



Meeting Notice

The next meeting of the Gunnison Valley Transportation Authority (RTA) will take place:

August 12, 2022 at 8:00 a.m.

**In the Crested Butte Council Chambers
located in the Crested Butte Town Offices,
507 Maroon Avenue in Crested Butte.**

For copies of the agenda and minutes of previous meetings, please go to www.gunnisonvalleyrta.org/meetings or call Scott Truex at 970-275-0111.

Two or more County Commissioners may be in attendance at this meeting.

Also, three or more RTA Board Members may attend the monthly Mayor/Manager meetings which are held at noon on the first Thursday of each month – call Scott Truex at 970-275-0111 for the next meeting location.



AGENDA – AUGUST 12, 2022
GUNNISON VALLEY TRANSPORTATION AUTHORITY
CRESTED BUTTE TOWN OFFICES
TOWN COUNCIL CHAMBERS – 8:00 A.M.

8:00 A. INTRODUCTION

CONSENT AGENDA – motion & decision requested to approve the consent agenda

- B. ADOPTION OF THE AGENDA
- C. APPROVAL OF JUNE 3, 2022 MEETING MINUTES
- D. EXECUTIVE DIRECTOR'S FINANCIAL REPORT
- E. CORRESPONDENCE
- F. OLD BUSINESS
 - 1) Air program reports
 - 2) Bus program reports

REGULAR AGENDA

- 8:05 F. OLD BUSINESS - continued
 - 3) Airport update – Rick Lamport
 - 4) Tourism Association report – John Norton
 - 5) Bus service update – Scott Truex, Jon Galle & Tasha Cifuentes
 - 6) Update on Bus Purchase – Scott Truex
 - 7) Air Command report – Scott Truex & David Clayton
 - 8) 2022 summer air service – update – Bill Tomcich & Kent Myers
 - 9) Airport surveys for summer 2022 and winter 22-23 – Kent Myers & Leia Morrison – update
 - 10) 2022-23 winter air service – update – Bill Tomcich & Kent Myers
 - 11) Bus Storage Facility Construction update – Scott Truex & Leia Morrison
 - 12) Fading West housing purchase project update – Scott Truex & Leia Morrison
- 8:45 G. PUBLIC COMMENT PERIOD
- 8:50 H. COMMENTS FROM BOARD MEMBERS & STAFF
- 8:55 I. NEW BUSINESS
 - 1) Acceptance of the 2021 Audit of the financial statements of the Gunnison Valley Transportation Authority – Scott Truex – **motion & decision requested.**
 - 2) Authorization for Board Chair to sign contracts with American Airlines and United Airlines for winter 2022-23 air service between Gunnison and Dallas and Gunnison and Houston – Scott Truex – **motion and decision requested**

- 3) Resolution Number 1, Series 2022 – **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GUNNISON VALLEY TRANSPORTATION AUTHORITY, AUTHORIZING THE PURCHASE OF REAL PROPERTY FOR THE USE OF THE GUNNISON VALLEY TRANSPORTATION AUTHORITY** – Five-plex, Lot 5, Lazy K Subdivision – Scott Truex – **motion and decision requested**
- 4) GVRTA Initial 2023 Budget Assumptions – discussion – Scott Truex
- 5) Purchase of Ford Transit Van for GVH Senior Services Program in 2023 – Scott Truex – **motion & decision requested.**
- 6) Purchase of Solstice Condominiums, Unit G from Margaret Levy and addition of a workforce deed restriction to Unit G – Scott Truex – discussion
- 7) **Possible Executive session** for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under C.R.S. Section 24-6-402(4)(e) for the purpose of conferring with staff regarding the possible purchase of Solstice Condominiums, Unit G from Margaret Levy – Janet Farmer – **possible motion & decision requested**
- 8) Authorization of Board Chair to sign a contract to purchase Unit G, Solstice Condominiums from Margaret Levy for a total amount not to exceed \$620,000 (\$600,000 purchase price plus closing costs) – Scott Truex – **possible motion & decision requested**

9:50 J. ADJOURNMENT OF REGULAR MEETING

Next Meeting – September 16, 2022 at 8:00 a.m. in the Gunnison County Courthouse

All times are approximate – the meeting may move more quickly or more slowly than indicated.

GUNNISON VALLEY TRANSPORTATION AUTHORITY

MEETING MINUTES

June 3, 2022

Gunnison County Courthouse

A. INTRODUCTION

Janet Farmer called the meeting to order at 8:08 am

Board members in attendance: Janet Farmer, Boe Freeburn, Roland Mason, Liz Smith, Jim Miles, Jason MacMillan.

Also present: Scott Truex, Leia Morrison, Rick Lamport, Kent Myers, Bill Tomcich, Jeremy Herzog, Danny Bartelli, Jeff Moffett, Cindy Barbour (ZOOM), Jon Galle, and community members

CONSENT AGENDA – motion & decision requested to approve the consent agenda

B. ADOPTION OF THE AGENDA

C. APPROVAL OF MAY 6, 2022 MEETING MINUTES

D. EXECUTIVE DIRECTOR'S FINANCIAL REPORT

E. CORRESPONDENCE

F. OLD BUSINESS

- 1) Air program reports
- 2) Bus program reports

Jim Miles ***moved to approve the consent agenda as presented.*** Roland Mason seconded the motion. The motion passed unanimously.

REGULAR AGENDA

F. OLD BUSINESS

3) Airport Update - Rick Lamport

Rick updated us on the state of affairs for the airport terminal. The upstairs flooring is hardwood and is almost complete. The terminal is on main power now. Rental car offices are done but need to be painted. Log wall siding out the exterior of the building is up. Landscaping has started in the parking lot and terminal. Solar panel installation will begin in two weeks. Twelve car charging stations will be included in the parking lot. The stairs between escalators have been fabricated and will be installed next week. A preservative coating will be applied to the runway next week.

4) Tourism Association Report - John Norton

Summer sale increases are looking good. They are going to stay the course.

5) Bus service update - Scott Truex

Truex reported that ridership is up 29% in April and 49% in May. We are back to pre-pandemic levels on ridership for the spring. The solar panels on bus stops will require regular cleaning. Repair & Maintenance will go over budget due to expired warranties. Last week, Leia Morrison and Scott Truex attended the CASTA conference in Colorado Springs. Jon Galle reported that schedules are covered, but they are still searching for permanent drivers. A CDL drivers school has been established in Montrose. Five students have graduated, and three are coming to Gunnison.

Bus Purchase - Scott Truex

Truex reported that the pricing for the two new buses came in less than expected. Congressionally directed spending that was awarded to us. Hoping to get 80% of those buses paid for by these funds.

6) Air Command Report - Scott Truex

All major Air Command topics will be discussed further at this meeting.

8) 2022 spring air service - Bill Tomcich and Kent Myers

Kent reported that United flew two flights a day. 42.6% load factor means that United will probably pull it back to one flight a day in the spring of 2023. There will be three daily non-stops coming out of Denver this winter, so we need to be marketing this service. Bill Tomcich reminded the board that these are larger planes with more capacity. Kent reported that all CRJ 700 aircraft will be going away completely. Spring was successful because we moved a lot of people.

9) 2022 summer air service - Kent Myers and Bill Tomcich

Kent reported that we looking great for summer. There is no guarantee (no MRG) for Houston. American was pleased with Houston's performance last year, so the existing winter MRG will likely remain the same. Janet Farmer asked if this summer's performance will affect how American will handle negotiations in the future. Kent said that he only has one booking report so far, which is already at 58%. Gunnison only went on sale three weeks ago. Kent said they still need to look at some of the pricing, but it is very strong on the surface. There have been several delays but no cancellations.

10) Airport Survey - Kent Myers and Leia Morrison

Kent reported that the surveys will be running by the end of June. We encourage board members to sign up for volunteer shifts.

11) Bus Storage Facility Construction - Scott Truex & Leia Morrison

We have completed the bid process and will discuss it later in the meeting.

12) Lazy K housing purchase - Scott Truex & Leia Morrison

No real update. We still expect to have the Certificate of Occupancy by the end of summer.

G. PUBLIC COMMENT PERIOD

Scout Walton - Skyland Resident - He attended this meeting to congratulate and applaud the board with JSX to secure service from Austin to Dallas. He thinks that more of this kind of action is important.

Brian Wickenhauser - City of Gunnison/Owner of IBAR Ranch. Applauding that the RTA had strategically gone after the Austin market and wanted to reiterate what Scout said. Austin is the heart of live music in Texas, and choosing to go after this market is encouraged. Bringing in new live music fans is appreciated. Roland Mason added that the potential impact on Mt. Crested Butte/high-end community - businesses will benefit the entire valley. Brian added that the IBAR has and has had tons of excess capacity. Concerts are never sold out because they can accommodate excess capacity.

Jim Jose - SHM Architects office in CB - Jim wanted to again thank the board for adding this JSX service. His main office is in Dallas, and he often commutes interns and young professionals and prefers non-stop flights to Gunnison.

H. COMMENTS FROM BOARD MEMBERS AND STAFF

Scott thanked Leia Morrison for facilitating a company to paint the Evans Bus Maintenance Facility.

New Business

1) 2022-23 winter air service – discussion – Bill Tomcich

This has been covered previously in the meeting. Bill did add that the E-175 aircraft will be introduced December 17th.

2) Authorization of Board Chair to sign a contract to construct a Bus Storage Facility at the Whetstone Industrial Park using local and State FASTER funds – Scott Truex – motion & decision requested.

Truex reported that we had received two bids for the project and that both were complete and included all required documentation. He reported that one bid was for \$3,475,000 and the other was for \$3,802,422. Even the lowest bid is above our budget, however we do have funds available and the least expensive bid was from Adena Corporation. Their bid included a completion date of 225 days from the contract signing which would be in January. The other bidder asked for 11 months to complete the project. The grant we have will currently cover \$1.7M of the total cost of this project, and Truex has a meeting set up next week with CDOT to discuss the possibility of receiving additional funds. Truex said that after conferring with our architect/project manager, he recommended awarding the contract to Adena Corporation.

After discussion, Jim Miles ***moved to authorize the Board Chair to enter into a contract with Adena Corporation to build the bus storage facility for an amount not to exceed \$3,475,000.*** Roland Mason seconded the motion, which passed unanimously.

3) Review of the contract with AEX, Inc. – decision regarding extension of the contract for 2023 service – Scott Truex

Scott reported that this contract is renewed annually. He added that AEX has done a great job,, and AEX also agrees to continue this partnership. After discussion, it was decided to take no action which allows the contract to extend automatically.

4)Set Winter 2022-23 Commuter Bus Schedule – Scott Truex – motion and decision requested
Scott reported that there is one change to move the 4:30 pm southbound to 4:45 pm. There will be a total of 35 round trips. Liz Smith ***moved to approve the proposed 2022/23 Commuter Bus Schedule as presented.***

Jim Miles seconded the motion, which passed unanimously.

5) Authorization of the Board Chair to sign a Master Lease Agreement with AEX, Inc. to allow AEX, Inc. to lease the Lazy K Five-Plex to their employees providing services for the GVRTA–
Scott Truex

Truex presented the details of the master lease and the tenant’s lease which were in the packet. Roland Mason requested an amendment to the lease to have the RTA use one of the spaces for RTA staff if necessary.

Roland Mason ***moved to authorize the Board Chair to the Master Lease with AEX, Inc. and to approve the Tenant’s lease as presented in the packet with a change allowing for RTA to have staff use one unit if needed.*** . Jim Miles seconded the motion, which passed unanimously.

6)Purchase of a Five-Plex for housing on West Denver Avenue in Gunnison from Fading West Development – Scott Truex & John O’Neal from Fading West Development

Truex outlined the project and noted his memo in the packet which gave further details. John O’Neal discussed the project with the Board and answered questions. The primary difference between this project and the Lazy K project is that there will be no income restrictions for the tenants. The plan includes twenty-four units with a common green space in the middle. There will be live/work deed restrictions on the property, with more details to come.

After further discussion, Jim Miles ***moved to authorize the Board Chair to sign a contract with Fading West to purchase a five-townhome building to be constructed by Fading West on West Denver Avenue in Gunnison for an amount not to exceed \$1,900,000 after review and approval of the RTA attorney and Executive Director..*** Roland Mason seconded the motion, which passed unanimously.

7) Consideration of improving bus stops in the City of Gunnison and potential construction of a new bus stop on State Hwy 135 at mile marker 23 at Hidden River Road

Truex noted a memo in the packet and reminded the board that there are many competing interests for our resources. The staff are planning to have improvements made to the Gunnison City bus stops in 2023, which are currently in the draft budget. We need to hire an engineering firm this summer if we want to proceed with the Hidden River bus stops. The anticipated cost is \$225,000 to \$250,000. Jason MacMillan asked what RTA's position is on acquiring parking near a new bus stop. He stated that having parking as part of the stop is important. Scott replied that it depends on where the stops are located and the need for parking there. Matthew Kaufman, a Hidden River Road resident, spoke to the board. He noted that there are no alternatives other than to drive and no safe bike route to town from Hidden River Road. Liz asked if new stop construction included integrate bike racks and Truex replied that they do. Jason Macmillan asked how many full-time units/part-time residents are in Hidden River? Matthew Kaufman said there are 30 sites with 7-10 full-time and many seasonal homeowners. Janet expressed concerns about this regarding cost. Roland Mason also expressed concern. Liz Smith also feels it appropriate to consider the Multimodal path decision when looking at future bus stops. Board would like to see this reconsidered in a year. Truex said that he would place this on an agenda next year.

8) Approval of revised comments on the Whetstone Sketch Plan Land Use Application
Truex noted the draft comments in the packet. He reported that there had been one change to the comments regarding the sketch plan which includes a request for an underpass under Hwy. 135. The timing coincides with redesigning the Brush Creek intersection to include a roundabout. A pedestrian underpass is desirable, because to make transit accessible, we must have easy access to bus stops. We wouldn't submit this until the County formally requests it.

Jim Miles ***moved to authorize Scott to submit the proposed comments as presented when the County formally requests comments.*** Jason MacMillan seconded the motion. Motion passed unanimously.

North Valley supervisor housing requests. Scott has spoken to Troy Russ at the Town of Crested Butte. This will be a discussion during the 2023 budget discussions.

The meeting adjourned at 9:27 am



June, 2022 - Financial Report:

This report was prepared for the GVRTA Board of Directors on August 8, 2022 with information provided by the County Finance Department and shows posted revenues through June, 2022 and expenditures through June, 2022.

Sales Tax Revenues:

Gunnison Valley Transportation Authority Sales Tax Revenues									
Month	2019	2020	2021	Budget 2022	Actual 2022	% vs Budget	% Change 21-22	Projected 2022	
Jan	\$ 268,551	\$ 313,013	\$ 365,491	\$ 367,000	\$ 445,738.68	21.5%	22.0%	\$ 445,739	
Feb	\$ 260,830	\$ 315,712	\$ 392,187	\$ 368,000	\$ 464,948.54	26.3%	18.6%	\$ 464,948	
Mar	\$ 288,248	\$ 245,671	\$ 460,733	\$ 425,000	\$ 559,797.80	31.7%	21.5%	\$ 559,798	
April	\$ 209,259	\$ 205,492	\$ 310,227	\$ 295,000	\$ 332,943.86	12.9%	7.3%	\$ 332,944	
May	\$ 226,656	\$ 233,927	\$ 347,074	\$ 330,000	\$ 386,830.03	17.2%	11.5%	\$ 386,830	
June	\$ 356,093	\$ 373,164	\$ 539,591	\$ 514,000	\$ 591,654.53	15.1%	9.6%	\$ 591,654	
July	\$ 496,362	\$ 509,375	\$ 635,020	\$ 656,000				\$ 635,020	
Aug	\$ 433,103	\$ 464,055	\$ 555,011	\$ 567,000				\$ 555,011	
Sept	\$ 385,137	\$ 472,333	\$ 546,497	\$ 581,000				\$ 546,497	
Oct	\$ 295,453	\$ 364,890	\$ 412,742	\$ 394,000				\$ 412,742	
Nov	\$ 249,916	\$ 296,457	\$ 359,587	\$ 333,000				\$ 359,587	
Dec	\$ 386,581	\$ 426,868	\$ 487,011	\$ 492,000				\$ 487,011	
Year-to-date	\$ 1,609,637	\$ 1,686,979	\$ 2,415,303	\$ 2,299,000	\$ 2,781,913.44	21.0%	15.2%		
Full Year	\$ 3,856,189	\$ 4,220,957	\$ 5,411,171	\$ 5,322,000		8.6%	6.8%	\$ 5,777,781	

Gunnison Valley Transportation Authority Financial Report - June, 2022		YTD Actual	2022 Adopted Budget	Revisions	2022 Projected
Sales Tax Revenues	(Future months are projected flat to 2021)	\$ 2,781,913.44	\$ 5,322,000	\$ 455,781	\$ 5,777,781
Sales Tax to General Fund		\$ 2,781,913.44	\$ 1,522,000	\$ (144,219)	\$ 1,377,781
Sales Tax to Capital Fund		\$ -	\$ 2,200,000	\$ 1,550,000	\$ 3,750,000
Sales Tax to Air Command Fund		\$ -	\$ 1,200,000	\$ (950,000)	\$ 250,000
Sales Tax to Senior Transportation Fund		\$ -	\$ 400,000	\$ -	\$ 400,000
		\$ 2,781,913.44	\$ 5,322,000	\$ 455,781	\$ 5,777,781

GVRTA Fund Reports:

GVRTA General Fund					
 Financial Report - June, 2022		YTD	2022		2022
		Actual	Adopted	Revisions	Projected
Beginning Fund Balance		\$ 2,890,613	\$ 2,612,731	\$ 277,882	\$ 2,890,613
Revenues					
Sales Tax Revenues		\$ 2,781,913.44	\$ 1,522,000	\$ (144,219)	\$ 1,377,781
Sales Tax - Clerk		\$ 18,145.84	\$ 25,000	\$ 5,000	\$ 30,000
Interest Charges		\$ 231.98	\$ 3,000	\$ (1,250)	\$ 1,750
Other Fines		\$ 2,934.27	\$ 6,000	\$ 5,000	\$ 11,000
Rental Income		\$ 13,200.00	\$ 26,400	\$ 12,600	\$ 39,000
Earnings on Investments		\$ (131,949.97)	\$ 25,000	\$ (145,000)	\$ (120,000)
5311 A & O FTA 5311 Admin. & Operating Grant funded by ARP		\$ 356,863.00	\$ 242,618	\$ 114,245	\$ 356,863
Total Revenues		\$ 3,041,338.56	\$ 1,850,018	\$ (153,624)	\$ 1,696,394
Expenditures:					
Postage		\$ -	\$ 100	\$ -	\$ 100
Photocopies		\$ -	\$ 100	\$ -	\$ 100
Supplies & Equipment Under \$4,000		\$ 255.40	\$ 4,000	\$ -	\$ 4,000
Building Repair and Maintenance		\$ 23,001.07	\$ 30,000	\$ -	\$ 30,000
Travel - Transportation		\$ 447.95	\$ 8,000	\$ (5,000)	\$ 3,000
Travel - Meals		\$ 223.00	\$ 6,000	\$ (3,000)	\$ 3,000
Travel - Lodging		\$ 1,617.83	\$ 6,000	\$ (2,000)	\$ 4,000
Legal Services		\$ 1,701.33	\$ 8,000	\$ (2,000)	\$ 6,000
Contracted Temporary Help - Marcy & RAE		\$ -	\$ 12,000	\$ -	\$ 12,000
Contract Svcs - Social Firekeeper, GPS, Bus Stops		\$ 25,784.46	\$ 60,000	\$ (4,000)	\$ 56,000
Management Services - TMS		\$ 52,500.00	\$ 90,000	\$ -	\$ 90,000
Meetings - Registrations		\$ 750.00	\$ 2,000	\$ -	\$ 2,000
State Fees		\$ 10,531.97	\$ 34,000	\$ (2,000)	\$ 32,000
Treasurer's Fees		\$ 27,898.30	\$ 50,000	\$ 8,000	\$ 58,000
Late Night Taxi Donation		\$ 30,000.00	\$ -	\$ 30,000	\$ 30,000
Advertising, Notices, Public Outreach & Website		\$ 5,409.05	\$ 20,000	\$ (7,000)	\$ 13,000
Dues & Memberships		\$ 3,537.35	\$ 14,000	\$ (4,000)	\$ 10,000
Auditing		\$ -	\$ 7,600	\$ -	\$ 7,600
Insurance & Bonds		\$ 9,610.88	\$ 11,500	\$ 2,500	\$ 14,000
Investment Commissions/Fees		\$ -	\$ 100	\$ (100)	\$ -
Transfer to County General Fund		\$ 5,850.00	\$ 11,700	\$ -	\$ 11,700
5311 - A Management Services - TMS		\$ 52,500.00	\$ 90,000	\$ -	\$ 90,000
5311 - O Diesel Fuel		\$ 52,501.94	\$ 80,000	\$ 19,000	\$ 99,000
5311 - O CNG Fuel		\$ 118,914.49	\$ 225,000	\$ 20,000	\$ 245,000
5311 - O Repair & Maintenance - Vehicles		\$ 171,794.96	\$ 270,000	\$ 110,000	\$ 380,000
5311 - O Purchased Transportation Services		\$ 1,001,015.51	\$ 1,920,000	\$ 44,000	\$ 1,964,000
Total Expenditures		\$ 1,595,845.49	\$ 2,960,100	\$ 204,400	\$ 3,164,500
Ending General Fund Balance		\$ 4,336,106	\$ 1,502,649	\$ (80,142)	\$ 1,422,507

Report shows posted revenues through June and expenditures through June.

Report prepared by Scott Truex with information from the County Finance department on August 8, 2022.

GVRTA Capital Reserve Fund Financial Report - June, 2022		YTD Actual	2022 Adopted Budget	Revisions	2022 Projected
Beginning Fund Balance		\$ 249,948	\$ 249,948	\$ -	\$ 249,948
Revenues:					
Sales Tax Revenues		\$ -	\$ 2,200,000	\$ 1,550,000	\$ 3,750,000
SB 267 State Capital Grant (facility)		\$ 96,621.17	\$ 1,530,000	\$ 606,439	\$ 2,136,439
5339/FASTER - C Federal Capital Grant (bus)		\$ -	\$ -	\$ -	\$ -
Total Revenues		\$ 96,621.17	\$ 3,730,000	\$ 2,156,439	\$ 5,886,439
Expenditures:					
5339/FASTER - C Bus Purchase		\$ -	\$ -	\$ -	\$ -
SB 267 Facility Design and Construction		\$ 119,552.67	\$ 2,000,000	\$ 1,200,000	\$ 3,200,000
Housing Purchase		\$ 18,924.00	\$ 1,600,000	\$ 938,924	\$ 2,538,924
Capital Improvements		\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 138,476.67	\$ 3,600,000	\$ 2,138,924	\$ 5,738,924
Ending Fund Balance		\$ 208,093	\$ 379,948	\$ 17,515	\$ 397,463

Report shows posted revenues through June and expenditures through June.

Report prepared by Scott Truex with information from the County Finance department on August 8, 2022.

