



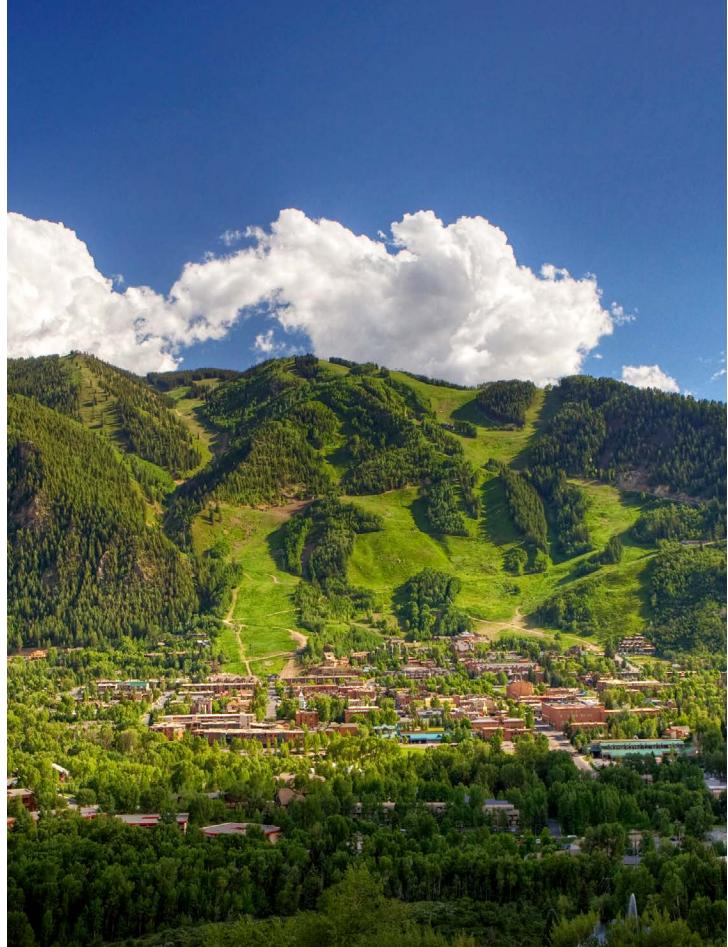
CITY OF **ASPEN**
COLORADO

2024 POPULAR ANNUAL FINANCIAL REPORT (PAFR)

Fiscal Year Ended December 31, 2024

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ABOUT THIS REPORT

As part of an ongoing commitment to transparency and to ensure community access to information about its local government, the City of Aspen provides this Popular Annual Financial Report (PAFR), which describes the City's financial activities and net position for 2024.

The financial information presented is unaudited and in summarized and condensed form and does not substitute for the City's Annual Comprehensive Financial Report (ACFR). It is important to note that this report is presented on a non-Generally

Accepted Accounting Principles (GAAP) basis. The Annual Report is a more detailed, audited document of record, and it presents information in a format consistent with these standards to ensure it includes detailed information, including the City's component units. By contrast, the purpose of the PAFR is to increase public awareness about the City's financial condition by presenting information in a more user-friendly format. The City's Annual Comprehensive Financial Report and approved budget are available on the City's website, aspen.gov/364/Finance-and-Purchasing.



MEET ASPEN

Nestled within the Rocky Mountains in Pitkin County, Colorado, Aspen stands as the 93rd largest city in the state. Positioned 200 miles southwest of Denver and 130 miles east of Grand Junction, Aspen occupies the southeastern terminus of the Roaring Fork Valley, which stretches from Glenwood Springs to Aspen itself. Surrounded by the breathtaking expanse of the White River National Forest, the city covers 3.9 square miles of relatively flat valley floor, flanked by Aspen Mountain, Smuggler Mountain, and Red Mountain.

