinnacol Assurance Company.

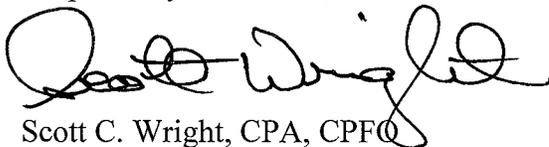
Awards and Acknowledgements

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, 2007. This was the sixteenth 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 Wright", written in a cursive style.

Scott C. Wright, CPA, CPFO
Assistant Town Manager - Finance

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, 2007

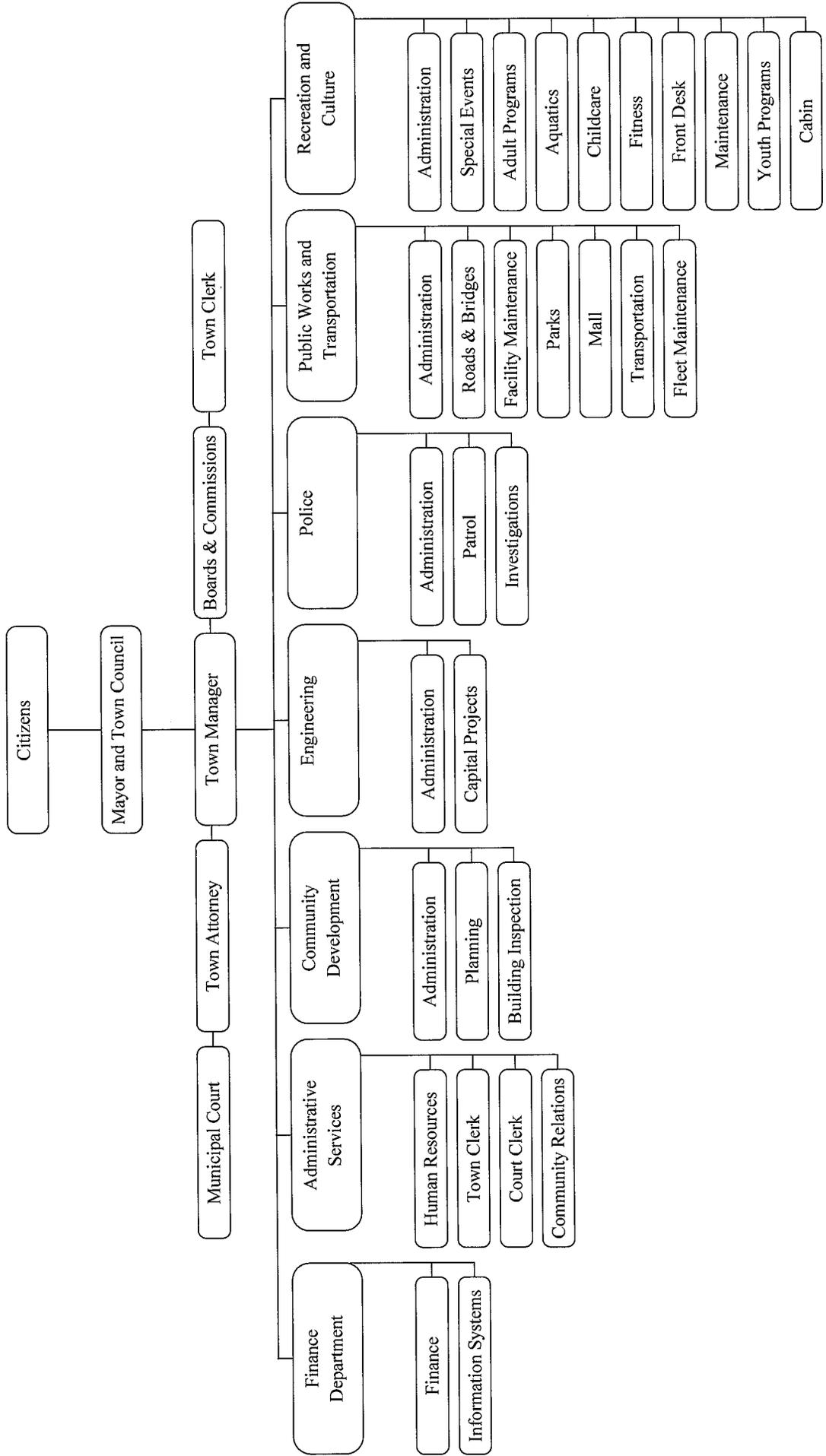
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

TOWN OF AVON ORGANIZATION CHART





MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

SUITE 222/AVON CENTER
100 WEST BEAVER CREEK BLVD.
P.O. Box 5850 AVON, CO 81620

WEB SITE: WWW.MCMAHANCPA.COM
TELEPHONE: (970) 845-8800
FACSIMILE: (970) 845-0851
E-MAIL: MCMAHAN@MCMAHANCPA.COM

INDEPENDENT AUDITOR'S REPORT

Town Council Town of Avon, Colorado, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the aggregate remaining fund information and the respective changes in financial position and cash flows, where applicable, of the Town of Avon, Colorado, Colorado (the "Town"), as of and for the year ended December 31, 2008, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town as of December 31, 2008, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis and budgetary comparison information on pages 3 through 16 and 53 through 55 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Performing services for local governments throughout Colorado

*D. Jerry McMahan, C.P.A.
Paul J. Backes, C.P.A.*

*Daniel R. Cudahy, C.P.A.
Michael N. Jenkins, C.A., C.P.A.*

Members: American Institute of Certified Public Accountants/Colorado Society of Certified Public Accountants
National and Colorado Government Finance Officers Association/Colorado Municipal League

*To the Town Council
Town of Avon, Colorado*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining fund financial statements, individual non-major fund budgetary comparisons, and other miscellaneous schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the U.S. Office of Management Budget Circular A-133, Audits of States and Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements of the Town. Such information, except for the introductory section and statistical tables, has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section and statistical tables 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.
June 11, 2009

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, 2008. 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 on pages v-x of this report.

Financial Highlights

- The assets of the Town of Avon exceeded its liabilities at the close of the most recent fiscal year by \$57,795,459 (*net assets*). Of this amount, \$18,303,668 is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net assets increased by \$3,802,163.
- As of the close of the current fiscal year, the Town of Avon's governmental funds reported combined ending fund balances of \$36,158,789, an increase of \$17,817,839 from the prior year. Approximately forty-four percent (44%) of this total amount, \$15,813,187, is *available for spending* at the Town's discretion (*unreserved fund balance*).
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$5,835,283, or forty-six percent (46%) of total general fund expenditures.
- The Town of Avon's total bonded debt increased by a net \$23,357,314 during the current fiscal year due to the issuance of \$25 million of Series 2008 Tax Increment Adjustable Rate Revenue Bonds by the Avon Urban Renewal Authority less scheduled debt service payments on other outstanding bonds, certificates of participation, and amortization of original issue discount.

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 assets* presents information on all of the Town of Avon's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets 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 vacation leave).

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 Town of Avon Finance Authority (Authority) which was incorporated in 1998 as a Colorado nonprofit corporation, with the sole purpose of facilitating Town financings, including capital leases. The Authority has a three-member board of directors who serve without compensation and have no private or proprietary interest in the Authority. The Authority is included in the Town's financial statements because the Town appoints the board members of the Authority and has financial accountability for the Authority. The Authority's accounting transactions have been blended with the Town's general fund and fleet maintenance fund. The Avon Urban Renewal Authority, also a legally separate entity, 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 ten 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, debt service fund and capital projects fund, all of which are considered to be major funds. Data from the other six nonmajor governmental funds (Main Street maintenance fund, water fund, community enhancement fund, affordable housing fund, facilities reserve fund, and Avon Metropolitan District debt service 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 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 57-91 of this report.

Government-wide Financial Analysis

NET ASSETS

	Governmental Activities		Business-type Activities		Total Government	
	2008	2007	2008	2007	2008	2007
Current and Other Assets	\$24,449,949	\$25,647,230	\$1,302,986	\$1,069,357	\$ 25,752,935	\$26,716,587
Restricted Assets	20,436,753	567,341	-	-	20,436,753	567,341
Capital Assets, net	<u>49,612,547</u>	<u>40,861,989</u>	<u>6,139,760</u>	<u>6,194,183</u>	<u>55,752,307</u>	<u>47,056,172</u>
Total Assets	<u>94,499,249</u>	<u>67,076,560</u>	<u>7,442,746</u>	<u>7,263,540</u>	<u>101,941,995</u>	<u>74,340,100</u>
Other Liabilities	6,732,732	6,167,429	179,633	112,886	6,912,365	6,280,315
Noncurrent Liabilities	<u>33,884,559</u>	<u>10,450,807</u>	<u>3,349,612</u>	<u>3,615,682</u>	<u>37,234,171</u>	<u>14,066,489</u>
Total Liabilities	<u>40,617,291</u>	<u>16,618,236</u>	<u>3,529,245</u>	<u>3,728,568</u>	<u>44,146,536</u>	<u>20,346,804</u>
Net Assets:						
Investment in Capital Assets, Net of Related Debt	16,344,236	30,782,567	2,855,688	2,651,190	19,199,924	33,433,757
Restricted	20,291,867	770,314	-	-	20,291,867	770,314
Unrestricted	<u>17,245,855</u>	<u>18,905,443</u>	<u>1,057,813</u>	<u>883,782</u>	<u>18,303,668</u>	<u>19,789,225</u>
Total Net Assets	<u>\$53,881,958</u>	<u>\$50,458,324</u>	<u>\$3,913,501</u>	<u>\$3,534,972</u>	<u>\$57,795,459</u>	<u>\$53,993,296</u>

The largest portion of the Town’s net assets (55%) 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.

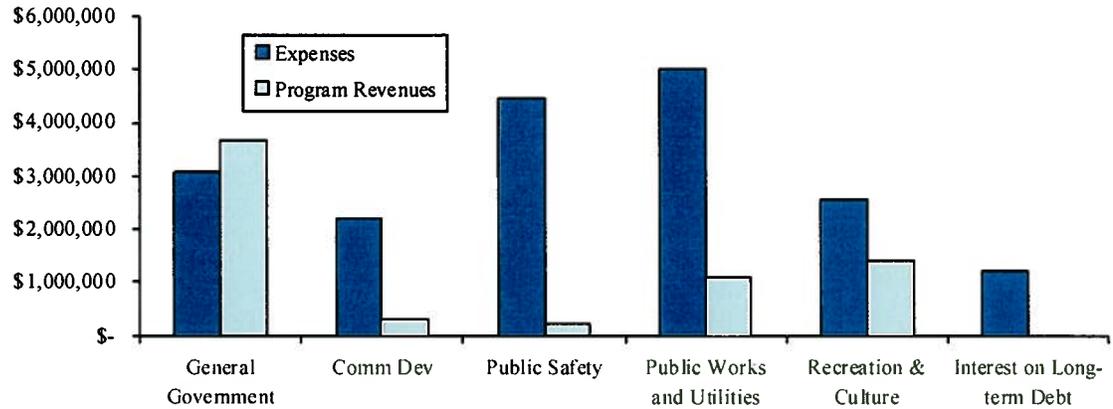
An additional portion of the Town’s net assets (20%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$18,303,668) may be used to meet the Town’s ongoing obligations to citizens and creditors.

CHANGE IN NET ASSETS

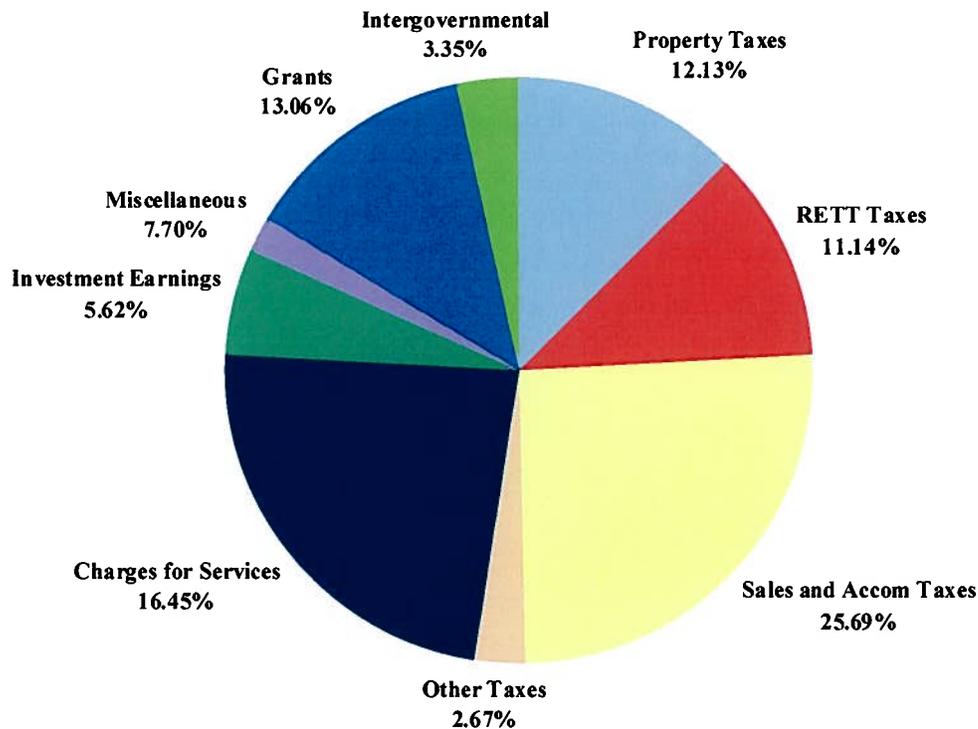
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Government</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
REVENUES						
Program Revenues:						
Charges for Services	\$ 3,248,745	\$ 3,751,666	\$ 3,084,123	\$ 3,313,517	\$ 6,332,868	\$ 7,065,183
Operating Grants and Contributions	21,573	74,078	-	-	21,573	74,078
Capital Grants and Contributions	3,458,199	2,301,778	310,624	684,349	3,458,199	2,986,127
General Revenues:						
Taxes:						
Property Taxes	3,340,475	2,766,725	-	-	3,340,475	2,766,725
Real Estate Transfer Tax	3,093,021	2,540,943	-	-	3,093,021	2,540,943
Sales and Accommodation Taxes	6,841,114	6,518,299	-	-	6,841,114	6,518,299
Other Taxes	710,624	656,702	-	-	710,624	656,702
Unrestricted Investment Earnings	1,496,801	1,356,013	-	-	1,496,801	1,356,013
Intergovernmental	890,750	1,080,075	-	-	890,750	1,080,075
Miscellaneous	532,046	1,745,046	-	-	532,046	1,745,046
Total Revenues	23,633,348	22,791,325	3,394,747	3,997,866	27,028,095	26,789,191
EXPENSES						
Program Activities:						
Governmental Activities:						
General Government	3,082,524	2,936,738	-	-	3,082,524	2,936,738
Community Development	2,212,996	1,132,260	-	-	2,212,996	1,132,260
Public Safety	4,458,553	2,157,400	-	-	4,458,553	2,157,400
Public Works and Utilities	5,024,946	4,958,488	-	-	5,024,946	4,958,488
Recreation and Culture	2,572,347	2,604,528	-	-	2,572,347	2,604,528
Interest on Long-term Debt	1,225,348	495,734	-	-	1,225,348	495,734
Business-type Activities:						
Transportation	-	-	2,224,427	2,321,139	2,224,427	2,321,139
Fleet Maintenance	-	-	2,424,791	2,362,400	2,424,791	2,362,400
Total Expenses	18,576,714	14,285,148	4,649,218	4,683,539	23,225,932	18,968,687
Excess (Deficiency) Before Transfers	5,056,634	8,506,177	(1,254,471)	(685,673)	3,802,163	7,820,504
Transfers	(1,633,000)	(1,475,000)	1,633,000	1,475,000	-	-
Increase in Net Assets	3,423,634	7,031,177	378,529	789,327	3,802,163	7,820,504
Net Assets, Beginning	50,458,324	43,427,147	3,534,972	2,745,645	53,993,296	46,172,792
Net Assets, Ending	\$ 53,881,958	\$ 50,458,324	\$ 3,913,501	\$ 3,534,972	\$ 57,795,459	\$ 53,993,296

Governmental Activities. Governmental activities increased the Town's net assets by \$3,423,634 for 2008, accounting for 90% of the growth in the net assets of the Town. The key element of this increase were developer contributions from the Riverfront subdivision of riverfront park land and road infrastructure totaling \$3,458,199.

Expenses and Program Revenues – Governmental Activities

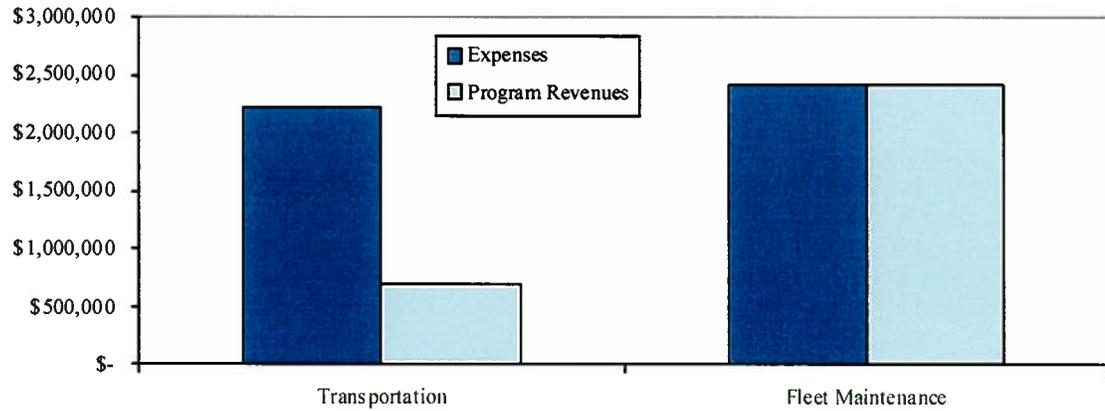


Revenues by Source – Governmental Activities

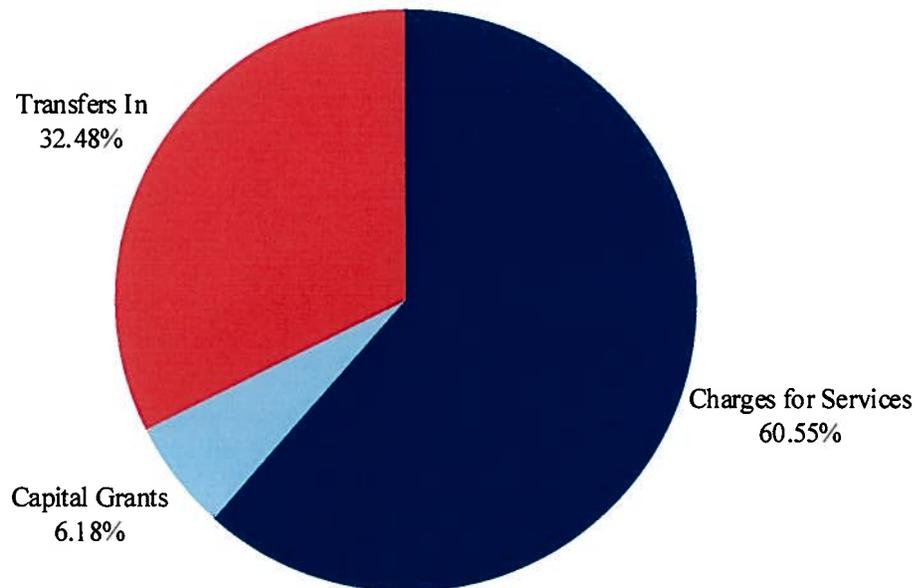


Business-type activities. Net assets of business-type activities increased by \$378,529 in 2008. The key elements of this increase was a capital grant from the Federal Transit Administration for the purchase of a new bus.