GVRTA Air Command Fund Financial Report - June, 2022		YTD Actual	2022 Adopted Budget	Revisions	2022 Projected
Beginning Fund Balance		\$ 2,488,213	\$ 2,485,713	\$ 2,500	\$ 2,488,213
Revenues:					
Sales Tax Revenues		\$ -	\$ 1,200,000	\$ (950,000)	\$ 250,000
SCASD Grant		\$ -	\$ 200,000	\$ (200,000)	\$ -
Total Revenues		\$ -	\$ 1,400,000	\$ (1,150,000)	\$ 250,000
Expenditures:					
Airline Guarantees - Winter 21-22		\$ 171,236.00	\$ 740,380	\$ (569,144)	\$ 171,236
Professional Services -Airplanners & RRC		\$ 57,305.84	\$ 90,000	\$ 22,000	\$ 112,000
Contract with Airport for Airline Mechanic			\$ 32,000	\$ 4,000	\$ 36,000
Airline Guarantees - Summer		\$ 90,000.00	\$ 700,000	\$ (610,000)	\$ 90,000
Total Expenditures		\$ 318,541.84	\$ 1,562,380	\$ (1,153,144)	\$ 409,236
Ending Fund Balance		\$ 2,169,671	\$ 2,323,333	\$ 5,644	\$ 2,328,977

Report shows posted revenues through June and expenditures through June.

Report prepared by Scott Truex with information from the County Finance department on August 8, 2022.

GVRTA Senior Transportation Fund Financial Report - June, 2022		YTD Actual	2022 Adopted Budget	Revisions	2022 Projected
Beginning Fund Balance		\$ 334,510	\$ 329,386	\$ 5,124	\$ 334,510
Revenues:					
Sales Tax Revenues		\$ -	\$ 400,000	\$ -	\$ 400,000
Total Revenues		\$ -	\$ 400,000	\$ -	\$ 400,000
Expenditures:					
Capital Expenses		\$ 74,838.00	\$ 70,000	\$ 4,838	\$ 74,838
Contracted Services		\$ 140,449.88	\$ 360,000	\$ (60,000)	\$ 300,000
Total Expenditures		\$ 215,287.88	\$ 430,000	\$ (55,162)	\$ 374,838
Ending Fund Balance		\$ 119,222	\$ 299,386	\$ 60,286	\$ 359,672

Report shows posted revenues through June and expenditures through June.

Report prepared by Scott Truex with information from the County Finance department on August 8, 2022.

GVRTA Fund Reports:

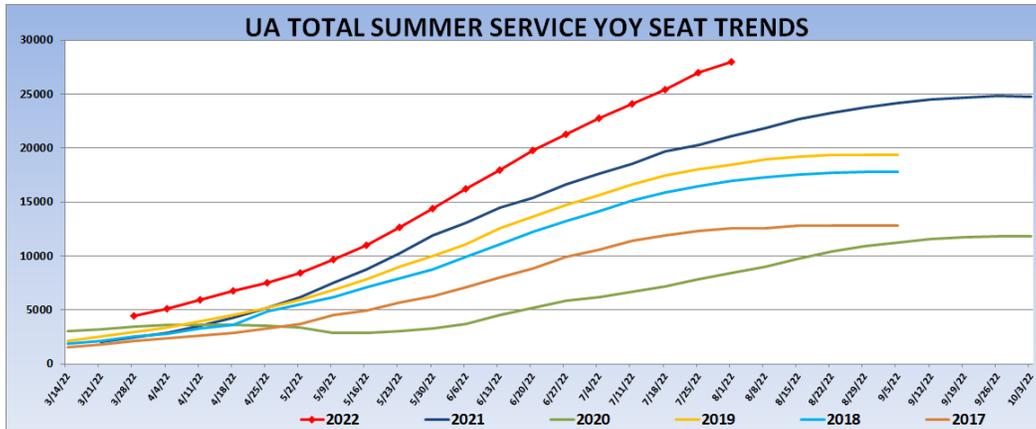
 GVRTA Capital Reserve Fund Financial Report - June, 2022		YTD Actual	2022 Adopted Budget	Revisions	2022 Projected
Beginning Fund Balance		\$ 249,948	\$ 249,948	\$ -	\$ 249,948
Revenues:					
Sales Tax Revenues		\$ -	\$ 2,200,000	\$ 1,550,000	\$ 3,750,000
SB 267 State Capital Grant (facility)		\$ 96,621.17	\$ 1,530,000	\$ 606,439	\$ 2,136,439
5339/FASTER - C Federal Capital Grant (bus)		\$ -	\$ -	\$ -	\$ -
Total Revenues		\$ 96,621.17	\$ 3,730,000	\$ 2,156,439	\$ 5,886,439
Expenditures:					
5339/FASTER - C Bus Purchase		\$ -	\$ -	\$ -	\$ -
SB 267 Facility Design and Construction		\$ 119,552.67	\$ 2,000,000	\$ 1,200,000	\$ 3,200,000
Housing Purchase		\$ 18,924.00	\$ 1,600,000	\$ 938,924	\$ 2,538,924
Capital Improvements		\$ -	\$ -	\$ -	\$ -
Total Expenditures		\$ 138,476.67	\$ 3,600,000	\$ 2,138,924	\$ 5,738,924
Ending Fund Balance		\$ 208,093	\$ 379,948	\$ 17,515	\$ 397,463
Report shows posted revenues through June and expenditures through June.					
Report prepared by Scott Truex with information from the County Finance department on August 8, 2022.					
 GVRTA Air Command Fund Financial Report - June, 2022		YTD Actual	2022 Adopted Budget	Revisions	2022 Projected
Beginning Fund Balance		\$ 2,488,213	\$ 2,485,713	\$ 2,500	\$ 2,488,213
Revenues:					
Sales Tax Revenues		\$ -	\$ 1,200,000	\$ (950,000)	\$ 250,000
SCASD Grant		\$ -	\$ 200,000	\$ (200,000)	\$ -
Total Revenues		\$ -	\$ 1,400,000	\$ (1,150,000)	\$ 250,000
Expenditures:					
Airline Guarantees - Winter 21-22		\$ 171,236.00	\$ 740,380	\$ (569,144)	\$ 171,236
Professional Services -Airplanners & RRC		\$ 57,305.84	\$ 90,000	\$ 22,000	\$ 112,000
Contract with Airport for Airline Mechanic			\$ 32,000	\$ 4,000	\$ 36,000
Airline Guarantees - Summer		\$ 90,000.00	\$ 700,000	\$ (610,000)	\$ 90,000
Total Expenditures		\$ 318,541.84	\$ 1,562,380	\$ (1,153,144)	\$ 409,236
Ending Fund Balance		\$ 2,169,671	\$ 2,323,333	\$ 5,644	\$ 2,328,977
Report shows posted revenues through June and expenditures through June.					
Report prepared by Scott Truex with information from the County Finance department on August 8, 2022.					
 GVRTA Senior Transportation Fund Financial Report - June, 2022		YTD Actual	2022 Adopted Budget	Revisions	2022 Projected
Beginning Fund Balance		\$ 334,510	\$ 329,386	\$ 5,124	\$ 334,510
Revenues:					
Sales Tax Revenues		\$ -	\$ 400,000	\$ -	\$ 400,000
Total Revenues		\$ -	\$ 400,000	\$ -	\$ 400,000
Expenditures:					
Capital Expenses		\$ 74,838.00	\$ 70,000	\$ 4,838	\$ 74,838
Contracted Services		\$ 140,449.88	\$ 360,000	\$ (60,000)	\$ 300,000
Total Expenditures		\$ 215,287.88	\$ 430,000	\$ (55,162)	\$ 374,838
Ending Fund Balance		\$ 119,222	\$ 299,386	\$ 60,286	\$ 359,672
Report shows posted revenues through June and expenditures through June.					
Report prepared by Scott Truex with information from the County Finance department on August 8, 2022.					

Summary of all Funds

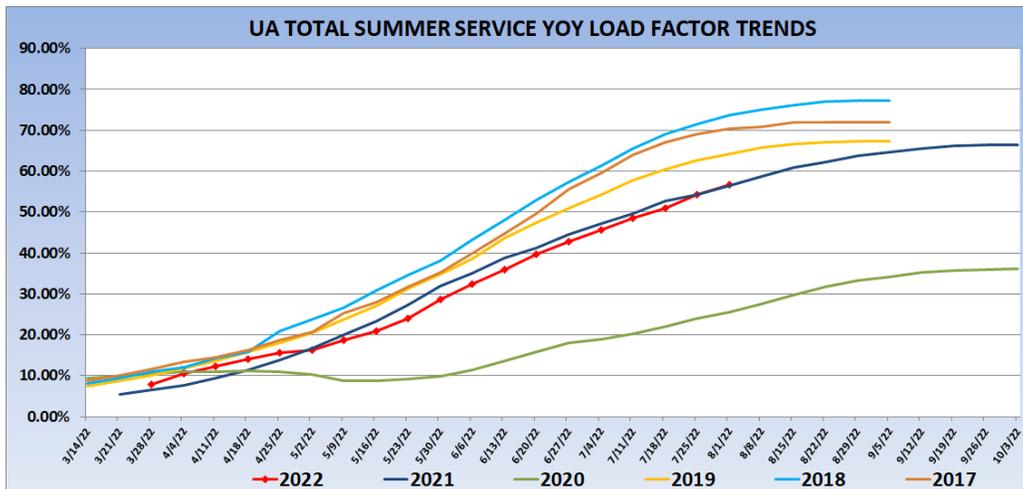
GVRTA Total Revenues and Expenditures  Financial Report - June, 2022		YTD Actual	2022 Adopted Budget	Revisions	2022 Projected	
Beginning Fund Balance		\$ 5,963,284	\$ 5,677,778	\$ 285,506	\$ 5,963,284	
Revenues:		\$ 3,137,960	\$ 7,380,018	\$ 852,815	\$ 8,232,833	
Expenditures:		\$ 2,268,152	\$ 8,552,480	\$ 1,135,018	\$ 9,687,498	
Ending Fund Balance		\$ 6,833,092	\$ 4,505,316	\$ 3,303	\$ 4,508,619	
Report shows posted revenues through June and expenditures through June. Report prepared by Scott Truex with information from the County Finance department on August 8, 2022.						
GVRTA Summary of all Funds  Financial Report - June, 2022		2022 Actual Beginning Balance	YTD Current Balances	2022 Adopted Budget Ending Balance	Revisions	2022 Projected Ending Balance
Fund Balances						
Unrestricted General Fund Balance		\$ 2,890,613	\$ 4,336,106	\$ 1,502,649	\$ (80,142)	\$ 1,422,507
Capital Reserve Fund Balance		\$ 249,948	\$ 208,093	\$ 379,948	\$ 17,515	\$ 397,463
Air Command Fund Balance		\$ 2,488,213	\$ 2,169,671	\$ 2,323,333	\$ 5,644	\$ 2,328,977
Senior Transportation Fund Balance		\$ 334,510	\$ 119,222	\$ 299,386	\$ 60,286	\$ 359,672
Total Fund Balance		\$ 5,963,284	\$ 6,833,092	\$ 4,505,316	\$ 3,303	\$ 4,508,619
Report shows posted revenues through June and expenditures through June. Report prepared by Scott Truex with information from the County Finance department on August 8, 2022.						

Air Program Reports – Summer, 2022 – As of 8/1

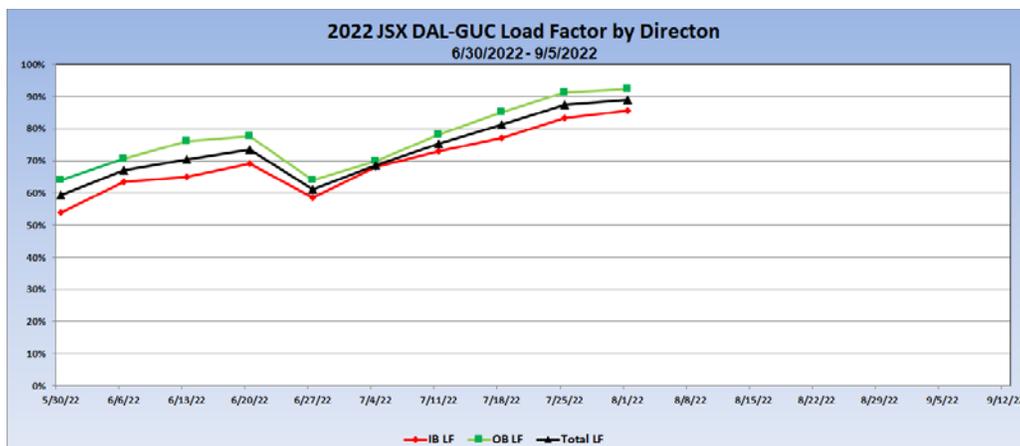
All United Flights – Total Seats Sold vs last five years:



All United Flights – Total Load Factor vs last five years:



JSX Flights



Bus program reports – July, 2022

Ridership on the RTA Gunnison - Crested Butte Route 2022								2022 Overcrowding		2021			YOY	
Month	Riders	Bus Trips	Service Hours	Service Miles	Days	Riders Per Trip	Riders Per Day	Riders Refused Boarding	Times Riders Refused	Riders	Riders Per Trip	Riders Per Day	Total Riders Change	Percent Riders Change
								January	26,533	2,163	2,282	71,759	31	12.3
February	27,282	1,951	2,081	63,636	28	14.0	974.4	12	4	18,052	11.5	644.7	9,230	51.1%
March	31,026	2,159	2,308	70,927	31	14.4	1,000.8	30	3	18,660	10.8	601.9	12,366	66.3%
April	11,469	1,223	1,357	40,853	30	9.4	382.3	6	2	8,899	7.7	296.6	2,570	28.9%
May	11,549	1,176	1,306	39,057	31	9.8	372.5	-	-	8,175	7.3	263.7	3,374	41.3%
June	16,952	1,139	1,289	38,427	30	14.9	565.1	21	2	11,602	10.8	386.7	5,350	46.1%
July	20,315	1,170	1,331	39,333	31	17.4	655.3	-	-	14,309	12.8	461.6	6,006	42.0%
August														
September														
October														
November														
December														
Total	145,126	10,981	11,954	363,992	212	13.2	684.6	89	16	98,801	6.1	466.0	46,325	46.9%

Passengers by Stop – Spring, Summer, & Fall, 2022:

2021-2022 Spring, Summer, & Fall RTA Bus Boardings by Bus Stop																			Northbound	
Month	# of days	Gunnison County Library	Gunnison Community Schools	11th & Virginia	Safeway Spruce & Hwy50	Teller & Hwy50	WCU Colorado & Ohio	Denver & Hwy135	Spencer & Hwy135	Tall Texan	Ohio Creek	Almont	ON CB South	OFF CB South	Riverland	Brush Creek	Riverbend	CB 4-Way	Total Northbound Passengers	
April	27	77	402	465	471	419	311	699	575	122	29	159	718	245	36	56	65	69	4,673	
May	31	59	676	566	708	385	392	802	841	158	62	158	1,127	315	42	41	39	98	6,154	
June	30	146	1,003	907	898	898	535	1,112	1,061	307	133	345	1,145	359	102	125	105	178	9,000	
July	31	157	1,089	963	1,100	1,270	574	1,129	1,182	593	204	407	1,360	427	53	108	98	338	10,625	
August																			-	
September																			-	
October																			-	
November																			-	
Total	119		3,170	2,901	3,177	2,972	1,812	3,742	3,659	1,180	428	1,069	4,350	1,346	233	330	307	683	30,452	

2021-2022 Spring, Summer, & Fall RTA Bus Boardings by Bus Stop													Southbound	
Month	# of days	Mt CB Transit Center	CB 4-Way	Riverbend	Brush Creek	Riverland	ON CB South	OFF CB South	Almont	Ohio Creek	Tall Texan	Gunnison Rec Center	Total Southbound Passengers	
April	27	840	2,250	64	63	81	296	491	154	16	261	115	4,140	
May	31	889	3,058	46	98	108	423	804	208	30	393	142	5,395	
June	30	1,932	4,293	76	133	148	456	795	270	26	356	262	7,952	
July	31	2,485	5,109	126	122	157	576	1,002	275	52	474	314	9,690	
August													-	
September													-	
October													-	
November													-	
Total	119	6,146	14,710	312	416	494	1,751	3,092	907	124	1,484	833	27,177	

Passenger Boardings by Time – Spring, Summer, & Fall, 2022:

Gunnison Valley RTA Passengers by Time - Spring, Summer, Fall, 2022										Average Riders per Bus - Spring, Summer, Fall, 2022									
Northbound										Northbound									
	April	May	June	July	Aug	Sept	Oct	Nov	Total		April	May	June	July	Aug	Sept	Oct	Nov	Total
5:30 AM	54	122	204	202					582	5:30 AM	2.0	3.9	6.8	6.5					4.9
6:30 AM	146	190	440	512						6:30 AM	5.4	6.1	14.7	16.5					-
7:00 AM	599	1003	832	882					3,316	7:00 AM	22.2	32.4	27.7	28.5					27.9
7:30 AM	320	439	897	1,175					2,831	7:30 AM	11.9	14.2	29.9	37.9					23.8
8:00 AM	290	346	618	694					1,948	8:00 AM	10.7	11.2	20.6	22.4					16.4
8:35 AM	245	294	557	615					1,711	8:35 AM	9.1	9.5	18.6	19.8					14.4
9:35 AM	315	392	554	758					2,019	9:35 AM	11.7	12.6	18.5	24.5					17.0
10:40 AM	236	285	637	695					1,853	10:40 AM	8.7	9.2	21.2	22.4					15.6
12:00 PM	283	300	534	654					1,771	12:00 PM	10.5	9.7	17.8	21.1					14.9
1:05 PM	225	319	554	661					1,759	1:05 PM	8.3	10.3	18.5	21.3					14.8
2:05 PM	331	436	678	668					2,113	2:05 PM	12.3	14.1	22.6	21.5					17.8
3:30 PM	306	392	616	586					1,900	3:30 PM	11.3	12.6	20.5	18.9					16.0
4:05 PM	280	344	418	626					1,668	4:05 PM	10.4	11.1	13.9	20.2					14.0
5:05 PM	267	368	393	463					1,491	5:05 PM	9.9	11.9	13.1	14.9					12.5
6:05 PM	255	265	298	399					1,217	6:05 PM	9.4	8.5	9.9	12.9					10.2
7:05 PM	138	185	286	306					915	7:05 PM	5.1	6.0	9.5	9.9					7.7
8:05 PM	136	157	176	257					726	8:05 PM	5.0	5.1	5.9	8.3					6.1
9:10 PM	145	218	223	251					837	9:10 PM	5.4	7.0	7.4	8.1					7.0
10:10 PM	102	99	85	221					507	10:10 PM	3.8	3.2	2.8	7.1					4.3
Total	4,673	6,154	9,000	10,625	-	-	-	-	30,452	Total	9.1	10.4	15.8	18.0					13.5
Southbound										Southbound									
	April	May	June	July	Aug	Sept	Oct	Nov	Total		April	May	June	July	Aug	Sept	Oct	Nov	Total
6:40 AM	193	225	229	263					910	6:40 AM	7.1	7.3	7.6	8.5					7.6
7:45 AM	195	243	308	252					998	7:45 AM	7.2	7.8	10.3	8.1					8.4
8:15 AM	83	123	121	161					488	8:15 AM	3.1	4.0	4.0	5.2					4.1
8:45 AM	90	125	128	169					512	8:45 AM	3.3	4.0	4.3	5.5					4.3
9:15 AM	80	67	106	136					389	9:15 AM	3.0	2.2	3.5	4.4					3.3
9:50 AM	86	150	193	194					623	9:50 AM	3.2	4.8	6.4	6.3					5.2
11:10 AM	208	284	363	348					1,203	11:10 AM	7.7	9.2	12.1	11.2					10.1
12:15 PM	187	286	309	440					1,222	12:15 PM	6.9	9.2	10.3	14.2					10.3
1:15 PM	243	245	345	534					1,367	1:15 PM	9.0	7.9	11.5	17.2					11.5
2:25 PM	390	480	594	725					2,189	2:25 PM	14.4	15.5	19.8	23.4					18.4
4:15 PM	758	969	1,121	1,171					4,019	4:15 PM	28.1	31.3	37.4	37.8					33.8
4:45 PM	242	299	438	585					1,564	4:45 PM	9.0	9.6	14.6	18.9					13.1
5:15 PM	329	501	1,044	1,229					3,103	5:15 PM	12.2	16.2	34.8	39.6					26.1
6:15 PM	275	385	559	659					1,878	6:15 PM	10.2	12.4	18.6	21.3					15.8
7:15 PM	173	239	393	533					1,338	7:15 PM	6.4	7.7	13.1	17.2					11.2
8:20 PM	205	203	326	442					1,176	8:20 PM	7.6	6.5	10.9	14.3					9.9
9:20 PM	197	321	523	581					1,622	9:20 PM	7.3	10.4	17.4	18.7					13.6
10:25 PM	123	169	504	754					1,550	10:25 PM	4.6	5.5	16.8	24.3					13.0
11:25 PM	83	81	348	514					1,026	11:25 PM	3.1	2.6	11.6	16.6					8.6
Total	4,140	5,395	7,952	9,690	-	-	-	-	27,177	Total	8.1	9.2	14.0	16.5					12.0
Overall Total	8,813	11,549	16,952	20,315	-	-	-	-	57,629	Overall Total	8.6	9.8	14.9	17.2					12.7

Spring, Summer, Fall - 2022 GVRTA On-Time Performance

Southbound - Crested Butte 4-Way								
	# of Days	Planned # of Trips	Actual # of Trips	Percentage of Actual Trips				
				Zero to 5 minutes late	Zero to 10 minutes late	Zero to 15 minutes late	More than 15 minutes	Not Tracked
April	27	513	512	95.5%	98.6%	99.6%	0.0%	0.4%
May	31	589	588	94.2%	96.3%	96.4%	0.0%	3.6%
June	30	570	570	90.2%	95.4%	96.8%	0.7%	2.5%
July	31	589	585	89.4%	97.4%	98.1%	0.7%	1.2%
August								
September								
October								
November								
Total	119	2,261	2,255	92.2%	96.9%	97.7%	0.4%	2.0%

Northbound - Spencer and Hwy 135								
	# of Days	Planned # of Trips	Actual # of Trips	Percentage of Actual Trips				
				Zero to 5 minutes late	Zero to 10 minutes late	Zero to 15 minutes late	More than 15 minutes	Not Tracked
April	27	513	509	97.2%	99.4%	99.6%	0.0%	0.4%
May	31	589	588	95.4%	97.1%	98.1%	0.3%	1.5%
June	30	570	569	89.5%	95.1%	96.8%	0.5%	2.6%
July	31	589	585	89.7%	97.3%	98.6%	0.3%	1.0%
August								
September								
October								
November								
Total	119	2,261	2,251	92.8%	97.2%	98.3%	0.3%	1.4%
Average:				92.5%	97.0%	98.0%	0.3%	1.7%

