



### **Community Values**

*Authentic*

*Connected*

*Accountable*

*Bold*

### **Town Council**

#### **5-year Goals:**

- 🗣️ *Approach community challenges through active collaboration and public engagement.*
- 🗣️ *Accommodate growth in a way that maintains our rural feel.*
- 🗣️ *Enable people who live and work here to thrive.*
- 🗣️ *Retain the unique character and traditions of Crested Butte.*
- 🗣️ *De-emphasize cars and focus on walking, biking, and transit.*
- 🗣️ *Continue to passionately care for our natural surroundings and forever protect Red Lady.*
- 🗣️ *Act on the urgency of climate change and prepare for the changes we expect from it.*

*Critical to our success is an engaged community and knowledgeable and experienced staff.*

## **AGENDA**

### **Town of Crested Butte**

### **Work Session**

### **Town Council Chambers**

### **507 Maroon Ave; Crested Butte, CO**

### **Monday, February 10, 2025**

*Please note, the Town Council meeting, scheduled for Tuesday, February 18, 2025, is cancelled.*

Meeting information to connect remotely:

<https://us02web.zoom.us/j/89269721179>

Join via audio: +1 719 359 4580 US +1 669 444 9171 US +1 253 205 0468 US +1 305 224 1968 US +1 309 205 3325 US +1 360 209 5623 US +1 386 347 5053 US +1 507 473 4847 US +1 564 217 2000 US +1 646 931 3860 US +1 689 278 1000 US  
Webinar ID: 892 6972 1179

*Public comments may be submitted at any time to the entire Council via email at [towncouncil@crestedbutte-co.gov](mailto:towncouncil@crestedbutte-co.gov).*

*The times are approximate. The meeting may move faster or slower than expected.*

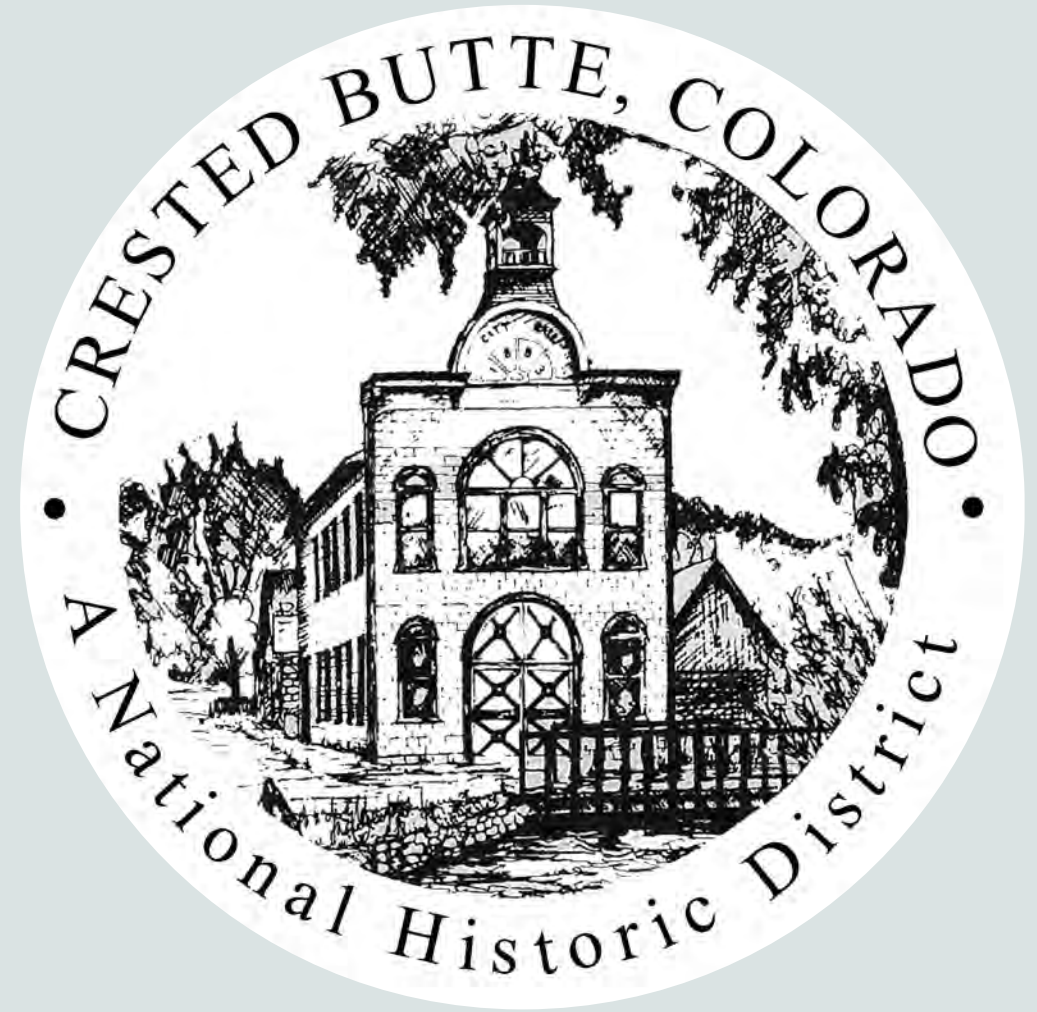
#### **6:00      WORK SESSION**

1) Long-Range Financial Planning.

*Staff Contact: Town Manager Dara MacDonald and Finance Director Kathy Ridgeway*

#### **8:00      ADJOURNMENT**

# Long-Range Financial Planning



# Workshop #1

## Understanding the Baseline



Funds



Revenues



Reserves



Personnel

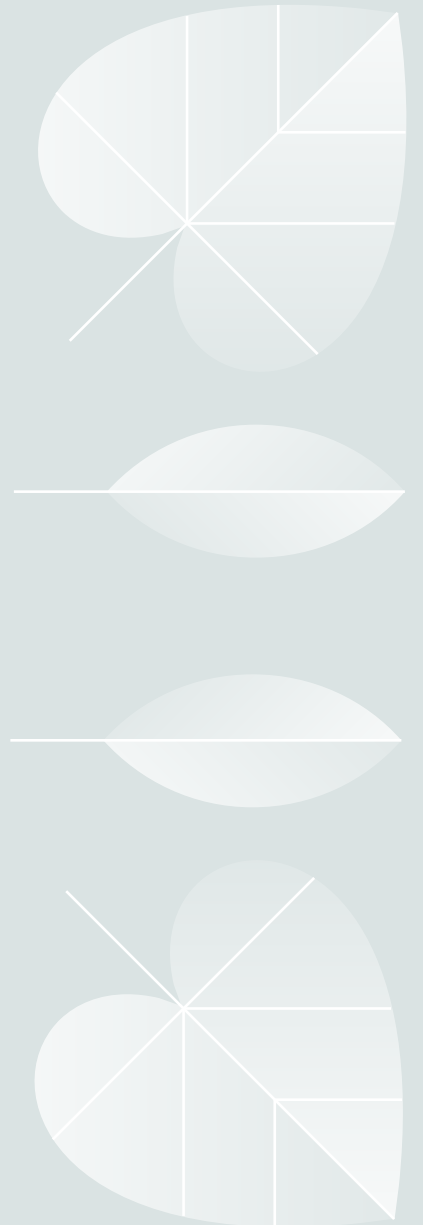


Next Steps

# Accounting Funds

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- How was each fund created?
- What is its purpose?
- Revenue Sources
- Limitations on use of funds
- Projected balances looking forward
- Resources
  - [Crested Butte Municipal Code Ch 4, Article 1](#)
  - [2025 Crested Butte Budget](#)





# General Fund

Likely the original fund for the Town

The catch-all fund that holds cash not specifically allocated to other funds. Least limited on use of funds

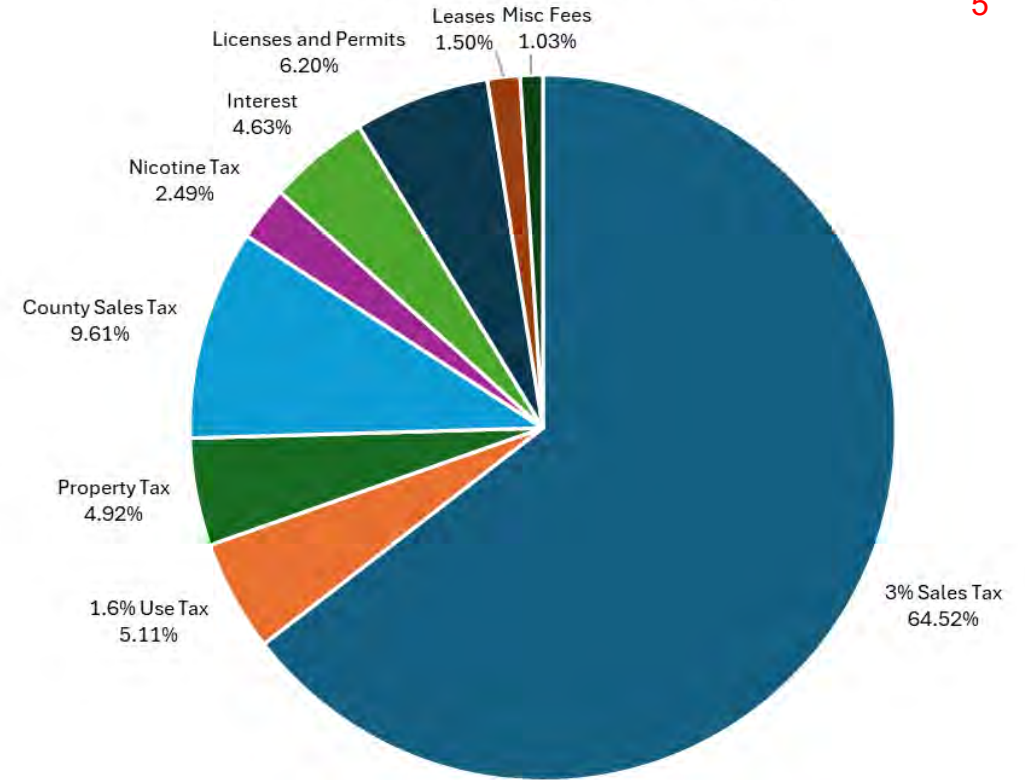
Funds general operations of the Town. Departments include:

- General Administration
- Clerks
- Town Council
- Finance
- Human Resources
- IT
- Community Development
- Public Works
- Fleet
- Marshals
- Sustainability



## GENERAL FUND REVENUE SOURCES

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## 2025 projected revenues

3% Sales Tax	4,530,743
1.6% Use Tax	358,566
Property Tax	345,334
County Sales Tax	675,000
Nicotine Tax	175,000
Interest	325,000
Licenses and Permits	435,400
Leases	105,200
Misc Fees	72,500
	7,022,743



# General Fund

## Projected balance in 2030

Projected balances for each fund are those included in the adopted 2025 budget

Baseline assumptions are:

