Financial Advisory Board
Wednesday, August 20, 2025
9:00 AM
130 Kearns Road
Small Conference Room
Snowmass Village, CO 81615

Agenda

1. **Call to Order**

2. **Approval of Minutes**

   2.A. Approval of 6/11/25 minutes

3. **Items for Discussion**

   3.A. Aspen School District Funding Presentation

4. **Next Meeting Date**

5. **Adjournment**

TOWN OF SNOWMASS VILLAGE
FINANCIAL ADVISORY BOARD
June 11, 2025

Item No. 1: ROLL CALL

FAB MEMBERS PRESENT:	Phil Sirianni Jr, Andrew Light, David Rachofsky, Jim Shallcross, Shawn Gleason, and Brooks Tanner
FAB MEMBERS ABSENT:	Scott Hanson
STAFF MEMBERS PRESENT:	Marianne Rakowski, Finance Director; Brandi Lindt, Assistant Finance Director; Clint Kinney, Town Manager
OTHERS PRESENT:	Paul Kane, Eide Bailly and Brittny Burns, Eide Baily

Item No. 2: APPROVAL SEPTEMBER 18, 2024 AND JANUARY 28, 2025 MINUTES

Tanner motioned to approve the minutes Rachofsky seconded, and all members were in favor.

Item No. 3: REVIEW OF 2024 FINANCIAL STATEMENTS

Paul Kane, Audit Partner from Eide Bailly introduced himself and presented the audit letter and financial statements to the Financial Advisory Board. Kane mentioned that Brittny Burns was now the lead audit manager completing the audit and introduced Brittny. He explained that they keep changing the audit staff to keep a fresh set of eyes on the audit.

Kane explained that the Town's statements were presented fairly, in all material respects and the Town received a clean unmodified opinion which is the best you receive on the financial statements.

There was a significant deficiency that was found and corrected by the Town. The Krabloonik property that was traded to the Town in a land swap in 2006 was never added to the capital assets because no money was exchanged. The beginning balance of capital assets were restated to include this in 2024. The Town has issued a corrective action plan to avoid this in the future and is completing a process in 2025 to make sure no other properties have been missed in the past.

Kane reviewed some charts in the management's discussion and analysis with the board. He explained that the MD&A is comparative and shows two years, but the financial statements only show one year. He noted that the net position has increased over the previous year and that is a very healthy indication.

Kane also mentioned that there was an accounting change this year with GASB 101 updating the recognition and measurement of compensated absences. The Town chose to expense this change during 2025 rather than doing a restatement because the amount was immaterial.

The FAB didn't see any reason that they shouldn't accept the audit and approved the attached resolution to send to the Town Council. Rahofsky motioned to approve the attached resolution and Sirianni seconded. All members were in favor.

Item No. 4: Next Meeting

The next meeting will be in August to discuss the funding for the school district.

Item No. 5: ADJOURNMENT

Tanner motioned to adjourn. All members were in favor.

TOWN OF SNOWMASS VILLAGE
FINANCIAL ADVISORY BOARD

RESOLUTION NO. 1
SERIES OF 2025

RECOMMENDATION TO TOWN COUNCIL REGARDING THE TOWN'S 2024 FINANCIAL STATEMENTS AND AUDITOR'S REPORT

WHEREAS, at the direction of Town Council, members of The Financial Advisory Board at its meeting on June 11, 2025, met with Town staff and Paul Kane, Eide Bailly's audit partner for the Town's audit engagement, to review the 2024 Financial Statements and Auditor's Report; and

WHEREAS, the Auditors found the Town's financial statements were presented fairly in all material respects and therefore, were able to render a "clean unmodified" opinion, which is the best opinion the Town can get; and

WHEREAS, the Town staff discovered that the property known as the Krabloonik was not recorded in the Town's capital assets and decided to restate the beginning balance of the capital assets to include this property resulting in a significant deficiency. The Town has issued a corrective action plan to avoid this in the future and a process to make sure nothing else has been missed in the past. This adjustment did not prevent the Town from receiving a clean opinion from its auditors on the financial statements.