Late/Missed Runs & Incidents – July, 2022

7/01-7/31/2022

Date	Late run	Missed Runs	Reason
7/2/2022	STOKES-5:05 PM SHIFT START	N/A	#502 HIT DEER
7/8/2022	N/A	8:35 AM NB & 9:50 AM SB	DRVR BECAME ILL
7/8/2022	N/A	4:45 PM SB	BROKE BELT/SWITCHED BUSES
7/11/2022	9:35 AM NB	N/A	ROAD WORK ON HWY135-15 MINS LATE
7/13/2022	12:00 PM NB	N/A	HAD TO AIR UP TIRES
7/16/2022	10:40 AM NB	N/A	10 MINS LATE-PARADE
7/18/2022	8:20 PM SB	N/A	@15 MINS LATE TO GUNNY-WEATHER&TRAFFIC
7/23/2022	10:25:00 PM SB	N/A	@ 10 MINS LATE-LOTS OF PHONE CALLS LOOKING FOR MISSING TEEN, HE CAME ON DIFF BUS
7/24/2022	N/A	5:05 PM NB, 6:15 PM SB, 7:05 PM NB, 9:10 PM NB, 10:25 PM SB	ASSGND DRVR GOT CONFUSED WHAT DAY IT WAS/ OTHER DRVR ABLE TO DO 1 LEG
7/25/2022	N/A	4:05 PM NB	DRVR WAS FROM MTJ AND GOT STUCK IN CANYON- 10 MIN LATE START
7/26/2022	5:05:00 PM NB	N/A	HWY PAINTING- 5 MINS LATE

2022 Miles per Bus:

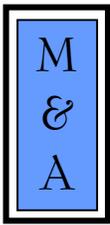
Miles / Bus 2022	5311 2017-D	Local 2017-D	DOLA 2017-C	5339 2018-C	SB-228 2019-C	5339 2019-C	5339/VW 2020-C	FASTER 2021-C		Total Bus Miles (odom.)	Total Revenue Miles
Bus #	#504	#505	#506	#503	#502	#501	#500	#507	AEX Buses		
January	10,057	9,528	7,208	7,048	7,094	8,588	8,874	9,632	4,459	72,488	71,759
February	9,855	5,782	5,679	7,452	7,419	8,045	8,760	8,902	2,889	64,783	63,636
March	10,514	9,878	4,642	2,409	9,679	10,579	11,407	10,499	1,203	70,810	70,927
April	2,103	8,311	1,028	362	5,442	6,256	6,984	7,083	3,801	41,370	40,853
May	0	5,739	2,744	5,102	4,772	5,130	6,005	6,244	2,790	38,526	39,057
June	6,565	1,887	3,904	5,147	4,055	5,009	5,591	5,870	2,035	40,063	38,427
July	6,794	2,049	3,605	4,209	4,152	5,619	6,624	6,203	297	39,552	39,333
August											
September											
October											
November											
December											
Total	45,888	43,174	28,810	31,729	42,613	49,226	54,245	54,433	17,474	367,592	363,992

2022 Repairs per Bus:

Repairs / Bus 2022	5311 2017-D	Local 2017-D	DOLA 2017-C	5339 2018-C	SB-228 2019-C	5339 2019-C	5339/VW 2020-C	FASTER 2021-C		Inventory & Fleet	Total
Bus #	#504	#505	#506	#503	#502	#501	#500	#507			
January	\$ 1,287	\$ -	\$ 1,071	\$ -	\$ -	\$ 1,166	\$ 756	\$ -		\$ 20,136	\$ 24,416
February	\$ 1,271	\$ 3,755	\$ 665	\$ 1,173	\$ 1,203	\$ 727	\$ -	\$ -		\$ 6,014	\$ 14,808
March	\$ 1,198	\$ 6,055	\$ 2,723	\$ 1,224	\$ 529	\$ 608	\$ 873	\$ 1,692		\$ 20,980	\$ 35,882
April	\$ 4,909	\$ 3,110	\$ 1,374	\$ 7,732	\$ 2,223	\$ 3,784	\$ 2,295	\$ 231		\$ 20,981	\$ 46,639
May	\$ 10,635	\$ 264	\$ 3,165	\$ 6,155	\$ 806	\$ 3,015	\$ 370	\$ 608		\$ 7,760	\$ 32,778
June	\$ 1,123	\$ -	\$ 632	\$ 1,077	\$ 1,126	\$ 375	\$ 1,057	\$ 1,085		\$ 10,797	\$ 17,272
July	\$ 868	\$ 9,052	\$ 737	\$ 6	\$ 33,210	\$ 1,269	\$ 396	\$ 122		\$ 6,474	\$ 52,134
August											
September											
October											
November											
December											
Total	\$ 21,291	\$ 22,236	\$ 10,367	\$ 17,367	\$ 39,097	\$ 10,944	\$ 5,747	\$ 3,738		\$ 93,142	\$ 223,929

Senior Reports – June, 2022:

Ridership on the RTA Funded Senior Services - 2022										
Month	Gunnison Riders	CB Riders	Total Riders	Gunnison Miles	CB Miles	Total Miles	Gunnison Invoices	CB Invoices	Total Invoices	
January	940	148	1,088	2,492	2,465	4,957	\$ 18,209	\$ 3,950	\$ 22,159	
February	945	75	1,020	3,066	1,264	4,330	\$ 17,970	\$ 2,219	\$ 20,189	
March	1,026	135	1,161	3,078	2,536	5,614	\$ 20,319	\$ 3,985	\$ 24,304	
April	847	170	1,017	2,549	2,496	5,045	\$ 18,350	\$ 4,731	\$ 23,081	
May	899	141	1,040	2,930	1,960	4,890	\$ 20,021	\$ 4,009	\$ 24,030	
June	919	273	1,192	3,734	2,969	6,703	\$ 20,369	\$ 6,317	\$ 26,686	
July										
August										
September										
October										
November										
December										
Total	5,576	942	6,518	17,849	13,690	31,539	\$ 115,238	\$ 25,211	\$ 140,449	



MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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

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

**To the Board of Directors
Gunnison Valley Transportation Authority
Gunnison, Colorado**

We have audited the financial statements of the Gunnison Valley Transportation Authority (the "Authority") for the year ended December 31, 2021. Professional standards require that we provide you with the following information related to our audit.

Qualitative Aspects of Accounting Policies

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

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

Estimated useful lives for depreciation on fixed assets: Management's estimate is based on industry practice and experience. We evaluated the key factors and assumptions used to develop the useful lives used in determining depreciation and found that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

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

Corrected and Uncorrected Misstatements

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

Disagreements with Management

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

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
MATTHEW D. MILLER, CPA

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

Management Representations

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

This report is intended solely for the information and use of the Board of Directors, management, and others within the Authority and is not intended to be, and should not be, used by anyone other than those specified parties.

Sincerely,

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.
July 11, 2022**

Gunnison Valley Transportation Authority

Financial Report

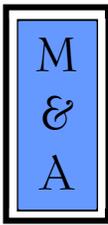
December 31, 2021



**Gunnison Valley Transportation Authority
Financial Report
December 31, 2021**

Table of Contents

	Page
INDEPENDENT AUDITOR'S REPORT	A1 – A3
Management's Discussion and Analysis	B1 – B4
Basic Financial Statements:	
Balance Sheet/Statement of Net Position	C1
Statement of Revenues, Expenditures and Changes in Fund Balance/Statement of Activities	C2
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	C3
Notes to the Financial Statements	D1 – D10
Single Audit Reports and Schedules:	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Governmental Auditing Standards</i>	E1 – E2
Independent Auditor's Report on Compliance for Each Major Program; Report on Internal Control over Compliance Required by Uniform Guidance	E3 – E5
Schedule of Findings and Questioned Costs	E6
Schedule of Prior Audit Findings and Questioned Costs	E7
Schedule of Expenditures of Federal Awards	E8



MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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

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

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Gunnison Valley Transportation Authority
Gunnison, Colorado**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Gunnison Valley Transportation Authority GVTA (the "Authority"), as of and for the year ended December 31, 2021, which collectively comprise the Authority's basic financial statements as listed in the Table of Contents, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Gunnison Valley Transportation Authority, as of December 31, 2021 and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Gunnison Valley Transportation Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Gunnison Valley Transportation Authority's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for one year after the date that the financial statements are issued.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
MATTHEW D. MILLER, CPA

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

INDEPENDENT AUDITORS REPORT
To the Board of Directors
Gunnison Valley Transportation Authority
Gunnison, Colorado

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

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

INDEPENDENT AUDITORS REPORT
To the Board of Directors
Gunnison Valley Transportation Authority
Gunnison, Colorado

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Gunnison Valley Transportation Authority's basic financial statements. The individual fund budgetary comparisons in Section E, and the Schedule of Expenditures of Federal Awards as required by *Title 2 U.S. Code of Federal Regulations, Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* included in Section F are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund budgetary comparisons, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information in Sections E and F are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 11, 2022 on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and on compliance.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
July 11, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS



Gunnison Valley Transportation Authority

Management's Discussion and Analysis December 31, 2021

As management of the Gunnison Valley Transportation Authority (the "Authority"), we offer readers of the Authority's financial statements this narrative summary of the financial activities of the Authority for the fiscal year ended December 31, 2021.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Authority's basic financial statements. The Authority's basic financial statements are comprised of two components: 1) financial statements; and 2) notes to the financial statements. These components are discussed below.

Financial Statements: The financial statements are designed to provide readers with an overview of the Authority's finances, from both a short-term fund perspective and a long-term economic perspective.

The Balance Sheet/Statement of Net Position presents information on all the Authority's assets and liabilities (both short-term and long-term), with the difference between the two reported as fund balance or net position. The Balance Sheet column presents the financial position focusing on short-term available resources and is reported on a modified accrual basis of accounting. The Statement of Net Position column presents the financial position focusing on long-term economic resources and is reported on a full accrual basis. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The Statement of Revenues, Expenditures and Changes in Fund Balance/Statement of Activities shows how the Authority's fund balance and net position changed during the most recent fiscal year. Again, the Statement of Revenues, Expenditures and Changes in Fund Balance column focuses on short-term available resources and is reported on a modified accrual basis. The Statement of Activities column focuses on long-term economic resources and is reported on a full accrual basis.

The Authority adopts an annual appropriated budget for its only fund, the General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate compliance with this budget.

The Authority's financial statements can be found in Section C of this report.

Notes to the Financial Statements: The notes provide a background of the entity, certain required statutes, and accounting policies utilized by the Authority. They also provide additional information that will aid in the interpretation of the financial statements. The Notes to the Financial Statements can be found in Section D of this report.

Statutory Information: The statutory information concerning the Authority is also presented in addition to the basic financial statements and notes. This information can be found at Section E of this report.

Financial Analysis of the Authority

Gunnison Valley Transportation Authority's Net Position

	<u>12/31/21</u>	<u>12/31/20</u>
Assets:		
Current assets	7,885,288	4,742,078
Capital assets	8,293,469	6,242,239
Total Assets	<u>16,178,757</u>	<u>10,984,317</u>
Liabilities:		
Current liabilities	1,922,004	197,821
Total Liabilities	<u>1,922,004</u>	<u>197,821</u>
Net Position:		
Investment in capital assets	8,293,469	6,242,239
Restricted	162,000	136,000
Unrestricted	5,801,284	4,408,257
Total Net Position	<u>14,256,753</u>	<u>10,786,496</u>

Between December 31, 2020 and 2021, total assets of the Authority increased by \$5,194,440. Capital assets of the Authority increased by \$2,051,230 during 2021 as additions to capitalized assets exceeded depreciation expense.

Between December 31, 2020 and 2021, total liabilities of the Authority increased by \$1,724,183. This is due to a liability of \$1,540,189 on five unites in Lazy K Development. These liabilities will be paid during 2022.

Approximately 58% of the Authority's net position reflects its investment in capital assets, which include land, improvements and vehicles (e.g., buses). The Authority uses its capital assets to provide transportation services to its citizens; therefore, these assets are not available for future spending. Of the remaining \$5,963,284 of net position, \$162,000 has been restricted for emergencies. The remaining balance of \$5,801,284 may be used to meet the Authority's ongoing obligations relating to its operations.

Financial Analysis of the Authority (continued)

The Authority's net position increased \$3,470,257 from the prior year. This change is summarized below:

Gunnison Valley Transportation Authority Change in Net Position

	<u>2021</u>	<u>2020</u>
Revenues:		
Transportation Authority sales tax	5,441,210	4,248,952
Department of Transportation grant	1,808,071	1,271,563
Other revenue	36,389	30,573
Earnings on investments	(16,226)	62,188
Gain (loss) on sale of asset	-	75,754
Total Revenues	<u>7,269,444</u>	<u>5,689,030</u>
Expenses:		
Operating supplies and miscellaneous	70	414
Professional services	600,275	545,754
Auditing	7,400	7,260
Sales tax collection fee	30,540	27,657
Contracted temporary labor	6,680	1,250
Airline guarantees	300,000	805,398
Ground transportation	1,629,385	1,264,180
Advertising and legal notices	11,508	6,910
Insurance and bonds	9,315	10,696
Repairs, maintenance and fuel	536,523	356,457
Meals and lodging	2,641	375
Dues and meetings	8,194	3,231
Building repairs and maintenance	21,857	26,560
Treasurer's fees	59,382	43,371
Capital outlay	-	707
Depreciation	575,417	477,006
Administrative services	-	11,000
Storage rental	-	12,261
Total Expenses	<u>3,799,187</u>	<u>3,600,487</u>
Change in Net Position	3,470,257	2,088,543
Net Position:		
Beginning of the Year	<u>10,786,496</u>	<u>8,697,953</u>
End of the Year	<u>14,256,753</u>	<u>10,786,496</u>

In 2021, revenues increased \$1,580,414 from 2020 levels due to increases in sales taxes for the year, primarily due to an increase in sales tax revenue of \$1,192,258. .

Transportation Authority sales taxes were again the most significant source of income. This revenue stream represents the 1% Transportation Authority sales tax passed by the voters; collections of the tax began in January 2003.

In 2021, expenses increased \$198,700 from 2020 levels, which are a combined result of the increase in depreciation, personal, ground transportation, repairs, and a decrease in airline guarantees.

Financial Analysis of the Authority (continued)

Expenses in 2021 totaled \$3,799,187. The Authority's costs are approved by the Board. Administration of the Authority is also the responsibility of the Board and its officers. The largest expense during the year was for ground transportation of \$1,629,385. The other significant expenses incurred for 2021 were airline guarantees; professional services; repairs, maintenance, and fuel; and depreciation expense.

Budget Variances in the General Fund:

The Authority's revenues were \$3,052,765 greater than budget and expenditures were \$172,455 under budget during fiscal year 2021.

Significant budget variances in the General Fund were as follows:

	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Reason</u>
Revenues:				
Transportation Authority sales tax	3,294,261	5,441,210	2,146,949	Conservative budgeting
Department of Transportation grant	847,418	1,808,071	960,653	Unexpected CDOT grant received in 2022
Expenditures:				
Professional services	614,982	600,274	14,708	\$265,000 in professional services not originally included in budget
Airline guarantees	417,000	300,000	117,000	Airlines met min. revenue the Authority was not required to pay airlines
Ground transportation	1,673,000	1,629,385	43,615	Fewer trips made than budgeted
Capital outlay	2,592,790	2,626,647	(33,857)	Conservative budgeting

Capital Assets

The Authority's capital assets increased \$2,051,230 in 2021, as previously discussed, which includes land and bus purchases, and bus stop improvements. Additional information as well as a detailed classification of the Authority's net capital assets can be found in the Notes to the Financial Statements in Section D of this report.

Next Year's Budget

The Authority's General Fund balance at the end of the 2021 fiscal year totaled \$5,963,284. The Authority's 2022 budget anticipates an ending balance of \$4,505,316. The 2022 budget anticipates revenues of \$7,380,018 and expenditures of \$8,552,480.

Request for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Gunnison Valley Transportation Authority
200 E Virginia Gunnison, CO 81230

BASIC FINANCIAL STATEMENTS



Gunnison Valley Transportation Authority
Balance Sheet/Statement of Net Position
December 31, 2021

	General Fund	Adjustments	Statement of Net Position
Assets:			
Cash and cash equivalents	7,008,081	-	7,008,081
Due from other governments	877,207	-	877,207
Capital assets, net	-	8,293,469	8,293,469
Total Assets	7,885,288	8,293,469	16,178,757
Liabilities:			
Warrants payable	623,833	-	623,833
Accrued liabilities	1,298,171	-	1,298,171
Total Liabilities	1,922,004	-	1,922,004
Fund Balance/Net Position:			
Non-spendable:			
Spendable:			
Restricted for emergencies	162,000	(162,000)	-
Unassigned	5,801,284	(5,801,284)	-
Total Fund Balance	5,963,284	(5,963,284)	-
Total Liabilities and Fund Balance	7,885,288		
Net Position:			
Investment in capital assets		8,293,469	8,293,469
Restricted for emergencies		162,000	162,000
Unrestricted		5,801,284	5,801,284
Total Net Position		14,256,753	14,256,753

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

Gunnison Valley Transportation Authority
Statement of Revenues, Expenditures and Changes in Fund Balance
Statement of Activities
For the Year Ended December 31, 2021

	<u>General Fund</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Revenues:			
Transportation Authority sales tax	5,441,210	-	5,441,210
Department of Transportation grant	1,808,071	-	1,808,071
Other revenue	36,389	-	36,389
Earnings on investments	(16,226)	-	(16,226)
Total Revenues	<u>7,269,444</u>	<u>-</u>	<u>7,269,444</u>
Expenditures/Expenses:			
Operating supplies and miscellaneous	70	-	70
Professional services	600,275	-	600,275
Auditing	7,400	-	7,400
Sales tax collection fee	30,540	-	30,540
Contracted temporary labor	6,680	-	6,680
Airline guarantees	300,000	-	300,000
Ground transportation	1,629,385	-	1,629,385
Advertising and legal notices	11,508	-	11,508
Insurance and bonds	9,315	-	9,315
Repairs, maintenance, and fuel	536,523	-	536,523
Meals and lodging	2,641	-	2,641
Dues and meetings	8,194	-	8,194
Building repairs and maintenance	21,857	-	21,857
Treasurer's fees	59,382	-	59,382
Depreciation	-	575,417	575,417
Capital outlay	2,626,647	(2,626,647)	-
Total Expenditures/Expenses	<u>5,850,417</u>	<u>(2,051,230)</u>	<u>3,799,187</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	1,419,027	(1,419,027)	-
Change Net Position	-	3,470,257	3,470,257
Fund Balance / Net Position:			
Beginning of the year	<u>4,544,257</u>		<u>10,786,496</u>
End of the year	<u>5,963,284</u>		<u>14,256,753</u>

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

Gunnison Valley Transportation Authority
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2021
(With Comparative Actual Amounts For the Year Ended 2020)

	2021			Final Budget Variance Positive (Negative)	2020
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Transportation Authority sales tax	3,294,261	3,294,261	5,441,210	2,146,949	4,248,952
Department of Transportation grant	847,418	847,418	1,808,071	960,653	1,271,563
Other revenue	35,000	35,000	36,389	1,389	30,573
Earnings on investments	40,000	40,000	(16,226)	(56,226)	62,188
Total Revenues	<u>4,216,679</u>	<u>4,216,679</u>	<u>7,269,444</u>	<u>3,052,765</u>	<u>5,613,276</u>
Expenditures:					
Operating supplies and miscellaneous	250	250	70	180	414
Professional services	614,982	614,982	600,275	14,707	545,754
Auditing	7,500	7,500	7,400	100	7,260
Sales tax collection fee	28,500	28,500	30,540	(2,040)	27,657
Contracted temporary labor	5,000	5,000	6,680	(1,680)	1,250
Airline guarantees	854,303	417,000	300,000	117,000	805,398
Ground transportation	1,372,000	1,673,000	1,629,385	43,615	1,264,180
Advertising and legal notices	20,000	20,000	11,508	8,492	6,910
Insurance and bonds	12,500	12,500	9,315	3,185	10,696
Repairs, maintenance, and fuel	364,000	533,000	536,523	(3,523)	356,457
Meals and lodging	12,000	12,000	2,641	9,359	375
Dues and meetings	15,000	36,000	8,194	27,806	3,231
Building repairs and maintenance	20,000	20,000	21,857	(1,857)	26,560
Treasurer's fees	39,000	39,000	59,382	(20,382)	43,371
Administrative services	11,350	11,350	-	11,350	11,000
Storage rental	-	-	-	-	12,261
Capital outlay	824,000	2,592,790	2,626,647	(33,857)	2,349,410
Total Expenditures	<u>4,200,385</u>	<u>6,022,872</u>	<u>5,850,417</u>	<u>172,455</u>	<u>5,472,184</u>
Excess (Deficiency) of Revenues Over Expenditures	16,294	(1,806,193)	1,419,027	3,225,220	141,092
Other Financing Sources (Uses):					
Gain (loss) on disposition of assets	-	-	-	-	834
Total Other Financing Sources (Uses)	-	-	-	-	834
Change in Fund Balance:	<u>16,294</u>	<u>(1,806,193)</u>	1,419,027	<u>3,225,220</u>	141,926
Fund Balance - Beginning of Year			4,544,257		4,402,331
Fund Balance - End of Year			<u>5,963,284</u>		<u>4,544,257</u>

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

NOTES TO THE FINANCIAL STATEMENTS



Gunnison Valley Transportation Authority
Notes to the Financial Statements
December 31, 2021

I. Summary of Significant Accounting Policies

The Gunnison Valley Rural Transportation Authority (the "Authority") is a political subdivision incorporated under the laws of the State of Colorado. The purpose of the Authority is to fund and provide expanded mass transit and other transportation services including expanded air service in accordance with an intergovernmental agreement, explained below and in footnote V.A.1. – Intergovernmental Agreement.

The Authority was authorized on November 5, 2002, by Gunnison County's (the "County") electorate in a general election, which also established a sales tax within the Authority's boundaries. In 2015, the Authority's electorate approved to increase the sales tax within the Authority's boundaries to 1%. The Authority's boundaries include unincorporated Gunnison County, the Town of Crested Butte, the Town of Mt. Crested Butte, and the City of Gunnison. In order to improve intergovernmental efficiencies, the Authority has signed an intergovernmental agreement to establish a cooperative approach among the participating municipalities. This agreement is further explained in Note V.A.1. of these financial statements.

The Authority's financial statements are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"), as applied to government units. The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the Authority are discussed below.

A. Reporting Entity

The Authority is governed by an appointed Board, two by the Board of County Commissioners, two by the Gunnison City Council, two by the Town Council of Crested Butte and two appointed by the Town Council of Mt. Crested Butte. No additional separate governmental units, agencies, or non-profit corporations are included in the financial statements of the Authority since none were discovered to fall within the oversight responsibility based on the application of the following criteria: financial accountability, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The Authority has agreed to have Gunnison County provide administrative functions, including management of the Authority's finances. However, Gunnison County neither receives benefit nor carries any burden of the Authority; therefore, the Authority is not a component unit of Gunnison County.

B. Government-wide and Fund Financial Statements

The Authority's basic financial statements include both government-wide (reporting the Authority as a whole) and fund financial statements (reporting the Authority's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental (i.e., normally supported by taxes and intergovernmental revenues) or business-type (i.e., relying to a significant extent on fees and charges for support) activities. Currently, the Authority performs only governmental activities.