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, 2008 and the amount and percentage of increases and decreases in relation to the prior year.

<u>Revenues</u>	2008 <u>Amount</u>	Percent of <u>Total</u>	2007 <u>Amount</u>	Amount of Increase (Decrease)	Percent Increase (Decrease)
Taxes	\$13,985,234	69.50%	\$12,482,669	\$ 1,502,565	12.04%
Licenses and Permits	245,793	1.22%	419,292	(173,499)	(41.38%)
Intergovernmental	1,178,614	5.86%	3,455,931	(2,277,317)	(65.90%)
Charges for Services	2,584,856	12.85%	3,244,484	(659,628)	(20.33%)
Fines and Forfeitures	131,525	.65%	84,290	47,235	56.04%
Investment Earnings	1,496,801	7.44%	1,356,013	140,788	10.38%
Other Revenues	<u>498,973</u>	<u>2.48%</u>	<u>1,750,580</u>	<u>(1,251,607)</u>	<u>(71.50%)</u>
Total	<u>\$20,121,796</u>	<u>100.00%</u>	<u>\$22,793,259</u>	<u>\$(2,671,463)</u>	

Tax collections increased a total of \$1,502,565 due primarily to a \$463,802 increase in general operating property taxes, a \$303,079 increase in sales tax and accommodation tax revenues, and a increase in real estate transfer taxes of \$552,078.

Total assessed value of all property within the Town increased by a net amount of \$12,167,050 or 5.4%. Of this net increase, \$13,147,430 represented new construction. The general operating mill rate for the Town remained the same at 8.956 mills while the debt service mill rate dropped 1.014 mills to 3.315 mills. The debt service mill rate for the Avon Metropolitan District dropped 0.687 mills from 3.281 mills in 2007 to 2.594 mills in 2008.

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 increased 21.7%, from \$2,540,943 in 2007 to \$3,093,021 in 2008. Of these revenues, \$2,092,735 was from sales of units at the new Westin Hotel and Spa.

License and permits declined in 2008 down to more normal levels. In the last two previous years, significant building permit and plan check fees associated with the new Riverfront Village development project provided a large increase in the normal level of licenses and permits revenues and charges for services.

Intergovernmental revenues decreased significantly in 2008 due to the completion of Avon Station, the Town's new transportation center. A \$2,130,488 grant from the Colorado Department of Transportation was awarded to the Town in 2007 for this project.

Other revenues decreased significantly due to tax rebates plus accrued interest that were forfeited in 2007 by a developer for failure to meet a deadline for construction of a hotel associated with approval of a development agreement. The forfeited funds were placed in the Town's capital projects fund.

The following schedule presents a summary of governmental fund expenditures for the year ended December 31, 2008 and the amount and percentage of increases and decreases in relation to the prior year.

<u>Expenditures</u>	2008 <u>Amount</u>	Percent of <u>Total</u>	2007 <u>Amount</u>	Amount of Increase (Decrease)	Percent Increase (Decrease)
Current:					
General Government	\$ 3,038,856	11.84%	\$ 2,871,963	\$ 166,893	5.80%
Community Development	823,902	3.21%	902,634	(78,732)	(8.72%)
Public Safety	2,628,330	10.24%	2,203,803	424,527	19.26%
Public Works and Utilities	3,725,749	14.51%	3,424,566	301,183	8.79%
Recreation and Culture	2,579,779	10.05%	2,483,910	95,869	3.86%
Capital Improvements	9,979,969	38.88%	7,786,590	2,193,379	28.17%
Debt Service:					
Principal	1,407,500	5.48%	1,348,750	58,750	4.36%
Interest	1,048,416	4.08%	448,474	599,942	134.77%
Fiscal Charges	157,722	0.62%	33,074	124,648	376.87%
Bond Issuance Costs	280,734	1.09%	-	280,734	N/A
Total	<u>\$25,670,957</u>	<u>100.00%</u>	<u>\$21,503,764</u>	<u>\$ 4,167,193</u>	

Capital improvement expenditures increased in 2008 by 2,193,379 or 28.17%. Several large capital projects were completed during the year including the construction of Lake Street and design of Main Street by the Avon Urban Renewal Authority, Wildridge Road loop pedestrian improvements, office expansion and remodel of the Avon recreation center, and the preliminary design of the transit/public works facilities improvement project. Other significant capital improvement expenditures are detailed under the capital assets discussion on page 13 of this report.

General government expenditures experienced a net increase in 2008 due to the granting of a credit in the amount of \$413,446 to the Traer Creek Metropolitan District for municipal services overpayments in prior years relating to asphalt overlays.

Public safety expenditures increased by over 19% in 2008 due to the hiring of a new police lieutenant and sergeant, the purchase of an additional patrol vehicle, and a substantial increase in dispatching fees. Public works expenditures increased by 8.79% over the prior year due to 2008 being the first year of financial support for the Westin Riverfront public plaza.

Personnel costs throughout all departments included the normal merit-based raises. Cost increases in fuel and other petroleum based products through the latter part of 2008 contributed to overall cost increases in commodities.

Debt Service principal payments increased slightly in 2008. However, interest expense and bond issuance costs increased due to the \$25 million in Series 2008 Tax Increment Adjustable Rate Revenue Bonds that were issued in February.

The Town of Avon's governmental funds reported combined ending fund balances of \$36,158,789, an increase of \$17,817,839 from the prior year. Approximately 44% of this total amount (\$15,813,187) constitutes *unreserved fund balance*, which is available for spending at the Town's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for spending because it has already been committed for: (1) debt service, (2) capital improvements, or (3) to be expended only in the instance of a "emergency" as defined by the Colorado constitution.

The general fund is the chief operating fund of the Town of Avon. At the end of the current fiscal year, unreserved fund balance of the general fund was \$5,835,283, while total fund balance reached \$6,402,232. As a measure of the general fund's liquidity, it can be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 46.2% of total fund expenditures, while total fund balance represents 50.7% of that same amount.

The fund balance of the general fund decreased by \$893,194, or 12.2%, in 2008. This was an unfavorable variance of \$220,517 over the decrease of \$692,677 reported in the final 2008 budget. The previously discussed credit of \$413,446 to the Traer Creek Metropolitan District for municipal services overpayments in prior years relating to asphalt overlays, which was not considered in the final 2008 budget, was the primary reason for this unfavorable variance.

The fund balance of the general fund represents approximately forty-five percent (45%) of 2009 revised general fund appropriations or the equivalent of approximately 5.5 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.

The fund balance of the Avon Urban Renewal Authority increased by \$19,238,166 in 2008 from the issuance of \$25 million in tax increment bonds used to finance capital improvements in the amount of \$5,079,241, as discussed previously.

The fund balance of the Town's capital projects fund decreased by \$992,710 or 14.8%, in 2008. The Town has typically funded its capital improvements on a pay-as-you-go basis, so accumulations of large fund balances are necessary to fund large projects. Because of the nature of this fund, where large capital improvement project expenditures are reported, large decreases in fund balance are also not unusual.

The fund balance of the Town's debt service fund decrease by \$20,607 during 2008 to a total balance of \$636,499. Debt service reserves from the Series 1998 Certificates of Participation that are held in trust constitute \$564,329 of the balance.

General Fund Budgetary Highlights

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 net difference between the original budget and the final amended budget resulted in a decrease of \$45,328 in appropriations and transfers-out for the 2008 budget year. Of this amount, \$30,000 was an increase in transfers-out to the Main Street maintenance fund and \$10,000 to the transit fund. The net remaining \$85,328 decrease was primarily the result of operational savings in many different programs.

Actual revenues fell short of estimated revenues by a total of \$435,550. Of this amount, sales and accommodations tax revenues made up the majority (\$315,510) of the shortfall. Building permits, plan check and subdivision review fees, and Traer Creek municipal service charges all

fell short of estimates, with investment earnings exceeding estimated revenues by \$76,823. Expenditures were under budget by a total of \$297,017. The majority of these savings were in the areas of public works (\$362,219) and recreation and culture (\$148,086).

Capital Asset 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, 2008, amounts to \$55,752,307 (net of accumulated depreciation). This investment in capital assets includes land, public art, buildings, infrastructure, and machinery and equipment (see table below). The total increase in the Town’s investment in capital assets for the current fiscal year was 18.4% (a 21.4% increase for governmental activities and a 0.8% decrease for business-type activities).

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

- A new 35’ low floor transit bus and 5 digital camera systems for Town buses totaling \$380,092 were purchased in the Transit Fund in 2008. Federal FTA grant funds in the amount of \$304,074 were used to reimburse the Town for 80% of the cost.
- Fleet replacements totaled \$177,209 including three police patrol vehicles, a pickup and a van. New fleet additions totaled \$26,723 for a new police service officer hybrid-fuel vehicle.
- Machinery and equipment replacements included two skid loaders, an ATV, pressure washer, ice resurfacer, and manlift all totaling \$107,257. New machinery and equipment additions included 2 hopper spreaders and a swivel conveyor totaling \$90,145.
- Fitness equipment replacements in the Avon recreation center totaled \$111,431 including seven treadmills, nine crosstrainers, two adaptive motion trainers, two steppers and three LCD flat screen televisions.
- Avon Urban Renewal Authority fund capital improvement expenditures totaled \$5,079,241 in 2008 for the construction of Lake Street and the Main Street design.
- Capital Project Fund expenditures totaled \$4,900,728 in 2008. Several capital projects were completed during the year including the Wildridge Road loop pedestrian improvements, office expansion and remodel of the Avon recreation center, and the preliminary design of the transit/public works facilities improvement project.
- Infrastructure totaling \$3,458,199 for Riverfront Lane and Lettuce Shed Lane was contributed to the Town from the developer of the Westin Riverfront Hotel and Spa.

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

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Land	\$ 8,837,639	\$ 8,837,639	\$ 130,384	\$ 130,384	\$ 8,968,023	\$ 8,968,023
Public Art	1,361,400	1,361,400	-	-	1,361,400	1,361,400
Water Rights	1,792,959	1,442,986	-	-	1,792,659	1,442,986
Constr. in Prog.	699,443	6,232,067	-	-	699,443	6,232,067
Buildings	8,750,620	6,662,392	4,362,229	4,570,534	13,112,849	11,232,926
Mach. & Equip.	2,144,941	2,090,715	1,647,147	1,493,265	3,792,088	3,583,980
Infrastructure	<u>26,025,545</u>	<u>14,234,790</u>	-	-	<u>26,025,545</u>	<u>14,234,790</u>
Total	<u>\$49,612,547</u>	<u>\$40,861,989</u>	<u>\$ 6,139,760</u>	<u>\$ 6,194,183</u>	<u>\$55,752,307</u>	<u>\$47,056,172</u>

Additional information on the Town of Avon’s capital assets can be found in Note 4 on pages 38-39 of this report.

Long-term debt. At the end of the current fiscal year, the Town of Avon had total bonded debt outstanding in the amount of \$36,251,127. Of this amount, \$4,496,127 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 \$4,335,000. The remainder of the Town’s debt, \$27,420,000, 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>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
G. O. Bonds	\$ 4,496,127	\$ 5,466,798	\$ -	\$ -	\$ 4,496,127	\$ 5,466,798
Revenue Bonds	27,420,000	2,770,000	-	-	27,420,000	2,770,000
Certificates of Participation	<u>1,083,750</u>	<u>1,166,250</u>	<u>3,251,250</u>	<u>3,498,750</u>	<u>4,335,000</u>	<u>4,665,000</u>
Total	<u>\$32,999,877</u>	<u>\$ 9,403,048</u>	<u>\$ 3,251,250</u>	<u>\$ 3,498,750</u>	<u>\$36,251,127</u>	<u>\$12,901,798</u>

The Town of Avon’s bonded debt increased by \$23,349,329 during the current fiscal year. Regular principal payments were made on bonded debt in the amount of \$1,407,500 and original interest discounts were amortized in the amount of \$4,329. Tax increment adjustable rate revenue bonds were issued by the Avon Urban Renewal Authority in the amount of \$25,000,000.

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 \$53,024,276, which is significantly greater than the Town’s outstanding general obligation debt.

The Town’s ratio of net bonded debt to actual taxable property value is 0.21%, which is the lowest in history and down from a high of 2.32% in 1997. In addition, the Town’s net bonded debt per capita is \$527, again 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 Town’s economic outlook for 2009 has worsened since the budget was adopted in November, 2008. Sales and accommodation taxes for the last two months of 2008 and the first three months for 2009 are down over 8% year over year. Real estate transactions are down eighty percent. Due to this dramatic decline in the economy, the Town revised several areas of its 2009 budget in May, 2009. However, the 2009 budget continues to maintain current levels of municipal services for the Town’s citizens.

Personnel

For 2009, staffing levels were originally budgeted to decrease by a net of one position due to a staffing reduction in the Transit division. Effective May, 1, bus service for the Beaver Creek skier parking lots, which had previously been contracted for with the Town, was discontinued and the Town was forced to reduce the number of full-time bus drivers and other staff in Transit by a total of five positions. The four new positions that were approved in the original 2009 budget, including a budget analyst in the Finance Department, 2 maintenance workers in the Parks division, and a special events coordinator/assistance in the Recreation Department have all been eliminated in the revised 2009 budget.

Capital Improvement Projects

Due the weakening economy, the sub-prime mortgage crises and the world-wide credit crisis, the Town was forced to re-evaluate both its immediate and long-term capital improvement projects to match updated revenue projections.

2009 Budget Overview. Because of the significance of the revision of the 2009 budget, the discussion below reflects the budget as revised in May, 2009.

- Revised general fund revenues are estimated at \$13,490,770 in 2009, with taxes making up the majority (\$9,365,534; 69.4%) of operating revenues. Sales and accommodation tax collections represent 61.9% of total taxes, with general property taxes representing 23.6% and payments in-lieu-of sales tax 7.4%. Sales and accommodation tax revenues for 2009 are budgeted to decrease \$1,481,182 from actual 2008 levels, a decrease of 7.4%.
- Revised appropriations for general fund operating expenditures for 2009 total \$11,861,286. Expenditures for public works makes up the largest portion, equaling approximately 30.36% of general operating expenditures for 2009. Recreational expenditures make up an additional 21.24% of general operating expenditures and public safety 21.87%.
- The fund balance of the General Fund is budgeted to decrease by \$293,545, or 4.6%, in 2009 to an estimated ending balance of \$6,108,687. The estimated ending fund balance represents 43.2% of total 2009 general fund appropriations or the equivalent of 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. It is also important to have the capacity to meet the operational impacts of redevelopment until the efforts can generate a stabilized income.
- Revised capital improvements spending in the Capital Projects Fund totals \$5,810,286 in 2009. Major projects include: \$1.3 million for the public works facilities improvement program Phase 1 design, \$250,000 to complete the multi-year lighting conversion began in 2005, and \$740,000 for final engineering design work for the proposed joint waste heat recovery system project with the Eagle River Water and Sanitation District.

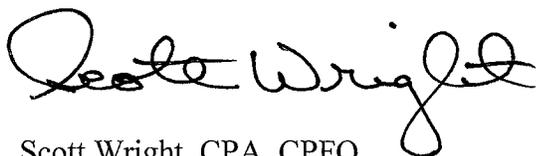
Funds are also appropriated for \$700,000 in various paving and road improvements, \$200,000 in Nottingham Park improvements, \$210,611 for a unified land use code revision, and \$50,000 for a records management system.

The Town collects a 2% tax from all sales of real property within the Town that is dedicated for capital improvement projects. Real estate transfer tax collections totaled \$3,093,021 in 2008 and were originally budgeted to increase in 2009 to \$3,745,098 due to the closing of units related to the opening of the Westin Hotel and the anticipated 2009 opening of the new Starwood Vacation Ownership timeshare building next door. This figure was revised down to \$3,099,097 in February, 2009.

- Proposed debt service appropriations equal \$27,437,388 for 2009. Revenues for payment of debt service come from property tax revenues, including tax increment, sales tax revenues and interest earnings. In addition, the Avon Urban Renewal Authority bond issuance of \$25 million in 2008 was redeemed from unspent bond proceeds from the delayed Main Street project and from the issuance of a \$7.2 million loan from Vectra Bank.
- Appropriations for the Transit Enterprise Fund total \$1,471,528 in 2009. Of this amount, \$1,425,000 is budgeted to be subsidized from the Town's general fund. Other revenues include property tax revenues of \$40,000 from the new General Improvement District No. 1 from the Gates development.
- The Town's gross assessed valuation grew by 4.37% in 2008 to a total value of \$236,410,840. The Town's mill rate for general operating purposes will remain at 8.956 mills, while the mill rate for debt service will decrease slightly from 3.315 to 2.436 mills. This decrease will allow property tax revenues in the debt service fund to remain approximately at the same level as the prior year.

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 Assistant Town Manager - Finance, Town of Avon, Colorado, P.O. Box 975, Avon, CO 81620.



