

Presentation to CAST

Scott Wasserman
Thinking Forward, LLC

Major Fiscal Trends

- Ski Towns are heavily dependent on sales tax
- Property tax revenue has been artificially limited and detached from market values
- Housing has become a major expenditure for ski towns and counties
- New regional special districts supplement social service and housing efforts, but tap into tax base
- Ski towns need new revenue tools

Many ski towns have increased their reliance on sales tax revenue

Town	2015 Reliance	2024 Reliance	2024 Town Rate	2024 Total Effective Rate
Aspen	14.52%	16.44%	3.55%	9.30%
Avon	45.57%	44.49%	4.00%	8.40%
Breckenridge	43.75%	44.57%	2.50%	8.88%
Crested Butte	42.88%	50.54%	4.50%	8.65%
Frisco	35.03%	44.18%	2.00%	8.38%
Snowmass Village	33.97%	—	3.50%	10.40%
Telluride	33.59%	85.51%	2.00%	8.65%
Vail	22.87%	40.23%	4.50%	9.40%
Winter Park	44.61%	52.17%	5.00%	9.20%

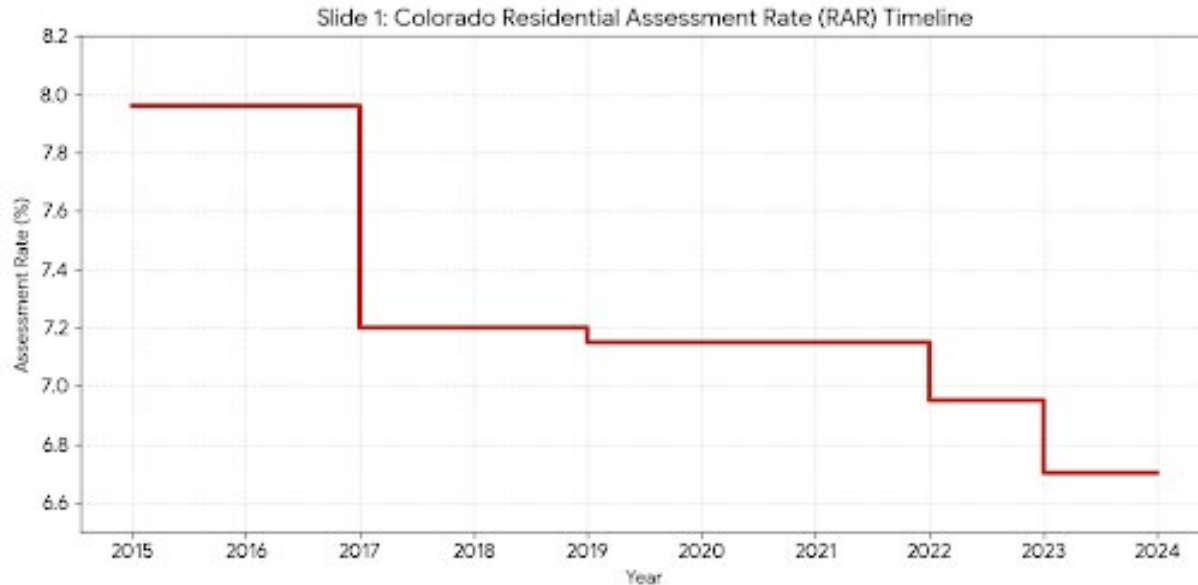
Despite Dramatic Market Value Growth, Static or Diminished Property Revenue as Percentage of Total

Town	2015	2021	2022	2023	2024
Aspen	3.37%	7.02%	4.35%	3.88%	3.16%
Avon	5.38%	9.53%	8.12%	8.21%	7.74%
Breckenridge	6.12%	4.89%	4.87%	4.84%	4.31%
Crested Butte	9.96%	9.09%	8.37%	8.07%	11.26%
Frisco	0.77%	—	0.61%	0.60%	0.87%
Snowmass Village	8.64%	—	5.89%	5.63%	—
Telluride	6.76%	4.82%	4.74%	4.18%	5.72%
Vail	8.24%	7.87%	11.59%	9.88%	11.57%
Winter Park	1.23%	—	3.63%	3.71%	3.61%

Brief History of Property Tax Changes

Tax Year(s)	Residential Assessment Rate	Legislative Context / Mechanism
2015–2016	7.96%	Final years of the 7.96% rate set by the Gallagher formula.
2017–2018	7.20%	Gallagher-triggered reduction due to soaring residential values.
2019–2020	7.15%	The final rate set under the Gallagher Amendment.
2021	7.15%	Gallagher Repealed (Nov 2020). Rates were temporarily frozen at 2020 levels.
2022	6.95%	Reduced by SB21-293 (Multi-family was lowered further to 6.80%).
2023	6.70%	Reduced by SB22-238 and HB23B-1003 (Special Session); included a \$55,000 value exemption.
2024	6.70%	Extended by SB24-233; includes the \$55,000 value exemption.