Gunnison Valley Transportation Authority
Notes to the Financial Statements
December 31, 2021
(continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

1. Government-wide Financial Statements

In the Balance Sheet/Statement of Net Position, the Statement of Net Position column is reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The Authority's net position is reported in three parts – invested in capital assets, restricted and unrestricted. The government-wide focus is on the sustainability of the Authority as an entity and the change in the Authority's net position resulting from the current year's activities.

2. Fund Financial Statements

The financial transactions of the Authority are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

The fund focus is on current available resources and budget compliance.

The Authority reports only one fund - the General Fund - which accounts for all activities of the government. Transportation Authority sales tax revenues and other sources of revenue used to finance the fundamental operations of the Authority are included in this fund.

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

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements.

1. Long-term Economic Focus and Accrual Basis

Governmental activities in the government-wide financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are 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 (i.e., 60 days). Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

Gunnison Valley Transportation Authority
Notes to the Financial Statements
December 31, 2021
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts

1. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within 3 months of the date acquired.

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts. However, no allowance for uncollectible accounts has been established, as the Authority considers all accounts to be collectible.

3. Capital Assets

Capital assets, which include land, improvements, and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the Authority as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital expenditures for projects are capitalized as projects are constructed and completed. Interest incurred during the construction phase, if applicable, is not capitalized as part of the value of the fixed asset.

Improvements are depreciated over forty years and equipment is depreciated over ten years using the straight-line method.

4. Categories and Classification of Fund Balance, and Net Position

Governmental accounting standards establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, include Non-spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the general fund. The general fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance.

The Authority classifies governmental fund balances as follows:

Non-spendable – includes fund balance amounts inherently non-spendable since they represent inventories, prepaid items, long-term portion of loans receivable, etc.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Gunnison Valley Transportation Authority
Notes to the Financial Statements
December 31, 2021
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

4. Categories and Classification of Fund Balance, and Net Position (continued)

Spendable Fund Balance:

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority which is the Board of Directors.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Board of Directors or its management designee.

Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other categories mentioned above. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The Authority uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the Authority would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The Authority does not have a formal minimum fund balance policy. However, the Authority's budget includes a calculation of a targeted reserve positions and management calculates targets and report them annually to the Board of Directors.

In the Balance Sheet/Statement of Net Position, net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

Gunnison Valley Transportation Authority
Notes to the Financial Statements
December 31, 2021
(continued)

I. Summary of Significant Accounting Policies (continued)

E. Significant Accounting Policies

1. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of differences between the governmental fund Balance Sheet and the government-wide Statement of Net position

The governmental fund Balance Sheet/Statement of Net Position includes an adjustment column. Explanations of the adjustments included in this column are as follows:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. \$8,293,469 represents \$10,954,002 of capital assets, net of accumulated depreciation of \$2,660,533 at December 31, 2021.

B. Explanation of differences between the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance and the government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balance/Statement of Activities includes an adjustment column. Explanations of the adjustments included in this column are as follows:

Governmental funds report capital outlays as expenditures when incurred. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. \$575,417 represents depreciation expense related to capital assets and \$2,626,647 related to capital asset additions in the current year.

III. Stewardship, Compliance, and Accountability

A. Budgets and Budgetary Accounting

In the fall of each year, the Authority's Board of Directors formally adopts a budget with appropriations by fund for the ensuing year pursuant to the Colorado Local Budget Law. The budget for the governmental fund is adopted on a basis consistent with U.S. GAAP. The Authority followed the required timetable noted below in preparing, approving, and enacting its budget for 2021.

- (1) On or before October 15, 2020, the Authority submitted to the Board a recommended budget that detailed the revenues necessary to meet the Authority's operating requirements.
- (2) After appropriate public notice and a required public hearing, the Board adopted the proposed budget and an appropriating resolution that legally appropriated expenditures for the upcoming year on or before December 15, 2020.

Gunnison Valley Transportation Authority
Notes to the Financial Statements
December 31, 2021
(continued)

III. Stewardship, Compliance, and Accountability (continued)

A. Budgets and Budgetary Accounting (continued)

- (3) After adoption of the initial budget resolution, the Authority may make the following changes: (a) it may approve supplemental appropriations to the extent of revenues in excess of the estimated in the budget; (b) it may approve emergency appropriations; and (c) it may reduce appropriations for which originally estimated revenues are insufficient.

All appropriations lapse at year end. During the year, supplemental appropriations were necessary. The budgetary comparison statement reflects the original budget and the final budget after legally authorized revisions were made. As a result of the supplementary budget appropriations, the general fund's 2021 appropriations increased from \$4,200,385 to \$6,022,872.

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increases, a mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, and salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year revenue. As required by TABOR, the Authority has reserved \$162,000 of its fund balance in the General Fund for emergencies, which is the approximate required reserve at December 31, 2021.

The ballot question approved by voters on November 3, 2015, which increased the established Transportation Authority sales tax within the Authority's boundaries to 1%, also authorized the Authority to collect and spend the proceeds of the tax, investment income, and all other revenues, without regard to the limitations imposed by TABOR, effective January 1, 2016.

The Authority's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

Gunnison Valley Transportation Authority
Notes to the Financial Statements
December 31, 2021
(continued)

IV. Detailed Notes on All Funds

A. Deposits and Investments

At December 31, 2021, the Authority's cash and cash equivalents were held by the Gunnison County Treasurer as an agent, but not in the Authority's name.

The Gunnison County Treasurer follows Colorado statutes specifying specific investment instruments meeting defined rating criteria in which local governments may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Banker's acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market mutual funds
- Guaranteed investment contract
- Local government investment pools

Risk to the Authority's deposits is generally limited to Interest Rate Risk, Credit Risk, and Concentration of Credit Risk. The Authority seeks to minimize these risks as follows:

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the Authority, through investment by the County, restricts the maximum investment term to less than five years from the purchase date. As a result of the limited length of maturities the Authority has limited its interest rate risk.

Credit Risk. State law and Authority policy limit investments to those authorized by State statutes including U.S. Agencies and 2a7-like pools. The Authority's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk. The Authority, through the County diversifies its investments by security type and institution. Investments may only be made in those financial institutions which are insured by the Federal Deposit Insurance Corporation, the Federal Home Mortgage Association, the Federal Savings and Loan Insurance Corporation, Congressionally authorized mortgage lenders and investments that are federally guaranteed.

B. Receivables

At December 31, 2021, the Authority's receivables of \$877,207 were comprised primarily of 2021 sales tax remitted to the Authority in 2022.

Gunnison Valley Transportation Authority
Notes to the Financial Statements
December 31, 2021
(continued)

IV. Detailed Notes on All Funds (continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2021, was as follows:

	<u>1/1/21</u>	<u>Additions</u>	<u>Deletions</u>	<u>12/31/21</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 900,963			\$ 900,963
Construction in progress	-	1,832,351	-	1,832,351
Total capital assets, not being depreciated	<u>900,963</u>	<u>1,832,351</u>	<u>-</u>	<u>2,733,314</u>
Capital assets, being depreciated:				
Improvements	787,083	-	-	787,083
Buildings	843,112	-	-	843,112
Vehicles	5,796,197	794,296	-	6,590,493
Total capital assets, being depreciated	<u>7,426,392</u>	<u>794,296</u>	<u>-</u>	<u>8,220,688</u>
Less accumulated depreciation for:				
Improvements	34,329	19,677	-	54,006
Buildings	27,830	42,156	-	69,986
Vehicles	2,022,957	513,584	-	2,536,541
Total accumulated depreciation	<u>2,085,116</u>	<u>575,417</u>	<u>-</u>	<u>2,660,533</u>
Total capital assets, being depreciated, net	<u>5,341,276</u>	<u>218,879</u>	<u>-</u>	<u>5,560,155</u>
Governmental activities capital assets, net	<u>\$ 6,242,239</u>	<u>\$ 2,051,230</u>	<u>\$ -</u>	<u>\$ 8,293,469</u>

V. Other Information

A. Agreements

1. Intergovernmental Agreement

Effective August 20, 2002, the Authority entered into an intergovernmental agreement (the "Agreement") with the Gunnison County, City of Gunnison, Town of Crested Butte and Town of Mt. Crested Butte pursuant to the Colorado Rural Transportation Authority Law, Title 43, Article 4, Part 6, Colorado Revised Statutes, as amended. This Agreement will remain effective indefinitely, unless the members agree in writing to terminate the Agreement or the Authority is otherwise reauthorized by the registered voters residing within the Authority boundaries.

The basic provision of the agreement is to finance, construct, operate and maintain an efficient, sustainable and regional multi-modal transportation system at any location or locations within or without the boundaries of the Authority, subject to compliance within the Act.

Gunnison Valley Transportation Authority
Notes to the Financial Statements
December 31, 2021
(continued)

V. Other Information (continued)

A. Agreements (continued)

2. Air Service

During 2020, the Authority entered into agreements with United, and American Airlines, Inc. ("American Airlines"), in which the Authority guarantees that the airlines will receive minimum revenues for certain flights into Gunnison County Airport with contract dates ranging from June 2020 through April 2021. Under the agreements, the maximum guaranteed amount payable per agreement range from \$300,000 to \$560,000

During 2021, the Authority entered into agreements with United, and American Airlines, in which the Authority guarantees that the airlines will receive minimum revenues for certain flights into Gunnison County Airport with contract dates ranging from June 2021 through April 2022. Under the agreements, the maximum guaranteed amount payable per agreement range from \$300,000 to \$440,380.

During 2021, the Authority recorded \$300,000 expense for estimated guarantee payments and received no refunds from previous estimated guarantee payments.

3. Transportation Service

In September 2015, the Authority executed an agreement with AEX, Inc. ("AEX"), to provide scheduled bus services between the City of Gunnison and the Town of Mt. Crested Butte. In addition to the transportation services, the agreement includes fees for fuel, bus maintenance, indoor storage for buses and snow removal from bus stops. All fees shall be adjusted annually by the Consumer Price Index ("CPI") for Denver-Aurora-Lakewood. The initial term of the agreement was for November 2015 through November 2016, and automatically renews for nine successive one-year terms. The fees for such services are outlined in the agreement.

During 2021, the Authority incurred \$1,629,385 of expenses with respect to services provided by AEX. The Authority had a balance of \$243,005 payable to AEX at December 31, 2021.

4. Management

In March 2018, the Authority executed an agreement with Truex Management Services, Inc. to perform management duties from January 1, 2018 through December 31, 2018. The agreement will automatically renew for four successive one-year terms. The annual management fee for the first year of the agreement is \$140,000, which is subject to an annual increase of 3%. In 2021, the Authority incurred 152,982 relating to management fees.

Gunnison Valley Transportation Authority
Notes to the Financial Statements
December 31, 2021
(continued)

V. Other Information (continued)

A. Agreements (continued)

5. Senior Transportation Services

During 2021, the Authority entered into separate agreements with Mountain Express and Gunnison Valley Hospital, to furnish transportation services to seniors of Gunnison County. The terms of both agreements go through December 31, 2021, and were subject to the Authority's Board of Directors making an appropriation during the budgeting process to set aside funds for these agreements. Expenses unless otherwise pre-approved by the Authority's management, were not to exceed certain amounts for the term. For 2021, the set and incurred fee under the Mountain Express agreement was and \$52,000 , respectively. For 2021, the set and incurred fee under the Gunnison Valley Hospital agreement was \$237,000 and \$217,350 , respectively.

6. Consulting Agreement

In October 2017, the Authority entered into an agreement with Airplanners, LLC to provide marketing development and air service management and consulting services. The agreement is effected January 1, 2018, and has a term ending December 31, 2021. Compensation under the agreement includes an annual fee of \$82,000 payable in twelve equal monthly installments, reimbursement of reasonable and necessary travel expenses, and a bonus of 10% of any negotiated complementary air tickets for all airline contracts signed by the Authority. For 2021, the Authority incurred \$84,500 in expenses relating to services provided under this agreement.

B. Legal Claims

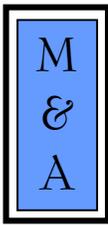
During the normal course of business, the Authority incurs claims and other assertions against it from various agencies and individuals. Management of the Authority and their legal counsel feel none of these claims or assertions are significant enough that they would materially affect the fairness of the presentation of the financial statements at December 31, 2021.

C. Risk Management

The Authority is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; and errors and omissions. The Authority has obtained coverage through contracting with an outside insurance agency for these risks and claims, if any, which are not expected to exceed covered amounts.

SINGLE AUDIT REPORTS AND SCHEDULES





MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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

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

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

**To the Board of Directors
Gunnison Valley Transportation Authority
Authority, Colorado**

We have audited, 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, the financial statements of the governmental activities, and each major fund of Gunnison Valley Transportation Authority (the "Authority") as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements and have issued our report thereon dated .

Internal Control Over Financial Reporting

In planning and performing our audit on the financial statements, we considered the Authority's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Authority's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
MATTHEW D. MILLER, CPA

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

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Gunnison Valley Transportation Authority

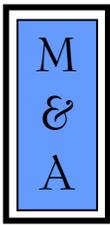
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McMahan and Associates, L.L.C.
McMahan and Associates, L.L.C.
Avon, Colorado
July 11, 2022



MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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

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

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

**To the Board of Directors
Gunnison Valley Transportation Authority
Authority, Colorado**

Report on Compliance for Each Major Program

We have audited the Gunnison Valley Transportation Authority's (the "Authority") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Authority's major federal programs for the year ended December 31, 2021. The Authority's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Authority complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2021.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Authority's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Authority's federal programs.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
MATTHEW D. MILLER, CPA

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

**INDEPENDENT AUDITOR's REPORT
To the Board of Directors
Gunnison Valley Transportation Authority**

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Authority's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Authority's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Authority's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Authority's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

INDEPENDENT AUDITOR's REPOR
To the Board of Directors
Gunnison Valley Transportation Authority

The purpose of this report in internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
Avon, Colorado
July 11, 2022

Gunnison Valley Transportation Authority, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2021

Part I – Summary of Auditor’s Results

Financial Statements:

Type of auditor’s report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Noncompliance material to financial statements noted	None noted

Federal Awards:

Internal control over major programs:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Type of auditor’s report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations Part 200	No

Major programs:

Formula Grants for Rural Areas Section 5311	ALN 20.509
Dollar threshold used to identify Type A from Type B programs:	\$750,000
Identified as low-risk auditee	Yes

Part II – Findings Related to Financial Statements

Findings related to financial statements as required by <i>Government Auditing Standards</i>	None noted
Auditor-assigned reference number	Not applicable

Part III – Findings Related to Federal Awards

Internal control findings	None noted
Compliance findings	None noted
Questioned costs	None noted
Auditor-assigned reference number	Not applicable

**Gunnison Valley Transportation Authority
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2021**

The Authority had no findings for the year ended December 31, 2020.

**Gunnison Valley Transportation Authority
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2021**

<u>Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Grant/ Project Code</u>	<u>Expenditures</u>
U.S. Department of Transportation:			
Passed through Colorado Department of Transportation			
<u>Formula Grants for Rural Areas - Section 5311:</u>			
Formula Grants for Rural Areas - Section 5311	20.509	21-HTR-ZL-00263	242,618
COVID-19 - Formula Grants for Rural Areas - Section 5311	20.509	21-HTR-ZL-00295	897,944
Total - Formula Grants for Rural Areas - Section 5311			<u>1,140,562</u>
Total - U.S. Department of Transportation			<u>1,140,562</u>
Total			<u>\$ 1,140,562</u>

Notes to the Schedule of Expenditures of Federal Awards for the Year Ended December 31, 2021

Note 1. Basis of Presentation:

The Schedule of Expenditures of Federal Awards includes the Federal grant activity of Gunnison Valley Transportation Authority (the "Authority") and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Therefore, some amounts presented in this schedule may differ from amounts presented or used in the preparation of the general purpose financial statements.

Note 2. Pass Through Sub Recipients:

The Authority had no sub recipients as of December 31, 2021.

Note 3. Indirect Facilities and Administration Costs:

The Authority has elected not to use the 10% de minimis cost rate allowed in Title 2 U.S. Code of Federal Regulations (CFR) §200.414, *Indirect (F&A) Costs*. Instead, the Authority prepares an annual cost allocation plan to allocate indirect costs.

**RESOLUTION NO. 1
SERIES 2022**

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GUNNISON VALLEY TRANSPORTATION AUTHORITY, AUTHORIZING THE PURCHASE OF REAL PROPERTY FOR THE USE OF THE GUNNISON VALLEY TRANSPORTATION AUTHORITY

WHEREAS, the Gunnison Valley Transportation Authority (“RTA”) is under contract to purchase from Lazy K Development, LLC, a Colorado limited liability company, a parcel of real property described as:

Lot 5, Lazy K Subdivision, according to the plat thereof recorded April 28, 2021 at Reception No. 675479, City of Gunnison, County of Gunnison, State of Colorado; and

WHEREAS, the RTA has committed to paying the purchase price and closing costs as set forth in the contract; and

WHEREAS, the Commitment for Title Insurance issued to the RTA in connection with the above, contains a requirement that the RTA pass a Resolution authorizing the purchase of the subject property and indicating the name of the officer of the RTA authorized to sign documents and execute instruments affecting title to the subject property.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE GUNNISON VALLEY TRANSPORTATION AUTHORITY, that:

- Section 1. The RTA is authorized to purchase the subject property from Lazy K Development, LLC.
- Section 2. The Board hereby authorizes Scott Truex, Executive Director, to sign all documents necessary to complete the purchase of the aforementioned property, and to execute instruments affecting title to the property.
- Section 3. The RTA hereby authorizes the expenditure of funds necessary to meet the terms and obligations of purchasing said property, and paying closing costs as set forth above.

INTRODUCED, READ, PASSED AND ADOPTED by the RTA, this 12th day of August, 2022.

(SEAL)

Janet Farmer, Chair

Roland Mason, Secretary



2023 GVRTA

Budget Schedule and Staff

Recommended Budget Assumptions:

2023 Budget Schedule:

- August 12, 2022 - The initial budget assumptions presented to the Board of Directors
- September 16 - The first draft of the 2023 budget and the draft budget assumptions are available for discussion and public review at the GVRTA Board Meeting
 - The Board makes any desired revisions
- September 27 – Revised draft budget submitted to the County Finance Department
- November 4 – The RTA Board of Directors reviews, amends if necessary, and makes a Motion to Adopt the 2023 Final Budget
- November 8th – The adopted Final Budget is submitted to the County Finance Department for inclusion in the Gunnison County 2023 Budget.

2023 Draft Budget Assumptions:

- Sales tax revenues projected flat for remainder of 2022
- 2023 sales tax increases by 1.5% over current year projections.
- Winter flights guaranteed to Houston and Dallas
- Summer flights guaranteed to Dallas (using SCASD grant) and Houston (?)
- Senior transportation operations continue with no changes in 2023
- Purchase of new senior bus for GVH
- Provide local match for purchase of new senior bus for Mt. Express.
- Commuter bus operates on a 35 round-trip winter bus schedule and a 19 round-trip spring, summer, and fall bus schedule.
- Two new motorcoaches purchased in 2023 (already ordered)
- Construction of the Whetstone bus storage facility completed in 2023.
- New bus shelters installed in the City of Gunnison at the Library, Safeway, Teller, and Spencer bus stops.
- Concrete apron installed around the West Evans Maintenance Facility



MEMO

August 8, 2022

To: GVRTA Board of Directors

From Scott Truex, Executive Director

Re: Potential Purchase of Solstice Condo in Crested Butte

Board Members,

After our last Board Meeting, Margot Levy approached me regarding the possibility of the RTA purchasing her condominium in Crested Butte for workforce housing. She had read the newspaper article where I discussed the need for having a place for our north-valley supervisor to live and she thought her condominium could be a good fit.

She proposed selling the condo at a discount and making sure that we have a deed restriction going forward that will allow for people employed in the valley to live in the unit in perpetuity. Margot and I have worked together to come to a potential agreement which we will discuss in more detail at the meeting. (We have also included a possible executive session on the agenda in case you want to discuss the negotiations further.)

I have toured the condominium and it is in great shape. It is also in a very good location for our purposes (On the northeast corner of Seventh and Gothic in Crested Butte). It is a two bedroom, one and one-half bathroom condo with a single garage attached.

Margot has offered us the unit for \$600,000 which is well below what I believe the market price would be. (A similar sized condo in the Meadows with three bedrooms but no garage sold for \$771,000 on June 27th.) The Meadows is an older complex than the Solstice complex and is much more densely built, so I believe that Margot is offering us a very good deal.

We also talked with the Town of Crested Butte and they are willing to be the beneficiary of the deed restriction and make a donation of \$18,000 towards the purchase from their Good-Deed fund which will offset the Real Estate Transfer Tax.

If the Board approves, our plan is to go under contract immediately after the Board Meeting and close at the end of September. This would allow Jon to move into the unit at the beginning of October and be there for the coming winter. This would greatly improve our operations.

If the Board is amenable, the staff requests a ***motion to authorize the Board Chair to sign a contract with Margaret Levy to purchase Solstice Condominiums, Unit G for an amount not to exceed \$620,000 including closing costs after review and approval of the RTA attorney and Executive Director.***

Sincerely,
Scott Truex

The printed portions of this form, except differentiated additions, have been approved by the Colorado Real Estate Commission.
(CBS1-6-21) (Mandatory 1-22)

THIS FORM HAS IMPORTANT LEGAL CONSEQUENCES AND THE PARTIES SHOULD CONSULT LEGAL AND TAX OR OTHER COUNSEL BEFORE SIGNING.

CONTRACT TO BUY AND SELL REAL ESTATE (RESIDENTIAL)

Date: August 12, 2022

AGREEMENT

1. AGREEMENT. Buyer agrees to buy and Seller agrees to sell the Property described below on the terms and conditions set forth in this contract (Contract).

2. PARTIES AND PROPERTY.

2.1. Buyer. Gunnison Valley Transportation Authority (Buyer) will take title to the Property described below as **Joint Tenants** **Tenants In Common** **Other** _____.

2.2. No Assignability. This Contract **IS NOT** assignable by Buyer unless otherwise specified in **Additional Provisions**.

2.3. Seller. Margaret J. Levy (Seller) is the current owner of the Property described below.

2.4. Property. The Property is the following legally described real estate in the County of Gunnison, Colorado (insert legal description): **Unit G Solstice Condominiums**

known as: 118 Seventh Street, Unit G Crested Butte CO 81224,
Street Address City State Zip

together with the interests, easements, rights, benefits, improvements and attached fixtures appurtenant thereto and all interest of Seller in vacated streets and alleys adjacent thereto, except as herein excluded (Property).

2.5. Inclusions. The Purchase Price includes the following items (Inclusions):

2.5.1. Inclusions – Attached. If attached to the Property on the date of this Contract, the following items are included unless excluded under **Exclusions**: lighting, heating, plumbing, ventilating and air conditioning units, TV antennas, inside telephone, network and coaxial (cable) wiring and connecting blocks/jacks, plants, mirrors, floor coverings, intercom systems, built-in kitchen appliances, sprinkler systems and controls, built-in vacuum systems (including accessories) and garage door openers (including 3 remote controls). If checked, the following are owned by the Seller and included: **Solar Panels** **Water Softeners** **Security Systems** **Satellite Systems** (including satellite dishes). Leased items should be listed under § 2.5.7. (Leased Items). If any additional items are attached to the Property after the date of this Contract, such additional items are also included in the Purchase Price.