Scott Wright, CPA, CPFO
Assistant Town Manager - Finance

TOWN OF AVON, COLORADO

STATEMENT OF NET ASSETS DECEMBER 31, 2008

	Governmental Activites	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 5,138,006	\$ 638,225	\$ 5,776,231
Investments	12,890,470	-	12,890,470
Receivables	5,775,596	282,391	6,057,987
Internal Balances	100,000	(100,000)	-
Inventory	-	482,370	482,370
Deposits	17,346	-	17,346
Restricted Assets - Cash and Cash Equivalents	20,436,753	-	20,436,753
Other Assets	333,531	-	333,531
Notes Receivable	195,000	-	195,000
Capital Assets, net of accumulated depreciation:			
Nondepreciable	12,691,441	130,384	12,821,825
Depreciable	36,921,106	6,009,376	42,930,482
Total Assets	94,499,249	7,442,746	101,941,995
LIABILITIES			
Accounts Payable	937,558	84,399	1,021,957
Accrued Liabilities	191,738	40,898	232,636
Retainages Payable	537,020	-	537,020
Accrued Interest Payable	53,735	13,403	67,138
Deposits and Reserves	1,215,199	933	1,216,132
Deferred Taxes	3,601,582	40,000	3,641,582
Unearned Revenues	195,900	-	195,900
Noncurrent Liabilities:			
Due Within One Year	26,718,916	336,158	27,055,074
Due In More Than One Year	7,165,643	3,013,454	10,179,097
Total Liabilities	40,617,291	3,529,245	44,146,536
NET ASSETS			
Investment in Capital Assets, net of Related Debt	16,344,236	2,855,688	19,199,924
Restricted For:			
Debt Service	4,962,675	-	4,962,675
TABOR Emergency Reserve	566,949	-	566,949
Capital Improvement Projects	14,762,243	-	14,762,243
Unrestricted	17,245,855	1,057,813	18,303,668
Total Net Assets	\$ 53,881,958	\$ 3,913,501	\$ 57,795,459

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

TOWN OF AVON, COLORADO

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2008

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 3,082,524	\$ 194,938	\$ -	\$ 3,458,199
Community Development	2,212,996	325,992	-	-
Public Safety	4,458,553	223,056	21,573	-
Public Works and Utilities	5,024,946	1,096,172	-	-
Recreation and Culture	2,572,347	1,408,587	-	-
Interest and Fiscal Charges on Long-term Debt	1,225,348	-	-	-
Total Governmental Activities	18,576,714	3,248,745	21,573	3,458,199
Business-type Activities:				
Transportation	2,224,427	669,516	-	304,074
Fleet Maintenance	2,424,791	2,414,607	-	6,550
Total Business-type Activities	4,649,218	3,084,123	-	310,624
Total Primary Government	\$ 23,225,932	\$ 6,332,868	\$ 21,573	\$ 3,768,823

General Revenues:

- Property Taxes, Levied for General Purposes
- Property Taxes, Levied for Debt Service
- Real Estate Transfer Taxes
- Sales and Accommodation Taxes
- Other Taxes
- Unrestricted Investment Earnings
- Intergovernmental
- Miscellaneous

Transfers

Total General Revenues and Transfers

Increase in Net Assets

Net Assets - Beginning of Year

Net Assets - End of Year

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

Net (Expense) Revenue and
Changes in Net Assets

Governmental Activities	Business-type Activities	Total
\$ 570,613	\$ -	\$ 570,613
(1,887,004)	-	(1,887,004)
(4,213,924)	-	(4,213,924)
(3,928,774)	-	(3,928,774)
(1,163,760)	-	(1,163,760)
(1,225,348)	-	(1,225,348)
(11,848,197)	-	(11,848,197)
-	(1,250,837)	(1,250,837)
-	(3,634)	(3,634)
-	(1,254,471)	(1,254,471)
(11,848,197)	(1,254,471)	(13,102,668)
2,129,612	-	2,129,612
1,210,863	-	1,210,863
3,093,021	-	3,093,021
6,841,114	-	6,841,114
710,624	-	710,624
1,496,801	-	1,496,801
890,750	-	890,750
532,046	-	532,046
(1,633,000)	1,633,000	-
15,271,831	1,633,000	16,904,831
3,423,634	378,529	3,802,163
50,458,324	3,534,972	53,993,296
<u>\$ 53,881,958</u>	<u>\$ 3,913,501</u>	<u>\$ 57,795,459</u>

TOWN OF AVON, COLORADO

BALANCE SHEET GOVERNMENTAL FUNDS DECEMBER 31, 2008

	General Fund	Avon Urban Renewal Fund	Debt Service Fund	Capital Projects Fund
ASSETS				
Cash and Cash Equivalents	\$ (1,119,520)	\$ 293	\$ 72,170	\$ 425,553
Investments	7,122,542	-	-	5,767,928
Receivables:				
- Interest	81,156	-	-	60,015
- Taxes	3,122,608	519,365	545,360	27,636
- Accounts	552,519	24,883	-	60,069
- Intergovernmental	118,057	-	-	-
- Employees	29,019	-	-	-
Due from Other Funds	103,000	-	-	-
Deposits	17,346	-	-	-
Notes Receivable	-	-	-	-
Restricted Assets - Cash and Cash Equivalents	-	19,872,424	564,329	-
Total Assets	\$ 10,026,727	\$ 20,416,965	\$ 1,181,859	\$ 6,341,201
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 171,063	\$ 262,374	\$ -	\$ 502,189
Accrued Liabilities	190,034	-	-	-
Retainages Payable	-	399,173	-	137,847
Deposits and Reserves	1,215,199	-	-	-
Due to Other Funds	-	-	-	-
Deferred Taxes	2,047,299	519,365	545,360	-
Deferred or Unearned Revenues	900	-	-	-
Total Liabilities	3,624,495	1,180,912	545,360	640,036
Fund Balances:				
Reserved For:				
- Debt Service	-	4,316,930	636,499	-
- TABOR Emergency Reserve	566,949	-	-	-
- Capital Improvement Projects	-	14,762,243	-	-
Unreserved, Designated for, Reported in:				
- Subsequent Year's Expenditures	-	156,880	-	-
- Special Revenue Funds	-	-	-	-
Unreserved, Reported In:				
- General Fund	5,835,283	-	-	-
- Capital Projects Funds	-	-	-	5,701,165
Total Fund Balances	6,402,232	19,236,053	636,499	5,701,165
Total Liabilities and Fund Balances	\$ 10,026,727	\$ 20,416,965	\$ 1,181,859	\$ 6,341,201

**RECONCILIATION OF TOTAL GOVERNMENTAL
FUND BALANCE TO NET ASSETS OF
GOVERNMENTAL ACTIVITIES
DECEMBER 31, 2008**

Other Governmental Funds	Total		
\$ 4,044,125	\$ 3,422,621	Total Governmental Fund Balances	\$ 36,158,789
-	12,890,470		
-	141,171	<i>Amounts reported for governmental activities in the statement of net assets are different because:</i>	
489,558	4,704,527	Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund balance sheet.	
74,585	712,056	- Capital assets	74,008,292
70,766	188,823	- Accumulated depreciation	(27,630,975)
-	29,019		46,377,317
-	103,000		
-	17,346	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 in the fund balance sheet.	
195,000	195,000	- Bonds payable	(32,936,666)
-	20,436,753	- Capital lease obligations payable	(665,176)
\$ 4,874,034	\$ 42,840,786	- Compensated absences payable	(282,717)
			(33,884,559)
\$ 1,932	\$ 937,558	Governmental funds report the effect of debt issuance costs when debt is first issued, whereas these amounts are deferred and amortized over the life of the debt in the Statement of Activities.	
1,704	191,738	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.	
-	537,020		333,531
-	1,215,199	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 Assets.	
3,000	3,000		4,950,615
489,558	3,601,582	Net Assets of Governmental Activities	\$ 53,881,958
195,000	195,900		
691,194	6,681,997		
62,981	5,016,410		
-	566,949		
-	14,762,243		
780,028	936,908		
3,339,831	3,339,831		
-	5,835,283		
-	5,701,165		
4,182,840	36,158,789		
\$ 4,874,034	\$ 42,840,786		

TOWN OF AVON, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2008

	General Fund	Avon Urban Renewal Fund	Debt Service Fund	Capital Projects Fund
Revenues				
Taxes	\$ 9,551,368	\$ 129,982	\$ 720,090	\$ 3,093,021
Licenses and Permits	245,793	-	-	-
Intergovernmental	912,323	-	-	266,291
Charges for Services	2,063,065	-	-	-
Fines and Forfeitures	131,525	-	-	-
Investment Earnings	576,823	468,766	16,448	434,764
Other Revenues	327,893	2,101	-	93,102
Total Revenues	13,808,790	600,849	736,538	3,887,178
Expenditures				
Current:				
General Government	2,995,920	42,936	-	-
Community Development	823,902	-	-	-
Public Safety	2,628,330	-	-	-
Public Works and Utilities	3,596,509	-	-	-
Recreation and Culture	2,579,779	-	-	-
Capital Improvements	-	5,079,241	-	4,900,728
Debt Service:				
Principal	-	-	987,500	-
Interest	-	658,445	340,111	-
Fiscal Charges	-	125,299	17,522	-
Bond Issuance Costs	-	280,734	-	-
Total Expenditures	12,624,440	6,186,655	1,345,133	4,900,728
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,184,350	(5,585,806)	(608,595)	(1,013,550)
Other Financing Sources (Uses)				
Transfers In	311,361	50,000	587,988	270,401
Transfers Out	(2,388,905)	(226,028)	-	(249,561)
Bond Proceeds	-	25,000,000	-	-
Total Other Financing Sources (Uses)	(2,077,544)	24,823,972	587,988	20,840
Net Change in Fund Balances	(893,194)	19,238,166	(20,607)	(992,710)
Fund Balances, Beginning of Year	7,295,426	(2,113)	657,106	6,693,875
Fund Balances, End of year	\$ 6,402,232	\$ 19,236,053	\$ 636,499	\$ 5,701,165

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, 2008**

Other Governmental Funds	Total		
		Net change in fund balances - Total Governmental Funds	<u>\$ 17,817,839</u>
		<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
\$ 490,773	\$ 13,985,234	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:	
-	245,793	- Capital outlay	7,358,209
-	1,178,614	- Depreciation	<u>(2,143,178)</u>
521,791	2,584,856		<u>5,215,031</u>
-	131,525		
-	1,496,801	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.	
75,877	498,973	- Contributions of capital assets to other entities	(117,835)
		- Loss on disposal of capital assets	(17,031)
		- Change in compensated absences payable	15,368
		- Change in accrued interest payable on outstanding bonds	13,607
		- Amortization of deferred loss on refunding and bond premium	(7,985)
		- Amortization of original issue discount	(4,329)
		- Amortization of bond issuance costs	<u>(20,503)</u>
			<u>(138,708)</u>
1,088,441	20,121,796	Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in governmental funds.	
		- Assumption of Capital Lease by Governmental Funds	(337,969)
		- Developer Contributions	<u>3,458,199</u>
			<u>3,120,230</u>
		Governmental funds report debt issuance costs as an expenditure in the year issued whereas these amounts are deferred and amortized over the life of the debt in the Statement of Activities	<u>280,734</u>
		The issuance of bond proceeds provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Activities.	<u>(25,000,000)</u>
		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 Assets:	
		- Capital lease principal payments	155,694
		- Bond principal retirements	<u>1,407,500</u>
			<u>1,563,194</u>
		The internal service fund is used by management to charge the rental cost of certain vehicles and equipment to individual funds. The increase in net assets of the internal service fund is included in governmental activities.	<u>565,314</u>
		Change in Net Assets of Governmental Activities	<u><u>\$ 3,423,634</u></u>

TOWN OF AVON, COLORADO

STATEMENT OF NET ASSETS PROPRIETARY FUNDS DECEMBER 31, 2008

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Transit Fund	Fleet Maintenance Fund	Totals	
ASSETS				
Current Assets:				
Cash and Cash Equivalents	\$ 549,637	\$ 88,588	\$ 638,225	\$ 1,715,385
Receivables:				
- Taxes	40,000	-	40,000	-
- Intergovernmental	-	242,391	242,391	-
Inventory	-	482,370	482,370	-
Total Current Assets	589,637	813,349	1,402,986	1,715,385
Noncurrent Assets:				
Capital Assets:				
- Land	-	130,384	130,384	-
- Buildings	16,650	6,276,298	6,292,948	1,606,166
- Machinery and Equipment	2,666,584	202,510	2,869,094	4,757,738
- Accumulated Depreciation	(1,098,382)	(2,054,284)	(3,152,666)	(3,128,674)
Net Capital Assets \ Total Noncurrent Assets	1,584,852	4,554,908	6,139,760	3,235,230
Total Assets	2,174,489	5,368,257	7,542,746	4,950,615
LIABILITIES				
Current Liabilities:				
Accounts Payable	34,657	49,742	84,399	-
Accrued Liabilities	19,990	20,908	40,898	-
Accrued Interest Payable	-	13,403	13,403	-
Deposits and Reserves	933	-	933	-
Compensated Absences Payable	27,949	37,591	65,540	-
Due to Other Funds	-	100,000	100,000	-
Deferred Taxes	40,000	-	40,000	-
Certificates of Participation - Current	-	258,750	258,750	-
Capital Leases Payable - Current	-	11,868	11,868	-
Total Current Liabilities	123,529	492,262	615,791	-
Noncurrent Liabilities:				
Certificates of Participation	-	2,992,500	2,992,500	-
Capital Leases Payable	-	20,954	20,954	-
Total Noncurrent Liabilities	-	3,013,454	3,013,454	-
Total Liabilities	123,529	3,505,716	3,629,245	-
NET ASSETS				
Investment in Capital Assets, net of Related Debt	1,584,852	1,270,836	2,855,688	3,235,230
Unrestricted	466,108	591,705	1,057,813	1,715,385
Total Net Assets	\$ 2,050,960	\$ 1,862,541	\$ 3,913,501	\$ 4,950,615

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

TOWN OF AVON, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS PROPRIETARY FUNDS FOR THE YEAR ENDED DECEMBER 31, 2008

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Transit Fund	Fleet Maintenance Fund	Totals	
Operating Revenues:				
Charges for Services	\$ 641,173	\$ 2,290,633	2,931,806	\$ 622,388
Other Operating Revenues	28,343	123,973	152,316	26,958
Total Operating Revenues	<u>669,516</u>	<u>2,414,607</u>	<u>3,084,123</u>	<u>649,346</u>
Operating Expenses:				
Cost of Operations	2,002,932	2,024,219	4,027,151	164
Depreciation	209,170	227,773	436,943	601,300
Total Operating Expenses	<u>2,212,102</u>	<u>2,251,992</u>	<u>4,464,094</u>	<u>601,464</u>
Operating Loss	(1,542,586)	162,615	(1,379,971)	47,882
Nonoperating Revenues (Expenses):				
Grant Revenues	304,074	-	304,074	-
Gain (Loss) on Disposal of Capital Assets	(12,325)	-	(12,325)	23,146
Interest Expense	-	(172,799)	(172,799)	-
Total Nonoperating Revenues (Expenses)	<u>291,749</u>	<u>(172,799)</u>	<u>118,950</u>	<u>23,146</u>
Loss Before Contributions and Transfers	(1,250,837)	(10,184)	(1,261,021)	71,028
Capital Asset Contributions	-	6,550	6,550	494,286
Transfers In	<u>1,473,000</u>	<u>160,000</u>	<u>1,633,000</u>	<u>-</u>
Increase (Decrease) in Net Assets	222,163	156,366	378,529	565,314
Total Net Assets, Beginning of Year	<u>1,828,797</u>	<u>1,706,175</u>	<u>3,534,972</u>	<u>4,385,301</u>
Total Net Assets, End of Year	<u>\$ 2,050,960</u>	<u>\$ 1,862,541</u>	<u>\$ 3,913,501</u>	<u>\$ 4,950,615</u>

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, 2008

	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	\$ 1,459,439	\$ 1,688,588	\$ 3,148,027	\$ -
Cash Received from Interfund Services Provided	-	632,605	632,605	622,388
Cash Payments to Suppliers	(755,054)	(1,233,367)	(1,988,421)	(164)
Cash Payments to Employees	(1,068,691)	(850,943)	(1,919,634)	-
Cash Payments for Interfund Services Used	(169,615)	-	(169,615)	-
Other Operating Revenues	28,343	17,121	45,464	26,958
Net Cash Provided by (Used in) Operating Activities	<u>(505,578)</u>	<u>254,004</u>	<u>(251,574)</u>	<u>649,182</u>
Cash Flows From Noncapital Financing Activities				
Net Deposits Refunded	(664)	-	(664)	-
Repayments of Advances from Other Funds	(400,000)	-	(400,000)	-
Transfer In from Other Funds	1,473,000	160,000	1,633,000	-
Net Cash Provided by Noncapital Financing Activities	<u>1,072,336</u>	<u>160,000</u>	<u>1,232,336</u>	<u>-</u>
Cash Flows From Capital Financing Activities				
Acquisition and Construction of Capital Assets	(380,092)	(17,065)	(397,157)	(663,272)
Proceeds from Sales of Capital Assets	8,860	-	8,860	29,241
Grant Proceeds Received	304,074	-	304,074	-
Interest Paid on Long-term Debt	-	(173,727)	(173,727)	-
Principal Paid on Long-term Debt	-	(258,920)	(258,920)	-
Net Cash Used in Capital Financing Activities	<u>(67,158)</u>	<u>(449,712)</u>	<u>(516,870)</u>	<u>(634,031)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	499,600	(35,708)	463,892	15,151
Cash and Cash Equivalents, Beginning of Year	<u>50,037</u>	<u>124,296</u>	<u>174,333</u>	<u>1,700,234</u>
Cash and Cash Equivalents, End of Year	<u>\$ 549,637</u>	<u>\$ 88,588</u>	<u>\$ 638,225</u>	<u>\$ 1,715,385</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>\$ (1,542,586)</u>	<u>\$ 162,615</u>	<u>\$ (1,379,971)</u>	<u>\$ 47,882</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities				
Depreciation	209,170	227,773	436,943	601,300
Change in Assets and Liabilities:				
Decrease in Accounts Receivable	400	-	400	-
(Increase) Decrease in Intergovernmental Receivable	817,866	(76,294)	741,572	-
Increase in Inventory	-	(71,709)	(71,709)	-
Increase in Accounts Payable	30,788	7,278	38,066	-
Increase (Decrease) in Accrued Liabilities	(13,991)	4,265	(9,726)	-
Increase (Decrease) in Compensated Absences Pay	(7,225)	76	(7,149)	-
Total Adjustments	<u>1,037,008</u>	<u>91,389</u>	<u>1,128,397</u>	<u>601,300</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (505,578)</u>	<u>\$ 254,004</u>	<u>\$ (251,574)</u>	<u>\$ 649,182</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Noncash Transactions Affecting Financial Position				
Contributions of Capital Assets from Governmental Activities	\$ -	\$ 6,550	\$ 6,550	\$ 494,286

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2008

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 units 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 and so data from these units are combined with data of the Town.

The Town’s blended component units are -

Town of Avon Finance Authority (Authority) – The Authority was incorporated in 1998 as a Colorado nonprofit corporation, with the sole purpose of facilitating Town financings, including capital leases. The Authority has a three-member board of directors who serve without compensation and have no private or proprietary interest in the Authority. The Authority’s activities have been collapsed and blended into the Town’s Debt Service and Fleet Maintenance funds. The Authority is included in the Town’s financial statements because the Town appoints the board members and has financial accountability for the Authority. This component unit does not issue separate financial statements.

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.

B. Government-wide and Fund Financial Statements

Government-wide Financial Statements. The government-wide financial statements (i.e. the Statement of Net Assets 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 to 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

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NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2008

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 activities of redevelopment that are undertaken by the Avon Urban Renewal Authority, including issuing debt and constructing public improvements.
- *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. In addition to transportation routes within the Town of Avon, the Town contracts with other entities for management and operation of their transportation systems within Eagle County.
- *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.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

D. Budgets

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. 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.

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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.

F. 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.

G. Restricted Assets

Debt Service Fund. Restricted assets in the amount of \$564,329 are reported in the Debt Service Fund. This amount consists of a \$562,500 required debt service reserve account and an additional \$1,829 in a certificate account for the Series 1998 Certificates of Participation. Both of these accounts are held in the trust department of American National Bank.

Avon Urban Renewal Fund. Restricted assets in the amount of \$19,872,424 are reported in the Avon Urban Renewal Fund. This amount consists of monies held in various trust accounts at UMB Bank from the proceeds of the Authority's bond proceeds that were issued in February, 2008.

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.

H. 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, 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 and Facilities	20-40 years
Infrastructure	35-50 years
Vehicles and Rolling Stock	7-15 years
Machinery and Equipment	7-10 years

I. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, 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 assets. Bond premiums and discounts, issuance costs, and loss on refunding 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. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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.

J. 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.

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 revenue since they typically do not meet the availability criterion.

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K. 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.

L. Fund Equity

In the fund financial statements, reserves are used to segregate portions of fund balance or net assets that are legally restricted for specific future uses or not available for appropriation. Designated fund balances represent tentative plans for future use of financial resources. The Town considers all unreserved 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 8).

M. 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.

N. Debt Costs

Debt issuance costs in the amount of \$345,813 (net of accumulated amortization of \$45,851) are included in other assets. Unamortized premiums of \$50,625 (net of accumulated amortization of \$26,113) and loss on refundings (contra-liability) of \$113,836 (net of accumulated amortization of \$58,718) are reflected in noncurrent liabilities. Capitalized debt costs 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 (i.e. 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.

The Town incurred expenditures in excess of appropriations for the year ended December 31, 2008, in the Community Enhancement Fund by \$120. According to Colorado State Statute this may be a violation of the Local Government Budget Law.