NOW, THEREFORE BE IT RESOLVED:

That based upon their limited review of the financial statements and the audit process, the FAB members present did not identify any reason to believe that the financial statements or the auditor's opinion thereon cannot be relied upon; and

The Town Council, or at the Council's direction the FAB, should review the Town's financial statements annually with the Town's auditor.

INTRODUCED, READ AND ADOPTED unanimously by the members present of the Financial Advisory Board of the Town of Snowmass Village, Colorado, on the 11th day of June 2025.

TOWN OF SNOWMASS VILLAGE

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Shawn Gleason, FAB Chairman

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Marianne Rakowski, Finance Director

Town of Snowmass Village

Agenda Item Summary

FINANCE ADVISORY BOARD

DATE OF MEETING:
August 20, 2025

AGENDA ITEM:
A Presentation from the Aspen School District Regarding their Request to Snowmass Village to Place a Property Tax Question on the November 2025 Ballot.

PRESENTED BY:
Clint Kinney, Snowmass Village
Mary Rodino, Aspen School District
Max Marolt, Aspen School District

BACKGROUND:

Mary Rodino and Max Marolt will update the Finance Advisory Board on the School District's Financial situation.

Ultimately, the Town Council has asked the Finance Advisory Board (FAB) to review a request from the School District to place a ballot question on the November 2025 election regarding the specific TOSV property tax that is passed through to the School District.

In November 2016, Snowmass Village voters approved an additional property tax of $510,000 that was to be collected by Snowmass Village and then distributed to a non-profit (that became the Snowmass Village Public Education Fund) to ultimately benefit the Aspen School District. This property tax was set to collect specifically $510,000 (not a specific mil rate) and was originally authorized through 2021, but has been approved by voters an additional time since that date. The most recent election was in 2020, authorizing the property tax through 2026 (collection in 2027). That vote was approved with 1,373 votes in favor and 412 votes opposed.

The School District is now asking the Town Council for consideration of a reauthorization of a property tax but with an increase to the amount collected ($1,000,000 plus collection fees). Specifically, the School District is asking to take the current mil rate from about .59 mils (that collects $510,000) to 1.19 mils to collect this amount. The proposed ballot language is below.

The Town Council is expected to initially approve the proposed proposed ballot language on August 18. However, importantly, further Council consideration and action would sitll be required to ultimately approve specific ballot language and placing ballot question on the election. That additional Council consideration and action of a ballot question is scheduled for September 2, 2025.

The Council has requested that the FAB consider the proposal from the School District and offer any feedback or recommendations the FAB may have.

PROPOSED BALLOT LANGUAGE:

TOWN OF SNOWMASS VILLAGE PROPERTY TAX INCREASE BALLOT ISSUE

SHALL TOWN OF SNOWMASS VILLAGE TAXES BE INCREASED UP TO $1,020,000 ANNUALLY (REPRESENTING ESTIMATED REVENUES IN 2026, THE FIRST FULL FISCAL YEAR OF COLLECTION) AND BY WHATEVER AMOUNT IS GENERATED THEREAFTER FROM AN AD VALOREM PROPERTY TAX MILL LEVY IMPOSED AT A RATE OF 1.19 MILLS BEGINNING IN TAX YEAR 2025 (COLLECTION YEAR 2026) AND CONTINUING THROUGH TAX YEAR 2030 (COLLECTION YEAR 2031); SUCH MILL LEVY TO BE USED FOR THE EDUCATIONAL PURPOSE OF PROVIDING SUPPORT TO ASPEN SCHOOL DISTRICT AND REIMBURSING THE TOWN OF SNOWMASS VILLAGE FOR THE COSTS OF COLLECTION BY PITKIN COUNTY, WITH SUCH MILL LEVY REPLACING THE EXISTING TOWN OF SNOWMASS VILLAGE MILL LEVY SUPPORTING ASPEN SCHOOL DISTRICT THAT WAS MOST RECENTLY EXTENDED BY SNOWMASS VILLAGE VOTERS IN 2020; SHALL THE REVENUES DERIVED FROM SUCH MILL LEVY BE COLLECTED BY THE TOWN OF SNOWMASS VILLAGE AND DISBURSED THROUGH THE SNOWMASS VILLAGE PUBLIC EDUCATION FUND TO ASPEN SCHOOL DISTRICT; AND SHALL SUCH REVENUES FROM SUCH TAX AND ANY INTEREST THEREON CONSTITUTE A VOTER-APPROVED REVENUE CHANGE THAT THE TOWN MAY COLLECT, RETAIN AND EXPEND WITHOUT LIMITATION UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION (TABOR), SECTION 29-1-301, C.R.S., OR ANY OTHER LAW?