1.25% increase in operating revenues

3% increase in operating expenses

Includes any identified grants, even if not awarded

Includes variable project and program costs already identified in future years

Includes anticipated interfund transfers



2025	GENERAL
<b>BEGINNING FUND BALANCE</b>	<b>\$9,056,297</b>
OPERATING REVENUES	\$7,309,993
- FIXED OPERATING COSTS	\$6,316,896
<b>NET INCOME/LOSS FROM OPERATIONS</b>	<b>\$993,097</b>
+ VARIABLE OPERATING REVENUES (GRANTS, DEBT)	\$500,000
- VARIABLE OPERATING COSTS (incl CAP MAINTENANCE)	\$909,242
<b>FUND BALANCE</b>	<b>\$583,855</b>
- RESTRICTED RESERVES	\$455,000
- OPERATING RESERVES	\$5,567,688
<b>FUNDS AVAILABLE FOR VARIABLE PROJECTS AND PROGRAMS</b>	<b>(\$5,438,833)</b>
- VARIABLE PROJECT AND PROGRAM COSTS	\$960,713
<b>ENDING FUND BALANCE BEFORE TRANSFERS</b>	<b>(\$6,399,546)</b>
+ TRANSFERS IN FROM OTHER FUNDS	\$535,713
- TRANSFERS OUT TO OTHER FUNDS	\$183,068
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$3,009,396</b>
2026	GENERAL
<b>BEGINNING FUND BALANCE</b>	<b>\$9,032,084</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$3,010,608</b>
2027	GENERAL
<b>BEGINNING FUND BALANCE</b>	<b>\$9,200,326</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$2,878,952</b>
2028	GENERAL
<b>BEGINNING FUND BALANCE</b>	<b>\$9,240,712</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$2,608,779</b>
2029	GENERAL
<b>BEGINNING FUND BALANCE</b>	<b>\$9,147,742</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$2,194,252</b>
2030	GENERAL
<b>BEGINNING FUND BALANCE</b>	<b>\$8,915,734</b>



# Capital Fund

May have begun with original RETT in 1979

Purpose is for land acquisition and capital improvements, inclusive of maintenance costs for streets, parks and buildings.

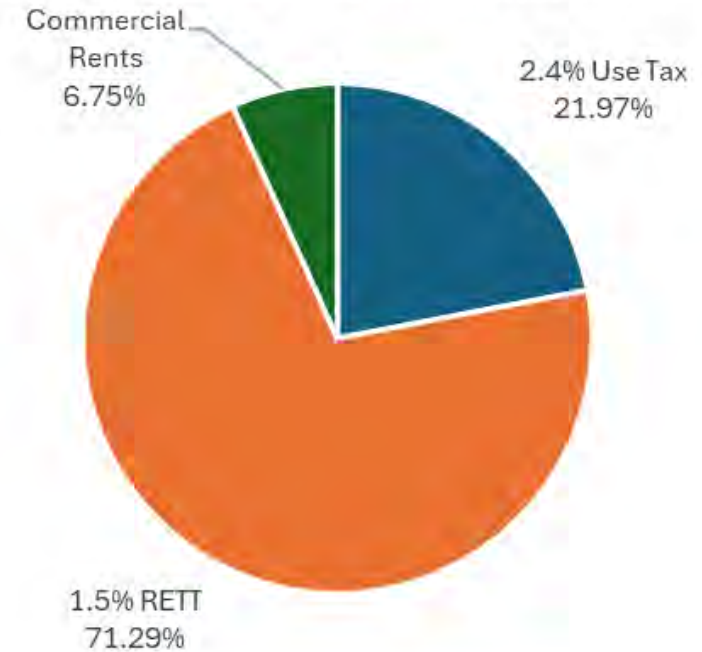
Transfers are allowed to these funds:

- Affordable Housing
- Open Space
- Transit & Mobility
- Street and Alley
- Parks, Recreation & Trails
- Utility Enterprise



## CAPITAL FUND REVENUE SOURCES

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## 2025 projected revenues

2.4% Use Tax	346,667
1.5% RETT	1,125,000
Commercial Rents	106,500
	1,578,167





# Capital Fund

## Projected balance in 2030

Projected balances for each fund are those included in the adopted 2025 budget

Baseline assumptions are:

1.25% increase in operating revenues

3% increase in operating expenses

Includes any identified grants, even if not awarded

Includes variable project and program costs already identified in future years

Includes anticipated interfund transfers



2025	CAPITAL
	8
<b>BEGINNING FUND BALANCE</b>	<b>\$6,990,591</b>
OPERATING REVENUES	\$1,592,667
- FIXED OPERATING COSTS	\$662,859
<b>NET INCOME/LOSS FROM OPERATIONS</b>	<b>\$929,808</b>
+ VARIABLE OPERATING REVENUES (GRANTS, DEBT)	\$955,123
- VARIABLE OPERATING COSTS (incl CAP MAINTENANCE)	\$95,000
<b>FUND BALANCE</b>	<b>\$1,789,931</b>
- RESTRICTED RESERVES	
- OPERATING RESERVES	\$662,859
<b>FUNDS AVAILABLE FOR VARIABLE PROJECTS AND PROGRAMS</b>	<b>\$1,127,072</b>
- VARIABLE PROJECT AND PROGRAM COSTS	\$3,235,211
<b>ENDING FUND BALANCE BEFORE TRANSFERS</b>	<b>(\$2,108,139)</b>
+ TRANSFERS IN FROM OTHER FUNDS	
- TRANSFERS OUT TO OTHER FUNDS	\$1,703,614
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$3,178,838</b>
2026	CAPITAL
<b>BEGINNING FUND BALANCE</b>	<b>\$3,841,697</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$356,375</b>
2027	CAPITAL
<b>BEGINNING FUND BALANCE</b>	<b>\$1,039,119</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>(\$1,880,641)</b>
2028	CAPITAL
<b>BEGINNING FUND BALANCE</b>	<b>(\$1,177,414)</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>(\$2,854,864)</b>
2029	CAPITAL
<b>BEGINNING FUND BALANCE</b>	<b>(\$2,130,541)</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>(\$2,572,518)</b>
2030	CAPITAL
<b>BEGINNING FUND BALANCE</b>	<b>(\$1,826,465)</b>





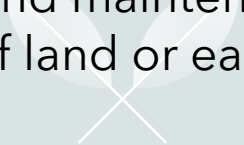
# Open Space Fund

Created following the RETT expansion in 1991

*only for those purposes set forth below to accomplish the preservation of open space and access outside the Town boundaries as they exist as of November 5, 1991, and financing activities relative thereto*

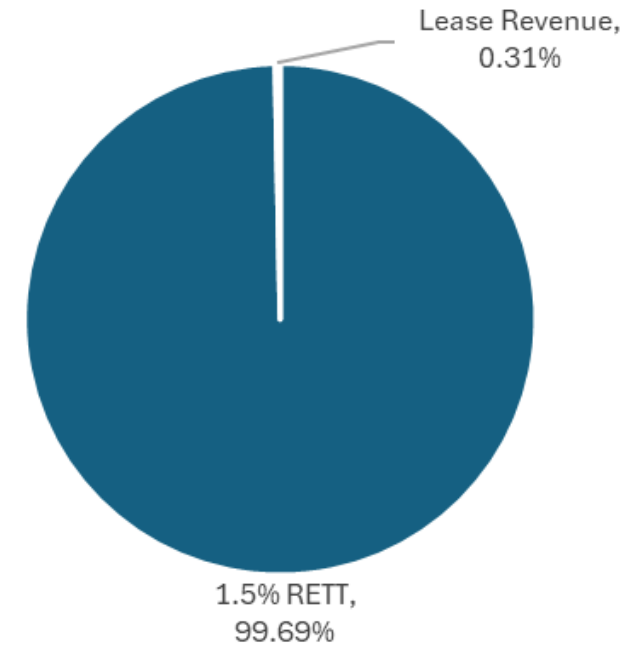
1. Purchase, lease, hold, have, use and take possession of interests in real property, obtain easements, including conservation easements, licenses in real property and first rights of refusal; and sell, lease, mortgage, deed in trust, alienate, subdivide, trade or dispose of the same.
2. Administer, improve, maintain, and manage real property and easements and licenses therein for the benefit of the citizens of the Town.
3. Designate such other entities as it deems appropriate to perform those functions set forth in Paragraphs (1) and (2) above, and appropriate funds for the administration of such entities.
4. Any other purposes allowed by law.

This fund does include operational expenses including personnel and maintenance but is primarily used for acquisition of land or easements.



## OPEN SPACE REVENUE SOURCES

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## 2025 projected revenues

1.5% RETT	1,125,000
Lease Revenue	3,500
	1,128,500

# Parks, Recreation & Trails Fund

Fund was created in 2024, prior to that Parks was lumped into the Capital fund and Recreation in the General fund.

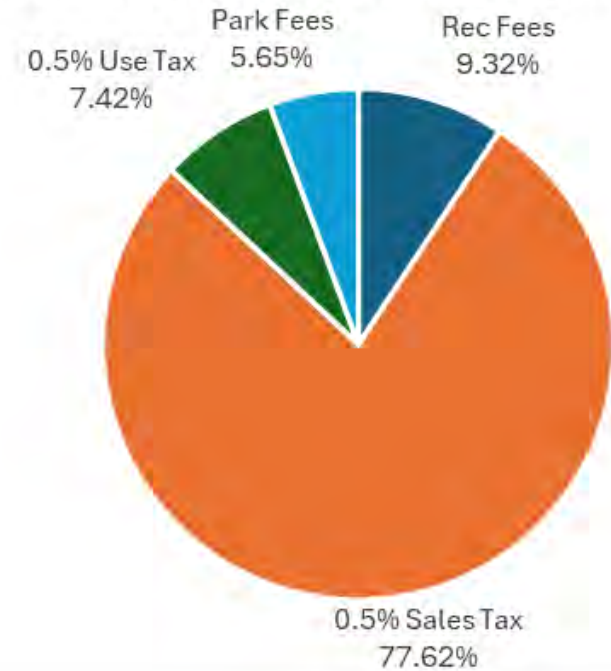
0.5% sales and use taxes approved by voters in 2015 provide dedicated funding for:

- (1) Improving, managing and maintaining parks, recreational facilities, and trails;
- (2) Providing recreational programming and equipment for youth and adult activities;
- (3) Winter snow removal on designated pedestrian routes;
- (4) Summer streets amenities including but not limited to planter boxes, bicycle racks, and trash receptacles;
- (5) Planning, acquiring property, creating, redeveloping or expanding parks, campgrounds, recreational facilities, and trails; and
- (6) Any other purposes allowed by law.

Recent goal has been to get Parks operations to within the 0.5% sales and use tax revenue, while capital expenses continue to be offset by Capital fund and Recreation by the General fund.