Note 3. Cash and Investments

Cash and investments as of December 31, 2008 are classified in the accompanying financial statements as follows:

Cash and Cash Equivalents	\$ 5,776,231
Investments	12,890,470
Restricted Assets - Cash and Cash Equivalents	<u>20,436,753</u>
Total	<u>\$ 39,103,454</u>

Cash and investments as of December 31, 2008 consist of the following:

Cash on Hand	\$ 6,175
Deposits With Financial Institutions	1,117,611
Investments	<u>37,979,668</u>
Total	<u>\$ 39,103,454</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.**

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<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 market 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:

<u>Investment Type</u>		<u>Weighted Average Maturity (in Years)</u>
U.S. Treasury Obligations	\$ 507,070	0.33
Federal Instrumentality Securities:		
Federal Farm Credit Bank	2,760,180	2.22
Federal Home Loan Bank	3,067,680	2.20
Federal Home Loan Mortgage Corp.	4,572,637	0.46
Federal National Mortgage Assn.	1,982,903	1.22
Local Government Investment Pools	3,905,745	NA
Money Market Funds	746,700	NA
Held by Bond Trustee:		
Local Government Investment Pools	<u>20,436,753</u>	NA
Total	<u>\$ 39,103,454</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. All of the Town's investments are rated AAA or AAAM by Standard and Poors, and Aaa by Moody's.

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 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, 2008.

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 Farm Credit Bank	Federal Instrumentality Securities	\$ 2,760,180	15.2%
Federal Home Loan Bank	Federal Instrumentality Securities	3,067,680	16.9%
Federal Home Loan Mortgage Corp.	Federal Instrumentality Securities	4,572,637	25.3%
Federal National Mortgage Assn.	Federal Instrumentality Securities	1,982,903	11.0%

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

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NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2008

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. The Town's depository bank, 1st Bank of Avon, had a rating of 43 at December 31, 2008.

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, 2008, 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, 2008 was as follows:

Governmental Activities:	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital Assets, Not Being Depreciated:				
Land	\$ 8,837,639	\$ -	\$ -	\$ 8,837,639
Public Art	1,361,400	-	-	1,361,400
Water Rights	1,442,986	349,973	-	1,792,959
Construction in Progress	<u>6,232,067</u>	<u>2,141,438</u>	<u>(7,674,062)</u>	<u>699,443</u>
Total Capital Assets, Not Being Depreciated	<u>17,874,092</u>	<u>2,491,411</u>	<u>(7,674,062)</u>	<u>12,691,441</u>
Capital Assets, Being Depreciated:				
Buildings	11,162,916	2,541,402	-	13,704,318
Machinery and Equipment	4,375,042	599,110	(216,414)	4,757,738
Infrastructure	<u>35,950,768</u>	<u>13,575,294</u>	<u>(307,363)</u>	<u>49,218,699</u>
Total Capital Assets, Being Depreciated	<u>\$51,488,726</u>	<u>\$16,715,806</u>	<u>\$ (523,777)</u>	<u>\$ 67,680,755</u>

	Beginning Balance	Increases	Decreases	Ending Balance
Less Accumulated Depreciation:				
Buildings	\$ (4,500,524)	\$ (453,174)	\$ -	\$ (4,953,698)
Machinery and Equipment	(2,284,327)	(523,796)	195,326	(2,612,797)
Infrastructure	<u>(21,715,978)</u>	<u>(1,767,508)</u>	<u>290,332</u>	<u>(23,193,154)</u>
Total Accumulated Depreciation	<u>(28,500,829)</u>	<u>(2,744,478)</u>	<u>485,658</u>	<u>(30,759,649)</u>
Total Capital Assets, Being Depreciated, Net	<u>22,987,897</u>	<u>13,971,328</u>	<u>(38,119)</u>	<u>36,921,106</u>
Governmental Activities Capital Assets, Net	<u>\$ 40,861,989</u>	<u>\$ 16,462,739</u>	<u>\$ (7,712,181)</u>	<u>\$ 49,612,547</u>
Business-type Activities:				
Capital Assets, Not Being Depreciated:				
Land	\$ 130,384	\$ -	\$ -	\$ 130,384
Capital Assets, Being Depreciated:				
Buildings	6,286,398	6,550	-	6,292,948
Machinery and Equipment	<u>2,825,874</u>	<u>397,157</u>	<u>(353,937)</u>	<u>2,869,094</u>
Total Capital Assets, Being Depreciated	<u>9,112,272</u>	<u>403,707</u>	<u>(353,937)</u>	<u>9,162,042</u>
Less Accumulated Depreciation:				
Buildings and Facilities	(1,715,864)	(214,855)	-	(1,930,719)
Machinery and Equipment	<u>(1,332,609)</u>	<u>(222,088)</u>	<u>332,750</u>	<u>(1,221,947)</u>
Total Accumulated Depreciation	<u>(3,048,473)</u>	<u>(436,943)</u>	<u>332,750</u>	<u>(3,152,666)</u>
Total Capital Assets, Being Depreciated, Net	<u>6,063,799</u>	<u>(33,236)</u>	<u>(21,187)</u>	<u>6,009,376</u>
Business-type Activities Capital Assets, Net	<u>\$ 6,194,183</u>	<u>\$ (33,236)</u>	<u>\$ (21,187)</u>	<u>\$ 6,139,760</u>

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

Governmental Activities:	
General Government	\$ 114,193
Community Development	6,066
Public Safety	167,666
Public Works and Utilities, including depreciation of general infrastructure assets	2,121,046
Recreation and Culture	<u>315,707</u>
Total Depreciation Expense – Governmental Activities	<u>\$ 2,744,478</u>
Business-type Activities:	
Transportation	\$ 209,170
Fleet Maintenance	<u>227,773</u>
Total Depreciation Expense – Business-type Activities	<u>\$ 436,943</u>

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2008

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 – Avon Metropolitan District. Effective May 31, 1998, the Avon Metropolitan District was dissolved pursuant to an Agreement for Dissolution adopted by both the Avon Metropolitan District and the Town of Avon and executed with the District Court of Eagle County. According to the Agreement, the District shall continue in existence for the sole purpose of securing payment in full of the principal and interest of existing indebtedness. A new debt service fund was created by the Town in order to account for the payment of principal and interest on the existing indebtedness, consisting of Series 1990 General Obligation Refunding Bonds. The Town Council was appointed to act as the District Board of Directors in order to set mill levies as necessary to pay the outstanding indebtedness. The Series 1990 bonds were subsequently refunded in 2001 by issuing Series 2001 Avon Metropolitan District General Obligation Refunding Bonds.

General obligation bonds currently outstanding at December 31, 2008, are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
General Government - Refunding	4.10% - 5.30%	\$ 90,000
General Government – Avon Metropolitan District Refunding	3.50% - 4.20%	895,000
General Government - Refunding	3.00% - 4.00%	<u>3,511,127</u>
		<u>\$ 4,496,127</u>

Annual debt service requirements to maturity for general obligation bonds outstanding at December 31, 2008, are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2009	\$ 826,127	\$ 174,438
2010	865,000	135,108
2011	425,000	107,397
2012	445,000	90,398
2013	455,000	73,710
2014-2016	<u>1,480,000</u>	<u>118,812</u>
Total	<u>\$ 4,496,127</u>	<u>\$ 699,863</u>

Revenue Bonds. The Town has issued bonds whereby the bonds are payable solely from and secured by an irrevocable first lien on the Town's sales tax revenues. These revenue bonds

were issued to refund previously issued revenue bonds that were used for construction of a recreation center and for acquisition of land for a public works and transportation facility. Revenue bonds outstanding at December 31, 2008, are as follows:

Revenue Bonds – 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 (TIF Bonds) in February, 2008 for the purpose of financing the cost of constructing traffic, street and pedestrian improvements.

The TIF Bonds are special, limited revenue obligations of the Authority payable from property tax increment revenues that represent that portion of ad valorem property taxes produced by levies at the rates fixed each year by the various taxing jurisdictions within or overlapping the Project Area upon that portion of the assessed valuation of taxable property within the Project Area which is in excess of the Property Tax Base Amount. The Property Tax Base Amount is the amount certified by the County Assessor as the assessed value of taxable property within the Project Area prior to the adoption of the Urban Renewal Plan.

The TIF Bonds bear interest at a variable weekly rate until and unless any portion thereof is converted to a different mode as provided in the indenture of trust. At no time can the TIF Bonds bear interest at a rate higher than twelve percent (12%).

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
General Government – Refunding	3.25% - 4.55%	\$ 2,420,000
General Government – Avon Urban Renewal Authority	Variable	<u>25,000,000</u>
Total		<u>\$ 27,420,000</u>

Annual debt service requirements to maturity for revenue bonds outstanding at December 31, 2008, are as follows:

<u>Year Ending December 31</u>	<u>Avon Urban Renewal Authority</u>		<u>Governmental Activities</u>	
	<u>Principal</u>		<u>Principal</u>	<u>Interest</u>
2009	\$ -	\$	370,000	\$ 108,815
2010	-		380,000	93,275
2011	355,000		395,000	75,985
2012	690,000		405,000	58,013
2013-2017	3,955,000		870,000	59,833
2018-2022	4,930,000		-	-
2023-2027	6,130,000		-	-
2028-2032	<u>8,940,000</u>		-	-
Total	<u>\$ 25,000,000</u>	<u>\$</u>	<u>2,420,000</u>	<u>\$ 395,921</u>

TOWN OF AVON, COLORADO

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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 and are reported as Capital Leases Payable.

Certificates of Participation outstanding at December 31, 2008, are as follows:

<u>Purpose</u>	<u>Interest Rates</u>	<u>Amount</u>
General Government – Fleet Maintenance Facility	3.90% - 5.00%	<u>\$ 4,335,000</u>

Annual debt service requirements to maturity for Certificates of Participation outstanding at December 31, 2008, are as follows:

<u>Year Ending December 31</u>	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 86,250	\$ 53,611	\$ 258,750	\$ 160,831
2010	90,000	49,600	270,000	148,800
2011	95,000	45,280	285,000	135,840
2012	100,000	40,625	300,000	121,875
2013	105,000	35,625	315,000	106,875
2014	110,000	30,375	330,000	91,125
2015-2018	<u>497,500</u>	<u>63,750</u>	<u>1,492,500</u>	<u>191,250</u>
Total	<u>\$ 1,083,750</u>	<u>\$ 318,866</u>	<u>\$ 3,251,250</u>	<u>\$ 956,596</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 \$338,571 and a book value net of accumulated depreciation at December 31, 2008 of \$212,731. Due in seven annual installments of \$56,794 through March, 2010. Amortization is based on an interest rate of 4.15%. The Town may terminate the lease by paying the applicable purchase option price on any scheduled payment. Balance at December 31, 2008 is \$106,889.

- Lease obligation for equipment with a total cost of \$93,598 and a book value net of accumulated depreciation at December 31, 2008 of \$54,866. Due in five annual installments of \$20,965 through February, 2010. Amortization is based on an interest rate of 3.35%. The Town may terminate the lease by paying the applicable purchase option price on any scheduled payment. Balance at December 31, 2008 is \$39,913.
- Lease obligation for equipment with a total cost of \$169,556 and a book value net of accumulated depreciation at December 31, 2008 of \$148,209. Due in five annual installments of \$39,006 through December, 2011. Amortization is based on an interest rate of 4.20%. The Town may terminate the lease by paying the applicable purchase option price on any scheduled payment. Balance at December 31, 2008 is \$107,835.
- Lease obligation for equipment with a total cost of \$508,125 and a book value net of accumulated depreciation at December 31, 2008 of \$486,291. Due in seven annual installments of \$83,972 through December, 2014. Amortization is based on an interest rate of 3.78%. The Town may terminate the lease by paying the applicable purchase option price on any scheduled payment. Balance at December 31, 2008 is \$443,361.

Annual debt service requirements to maturity for Capital Lease Obligations outstanding at December 31, 2008, are as follows:

Year Ending December 31	<u>Governmental Activities</u>		<u>Business-type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2009	\$ 161,807	\$ 25,750	\$ 11,868	\$ 1,311
2010	168,162	19,396	12,333	845
2011	101,202	12,792	8,621	362
2012	75,126	8,845	-	-
2013	77,966	6,006	-	-
2014	<u>80,913</u>	<u>3,059</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 665,176</u>	<u>\$ 75,848</u>	<u>\$ 32,822</u>	<u>\$ 2,518</u>

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2008

Changes in Long-term Liabilities. Long-term liability activity for the year ended December 31, 2008, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds Payable:					
- General Obligation Bonds	\$ 5,466,798	\$ -	\$ 970,671	\$ 4,496,127	\$ 826,127
- Revenue Bonds	2,770,000	25,000,000	350,000	27,420,000	25,370,000
- Certificates of Participation	1,166,250	-	82,500	1,083,750	86,250
	9,403,048	25,000,000	1,403,171	32,999,877	26,282,377
- Bond Premium	57,020	-	6,395	50,625	6,395
- Loss on Refunding	(128,216)	-	(14,380)	(113,836)	(14,380)
Total Bonds Payable	9,331,852	25,000,000	1,395,186	32,936,666	26,274,392
Capitalized Leases Payable	820,870	-	155,694	665,176	161,807
Compensated Absences	298,085	578,441	583,809	292,717	282,717
Governmental Activity Long-term Liabilities	<u>\$10,450,807</u>	<u>\$25,578,441</u>	<u>\$2,134,689</u>	<u>\$33,884,559</u>	<u>\$26,718,916</u>
Business-type Activities:					
Compensated Absences	\$ 72,689	\$ 144,868	\$ 152,017	\$ 65,540	\$ 65,540
Certificates of Participation	3,498,750	-	247,500	3,251,250	258,750
Capitalized Leases Payable	44,243	-	11,421	32,822	11,868
Business-type Activity Long-term Liabilities	<u>\$ 3,615,682</u>	<u>\$ 144,868</u>	<u>\$ 410,938</u>	<u>\$ 3,349,612</u>	<u>\$ 336,158</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, 2008, 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, 2008, there was \$17,465,000 outstanding in Multifamily Housing Project Revenue Refunding Bonds, Series 2006A, Series B, and Series C Subordinate Multifamily Housing project Bonds.

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.

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. As of December 31, 2008, there was \$8,990,000 outstanding in Series 2003 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. Multifamily housing project revenue bonds were issued by Buffalo Ridge Affordable Housing Corporation to finance this project. 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. As of December 31, 2008, there was \$9,900,000 outstanding in Buffalo Ridge Affordable Housing Corporation Multifamily Housing Project Revenue Bonds. The Town is in no way obligated to pay the debt service on the 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. As of December 31, 2008, there was \$11,000,000 outstanding in Series 2002A Multifamily Housing Project Revenue Bonds, and \$4,235,000 outstanding in Series 2002B Taxable Multifamily Housing Project Revenue Bonds. The Town is in no way obligated to pay the debt service on the bonds.

Defeased Debt. In addition to the outstanding debt discussed above, other bonds previously issued by the Town and the Avon Metropolitan District (AMD) have been defeased (debt legally satisfied) by the issuance of refunding bonds. The detail of defeased bonds outstanding at December 31, 2008, is as follows:

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2008

Series 1990, Avon Metropolitan District G.O. Refunding Bonds	\$ 1,000,000
Series 1994, Town of Avon Sales Tax Revenue Bonds	1,595,000
Series 1994B, Town of Avon Sales Tax Revenue Bonds	740,000
Series 1996B, Town of Avon General Obligation Bonds	3,450,000

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, and (2) the Town of Avon General Employee Money Purchase Pension Plan. These plans are administered by Wells Fargo Institutional Trust 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.

During the year there were no differences between contribution requirements and contributions actually made by plan participants or the Town. Contributions made by plan members and the Town for the three years ended December 31, 2008, 2007 and 2006, are as follows:

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Employees	<u>\$618,678</u>	<u>\$585,108</u>	<u>\$483,886</u>
Town	<u>\$618,678</u>	<u>\$585,108</u>	<u>\$483,886</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 2007.

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, 2008, 2007, and 2006, are as follows:

	<u>2008</u>	<u>2007</u>	<u>2006</u>
Employees	<u>\$38,882</u>	<u>\$42,306</u>	<u>\$43,620</u>
Town	<u>\$35,155</u>	<u>\$38,270</u>	<u>\$40,480</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.

Note 7. 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, 2008, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Main Street Mtc Fund	\$ 3,000
General Fund	Fleet Maintenance Fund	<u>100,000</u>
Total		<u>\$ 103,000</u>

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2008

Interfund Transfers:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General Fund	\$ 311,361	\$ 2,388,905
Urban Renewal Fund	50,000	226,028
Debt Service Fund	587,988	-
Capital Projects Fund	270,401	249,561
Transit Enterprise Fund	1,473,000	-
Fleet Maintenance Fund	160,000	-
Nonmajor Governmental Funds:		
Main Street Maintenance Fund	45,000	-
Water Fund	-	44,373
Community Enhancement Fund	-	61,800
Facilities Reserve Fund	<u>72,917</u>	<u>-</u>
	2,970,667	2,970,667
Transfer In of Capital Assets:		
To Internal Service Fund	494,286	-
To Fleet Maintenance Fund	<u>6,550</u>	<u>-</u>
Total	<u>\$ 3,471,503</u>	<u>\$ 2,970,667</u>

In the fund financial statements, total transfers in of \$3,471,503 are greater than total transfers out of \$2,970,667 because of the treatment of transfers of capital assets to the internal service fund. During the year capital assets purchased in 2008 related to governmental funds, with a book value of \$494,286 and \$6,550 were transferred to the Fleet Maintenance Fund and internal service fund, respectively. No amounts were reported in the governmental funds as the amounts did not involve the transfer of financial resources. However, the Fleet Maintenance Fund and internal service fund both reported a transfer in for the capital resources received.

Note 8. Commitments and Contingencies

Litigation. The Town is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of Town management and its legal counsel the resolution of these matters will not have a material adverse effect on the financial condition of the Town.

Riverfront Subdivision and PUD Development Plan. In 2006, the Town approved a development agreement with the owner of a parcel of land formerly referred to as the Confluence for a mixed used development including the Westin Riverfront Resort & Spa. The agreement provides for the Town to rebate to the owner/developer a net amount of \$1,557,000 in real estate transfer tax revenues received from the development toward certain public improvements and amenities. As of December 31, 2008 the Town has rebated a total of \$1,203,948 to the developer.

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, 2008 in the amount of \$566,949.

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 9. 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 \$30,000 and aggregate total yearly claims in excess of \$817,470. Settled benefit claims did not exceed the aggregate total yearly claims for 2008. As of December 31, 2008, the Town held reserves for future claims in the amount of \$659,795.

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2008

The following represents the changes in the claims reserve for the Town for 2008 and 2007:

	<u>2008</u>	<u>2007</u>
Claims Reserve for Future Claims, Beginning of Year	\$ 659,795	\$ 426,729
Current Year Deposits for Estimated Claims	1,177,342	1,069,391
Excess Stop Loss Refunds for Specific (Individual) Claims	254,737	62,419
Claim Payments	<u>(1,126,786)</u>	<u>(898,744)</u>
Claims Reserve for Future Claims, End of Year	<u>\$ 965,088</u>	<u>\$ 659,795</u>

Note 10. 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 202 municipalities and 33 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 \$188,582 for 2008. 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 11. 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

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 member's 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, 2008, the Authority had debt with maturities through the year 2028.

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 2008, the Authority collected \$143,559 in water surcharges for the Town.

Note 12. Major Taxpayers

For the year ended December 31, 2008, approximately 47% of the Town's sales tax revenues were received from the ten highest-paying companies.

Note 13. The Village at Avon Development and Annexation Agreement

On October 13, 1998, the Town entered into a an Annexation and Development Agreement ("Village Agreement") with the owners ("Village Owners") of approximately 1,790 acres of property on the east side of the town known as The Village at Avon ("the Village"). In the Village Agreement, the Town effectively agrees that it will waive all retail sales taxes, use taxes, real estate transfer taxes and accommodation taxes with respect to transactions within the Village, so long as comparable fees are imposed by a nonprofit public improvement company (the "PIC") formed by the Village Owners. The Village Agreement contemplates that such comparable fees will be imposed by the PIC and the proceeds of such fees will be used to pay debt service on bonds issued by Traer Creek Metropolitan District ("TCMD") to finance the construction of infrastructure within the Village. Upon payment in full of the

TOWN OF AVON, COLORADO

NOTES TO THE FINANCIAL STATEMENTS DECEMBER 31, 2008

bonds, the Village Agreement contemplates that the PIC and TCMD will be dissolved and the Town will cease the waiver of the various taxes mentioned above.