ASD Finance Update

Snowmass Village Financial Advisory Board Regular Meeting - *August 20, 2025*

Colorado School Finance

- The State of Colorado sets a “Total Program” amount for each school district based on statute
  - The amount is determined by a formula with factors such as student count, at-risk count, cost of living, etc.
  - This is the base funding for each Colorado school district and makes up the largest source of funding
  - The Aspen School District per pupil funding based on total program is 67th of 178 districts in the State for FY24
  - Funded through local property tax for the Aspen School District, although most districts receive a mix of State and local tax funding

- Budget Stabilization Factor
  - Introduced in 2009 by the State of Colorado to help balance the State’s budget
  - The factor reduced the amount of total program funding for each school district
  - Aspen School District lost $23.8M in funding from 2009-2024

- Colorado HB24-1448: New Public School Finance Formula - Passed in May 2024
  - Overhaul of Colorado School Finance Formula that sets total program
  - Caps cost of living factor in formula - adversely affects Aspen School District
  - Aspen School District is currently being “held harmless” meaning there is no decrease in funding until FY31. However, funding will remain relatively flat (0.5% increase annually) until then. Funding will fall off in FY31.

- Other Funding Sources
  - Mill Levy Override - Voter approved additional funding source expressed as a percentage of total program
    - ASD currently has a mill levy override of 25% of total program funding (previously the maximum amount allowable)
  - Local Funding Sources
    - Aspen Education Foundation
    - Snowmass Village Public Education Fund
    - Aspen Public Education Fund
  - State & Federal Grants - Title I has been reduced by 40%, Title II and III may be withheld altogether

Fund Balance - Financial Health

- Fund balance is effectively the cash reserves of a government entity that provide a liquidity buffer for years where required operating and capital spending exceeds the revenues and other funding sources
- Fiscal health is typically determined using the Operating Reserve Ratio which is calculated by dividing fund balance of the general fund by general fund total expenditures.

Governmental Entity - General Fund	Operating Reserve Ratio*
Aspen School District	7.4%
Town of Snowmass Village	141.5%
City of Aspen	105.7%
Pitkin County	62.6%

Colorado Department of Education recommends a 20-30% Operating Reserve Ratio.

**Based on the most recently publicly available audited financial statements*

ASD Finance Update

- **FY26 Budget - Approved June 4, 2025 for FY 2026 (July 1st - June 30th)**
    - Pupil count expected to remain relatively flat
    - Colorado State per pupil funding is up slightly - total revenue increase of approximately $430,000
    - Staff raises will average between 3.5% - 5% based on placement on grid/schedule
        - Achieved through attrition cuts and cost cutting measures
    - Class sizes are still within acceptable Board limits
    - We are expecting to increase fund balance by at about $325,000 each year in 24-25 and 25-26

- **Fiscal Year-End - June 30, 2025**
    - Audited financial statements will be issued by December 2025
    - Prior year audit was free of material misstatement and had no audit findings

- **2024 Property Tax Assessment increase did NOT provide additional funding to ASD**
    - **Reduced the amount of State funding received by ASD, and replaced it with local taxpayer dollars**

- **ASD Board of Education considering multiple ballot initiatives**
    - Bond, Mill Levy Override Increase, SVPEF Renewal, & APEF Renewal