## PARKS AND REC REVENUE SOURCES

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## 2025 projected revenues

Rec Fees	90,700
0.5% Sales Tax	755,763
0.5% Use Tax	72,222
Park Fees	55,000
	973,685



# Parks, Recreation & Trails Fund

Projected balance in 2030

Projected balances for each fund are those included in the adopted 2025 budget

Baseline assumptions are:

1.25% increase in operating revenues

3% increase in operating expenses

Includes any identified grants, even if not awarded

Includes variable project and program costs already identified in future years

Includes anticipated interfund transfers



2025	PARKS, REC & TRAILS
<b>BEGINNING FUND BALANCE</b>	<b>\$1,153,381</b>
OPERATING REVENUES	\$973,685
- FIXED OPERATING COSTS	\$1,165,059
<b>NET INCOME/LOSS FROM OPERATIONS</b>	<b>(\$191,374)</b>
+ VARIABLE OPERATING REVENUES (GRANTS, DEBT)	\$46,250
- VARIABLE OPERATING COSTS (incl CAP MAINTENANCE)	\$0
<b>FUND BALANCE</b>	<b>(\$145,124)</b>
- RESTRICTED RESERVES	
- OPERATING RESERVES	\$1,167,798
<b>FUNDS AVAILABLE FOR VARIABLE PROJECTS AND PROGRAMS</b>	<b>(\$1,312,922)</b>
- VARIABLE PROJECT AND PROGRAM COSTS	\$271,000
<b>ENDING FUND BALANCE BEFORE TRANSFERS</b>	<b>(\$1,583,922)</b>
+ TRANSFERS IN FROM OTHER FUNDS	\$430,541
- TRANSFERS OUT TO OTHER FUNDS	
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$0</b>
2026	PARKS, REC & TRAILS
<b>BEGINNING FUND BALANCE</b>	<b>\$1,167,798</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$0</b>
2027	PARKS, REC & TRAILS
<b>BEGINNING FUND BALANCE</b>	<b>\$1,182,396</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$0</b>
2028	PARKS, REC & TRAILS
<b>BEGINNING FUND BALANCE</b>	<b>\$1,197,176</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$0</b>
2029	PARKS, REC & TRAILS
<b>BEGINNING FUND BALANCE</b>	<b>\$1,212,140</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$0</b>
2030	PARKS, REC & TRAILS
<b>BEGINNING FUND BALANCE</b>	<b>\$1,227,293</b>

# Conservation Trust Fund

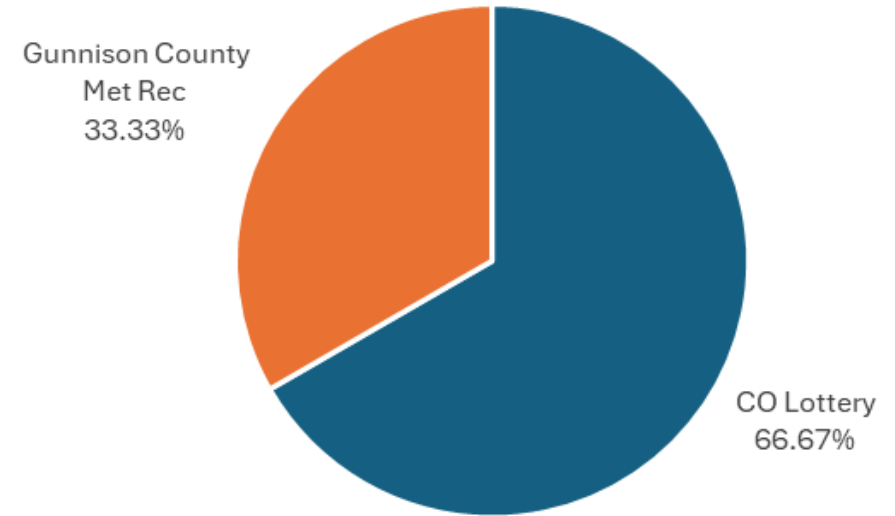
The Department of Local Affairs distributes Conservation Trust Fund (CTF) dollars quarterly, on a per capita basis, to over 470 eligible local governments: counties, cities, towns, and Title 32 special districts that provide park and recreation services in their service plans.

Funding can be used for the acquisition, development, and maintenance of new conservation sites or for capital improvements or maintenance for recreational purposes on any public site. A public site is defined by the department as a publicly owned site, or a site in which a public entity/local government holds an interest in land or water.

Distributions are based on population.

MetRec distributes some of their CTF dollars to each municipality within the district.

## CONSERVATION TRUST FUND REVENUE SOURCES



## 2025 projected revenues

CO Lottery	10,000
Gunnison County Met R	5,000



# Street & Alley Fund

Established in 1987 when voters approved up to 16 mills of property tax for the purpose of improving and maintaining, on a long-term basis, the streets and alleys within the Town.

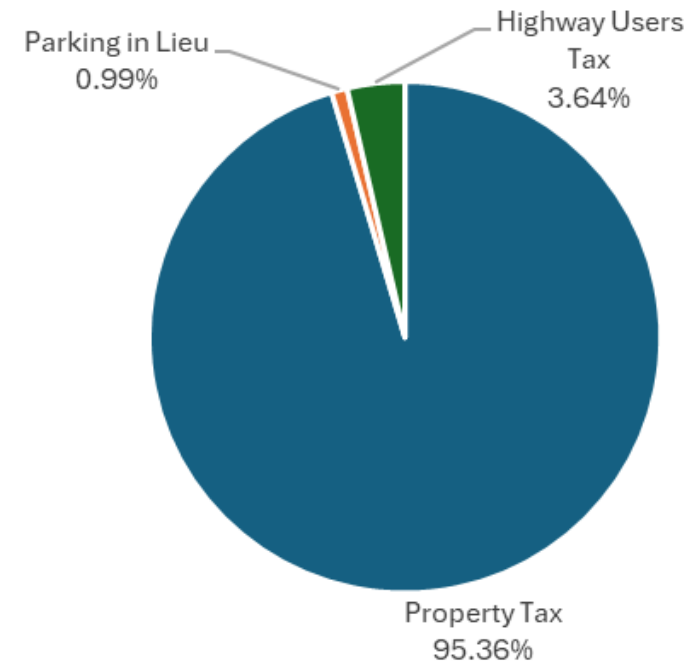
1. Improving, managing, maintaining and removing snow from streets and alleys;
2. Acquisition of land to facilitate street and alley maintenance such as parking or snow storage;
3. Procurement of equipment utilized for street and alley maintenance;
4. Procurement, maintenance and improvement of those items that support complete streets such as bridges, signs, sidewalks, stormwater improvements and parking; and
5. Any other purposes allowed by law.



Currently assessing 8 mills.

Highway Users Tax is our distribution of tax on auto fuel

## STREETS & ALLEYS REVENUE SOURCES<sup>13</sup>



## 2025 projected revenues

Property Tax	1,438,892
Parking in Lieu	15,000
Highway Users Tax	54,938
	1,508,830



# Street & Alley Fund

Projected balance in 2030

Projected balances for each fund are those included in the adopted 2025 budget

Baseline assumptions are:

1.25% increase in operating revenues

3% increase in operating expenses

Includes any identified grants, even if not awarded

Includes variable project and program costs already identified in future years

**As shown, the Street and Alley fund is not receiving any transfers from other funds.**

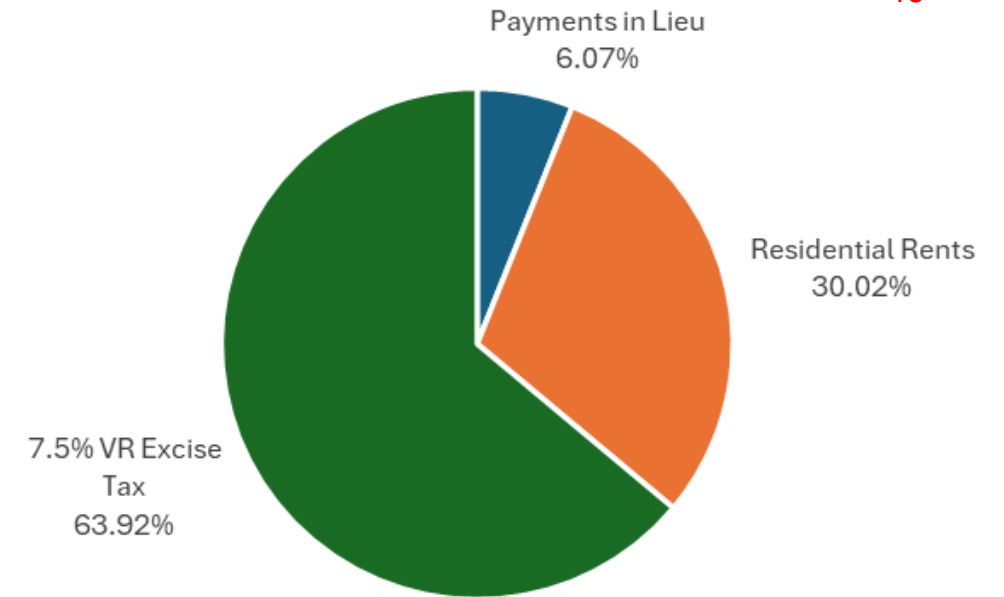
2025	STREET & ALLEY
	14
BEGINNING FUND BALANCE	\$981,716
OPERATING REVENUES	\$1,509,330
- FIXED OPERATING COSTS	\$1,116,075
NET INCOME/LOSS FROM OPERATIONS	\$393,255
+ VARIABLE OPERATING REVENUES (GRANTS, DEBT)	\$175,000
- VARIABLE OPERATING COSTS (incl CAP MAINTENANCE)	\$100,000
FUND BALANCE	\$468,255
- RESTRICTED RESERVES	\$1,116,075
- OPERATING RESERVES	\$0
FUNDS AVAILABLE FOR VARIABLE PROJECTS AND PROGRAMS	(\$647,820)
- VARIABLE PROJECT AND PROGRAM COSTS	\$1,024,000
ENDING FUND BALANCE BEFORE TRANSFERS	(\$1,671,820)
+ TRANSFERS IN FROM OTHER FUNDS	
- TRANSFERS OUT TO OTHER FUNDS	
REMAINING SPENDABLE FUND BALANCE	(\$690,104)
2026	STREET & ALLEY
BEGINNING FUND BALANCE	\$425,971
REMAINING SPENDABLE FUND BALANCE	(\$1,183,702)
2027	STREET & ALLEY
BEGINNING FUND BALANCE	(\$53,676)
REMAINING SPENDABLE FUND BALANCE	(\$1,635,267)
2028	STREET & ALLEY
BEGINNING FUND BALANCE	(\$491,116)
REMAINING SPENDABLE FUND BALANCE	(\$1,753,198)
2029	STREET & ALLEY
BEGINNING FUND BALANCE	(\$594,745)
REMAINING SPENDABLE FUND BALANCE	(\$3,038,320)
2030	STREET & ALLEY
BEGINNING FUND BALANCE	(\$1,865,386)

# Affordable Housing Fund

Fund has existed for a while, defined in municipal code concurrent with adoption of the initial vacation rental tax approved by voters in 2017 at 5% of nightly rentals. Increased to 7.5% in 2021.

