



San Miguel Authority for Regional Transportation
Board of Directors Meeting Agenda
Tuesday December 9th, 2025
10 a.m.

Registration at the following link is required in advance for participation in this webinar:
https://us02web.zoom.us/webinar/register/WN_e4redH--TLq8SLLCKXRsoq

Item 1: Public Comment on non-agendized items

Item 2: **Resolution 2025-21**, Part 1a, regarding the Review and Approval of the December 9th, 2025 Agenda and Consent Items, and part 1b regarding the Approval of the November 13th, 2025 meeting minutes.

Presented By: Board Chair
Item Type: Action
Packet Page: 6
Allotted Time: 5 minutes

Item 3: **Resolution 2025-22, FY26 Mill Levy Certification**

Presented By: D. Averill
Item Type: Action
Packet Page: 7
Allotted Time: 10 minutes

Item 4: **Resolution 2025-23, FY26 Budget and Capital Plan Adoption and Appropriations**

Presented By: D. Averill
Item Type: Action
Packet Page: 15
Allotted Time: 20 minutes

Item 5: **Resolution 2025-24, 2026 Regular Board Meeting Date Schedule**

Presented By: D. Averill
Item Type: Action
Packet Page: 23
Allotted Time: 10 minutes

Item 6: **Resolution 2025-25, Adoption of the SMART Investment Policy**

Presented By: D. Averill
Item Type: Action
Packet Page: 25
Allotted Time: 15 minutes

Item 7: **December 2025 Operations Report**

Presented By: K. Distefano Item

Item Type: Report
Packet Page: 41
Allotted Time: 10 minutes

Item 8: Executive Directors Report

Presented By: D. Averill
Item Type: Report
Packet Page: -
Allotted Time: 10 minutes

Item 9: Round Table Updates and Reports

Item 10: Executive Session pursuant to C.R.S. 24-6-402 4(f) for the purpose of: to Discuss
Personnel Matters for Which the Employee has Consented: Executive Director
Performance Review

GLOSSARY

5304	FTA program funding for multimodal transportation planning (jointly administered with FHWA) in metropolitan areas and States
5311	FTA program funding for rural and small Urban Areas (Non-Urbanized Areas)
5339	FTA program funding for buses and bus facilities
AAC	SMART Administrative Advisory Committee
ADA	Americans with Disabilities Act of 1990
AIS	Agenda Item Summary
CAAA	Clean Air Act Amendments of 1990 (federal)
CAC	SMART Community Advisory Committee
CDOT	Colorado Department of Transportation
CMAQ	Congestion Mitigation and Air Quality (a FHWA funding program)
DBE	Disadvantaged Business Enterprise
DOT	(United States) Department of Transportation
DTR	CDOT Division of Transit & Rail
FAST ACT	Fixing America's Surface Transportation Act (federal legislation, December 2015)
FASTER	Funding Advancements for Surface Transportation and Economic Recovery (Colorado's S.B. 09-108)
FHWA	Federal Highway Administration
FTA	Federal Transit Administration
FY	Fiscal Year (October – September for federal funds; July to June for state funds; January to December for local funds)
FFY	Federal Fiscal Year
HOV	High Occupancy Vehicle
HUTF	Highway Users Tax Fund (the State's primary funding source for highways)
IGA	Inter-Governmental Agreement
ITS	Intelligent Transportation Systems
LRP or LRTP	Long Range Plan or Long Range Transportation Plan
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
NAA	Non-Attainment Area (for certain air pollutants)
NAAQS	National Ambient Air Quality Standards
NEPA	National Environmental Policy Act
PPP (also P3)	Public Private Partnership
R3 or R5	Region 3 or Region 5 of the Colorado Department of Transportation
RPP	Regional Priority Program (a funding program of the Colorado Transportation Commission)
RSH	Revenue Service Hour
RSM	Revenue Service Mile
RTP	Regional Transportation Plan
SOV	Single Occupant Vehicle
STAC	State Transportation Advisory Committee
STIP	Statewide Transportation Improvement Program
TA (previously TAP)	Transportation Alternatives program (a FHWA funding program)
TC	Transportation Commission of Colorado
TIP	Transportation Improvement Program
Title VI	U.S. Civil Rights Act of 1964, prohibiting discrimination in connection with programs and activities receiving federal financial assistance
TPR	Transportation Planning Region (state-designated)
TRAC	Transit & Rail Advisory Committee (for CDOT)
VMT	Vehicle Miles Traveled



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Presented By: K. Distefano
Item Type: Report

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Presented By: D. Averill
Item Type: Report

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Personnel Matters for Which the Employee has Consented: Executive Director
Performance Review

**San Miguel Authority for Regional Transportation
Board of Directors Meeting November 13th, 2025 Regular Meeting
Virtual meeting minutes**

Member Directors Present: Town of Telluride – J.Meehan Fee, Ashley Von Sprecken. Town of Mountain Village – Harvey Mogenson, Tucker Magid. San Miguel County – Galena Gleason.

Staff Present: David Averill, Kari Distefano, Amber Blake, Mattie Prodanovic

The meeting was called to order at 3:06 p.m.