2.5.2. Inclusions – Not Attached. If on the Property, whether attached or not, on the date of this Contract, the following items are included unless excluded under **Exclusions**: storm windows, storm doors, window and porch shades, awnings, blinds, screens, window coverings and treatments, curtain rods, drapery rods, fireplace inserts, fireplace screens, fireplace grates, heating stoves, storage sheds, carbon monoxide alarms, smoke/fire detectors and all keys.

2.5.3. Other Inclusions. The following items, whether fixtures or personal property, are also included in the Purchase Price: **Inclusions and exclusions are itemized in the e-mail from Seller dated July 18, 2022, attached hereto as EXHIBIT A.**

If the box is checked, Buyer and Seller have concurrently entered into a separate agreement for additional personal property outside of this Contract.

53 **2.5.4. Encumbered Inclusions.** Any Inclusions owned by Seller (e.g., owned solar panels) must be conveyed at
54 Closing by Seller free and clear of all taxes (except personal property and general real estate taxes for the year of Closing), liens and
55 encumbrances, except:
56
57
58

59 **2.5.5. Personal Property Conveyance.** Conveyance of all personal property will be by bill of sale or other
60 applicable legal instrument.

61 **2.5.6. Parking and Storage Facilities.** The use or ownership of the following parking facilities:
62 garage to east of unit; and the use or ownership of the following storage facilities: _____.
63 Note to Buyer: If exact rights to the parking and storage facilities is a concern to Buyer, Buyer should investigate.

64 **2.5.7. Leased Items.** The following personal property is currently leased to Seller which will be transferred to Buyer
65 at Closing (Leased Items):
66
67
68
69

70 **2.6. Exclusions.** The following items are excluded (Exclusions): **Mirror in the mudroom, all art and stained glass, rugs in**
71 **the living room, dining room and bedroom, shower curtain, computer router and Centurylink modem, cowboy towel bar in upstairs**
72 **bathroom, mudroom closet curtain.**
73

74 **2.7. Water Rights/Well Rights.**

75 **2.7.1. Deeded Water Rights.** The following legally described water rights:
76
77
78

79 Any deeded water rights will be conveyed by a good and sufficient _____ deed at Closing.

80 **2.7.2. Other Rights Relating to Water.** The following rights relating to water not included in §§ 2.7.1., 2.7.3. and
81 2.7.4., will be transferred to Buyer at Closing:
82
83
84
85

86 **2.7.3. Well Rights.** Seller agrees to supply required information to Buyer about the well. Buyer understands that if
87 the well to be transferred is a "Small Capacity Well" or a "Domestic Exempt Water Well" used for ordinary household purposes,
88 Buyer must, prior to or at Closing, complete a Change in Ownership form for the well. If an existing well has not been registered
89 with the Colorado Division of Water Resources in the Department of Natural Resources (Division), Buyer must complete a
90 registration of existing well form for the well and pay the cost of registration. If no person will be providing a closing service in
91 connection with the transaction, Buyer must file the form with the Division within sixty days after Closing. The Well Permit # is
92 _____.

93 **2.7.4. Water Stock Certificates.** The water stock certificates to be transferred at Closing are as follows:
94
95
96

97 **2.7.5. Conveyance.** If Buyer is to receive any rights to water pursuant to § 2.7.2. (Other Rights Relating to Water),
98 § 2.7.3. (Well Rights), or § 2.7.4. (Water Stock Certificates), Seller agrees to convey such rights to Buyer by executing the applicable
99 legal instrument at Closing.

100 **2.7.6. Water Rights Review.** Buyer **Does** **Does Not** have a Right to Terminate if examination of the Water
101 Rights is unsatisfactory to Buyer on or before the **Water Rights Examination Deadline**.

102 **3. DATES, DEADLINES AND APPLICABILITY.**

103 **3.1. Dates and Deadlines.**

Item No.	Reference	Event	Date or Deadline
1	§ 3	Time of Day Deadline	5:00 p.m.
2	§ 4	Alternative Earnest Money Deadline	Upon MEC
		Title	
3	§ 8	Record Title Deadline (and Tax Certificate)	August 26, 2022
4	§ 8	Record Title Objection Deadline	September 2, 2022

5	§ 8	Off-Record Title Deadline	August 26, 2022
6	§ 8	Off-Record Title Objection Deadline	September 2, 2022
7	§ 8	Title Resolution Deadline	September 7, 2022
8	§ 8	Third Party Right to Purchase/Approve Deadline	
		Owners' Association	
9	§ 7	Association Documents Deadline	August 26, 2022
10	§ 7	Association Documents Termination Deadline	August 31, 2022
		Seller's Disclosures	
11	§ 10	Seller's Property Disclosure Deadline	August 26, 2022
12	§ 10	Lead-Based Paint Disclosure Deadline	August 26, 2022
		Loan and Credit	
13	§ 5	New Loan Application Deadline	
14	§ 5	New Loan Terms Deadline	
15	§ 5	New Loan Availability Deadline	
16	§ 5	Buyer's Credit Information Deadline	
17	§ 5	Disapproval of Buyer's Credit Information Deadline	
18	§ 5	Existing Loan Deadline	
19	§ 5	Existing Loan Termination Deadline	
20	§ 5	Loan Transfer Approval Deadline	
21	§ 4	Seller or Private Financing Deadline	
		Appraisal	
22	§ 6	Appraisal Deadline	
23	§ 6	Appraisal Objection Deadline	
24	§ 6	Appraisal Resolution Deadline	
		Survey	
25	§ 9	New ILC or New Survey Deadline	
26	§ 9	New ILC or New Survey Objection Deadline	
27	§ 9	New ILC or New Survey Resolution Deadline	
		Inspection and Due Diligence	
28	§ 2	Water Rights Examination Deadline	
29	§ 8	Mineral Rights Examination Deadline	
30	§ 10	Inspection Termination Deadline	
31	§ 10	Inspection Objection Deadline	August 26, 2022
32	§ 10	Inspection Resolution Deadline	September 2, 2022
33	§ 10	Property Insurance Termination Deadline	August 31, 2022
34	§ 10	Due Diligence Documents Delivery Deadline	
35	§ 10	Due Diligence Documents Objection Deadline	
36	§ 10	Due Diligence Documents Resolution Deadline	
37	§ 10	Conditional Sale Deadline	
38	§ 10	Lead-Based Paint Termination Deadline	
		Closing and Possession	
39	§ 12	Closing Date	September 30, 2022
40	§ 17	Possession Date	At Closing
41	§ 17	Possession Time	At Closing
42	§ 27	Acceptance Deadline Date	August 12, 2022
43	§ 27	Acceptance Deadline Time	5:00 p.m.

104 **Note:** If FHA or VA loan boxes are checked in § 4.5.3. (Loan Limitations), the **Appraisal** deadlines **DO NOT** apply to FHA
105 insured or VA guaranteed loans.

106 **3.2. Applicability of Terms.** If any deadline blank in § 3.1. (Dates and Deadlines) is left blank or completed with "N/A",
107 or the word "Deleted," such deadline is not applicable and the corresponding provision containing the deadline is deleted. Any box
108 checked in this Contract means the corresponding provision applies. If no box is checked in a provision that contains a selection of
109 "None", such provision means that "None" applies.

110 The abbreviation "MEC" (mutual execution of this Contract) means the date upon which both parties have signed this Contract. The
111 abbreviation "N/A" as used in this Contract means not applicable.

112 **3.3. Day; Computation of Period of Days; Deadlines.**

113 **3.3.1. Day.** As used in this Contract, the term "day" means the entire day ending at 11:59 p.m., United States
114 Mountain Time (Standard or Daylight Savings, as applicable). Except however, if a **Time of Day Deadline** is specified in § 3.1.
115 (Dates and Deadlines), all Objection Deadlines, Resolution Deadlines, Examination Deadlines and Termination Deadlines will end
116 on the specified deadline date at the time of day specified in the **Time of Day Deadline**, United States Mountain Time. If **Time of**
117 **Day Deadline** is left blank or "N/A" the deadlines will expire at 11:59 p.m., United States Mountain Time.

118 **3.3.2. Computation of Period of Days.** In computing a period of days (e.g., three days after MEC), when the
119 ending date is not specified, the first day is excluded and the last day is included.

120 **3.3.3. Deadlines.** If any deadline falls on a Saturday, Sunday or federal or Colorado state holiday (Holiday), such
121 deadline **Will** **Will Not** be extended to the next day that is not a Saturday, Sunday or Holiday. Should neither box be checked,
122 the deadline will not be extended.

123 **4. PURCHASE PRICE AND TERMS.**

124 **4.1. Price and Terms.** The Purchase Price set forth below is payable in U.S. Dollars by Buyer as follows:

Item No.	Reference	Item	Amount	Amount
1	§ 4.1.	Purchase Price	\$ 600,000.00	
2	§ 4.3.	Earnest Money		\$ 15,000.00
3	§ 4.5.	New Loan		\$
4	§ 4.6.	Assumption Balance		\$
5	§ 4.7.	Private Financing		\$
6	§ 4.7.	Seller Financing		\$
7				
8				
9	§ 4.4.	Cash at Closing		\$ 585,000.00
10		TOTAL	\$ 600,000.00	\$ 600,000.00

125 **4.2. Seller Concession.** At Closing, Seller will credit to Buyer \$ _____ (Seller Concession). The Seller
126 Concession may be used for any Buyer fee, cost, charge or expenditure to the extent the amount is allowed by the Buyer's lender
127 and is included in the Closing Statement or Closing Disclosure at Closing. Examples of allowable items to be paid for by the Seller
128 Concession include, but are not limited to: Buyer's closing costs, loan discount points, loan origination fees, prepaid items and any
129 other fee, cost, charge, expense or expenditure. Seller Concession is in addition to any sum Seller has agreed to pay or credit Buyer
130 elsewhere in this Contract.

131 **4.3. Earnest Money.** The Earnest Money set forth in this Section, in the form of a **business check** _____, will be
132 payable to and held by **Land Title Guaranty Company** _____ (Earnest Money Holder), in its trust account, on behalf of
133 both Seller and Buyer. The Earnest Money deposit must be tendered, by Buyer, with this Contract unless the parties mutually agree
134 to an **Alternative Earnest Money Deadline** for its payment. The parties authorize delivery of the Earnest Money deposit to the
135 company conducting the Closing (Closing Company), if any, at or before Closing. In the event Earnest Money Holder has agreed to
136 have interest on Earnest Money deposits transferred to a fund established for the purpose of providing affordable housing to Colorado
137 residents, Seller and Buyer acknowledge and agree that any interest accruing on the Earnest Money deposited with the Earnest
138 Money Holder in this transaction will be transferred to such fund.

139 **4.3.1. Alternative Earnest Money Deadline.** The deadline for delivering the Earnest Money, if other than at the
140 time of tender of this Contract, is as set forth as the **Alternative Earnest Money Deadline**.

141 **4.3.2. Disposition of Earnest Money.** If Buyer has a Right to Terminate and timely terminates, Buyer is entitled
142 to the return of Earnest Money as provided in this Contract. If this Contract is terminated as set forth in § 24 and, except as provided
143 in § 23 (Earnest Money Dispute), if the Earnest Money has not already been returned following receipt of a Notice to Terminate,
144 Seller agrees to execute and return to Buyer or Broker working with Buyer, written mutual instructions (e.g., Earnest Money Release
145 form), within three days of Seller's receipt of such form. If Seller is entitled to the Earnest Money, and, except as provided in § 23
146 (Earnest Money Dispute), if the Earnest Money has not already been paid to Seller, following receipt of an Earnest Money Release
147 form, Buyer agrees to execute and return to Seller or Broker working with Seller, written mutual instructions (e.g., Earnest Money
148 Release form), within three days of Buyer's receipt.

149 **4.3.2.1. Seller Failure to Timely Return Earnest Money.** If Seller fails to timely execute and return the
150 Earnest Money Release Form, or other written mutual instructions, Seller is in default and liable to Buyer as set forth in "**If Seller**
151 **is in Default**", § 20.2. and § 21, unless Seller is entitled to the Earnest Money due to a Buyer default.

152 **4.3.2.2. Buyer Failure to Timely Release Earnest Money.** If Buyer fails to timely execute and return the
153 Earnest Money Release Form, or other written mutual instructions, Buyer is in default and liable to Seller as set forth in “**If Buyer**
154 **is in Default, § 20.1. and § 21,** unless Buyer is entitled to the Earnest Money due to a Seller Default.

155 **4.4. Form of Funds; Time of Payment; Available Funds.**

156 **4.4.1. Good Funds.** All amounts payable by the parties at Closing, including any loan proceeds, Cash at Closing
157 and closing costs, must be in funds that comply with all applicable Colorado laws, including electronic transfer funds, certified
158 check, savings and loan teller’s check and cashier’s check (Good Funds).

159 **4.4.2. Time of Payment.** All funds, including the Purchase Price to be paid by Buyer, must be paid before or at
160 Closing or as otherwise agreed in writing between the parties to allow disbursement by Closing Company at Closing **OR SUCH**
161 **NONPAYING PARTY WILL BE IN DEFAULT.**

162 **4.4.3. Available Funds.** Buyer represents that Buyer, as of the date of this Contract, **Does** **Does Not** have
163 funds that are immediately verifiable and available in an amount not less than the amount stated as Cash at Closing in § 4.1.

164 **4.5. New Loan.**

165 **4.5.1. Buyer to Pay Loan Costs.** Buyer, except as otherwise permitted in § 4.2. (Seller Concession), if applicable,
166 must timely pay Buyer’s loan costs, loan discount points, prepaid items and loan origination fees as required by lender.

167 **4.5.2. Buyer May Select Financing.** Buyer may pay in cash or select financing appropriate and acceptable to
168 Buyer, including a different loan than initially sought, except as restricted in § 4.5.3. (Loan Limitations) or § 29 (Additional
169 Provisions).

170 **4.5.3. Loan Limitations.** Buyer may purchase the Property using any of the following types of loans:
171 **Conventional** **FHA** **VA** **Bond** **Other** _____.
172 If either or both of the FHA or VA boxes are checked, and Buyer closes the transaction using one of those loan types, Seller agrees
173 to pay those closing costs and fees that Buyer is not allowed by law to pay not to exceed \$ _____.

174 **4.5.4. Loan Estimate – Monthly Payment and Loan Costs.** Buyer is advised to review the terms, conditions and
175 costs of Buyer’s New Loan carefully. If Buyer is applying for a residential loan, the lender generally must provide Buyer with a
176 Loan Estimate within three days after Buyer completes a loan application. Buyer also should obtain an estimate of the amount of
177 Buyer’s monthly mortgage payment.

178 **4.6. Assumption.** Buyer agrees to assume and pay an existing loan in the approximate amount of the Assumption Balance
179 set forth in § 4.1. (Price and Terms), presently payable at \$ _____ per _____ including principal and interest
180 presently at the rate of _____ % per annum and also including escrow for the following as indicated: **Real Estate Taxes**
181 **Property Insurance Premium** **Mortgage Insurance Premium** and _____.

182 Buyer agrees to pay a loan transfer fee not to exceed \$ _____. At the time of assumption, the new interest rate will
183 not exceed _____ % per annum and the new payment will not exceed \$ _____ per _____ principal and
184 interest, plus escrow, if any. If the actual principal balance of the existing loan at Closing is less than the Assumption Balance, which
185 causes the amount of cash required from Buyer at Closing to be increased by more than \$ _____, or if any other terms or
186 provisions of the loan change, Buyer has the Right to Terminate under § 24.1. on or before **Closing Date.**

187 Seller **Will** **Will Not** be released from liability on said loan. If applicable, compliance with the requirements for release
188 from liability will be evidenced by delivery on or before **Loan Transfer Approval Deadline** at **Closing** of an appropriate
189 letter of commitment from lender. Any cost payable for release of liability will be paid by _____ in an amount
190 not to exceed \$ _____.

191 **4.7. Seller or Private Financing.**

192 **WARNING:** Unless the transaction is exempt, federal and state laws impose licensing, other requirements and restrictions on sellers
193 and private financiers. Contract provisions on financing and financing documents, unless exempt, should be prepared by a licensed
194 Colorado attorney or licensed mortgage loan originator. Brokers should not prepare or advise the parties on the specifics of financing,
195 including whether or not a party is exempt from the law.

196 **4.7.1. Seller Financing.** If Buyer is to pay all or any portion of the Purchase Price with Seller financing, **Buyer**
197 **Seller** will deliver the proposed Seller financing documents to the other party on or before _____ days before **Seller or**
198 **Private Financing Deadline.**

199 **4.7.1.1. Seller May Terminate.** If Seller is to provide Seller financing, this Contract is conditional upon
200 Seller determining whether such financing is satisfactory to the Seller, including its payments, interest rate, terms, conditions, cost,
201 and compliance with the law. Seller has the Right to Terminate under § 24.1., on or before **Seller or Private Financing Deadline,**
202 if such Seller financing is not satisfactory to Seller, in Seller’s sole subjective discretion.

203 **4.7.2. Buyer May Terminate.** If Buyer is to pay all or any portion of the Purchase Price with Seller or private
204 financing, this Contract is conditional upon Buyer determining whether such financing is satisfactory to Buyer, including its
205 availability, payments, interest rate, terms, conditions, and cost. Buyer has the Right to Terminate under § 24.1, on or before **Seller**
206 **or Private Financing Deadline,** if such Seller or private financing is not satisfactory to Buyer, in Buyer’s sole subjective discretion.

208 **5. FINANCING CONDITIONS AND OBLIGATIONS.**

209 **5.1. New Loan Application.** If Buyer is to pay all or part of the Purchase Price by obtaining one or more new loans (New
210 Loan), or if an existing loan is not to be released at Closing, Buyer, if required by such lender, must make an application verifiable
211 by such lender, on or before **New Loan Application Deadline** and exercise reasonable efforts to obtain such loan or approval.

212 **5.2. New Loan Terms; New Loan Availability.**

213 **5.2.1. New Loan Terms.** If Buyer is to pay all or part of the Purchase Price with a New Loan, this Contract is
214 conditional upon Buyer determining, in Buyer's sole subjective discretion, whether the proposed New Loan's payments, interest
215 rate, conditions and costs or any other loan terms (New Loan Terms) are satisfactory to Buyer. This condition is for the sole benefit
216 of Buyer. Buyer has the Right to Terminate under § 24.1., on or before **New Loan Terms Deadline**, if the New Loan Terms are not
217 satisfactory to Buyer, in Buyer's sole subjective discretion.

218 **5.2.2. New Loan Availability.** If Buyer is to pay all or part of the Purchase Price with a New Loan, this Contract is
219 conditional upon Buyer's satisfaction with the availability of the New Loan based on the lender's review and underwriting of Buyer's
220 New Loan Application (New Loan Availability). Buyer has the Right to Terminate under § 24.1., on or before the **New Loan**
221 **Availability Deadline** if the New Loan Availability is not satisfactory to Buyer. Buyer does not have a Right to Terminate based on the
222 New Loan Availability if the termination is based on the New Loan Terms, Appraised Value (defined below), the Lender Property
223 Requirements (defined below), Insurability (§ 10.5. below) or the Conditional Upon Sale of Property (§ 10.7. below). **IF SELLER IS**
224 **NOT IN DEFAULT AND DOES NOT TIMELY RECEIVE BUYER'S WRITTEN NOTICE TO TERMINATE, BUYER'S**
225 **EARNEST MONEY WILL BE NONREFUNDABLE**, except as otherwise provided in this Contract (e.g., Appraisal, Title,
226 Survey).

227 **5.3. Credit Information.** If an existing loan is not to be released at Closing, this Contract is conditional (for the sole benefit
228 of Seller) upon Seller's approval of Buyer's financial ability and creditworthiness, which approval will be in Seller's sole subjective
229 discretion. Accordingly: (1) Buyer must supply to Seller by **Buyer's Credit Information Deadline**, at Buyer's expense, information
230 and documents (including a current credit report) concerning Buyer's financial, employment and credit condition; (2) Buyer consents
231 that Seller may verify Buyer's financial ability and creditworthiness; and (3) any such information and documents received by Seller
232 must be held by Seller in confidence and not released to others except to protect Seller's interest in this transaction. If the Cash at
233 Closing is less than as set forth in § 4.1. of this Contract, Seller has the Right to Terminate under § 24.1., on or before Closing. If
234 Seller disapproves of Buyer's financial ability or creditworthiness, in Seller's sole subjective discretion, Seller has the Right to
235 Terminate under § 24.1., on or before **Disapproval of Buyer's Credit Information Deadline**.

236 **5.4. Existing Loan Review.** If an existing loan is not to be released at Closing, Seller must deliver copies of the loan
237 documents (including note, deed of trust and any modifications) to Buyer by **Existing Loan Deadline**. For the sole benefit of Buyer,
238 this Contract is conditional upon Buyer's review and approval of the provisions of such loan documents. Buyer has the Right to
239 Terminate under § 24.1., on or before **Existing Loan Termination Deadline**, based on any unsatisfactory provision of such loan
240 documents, in Buyer's sole subjective discretion. If the lender's approval of a transfer of the Property is required, this Contract is
241 conditional upon Buyer obtaining such approval without change in the terms of such loan, except as set forth in § 4.6. If lender's
242 approval is not obtained by **Loan Transfer Approval Deadline**, this Contract will terminate on such deadline. Seller has the Right
243 to Terminate under § 24.1., on or before Closing, in Seller's sole subjective discretion, if Seller is to be released from liability under
244 such existing loan and Buyer does not obtain such compliance as set forth in § 4.6.

245 **6. APPRAISAL PROVISIONS.**

246 **6.1. Appraisal Definition.** An "Appraisal" is an opinion of value prepared by a licensed or certified appraiser, engaged on
247 behalf of Buyer or Buyer's lender, to determine the Property's market value (Appraised Value). The Appraisal may also set forth
248 certain lender requirements, replacements, removals or repairs necessary on or to the Property as a condition for the Property to be
249 valued at the Appraised Value.

250 **6.2. Appraised Value.** The applicable appraisal provision set forth below applies to the respective loan type set forth in
251 § 4.5.3., or if a cash transaction (i.e., no financing), § 6.2.1. applies.

252 **6.2.1. Conventional/Other.** Buyer has the right to obtain an Appraisal. If the Appraised Value is less than the
253 Purchase Price, or if the Appraisal is not received by Buyer on or before **Appraisal Deadline** Buyer may, on or before **Appraisal**
254 **Objection Deadline**:

255 **6.2.1.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 24.1., that this Contract is terminated;
256 or

257 **6.2.1.2. Appraisal Objection.** Deliver to Seller a written objection accompanied by either a copy of the
258 Appraisal or written notice from lender that confirms the Appraised Value is less than the Purchase Price (Lender Verification).

259 **6.2.1.3. Appraisal Resolution.** If an Appraisal Objection is received by Seller, on or before **Appraisal**
260 **Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Appraisal Resolution**
261 **Deadline**, this Contract will terminate on the **Appraisal Resolution Deadline**, unless Seller receives Buyer's written withdrawal of
262 the Appraisal Objection before such termination, (i.e., on or before expiration of **Appraisal Resolution Deadline**).