Renowned worldwide as a year-round resort destination, Aspen sees a steady influx of tourists and plays host to significant cultural events like the Aspen Music Festival, Winter X-Games, and Aspen Ideas Festival. Its proximity to four distinguished ski resorts—Aspen Mountain, Aspen Highlands, Buttermilk, and Snowmass—further bolsters its appeal, intertwining the local economy and culture with environmental stewardship.

The Aspen City Council has set ambitious goals aimed at reducing greenhouse gas emissions to levels backed by scientific consensus, fostering a sustainable and accessible affordable housing community, enhancing transportation systems to minimize vehicle miles traveled and air pollution, and maintaining the city's aging infrastructure and facilities. These objectives reflect Aspen's commitment to sustainability and responsible growth, ensuring the preservation of its natural splendor and quality of life for residents and visitors alike.

By embracing its natural surroundings, promoting eco-friendly practices, and celebrating its rich cultural heritage, Aspen continues to distinguish itself as a premier destination that seamlessly integrates outdoor adventure, cultural enrichment, and environmental responsibility.



Quick Facts

Estimated Population: 6,556

U.S Census Bureau, 2023 estimate

Unemployment Rate: 3.9%

U.S Census Bureau, 2023 estimate

Aggregate Sales Tax Rate: 11.3%

City Employees: 514

Full Time, Part Time, And Intermittent

City Operational Budget: \$99,109,411

Year-end 2023

City Capital Budget: \$45,638,230

Year-end 2023

Per Capita Income: \$277,535

U.S Department of Commerce, Bureau of Economics

Educational Attainment (bachelor's degree or higher): 68.3%

U.S Census Bureau, 2023 estimate

Median Age: 41.7

U.S Census Bureau, 2023 estimate



ABOUT THE CITY GOVERNMENT ORGANIZATION

City Leadership

Aspen operates under a council/manager form of government. The council is composed of four at-large members and a Mayor. The Council members are elected to four-year staggered terms with the Mayor elected for a two-year term. The Council appoints the City Manager, the City Attorney and the Municipal Judge, who in turn manage the professional municipal organization.

Strategic Focus Areas

The City's entire planning, budgeting, execution, and performance measurements revolve around five areas of focus.

- Safe & Lived-in Community of Choice
- Community Engagement
- Protect Our Environment
- Smart Customer Focused Government
- Fiscal Health & Economic Vitality

Council Members

as of 12/31/2024



Torre, Mayor
Pro Sports /
Athletics

Year Elected: 2023
Term Expires: 2025



Ward Hauenstein
Information
Technology

Year Elected: 2021
Term Expires: 2025



Bill Guth
Real Estate
& Development

Year Elected: 2023
Term Expires: 2027



John Doyle
Arts

Year Elected: 2021
Term Expires: 2025



Sam Rose
Public
Administration

Year Elected: 2023
Term Expires: 2027

Mission

To engage with positive civil dialogue, provide the highest quality innovative and efficient municipal services, steward the natural environment, and support the health and sustainable community for the benefit of future generations with respect for the work of our predecessors.

Values

City staff center their efforts around four key moral principles:





MAJOR INITIATIVES AND ACCOMPLISHMENTS

In 2024, the City of Aspen advanced several critical capital projects and infrastructure improvements that underscore its long-term commitment to safety, efficiency, and sustainability. The Red Brick North to South Circuit Replacement project was finalized, with \$329 thousand expended in 2024 as part of a total \$4.2 million lifetime project. This investment replaced 3,700 linear feet of electrical cable at the Red Brick Center, increasing capacity, reducing outages, and enhancing long-term reliability. Similarly, the Wheeler Opera House Rigging Replacement project was completed at a total cost of \$3.3 million. This project upgraded the historic venue's outdated theatrical rigging system to modern safety and operational standards, enhancing performance capabilities for future events.