The Village Agreement further establishes an indemnification procedure. If, upon relocation of either Wal-Mart or City Market (both significant Town sales taxpayers) to a site within the Village, the Town experiences a decrease in net sales tax revenue, the Village Agreement provides that the Town is entitled to receive a fee in lieu of sales tax equal to the related net sales tax revenues in the twelve months prior to the relocation. This indemnification procedure began in July, 2003 when Wal-Mart relocated to the Village.

Note 14. Subsequent Events.

On May 28, 2009, the Avon Urban Renewal Authority entered into a loan agreement of \$7,200,000 with Vectra Bank for the purpose of financing a redemption of the Authority's remaining Series 2008 Tax Increment Adjustable Rate Revenue Bonds. Net proceeds from the loan, along with the remaining reserve account balance from the Series 2008 bonds, were used to redeem the remaining \$8,800,000 of the Series 2008 bonds.

TOWN OF AVON, COLORADO

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 9,574,072	\$ 9,875,135	\$ 9,551,368	\$ (323,767)
Licenses and Permits	823,600	295,600	245,793	(49,807)
Intergovernmental	1,001,454	1,009,429	912,323	(97,106)
Charges for Services	2,772,596	2,152,668	2,063,065	(89,603)
Fines and Forfeitures	104,150	133,150	131,525	(1,625)
Investment Earnings	500,000	500,000	576,823	76,823
Other Revenues	249,500	278,358	327,893	49,535
Total Revenues	15,025,372	14,244,340	13,808,790	(435,550)
Expenditures				
Current:				
General Government	2,560,712	2,518,614	2,995,920	(477,306)
Community Development	1,051,677	885,372	823,902	61,470
Public Safety	2,671,210	2,672,394	2,628,330	44,064
Public Works	3,791,945	3,958,728	3,596,509	362,219
Recreation and Culture	2,772,757	2,727,865	2,579,779	148,086
Total Expenditures	12,848,301	12,762,973	12,624,440	138,533
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,177,071	1,481,367	1,184,350	(297,017)
Contingency	20,000	20,000	-	-
Other Financing Sources (Uses)				
Transfers In	249,561	311,361	311,361	-
Transfers Out	(2,426,905)	(2,466,905)	(2,388,905)	78,000
Sale of Capital Assets	1,500	1,500	-	(1,500)
Total Other Financing Sources (Uses)	(2,175,844)	(2,154,044)	(2,077,544)	76,500
Net Change in Fund Balances	(18,773)	(692,677)	(893,194)	(220,517)
Fund Balances, Beginning of Year	6,623,278	7,295,426	7,295,426	-
Fund Balances, End of year	\$ 6,604,505	\$ 6,602,749	\$ 6,402,232	\$ (220,517)

TOWN OF AVON, COLORADO

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, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 126,370	\$ 132,642	\$ 129,982	\$ (2,660)
Investment Earnings	786,290	801,482	468,766	(332,716)
Other Revenues	-	-	2,101	2,101
Total Revenues	<u>912,660</u>	<u>934,124</u>	<u>600,849</u>	<u>(333,275)</u>
Expenditures				
Current:				
General Government	50,400	40,025	42,936	(2,911)
Capital Improvements	5,828,000	5,828,000	5,079,241	748,759
Debt Service:				
Interest	872,260	783,719	658,445	125,274
Fiscal Charges	-	98,483	125,299	(26,816)
Bond Issuance Costs	500,000	260,000	280,734	(20,734)
Total Expenditures	<u>7,250,660</u>	<u>7,010,227</u>	<u>6,186,655</u>	<u>823,572</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(6,338,000)</u>	<u>(6,076,103)</u>	<u>(5,585,806)</u>	<u>490,297</u>
Other Financing Sources (Uses)				
Transfers In:				
General Fund	50,000	50,000	50,000	-
Transfers Out:				
Capital Projects Fund	-	-	(226,028)	(226,028)
Bond Proceeds	25,000,000	25,000,000	25,000,000	-
Total Other Financing Sources (Uses)	<u>25,050,000</u>	<u>25,050,000</u>	<u>24,823,972</u>	<u>(226,028)</u>
Net Change in Fund Balances	<u>18,712,000</u>	<u>18,973,897</u>	<u>19,238,166</u>	<u>264,269</u>
Fund Balances, Beginning of Year	<u>21,403</u>	<u>(2,113)</u>	<u>(2,113)</u>	<u>-</u>
Fund Balances, End of year	<u>\$ 18,733,403</u>	<u>\$ 18,971,784</u>	<u>\$ 19,236,053</u>	<u>\$ 264,269</u>

TOWN OF AVON, COLORADO

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION DECEMBER 31, 2008

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 (i.e. the department of public works).

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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.

Main Street Maintenance Fund – This fund is used to account for revenues collected from various public and private sources that are specifically restricted to the maintenance of the Town Mall.

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.

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.

Facilities Reserve Fund – This fund is used to account for the accumulation of resources for the future repair and replacement of major components of Town facilities.

Debt Service Funds

Debt service funds are used for the accumulation of resources and payment of bond principal and interest from government resources and special assessment bond principal and interest from special assessment levies when the government is obligated in some manner for the payment.

Avon Metropolitan District Debt Service Fund – This fund is used to account for the accumulation of resources and payment of principal and interest on the District's general obligation bonds. In 1998 the District was dissolved and remains in existence only for this purpose. The Town Council of the Town of Avon was appointed to act as the District Board of Directors for setting mill levies as necessary until the indebtedness is paid in full.

TOWN OF AVON, COLORADO

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS DECEMBER 31, 2008

	Special Revenue			
	Main Street Maintenance Fund	Water Fund	Community Enhancement Fund	Affordable Housing Fund
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 54,686	\$ 2,427,327	\$ 274,297	\$ 751,000
Receivables:				
- Taxes	-	-	-	-
- Accounts	-	-	74,585	-
- Intergovernmental	-	70,766	-	-
Notes Receivable	-	-	-	195,000
Total Assets	\$ 54,686	\$ 2,498,093	\$ 348,882	\$ 946,000
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Accounts Payable	\$ -	\$ 1,932	\$ -	\$ -
Accrued Liabilities	690	1,014	-	-
Due to Other Funds	3,000	-	-	-
Deferred Taxes	-	-	-	-
Deferred Revenues	-	-	-	195,000
Total Liabilities	3,690	2,946	-	195,000
Fund Balances:				
Reserved for Debt Service	-	-	-	-
Unreserved:				
Designated for Subsequent Year's Expenditures	50,996	729,032	-	-
Unreserved, Undesignated	-	1,766,115	348,882	751,000
Total Fund Balances	50,996	2,495,147	348,882	751,000
Total Liabilities and Fund Balances	\$ 54,686	\$ 2,498,093	\$ 348,882	\$ 946,000

Facilities Reserve Fund	Avon Metropolitan District Debt Service Fund	Total Nonmajor Governmental Funds
\$ 473,834	\$ 62,981	\$ 4,044,125
-	489,558	489,558
-	-	74,585
-	-	70,766
-	-	195,000
\$ 473,834	\$ 552,539	\$ 4,874,034
\$ -	\$ -	\$ 1,932
-	-	1,704
-	-	3,000
-	489,558	489,558
-	-	195,000
-	489,558	691,194
-	62,981	62,981
-	-	780,028
473,834	-	3,339,831
473,834	62,981	4,182,840
\$ 473,834	\$ 552,539	\$ 4,874,034

TOWN OF AVON, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS FOR THE YEAR ENDED DECEMBER 31, 2008

	Special Revenue			
	Main Street Maintenance Fund	Water Fund	Community Enhancement Fund	Affordable Housing Fund
Revenues				
Taxes:				
Property Taxes	\$ -	\$ -	\$ -	\$ -
Charges for Services	-	521,791	-	-
Other Revenues	-	1,292	74,585	-
Total Revenues	<u>-</u>	<u>523,083</u>	<u>74,585</u>	<u>-</u>
Expenditures				
Current:				
Public Works and Utilities	73,237	55,883	120	-
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Fiscal Charges	-	-	-	-
Total Expenditures	<u>73,237</u>	<u>55,883</u>	<u>120</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(73,237)</u>	<u>467,200</u>	<u>74,465</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers In:				
General Fund	45,000	-	-	-
Transfers Out:				
General Fund	-	-	(61,800)	-
Capital Projects Fund	-	(44,373)	-	-
Total Other Financing Sources (Uses)	<u>45,000</u>	<u>(44,373)</u>	<u>(61,800)</u>	<u>-</u>
Net Change in Fund Balances	<u>(28,237)</u>	<u>422,827</u>	<u>12,665</u>	<u>-</u>
Fund Balances, Beginning of Year	<u>79,233</u>	<u>2,072,320</u>	<u>336,217</u>	<u>751,000</u>
Fund Balances, End of year	<u>\$ 50,996</u>	<u>\$ 2,495,147</u>	<u>\$ 348,882</u>	<u>\$ 751,000</u>

Facilities Reserve Fund	Debt Service Avon Metropolitan District Debt Service	Total Nonmajor Governmental Funds
\$ -	\$ 490,773	\$ 490,773
-	-	521,791
-	-	75,877
-	490,773	1,088,441
-	-	129,240
-	420,000	420,000
-	49,860	49,860
-	14,901	14,901
-	484,761	614,001
-	6,012	474,440
72,917	-	117,917
-	-	(61,800)
-	-	(44,373)
72,917	-	11,744
72,917	6,012	486,184
400,917	56,969	3,696,656
\$ 473,834	\$ 62,981	\$ 4,182,840

TOWN OF AVON, COLORADO

MAIN STREET MAINTENANCE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Other Revenues	\$ 49,429	\$ -	\$ -	\$ -
Total Revenues	<u>49,429</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current:				
Public Works and Utilities	96,810	96,374	73,237	23,137
Total Expenditures	<u>96,810</u>	<u>96,374</u>	<u>73,237</u>	<u>23,137</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(47,381)	(96,374)	(73,237)	23,137
Other Financing Sources (Uses):				
Transfers In:				
General Fund	15,000	45,000	45,000	-
Net Change in Fund Balances	(32,381)	(51,374)	(28,237)	23,137
Fund Balances, Beginning of Year	<u>58,517</u>	<u>52,932</u>	<u>79,233</u>	<u>26,301</u>
Fund Balances, End of year	<u>\$ 26,136</u>	<u>\$ 1,558</u>	<u>\$ 50,996</u>	<u>\$ 49,438</u>

TOWN OF AVON, COLORADO

WATER FUND

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	\$ 359,000	\$ 392,824	\$ 521,791	\$ 128,967
Investment Earnings	40,000	40,000	-	(40,000)
Other Revenues	-	-	1,292	1,292
Total Revenues	399,000	432,824	523,083	90,259
Expenditures				
Current:				
Public Works and Utilities	92,555	87,555	55,883	31,672
Total Expenditures	92,555	87,555	55,883	31,672
Excess (Deficiency) of Revenues Over (Under) Expenditures	306,445	345,269	467,200	121,931
Other Financing Sources (Uses)				
Transfers Out:				
Capital Projects Fund	(1,230,000)	(80,000)	(44,373)	35,627
Net Change in Fund Balances	(923,555)	265,269	422,827	157,558
Fund Balances, Beginning of Year	1,647,168	2,072,320	2,072,320	-
Fund Balances, End of year	\$ 723,613	\$ 2,337,589	\$ 2,495,147	\$ 157,558

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, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Other Revenues	\$ 60,000	\$ 60,000	\$ 74,585	\$ 14,585
Total Revenues	<u>60,000</u>	<u>60,000</u>	<u>74,585</u>	<u>14,585</u>
Expenditures				
Current:				
Public Works and Utilities	60,000	-	120	(120)
Total Expenditures	<u>60,000</u>	<u>-</u>	<u>120</u>	<u>(120)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	60,000	74,465	14,465
Other Financing Sources (Uses):				
Transfers Out:				
General Fund	-	(61,800)	(61,800)	-
Net Change in Fund Balances	-	(1,800)	12,665	14,465
Fund Balances, Beginning of Year	<u>331,442</u>	<u>336,217</u>	<u>336,217</u>	<u>-</u>
Fund Balances, End of year	<u>\$ 331,442</u>	<u>\$ 334,417</u>	<u>\$ 348,882</u>	<u>\$ 14,465</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, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Other Revenues	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures				
Current:				
General Government	-	-	-	-
Total Expenditures	-	-	-	-
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	751,000	751,000	751,000	-
Fund Balances, End of year	<u>\$ 751,000</u>	<u>\$ 751,000</u>	<u>\$ 751,000</u>	<u>\$ -</u>

TOWN OF AVON, COLORADO

FACILITIES RESERVE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Other Revenues	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures				
Current:				
Public Works and Utilities	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources (Uses):				
Transfers In:				
General Fund	72,917	72,917	72,917	-
Net Change in Fund Balances	72,917	72,917	72,917	-
Fund Balances, Beginning of Year	400,917	400,917	400,917	-
Fund Balances, End of year	\$ 473,834	\$ 473,834	\$ 473,834	\$ -

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, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes:				
Property Taxes	\$ 735,992	\$ 735,992	\$ 720,090	\$ (15,902)
Investment Earnings	25,000	25,000	16,448	(8,552)
Total Revenues	760,992	760,992	736,538	(24,454)
Expenditures				
Debt Service:				
Principal	987,500	987,500	987,500	-
Interest	340,111	340,111	340,111	-
Fiscal Charges	21,369	21,369	17,522	3,847
Total Expenditures	1,348,980	1,348,980	1,345,133	3,847
Excess (Deficiency) of Revenues Over (Under) Expenditures	(587,988)	(587,988)	(608,595)	(20,607)
Other Financing Sources (Uses)				
Transfers In:				
General Fund	587,988	587,988	587,988	-
Net Change in Fund Balances	-	-	(20,607)	(20,607)
Fund Balances, Beginning of Year	639,941	657,106	657,106	-
Fund Balances, End of year	\$ 639,941	\$ 657,106	\$ 636,499	\$ (20,607)

TOWN OF AVON, COLORADO

AVON METROPOLITAN DISTRICT DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL (BUDGETARY BASIS) FOR THE YEAR ENDED DECEMBER 31, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes:				
Property Taxes	\$ 486,606	\$ 486,606	\$ 490,773	\$ 4,167
Total Revenues	<u>486,606</u>	<u>486,606</u>	<u>490,773</u>	<u>4,167</u>
Expenditures				
Debt Service:				
Principal	420,000	420,000	420,000	-
Interest	49,860	49,860	49,860	-
Fiscal Charges	16,746	16,746	14,901	1,845
Total Expenditures	<u>486,606</u>	<u>486,606</u>	<u>484,761</u>	<u>1,845</u>
Net Change in Fund Balances	-	-	6,012	6,012
Fund Balances, Beginning of Year	<u>49,633</u>	<u>56,969</u>	<u>56,969</u>	<u>-</u>
Fund Balances, End of year	<u>\$ 49,633</u>	<u>\$ 56,969</u>	<u>\$ 62,981</u>	<u>\$ 6,012</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, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Taxes:				
Real Estate Transfer Tax	\$ 8,548,204	\$ 4,030,067	\$ 3,093,021	\$ (937,046)
Intergovernmental	210,000	205,311	266,291	60,980
Investment Earnings	250,000	250,000	434,764	184,764
Other Revenues	9,000	275,098	93,102	(181,996)
Total Revenues	9,017,204	4,760,476	3,887,178	(873,298)
Expenditures				
Capital Projects:				
Facilities	1,450,000	1,317,974	1,070,132	247,842
Land and Land Improvements	300,000	90,791	64,589	26,202
Roads and Streets	2,277,000	2,437,387	2,035,492	401,895
Utilities	-	90,000	68,659	21,341
Recreation	95,000	30,000	24,050	5,950
Stormwater and Drainage	1,230,000	80,000	44,373	35,627
Strategic Planning	400,000	611,850	343,112	268,738
Other	25,000	25,000	24,671	329
Rebates & Capital Contributions	1,467,771	1,467,771	1,225,650	242,121
Total Expenditures	7,244,771	6,150,773	4,900,728	1,250,045
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,772,433	(1,390,297)	(1,013,550)	376,747
Other Financing Sources (Uses)				
Transfers In:				
Water Fund	1,230,000	80,000	44,373	(35,627)
Avon Urban Renewal Authority	-	-	226,028	226,028
Transfers Out:				
General Fund	(249,561)	(249,561)	(249,561)	-
Total Other Financing Sources (Uses)	980,439	(169,561)	20,840	190,401
Net Change in Fund Balances	2,752,872	(1,559,858)	(992,710)	567,148
Fund Balances, Beginning of Year	5,292,355	6,693,875	6,693,875	-
Fund Balances, End of Year	\$ 8,045,227	\$ 5,134,017	\$ 5,701,165	\$ 567,148

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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. In addition to transportation routes within the Town of Avon, the Town contracts with other entities for management and operation of their transportation systems within Eagle County.