263 **6.2.2. FHA.** It is expressly agreed that, notwithstanding any other provisions of this Contract, the purchaser (Buyer)
264 shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of Earnest
265 Money deposits or otherwise unless the purchaser (Buyer) has been given, in accordance with HUD/FHA or VA requirements, a
266 written statement issued by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement lender,
267 setting forth the appraised value of the Property of not less than \$ _____. The purchaser (Buyer) shall have the privilege
268 and option of proceeding with the consummation of this Contract without regard to the amount of the appraised valuation. The
269 appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will
270 insure. HUD does not warrant the value nor the condition of the Property. The purchaser (Buyer) should satisfy
271 himself/herself/themselves that the price and condition of the Property are acceptable.

272 **6.2.3. VA.** It is expressly agreed that, notwithstanding any other provisions of this Contract, the purchaser (Buyer)
273 shall not incur any penalty by forfeiture of Earnest Money or otherwise or be obligated to complete the purchase of the Property
274 described herein, if the Contract Purchase Price or cost exceeds the reasonable value of the Property established by the Department
275 of Veterans Affairs. The purchaser (Buyer) shall, however, have the privilege and option of proceeding with the consummation of
276 this Contract without regard to the amount of the reasonable value established by the Department of Veterans Affairs.

277 **6.3. Lender Property Requirements.** If the lender imposes any written requirements, replacements, removals or repairs,
278 including any specified in the Appraisal (Lender Property Requirements) to be made to the Property (e.g., roof repair, repainting),
279 beyond those matters already agreed to by Seller in this Contract, this Contract terminates on the earlier of three days following
280 Seller's receipt of the Lender Property Requirements, or Closing, unless prior to termination: (1) the parties enter into a written
281 agreement to satisfy the Lender Property Requirements; (2) the Lender Property Requirements have been completed; or (3) the
282 satisfaction of the Lender Property Requirements is waived in writing by Buyer.

283 **6.4. Cost of Appraisal.** Cost of the Appraisal to be obtained after the date of this Contract must be timely paid by Buyer
284 Seller. The cost of the Appraisal may include any and all fees paid to the appraiser, appraisal management company, lender's
285 agent or all three.

286 **7. OWNERS' ASSOCIATIONS.** This Section is applicable if the Property is located within one or more Common Interest
287 Communities and subject to one or more declarations (Association).

288 **7.1. Common Interest Community Disclosure.** **THE PROPERTY IS LOCATED WITHIN A COMMON**
289 **INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR THE COMMUNITY. THE OWNER OF**
290 **THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS' ASSOCIATION FOR THE**
291 **COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND REGULATIONS OF THE**
292 **ASSOCIATION. THE DECLARATION, BYLAWS AND RULES AND REGULATIONS WILL IMPOSE FINANCIAL**
293 **OBLIGATIONS UPON THE OWNER OF THE PROPERTY, INCLUDING AN OBLIGATION TO PAY ASSESSMENTS**
294 **OF THE ASSOCIATION. IF THE OWNER DOES NOT PAY THESE ASSESSMENTS, THE ASSOCIATION COULD**
295 **PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL IT TO PAY THE DEBT. THE DECLARATION, BYLAWS**
296 **AND RULES AND REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING**
297 **CHANGES TO THE PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A**
298 **COMMITTEE OF THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF**
299 **PROPERTY WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL**
300 **OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ THE**
301 **DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF THE**
302 **ASSOCIATION.**

303 **7.2. Association Documents to Buyer.** Seller is obligated to provide to Buyer the Association Documents (defined below),
304 at Seller's expense, on or before **Association Documents Deadline**. Seller authorizes the Association to provide the Association
305 Documents to Buyer, at Seller's expense. Seller's obligation to provide the Association Documents is fulfilled upon Buyer's receipt
306 of the Association Documents, regardless of who provides such documents.

307 **7.3. Association Documents.** Association documents (Association Documents) consist of the following:

308 **7.3.1.** All Association declarations, articles of incorporation, bylaws, articles of organization, operating agreements,
309 rules and regulations, party wall agreements and the Association's responsible governance policies adopted under § 38-33.3-209.5,
310 C.R.S.;

311 **7.3.2.** Minutes of: (1) the annual owners' or members' meeting and (2) any executive boards' or managers' meetings;
312 such minutes include those provided under the most current annual disclosure required under § 38-33.3-209.4, C.R.S. (Annual
313 Disclosure) and minutes of meetings, if any, subsequent to the minutes disclosed in the Annual Disclosure. If none of the preceding
314 minutes exist, then the most recent minutes, if any (§§ 7.3.1. and 7.3.2., collectively, Governing Documents); and

315 **7.3.3.** List of all Association insurance policies as provided in the Association's last Annual Disclosure, including,
316 but not limited to, property, general liability, association director and officer professional liability and fidelity policies. The list must
317 include the company names, policy limits, policy deductibles, additional named insureds and expiration dates of the policies listed
318 (Association Insurance Documents);

319 **7.3.4.** A list by unit type of the Association's assessments, including both regular and special assessments as
320 disclosed in the Association's last Annual Disclosure;

321 **7.3.5.** The Association's most recent financial documents which consist of: (1) the Association's operating budget
322 for the current fiscal year, (2) the Association's most recent annual financial statements, including any amounts held in reserve for
323 the fiscal year immediately preceding the Association's last Annual Disclosure, (3) the results of the Association's most recent
324 available financial audit or review, (4) list of the fees and charges (regardless of name or title of such fees or charges) that the
325 Association's community association manager or Association will charge in connection with the Closing including, but not limited
326 to, any fee incident to the issuance of the Association's statement of assessments (Status Letter), any rush or update fee charged for
327 the Status Letter, any record change fee or ownership record transfer fees (Record Change Fee), fees to access documents, (5) list of
328 all assessments required to be paid in advance, reserves or working capital due at Closing and (6) reserve study, if any (§§ 7.3.4. and
329 7.3.5., collectively, Financial Documents);

330 **7.3.6.** Any written notice from the Association to Seller of a "construction defect action" under § 38-33.3-303.5,
331 C.R.S. within the past six months and the result of whether the Association approved or disapproved such action (Construction
332 Defect Documents). Nothing in this Section limits the Seller's obligation to disclose adverse material facts as required under § 10.2.
333 (Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition) including any problems or defects in the common
334 elements or limited common elements of the Association property.

335 **7.4. Conditional on Buyer's Review.** Buyer has the right to review the Association Documents. Buyer has the Right to
336 Terminate under § 24.1., on or before **Association Documents Termination Deadline**, based on any unsatisfactory provision in
337 any of the Association Documents, in Buyer's sole subjective discretion. Should Buyer receive the Association Documents after
338 **Association Documents Deadline**, Buyer, at Buyer's option, has the Right to Terminate under § 24.1. by Buyer's Notice to
339 Terminate received by Seller on or before ten days after Buyer's receipt of the Association Documents. If Buyer does not receive
340 the Association Documents, or if Buyer's Notice to Terminate would otherwise be required to be received by Seller after **Closing**
341 **Date**, Buyer's Notice to Terminate must be received by Seller on or before Closing. If Seller does not receive Buyer's Notice to
342 Terminate within such time, Buyer accepts the provisions of the Association Documents as satisfactory and Buyer waives any Right
343 to Terminate under this provision, notwithstanding the provisions of § 8.6. (Third Party Right to Purchase/Approve).

344 **8. TITLE INSURANCE, RECORD TITLE AND OFF-RECORD TITLE.**

345 **8.1. Evidence of Record Title.**

346 **8.1.1. Seller Selects Title Insurance Company.** If this box is checked, Seller will select the title insurance
347 company to furnish the owner's title insurance policy at Seller's expense. On or before **Record Title Deadline**, Seller must furnish
348 to Buyer, a current commitment for an owner's title insurance policy (Title Commitment), in an amount equal to the Purchase Price,
349 or if this box is checked, an **Abstract of Title** certified to a current date. Seller will cause the title insurance policy to be issued
350 and delivered to Buyer as soon as practicable at or after Closing.

351 **8.1.2. Buyer Selects Title Insurance Company.** If this box is checked, Buyer will select the title insurance
352 company to furnish the owner's title insurance policy at Buyer's expense. On or before **Record Title Deadline**, Buyer must furnish to
353 Seller, a current commitment for owner's title insurance policy (Title Commitment), in an amount equal to the Purchase Price.
354 If neither box in § 8.1.1. or § 8.1.2. is checked, § 8.1.1. applies.

355 **8.1.3. Owner's Extended Coverage (OEC).** The Title Commitment **Will** **Will Not** contain Owner's
356 Extended Coverage (OEC). If the Title Commitment is to contain OEC, it will commit to delete or insure over the standard exceptions
357 which relate to: (1) parties in possession, (2) unrecorded easements, (3) survey matters, (4) unrecorded mechanics' liens, (5) gap
358 period (period between the effective date and time of commitment to the date and time the deed is recorded) and (6) unpaid taxes,
359 assessments and unredeemed tax sales prior to the year of Closing. Any additional premium expense to obtain OEC will be paid by
360 **Buyer** **Seller** **One-Half by Buyer and One-Half by Seller** **Other** _____.
361 Regardless of whether the Contract requires OEC, the Title Insurance Commitment may not provide OEC or delete or insure over
362 any or all of the standard exceptions for OEC. The Title Insurance Company may require a New Survey or New ILC, defined below,
363 among other requirements for OEC. If the Title Insurance Commitment is not satisfactory to Buyer, Buyer has a right to object under
364 § 8.7. (Right to Object to Title, Resolution).

365 **8.1.4. Title Documents.** Title Documents consist of the following: (1) copies of any plats, declarations, covenants,
366 conditions and restrictions burdening the Property and (2) copies of any other documents (or, if illegible, summaries of such
367 documents) listed in the schedule of exceptions (Exceptions) in the Title Commitment furnished to Buyer (collectively, Title
368 Documents).

369 **8.1.5. Copies of Title Documents.** Buyer must receive, on or before **Record Title Deadline**, copies of all Title
370 Documents. This requirement pertains only to documents as shown of record in the office of the clerk and recorder in the county
371 where the Property is located. The cost of furnishing copies of the documents required in this Section will be at the expense of the
372 party or parties obligated to pay for the owner's title insurance policy.

373 **8.1.6. Existing Abstracts of Title.** Seller must deliver to Buyer copies of any abstracts of title covering all or any
374 portion of the Property (Abstract of Title) in Seller's possession on or before **Record Title Deadline**.

375 **8.2. Record Title.** Buyer has the right to review and object to the Abstract of Title or Title Commitment and any of the
376 Title Documents as set forth in § 8.7. (Right to Object to Title, Resolution) on or before **Record Title Objection Deadline**. Buyer's
377 objection may be based on any unsatisfactory form or content of Title Commitment or Abstract of Title, notwithstanding § 13, or
378 any other unsatisfactory title condition, in Buyer's sole subjective discretion. If the Abstract of Title, Title Commitment or Title

379 Documents are not received by Buyer on or before the **Record Title Deadline**, or if there is an endorsement to the Title Commitment
380 that adds a new Exception to title, a copy of the new Exception to title and the modified Title Commitment will be delivered to
381 Buyer. Buyer has until the earlier of Closing or ten days after receipt of such documents by Buyer to review and object to: (1) any
382 required Title Document not timely received by Buyer, (2) any change to the Abstract of Title, Title Commitment or Title Documents,
383 or (3) any endorsement to the Title Commitment. If Seller receives Buyer's Notice to Terminate or Notice of Title Objection,
384 pursuant to this § 8.2. (Record Title), any title objection by Buyer is governed by the provisions set forth in § 8.7. (Right to Object
385 to Title, Resolution). If Seller has fulfilled all Seller's obligations, if any, to deliver to Buyer all documents required by § 8.1.
386 (Evidence of Record Title) and Seller does not receive Buyer's Notice to Terminate or Notice of Title Objection by the applicable
387 deadline specified above, Buyer accepts the condition of title as disclosed by the Abstract of Title, Title Commitment and Title
388 Documents as satisfactory.

389 **8.3. Off-Record Title.** Seller must deliver to Buyer, on or before **Off-Record Title Deadline**, true copies of all existing
390 surveys in Seller's possession pertaining to the Property and must disclose to Buyer all easements, liens (including, without
391 limitation, governmental improvements approved, but not yet installed) or other title matters not shown by public records, of which
392 Seller has actual knowledge (Off-Record Matters). This Section excludes any **New ILC** or **New Survey** governed under § 9 (New
393 ILC, New Survey). Buyer has the right to inspect the Property to investigate if any third party has any right in the Property not shown
394 by public records (e.g., unrecorded easement, boundary line discrepancy or water rights). Buyer's Notice to Terminate or Notice of
395 Title Objection of any unsatisfactory condition (whether disclosed by Seller or revealed by such inspection, notwithstanding § 8.2.
396 (Record Title) and § 13 (Transfer of Title), in Buyer's sole subjective discretion, must be received by Seller on or before **Off-Record
397 Title Objection Deadline**. If an Off-Record Matter is received by Buyer after the **Off-Record Title Deadline**, Buyer has until the
398 earlier of Closing or ten days after receipt by Buyer to review and object to such Off-Record Matter. If Seller receives Buyer's Notice
399 to Terminate or Notice of Title Objection pursuant to this § 8.3. (Off-Record Title), any title objection by Buyer is governed by the
400 provisions set forth in § 8.7. (Right to Object to Title, Resolution). If Seller does not receive Buyer's Notice to Terminate or Notice
401 of Title Objection by the applicable deadline specified above, Buyer accepts title subject to such Off-Record Matters and rights, if
402 any, of third parties not shown by public records of which Buyer has actual knowledge.

403 **8.4. Special Taxing Districts. SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION**
404 **INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE**
405 **PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK**
406 **FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING OF SUCH DEBT WHERE**
407 **CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH**
408 **INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYERS SHOULD INVESTIGATE THE**
409 **SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY CONTACTING THE COUNTY**
410 **TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE PROPERTY AND BY OBTAINING**
411 **FURTHER INFORMATION FROM THE BOARD OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND**
412 **RECORDER, OR THE COUNTY ASSESSOR.**

413 **8.5. Tax Certificate.** A tax certificate paid for by Seller Buyer, for the Property listing any special taxing districts
414 that affect the Property (Tax Certificate) must be delivered to Buyer on or before **Record Title Deadline**. If the Property is located
415 within a special taxing district and such inclusion is unsatisfactory to Buyer, in Buyer's sole subjective discretion, Buyer may
416 terminate, on or before **Record Title Objection Deadline**. Should Buyer receive the Tax Certificate after **Record Title Deadline**,
417 Buyer, at Buyer's option, has the Right to Terminate under § 24.1. by Buyer's Notice to Terminate received by Seller on or before
418 ten days after Buyer's receipt of the Tax Certificate. If Buyer does not receive the Tax Certificate, or if Buyer's Notice to Terminate
419 would otherwise be required to be received by Seller after **Closing Date**, Buyer's Notice to Terminate must be received by Seller on
420 or before Closing. If Seller does not receive Buyer's Notice to Terminate within such time, Buyer accepts the provisions of the Tax
421 Certificate and the inclusion of the Property in a special taxing district, if applicable, as satisfactory and Buyer waives any Right to
422 Terminate under this provision. If Buyer's loan specified in §4.5.3. (Loan Limitations) prohibits Buyer from paying for the Tax
423 Certificate, the Tax Certificate will be paid for by Seller.

424 **8.6. Third Party Right to Purchase/Approve.** If any third party has a right to purchase the Property (e.g., right of first
425 refusal on the Property, right to purchase the Property under a lease or an option held by a third party to purchase the Property) or a
426 right of a third party to approve this Contract, Seller must promptly submit this Contract according to the terms and conditions of
427 such right. If the third-party holder of such right exercises its right this Contract will terminate. If the third party's right to purchase
428 is waived explicitly or expires, or the Contract is approved, this Contract will remain in full force and effect. Seller must promptly
429 notify Buyer in writing of the foregoing. If the third party right to purchase is exercised or approval of this Contract has not occurred
430 on or before **Third Party Right to Purchase/Approve Deadline**, this Contract will then terminate. Seller will supply to Buyer, in
431 writing, details of any Third Party Right to Purchase the Property on or before the Record Title Deadline.

432 **8.7. Right to Object to Title, Resolution.** Buyer has a right to object or terminate, in Buyer's sole subjective discretion,
433 based on any title matters including those matters set forth in § 8.2. (Record Title), § 8.3. (Off-Record Title), § 8.5. (Special Taxing
434 District) and § 13 (Transfer of Title). If Buyer exercises Buyer's rights to object or terminate based on any such title matter, on or
435 before the applicable deadline, Buyer has the following options:

436 **8.7.1. Title Objection, Resolution.** If Seller receives Buyer's written notice objecting to any title matter (Notice of
437 Title Objection) on or before the applicable deadline and if Buyer and Seller have not agreed to a written settlement thereof on or

438 before **Title Resolution Deadline**, this Contract will terminate on the expiration of **Title Resolution Deadline**, unless Seller receives
439 Buyer's written withdrawal of Buyer's Notice of Title Objection (i.e., Buyer's written notice to waive objection to such items and
440 waives the Right to Terminate for that reason), on or before expiration of **Title Resolution Deadline**. If either the Record Title
441 Deadline or the Off-Record Title Deadline, or both, are extended pursuant to § 8.2. (Record Title) or § 8.3. (Off-Record Title) the
442 Title Resolution Deadline also will be automatically extended to the earlier of Closing or fifteen days after Buyer's receipt of the
443 applicable documents; or

444 **8.7.2. Title Objection, Right to Terminate.** Buyer may exercise the Right to Terminate under § 24.1., on or before
445 the applicable deadline, based on any title matter unsatisfactory to Buyer, in Buyer's sole subjective discretion.

446 **8.8. Title Advisory.** The Title Documents affect the title, ownership and use of the Property and should be reviewed
447 carefully. Additionally, other matters not reflected in the Title Documents may affect the title, ownership and use of the Property,
448 including, without limitation, boundary lines and encroachments, set-back requirements, area, zoning, building code violations,
449 unrecorded easements and claims of easements, leases and other unrecorded agreements, water on or under the Property and various
450 laws and governmental regulations concerning land use, development and environmental matters.

451 **8.8.1. OIL, GAS, WATER AND MINERAL DISCLOSURE. THE SURFACE ESTATE OF THE**
452 **PROPERTY MAY BE OWNED SEPARATELY FROM THE UNDERLYING MINERAL ESTATE AND TRANSFER OF**
453 **THE SURFACE ESTATE MAY NOT NECESSARILY INCLUDE TRANSFER OF THE MINERAL ESTATE OR WATER**
454 **RIGHTS. THIRD PARTIES MAY OWN OR LEASE INTERESTS IN OIL, GAS, OTHER MINERALS, GEOTHERMAL**
455 **ENERGY OR WATER ON OR UNDER THE SURFACE OF THE PROPERTY, WHICH INTERESTS MAY GIVE THEM**
456 **RIGHTS TO ENTER AND USE THE SURFACE OF THE PROPERTY TO ACCESS THE MINERAL ESTATE, OIL,**
457 **GAS OR WATER.**

458 **8.8.2. SURFACE USE AGREEMENT. THE USE OF THE SURFACE ESTATE OF THE PROPERTY TO**
459 **ACCESS THE OIL, GAS OR MINERALS MAY BE GOVERNED BY A SURFACE USE AGREEMENT, A**
460 **MEMORANDUM OR OTHER NOTICE OF WHICH MAY BE RECORDED WITH THE COUNTY CLERK AND**
461 **RECORDER.**

462 **8.8.3. OIL AND GAS ACTIVITY. OIL AND GAS ACTIVITY THAT MAY OCCUR ON OR ADJACENT**
463 **TO THE PROPERTY MAY INCLUDE, BUT IS NOT LIMITED TO, SURVEYING, DRILLING, WELL COMPLETION**
464 **OPERATIONS, STORAGE, OIL AND GAS, OR PRODUCTION FACILITIES, PRODUCING WELLS, REWORKING**
465 **OF CURRENT WELLS AND GAS GATHERING AND PROCESSING FACILITIES.**

466 **8.8.4. ADDITIONAL INFORMATION. BUYER IS ENCOURAGED TO SEEK ADDITIONAL**
467 **INFORMATION REGARDING OIL AND GAS ACTIVITY ON OR ADJACENT TO THE PROPERTY, INCLUDING**
468 **DRILLING PERMIT APPLICATIONS. THIS INFORMATION MAY BE AVAILABLE FROM THE COLORADO OIL**
469 **AND GAS CONSERVATION COMMISSION.**

470 **8.8.5. Title Insurance Exclusions.** Matters set forth in this Section and others, may be excepted, excluded from, or
471 not covered by the owner's title insurance policy.

472 **8.9. Mineral Rights Review.** Buyer **Does** **Does Not** have a Right to Terminate if examination of the Mineral
473 Rights is unsatisfactory to Buyer on or before the **Mineral Rights Examination Deadline**.

474 **9. NEW ILC, NEW SURVEY.**

475 **9.1. New ILC or New Survey.** If the box is checked, (1) **New Improvement Location Certificate (New ILC)**; or, (2)
476 **New Survey** in the form of _____; is required and the following will apply:

477 **9.1.1. Ordering of New ILC or New Survey.** **Seller** **Buyer** will order the New ILC or New Survey. The
478 New ILC or New Survey may also be a previous ILC or survey that is in the above-required form, certified and updated as of a date
479 after the date of this Contract.

480 **9.1.2. Payment for New ILC or New Survey.** The cost of the New ILC or New Survey will be paid, on or before
481 Closing, by: **Seller** **Buyer** or:

482
483
484 **9.1.3. Delivery of New ILC or New Survey.** Buyer, Seller, the issuer of the Title Commitment (or the provider of
485 the opinion of title if an Abstract of Title) and _____ will receive a New ILC or New Survey on or before **New**
486 **ILC or New Survey Deadline**.

487 **9.1.4. Certification of New ILC or New Survey.** The New ILC or New Survey will be certified by the surveyor to
488 all those who are to receive the New ILC or New Survey.

489 **9.2. Buyer's Right to Waive or Change New ILC or New Survey Selection.** Buyer may select a New ILC or New
490 Survey different than initially specified in this Contract if there is no additional cost to Seller or change to the **New ILC or New**
491 **Survey Objection Deadline**. Buyer may, in Buyer's sole subjective discretion, waive a New ILC or New Survey if done prior to
492 Seller incurring any cost for the same.

493 **9.3. New ILC or New Survey Objection.** Buyer has the right to review and object based on the New ILC or New Survey.
494 If the New ILC or New Survey is not timely received by Buyer or is unsatisfactory to Buyer, in Buyer's sole subjective discretion,
495 Buyer may, on or before **New ILC or New Survey Objection Deadline**, notwithstanding § 8.3. or § 13:

496 **9.3.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 24.1, that this Contract is terminated; or
497 **9.3.2. New ILC or New Survey Objection.** Deliver to Seller a written description of any matter that was to be
498 shown or is shown in the New ILC or New Survey that is unsatisfactory and that Buyer requires Seller to correct.
499 **9.3.3. New ILC or New Survey Resolution.** If a **New ILC or New Survey Objection** is received by Seller, on or
500 before **New ILC or New Survey Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on
501 or before **New ILC or New Survey Resolution Deadline**, this Contract will terminate on expiration of the **New ILC or New Survey**
502 **Resolution Deadline**, unless Seller receives Buyer's written withdrawal of the New ILC or New Survey Objection before such
503 termination (i.e., on or before expiration of **New ILC or New Survey Resolution Deadline**).