To address aging infrastructure and reduce the risk of service disruptions, the city completed the Hallam and Garmisch Utility Replacement project. This combined project, partially funded by the American Rescue Plan Act (ARPA), upgraded stormwater and water systems along three blocks, replacing deteriorated storm pipes and aging cast iron water mains. Additional drainage improvements near the Red Brick Building also increased pedestrian safety during winter months. With a total cost of \$2.7 million, the project minimized future disruptions and delivered long-term cost savings by coordinating utility work across multiple systems.

Several large-scale capital projects continued into 2024, further reflecting the City's forward-looking priorities. At Cozy Point Ranch, electrical and drainage improvements progressed with \$3.3 million expended out of a total estimated cost of \$3.6 million. These upgrades prepare the site for long-term use and future enhancements. The Water Treatment Facility Improvement project advanced through the planning and design phase, with \$1.3 million invested to date. The total estimated project cost is \$85 million, although no formal funding decision has been made. This initiative is intended to increase treatment capacity, ensure regulatory compliance, and enhance the resilience of Aspen's water infrastructure.

The Maroon Creek Road Multi-Use Trail project neared completion in 2024, with \$8.1 million incurred out of an estimated \$8.5 million total cost. The 5,245-foot ADA-accessible trail improves connectivity between the Aspen roundabout, local schools, recreation areas, and residential neighborhoods. Once completed, it will provide year-round access and promote active transportation for pedestrians and cyclists alike.





The city also made progress on its largest workforce housing initiative to date. The Lumberyard Housing Development – Phase 0 project saw \$2.5 million in spending in 2024 for demolition, environmental remediation, and installation of roads and utilities. With a Phase 0 budget of \$15.5 million and a total project estimate between \$325 million and \$400 million, the development will ultimately deliver an estimated 300 deed-restricted affordable housing units, supporting the City's long-term housing affordability goals.

Lastly, the Entrance to Aspen Planning project invested \$1.3 million in corridor planning and design work along Highway 82. This \$8.5 million initiative addresses long-standing transportation needs and will improve safety and multimodal access for future infrastructure investments.

Together, these projects illustrate the City of Aspen's strategic approach to capital planning. Whether focused on upgrading critical utilities, preserving historic landmarks, expanding recreational access, or supporting affordable housing, these efforts reflect a commitment to long-term community impact.



Lumberyard Housing Development



Entrance to Aspen

ASPEN FINANCIAL RESULTS

Net Position

The statement of net position, or net worth, of the City of Aspen as of December 31, 2024, was \$684.3 million. Of the net position balance, \$193 million was unrestricted and is available to meet ongoing obligations in accordance with the City's fund designations and fiscal policies.

The city's net position increased from the prior year by \$57.4 million (9.2%). The governmental net position

increased by \$44.8 million (8.4%) and the business-type position increased by \$12.6 million (13.14%).

The city's liabilities decreased in 2024 by \$3.1 million (3.6%) during the current year. Within that activity, the City's governmental liabilities decreased \$3.5 (4.4%), and business-type liabilities increased by \$0.3 million (4.3%).

Net Position (at December 31 in thousands*)	Governmental			Business-type			Total Primary Government		
	2022	2023	2024	2022	2023	2024	2022	2023	2024
ASSETS									
Current and other assets	303,353	356,112	403,635	36,927	46,350	55,219	340,281	402,462	458,854
Capital assets, net	281,647	271,229	265,075	60,400	60,856	64,471	342,046	332,085	329,547
Total Assets	585,000	627,340	668,710	97,327	107,206	119,690	682,327	734,547	788,400
Deferred Outflows of Resources:	300	200	100	5,661	29	25	5,961	229	125
LIABILITIES:									
Current liabilities	18,650	18,480	19,372	2,896	3,440	4,133	21,546	21,920	23,505
Noncurrent liabilities	65,183	61,934	57,536	4,426	4,201	3,835	69,609	66,134	61,370
Total Liabilities	83,833	80,414	77	7,322	7,641	7,968	91,155	88,054	8,045
Deferred Inflows of Resources:	13,918	14,331	14,273	11,261	5,448	4,979	25,179	19,779	19,251
NET POSITION:									
Net investment in capital assets	221,320	214,367	212,691	50,620	51,457	55,408	271,941	265,854	268,098
Restricted	3,587	5,100	222,396	-	-	3,587	3,587	5,100	222,396
Unrestricted	262,641	313,328	142,543	33,784	42,689	51,361	296,426	356,018	193,904
Total Net Position	\$487,549	\$532,795	\$577,630	\$84,404	\$94,147	\$106,769	\$571,953	\$626,942	\$684,398