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, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 277,857	\$ 304,074	\$ 304,074	\$ -
Charges for Services	1,376,272	631,524	641,173	9,649
Other Revenues	-	27,918	28,343	425
Total Revenues	1,654,129	963,516	973,590	10,074
Expenditures:				
Administration	247,604	200,481	204,454	(3,973)
Operations	2,904,221	2,298,335	2,157,386	140,949
Marketing	48,797	20,471	21,183	(712)
Total Expenditures	3,200,622	2,519,287	2,383,023	136,264
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,546,493)	(1,555,771)	(1,409,433)	146,338
Other Financing Sources (Uses):				
Transfers In:				
General Fund	1,541,000	1,551,000	1,473,000	(78,000)
Sales of Capital Assets	6,000	8,861	8,860	(1)
Total Other Financing Sources (Uses)	1,547,000	1,559,861	1,481,860	(78,001)
Net Change in Fund Balances	507	4,090	72,427	68,337
Fund Balances, Beginning of Year	204,335	393,681	393,681	-
Fund Balances, End of Year	\$ 204,842	\$ 397,771	\$ 466,108	\$ 68,337

Fund Balances at December 31, 2008, is computed as follows:

Current Assets	\$ 589,637
Less: Current Liabilities	(123,529)
Fund Balances - December 31, 2008	\$ 466,108

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

Net Change in Fund Balances (Budgetary Basis)	<u>\$ 72,427</u>
Adjustments to Reconcile Budgetary Basis to GAAP Basis	
Capitalization of Fixed Assets	380,092
Book Value of Capital Assets Disposed	(21,186)
Depreciation	<u>(209,170)</u>
Total Adjustments	<u>149,736</u>
Change in Net Assets (GAAP Basis)	<u><u>\$ 222,163</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, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services:				
Fleet Maintenance Charges	\$ 2,144,803	\$ 2,179,980	\$ 2,220,978	\$ 40,998
Wash Bay Charges	67,031	67,031	69,657	2,626
Fuel Mark-up	75,000	91,552	106,852	15,300
Other Revenues	-	3,527	17,121	13,594
Total Revenues	2,286,834	2,342,090	2,414,608	72,518
Expenditures:				
Fleet Maintenance	2,322,831	2,402,270	2,422,508	(20,238)
Washbay	116,595	94,595	50,496	44,099
Total Expenditures	2,439,426	2,496,865	2,473,004	23,861
Excess (Deficiency) of Revenues Over (Under) Expenditures	(152,592)	(154,775)	(58,396)	96,379
Other Financing Sources (Uses):				
Transfers In:				
General Fund	160,000	160,000	160,000	-
Net Change in Fund Balances	7,408	5,225	101,604	96,379
Fund Balances, Beginning of Year	597,088	490,101	490,101	-
Fund Balances, End of Year	\$ 604,496	\$ 495,326	\$ 591,705	\$ 96,379

Fund Balances at December 31, 2008, is computed as follows:

Current Assets	\$ 813,349
Less: Current Liabilities	(492,262)
Add: Current Portion of Certificates of Participation	258,750
Add: Current Portion of Capital Leases Payable	11,868
Fund Balances - December 31, 2008	\$ 591,705

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

Net Change in Fund Balances (Budgetary Basis)	\$ 101,604
Adjustments to Reconcile Budgetary Basis to GAAP Basis	
Principal Paid on Capital Leases	258,920
Capitalization of Fixed Assets	23,615
Depreciation	<u>(227,773)</u>
Total Adjustments	<u>54,762</u>
Change in Net Assets (GAAP Basis)	<u>\$ 156,366</u>

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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, 2008

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Charges for Services:				
Equipment Replacement Charges	\$ 621,491	\$ 621,491	\$ 622,388	\$ 897
Other Revenues	-	26,758	26,958	200
Total Revenues	621,491	648,249	649,346	1,097
Expenditures:				
Capital Outlay:				
Fleet and Heavy Equipment	261,154	271,071	271,071	-
Recreation Center Equipment & Improvement:	344,060	363,065	339,712	23,353
Computer and Office Equipment	31,009	47,529	47,058	471
Machinery and Equipment	-	5,995	5,595	400
Debt Service:				
Capital Lease	57,395	-	-	-
Total Expenditures	693,618	687,660	663,436	24,224
Excess (Deficiency) of Revenues Over (Under) Expenditures	(72,127)	(39,411)	(14,090)	25,321
Other Financing Sources (Uses):				
Sales of Capital Assets	15,000	29,242	29,241	(1)
Net Change in Fund Balances	(57,127)	(10,169)	15,151	25,320
Fund Balances, Beginning of Year	1,684,526	1,695,694	1,700,234	4,540
Fund Balances, End of Year	\$ 1,627,399	\$ 1,685,525	\$ 1,715,385	\$ 29,860

Fund Balances at December 31, 2008, is computed as follows:

Current Assets	\$ 1,715,385
Less: Current Liabilities	-
Fund Balances - December 31, 2008	\$ 1,715,385

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

Net Change in Fund Balances (Budgetary Basis)	<u>\$ 15,151</u>
Basis to GAAP Basis	
Capitalization of Fixed Assets	663,272
Book Value of Capital Assets Disposed	(21,087)
Gain on Disposal of Capital Assets	14,992
Transfers In of Non-financial Resources	494,286
Depreciation	<u>(601,300)</u>
Total Adjustments	<u>550,163</u>
Change in Net Assets (GAAP Basis)	<u><u>\$ 565,314</u></u>

MISCELLANEOUS SCHEDULES

TOWN OF AVON, COLORADO

DEBT SCHEDULE DECEMBER 31, 2008

Purpose	Schedule of Indebtedness					Payments Due In 2009	
	Date Issued	Interest Rate/Yield	Maturity Date	Amount Issued	Amount Outstanding	Principal	Interest
General Obligation Bonds:							
Series 1996:							
General Obligation Refunding Bonds	4/1/1996	4.10% - 5.30%	12/1/2009	\$ 4,555,000	\$ 90,000	\$ 90,000	\$ 4,770
Supplemental "B" Certificates	4/1/1996	3.65% - 4.25%	6/1/1998	820,000	-	-	-
Less: Original Issue Discount	4/1/1996	3.65% - 4.25%	6/1/1998	(28,131)	-	-	-
Series 2001:							
Avon Metropolitan District General							
Obligation Refunding Bonds	2/1/2001	3.50% - 4.20%	11/1/2010	3,705,000	895,000	440,000	32,722
Supplemental "B" Coupons	2/1/2001	3.50%	11/1/2001	245,000	-	-	-
Less: Original Issue Discount	2/1/2001	N/A	11/1/2001	(3,030)	-	-	-
Series 2004:							
General Obligation Bonds	12/14/2004	3.00% - 4.00%	12/1/2016	3,460,000	3,460,000	245,000	136,946
Detached 'B' Interest Certificates	12/14/2004	2.38% - 3.25%	12/1/2009	215,000	60,000	51,127	-
Less: Original Issue Discount	12/14/2004	N/A	12/1/2009	(18,827)	(8,873)	-	-
Net General Obligation Bonds				12,950,012	4,496,127	826,127	174,438
Revenue Bonds:							
Series 1999, Revenue Refunding Bonds	1/15/1999	3.25% - 4.55%	9/15/2014	5,580,000	2,420,000	370,000	108,815
Total Revenue Bonds				5,580,000	2,420,000	370,000	108,815
Certificates of Participation:							
Series 1998, Certificates of Participation	6/30/1998	3.90% - 4.90%	11/30/2018	7,085,000	4,335,000	345,000	214,441
Total Certificates of Participation				7,085,000	4,335,000	345,000	214,441
Capital Lease Obligations							
Master Lease-Purchase, Wells Fargo	3/28/2003	4.15%	3/28/2010	339,000	106,889	52,358	4,436
Master Lease-Purchase, Wells Fargo	2/23/2005	3.35%	2/23/2010	95,061	39,913	19,628	1,337
Master Lease-Purchase, Wells Fargo	12/14/2006	4.20%	12/14/2011	172,676	107,835	34,477	4,529
Master Lease-Purchase, Comerica Leasing	12/11/2007	3.78%	12/20/2014	508,125	443,361	67,213	16,759
Total Capital Lease Obligations				1,114,862	697,998	173,676	27,061
Total Long-term Debt				\$ 26,729,874	\$ 11,949,125	\$ 1,714,803	\$ 524,755

TOWN OF AVON, COLORADO

DETAILED SCHEDULE OF GENERAL FUND EXPENDITURES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2008

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
General Government:				
Legislative:				
Mayor and Town Council	\$ 258,025	\$ 254,225	\$ 255,049	\$ (824)
Boards and Commissions	15,806	15,806	11,123	4,683
Town Attorney	175,000	175,000	239,124	(64,124)
Town Clerk	97,610	99,985	98,166	1,819
Total Legislative	546,441	545,016	603,462	(58,446)
Judicial:				
Municipal Court	125,131	124,881	126,961	(2,080)
Executive:				
Town Manager	232,361	225,861	224,238	1,623
Human Resources	211,890	211,890	224,187	(12,297)
Community Relations	274,266	260,230	209,129	51,101
Total Executive	718,517	697,981	657,554	40,427
Finance Department				
Finance	592,476	592,476	589,186	3,290
Information Systems	279,699	272,099	262,758	9,341
Total Finance Department	872,175	864,575	851,944	12,631
Nondepartmental	298,448	286,161	755,999	(469,838)
Total General Government	2,560,712	2,518,614	2,995,920	(477,306)
Community Development:				
Administration	181,660	190,677	186,370	4,307
Planning	352,828	353,572	346,118	7,454
Building Inspection	517,189	341,123	291,414	49,709
Total Community Development	1,051,677	885,372	823,902	61,470

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Public Safety:				
Police:				
Administration	\$ 439,475	\$ 442,175	\$ 444,589	\$ (2,414)
Patrol	2,113,194	2,110,944	2,054,902	56,042
Investigations	118,541	119,275	128,839	(9,564)
Total Public Safety	2,671,210	2,672,394	2,628,330	44,064
Public Works:				
Administration	102,986	104,250	116,742	(12,492)
Engineering	423,641	429,251	439,112	(9,861)
Roads and Streets	1,710,694	1,860,704	1,728,440	132,264
Facilities Maintenance	555,079	568,231	419,555	148,676
Parks	999,545	996,292	892,660	103,632
Total Public Works	3,791,945	3,958,728	3,596,509	362,219
Recreation and Culture:				
Special Events	303,618	307,046	305,843	1,203
Administration	382,614	380,957	382,372	(1,415)
Adult Programs	55,025	52,714	41,075	11,639
Aquatics	487,132	486,132	456,622	29,510
Child Care	56,878	51,375	39,125	12,250
Fitness	137,255	136,680	131,752	4,928
Front Desk	279,032	253,519	227,755	25,764
Maintenance	843,577	834,842	795,462	39,380
Youth Programs	168,170	170,465	156,477	13,988
Cabin	59,456	54,135	43,296	10,839
Total Recreation and Culture	2,772,757	2,727,865	2,579,779	148,086
TOTAL OPERATING EXPENDITURES	\$ 12,848,301	\$ 12,762,973	\$ 12,624,440	\$ 138,533

TOWN OF AVON, COLORADO

DETAILED SCHEDULE OF GENERAL FUND REVENUES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2008

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Taxes:				
General Property Tax	\$ 2,008,327	\$ 2,008,327	\$ 1,996,660	\$ (11,667)
General Property Tax - Delinquent Collections	300	17	67	50
General Property Tax - Interest and Penalties	2,000	2,409	2,903	494
Specific Ownership Tax	175,000	163,927	160,180	(3,747)
Sales Tax	5,773,928	5,991,429	5,732,818	(258,611)
Utility Tax	135,000	142,778	153,842	11,064
Accommodations Tax	567,500	586,574	529,675	(56,899)
Penalties and Interest	15,000	17,100	22,268	5,168
Sales Tax Audit Assessments	15,000	100,000	91,239	(8,761)
Payments In-Lieu-Of Sales Tax	497,017	465,114	465,114	-
Franchise Fees	385,000	397,460	396,602	(858)
Total Taxes	9,574,072	9,875,135	9,551,368	(323,767)
Licenses and Permits:				
Liquor Licenses	5,500	5,500	6,808	1,308
Business Licenses	20,000	20,000	20,764	764
Contractor's Licenses	18,000	10,000	15,109	5,109
Building Permits	775,000	250,000	181,467	(68,533)
Road Cut Permits	5,000	10,000	21,645	11,645
Other Licenses and Permits	100	100	-	(100)
Total Licenses and Permits	823,600	295,600	245,793	(49,807)
Intergovernmental:				
Federal:				
School Resource Officer	65,102	65,102	12,636	(52,466)
State:				
LEAF Grant	14,400	14,400	5,962	(8,438)
Other State Grants	-	2,975	2,975	-
State/County Shared Revenue:				
Conservation Trust	72,000	73,000	66,108	(6,892)
Motor Vehicle Registration	24,000	24,000	23,244	(756)
Highway User's Tax	160,952	160,952	160,549	(403)
Cigarette Tax	53,000	54,000	53,704	(296)
County Sales Tax	425,000	424,000	400,123	(23,877)
Road & Bridge Fund	182,000	185,000	181,151	(3,849)
State Severance Tax	5,000	6,000	5,871	(129)
Total Intergovernmental	1,001,454	1,009,429	912,323	(97,106)

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Charges for Services:				
General Government:				
Sale of Map and Publications	\$ 250	\$ 250	\$ 60	\$ (190)
Photocopying Charges	3,000	3,000	1,232	(1,768)
License Hearing Fees	25	25	-	(25)
Other Fees and Charges	2,250	2,250	2,701	451
Plan Check Fees	475,000	130,000	88,967	(41,033)
Subdivision Review Fees	35,000	35,000	9,874	(25,126)
Design Review Fees	35,000	35,000	34,585	(415)
Animal Control Fees	2,000	2,000	1,120	(880)
Abatement Services	100	100	5,353	5,253
Impact Fee Administrative Fees	-	1,000	511	(489)
Police Reports	2,000	2,000	1,236	(764)
Off-duty Police Employment	10,000	10,000	15,334	5,334
Fingerprinting Fees	3,500	3,500	3,896	396
VIN Inspection Fees	20,000	20,000	14,665	(5,335)
False Alarm Fees	3,300	3,300	7,562	4,262
DUI Reimbursement	2,500	2,500	1,574	(926)
Village at (Avon) Municipal Service Charges	698,468	565,982	465,808	(100,174)
Subtotal: General Government	1,292,393	815,907	654,478	(161,429)
Recreation Center:				
Admission Fees	1,053,000	900,000	942,252	42,252
Program Fees	42,500	42,500	40,951	(1,549)
Rentals	4,500	4,500	4,265	(235)
Merchandise Sales	15,884	15,884	15,118	(766)
Childcare	14,000	10,000	9,835	(165)
Other Recreation Center Services	22,900	22,900	18,646	(4,254)
Fitness Program Revenues	23,200	25,000	29,747	4,747
Locker Rental	300	300	398	98
Other Recreation:				
Adult Program Revenues	17,512	16,500	14,825	(1,675)
Cabin Equipment Rentals	37,307	37,307	35,173	(2,134)
Athletic Field Rentals	4,000	3,760	4,340	580
Cabin Concessions	5,600	5,600	6,681	1,081
Youth Program Revenues	130,000	145,000	180,213	35,213
Sponsorships	100,000	91,350	91,250	(100)
Event Fees	9,500	16,160	14,893	(1,267)
Subtotal: Recreation	1,480,203	1,336,761	1,408,587	71,826
Total Charges for Services	2,772,596	2,152,668	2,063,065	(89,603)

TOWN OF AVON, COLORADO

DETAILED SCHEDULE OF GENERAL FUND REVENUES (BUDGETARY BASIS) - BUDGET AND ACTUAL FOR THE YEAR ENDED DECEMBER 31, 2008 (CONTINUED)

Description	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Fines and Forfeitures:				
Court Fines - Traffic	\$ 42,000	\$ 68,000	\$ 67,960	\$ (40)
Court Fines - Criminal	35,000	38,000	33,734	(4,266)
Court Fines - Parking	8,000	8,000	6,650	(1,350)
Court Fines - General	3,500	3,500	-	(3,500)
Court Costs	5,500	5,500	6,483	983
Jury Fees	150	150	-	(150)
Bond Forfeitures	500	500	8,300	7,800
Miscellaneous Court Revenues	1,500	1,500	-	(1,500)
Police Training Surcharge	8,000	8,000	8,398	398
Total Fines and Forfeitures	104,150	133,150	131,525	(1,625)
Investment Earnings	500,000	500,000	576,823	76,823
Miscellaneous Revenues:				
Recreational Amenity Fees	145,500	139,032	142,169	3,137
Bond Issuance Fee	11,000	11,326	11,282	(44)
Lease of Town-owned Property	28,000	28,000	28,029	29
Miscellaneous Nonclassified Revenues	65,000	100,000	146,413	46,413
Total Miscellaneous Revenues	249,500	278,358	327,893	49,535
TOTAL REVENUES	\$ 15,025,372	\$ 14,244,340	\$ 13,808,790	\$ (435,550)

TOWN OF AVON, COLORADO

SCHEDULE OF AVON URBAN RENEWAL AUTHORITY FUND PROJECT EXPENDITURES (BUDGETARY BASIS) - BUDGET AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED DECEMBER 31, 2008

Project Description	Actual Amounts			Total Project Budget	Variance with Budget - Positive (Negative)
	Prior Years	Current Year	Total		
AVON URBAN RENEWAL FUND IMPROVEMENTS:					
Roads and Streets:					
Street Improvements:					
Lake Street Design and Construction	\$ 226,028	\$ 4,129,891	\$ 4,355,919	\$ 4,828,000	\$ 472,081
Main Street Design	-	949,350	949,350	1,000,000	50,650
Total Avon Urban Renewal Fund Improvements	\$ 226,028	\$ 5,079,241	\$ 5,305,269	\$ 5,828,000	\$ 522,731

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, 2008

Project Description	Actual Amounts			Total Project Budget	Variance with Budget - Positive (Negative)
	Prior Years	Current Year	Total		
CAPITAL IMPROVEMENT PROJECTS					
Facilities:					
Transit / PW Facilities Improvement Project:					
Preliminary Design	\$ -	\$ 409,449	\$ 409,449	\$ 613,610	\$ 204,161
Avon Station Transportation Center Facility	3,163,564	26,553	3,190,117	3,207,928	17,811
Recreation Center Office & Storage Remodel	-	634,130	634,130	660,000	25,870
Land and Land Improvements:					
Wildridge Dog Park	-	35,793	35,793	50,000	14,207
Forest Service Land Acquisition	-	28,796	28,796	1,150,000	1,121,204
Roads and Streets:					
Streetscape:					
Eaglebend Dr.	1,312,063	2,627	1,314,690	1,350,000	35,310
Lighting Study and Conversion	192,675	327,834	520,509	1,278,000	757,491
I-70 Noise Reduction Project	-	9,711	9,711	460,000	450,289
Street Improvements:					
E. Beaver Creek Blvd. Improvements	-	49,901	49,901	300,000	250,099
Railroad Crossings to Confluence	614,714	143,219	757,933	1,040,000	282,067
Annual Street Improvements:					
2008 Paving/Road Improvements	-	428,215	428,215	370,000	(58,215)
Multi-Modal/Alternative Mobility:					
Wildridge Rd. Loop Pedestrian Improvements	437,891	1,026,844	1,464,735	1,550,900	86,165
West Avon Trails & Access Improvements	2,295	28,980	31,275	92,295	61,020
Recreational Trails Program	-	18,161	18,161	1,230,000	1,211,839
Utilities:					
Waste Heat Recovery Project:					
System Study	-	68,659	68,659	90,000	21,341
Recreation:					
Eagle River Recreation Enhancements Project	642,921	18,020	660,941	720,146	59,205
RICD Water Rights Acquisition	343,942	6,030	349,972	431,000	81,028

Project Description	Actual Amounts			Total Project Budget	Variance with Budget - Positive (Negative)
	Prior Years	Current Year	Total		
CAPITAL IMPROVEMENT PROJECTS					
Water Fund Projects:					
Nottingham-Puder Ditch Restoration	10,621	-	10,621	320,000	309,379
W. Beaver Creek Blvd. Drainage / I-70 to RR	42,022	-	42,022	385,000	342,978
Metcalf Road Drainage	28,966	21,179	50,145	1,053,966	1,003,821
Emergency Repairs - Nottingham-Puder Ditch	-	22,158	22,158	20,000	(2,158)
Water Rights Acquisition	-	1,036	1,036	460,000	458,964
Strategic Planning:					
2008 Development Analysis and Review:					
Confluence / Westin Riverfront Resort	27,791	1,463	29,254	NA	NA
The Gates at Beaver Creek	31,651	10,440	42,091	NA	NA
Starwood Resorts - Lot C	22,236	3,538	25,774	NA	NA
Folsom PUD	6,149	90	6,239	NA	NA
Orion Development - Avon 21	1,268	38,065	39,333	NA	NA
Vail Resorts Red House Annexation	-	14,690	14,690	NA	NA
Planning and Consulting:					
2008 General Planning and Consulting	-	-	-	50,000	50,000
Town Center West Investment Plan	352,196	10,962	363,158	372,580	9,422
East Avon Redevelopment (Master Plan)	183,938	12,630	196,568	198,000	1,432
Nottingham Park Master Plan	-	153,815	153,815	150,000	(3,815)
Comprehensive Transportation Plan	-	58,030	58,030	200,000	141,970
Unified Land Use Code Revision	-	39,389	39,389	250,000	210,611
Other:					
2008 Historic Preservation	-	24,671	24,671	25,000	329
Developer Rebates and Capital Contributions					
Capital Contributions:					
Westin Riverfront Resort	1,176,000	1,033,948	2,209,948	2,563,000	353,052
Westin Riverfront Resort - Interest	41,639	191,702	233,341	251,876	18,535
Total Capital Improvement Projects	\$ 8,634,542	\$ 4,900,728	\$ 13,535,270	\$ 20,893,301	\$ 7,515,412