Funding Sources for Different Types of Expenses

- **General Fund Day-to-Day Operations Funding Sources**
  - Property Taxes
  - Other local revenues (fees, interest, etc)
  - Local Partner Funding (AEF, APEF and SMVPEF)
  - Potential Debt-Free Schools Funding (technology only)
  - State funding (grants and some categorical aid)
  - Federal funding (grants and allotments)
- **Capital Spending & Master Facilities Plan Funding Sources**
  - Bond Funds
  - Interest from Bond Funds
  - Potential Debt-Free Schools Funding
- **Housing Spending Funding Sources**
  - Purchases and remodeling from Bond Funds
  - Ongoing operations from Housing Fund revenues

Potential Ballot Item #1 - Bond

Bond - *One-Time Large Funding*

- Same option that was utilized in 2020/2021
- Current bond funding fully allocated
- Currently own 98 total units; current demand is estimated at 136 units, with 160 as a long term goal

Pros:

- Large influx of capital - Facilities Master Plan, Deferred Maintenance, Housing Acquisitions
- Could tranche debt issuance as ASD needs it to minimize impact on taxpayers
- Continue momentum from 2021 bond

Cons:

- One-Time Funding
- Cannot be used for operational funding (salaries, benefits, utilities, etc.)

Bond Issuance Amount (Par)	$80,000,000	$100,000,000
Estimated Annual Tax Increase per $1M of Actual Home Value	$53	$65

Potential Ballot Item #2 - MLO

Mill Levy Override Increase - *Recurring Funding*

- Ability to increase ASD Mill Levy Override new State allotted max
- A result of HB-1448 (New Colorado School Finance Formula), but not directly related

Pros:

- Roughly $5M in recurring funding with no restrictions
- Help combat current flat funding and potential funding decrease in FY31 from HB-1448 - will have to pursue before then
- ASD has traditionally maxed Mill Levy Override
- Does not affect future debt capacity - no payback
- Potential to improve credit rating for bond issuance

Cons:

- Increase in funding likely to be temporary - make up for funding loss from HB-1448 once phase-in is complete in FY31
- With temporary funding, funds typically cannot be used for staff salary raises
- Unlikely to generate enough funding for capital construction or housing acquisitions

Estimated Annual Tax Increase per $1M of Actual Home Value	**$68**

Other Ballot Initiatives

- **Renewal of Snowmass Village Public Education Fund (SVPEF)**
  - ASD BoE considering increasing SVPEF property tax
  - Set to expire after 2026
  - Must be used for school programming and other educational purposes
  - Ballot question needs to be approved by Snowmass Village Town Council
  - Town of Snowmass Village voters only
- **Renewal of Aspen Public Education Fund (APEF)**
  - ASD BoE considering increasing APEF sales tax rate
  - Potential to spread tax burden beyond just property owners
  - Set to expire after 2026
  - Must be used for educational programs, recruiting, training & retaining employees, technology, special education, and professional development
  - Ballot question needs to be approved by Aspen City Council
  - City of Aspen voters only

SVPEF Funding	**$1M**
Estimated Annual Tax Increase per $1M of Actual Home Value	**$36**

Snowmass Village Public Education Fund (SVPEF) - Town of Snowmass Property Tax

ASD with no SVPEF Renewal - $0	ASD with SVPEF Renewal Under Same Terms - $500K	ASD with SVPEF Renewal Increase - $1M
• 5 fewer teaching/support staff positions funded • Aspen Community School budget cuts • Programmatic cuts • Little to no annual raises for staff • Continued depletion of fund balance/reserves • Increased class size	• 5 teaching/support staff positions funded at base level • Aspen Community School funded at same level • Little to no annual raises for staff or fewer positions funded • Diminished purchasing power in inflationary economy	• Staff pay increase to make salary schedule more competitive to attract world class teachers & align with cost of living • Increase in funding for Aspen Community School • Provide additional professional development opportunities for staff • Continuation of small class sizes

Potential Ballot Initiatives - Fall 2025

Ballot Item	Recurring or One-Time?	Restrictions
Renewal of SVPEF ***(Town of Snowmass Village Voters Only)*	Recurring	School Programming & Other Educational Purposes
Renewal of APEF ***(City of Aspen Voters Only)*	Recurring	Educational Programs, Recruiting & Retaining, Technology, Special Education, & Professional Development
Bond Issuance	One-Time	No Operational Funding
Mill Levy Override Increase	Recurring	None