GOVERNMENTAL ACTIVITIES OVERVIEW

Governmental activities saw an increase of \$44.8 million in net position for 2024. Total revenues from governmental activities rose by \$12.5 million, or 8.8%, compared to 2023, driven by the following:

- \$3.9 million increase in program revenues, largely due to a \$3.2 million legal settlement for Burlingame Ranch Phase III Affordable Housing project construction defects.
- \$3.9 million increase in general revenues, led by a \$2.2 million rise in sales and use tax collections (total taxable sales: \$1.3 billion, a 5.9% increase over 2023). \$1.7 million increase in property tax revenues due to rising assessed valuations.
- \$4.6 million increase in other general revenues led by lodging tax revenues and the real estate transfer tax (RETT). This was the City's first full year of the newly implemented short-term rental (STR) tax implemented in May 2023. This tax generated an additional \$3.5 million in revenue for 2024. Real estate transfer tax (RETT) revenues increased by \$1.0 million, making this the fourth-highest annual RETT collection, YTD.

While expenditures rose by \$5.8 million, due to wage adjustments, benefits, and depreciation, the largest single driver of governmental net position growth was capital project underspending:

- Budgeted: \$77.5 million

- Actual spending: \$34.6 million
- Unspent balance: \$42.9 million

In addition, the City had a special item related to 2024, where it sold the final 41 units in the Burlingame Phase III affordable housing project. While sales generated \$12.9 million, the total construction cost was \$31.1 million, resulting in a planned net loss of \$18.2 million. These losses reflect the City's policy of pricing units below cost to ensure long-term housing affordability and reinforce its commitment to supporting the local workforce and maintaining community vibrancy

For in-depth analysis, and multi-year trends of revenue and expense see the 2024 Annual Comprehensive Financial Report.

	Condensed Summary of Activity (at December 31 in thousands*)		
	2022	2023	2024
REVENUES			
Program revenues	26,904	33,460	37,422
General revenues	58,641	60,724	64,624
Other general revenues	35,951	47,247	51,888
Total Revenues	121,497	141,431	153,934
Expenses	83,694	87,901	93,781
Transfers	4,800	5,017	2,897
Special Item		(13,302)	(18,215)
Changes in Net Position	42,603	45,245	44,834
Net Position, beginning of year	444,946	487,549	532,794
NET POSITION, END OF YEAR	\$487,549	\$532,794	\$577,629

BUSINESS-TYPE ACTIVITIES OVERVIEW

Business-type activities saw an increase of \$12.6 million in net position for 2024. Revenues increased by \$4.6 million, or 11.6%, compared to 2023, driven by program revenue growth across several enterprise operations:

- Water Program Revenues increased by \$1.6 million due to an 8% rate increase implemented following the adoption of a new water rate study. This increase supports operational costs, debt obligations, and current/future capital needs.
- Electric Program Revenues increased by \$1.4 million due to an 8.25% rate adjustment, which offsets higher wholesale electricity and transmission costs while supporting infrastructure improvements.
- Parking Program Revenues increased by \$0.5 million, reflecting a \$2 per hour increase to peak-season parking rates as part of the “Aspen Gets

Us There” initiative, aimed at reducing congestion and emissions.