504

DISCLOSURE, INSPECTION AND DUE DILIGENCE

505 **10. PROPERTY DISCLOSURE, INSPECTION, INDEMNITY, INSURABILITY, DUE DILIGENCE AND SOURCE OF**
506 **WATER.**

507 **10.1. Seller's Property Disclosure.** On or before **Seller's Property Disclosure Deadline**, Seller agrees to deliver to Buyer
508 the most current version of the applicable Colorado Real Estate Commission's Seller's Property Disclosure form completed by Seller
509 to Seller's actual knowledge and current as of the date of this Contract.

510 **10.2. Disclosure of Adverse Material Facts; Subsequent Disclosure; Present Condition.** Seller must disclose to Buyer
511 any adverse material facts actually known by Seller as of the date of this Contract. Seller agrees that disclosure of adverse material
512 facts will be in writing. In the event Seller discovers an adverse material fact after the date of this Contract, Seller must timely
513 disclose such adverse fact to Buyer. Buyer has the Right to Terminate based on the Seller's new disclosure on the earlier of Closing
514 or five days after Buyer's receipt of the new disclosure. Except as otherwise provided in this Contract, Buyer acknowledges that
515 Seller is conveying the Property to Buyer in an "**As Is**" condition, "**Where Is**" and "**With All Faults**."

516 **10.3. Inspection.** Unless otherwise provided in this Contract, Buyer, acting in good faith, has the right to have inspections
517 (by one or more third parties, personally or both) of the Property, Leased Items, and Inclusions (Inspection), at Buyer's expense. If
518 (1) the physical condition of the Property, including, but not limited to, the roof, walls, structural integrity of the Property, the
519 electrical, plumbing, HVAC and other mechanical systems of the Property, (2) the physical condition of the Inclusions and Leased
520 Items, (3) service to the Property (including utilities and communication services), systems and components of the Property (e.g.,
521 heating and plumbing), (4) any proposed or existing transportation project, road, street or highway, or (5) any other activity, odor or
522 noise (whether on or off the Property) and its effect or expected effect on the Property or its occupants is unsatisfactory, in Buyer's
523 sole subjective discretion, Buyer may:

524 **10.3.1. Inspection Termination.** On or before the **Inspection Termination Deadline**, notify Seller in writing,
525 pursuant to § 24.1., that this Contract is terminated due to any unsatisfactory condition, provided the Buyer did not previously deliver
526 an Inspection Objection. Buyer's Right to Terminate under this provision expires upon delivery of an Inspection Objection to Seller
527 pursuant to § 10.3.2.; or

528 **10.3.2. Inspection Objection.** On or before the **Inspection Objection Deadline**, deliver to Seller a written
529 description of any unsatisfactory condition that Buyer requires Seller to correct.

530 **10.3.3. Inspection Resolution.** If an Inspection Objection is received by Seller, on or before **Inspection Objection**
531 **Deadline** and if Buyer and Seller have not agreed in writing to a settlement thereof on or before **Inspection Resolution Deadline**,
532 this Contract will terminate on **Inspection Resolution Deadline** unless Seller receives Buyer's written withdrawal of the Inspection
533 Objection before such termination (i.e., on or before expiration of **Inspection Resolution Deadline**). Nothing in this provision
534 prohibits the Buyer and the Seller from mutually terminating this Contract before the Inspection Resolution Deadline passes by
535 executing an Earnest Money Release.

536 **10.4. Damage, Liens and Indemnity.** Buyer, except as otherwise provided in this Contract or other written agreement
537 between the parties, is responsible for payment for all inspections, tests, surveys, engineering reports, or other reports performed at
538 Buyer's request (Work) and must pay for any damage that occurs to the Property and Inclusions as a result of such Work. Buyer
539 must not permit claims or liens of any kind against the Property for Work performed on the Property. Buyer agrees to indemnify,
540 protect and hold Seller harmless from and against any liability, damage, cost or expense incurred by Seller and caused by any such
541 Work, claim, or lien. This indemnity includes Seller's right to recover all costs and expenses incurred by Seller to defend against
542 any such liability, damage, cost or expense, or to enforce this Section, including Seller's reasonable attorney fees, legal fees and
543 expenses. The provisions of this Section survive the termination of this Contract. This § 10.4. does not apply to items performed
544 pursuant to an Inspection Resolution.

545 **10.5. Insurability.** Buyer has the Right to Terminate under § 24.1., on or before **Property Insurance Termination**
546 **Deadline**, based on any unsatisfactory provision of the availability, terms and conditions and premium for property insurance
547 (Property Insurance) on the Property, in Buyer's sole subjective discretion.

548 **10.6. Due Diligence.**

549 **10.6.1. Due Diligence Documents.** Seller agrees to deliver copies of the following documents and information
550 pertaining to the Property and Leased Items (Due Diligence Documents) to Buyer on or before **Due Diligence Documents Delivery**
551 **Deadline**:

552 **10.6.1.1. Occupancy Agreements.** All current leases, including any amendments or other occupancy
553 agreements, pertaining to the Property. Those leases or other occupancy agreements pertaining to the Property that survive Closing
554 are as follows (Leases):
555

556
557 **10.6.1.2. Leased Items Documents.** If any lease of personal property (§ 2.5.7., Leased Items) will be
558 transferred to Buyer at Closing, Seller agrees to deliver copies of the leases and information pertaining to the personal property to
559 Buyer on or before **Due Diligence Documents Delivery Deadline**. Buyer **Will** **Will Not** assume the Seller's obligations
560 under such leases for the Leased Items (§ 2.5.7., Leased Items).
561

562 **10.6.1.3. Encumbered Inclusions Documents.** If any Inclusions owned by Seller are encumbered
563 pursuant to § 2.5.4. (Encumbered Inclusions) above, Seller agrees to deliver copies of the evidence of debt, security and any other
564 documents creating the encumbrance to Buyer on or before **Due Diligence Documents Delivery Deadline**. Buyer **Will** **Will**
565 **Not** assume the debt on the Encumbered Inclusions (§ 2.5.4., Encumbered Inclusions).
566

567 **10.6.1.4. Other Documents.** Other documents and information:
568
569
570
571

572 **10.6.2. Due Diligence Documents Review and Objection.** Buyer has the right to review and object based on the Due
573 Diligence Documents. If the Due Diligence Documents are not supplied to Buyer or are unsatisfactory, in Buyer's sole subjective
574 discretion, Buyer may, on or before **Due Diligence Documents Objection Deadline**:
575

576 **10.6.2.1. Notice to Terminate.** Notify Seller in writing, pursuant to § 24.1., that this Contract is terminated;
577 or

578 **10.6.2.2. Due Diligence Documents Objection.** Deliver to Seller a written description of any
579 unsatisfactory Due Diligence Documents that Buyer requires Seller to correct.

580 **10.6.2.3. Due Diligence Documents Resolution.** If a Due Diligence Documents Objection is received by
581 Seller, on or before **Due Diligence Documents Objection Deadline** and if Buyer and Seller have not agreed in writing to a settlement
582 thereof on or before **Due Diligence Documents Resolution Deadline**, this Contract will terminate on **Due Diligence Documents**
583 **Resolution Deadline** unless Seller receives Buyer's written withdrawal of the Due Diligence Documents Objection before such
584 termination (i.e., on or before expiration of **Due Diligence Documents Resolution Deadline**).

585 **10.7. Conditional Upon Sale of Property.** This Contract is conditional upon the sale and closing of that certain property
586 owned by Buyer and commonly known as _____ . Buyer has
587 the Right to Terminate under § 24.1. effective upon Seller's receipt of Buyer's Notice to Terminate on or before **Conditional Sale**
588 **Deadline** if such property is not sold and closed by such deadline. This Section is for the sole benefit of Buyer. If Seller does not
589 receive Buyer's Notice to Terminate on or before **Conditional Sale Deadline**, Buyer waives any Right to Terminate under this
590 provision.

591 **10.8. Source of Potable Water (Residential Land and Residential Improvements Only).** Buyer **Does** **Does Not**
592 acknowledge receipt of a copy of Seller's Property Disclosure or Source of Water Addendum disclosing the source of potable water for
593 the Property. There is **No Well**. Buyer **Does** **Does Not** acknowledge receipt of a copy of the current well permit.

594 **Note to Buyer: SOME WATER PROVIDERS RELY, TO VARYING DEGREES, ON NONRENEWABLE GROUND**
595 **WATER. YOU MAY WISH TO CONTACT YOUR PROVIDER (OR INVESTIGATE THE DESCRIBED SOURCE) TO**
596 **DETERMINE THE LONG-TERM SUFFICIENCY OF THE PROVIDER'S WATER SUPPLIES.**

597 **10.9. Existing Leases; Modification of Existing Leases; New Leases. [Intentionally Deleted]**

598 **10.10. Lead-Based Paint.**

599 **10.10.1. Lead-Based Paint Disclosure.** Unless exempt, if the Property includes one or more residential dwellings
600 constructed or a building permit was issued prior to January 1, 1978, for the benefit of Buyer, Seller and all required real estate
601 licensees must sign and deliver to Buyer a completed Lead-Based Paint Disclosure (Sales) form on or before the **Lead-Based Paint**
602 **Disclosure Deadline**. If Buyer does not timely receive the Lead-Based Paint Disclosure, Buyer may waive the failure to timely
603 receive the Lead-Based Paint Disclosure, or Buyer may exercise Buyer's Right to Terminate under § 24.1. by Seller's receipt of
604 Buyer's Notice to Terminate on or before the expiration of the **Lead-Based Paint Termination Deadline**.

605 **10.10.2. Lead-Based Paint Assessment.** If Buyer elects to conduct or obtain a risk assessment or inspection of the
606 Property for the presence of Lead-Based Paint or Lead-Based Paint hazards, Buyer has a Right to Terminate under § 24.1. by Seller's
607 receipt of Buyer's Notice to Terminate on or before the expiration of the **Lead-Based Paint Termination Deadline**. Buyer may
608 elect to waive Buyer's right to conduct or obtain a risk assessment or inspection of the Property for the presence of Lead-Based Paint
609 or Lead-Based Paint hazards. If Seller does not receive Buyer's Notice to Terminate within such time, Buyer accepts the condition
of the Property relative to any Lead-Based Paint as satisfactory and Buyer waives any Right to Terminate under this provision.

610 **10.11. Carbon Monoxide Alarms. Note:** If the improvements on the Property have a fuel-fired heater or appliance, a
611 fireplace, or an attached garage and include one or more rooms lawfully used for sleeping purposes (Bedroom), the parties
612 acknowledge that Colorado law requires that Seller assure the Property has an operational carbon monoxide alarm installed within
613 fifteen feet of the entrance to each Bedroom or in a location as required by the applicable building code.

614 **10.12. Methamphetamine Disclosure.** If Seller knows that methamphetamine was ever manufactured, processed, cooked,
615 disposed of, used or stored at the Property, Seller is required to disclose such fact. No disclosure is required if the Property was
616 remediated in accordance with state standards and other requirements are fulfilled pursuant to § 25-18.5-102, C.R.S., Buyer further
617 acknowledges that Buyer has the right to engage a certified hygienist or industrial hygienist to test whether the Property has ever
618 been used as a methamphetamine laboratory. Buyer has the Right to Terminate under § 24.1., upon Seller's receipt of Buyer's written
619 Notice to Terminate, notwithstanding any other provision of this Contract, based on Buyer's test results that indicate the Property
620 has been contaminated with methamphetamine, but has not been remediated to meet the standards established by rules of the State
621 Board of Health promulgated pursuant to § 25-18.5-102, C.R.S. Buyer must promptly give written notice to Seller of the results of
622 the test.

623 **11. TENANT ESTOPPEL STATEMENTS. [Intentionally Deleted]**

624

CLOSING PROVISIONS

625 **12. CLOSING DOCUMENTS, INSTRUCTIONS AND CLOSING.**

626 **12.1. Closing Documents and Closing Information.** Seller and Buyer will cooperate with the Closing Company to enable
627 the Closing Company to prepare and deliver documents required for Closing to Buyer and Seller and their designees. If Buyer is
628 obtaining a loan to purchase the Property, Buyer acknowledges Buyer's lender is required to provide the Closing Company, in a
629 timely manner, all required loan documents and financial information concerning Buyer's loan. Buyer and Seller will furnish any
630 additional information and documents required by Closing Company that will be necessary to complete this transaction. Buyer and
631 Seller will sign and complete all customary or reasonably required documents at or before Closing.

632 **12.2. Closing Instructions.** Colorado Real Estate Commission's Closing Instructions Are Are Not executed with
633 this Contract.

634 **12.3. Closing.** Delivery of deed from Seller to Buyer will be at closing (Closing). Closing will be on the date specified as
635 the **Closing Date** or by mutual agreement at an earlier date. At Closing, Seller agrees to deliver a set of keys for the Property to
636 Buyer. The hour and place of Closing will be as designated by the title company.

637 **12.4. Disclosure of Settlement Costs.** Buyer and Seller acknowledge that costs, quality and extent of service vary between
638 different settlement service providers (e.g., attorneys, lenders, inspectors and title companies).

639 **12.5. Assignment of Leases.** Seller must assign to Buyer all Leases at Closing that will continue after Closing and Buyer
640 must assume Seller's obligations under such Leases. Further, Seller must transfer to Buyer all Leased Items and assign to Buyer such
641 leases for the Leased Items accepted by Buyer pursuant to § 2.5.7. (Leased Items).

642 **13. TRANSFER OF TITLE.** Subject to Buyer's compliance with the terms and provisions of this Contract, including the tender
643 of any payment due at Closing, Seller must execute and deliver the following good and sufficient deed to Buyer, at Closing:
644 special warranty deed general warranty deed bargain and sale deed quit claim deed personal representative's deed
645 _____ deed. Seller, provided another deed is not selected, must execute and deliver a good and
646 sufficient special warranty deed to Buyer, at Closing.

647 Unless otherwise specified in § 29 (Additional Provisions), if title will be conveyed using a special warranty deed or a general
648 warranty deed, title will be conveyed "subject to statutory exceptions" as defined in §38-30-113(5)(a), C.R.S.

649 **14. PAYMENT OF LIENS AND ENCUMBRANCES.** Unless agreed to by Buyer in writing, any amounts owed on any liens
650 or encumbrances securing a monetary sum against the Property and Inclusions, including any governmental liens for special
651 improvements installed as of the date of Buyer's signature hereon, whether assessed or not, and previous years' taxes, will be paid
652 at or before Closing by Seller from the proceeds of this transaction or from any other source.

653 **15. CLOSING COSTS, FEES, ASSOCIATION STATUS LETTER AND DISBURSEMENTS, TAXES AND WITHHOLDING.**

654 **15.1. Closing Costs.** Buyer and Seller must pay, in Good Funds, their respective closing costs and all other items required
655 to be paid at Closing, except as otherwise provided herein. However, if Buyer's loan specified in §4.5.3. (Loan Limitations) prohibits
656 Buyer from paying for any of the fees contained in this Section, the fees will be paid for by Seller.

657 **15.2. Closing Services Fee.** The fee for real estate closing services must be paid at Closing by Buyer Seller
658 One-Half by Buyer and One-Half by Seller Other _____

659 **15.3. Association Fees and Required Disbursements.** At least fourteen days prior to **Closing Date**, Seller agrees to
660 promptly request that the Closing Company or the Association deliver to Buyer a current Status Letter, if applicable. Any fees
661 associated with or specified in the Status Letter will be paid as follows:
662

663 **15.3.1. Status Letter Fee.** Any fee incident to the issuance of Association's Status Letter must be paid by Buyer
664 Seller One-Half by Buyer and One-Half by Seller N/A.

665 **15.3.2. Record Change Fee.** Any Record Change Fee must be paid by Buyer Seller One-Half by Buyer
666 and One-Half by Seller N/A.

667 **15.3.3. Assessments, Reserves or Working Capital.** All assessments required to be paid in advance (other than
668 Association Assessments as defined in § 16.2. (Association Assessments), reserves or working capital due at Closing must be paid
669 by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

670 **15.3.4. Other Fees.** Any other fee listed in the Status Letter as required to be paid at Closing will be paid by
671 Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

672 **15.4. Local Transfer Tax.** Any Local Transfer Tax must be paid at Closing by Buyer Seller One-Half by
673 Buyer and One-Half by Seller N/A.

674 **15.5. Sales and Use Tax.** Any sales and use tax that may accrue because of this transaction must be paid when due by
675 Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

676 **15.6. Private Transfer Fee.** Any private transfer fees and other fees due to a transfer of the Property, payable at Closing,
677 such as community association fees, developer fees and foundation fees, must be paid at Closing by Buyer Seller
678 One-Half by Buyer and One-Half by Seller N/A.

679 **15.7. Water Transfer Fees.** Water Transfer Fees can change. The fees, as of the date of this Contract, do not exceed
680 \$ _____ for:

681 Water Stock/Certificates Water District
682 Augmentation Membership Small Domestic Water Company _____

683 and must be paid at Closing by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

684 **15.8. Utility Transfer Fees.** Utility transfer fees can change. Any fees to transfer utilities from Seller to Buyer must be
685 paid by Buyer Seller One-Half by Buyer and One-Half by Seller N/A.

686 **15.9. FIRPTA and Colorado Withholding.**

687 **15.9.1. FIRPTA.** The Internal Revenue Service (IRS) may require a substantial portion of the Seller's proceeds be
688 withheld after Closing when Seller is a foreign person. If required withholding does not occur, the Buyer could be held liable for the
689 amount of the Seller's tax, interest and penalties. If the box in this Section is checked, Seller represents that Seller IS a foreign
690 person for purposes of U.S. income taxation. If the box in this Section is not checked, Seller represents that Seller is not a foreign
691 person for purposes of U.S. income taxation. Seller agrees to cooperate with Buyer and Closing Company to provide any reasonably
692 requested documents to verify Seller's foreign person status. If withholding is required, Seller authorizes Closing Company to
693 withhold such amount from Seller's proceeds. Seller should inquire with Seller's tax advisor to determine if withholding applies or
694 if an exemption exists.

695 **15.9.2. Colorado Withholding.** The Colorado Department of Revenue may require a portion of the Seller's proceeds
696 be withheld after Closing when Seller will not be a Colorado resident after Closing, if not otherwise exempt. Seller agrees to
697 cooperate with Buyer and Closing Company to provide any reasonably requested documents to verify Seller's status. If withholding
698 is required, Seller authorizes Closing Company to withhold such amount from Seller's proceeds. Seller should inquire with Seller's
699 tax advisor to determine if withholding applies or if an exemption exists.

700 **16. PRORATIONS AND ASSOCIATION ASSESSMENTS.**

701 **16.1. Prorations.** The following will be prorated to the **Closing Date**, except as otherwise provided:

702 **16.1.1. Taxes.** Personal property taxes, if any, special taxing district assessments, if any, and general real estate taxes
703 for the year of Closing, based on Taxes for the Calendar Year Immediately Preceding Closing Most Recent Mill Levy
704 and Most Recent Assessed Valuation, adjusted by any applicable qualifying seniors property tax exemption, qualifying disabled
705 veteran exemption or Other _____.

706 **16.1.2. Rents.** Rents based on Rents Actually Received Accrued. At Closing, Seller will transfer or credit
707 to Buyer the security deposits for all Leases assigned to Buyer, or any remainder after lawful deductions, and notify all tenants in
708 writing of such transfer and of the transferee's name and address.

709 **16.1.3. Other Prorations.** Water and sewer charges, propane, interest on continuing loan and _____.

710 **16.1.4. Final Settlement.** Unless otherwise specified in Additional Provisions, these prorations are final.

711 **16.2. Association Assessments.** Current regular Association assessments and dues (Association Assessments) paid in
712 advance will be credited to Seller at Closing. Cash reserves held out of the regular Association Assessments for deferred maintenance
713 by the Association will not be credited to Seller except as may be otherwise provided by the Governing Documents. Buyer
714 acknowledges that Buyer may be obligated to pay the Association, at Closing, an amount for reserves or working capital. Any special
715 assessment assessed prior to **Closing Date** by the Association will be the obligation of Buyer Seller. Except however, any
716 special assessment by the Association for improvements that have been installed as of the date of Buyer's signature hereon, whether
717 assessed prior to or after Closing, will be the obligation of Seller unless otherwise specified in Additional Provisions. Seller represents
718 there are no unpaid regular or special assessments against the Property except the current regular assessments and
719 _____ Association Assessments are subject to change as provided in the Governing Documents.

720 **17. POSSESSION.** Possession of the Property and Inclusions will be delivered to Buyer on **Possession Date** at **Possession Time**,
721 subject to the Leases as set forth in § 10.6.1.1. and, if applicable, any Post-Closing Occupancy Agreement.

722 If Seller, after Closing occurs, fails to deliver possession as specified, Seller will be subject to eviction and will be additionally
723 liable to Buyer, notwithstanding § 20.2. (If Seller is in Default), for payment of \$ 50.00 per day (or any part of a day
724 notwithstanding § 3.3., Day) from **Possession Date** and **Possession Time** until possession is delivered.

725 Buyer represents that Buyer will occupy the Property as Buyer's principal residence unless the following box is checked, then
726 Buyer **Does Not** represent that Buyer will occupy the Property as Buyer's principal residence.

727 If the box is checked, Buyer and Seller agree to execute a Post-Closing Occupancy Agreement.

728

GENERAL PROVISIONS

729 **18. CAUSES OF LOSS, INSURANCE; DAMAGE TO INCLUSIONS AND SERVICES; CONDEMNATION; AND**
730 **WALK-THROUGH.** Except as otherwise provided in this Contract, the Property, Inclusions or both will be delivered in the
731 condition existing as of the date of this Contract, ordinary wear and tear excepted.

732 **18.1. Causes of Loss, Insurance.** In the event the Property or Inclusions are damaged by fire, other perils or causes of loss
733 prior to Closing (Property Damage) in an amount of not more than ten percent of the total Purchase Price and if the repair of the
734 damage will be paid by insurance (other than the deductible to be paid by Seller), then Seller, upon receipt of the insurance proceeds,
735 will use Seller's reasonable efforts to repair the Property before **Closing Date**. Buyer has the Right to Terminate under § 24.1., on
736 or before **Closing Date**, if the Property is not repaired before **Closing Date**, or if the damage exceeds such sum. Should Buyer elect
737 to carry out this Contract despite such Property Damage, Buyer is entitled to a credit at Closing for all insurance proceeds that were
738 received by Seller (but not the Association, if any) resulting from damage to the Property and Inclusions, plus the amount of any
739 deductible provided for in the insurance policy. This credit may not exceed the Purchase Price. In the event Seller has not received
740 the insurance proceeds prior to Closing, the parties may agree to extend the **Closing Date** to have the Property repaired prior to
741 Closing or, at the option of Buyer, (1) Seller must assign to Buyer the right to the proceeds at Closing, if acceptable to Seller's
742 insurance company and Buyer's lender; or (2) the parties may enter into a written agreement prepared by the parties or their attorney
743 requiring the Seller to escrow at Closing from Seller's sale proceeds the amount Seller has received and will receive due to such
744 damage, not exceeding the total Purchase Price, plus the amount of any deductible that applies to the insurance claim.