Funds may be used for a broad array of purposes in support of affordable housing as detailed in the municipal code.

## AFFORDABLE HOUSING REVENUE SOURCES



## 2025 projected revenues

Payments in Lieu	70,700
Residential Rents	349,800
7.5% VR Excise Tax	744,854
	1,165,354





# Affordable Housing Fund

Projected balance in 2030

Projected balances for each fund are those included in the adopted 2025 budget

Baseline assumptions are:

1.25% increase in operating revenues

3% increase in operating expenses

Includes any identified grants, even if not awarded

Includes variable project and program costs already identified in future years

Includes anticipated interfund transfers



2025	AFFORDABLE HOUSING
<b>BEGINNING FUND BALANCE</b>	<b>\$3,941,639</b>
OPERATING REVENUES	\$1,191,354
- FIXED OPERATING COSTS	\$1,130,874
<b>NET INCOME/LOSS FROM OPERATIONS</b>	<b>\$60,480</b>
+ VARIABLE OPERATING REVENUES (GRANTS, DEBT)	\$646,409
- VARIABLE OPERATING COSTS (incl CAP MAINTENANCE)	\$210,000
<b>FUND BALANCE</b>	<b>\$496,889</b>
- RESTRICTED RESERVES	\$615,750
- OPERATING RESERVES	\$362,899
<b>FUNDS AVAILABLE FOR VARIABLE PROJECTS AND PROGRAMS</b>	<b>(\$481,760)</b>
- VARIABLE PROJECT AND PROGRAM COSTS	\$4,882,446
<b>ENDING FUND BALANCE BEFORE TRANSFERS</b>	<b>(\$5,364,206)</b>
+ TRANSFERS IN FROM OTHER FUNDS	\$1,422,567
- TRANSFERS OUT TO OTHER FUNDS	
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$0</b>
2026	AFFORDABLE HOUSING
<b>BEGINNING FUND BALANCE</b>	<b>\$978,649</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$0</b>
2027	AFFORDABLE HOUSING
<b>BEGINNING FUND BALANCE</b>	<b>\$999,742</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$296,593</b>
2028	AFFORDABLE HOUSING
<b>BEGINNING FUND BALANCE</b>	<b>\$1,308,327</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$243,207</b>
2029	AFFORDABLE HOUSING
<b>BEGINNING FUND BALANCE</b>	<b>\$1,267,293</b>
<b>REMAINING SPENDABLE FUND BALANCE</b>	<b>\$130,136</b>
2030	AFFORDABLE HOUSING
<b>BEGINNING FUND BALANCE</b>	<b>\$1,166,945</b>

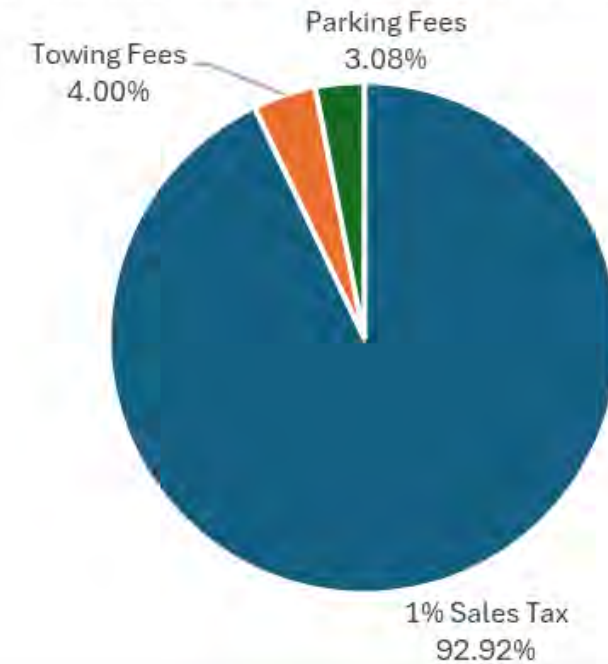
# Transit & Mobility Fund

Established in 2024 in anticipation of adoption of Transit Mobility Plan and to separate the 1% sales tax dedicated to transportation which had previously grouped with the Sales Tax fund or General fund. The additional 1% sales tax was approved by voters in 1982.

The purpose is supporting multimodal transportation alternatives, which include, but are not limited to, the operation of transit systems in Crested Butte and surrounding areas, town-wide traffic calming, pedestrian and bicycle facility construction, and parking management.

Through an IGA the Town dedicates 95% of the transportation sales taxes to Mountain Express. Those funds are passed through each month.

## TRANSIT & MOBILITY REVENUE SOURCES <sup>17</sup>



## 2025 projected revenues

1% Sales Tax	1,510,248
Towing Fees	65,000
Parking Fees	50,000
	1,625,248



# Transit & Mobility Fund

Projected balance in 2030

Projected balances for each fund are those included in the adopted 2025 budget

Baseline assumptions are:

1.25% increase in operating revenues

3% increase in operating expenses

Includes anticipated interfund transfers into the fund each year to cover shortfall incurred primarily by Late Night Taxi and Parking Management.

No balance is maintained for this fund.



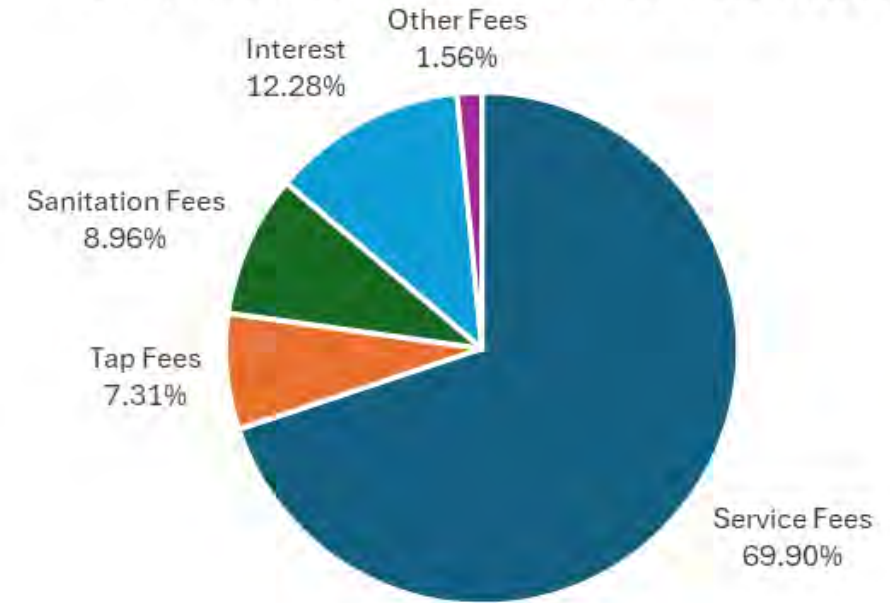
2025	TRANSIT & MOBILITY <sup>18</sup>
BEGINNING FUND BALANCE	\$0
OPERATING REVENUES	\$1,625,548
- FIXED OPERATING COSTS	\$1,659,122
NET INCOME/LOSS FROM OPERATIONS	(\$33,574)
+ VARIABLE OPERATING REVENUES (GRANTS, DEBT)	
- VARIABLE OPERATING COSTS (incl CAP MAINTENANCE)	\$0
FUND BALANCE	(\$33,574)
- RESTRICTED RESERVES	
- OPERATING RESERVES	\$0
FUNDS AVAILABLE FOR VARIABLE PROJECTS AND PROGRAMS	(\$33,574)
- VARIABLE PROJECT AND PROGRAM COSTS	
ENDING FUND BALANCE BEFORE TRANSFERS	(\$33,574)
+ TRANSFERS IN FROM OTHER FUNDS	\$33,574
- TRANSFERS OUT TO OTHER FUNDS	
REMAINING SPENDABLE FUND BALANCE	\$0
2026	TRANSIT & MOBILITY
BEGINNING FUND BALANCE	\$0
REMAINING SPENDABLE FUND BALANCE	\$0
2027	TRANSIT & MOBILITY
BEGINNING FUND BALANCE	\$0
REMAINING SPENDABLE FUND BALANCE	\$0
2028	TRANSIT & MOBILITY
BEGINNING FUND BALANCE	\$0
REMAINING SPENDABLE FUND BALANCE	\$0
2029	TRANSIT & MOBILITY
BEGINNING FUND BALANCE	\$0
REMAINING SPENDABLE FUND BALANCE	\$0
2030	TRANSIT & MOBILITY
BEGINNING FUND BALANCE	\$0

# Utility Enterprise Fund

This special fund was created for the purpose of operating water, wastewater, and solid waste utilities. The funds therein shall be used only in support of these utilities. Activities in this fund are government-owned businesses.

This fund is operated without tax funding support. While it can receive grants and transfers from other funds there are limitations to how much under TABOR without certain restrictions being applied.

## UTILITY ENTERPRISE REVENUE SOURCES <sup>19</sup>



## 2025 projected revenues

Service Fees	2,870,020
Tap Fees	300,000
Sanitation Fees	367,920
Interest	504,000
Other Fees	63,850
	4,105,790



# Utility Enterprise Fund

Projected balance in 2030

Baseline assumptions are:

1.25% annual increase in operating revenues

3% annual increase in tap and service fees

3% increase in operating expenses

Does not include Whetstone

Includes any identified grants, even if not awarded

Includes variable project and program costs already identified in future years

Does not include any debt issuance.