Despite Rising Market Values, Continued Caps on Assessed Values




Housing Expenditures Dramatically Increasing

Town	2015	2021	2022	2023	2024
Aspen	19.04%	28.82%	25.45%	30.62%	28.79%
Avon	5.41%	4.19%	6.50%	1.56%	3.43%
Breckenridge	13.28%	26.87%	28.76%	28.26%	26.3%
Crested Butte	3.08%	3.20%	3.78%	5.73%	6.45%
Frisco	2.74%	—	4.79%	4.62%	22.16%
Snowmass Village	7.55%	—	21.21%	33.80%	—
Telluride	5.93%	27.47%	22.20%	26.23%	26.28%
Vail	9.79%	20.97%	2.30%	2.74%	14.59%
Winter Park	1.63%	—	14.42%	15.11%	20.39%

STR and Lodging Tax Revenue

Town	Latest Year	STR / Lodging Revenue	Housing Expenditures	Coverage Ratio*
Breckenridge	2024	\$10,342,619	\$25,027,413	41.30%
Vail	2024	\$5,516,572	\$12,348,942	44.70%
Avon	2023	\$1,041,364	\$449,932	231.40%
Telluride	2024	\$620,456	\$6,456,789	9.60%
Aspen	2024	\$5,500,000	\$34,426,977	16.00%
Winter Park	2024	\$1,450,000	\$4,037,642	35.90%

Short Term Rental and Lodging Taxes

Town	Approval Date	Measure / Issue	Dedicated Use
Aspen	Nov 2022	Issue 2A: Tiered 5% / 10% tax	Workforce Housing & Infrastructure
Avon	Nov 2021	Issue 2A: 2% STR Excise Tax	Community Housing Fund
Breckenridge	Nov 2021	Ordinance: 1% STR Specific Tax*	Workforce Housing & Sustainability
Crested Butte	Nov 2021	Issue 2A: STR Tax Increase	Community Housing Fund
Frisco	Nov 2023	Summit County 1A: 2% STR Tax**	Housing & Transit
Telluride	Nov 2021	Issue 2D: 2% STR Tax Increase	Affordable Housing Fund
Vail	Nov 2025	Issue 2A: 6% STR Tax	REJECTED BY VOTERS 

Counties are becoming more dependent on sales tax too

County	Year	Property Tax %	Sales Tax %	Lodging Tax %
Summit	2024	66.80%	31.00%	2.20%
	2015	79.40%	20.60%	0.00%
Eagle	2024	54.50%	42.80%	2.70%
	2015	49.60%	50.40%	0.00%
Pitkin	2024	67.50%	26.50%	6.00%
	2015	74.00%	21.00%	5.00%

Counties have also shifted expenditures toward Housing and Social Services

County	Year	Total Gov. Expenditures	Housing & Social Service Exp	Social Share %	Road & Bridge / Public Works	Roads Share %
Summit	2024	\$115.2 Million	\$25.1 Million	21.8%	\$11.0 Million	9.5%
	2015	\$60.5 Million	\$8.1 Million	13.4%	\$9.5 Million	15.7%
Eagle	2024	**\$155.7 Million**	\$22.3 Million	14.3%	\$18.0 Million	11.5%
	2015	\$92.9 Million	\$10.6 Million	11.4%	\$16.0 Million	17.2%
Pitkin	2024	**\$133.3 Million**	\$18.7 Million	14.0%	\$14.0 Million	10.5%
	2015	\$81.3 Million	\$6.8 Million	8.4%	\$13.0 Million	16.0%

Elections Activity

Town	Election Year	Ballot Issue / Measure	Voter Outcome
Aspen	2025	Issue 2A & 2B: General fiscal & charter amendments	Passed
Snowmass Village	2024	Question 2D: \$86M spending limit for Draw Site housing	Passed (56%)
Vail	2025	Issue 2A: 6% Short-Term Rental excise tax for housing	Rejected (51% No)
Avon	2024	Issue 2C: Replacing construction sales tax with 4% use tax	Passed (57%)
Telluride	2025	Issue 2A: 5% Ski Lift Ticket excise tax	Rejected
		Issue 2B: \$64M debt authority for affordable housing	Rejected
		Question 2C: Voter approval for major development/water	Passed (91%)
Crested Butte	2024	Debt Authority: \$8.9M & \$24M for housing/infrastructure	Passed
Frisco	2025	Bond Proposal: \$160M bond for town-wide improvements	Rejected
Breckenridge	2024	Charter Amendments: Commission term & residency rules	Rejected
Pitkin County	2025	Issue 7A: Early Childhood Service District (.25% Sales Tax)	Passed
Eagle County	2025	Issue 7A: Early Childhood Service District (.25% Sales Tax)	Passed
	2025	Lodging Tax: Increase from 2% to 4% (Childcare & Public Safety)	Passed
San Miguel County	2025	Question 1A: Early Childhood & Mental Health (Retain Revenue)	Passed
	2025	Question 1B: Road & Bridge Fund (Reallocate 1.4 Mills)	Passed
Gunnison County	2025	Issue 7E: Carbondale & Rural Fire Dist. (\$30M Housing/Equip Debt)	Passed
Eagle River Water	2025	Issue 6A: \$93M Debt / \$6.95M Tax (Wastewater Upgrades)	Passed

Total Property and Sales Tax Stacks in Breckenridge

Taxing Authority	Rate	Primary Use / Destination
State of Colorado	2.90%	State General Fund
Town of Breckenridge	2.50%	Town General Operations, Open Space (0.5%), and Marketing
Summit County	2.00%	County General Operations & Road/Bridge
Mass Transportation (MTS)	0.75%	Regional Summit Stage Transit
Summit Combined Housing	0.73%	Regional Workforce Housing Authority (SCHA)
TOTAL COMBINED RATE	8.88%	

Taxing Entity	Mill Levy	% of Total Bill
Summit School District (RE-1)	42.15	58.60%
Summit County Government	14.28	19.80%
Breckenridge Town Government	5.79	8.00%
Red, White & Blue Fire District	7.42	10.30%
Other (Water, Colorado River Dist)	2.315	3.30%
TOTAL STACK	71.955	100%

Active Issues to Follow

- Diminishing state resources for local needs
- Diminishing Prop 123 dollars for housing assistance
- Proposed statewide ballot measures
- New regional districts to supplement social and housing demands
- New attention on real estate transfer taxes
- Short term rentals and second homes