Expenses increased by \$3.8 million, primarily due to higher wages and benefits, increased wholesale power costs, professional services, and insurance premiums. Additionally, \$1.2 million previously reported as transfers was reclassified as expenses to account for franchising fees.

The most significant contribution to the increase in net position was the underspending of capital projects:

- Budgeted: \$17.2 million
- Actual spending: \$8.1 million
- Unspent balance: \$9.0 million

For in-depth analysis, and multi-year trends of revenue and expense see the 2024 Annual Comprehensive Financial Report.

**Condensed Summary of Activity
(at December 31 in thousands*)**

REVENUES
Program revenues
Other general revenues
Total Revenues
Expenses
Transfers
Changes in Net Position
Net Position, beginning of year
NET POSITION, END OF YEAR

	Business-type		
	2022	2023	2024
Program revenues	37,033	38,279	42,976
(194)		1,918	1,867
36,839		40,197	44,843
24,653		25,438	29,324
(4,800)		(5,017)	(2,897)
7,386		9,742	12,622
77,019		84,404	\$94,147
NET POSITION, END OF YEAR	\$84,404	\$94,147	\$106,769



REVENUES HOW IS FUNDING RAISED?

Sales Tax

The City's sales tax is 2.40%, these are broken distributed across four funds.

- **1.50%** Parks and Open Space Fund
- **0.45%** Kids First (75%) and Affordable Housing Fund (25%)
- **0.30%** Public Education Fund
- **0.15%** Transportation Fund

In addition to the 2.40%, the City receives an allocation of a 3.60% sales tax assessed by Pitkin County. 2.00% of the 3.60% is allocated among Aspen, Basalt, and Snowmass Village. Aspen's portion is approximately 45% of this 2.00% sales tax. These taxes are used to fund items relating to police services, street maintenance, recreation services, and roughly 50% of administrative departments.

Real Estate Transfer Tax

Aspen Voters adopted two separate real estate transfer taxes to support arts and culture and affordable housing development. These two taxes are unique in they can no longer be established under the Colorado Taxpayer Bill of Rights (TABOR) and are grandfathered into existence.

- **0.50%** Arts and Culture Fund
- **1.00%** Affordable Housing Fund

Lodging and Short-Term Rental Tax

City of Aspen lodging tax are levied in tandem with sales taxes from City, State, and other local jurisdiction and special district taxes. Thus, the aggregate tax obligation for a night stay within a:

Traditional lodging property is 11.30%

Short-term rental owner-occupied or lodge-exempt property is 16.30%

Short-term rental investment/2nd homeowner "classic" permitted property is 21.30%

General Purpose Property Taxes

The City's general purpose property tax is subject to the TABOR revenue cap of inflation plus new construction growth. These revenues are distributed among two funds.

- **50%** General Fund
- **50%** Asset Management Plan Fund

Tax Collections

Dollar amounts in millions and reflects 2023 revenue

\$31.1M City Sales Tax

\$23.8M Real Estate Transfer Taxes

\$19.8M Share of County Tax

\$11.7M Property Taxes

\$5.7M Lodging Tax

\$6.9M STR Excise Tax



EXPENSES WHERE DOES THE MONEY GO?

The City's 2024 budget was the result of a deliberate and collaborative planning process that began six months prior to its formal adoption on November 28, 2023. Despite challenges such as inflationary pressures and ongoing labor shortages, the adopted budget balanced City Council priorities with a continued commitment to exceptional community services and long-term fiscal resilience. Total governmental expenditures reached \$93.7 million, an increase of \$5.8 million over the prior year. Of this total, \$40.7 million (or 43.4%) was dedicated to personnel costs, covering wages and benefits for full-time, part-time, and intermediate staff. Capital spending accounted for \$34.6 million, representing 36.9% of governmental expenditures and supporting investments in