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Avon
		YEAR ENDING : December 2008
This Information From The Records Of (example - City of _ or County 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

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	5,898,006
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	3,024,785
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	84,329
2. General fund appropriations	6,785,335	b. Snow and ice removal	482,792
3. Other local imposts (from page 2)	160,180	c. Other	0
4. Miscellaneous local receipts (from page 2)	3,093,021	d. Total (a. through c.)	567,122
5. Transfers from toll facilities		4. General administration & miscellaneous	29,185
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	308,235
a. Bonds - Original Issues		6. Total (1 through 5)	9,827,333
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	368,558
7. Total (1 through 6)	10,038,536	b. Redemption	226,438
B. Private Contributions	200,000	c. Total (a. + b.)	594,996
C. Receipts from State government (from page 2)	183,793	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	0
E. Total receipts (A.7 + B + C + D)	10,422,329	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	594,996
		C. Payments to State for highways	0
		D. Payments to toll facilities	0
		E. Total disbursements (A.6 + B.3 + C + D)	10,422,329

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	3,611,806	0	226,438	3,385,368
1. Bonds (Refunding Portion)				
B. Notes (Total)	0	0	0	0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		10,422,329	10,422,329		(0)

Notes and Comments:	Debt Svc Expense	594,996			
	GF Expense	2,146,434			
	CIP Expense	4,387,878			
	Specific Ownership	(160,180)			
	HUTF	(160,550)			
	Motor Veh Reg	(23,244)			
	GF Appropriation	6,785,335			

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2008

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	160,180	g. Other Misc. Receipts	
6. Total (1. through 5.)	160,180	h. Other Real Estate Transfer Tax	3,093,021
c. Total (a. + b.)	160,180	i. Total (a. through h.)	3,093,021
	(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	160,550	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	23,244	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	23,244	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	183,793	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	0	0
b. Engineering Costs	1,104,201	0	1,104,201
c. Construction:			
(1). New Facilities	3,772,251	0	3,772,251
(2). Capacity Improvements	0	0	0
(3). System Preservation	0	0	0
(4). System Enhancement & Operation	1,021,553	0	1,021,553
(5). Total Construction (1) + (2) + (3) + (4)	4,793,805	0	4,793,805
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	5,898,006	0	5,898,006
			(Carry forward to page 1)

Notes and Comments:

CIP Expenditures 7,680,899
Real Estate Xfer Tax (3,093,021)
Private Contributions (200,000)
GF Appropriations 4,387,878

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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 94-103) – 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 104-107) – 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 108-111) – 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 112-114) – 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 115-117) – 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 ASSETS BY COMPONENT LAST SIX FISCAL YEARS (1)

	Fiscal Year		
	2003	2004	2005
Governmental Activities			
Investment in Capital Assets, Net of Related Debt	\$ 9,599,212	\$ 12,206,057	\$ 23,123,596
Restricted For:			
Debt Service	847,163	635,342	88,136
TABOR Emergency Reserve	384,946	384,678	472,201
Capital Improvement Projects	-	-	-
Unrestricted	9,889,514	12,529,657	15,063,082
Total Governmental Activities Net Assets	\$ 20,720,835	\$ 25,755,734	\$ 38,747,015
Business-type Activities			
Investment in Capital Assets, Net of Related Debt	\$ 1,609,885	\$ 1,941,513	\$ 2,039,744
Unrestricted	64,450	254,907	471,481
Total Business-type Activities Net Assets	\$ 1,674,335	\$ 2,196,420	\$ 2,511,225
Primary Government			
Investment in Capital Assets, Net of Related Debt	\$ 11,209,097	\$ 14,147,570	\$ 25,163,340
Restricted	1,232,109	1,020,020	560,337
Unrestricted	9,953,964	12,784,564	15,534,563
Total Primary Government Net Assets	\$ 22,395,170	\$ 27,952,154	\$ 41,258,240

Source: Town of Avon Finance Department

(1) GASB Statement No. 34 was effective for fiscal years beginning after June 15, 2002. Therefore only the last six fiscal years of information for this statistical table are available.

Fiscal Year		
2006	2007	2008
\$ 23,801,715	\$ 30,782,567	\$ 16,344,236
129,581	151,575	4,962,675
567,512	618,739	566,949
-	-	14,762,243
<u>18,928,339</u>	<u>18,905,443</u>	<u>17,245,855</u>
<u>\$ 43,427,147</u>	<u>\$ 50,458,324</u>	<u>\$ 53,881,958</u>
\$ 1,884,063	\$ 2,651,190	\$ 2,855,688
861,582	883,782	1,057,813
<u>\$ 2,745,645</u>	<u>\$ 3,534,972</u>	<u>\$ 3,913,501</u>
\$ 25,685,778	\$ 33,433,757	\$ 19,199,924
697,093	770,314	20,291,867
<u>19,789,921</u>	<u>19,789,225</u>	<u>18,303,668</u>
<u>\$ 46,172,792</u>	<u>\$ 53,993,296</u>	<u>\$ 57,795,459</u>

TOWN OF AVON, COLORADO

CHANGES IN NET ASSETS LAST SIX FISCAL YEARS (1)

	Fiscal Year		
	2003	2004	2005
Expenses			
Governmental Activities:			
General Government	\$ 1,730,580	\$ 1,646,483	\$ 1,873,292
Community Development	683,160	727,955	935,419
Public Safety	1,569,552	1,610,667	1,637,769
Public Works and Utilities	2,819,107	3,105,233	4,925,854
Recreation and Culture	2,117,520	2,094,440	2,208,149
Interest and Fiscal Charges on Long-term Debt	758,737	705,452	606,188
Total Governmental Activity Expenses	9,678,656	9,890,230	12,186,671
Business-type Activities:			
Transportation	1,677,058	1,680,756	1,855,183
Housing	298,467	313,633	-
Fleet Maintenance	1,517,564	1,755,478	1,942,338
Total Business-type Activity Expenses	3,493,089	3,749,867	3,797,521
Total Primary Government Expenses	\$ 13,171,745	\$ 13,640,097	\$ 15,984,192
Program Revenues			
Governmental Activities:			
Charges for Services	\$ 2,857,329	\$ 2,505,400	\$ 2,750,881
Operating Grants and Contributions	124,200	19,258	10,283
Capital Grants and Contributions	-	177,854	-
Total Governmental Activity Program Revenues	2,981,529	2,702,512	2,761,164
Business-type Activities:			
Charges for Services	2,319,273	2,647,377	2,921,794
Capital Grants and Contributions	-	117,966	195,532
Total Business-type Activity Program Revenues	2,319,273	2,765,343	3,117,326
Total Primary Government Program Revenues	\$ 5,300,802	\$ 5,467,855	\$ 5,878,490
Net (Expense) Revenue			
Governmental Activities	\$ (6,697,127)	\$ (7,187,718)	\$ (9,425,507)
Business-type Activities	(1,173,816)	(984,524)	(680,195)
Total Primary Government Net Expense	\$ (7,870,943)	\$ (8,172,242)	\$ (10,105,702)

Fiscal Year		
2006	2007	2008
\$ 2,234,335	\$ 2,936,738	\$ 3,082,524
1,392,669	1,132,260	2,212,996
1,853,452	2,157,400	4,458,553
5,975,905	4,958,488	5,024,946
2,313,164	2,604,528	2,572,347
552,492	495,734	1,225,348
<u>14,322,017</u>	<u>14,285,148</u>	<u>18,576,714</u>
2,187,410	2,321,139	2,224,427
-	-	-
1,989,005	2,362,400	2,424,791
<u>4,176,415</u>	<u>4,683,539</u>	<u>4,649,218</u>
<u>\$ 18,498,432</u>	<u>\$ 18,968,687</u>	<u>\$ 23,225,932</u>
\$ 4,150,236	\$ 3,751,666	\$ 3,248,745
52,538	74,078	21,573
1,662,000	2,301,778	3,458,199
<u>5,864,774</u>	<u>6,127,522</u>	<u>6,728,517</u>
3,190,835	3,313,517	3,084,123
-	684,349	310,624
<u>3,190,835</u>	<u>3,997,866</u>	<u>3,394,747</u>
<u>\$ 9,055,609</u>	<u>\$ 10,125,388</u>	<u>\$ 10,123,264</u>
\$ (8,457,243)	\$ (8,157,626)	\$ (11,848,197)
(985,580)	(685,673)	(1,254,471)
<u>\$ (9,442,823)</u>	<u>\$ (8,843,299)</u>	<u>\$ (13,102,668)</u>

TOWN OF AVON, COLORADO

CHANGES IN NET ASSETS (CONTINUED) LAST SIX FISCAL YEARS (1)

	Fiscal Year		
	2003	2004	2005
General Revenues and Other Changes in Net Assets			
Governmental Activities:			
Taxes:			
Property Taxes	\$ 2,542,791	\$ 2,697,086	\$ 2,763,432
Real Estate Transfer Taxes	2,224,452	2,338,060	3,254,490
Sales and Accommodation Taxes	4,593,196	4,797,825	5,590,224
Other Taxes	555,798	444,491	480,665
Unrestricted Investment Earnings	161,588	198,574	446,097
Intergovernmental	596,707	662,845	737,940
Miscellaneous	480,293	447,659	977,457
Transfers	(850,000)	(907,087)	(995,000)
Total Governmental Activities	10,304,825	10,679,453	13,255,305
Business-type Activities:			
Transfers	850,000	907,087	995,000
Total Business-type Activities	850,000	907,087	995,000
Total Primary Government	\$ 11,154,825	\$ 11,586,540	\$ 14,250,305
Change in Net Assets			
Governmental Activities	\$ 3,607,698	\$ 3,491,735	\$ 3,829,798
Business-type Activities	(323,816)	(77,437)	314,805
Total Primary Government	\$ 3,283,882	\$ 3,414,298	\$ 4,144,603

Source: Town of Avon Finance Department

(1) GASB Statement No. 34 was effective for fiscal years beginning after June 15, 2002. Therefore only the last six fiscal years of information for this statistical table are available.

Fiscal Year		
2006	2007	2008
\$ 2,765,362	\$ 2,766,725	\$ 3,340,475
3,039,518	2,540,943	3,093,021
5,873,857	6,518,299	6,841,114
716,685	656,702	710,624
826,004	1,356,013	1,496,801
852,938	1,080,075	890,750
283,011	1,745,046	532,046
<u>(1,220,000)</u>	<u>(1,475,000)</u>	<u>(1,633,000)</u>
<u>13,137,375</u>	<u>15,188,803</u>	<u>15,271,831</u>
<u>1,220,000</u>	<u>1,475,000</u>	<u>1,633,000</u>
<u>1,220,000</u>	<u>1,475,000</u>	<u>1,633,000</u>
<u>\$ 14,357,375</u>	<u>\$ 16,663,803</u>	<u>\$ 16,904,831</u>
\$ 4,680,132	\$ 7,031,177	\$ 3,423,634
234,420	789,327	378,529
<u>\$ 4,914,552</u>	<u>\$ 7,820,504</u>	<u>\$ 3,802,163</u>

TOWN OF AVON, COLORADO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year			
	1999	2000	2001	2002
Revenues				
Taxes	\$ 9,758,234	\$ 9,611,252	\$ 9,937,542	\$ 9,420,818
Licenses and Permits	278,903	498,904	192,672	571,557
Intergovernmental	2,182,382	2,804,849	1,009,532	1,647,548
Charges for Services	1,542,241	1,807,848	2,026,770	1,754,118
Fines and Forfeitures	51,252	46,873	60,486	44,603
Special Assessments	68,528	61,926	53,407	47,854
Investment Earnings	620,587	725,186	471,315	192,010
Other Revenues	491,343	1,262,079	985,834	920,975
Total Revenues	14,993,470	16,818,917	14,737,558	14,599,483
Expenditures				
Current:				
General Government and Housing	1,911,025	2,329,465	2,166,837	1,986,382
Community Development	588,081	608,175	605,560	480,411
Public Safety	3,245,157	4,241,344	1,662,108	1,561,029
Public Works and Utilities	2,199,747	2,550,880	2,604,511	2,590,299
Recreation and Culture	2,053,269	2,056,555	2,080,409	1,931,794
Capital Improvements	5,686,282	1,997,224	2,435,739	4,807,404
Debt Service:				
Principal	1,311,000	1,291,529	1,603,287	1,459,133
Interest	1,228,036	1,313,703	1,148,614	1,125,017
Fiscal Charges	40,886	40,142	47,112	37,719
Bond Issuance Costs	191,539	-	104,549	-
Total Expenditures	18,455,022	16,429,017	14,458,726	15,979,188
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,461,552)	389,900	278,832	(1,379,705)
Other Financing Sources (Uses)				
Transfers In	1,846,001	1,104,249	1,004,246	1,260,694
Transfers Out	(2,285,288)	(1,393,283)	(2,064,246)	(2,043,195)
Proceeds from Borrowing	439,569	702,781	-	-
Proceeds from Refunding	5,580,000	-	3,964,113	-
Payments to Escrow Agent	(5,388,461)	-	(3,851,327)	-
Sales of Capital Assets	-	44,546	1,840	2,362
Total Other Financing Sources (Uses)	191,821	458,293	(945,374)	(780,139)
Net Change in Fund Balances	\$ (3,269,731)	\$ 848,193	\$ (666,542)	\$ (2,159,844)
Debt Service as a Percentage of Noncapital Expenditures	21.71%	18.33%	24.15%	23.47%

Source: Town of Avon Finance Department

Fiscal Year					
2003	2004	2005	2006	2007	2008
\$ 9,870,673	\$ 10,239,779	\$ 12,057,347	\$ 12,395,422	\$ 12,482,669	\$ 13,985,234
186,948	236,867	249,032	827,890	419,292	245,793
920,907	882,103	984,333	2,523,356	3,455,931	1,178,614
2,564,384	2,153,941	2,388,948	3,004,306	3,244,484	2,584,856
56,866	58,757	53,448	73,854	84,290	131,525
45,564	37,683	31,464	-	-	-
161,588	198,574	446,097	826,004	1,356,013	1,496,801
942,087	2,896,383	804,332	573,414	1,750,580	498,973
<u>14,749,017</u>	<u>16,704,087</u>	<u>17,015,001</u>	<u>20,224,246</u>	<u>22,793,259</u>	<u>20,121,796</u>
1,652,538	1,576,203	1,742,961	2,127,325	2,871,963	3,038,856
416,569	477,045	532,290	912,855	902,634	823,902
1,557,109	1,652,782	1,667,280	1,879,582	2,203,803	2,628,330
2,781,036	2,574,772	2,748,931	2,819,023	3,424,566	3,725,749
1,939,224	1,943,124	2,024,614	2,168,903	2,483,910	2,579,779
1,916,329	913,297	2,758,137	4,245,404	7,786,590	9,979,969
1,435,000	3,540,000	1,297,500	1,296,250	1,348,750	1,407,500
1,062,916	940,228	555,343	504,122	448,474	1,048,416
39,584	52,195	35,762	36,179	33,074	157,722
-	98,648	-	-	-	280,734
<u>12,800,305</u>	<u>13,768,294</u>	<u>13,362,818</u>	<u>15,989,643</u>	<u>21,503,764</u>	<u>25,670,957</u>
<u>1,948,712</u>	<u>2,935,793</u>	<u>3,652,183</u>	<u>4,234,603</u>	<u>1,289,495</u>	<u>(5,549,161)</u>
2,019,381	1,063,480	1,540,361	2,601,594	927,637	1,337,667
(2,869,381)	(1,970,567)	(2,535,361)	(3,821,594)	(2,402,637)	(2,970,667)
339,000	75,864	74,403	130,621	170,156	25,000,000
-	3,732,911	-	-	-	-
-	(3,632,554)	-	-	-	-
378	1,410	1,001	1,504	-	-
<u>(510,622)</u>	<u>(729,456)</u>	<u>(919,596)</u>	<u>(1,087,875)</u>	<u>(1,304,844)</u>	<u>23,367,000</u>
<u>\$ 1,438,090</u>	<u>\$ 2,206,337</u>	<u>\$ 2,732,587</u>	<u>\$ 3,146,728</u>	<u>\$ (15,349)</u>	<u>\$ 17,817,839</u>
23.31%	36.03%	17.81%	15.64%	13.34%	18.45%

TOWN OF AVON, COLORADO

FUND BALANCES, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

	Fiscal Year				
	1999	2000	2001	2002	2003
General Fund					
Reserved	\$ -	\$ 426,410	\$ 381,173	\$ 380,049	\$ 384,946
Unreserved	4,849,928	4,525,207	3,342,232	3,104,799	3,375,366
Total General Fund	4,849,928	4,951,617	3,723,405	3,484,848	3,760,312
All Other Governmental Funds					
Reserved	1,048,616	922,097	885,105	834,743	847,163
Unreserved, Reported In:					
Special Revenue Funds	1,815,500	2,094,759	2,490,503	2,023,079	1,550,979
Capital Projects Fund	3,096,706	3,690,470	3,893,388	2,489,887	4,112,193
Total All Other Governmental Funds	\$ 5,960,822	\$ 6,707,326	\$ 7,268,996	\$ 5,347,709	\$ 6,510,335
	Fiscal Year				
	2004	2005	2006	2007	2008
General Fund					
Reserved	\$ 384,678	\$ 472,201	\$ 567,512	\$ 618,739	\$ 566,949
Unreserved	3,999,194	5,301,416	6,340,441	6,676,687	5,835,283
Total General Fund	4,383,872	5,773,617	6,907,953	7,295,426	6,402,232
All Other Governmental Funds					
Reserved	635,342	650,636	692,081	714,075	19,778,653
Unreserved, Reported In:					
Special Revenue Funds	1,331,621	1,327,522	3,024,746	3,637,574	4,276,739
Capital Projects Fund	6,126,149	7,457,796	7,731,519	6,693,875	5,701,165
Total All Other Governmental Funds	\$ 8,093,112	\$ 9,435,954	\$ 11,448,346	\$ 11,045,524	\$ 29,756,557

Source: Town of Avon Finance Department

TOWN OF AVON, COLORADO

TAX REVENUES BY SOURCE, GOVERNMENTAL FUNDS LAST TEN FISCAL YEARS

Year	Property Tax				(1) Sales Tax
	General	Specific Ownership	Penalties & Interest	Delinquent Taxes	
1999	\$ 2,489,424	\$ 193,240	\$ 6,792	\$ 5,973	\$ 4,547,472
2000	2,670,258	205,030	6,014	1,046	4,696,369
2001	2,425,991	189,666	5,419	514	4,902,010
2002	2,505,746	162,683	4,453	60	4,699,935
2003	2,537,783	147,760	5,008	-	4,593,196
2004	2,534,887	158,257	3,676	266	4,797,825
2005	2,593,082	165,810	3,986	554	5,246,245
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	3,281,400	160,180	4,766	54,309	6,311,439

Year	(2)				Total
	Utility Tax	Franchise Tax	Accom. Tax	Real Estate Transfer Tax	
1999	\$ 65,164	\$ 196,796	\$ -	\$ 2,253,373	\$ 9,758,234
2000	70,094	208,230	-	1,754,211	9,611,252
2001	112,666	242,334	-	2,058,942	9,937,542
2002	107,129	225,866	-	1,714,946	9,420,818
2003	116,981	245,493	-	2,224,452	9,870,673
2004	117,711	289,097	-	2,338,060	10,239,779
2005	124,945	324,256	343,979	3,254,490	12,057,347
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

Source: Town of Avon Finance Department

(1) Includes Payments In-Lieu-Of Sales Tax beginning in 2003.

