

# Presentation to CAST

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# **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%

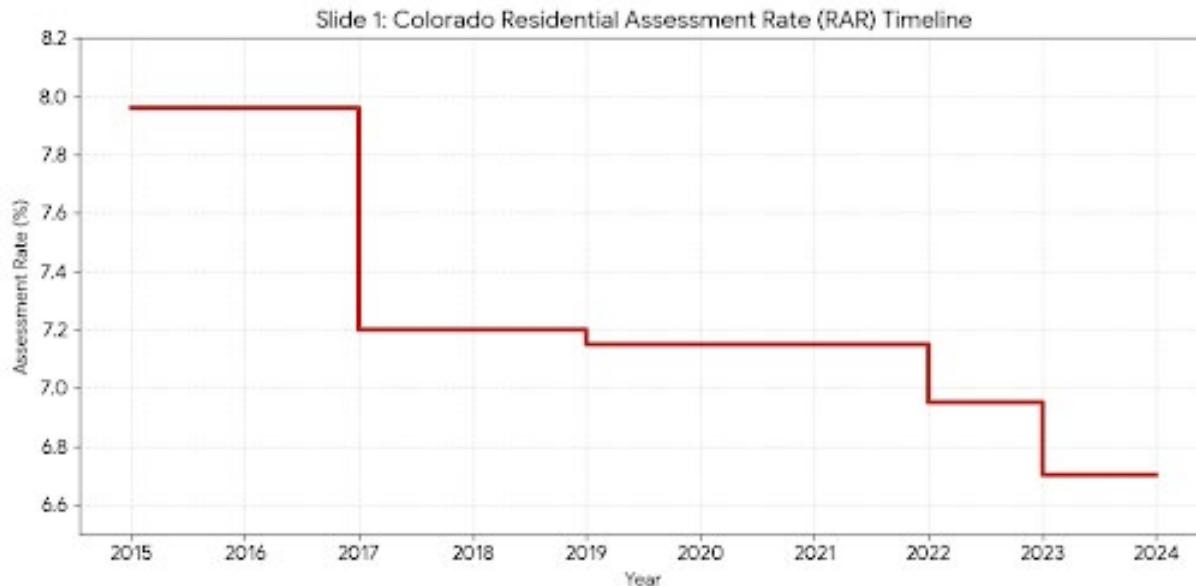
# Despite Dramatic Market Value Growth, Static or Diminished Property Revenue as Percentage of Total

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2021	7.15%	Gallagher Repealed (Nov 2020).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 %
<b>Summit</b>	2024	66.80%	31.00%	2.20%
	2015	79.40%	20.60%	0.00%
<b>Eagle</b>	2024	54.50%	42.80%	2.70%
	2015	49.60%	50.40%	0.00%
<b>Pitkin</b>	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 %
<b>Summit</b>	2024	<b>\$115.2 Million</b>	<b>\$25.1 Million</b>	<b>21.8%</b>	<b>\$11.0 Million</b>	<b>9.5%</b>
	2015	\$60.5 Million	\$8.1 Million	13.4%	\$9.5 Million	15.7%
<b>Eagle</b>	2024	**\$155.7 Million**	<b>\$22.3 Million</b>	<b>14.3%</b>	<b>\$18.0 Million</b>	<b>11.5%</b>
	2015	\$92.9 Million	\$10.6 Million	11.4%	\$16.0 Million	17.2%
<b>Pitkin</b>	2024	**\$133.3 Million**	<b>\$18.7 Million</b>	<b>14.0%</b>	<b>\$14.0 Million</b>	<b>10.5%</b>
	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 General Operations, Open Space (0.5%), and Marketing
Town of Breckenridge	2.50%	
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%
<b>TOTAL STACK</b>	<b>71.955</b>	<b>100%</b>

## 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