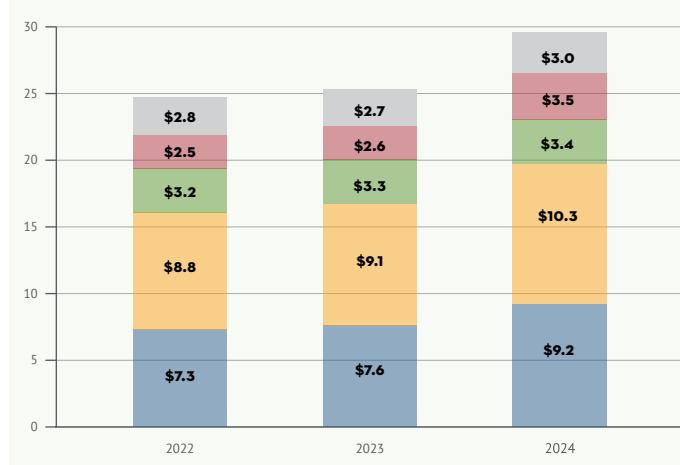
infrastructure, housing, and public facilities. The remaining \$18.4 million (or 19.6%) funded operational costs across departments.

In comparison, business-type activities reported total expenses of \$29.3 million in 2024, an increase of \$3.8 million (or 15.3%) from 2023. Personnel costs for these services totaled \$8.8 million, making up 30.2% of total business-type spending. Capital expenditures reached \$8.1 million, or 27.8%, supporting utility infrastructure upgrades and system improvements. The remaining \$12.3 million (or 42.0%) was used to support operational needs required to deliver water, electric, parking, golf, and affordable housing services to the community.

Government Expense by Service
Amounts in Millions



Business-Type Expense
Amounts in Millions



TREASURY ADMINISTRATION WHERE IS THE MONEY KEPT?

Cash & Investment Management

Whenever feasible, the City consolidates cash from its diverse funds to bolster investment capabilities and optimize investment returns. The primary goal is to safeguard the principal investment. Consequently, the policy permits only fixed-income investments, such as state or local governmental debt, U.S. agency obligations, or highly rated U.S. corporate debt.

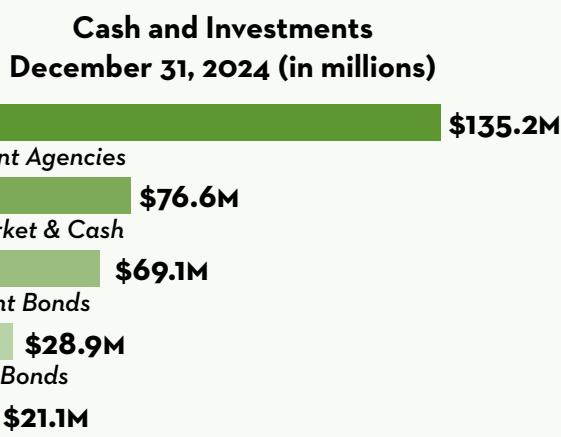
As of December 31, 2024, the fair market value of the City's cash and investments was \$385 million. The portfolio's overall market yield for 2024 was 3.85%, unrealized gain/loss of \$1.3 million, and a deferred interest income of \$6 thousand.

The City's credit rating was Aaa by Moody's Investors Service as of December 31, 2024. This rating reflects the broad recognition of the City's strong financial policies, robust reserves, and an

economy that has successfully transitioned from being winter dominated to a more robust, year-round environment. As of December 31, 2024, the City has \$61.7 million in outstanding debt, a reduction of \$5.9 million in 2024.

Governmental activities include \$38.0 million in certificates of participation loans, with \$22.8 million allocated for City Hall and \$15.2 million for the police department building. Additionally, governmental activities encompass \$8.2 million in revenue bonds dedicated to Parks and Open Space acquisitions and operations.