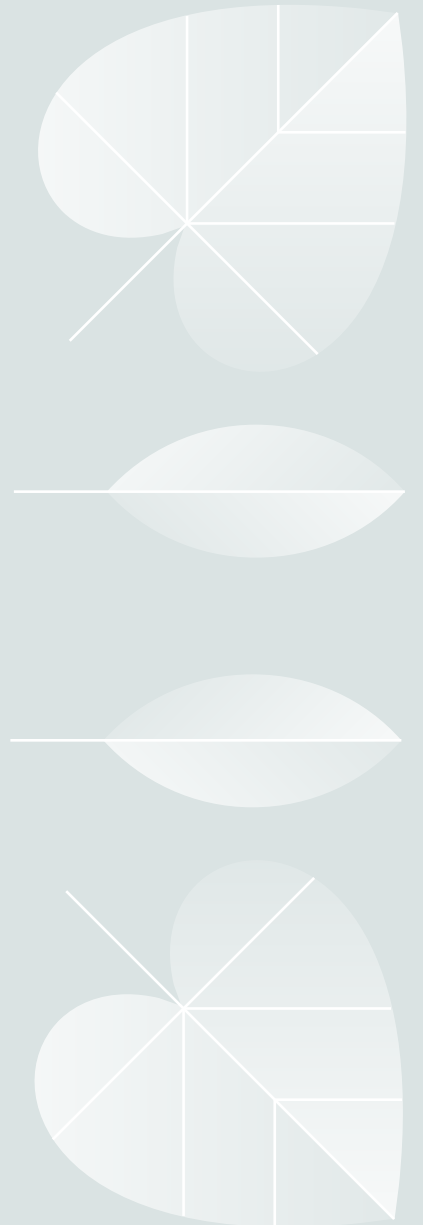


2025	UTILITY ENTERPRISE
BEGINNING FUND BALANCE	\$9,058,901
OPERATING REVENUES	\$5,521,106
- FIXED OPERATING COSTS	\$3,256,987
NET INCOME/LOSS FROM OPERATIONS	\$2,264,119
+ VARIABLE OPERATING REVENUES (GRANTS, DEBT)	\$592,000
- VARIABLE OPERATING COSTS (incl CAP MAINTENANCE)	\$0
FUND BALANCE	\$2,856,119
- RESTRICTED RESERVES	\$459,400
- OPERATING RESERVES	\$2,992,836
FUNDS AVAILABLE FOR VARIABLE PROJECTS AND PROGRAMS	(\$596,117)
- VARIABLE PROJECT AND PROGRAM COSTS	\$4,839,000
ENDING FUND BALANCE BEFORE TRANSFERS	(\$5,435,117)
+ TRANSFERS IN FROM OTHER FUNDS	
- TRANSFERS OUT TO OTHER FUNDS	
REMAINING SPENDABLE FUND BALANCE	\$3,623,784
2026	UTILITY ENTERPRISE
BEGINNING FUND BALANCE	\$7,076,020
REMAINING SPENDABLE FUND BALANCE	\$3,297,658
2027	UTILITY ENTERPRISE
BEGINNING FUND BALANCE	\$6,787,304
REMAINING SPENDABLE FUND BALANCE	(\$2,105,374)
2028	UTILITY ENTERPRISE
BEGINNING FUND BALANCE	\$1,422,150
REMAINING SPENDABLE FUND BALANCE	(\$2,249,463)
2029	UTILITY ENTERPRISE
BEGINNING FUND BALANCE	\$1,316,413
REMAINING SPENDABLE FUND BALANCE	(\$6,344,736)
2030	UTILITY ENTERPRISE
BEGINNING FUND BALANCE	(\$2,740,029)

# Tax Revenues

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- History of the tax
- How is the tax allocated?

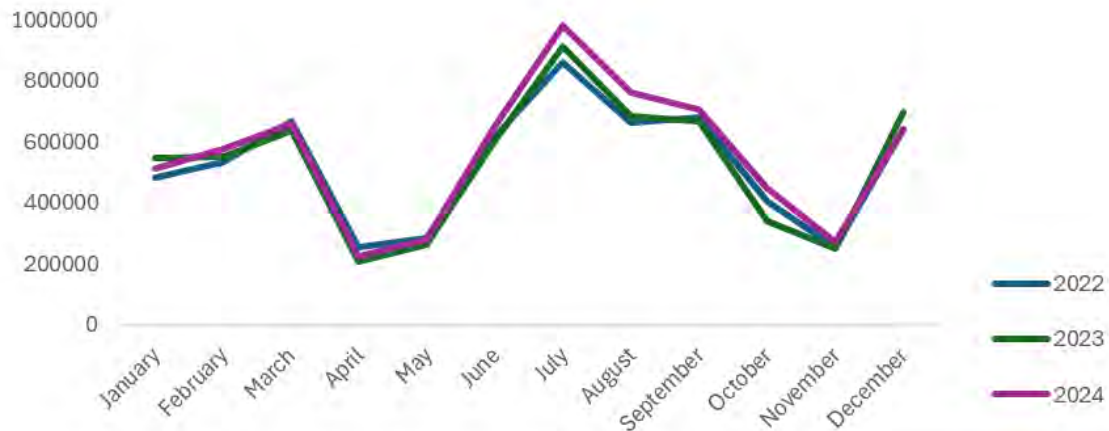




# Sales Tax

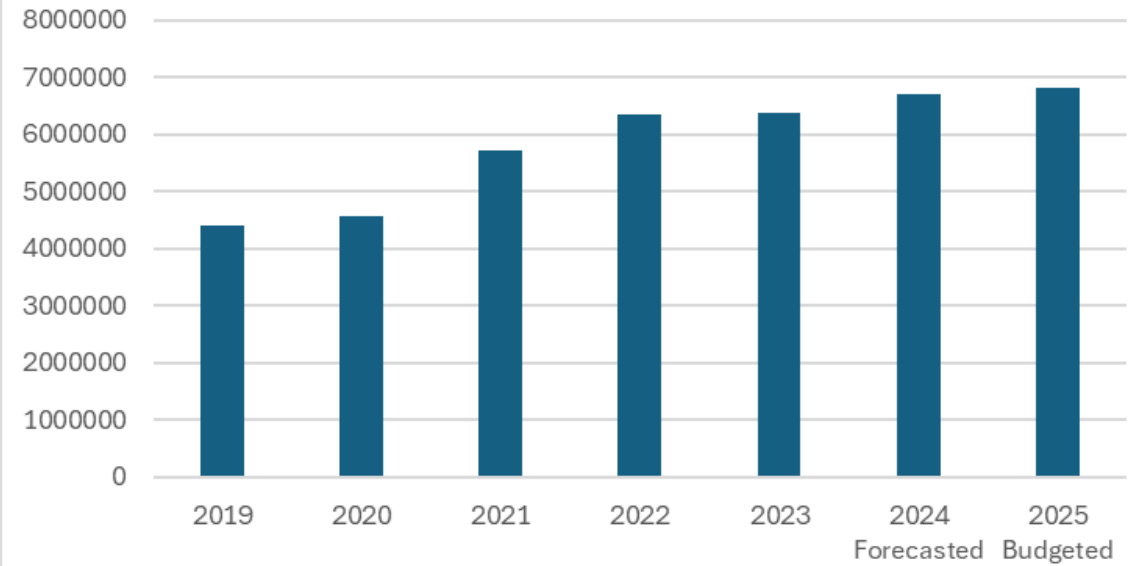
A sales tax of 1% was imposed in 1970, increased to 3% in 1973. In 1982 it was increased to 4% with the additional 1% to fund transportation. In 2015 voters approved an additional 0.5% for parks & recreation.

SALES TAX BY MONTH 2022 - 2024

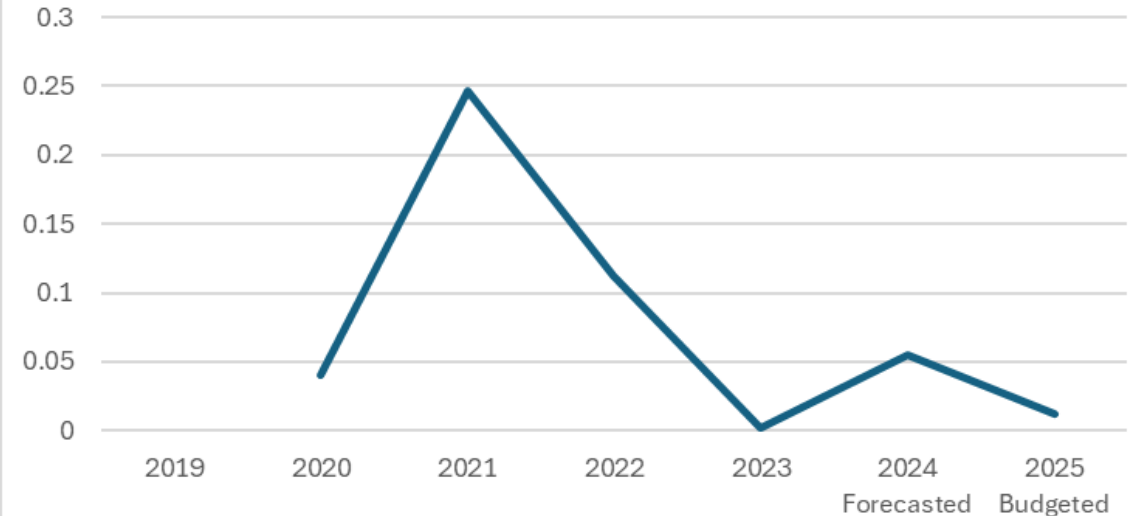


SALES TAX COLLECTED ANNUALLY

22



% INCREASE IN SALES TAX COLLECTED YEAR OVER YEAR





# Sales Tax

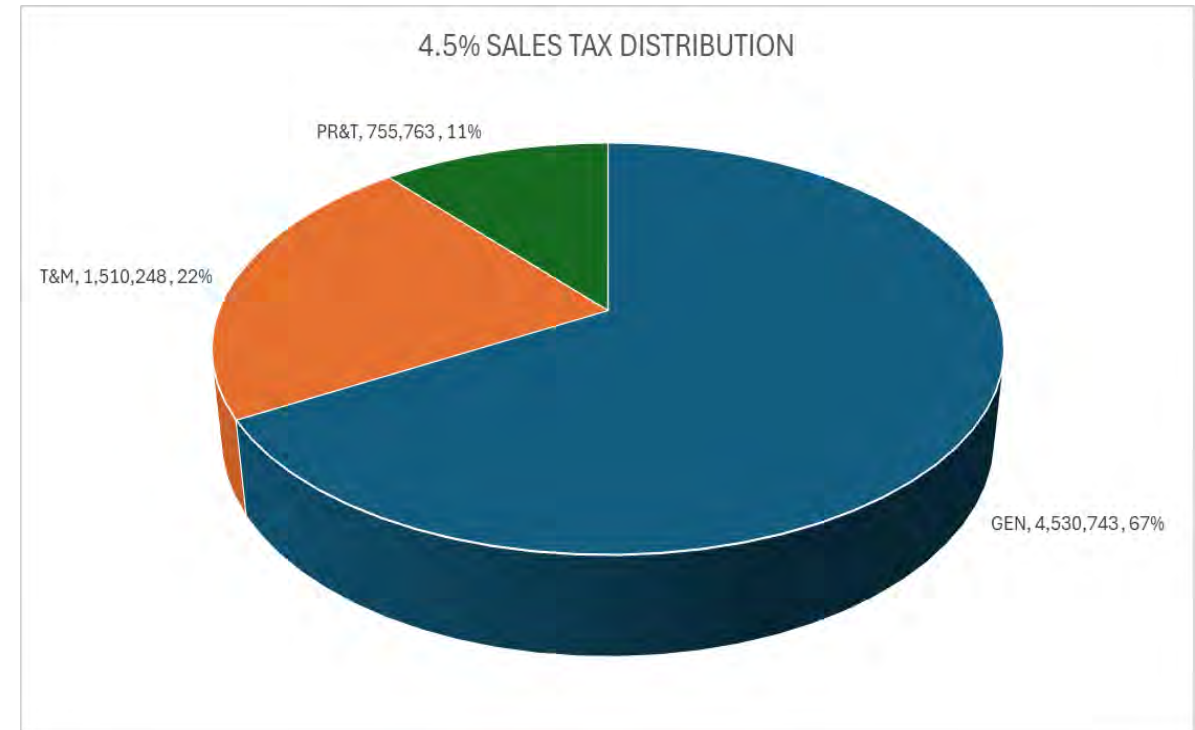
## SOURCES & USES

Revenue Source	% of total Town Revenue	Fund receiving revenue	2025 estimated revenue for budget	% of Revenue for Fund in 2025	Total 2025 budgetted revenue for fund			
<b>Sales Tax (9.4%)</b>	<b>43%</b>							
State of CO (2.9%)								
RTA (1%)								
Town of CB (4.5%)	39%		\$ 6,796,754					
3.0%		General Fund	\$ 4,530,743	61.4%	\$ 7,384,993			
0.5%		Parks, Rec & Trails	\$ 755,763	52.1%	\$ 1,450,476			(incl. \$430,541 in transfers)
1.0%		Transit & Mobility	\$ 1,510,248					
Gunnison County (1%)	4%	General Fund	\$ 675,000	9.1%	\$ 7,384,993			(1/2 of County proceeds sharec



# Sales Tax

How is it divvied up?