745 **18.2. Damage, Inclusions and Services.** Should any Inclusion or service (including utilities and communication services),
746 system, component or fixture of the Property (collectively Service) (e.g., heating or plumbing), fail or be damaged between the date
747 of this Contract and Closing or possession, whichever is earlier, then Seller is liable for the repair or replacement of such Inclusion
748 or Service with a unit of similar size, age and quality, or an equivalent credit, but only to the extent that the maintenance or
749 replacement of such Inclusion or Service is not the responsibility of the Association, if any, less any insurance proceeds received by
750 Buyer covering such repair or replacement. If the failed or damaged Inclusion or Service is not repaired or replaced on or before
751 Closing or possession, whichever is earlier, Buyer has the Right to Terminate under § 24.1., on or before **Closing Date**, or, at the
752 option of Buyer, Buyer is entitled to a credit at Closing for the repair or replacement of such Inclusion or Service. Such credit must
753 not exceed the Purchase Price. If Buyer receives such a credit, Seller's right for any claim against the Association, if any, will survive
754 Closing.

755 **18.3. Condemnation.** In the event Seller receives actual notice prior to Closing that a pending condemnation action may
756 result in a taking of all or part of the Property or Inclusions, Seller must promptly notify Buyer, in writing, of such condemnation
757 action. Buyer has the Right to Terminate under § 24.1., on or before **Closing Date**, based on such condemnation action, in Buyer's
758 sole subjective discretion. Should Buyer elect to consummate this Contract despite such diminution of value to the Property and
759 Inclusions, Buyer is entitled to a credit at Closing for all condemnation proceeds awarded to Seller for the diminution in the value
760 of the Property or Inclusions, but such credit will not include relocation benefits or expenses or exceed the Purchase Price.

761 **18.4. Walk-Through and Verification of Condition.** Buyer, upon reasonable notice, has the right to walk through the
762 Property prior to Closing to verify that the physical condition of the Property and Inclusions complies with this Contract.

763 **18.5. Home Warranty.** Seller and Buyer are aware of the existence of pre-owned home warranty programs that may be
764 purchased and may cover the repair or replacement of such Inclusions.

765 **19. RECOMMENDATION OF LEGAL AND TAX COUNSEL.** By signing this Contract, Buyer and Seller acknowledge that
766 their respective broker has advised that this Contract has important legal consequences and has recommended: (1) legal examination
767 of title; (2) consultation with legal and tax or other counsel before signing this Contract as this Contract may have important legal
768 and tax implications; (3) to consult with their own attorney if Water Rights, Mineral Rights or Leased Items are included or excluded
769 in the sale; and (4) to consult with legal counsel if there are other matters in this transaction for which legal counsel should be
770 engaged and consulted. Such consultations must be done timely as this Contract has strict time limits, including deadlines, that must
771 be complied with.

772
773 **20. TIME OF ESSENCE, DEFAULT AND REMEDIES.** Time is of the essence for all dates and deadlines in this Contract.
774 This means that all dates and deadlines are strict and absolute. If any payment due, including Earnest Money, is not paid, honored

775 or tendered when due, or if any obligation is not performed timely as provided in this Contract or waived, the non-defaulting party
776 has the following remedies:

777 **20.1. If Buyer is in Default:**

778 **20.1.1. Specific Performance.** Seller may elect to cancel this Contract and all Earnest Money (whether or not paid
779 by Buyer) will be paid to Seller and retained by Seller. It is agreed that the Earnest Money is not a penalty, and the Parties agree the
780 amount is fair and reasonable. Seller may recover such additional damages as may be proper. Alternatively, Seller may elect to treat
781 this Contract as being in full force and effect and Seller has the right to specific performance or damages, or both.

782 **20.1.2. Liquidated Damages, Applicable.** This § 20.1.2. applies unless the box in § 20.1.1. is checked. Seller may
783 cancel this Contract. All Earnest Money (whether or not paid by Buyer) will be paid to Seller and retained by Seller. It is agreed that
784 the Earnest Money amount specified in § 4.1. is LIQUIDATED DAMAGES and not a penalty, which amount the parties agree is
785 fair and reasonable and (except as provided in §§ 10.4. and 21), such amount is SELLER'S ONLY REMEDY for Buyer's failure to
786 perform the obligations of this Contract. Seller expressly waives the remedies of specific performance and additional damages.

787 **20.2. If Seller is in Default:**

788 **20.2.1. Specific Performance, Damages or Both.** Buyer may elect to treat this Contract as canceled, in which case
789 all Earnest Money received hereunder will be returned to Buyer and Buyer may recover such damages as may be proper.
790 Alternatively, in addition to the per diem in § 17 (Possession) for failure of Seller to timely deliver possession of the Property after
791 Closing occurs, Buyer may elect to treat this Contract as being in full force and effect and Buyer has the right to specific performance
792 or damages, or both.

793 **20.2.2. Seller's Failure to Perform.** In the event Seller fails to perform Seller's obligations under this Contract, to
794 include, but not limited to, failure to timely disclose Association violations known by Seller, failure to perform any replacements or
795 repairs required under this Contract or failure to timely disclose any known adverse material facts, Seller remains liable for any such
796 failures to perform under this Contract after Closing. Buyer's rights to pursue the Seller for Seller's failure to perform under this
797 Contract are reserved and survive Closing.

798 **21. LEGAL FEES, COST AND EXPENSES.** Anything to the contrary herein notwithstanding, in the event of any arbitration
799 or litigation relating to this Contract, prior to or after **Closing Date**, the arbitrator or court must award to the prevailing party all
800 reasonable costs and expenses, including attorney fees, legal fees and expenses.

801 **22. MEDIATION.** If a dispute arises relating to this Contract (whether prior to or after Closing) and is not resolved, the parties
802 must first proceed, in good faith, to mediation. Mediation is a process in which the parties meet with an impartial person who helps
803 to resolve the dispute informally and confidentially. Mediators cannot impose binding decisions. Before any mediated settlement is
804 binding, the parties to the dispute must agree to the settlement, in writing. The parties will jointly appoint an acceptable mediator
805 and will share equally in the cost of such mediation. The obligation to mediate, unless otherwise agreed, will terminate if the entire
806 dispute is not resolved within thirty days of the date written notice requesting mediation is delivered by one party to the other at that
807 party's last known address (physical or electronic as provided in § 26). Nothing in this Section prohibits either party from filing a
808 lawsuit and recording a *lis pendens* affecting the Property, before or after the date of written notice requesting mediation. This
809 Section will not alter any date in this Contract, unless otherwise agreed.

810 **23. EARNEST MONEY DISPUTE.** Except as otherwise provided herein, Earnest Money Holder must release the Earnest
811 Money following receipt of written mutual instructions, signed by both Buyer and Seller. In the event of any controversy regarding
812 the Earnest Money, Earnest Money Holder is not required to release the Earnest Money. Earnest Money Holder, in its sole subjective
813 discretion, has several options: (1) wait for any proceeding between Buyer and Seller; (2) interplead all parties and deposit Earnest
814 Money into a court of competent jurisdiction (Earnest Money Holder is entitled to recover court costs and reasonable attorney and
815 legal fees incurred with such action); or (3) provide notice to Buyer and Seller that unless Earnest Money Holder receives a copy of
816 the Summons and Complaint or Claim (between Buyer and Seller) containing the case number of the lawsuit (Lawsuit) within one
817 hundred twenty days of Earnest Money Holder's notice to the parties, Earnest Money Holder is authorized to return the Earnest
818 Money to Buyer. In the event Earnest Money Holder does receive a copy of the Lawsuit and has not interpleaded the monies at the time
819 of any Order, Earnest Money Holder must disburse the Earnest Money pursuant to the Order of the Court. The parties reaffirm the
820 obligation of § 22 (Mediation). This Section will survive cancellation or termination of this Contract.

821 **24. TERMINATION.**

822 **24.1. Right to Terminate.** If a party has a right to terminate, as provided in this Contract (Right to Terminate), the
823 termination is effective upon the other party's receipt of a written notice to terminate (Notice to Terminate), provided such written
824 notice was received on or before the applicable deadline specified in this Contract. If the Notice to Terminate is not received on or
825 before the specified deadline, the party with the Right to Terminate accepts the specified matter, document or condition as satisfactory
826 and waives the Right to Terminate under such provision.

827 **24.2. Effect of Termination.** In the event this Contract is terminated, and all Earnest Money received hereunder is timely
828 returned to Buyer, the parties are relieved of all obligations hereunder, subject to §§ 10.4. and 21.

829 **25. ENTIRE AGREEMENT, MODIFICATION, SURVIVAL; SUCCESSORS.** This Contract, its exhibits and specified
830 addenda, constitute the entire agreement between the parties relating to the subject hereof and any prior agreements pertaining
831 thereto, whether oral or written, have been merged and integrated into this Contract. No subsequent modification of any of the terms
832 of this Contract is valid, binding upon the parties, or enforceable unless made in writing and signed by the parties. Any right or
833 obligation in this Contract that, by its terms, exists or is intended to be performed after termination or Closing survives the same.
834 Any successor to a party receives the predecessor's benefits and obligations of this Contract.

835 **26. NOTICE, DELIVERY AND CHOICE OF LAW.**

836 **26.1. Physical Delivery and Notice.** Any document or notice to Buyer or Seller must be in writing, except as provided in
837 § 26.2. and is effective when physically received by such party, any individual named in this Contract to receive documents or
838 notices for such party, Broker, or Brokerage Firm of Broker working with such party (except any notice or delivery after Closing
839 must be received by the party, not Broker or Brokerage Firm).

840 **26.2. Electronic Notice.** As an alternative to physical delivery, any notice may be delivered in electronic form to Buyer or
841 Seller, any individual named in this Contract to receive documents or notices for such party, Broker or Brokerage Firm of Broker
842 working with such party (except any notice or delivery after Closing, cancellation or Termination must be received by the party, not
843 Broker or Brokerage Firm) at the electronic address of the recipient by facsimile, email or _____.

844 **26.3. Electronic Delivery.** Electronic Delivery of documents and notice may be delivered by: (1) email at the email address
845 of the recipient, (2) a link or access to a website or server provided the recipient receives the information necessary to access the
846 documents, or (3) facsimile at the facsimile number (Fax No.) of the recipient.

847 **26.4. Choice of Law.** This Contract and all disputes arising hereunder are governed by and construed in accordance with
848 the laws of the State of Colorado that would be applicable to Colorado residents who sign a contract in Colorado for real property
849 located in Colorado.

850 **27. NOTICE OF ACCEPTANCE, COUNTERPARTS.** This proposal will expire unless accepted in writing, by Buyer and
851 Seller, as evidenced by their signatures below and the offering party receives notice of such acceptance pursuant to § 26 on or before
852 **Acceptance Deadline Date** and **Acceptance Deadline Time**. If accepted, this document will become a contract between Seller and
853 Buyer. A copy of this Contract may be executed by each party, separately and when each party has executed a copy thereof, such
854 copies taken together are deemed to be a full and complete contract between the parties.

855 **28. GOOD FAITH.** Buyer and Seller acknowledge that each party has an obligation to act in good faith including, but not limited
856 to, exercising the rights and obligations set forth in the provisions of **Financing Conditions and Obligations; Title Insurance,**
857 **Record Title and Off-Record Title; New ILC, New Survey; and Property Disclosure, Inspection, Indemnity, Insurability Due**
858 **Diligence and Source of Water.**

859

ADDITIONAL PROVISIONS AND ATTACHMENTS

860 **29. ADDITIONAL PROVISIONS.** (The following additional provisions have not been approved by the Colorado Real Estate
861 Commission.)

862 a) The parties have agreed that the property will be deed
863 restricted, such restriction to be recorded by Seller at closing, prior to conveyance to Buyer.
864 The form of deed restriction will be agreed to between the parties and the Town of Crested Butte
865 prior to closing. The Town has committed to paying the parties \$18,000.00 at closing as
866 consideration for the deed restriction, which the parties will share equally and have agreed
867 shall be reflected as a \$9,000.00 credit to each party at closing.
868
869
870
871

872 **30. OTHER DOCUMENTS.**

873 **30.1. Documents Part of Contract.** The following documents **are a part** of this Contract:

874 **30.1.1. Post-Closing Occupancy Agreement.** If the Post-Closing Occupancy Agreement box is checked in § 17
875 the Post-Closing Occupancy Agreement is a part of this Contract.
876

877
878
879
880 **30.2. Documents Not Part of Contract.** The following documents have been provided but are **not** a part of this Contract:

Brokerage Firm's Name: _____
Brokerage Firm's License #: _____
Broker's Name: _____
Broker's License #: _____

Broker's Signature Date

Address: _____

Phone No.: _____
Fax No.: _____
Email Address: _____

B. Broker Working with Seller

Broker **Does** **Does Not** acknowledge receipt of Earnest Money deposit. Broker agrees that if Brokerage Firm is the Earnest Money Holder and, except as provided in § 23, if the Earnest Money has not already been returned following receipt of a Notice to Terminate or other written notice of termination, Earnest Money Holder will release the Earnest Money as directed by the written mutual instructions. Such release of Earnest Money will be made within five days of Earnest Money Holder's receipt of the executed written mutual instructions, provided the Earnest Money check has cleared.

Broker is working with Seller as a **Seller's Agent** **Transaction-Broker** in this transaction.

Customer. Broker has no brokerage relationship with Seller. See § A for Broker's brokerage relationship with Buyer.

Brokerage Firm's compensation or commission is to be paid by **Seller** **Buyer** **Other** _____.

This Broker's Acknowledgements and Compensation Disclosure is for disclosure purposes only and does NOT create any claim for compensation. Any compensation agreement between the brokerage firms must be entered into separately and apart from this provision.

Brokerage Firm's Name: _____
Brokerage Firm's License #: _____
Broker's Name: _____
Broker's License #: _____

Broker's Signature Date

Address: _____

Phone No.: _____
Fax No.: _____
Email Address: _____



Gunnison Valley RTA - Five-Year Capital Plan - DRAFT - As of August 8, 2022

Gunnison Valley Transportation Authority DRAFT Five-Year Financial Plan	2022 Budget	2022 Projected	Draft 2023 Budget	2024 Planned	2025 Planned	2026 Planned	2027 Planned
Sales Tax Revenues	\$ 5,322,000	\$ 5,777,781	\$ 5,865,000	\$ 5,953,000	\$ 6,042,000	\$ 6,133,000	\$ 6,225,000
Transfers							
Sales Tax to General Fund	\$ 1,522,000	\$ 1,377,781	\$ 3,445,000	\$ 3,412,000	\$ 3,379,000	\$ 3,347,000	\$ 3,315,000
Sales Tax to Capital Fund	\$ 2,200,000	\$ 3,750,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Sales Tax to Air Command Fund	\$ 1,200,000	\$ 250,000	\$ 1,000,000	\$ 1,100,000	\$ 1,200,000	\$ 1,300,000	\$ 1,400,000
Sales Tax to Senior Transportation Fund	\$ 400,000	\$ 400,000	\$ 420,000	\$ 441,000	\$ 463,000	\$ 486,000	\$ 510,000
Total Transfers	\$ 5,322,000	\$ 5,777,781	\$ 5,865,000	\$ 5,953,000	\$ 6,042,000	\$ 6,133,000	\$ 6,225,000

GVRTA Capital Reserve Fund DRAFT Five-Year Financial Plan	2022 Budget	2022 Projected	Draft 2023 Budget	2024 Planned	2025 Planned	2026 Planned	2027 Planned
Beginning Fund Balance	\$ 249,948	\$ 249,948	\$ 397,463	\$ 135,220	\$ 885,220	\$ 100,220	\$ 380,220
Revenues:							
State and Federal Capital Grants	\$ 1,530,000	\$ 2,136,439	\$ 1,248,973	\$ -	\$ 740,000	\$ 2,880,000	\$ 780,000
Sales Tax Revenues	\$ 2,200,000	\$ 3,750,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Capital Fund Revenues	\$ 3,730,000	\$ 5,886,439	\$ 2,248,973	\$ 1,000,000	\$ 1,740,000	\$ 3,880,000	\$ 1,780,000
Expenditures:							
Bus Purchases	\$ -	\$ -	\$ 1,561,216	\$ -	\$ 925,000	\$ -	\$ 975,000
Facility Purchases / Design / Construction	\$ 2,000,000	\$ 3,200,000	\$ 500,000	\$ -	\$ -	\$ -	\$ -
Housing Purchase	\$ 1,600,000	\$ 2,538,924	\$ -	\$ -	\$ 1,600,000	\$ -	\$ -
Capital Improvements	\$ -	\$ -	\$ 450,000	\$ 250,000	\$ -	\$ 3,600,000	\$ -
Capital Fund Expenditures	\$ 3,600,000	\$ 5,738,924	\$ 2,511,216	\$ 250,000	\$ 2,525,000	\$ 3,600,000	\$ 975,000
Ending Fund Balance	\$ 379,948	\$ 397,463	\$ 135,220	\$ 885,220	\$ 100,220	\$ 380,220	\$ 1,185,220

List of Possible Projects included in this plan	
Approved by Board	2022 - Storage Facility at Whetstone Industrial Park
Approved by Board	2022 - Purchase of Housing in Gunnison - West Denver (Fading West)- \$1,900,000
Requested Today	2022 - Purchase of Housing in North Valley - \$620,000
Included in 2023 Budget	2023 - Adding shelters to Library, Safeway, Teller, and Spencer bus stops - \$150,000
Included in 2023 Budget	2023 - Concrete apron for 905 W. Evans - \$300,000
For Discussion	2023 2024 - Adding bus stops at Hidden River (mile marker 23 on Hwy 135) - \$250,000
Possible	6th & Butte 2025 - Purchase of housing in North Valley - \$1,600,000
Dependent upon Grant	2025 - Purchase additional bus for expanded fleet (dependent upon receiving a grant award)
Dependent upon Grant	2026 - Build Transit Center in Gunnison - 3,000 sq feet at \$1,200 per (\$1M grant awarded - dependent upon receiving another \$1.88M grant)
Dependent upon Grant	2027 - Purchase additional bus for expanded fleet (dependent upon receiving a grant award)

GVRTA - General Fund DRAFT Five-Year Financial Plan	2022 Budget	2022 Projected	Draft 2023 Budget	2024 Planned	2025 Planned	2026 Planned	2027 Planned
Beginning General Fund Balance	\$ 2,612,731	\$ 2,890,613	\$ 1,422,507	\$ 1,866,225	\$ 2,194,707	\$ 2,369,951	\$ 2,389,745
General Fund Revenues	\$ 1,850,018	\$ 1,696,394	\$ 3,825,618	\$ 3,832,270	\$ 3,804,220	\$ 3,777,268	\$ 3,750,418
General Fund Expenditures	\$ 2,960,100	\$ 3,164,500	\$ 3,381,900	\$ 3,503,788	\$ 3,628,976	\$ 3,757,475	\$ 3,889,298
Ending General Fund Balance	\$ 1,502,649	\$ 1,422,507	\$ 1,866,225	\$ 2,194,707	\$ 2,369,951	\$ 2,389,745	\$ 2,250,865

GVRTA Capital Reserve Fund DRAFT Five-Year Financial Plan	2022 Budget	2022 Projected	Draft 2023 Budget	2024 Planned	2025 Planned	2026 Planned	2027 Planned
Beginning Fund Balance	\$ 249,948	\$ 249,948	\$ 397,463	\$ 135,220	\$ 885,220	\$ 100,220	\$ 380,220
Capital Fund Revenues	\$ 3,730,000	\$ 5,886,439	\$ 2,248,973	\$ 1,000,000	\$ 1,740,000	\$ 3,880,000	\$ 1,780,000
Capital Fund Expenditures	\$ 3,600,000	\$ 5,738,924	\$ 2,511,216	\$ 250,000	\$ 2,525,000	\$ 3,600,000	\$ 975,000
	\$ 379,948	\$ 397,463	\$ 135,220	\$ 885,220	\$ 100,220	\$ 380,220	\$ 1,185,220

GVRTA Air Command Fund DRAFT Five-Year Financial Plan	2022 Budget	2022 Projected	Draft 2023 Budget	2024 Planned	2025 Planned	2026 Planned	2027 Planned
Beginning Fund Balance	\$ 2,485,713	\$ 2,488,213	\$ 2,328,977	\$ 2,109,977	\$ 2,023,977	\$ 2,037,977	\$ 1,951,977
Air Command Revenues	\$ 1,400,000	\$ 250,000	\$ 1,200,000	\$ 1,300,000	\$ 1,400,000	\$ 1,300,000	\$ 1,400,000
Air Command Expenditures	\$ 1,562,380	\$ 409,236	\$ 1,419,000	\$ 1,386,000	\$ 1,386,000	\$ 1,386,000	\$ 1,386,000
Ending Fund Balance	\$ 2,323,333	\$ 2,328,977	\$ 2,109,977	\$ 2,023,977	\$ 2,037,977	\$ 1,951,977	\$ 1,965,977

GVRTA Senior Transportation Fund DRAFT Five-Year Financial Plan	2022 Budget	2022 Projected	Draft 2023 Budget	2024 Planned	2025 Planned	2026 Planned	2027 Planned
Beginning Fund Balance	\$ 329,386	\$ 334,510	\$ 359,672	\$ 309,672	\$ 379,672	\$ 460,672	\$ 553,672
Senior Transportation Fund Revenues	\$ 400,000	\$ 400,000	\$ 420,000	\$ 441,000	\$ 463,000	\$ 486,000	\$ 510,000
Senior Transportation Fund Expenses	\$ 430,000	\$ 374,838	\$ 470,000	\$ 371,000	\$ 382,000	\$ 393,000	\$ 1,055,000
Ending Fund Balance	\$ 299,386	\$ 359,672	\$ 309,672	\$ 379,672	\$ 460,672	\$ 553,672	\$ 8,672

RTA Total Revenues and Expenditures DRAFT Five-Year Financial Plan	2022 Budget	2022 Projected	Draft 2023 Budget	2024 Planned	2025 Planned	2026 Planned	2027 Planned
Beginning Fund Balance	\$ 5,677,778	\$ 5,963,284	\$ 4,508,619	\$ 4,421,093	\$ 5,483,576	\$ 4,968,820	\$ 5,275,614
Revenues:	\$ 7,380,018	\$ 8,232,833	\$ 7,694,591	\$ 6,573,270	\$ 7,407,220	\$ 9,443,268	\$ 7,440,418
Expenditures:	\$ 8,552,480	\$ 9,687,498	\$ 7,782,116	\$ 5,510,788	\$ 7,921,976	\$ 9,136,475	\$ 7,305,298
Ending Fund Balance	\$ 4,505,316	\$ 4,508,619	\$ 4,421,093	\$ 5,483,576	\$ 4,968,820	\$ 5,275,614	\$ 5,410,734

*Note - Capital grant 2023 could be up to \$1,248,973 less than shown here. This grant is not guaranteed at this time and won't be until grant contract is in place. In a worst case scenario, the Air Command and General funds would be reduced to cover this amount and we would still easily exceed our required unrestricted fund reserves of \$ 2,311,112