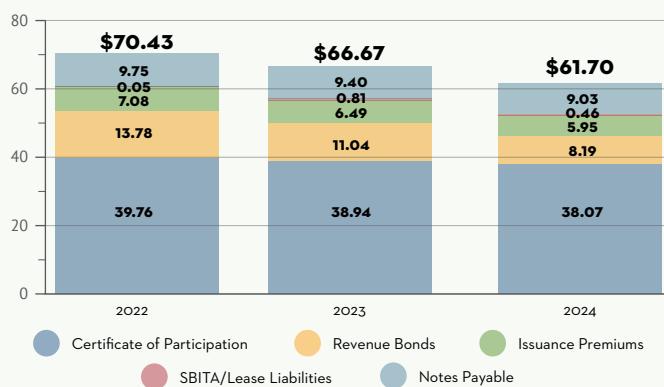
Business activities account for \$9.2 million in outstanding debt, which includes two significant notes payable: \$2.3 million due to the Colorado Housing and Finance Authority and \$6.4 million owed by Aspen County Inn.



CORPORATE INVESTMENTS	MATURITY DATE	MARKET VALUE
Colgate Palmolive Co	8/15/25	\$1,530,243
Walmart Inc	9/9/25	\$4,185,300
Microsoft Corp	11/3/25	\$1,979,135
Colgate Palmolive Co	3/2/26	\$1,405,309
Walmart Inc	4/15/26	\$4,977,095
Bank of America NA	8/18/26	\$8,105,277
Abbott Laboratories	11/30/26	\$4,940,153
Wells Fargo Bank NA	12/11/26	\$5,059,152
Kaiser Foundation Hospital	5/1/27	\$4,840,455
Aust & NZ Banking Grp NY	7/16/27	\$5,038,549
University of Chicago	4/1/29	\$10,046,308
Johnson & Johnson	6/1/29	\$5,047,776
National Secs Clearing	6/26/29	\$7,009,012
Pacific Life GF II	8/28/29	\$14,801,321
Novartis Capital Corp	9/18/29	\$4,814,446
TOTAL CORPORATES		\$28.9M

City Debt Obligations

December 31, 2024 in millions



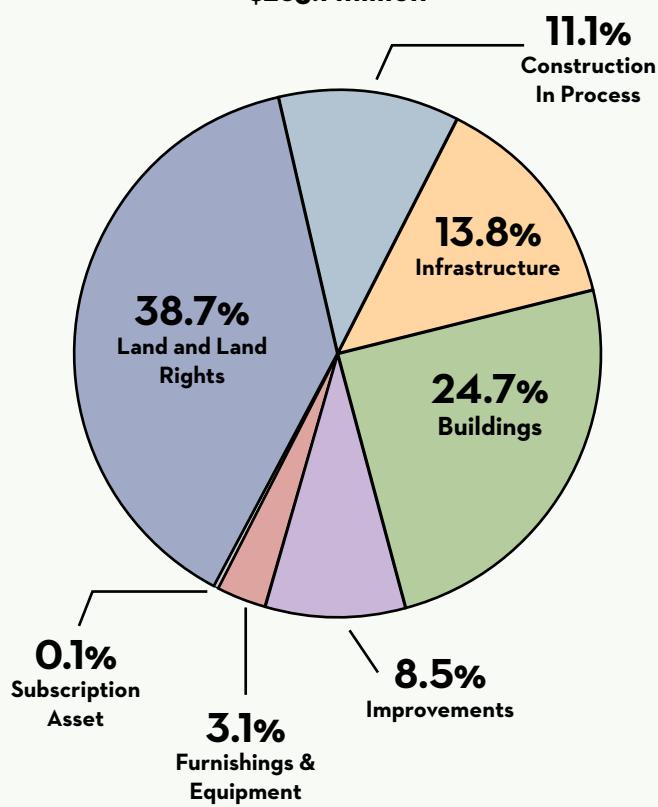
CAPITAL ASSETS WHAT DOES THE CITY OWN?