TOTAL GROSS SALES =		\$151,038,978
GEN	3% Sales Tax	\$4,530,743
T&M	1% Sales Tax	\$1,510,248
PR&T	0.5% Sales Tax	\$755,763
		<hr/>
		\$6,796,754



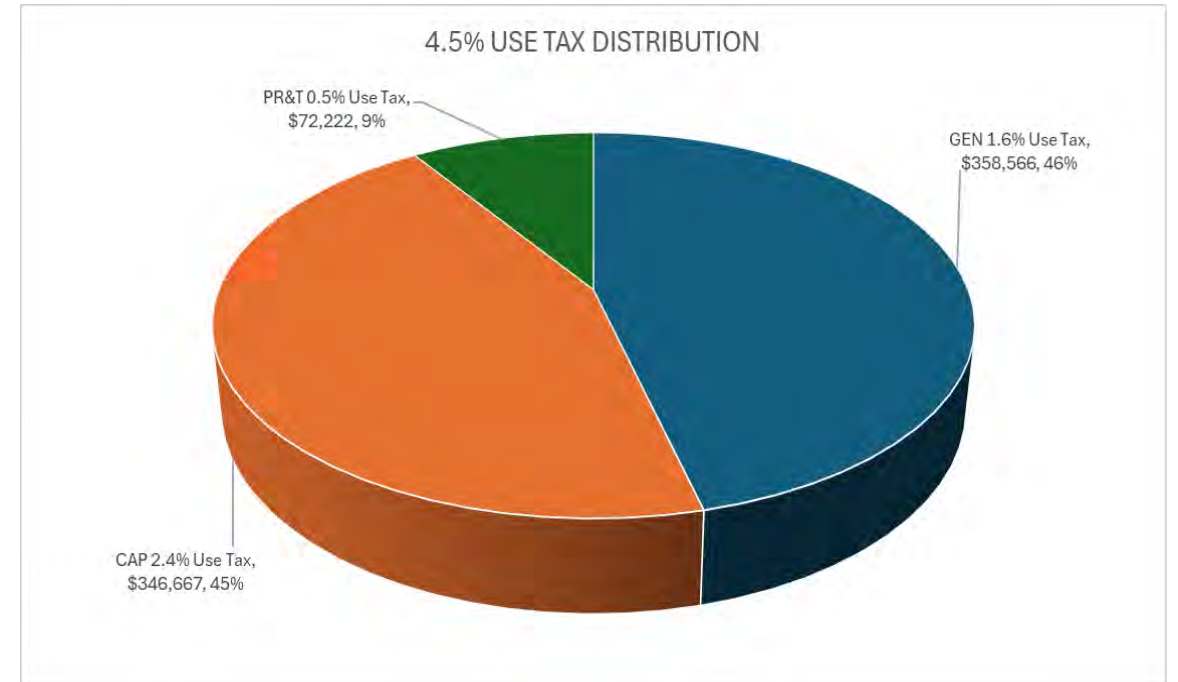
# Use Tax

In 1980, voters approved an excise tax of 4% for the privilege of use, storage or consumption of construction or building materials and motor vehicles purchased outside the town for use, storage or consumption within the town.

60% goes to the Capital fund with 40% going to the General fund.

This means that we impose a use tax on construction materials and motor vehicles that are purchased somewhere else and brought into town.

The use tax was increased to 4.5% with the vote in 2015, with the additional 0.5% going to parks & recreation.



**TOTAL GROSS SALES =**

**\$17,276,778**

**GEN  
CAP  
PR&T**

**1.6% Use Tax  
2.4% Use Tax  
0.5% Use Tax**

**\$358,566  
\$346,667  
\$72,222  

---

\$777,455**

# Use Tax

## SOURCES & USES

Revenue Source		% of total Town Revenue	Fund receiving revenue		2025 estimated revenue for budget		% of Revenue for Fund in 2025		Total 2025 budgetted revenue for fund			
<b>Use Tax (4.5% on vehicles &amp; const. materials)</b>												
		4%			\$ 650,000							
60% of 4.0% tax			General Capital		\$ 231,111		9.1%		\$ 2,547,790		(incl \$955k in grants)	
40% of 4.0% tax			General Fund		\$ 346,667		4.7%		\$ 7,384,993			
0.5%			Parks, Rec & Trails		\$ 72,222		5.0%		\$ 1,450,476		(incl. \$430,541 in transfers)	




# Real Estate Transfer Tax (RETT)

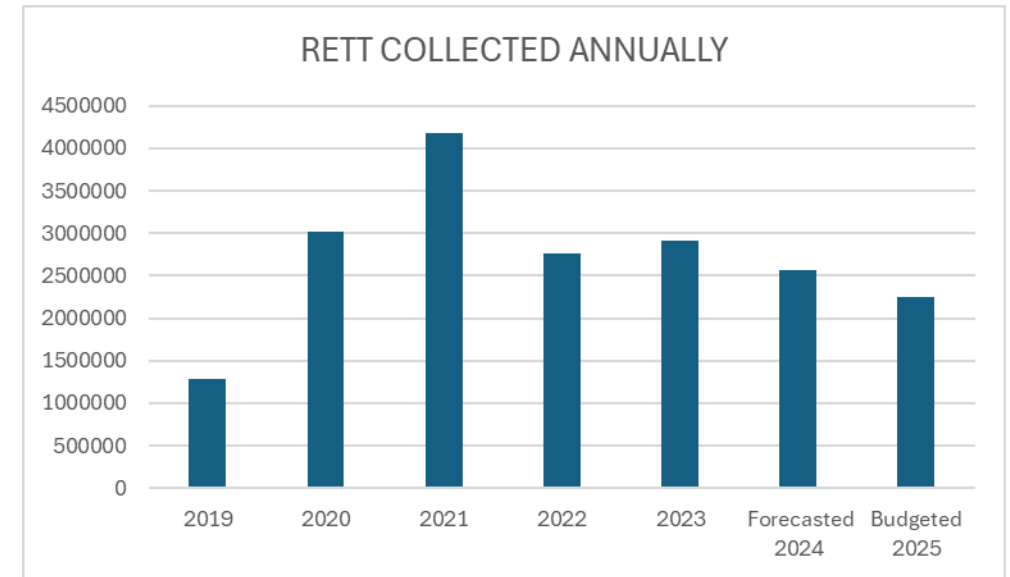
Original RETT was approved in 1979 funding

1. Streets, Alleys & Parking Areas
2. Lower Cost Housing
3. Parks & Open Space & Community Center Purposes

% of tax levied varied with length of property ownership from 0% if owned for 10 years or more, to 5% if owned for less than 1 year.

In 1991 voters approved a 3% RETT

- ½ to Capital Fund
  - ½ to Open Space Fund
- 



# RETT

## SOURCES & USES

Revenue Source		% of total Town Revenue	Fund receiving revenue		2025 estimated revenue for budget		% of Revenue for Fund in 2025		Total 2025 budgetted revenue for fund		
<b>Real Estate Transfer Tax (3%)</b>											
		13%			\$ 2,250,000						
			General Capital		\$ 1,250,000		49.1%		\$ 2,547,790	(incl \$955k in grants)	
			Open Space		\$ 1,125,000		99.7%		\$ 1,128,500		



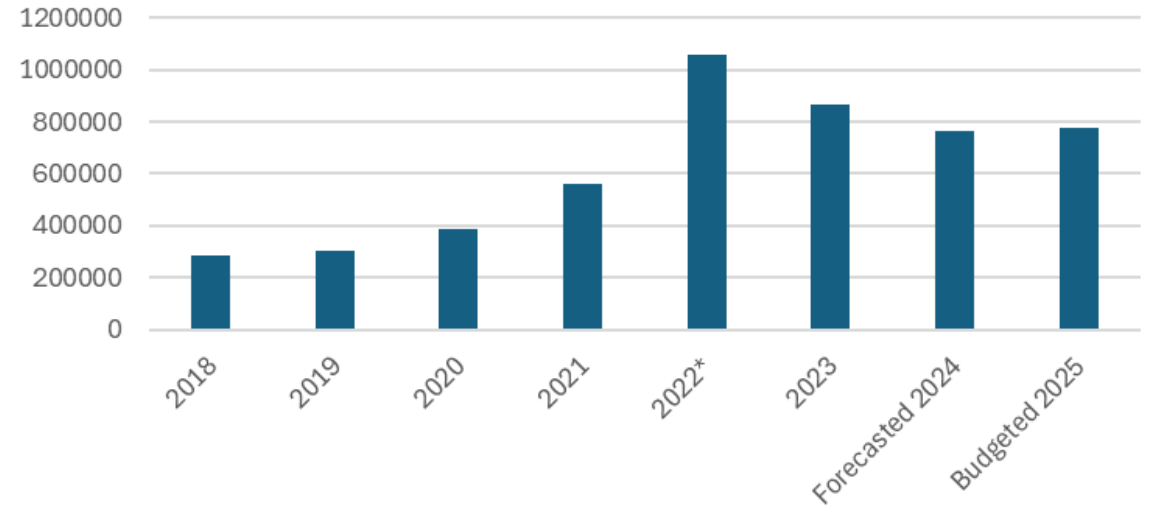
# Vacation Rental Excise Tax

This tax was approved by voters in 2017 at 5% of the cost of a nightly rental of a vacation rental. This was increased to 7.5% in 2021.