(2) From 1998 to 2004 the Town's accommodations taxes were accounted for in the Transit Enterprise fund.

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
1998	1999	\$ 22,532,500	\$ 36,706,620	\$ 39,073,900	\$ 1,377,380	\$ 99,690,400
1999	2000	22,512,350	47,391,820	43,515,240	1,392,510	114,811,920
2000	2001	20,814,730	52,400,440	45,746,620	1,310,010	120,271,800
2001	2002	22,499,340	63,257,860	51,363,470	2,199,270	139,319,940
2002	2003	20,470,660	67,986,410	53,710,780	2,335,760	144,503,610
2003	2004	23,859,850	60,523,900	58,730,200	2,659,120	145,773,070
2004	2005	24,076,670	63,669,310	64,454,400	744,600	152,944,980
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

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
1998	1999	\$ -	\$ 99,690,400	19.372	\$ 566,711,185	17.59%
1999	2000	-	114,811,920	18.347	692,365,810	16.58%
2000	2001	-	120,271,800	15.488	746,742,920	16.11%
2001	2002	-	139,319,940	14.606	928,319,150	15.01%
2002	2003	-	144,503,610	14.234	978,914,070	14.76%
2003	2004	-	145,773,070	14.111	1,026,692,120	14.20%
2004	2005	-	152,944,980	13.781	1,070,116,330	14.29%
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%

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

Levy Year	Collection Year	Town of Avon Direct Rates			Overlapping Rates		
		General Operating	General Obligation Debt Service	Total Direct	Avon Metropolitan District	Eagle County	Eagle County Library District
1998	1999	11.456	7.916	19.372	5.876	7.463	2.750
1999	2000	11.456	6.891	18.347	5.079	7.050	2.750
2000	2001	8.956	6.532	15.488	4.857	7.079	2.750
2001	2002	8.956	5.650	14.606	3.607	6.999	2.750
2002	2003	8.956	5.278	14.234	3.478	6.999	2.750
2003	2004	8.956	5.155	14.111	3.619	8.499	2.750
2004	2005	8.956	4.825	13.781	3.479	8.499	2.750
2005	2006	8.956	4.383	13.339	3.283	8.499	2.750
2006	2007	8.956	4.331	13.287	3.281	8.499	2.750
2007	2008	8.956	3.315	12.271	2.594	8.499	2.750

Levy Year	Collection Year	Overlapping Rates					
		Colorado Mountain College	Eagle County School District RE-50J	UEV Consolidated Sanitation District (Basic)	UEV Sanitation District (DS)	Eagle River Water & Sanitation District (DS)	Eagle River Fire Protect District
1998	1999	3.539	25.641	0.434	0.502	0.674	-
1999	2000	3.655	22.047	0.385	0.478	1.154	3.800
2000	2001	3.997	22.312	0.385	-	1.135	3.800
2001	2002	3.997	21.655	0.356	-	0.970	3.800
2002	2003	3.997	21.981	-	-	1.300	3.800
2003	2004	3.997	21.120	-	-	1.335	3.800
2004	2005	3.997	21.080	-	-	1.330	3.800
2005	2006	3.997	19.595	-	-	1.214	3.800
2006	2007	3.997	23.050	-	-	1.111	5.550
2007	2008	3.997	20.051	-	-	0.826	5.550

Levy Year	Collection Year	Overlapping Rates					
		CO River Water Conserv District	Eagle County Health Svc District	Confluence Metropolitan District	Avon Station Metropolitan District	Mtn. Vista Metropolitan District	Village Metropolitan District
1998	1999	0.309	0.932	-	-	-	-
1999	2000	0.282	0.842	-	-	-	-
2000	2001	0.253	0.842	-	-	-	-
2001	2002	0.253	0.748	-	-	-	-
2002	2003	0.255	2.011	-	-	-	-
2003	2004	0.255	2.005	45.000	45.000	45.000	15.000
2004	2005	0.252	2.013	45.000	45.000	45.000	15.000
2005	2006	0.230	2.010	45.000	45.000	45.000	15.000
2006	2007	0.221	2.006	45.000	45.000	33.000	15.000
2007	2008	0.191	2.019	45.000	45.000	33.000	15.000

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	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total Town of Avon Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Town of Avon Assessed Value
Traer Creek-WMT LLC	\$ 7,508,370	1	3.31%	\$ -	NA	0.00%
Traer Creek-L2 LLC	6,051,120	2	2.67%	-	NA	0.00%
Traer Creek-HD LLC	5,382,540	3	2.38%	-	NA	0.00%
Avon Partners II, LLC	5,300,770	4	2.34%	3,458,290	2	3.01%
Chapel Square Ventures LP	3,993,090	5	1.76%	5,053,120	1	4.40%
Riverfront Village Hotel, LLC	3,022,540	6	1.33%	-	NA	0.00%
Points of Colorado	6,667,680	7	2.94%	-	NA	0.00%
CSC Land LLC	3,044,000	8	1.34%	-	NA	0.00%
ARI Mountain Center LLC	2,963,800	9	1.31%	-	NA	0.00%
Avon Wynfield LLC	2,957,460	10	1.31%	2,054,810	3	1.79%
Dillon Real Estate Co, Inc	2,174,780	11	0.96%	1,342,370	8	1.17%
Riverview Park Assoc, Inc	2,082,610	12	0.92%	1,942,150	5	1.69%
Comcast of Colorado VII, LLC	2,023,260	13	0.89%	-	NA	0.00%
Traer Creek-RP LLC	1,995,310	14	0.88%	-	NA	0.00%
East Avon-Hudson LLC	1,560,930	15	0.69%	-	NA	0.00%
Vail Corp dba Vail Associates Inc	-	NA	0.00%	2,015,680	4	1.76%
Mountain Star, LLC	-	NA	0.00%	1,926,460	6	1.68%
Vail Associates Inc	-	NA	0.00%	1,728,720	7	1.51%
Tanavon Corporation	-	NA	0.00%	1,132,100	9	0.99%
Avon Commercial Center, LTD	-	NA	0.00%	1,129,650	10	0.98%
Total Assessed Value of the Ten Largest Taxpayers	46,891,370		20.70%	21,783,350		18.97%
Total Gross Assessed Value of Other Taxpayers	179,610,240		79.30%	93,028,570		81.03%
Total Gross Assessed Value of All Taxpayers	\$ 226,501,610		100.00%	\$ 114,811,920		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
1998	1999	\$ 2,500,503	\$ 2,489,424	99.56%	\$ 5,973	\$ 2,495,397	99.80%
1999	2000	2,672,106	2,670,258	99.93%	1,046	2,671,304	99.97%
2000	2001	2,430,796	2,425,991	99.80%	514	2,426,505	99.82%
2001	2002	2,522,027	2,505,746	99.35%	60	2,505,806	99.36%
2002	2003	2,548,453	2,537,783	99.58%	-	2,537,783	99.58%
2003	2004	2,549,757	2,534,887	99.42%	266	2,535,153	99.43%
2004	2005	2,595,743	2,593,082	99.90%	554	2,593,636	99.92%
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	3,151,418	97.17%	54,309	3,205,727	98.84%

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

Governmental Activities					
Fiscal Year	General Obligation Bonds	Special Assessment Bonds	Revenue Bonds	Certificates of Participation	Capital Leases
1999	\$ 11,420,082	\$ 300,000	\$ 5,210,000	\$ 1,713,750	\$ 900,306
2000	10,814,047	245,000	4,935,000	1,653,750	458,195
2001	10,219,023	195,000	4,655,000	1,592,500	279,857
2002	9,480,000	140,000	4,360,000	1,530,000	172,307
2003	8,725,000	100,000	4,065,000	1,462,500	439,169
2004	8,136,173	50,000	3,760,000	1,393,750	397,148
2005	7,282,075	-	3,440,000	1,321,250	380,007
2006	6,393,774	-	3,110,000	1,245,000	427,307
2007	5,466,798	-	2,770,000	1,166,250	820,870
2008	4,496,127	-	27,420,000	1,083,750	665,176

Business-Type Activities					
Fiscal Year	Certificates of Participation	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
1999	\$ 5,141,250	\$ 251,267	\$ 24,936,655	1.78%	\$ 8,537
2000	7,306,250	207,578	25,619,820	1.62%	4,607
2001	7,052,500	161,751	24,155,631	1.44%	3,968
2002	6,790,000	113,548	22,585,855	1.34%	3,705
2003	6,512,500	75,376	21,379,545	1.22%	3,173
2004	4,181,250	15,959	17,934,280	0.93%	2,645
2005	3,963,750	19,023	16,406,105	0.78%	2,427
2006	3,735,000	54,549	14,965,630	NA	2,208
2007	3,498,750	44,243	13,766,911	NA	2,013
2008	3,251,250	32,822	36,949,125	NA	5,403

Source: Town of Avon Finance Department

TOWN OF AVON, COLORADO

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT DECEMBER 31, 2008

Name of Governmental Entity	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to Town of Avon	Amount Applicable to Town of Avon
Direct:			
Town of Avon	\$ 3,550,000	100.00%	\$ 3,550,000
Overlapping:			
Avon Metropolitan District	895,000	100.00%	895,000
Eagle County School District RE-50J	176,490,000	8.22%	14,507,478
Eagle-Vail Metropolitan District	2,475,000	16.14%	399,341
Eagle Valley Library District	2,565,000	11.49%	294,719
Eagle River Water and Sanitation District	11,900,000	10.39%	1,236,410
Subtotal - Overlapping	194,325,000		17,332,948
Total	\$ 197,875,000		\$ 20,882,948

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 the Town.

TOWN OF AVON, COLORADO

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

	Fiscal Year			
	1999	2000	2001	2002
General Bonded Debt Outstanding General Obligation Bonds	\$ 7,425,000	\$ 7,120,000	\$ 6,695,000	\$ 6,305,000
Actual Taxable Property Value	566,711,185	692,365,810	746,742,920	928,319,150
Percentage of Actual Taxable Property Value	1.31%	1.03%	0.90%	0.68%
Per Capita	\$ 2,542	\$ 1,280	\$ 1,100	\$ 1,034
Legal Debt Limit	\$ 24,936,805	\$ 28,702,980	\$ 30,067,950	\$ 34,829,985
Total Debt Applicable to Limit	<u>(7,425,000)</u>	<u>(7,120,000)</u>	<u>(6,695,000)</u>	<u>(6,305,000)</u>
Legal Debt Margin	<u>\$ 17,511,805</u>	<u>\$ 21,582,980</u>	<u>\$ 23,372,950</u>	<u>\$ 28,524,985</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	70.22%	75.19%	77.73%	81.90%

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

Fiscal Year					
2003	2004	2005	2006	2007	2008
\$ 5,895,000	\$ 5,666,173	\$ 5,182,075	\$ 4,678,774	\$ 4,151,798	\$ 3,601,127
978,914,070	1,026,692,120	1,070,116,330	1,202,381,510	1,232,738,120	1,746,859,870
0.60%	0.55%	0.48%	0.39%	0.34%	0.21%
\$ 875	\$ 836	\$ 767	\$ 690	\$ 607	\$ 527
\$ 36,125,903	\$ 36,443,268	\$ 38,236,245	\$ 42,226,660	\$ 42,824,043	\$ 56,625,403
<u>(5,895,000)</u>	<u>(5,666,173)</u>	<u>(5,182,075)</u>	<u>(4,678,774)</u>	<u>(4,151,798)</u>	<u>(3,601,127)</u>
<u>\$ 30,230,903</u>	<u>\$ 30,777,095</u>	<u>\$ 33,054,170</u>	<u>\$ 37,547,886</u>	<u>\$ 38,672,245</u>	<u>\$ 53,024,276</u>
83.68%	84.45%	86.45%	88.92%	90.30%	93.64%

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
1999	2,921	35,094	\$ 1,404,071	\$ 34,717	31.17	4,912	166.6	2.54%
2000	5,561	41,659	1,584,204	37,770	31.26	5,150	173.2	2.16%
2001	6,088	43,027	1,676,826	38,733	31.80	5,295	181.3	2.80%
2002	6,096	45,067	1,687,236	38,060	32.34	5,373	184.8	4.30%
2003	6,737	46,978	1,758,671	39,816	31.60	5,368	186.8	5.00%
2004	6,780	47,955	1,930,354	41,773	34.10	5,061	187.0	4.10%
2005	6,759	48,820	2,107,633	44,220	33.89	5,376	190.9	3.90%
2006	6,778	50,612	2,364,690	46,985	34.70	5,885	197.7	3.40%
2007	6,838	52,517	NA	47,511	35.20	5,820	202.0	2.85%
2008	6,838	NA	NA	NA	NA	NA	209.9	3.10%

Sources: Colorado Division of Local Governments; Eagle County RE-50J School District, Eagle County

TOWN OF AVON, COLORADO

PRINCIPAL EMPLOYERS CURRENT YEAR

Employer	2008	
	Employees	Rank
Wal-Mart	300	1
Westin Riverfront Resort & Spa	195	2
Christie Lodge	167	3
City Market	138	4
Restaurant Avondale	135	5
Home Depot	120	6
Town of Avon	118	7
Eagle River Water & Sanitation	90	8
Finnegan's	89	9
Sheraton Mountain Vista	80	10

Sources: Various Town of Avon Businesses, Department of Labor

TOWN OF AVON, COLORADO

COMMERCIAL AND RESIDENTIAL CONSTRUCTION LAST TEN FISCAL YEARS

Year	Commercial Construction		Residential Construction		Total Building Construction Value
	Square Footage	Value	No. of Units	Value	
1999	3,755	\$ 6,096,164	64	\$ 20,210,602	\$ 26,698,802
2000	156,027	16,700,998	47	30,823,673	47,524,671
2001	3,480	157,156	21	15,883,271	16,040,427
2002	401,304	38,830,606	289	20,490,119	59,320,725
2003	97,959	3,615,219	20	7,796,720	11,411,939
2004	140,059	3,818,000	20	12,417,897	16,235,897
2005	-	250,000	19	15,052,119	15,302,119
2006	26,639	114,860,200	12	13,980,955	128,841,155
2007	19,242	25,248,538	93	10,970,648	36,219,186
2008	11,416	2,525,749	15	11,165,780	13,691,529

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				
	1999	2000	2001	2002	2003
General Government					
Administration	6.20	6.75	6.75	6.00	5.00
Finance	4.50	5.50	5.50	6.00	6.00
Community Development	9.00	9.00	9.00	6.00	6.00
Police	17.00	18.00	19.00	18.00	17.00
Public Works & Engineering	19.50	21.00	21.00	24.00	22.50
Transportation	10.75	24.75	22.75	13.00	8.50
Fleet Maintenance	10.00	11.00	12.00	10.00	10.00
Recreation	21.00	21.00	20.00	20.00	18.00
Total	97.95	117.00	116.00	103.00	93.00
	2004	2005	2006	2007	2008
General Government					
Administration	5.00	5.00	5.00	5.00	5.75
Finance	6.00	6.00	6.00	7.00	7.00
Community Development	7.00	7.00	8.00	9.00	8.75
Police	17.00	17.00	18.00	19.00	21.00
Public Works & Engineering	22.00	20.90	21.90	25.90	26.90
Transportation	10.00	10.00	13.00	13.00	14.00
Fleet Maintenance	10.00	10.10	11.10	12.10	12.10
Recreation	17.00	17.00	17.00	18.00	19.00
Total	94.00	93.00	100.00	109.00	114.50

Source: Town of Avon Budget

TOWN OF AVON, COLORADO

OPERATING INDICATORS BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS

	Fiscal Year			
	1999	2000	2001	2002
Town of Avon Facilities and Services:				
Miles of Streets	15.62	18.61	19.18	18.62
Number of Street Lights	156	156	272	386
Culture and Recreation:				
Miles of Bike/Pedestrian Paths	0	0	0	0
Parks / Lakes	2 / 1	2 / 1	2 / 1	3 / 1
Park Acreage	668	668	668	668
Tennis / Volleyball / Basketball Courts	2 / 3 / 2	2 / 3 / 2	2 / 3 / 2	4 / 3 / 2
Recreation Centers	1	1	1	1
Softball / Soccer Fields	1 / 0	1 / 0	1 / 0	1 / 2
Police Protection:				
Number of Stations	1	1	1	1
Number of Police Personnel and Officers	17.00	18.00	19.00	18.00
Number of Patrol Units	11.00	12.00	13.00	12.00
Number of Law Violations:				
General Ordinance Violations	230	298	314	220
Traffic Violations	348	252	162	230
Parking Violations	678	500	536	361
Fire Protection:				
Number of Stations	5	5	0	0
Number of Fire Personnel and Officers	17.00	25.00	0.00	0.00
Number of Calls Answered	2,111	2,321	0	0
Number of Inspections Conducted	678	850	0	0
Facilities and Services Not Included in the Reporting Entity:				
Libraries:				
Number of Libraries / Volumes	1 / 38,000	1 / 38,000	1 / 38,000	1 / 43,289
Water System:				
Miles of Water Mains	15.68	15.68	15.68	23.16
Number of Service Connections	2,489	2,786	2,786	2,916
Daily Average Consumption in Gallons	582,000	750,000	750,000	756,137
Maximum Daily Capacity of Plant in Gallons	10MGD	10MGD	10MGD	10MGD
Sanitary Sewer System:				
Miles of Sanitary Sewers	27.56	28.11	28.11	28.11
Number of Treatment Plants	1	1	1	1
Number of Service Connections	2,473	2,916	2,916	2,916
Maximum Daily Capacity of Treatment Plant in Gallons	4.3MGD	4.3MGD	4.3MGD	4.3MGD
Education:				
Number of Elementary Schools / Instructors	1 / 30	1 / 30	1 / 30	1 / 35
Fire Protection:				
Number of Stations	0	0	4	6
Number of Fire Personnel and Officers	0	0	28	28
Number of Calls Answered	0	0	2,141	2,200
Number of Inspections Conducted	0	0	62	146

Fiscal Year					
2003	2004	2005	2006	2007	2008
22.34	22.34	23.11	23.04	23.04	23.73
465	465	465	408	408	433
5	5.48	5.48	5.6	5.6	5.6
3/1	4/1	4/1	5/1	5/1	5/1
668	671	671	672	672	672
4 / 3 / 3	4 / 3 / 3	4 / 3 / 3	4 / 3 / 3	4 / 3 / 3	4 / 3 / 3
1	1	1	1	1	1
1 / 2	1 / 2	1 / 2	1 / 2	1 / 2	1 / 2
1	1	1	1	1	1
17.00	17.00	17.00	18.00	16.00	18.00
11.00	11.00	11.00	12.00	12.00	14.00
273	303	284	278	333	267
375	230	309	566	243	351
204	201	286	245	6	3
0	0	0	0	0	0
0.00	0.00	0.00	0.00	0.00	0.00
0	0	0	0	0	0
0	0	0	0	0	0
1 / 72,107	1 / 73,329	1 / 77,966	1 / 78,021	1 / 85,378	1 / 76,228
24.99	24.99	24.99	24.99	24.99	24.99
3,358	3,376	3,409	3,462	3,675	3,761
713,058	779,263	790,945	842,234	778,373	943,787
10MGD	10MGD	10MGD	10MGD	10MGD	10MGD
33.44	33.44	33.44	33.44	33.44	33.44
1	1	1	1	1	1
3,489	3,507	3,536	3,546	3,801	3,821
4.3MGD	4.3MGD	4.3MGD	4.3MGD	4.3MGD	4.3MGD
1 / 30	1 / 30	1 / 23	1 / 32	1 / 53	1 / 27
6	8	8	8	9	9
44	45	44	44	51	51
2,144	2,272	2,364	2,572	2,469	2,855
280	168	215	385	494	529

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