As of December 31, 2024, the City's capital assets had a net book value of \$329.5 million, representing the historical cost less accumulated depreciation. This portfolio includes buildings and improvements, infrastructure, machinery and equipment, and lease/SBITA assets. Although the City added \$42.7 million in new capital assets during the year, depreciation of \$13.2 million and the sale of the remaining 41 units in the Burlingame Phase III

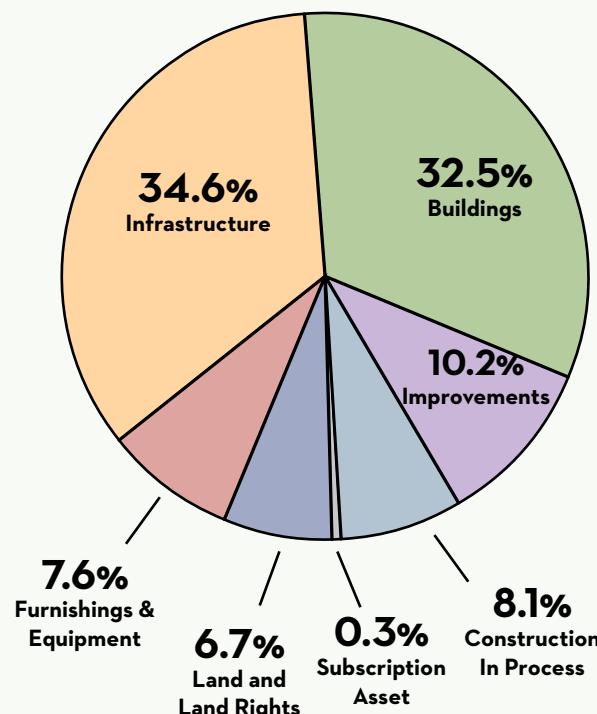
affordable housing project—carrying a book value of \$31.1 million—resulted in a net decrease of \$2.5 million in total capital asset value.

Below is the breakout of governmental and business-type capital assets by asset class.

Governmental Capital Asset
\$265.1 million



Business-Type Capital Asset
\$64.5 million





GLOSSARY

Asset - What the City of Aspen owns.

Business-type activities - Private sector-type operations, such as utilities and golf, where fees for service typically cover all or most of the cost of operations, including depreciation.

Capital Assets - City's capitalization policy pertains to assets with a purchase value of \$5,000 or greater, with an expected useful life of greater than twelve months.

Current and other Assets - Items such as pooled cash and investments, cash and investments with fiscal agent, receivables, internal balances, inventory, deposits with others, prepaid items and deferred charges.

Deferred Inflows - an acquisition of a net asset that is applicable to a future reporting period.

Deferred outflows - a consumption of net assets that is applicable to a future reporting period.

Government Activities - City basic services, including police, planning, community development, recreation. Sales, use and property taxes finance the majority of these services.

Invested in Capital asset, net of accumulated depreciation - Amounts invested in capital assets less accumulated depreciation based on straight line depreciation method.

Liabilities - What the City of Aspen owes.

Long-term liabilities - Items such as bonds, loans, compensated absence, and other City of Aspen obligations.

Net book value - Represents the acquisition cost less accumulated depreciation of asset.

Net Position - The difference between City of Aspen assets and liabilities. It is the net worth of the City.

Other Liabilities - Items such as payables, payroll, accrued interest and unearned revenues.

Primary Government - all the governmental and business-type activities belonging to the City of Aspen excluding the component units and fiduciary funds.

Restricted - funds that are not available for use because they have been set aside for a specific purpose or project.

Unrestricted - One time funds available to use for operational or capital.



City of Aspen Finance Team – June 2024

Government Finance Officer Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement to the City of Aspen for its Popular Annual Financial Report for the fiscal year ended December 31, 2022. The award for Outstanding Achievement in Popular Annual Financial Reporting recognizes the city's commitment to the highest standards in preparing accessible and informative financial reports for public benefit.

To receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, reader appeal.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Aspen
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morrell

Executive Director/CEO