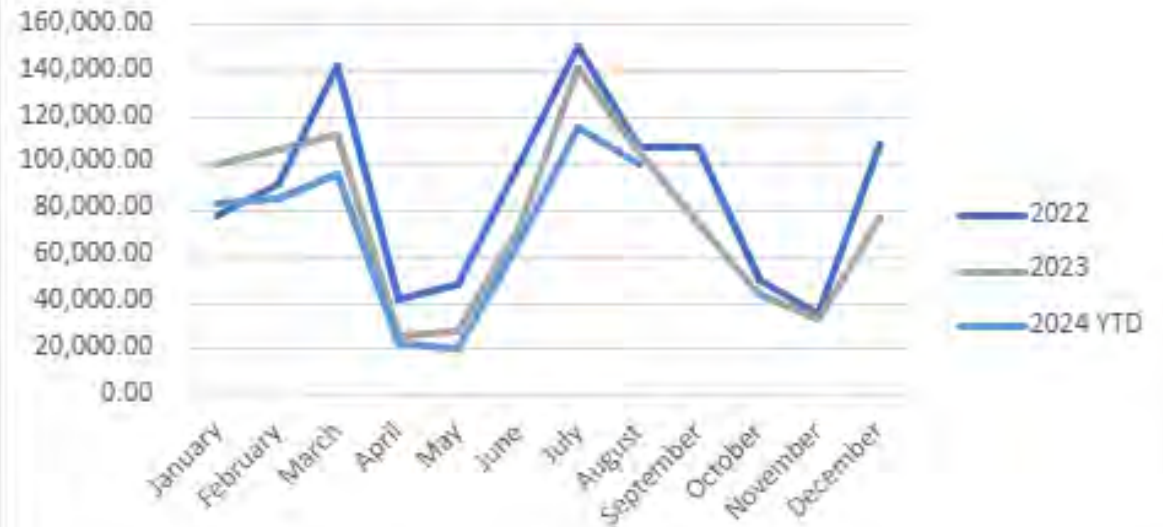
All revenues are restricted to the Affordable Housing fund.



VACATION RENTAL EXCISE TAX COLLECTED <sup>29</sup>  
ANNUALLY (\*rate increase from 5% to 7.5%)



VACATION RENTAL EXCISE TAX BY MONTH  
2022 - 2024 YTD





# Vacation Rental Excise Tax

## SOURCES & USES

Revenue Source	% of total Town Revenue	Fund receiving revenue	2025 estimated revenue for budget	% of Revenue for Fund in 2025	Total 2025 budgetted revenue for fund			
<b>Vacation Rental Tax (20.9%)</b>								
Town of Crested Butte (4.5%)	see sales tax above							
Loal Marketing District (4%)								
State of CO (2.9%)								
RTA (1%)								
Gunnison County (1%)								
Town of CB Vacation Rental (7.5%)	4.3%	Affordable Housing	\$ 744,854	22.8%	\$ 3,260,330	(incl. grants and transfers in)		



# Property Tax

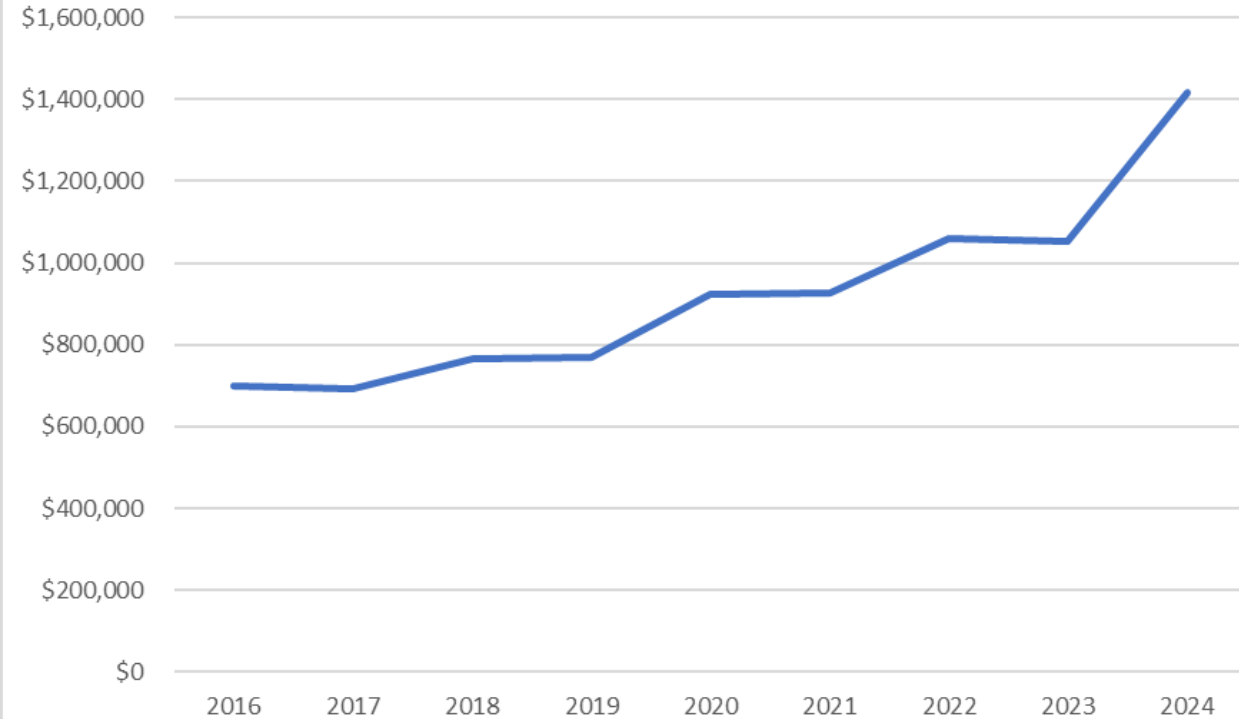
The Street and Alley fund was established in 1987 following voter approval of up to 16 mills to fund street and alley improvement and maintenance.

For 2025 the Town has set their property tax mills at:

- 1.920 for the General fund
- 8.0 for the Street and Alley fund



Property Tax Revenues  
Street & Alley Fund Assessed at 8 mills  
Budget Years 2016 - 2024 31



Taxing entity		Mill levy	% of total
	RE1J School District	28.190	41.11%
	Gunnison County	12.265	17.89%
	CB Fire Protection District	10.645	15.52%
	Town of Crested Butte	9.855	14.37%
	Gunnison County Met Rec District	3.000	4.37%
	Upper Gunnison Water District	1.951	2.85%
	Gunnison County Library District	2.167	3.16%
	CO River Water District	0.500	0.73%
	Total 2024 Levy in Crested Butte	68.573	

# Property Tax

## SOURCES & USES

Revenue Source	% of total Town Revenue	Fund receiving revenue	2025 estimated revenue for budget	% of Revenue for Fund in 2025	Total 2025 budgetted revenue for fund		
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### Property Tax (% of total tax bill)

RE1J School District (41.11%)

Gunnison County (17.89%)

CB Fire Protection District (15.52%)

Town of Crested Butte (14.37%)	10%		\$ 1,784,226				
		General Fund	\$ 345,334	4.7%	\$ 7,384,993		
		Streets & Alleys	\$ 1,438,892	85.4%	\$ 1,684,330	(incl \$175k grant)	

Gunnison County Met Rec District (4.37%)

Gunnison County Library District (3.16%)

Upper Gunnison Water District (2.85%)


CO River Water District (0.50%)



# Fund Reserves Policy

A reserve provides protection from risk. Potential risks to the Town include, but are not limited to, revenue shortfalls during recessions and losses from unexpected and extreme events, like pandemics, natural disasters, or other Town-declared emergencies. Reserves help make sure that the Town can respond quickly and decisively to such events. Reserves also support vital public services during revenue declines.

## Current Policy



Council established a goal in 2018 of maintaining operating reserves in the amount of 100% of annual operating expenses

## Range of Options

**Cherry Hills Village** – 50% of budgeted revenues in General Fund

**Aurora** – 10% of General Fund expenditures

a 5% 'recession reserve'

an additional 1%-3% operating reserve

**Thornton** – 17% of the General fund budget

water fund reserve equal to 180 days of operations

sewer fund reserve equal to 90 days of operations

sanitation fund reserve equal to 90 days of operations

**Akron** – 6 months of operations for both the Enterprise and General fund

**Rifle** – 40% of General fund operations

25% of Parks & Recreation operations

25% of Water & Wastewater operation and maintenance

**Pagosa Springs** – 3 months of operating expenditures in each fund

# History of fund balances

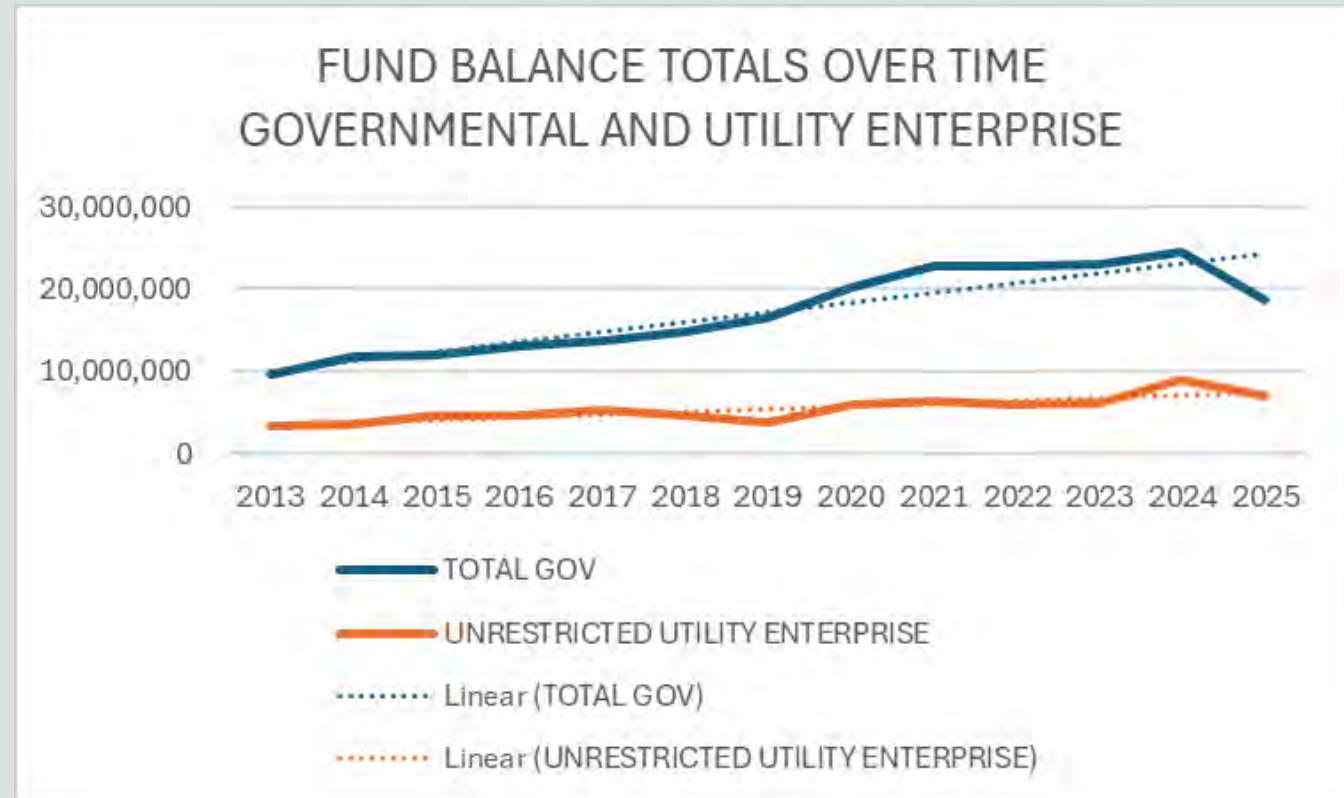
## The Great Recession

Information is not readily available on the financial impact to the Town.

## Restricted Reserves

TABOR requires a modest reserve be held in the case of a qualified emergency. This is the restricted reserve of \$455,000 in the General Fund.

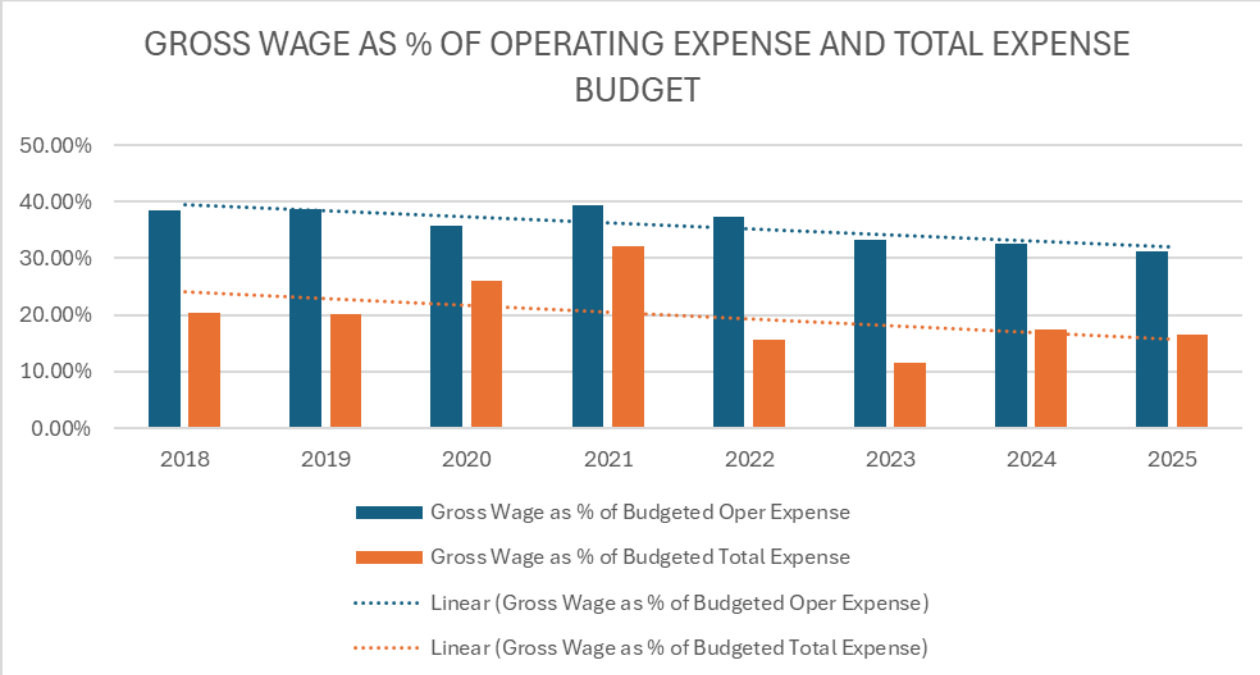
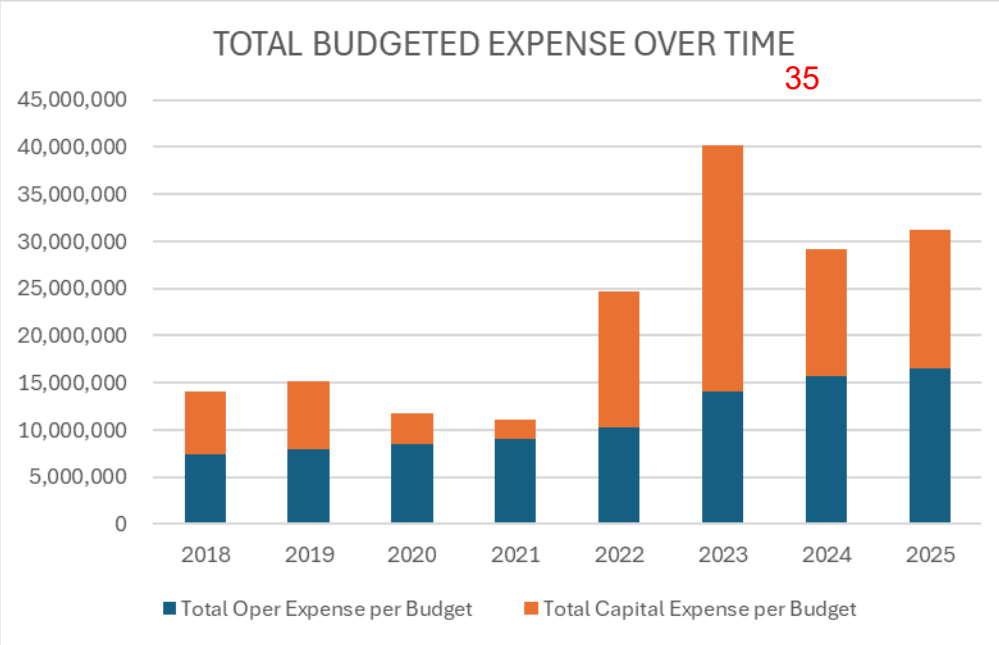
The Utility Enterprise and Affordable Housing Fund also hold restricted reserves as part of debt agreements.



# Personnel

Crested Butte has 62 full time equivalent employees in the budget (including the Property Manager).

This has increased from 47 FTEs in 2019. In the same period, budgeted expenditures have more than doubled. Growth in staff has been spread across the organization with notably additions of staff for sustainability and housing. In 2025, gross wages are 31.2% of operating expenses and 16.5% of total budgeted expenses across the organization.



# Personnel

Includes addition of property manager in facilities division in 2025

Chart does reflect budget allocations such as spreading Janna and Joey's time across PROST divisions.

	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Marshals	9	9	9	9.5	9.25
Com Dev	7.75	7.75	9.75	8.75	7.75
Parks	5	5	5	5	5.5
Streets	4	5	6	6	6
Fin/HR/IT	4	4.5	5	6	6
WW	4	4	4	5	5
Facilities	3	4	4	5	6
Water	3	3	3	3	3
Rec	2	3	3	1	1.5
PW	2	2	2	3	3
Shop	2	2	2	2	2
Clerk	2	2	3	3	3
Mgr	1	1	1	1	1
Open Space				2	1
AH	0	1	1	1	1
Sustainability	0	0	0	1	1
	<b>48.75</b>	<b>53.25</b>	<b>57.75</b>	<b>62.25</b>	<b>62.00</b>

**INCREASE/(DECREASE)**

**4.50**  
**9.23%**

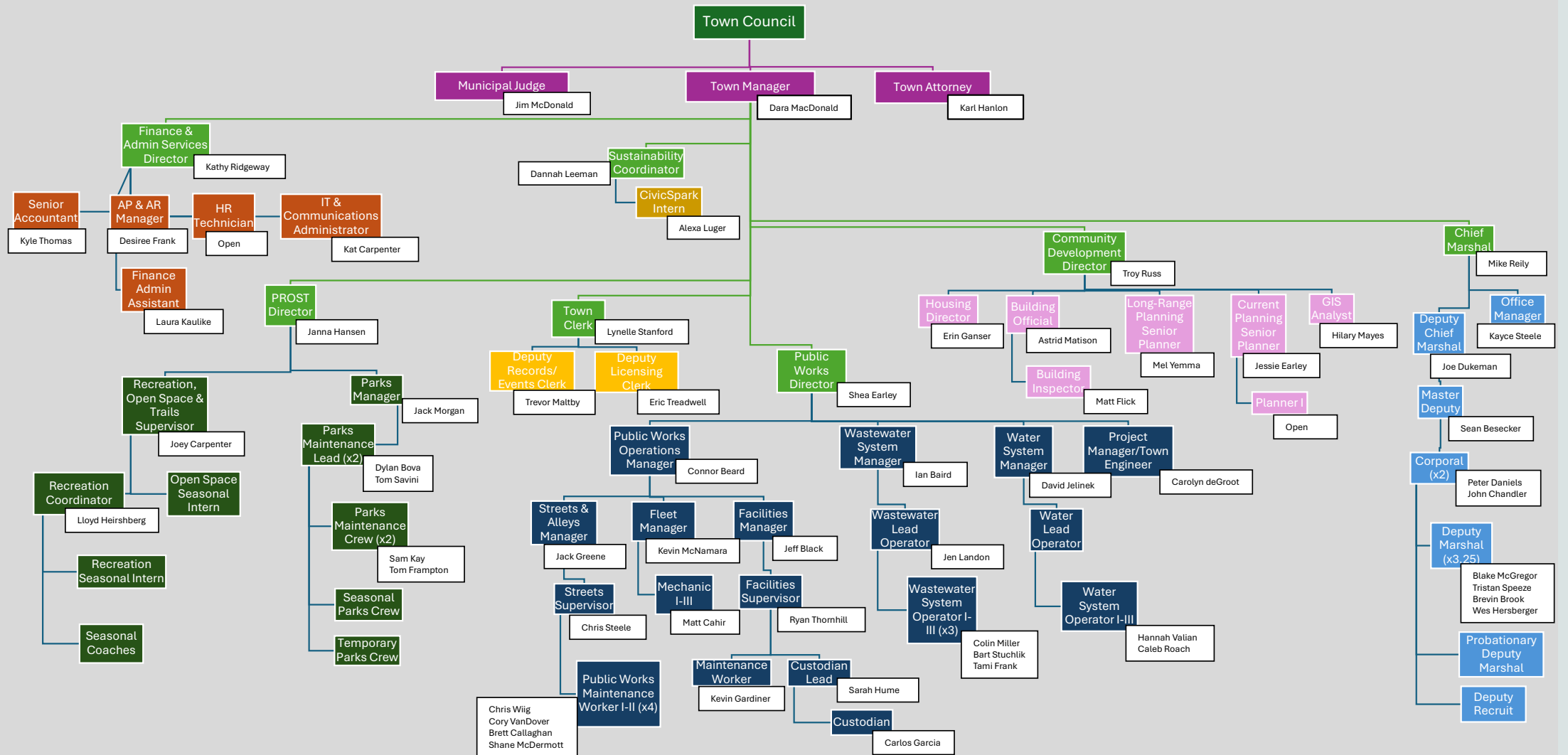
**4.50**  
**8.45%**

**4.50**  
**7.79%**

**-0.25**  
**-0.40%**

**27.18% 5 yr increase**







# Next Steps

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Linking the Compass Planning Efforts to finances

- Integrate Capital Plans
- Developing asset management plan
- Refining forecasts
- Establishing updated fund balance policy
- Prioritizing projects
- Prioritizing pursuit of revenues (if needed)



Thank you

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