Item 1: Public Comment on non-agendized items

Duke Dean offered his perspective on the Lawson Hill service, lack of service to the Ski Ranches and other topics.

Item 2: Resolution 2025-19 Part 1a, regarding the Review and Approval of the November 13th, 2025 Agenda and Consent Items and Part 1b, regarding the Review and Approval of September 11th, 2025 Meeting Minutes.

J.Meehan Fee moved to adopt Resolution 2025-19, parts 1a and 1b
Ashely Von Sprecken seconded the motion

A unanimous vote approved the motion.

Item 3: Resolution 2025-20, FY25 Gondola Project Development IGA

Chair Mogenson introduced the item to start off the discussion. Blake provided details regarding line items identified in the IGA budget and how they tie to the workplan for 2026 and overall project development strategy. Board members stressed the importance of transparency and an appropriate level of detail as the project budget increases over the years.

J.Meehan Fee moved to adopt Resolution 2025-20
Tucker Magid seconded the motion

A unanimous vote approved the motion

Item 4: FY26 Budget and Capital Plan Discussion Averill provided background on the development of the FY 26 budget and capital plan over the course of the previous three months. The last piece of the budget to be decided on before finalizing and adopting was determining what to do with the mill levy rate. After weighing a scenario with the new state mandated “cap” on 5.25% revenue growth as well as a scenario with a further reduced mill levy rate, the Board decided to go with the scenario that incorporated the state mandated revenue cap. With that decision made staff was tasked with bringing the final recommended budget to the December meeting for adoption.

Item 5: 3rd Quarter 2025 Performance Report

Distefano presented the 3rd Quarter Performance Report including ridership trends, costs, etc. over the last three months.

Item 6: October 2024 Operations Report

Distefano presented the 3rd Quarter Performance Report.

Item 7: Executive Directors Report

Averill gave updates on the hiring process for the Business and Communications Manager, PlacerAi, and pending grant applications.

Item 8: Round table updates and reports

Commissioner Gleason brought up the topic of work force housing related to major construction projects and their impact on west end communities and how SMART might be able to help address those impacts.

The meeting was adjourned at 4:48 p.m.

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL
TRANSPORTATION EVIDENCING ACTIONS TAKEN AT ITS DECEMBER 9TH, 2025 REGULAR MEETING**

RESOLUTION NO. 2025-21

RECITALS:

WHEREAS, the San Miguel Authority for Regional Transportation (“SMART”) was approved by the registered electors of the Town of Telluride, Town of Mountain Village, Town of Rico and that portion of the SMART combination that are within that part of the SMART boundaries located within unincorporated San Miguel County, pursuant to the Colorado Regional Transportation Authority Law, C.R.S. Title 43, Article 4, Part 6; and

WHEREAS, SMART is governed by the Colorado Regional Transportation Authority Law and SMART Intergovernmental Agreement (“SMART IGA”) conditionally approved by each of the governing bodies of the Town of Telluride, Town of Mountain Village, San Miguel County and the Town of Rico, and with the approval of the registered electors of those jurisdictions; and

WHEREAS, the Board held a regular meeting on December 9th, 2025; and

WHEREAS, Section 3.09 of the SMART IGA requires all actions of the Board to be taken by written resolution; and

WHEREAS, the Board desires to take action on certain items set forth below in accordance with the SMART IGA.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION AS FOLLOWS:

1. At its December 9th, 2025 regular meeting the Board took action on the following:
 - a. Approval of the December 9th, 2025 meeting agenda (Exhibit A)
 - b. Approval of the Board meeting minutes for the November 13th, 2025 regular meeting (Exhibit B)

ADOPTED AND APPROVED BY THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION AT A REGULAR PUBLIC MEETING THIS DECEMBER 9TH, 2025.

Harvey Mogenson, Board Chair

ATTEST:

David Averill, Executive Director

AGENDA ITEM SUMMARY (AIS)

San Miguel Authority for Regional Transportation



MEETING DATE: December 9th, 2025

AGENDA ITEM: 3

ACTION REQUESTED: Adoption of Resolution 2025-22, FY26 Mill Levy Certifications

SUBMITTED BY: D. Averill

BACKGROUND INFORMATION/KEY POINTS: All property taxing entities are required to certify their mill levy and county-assessed valuations on an annual basis. Part of this exercise is to estimate the amount of tax revenues that will be received and identify (at a high level) how those revenues will be spent. Certification of the mill levy and assessed valuations at this meeting will ensure that SMART meets the filing deadline with the State of Colorado. For FY26 SMART is levying 2.086 voter approved mills and granting a temporary tax credit/mill levy reduction of 0.097 mills in accordance with Section 29-1-1702, C.R.S. This results in a temporary mill levy of 1.989 mills.

COMMITTEE DISCUSSION: NA

SUPPORTING INFORMATION: NA

FISCAL IMPACT: Certification of the mill Levy before the statutory deadline ensures that property taxes will be collected in a timely manner and at the same rate in the coming year. Failure to do so could result in a loss of revenue.

ADVANTAGES: NA

DISADVANTAGES: NA

ANALYSIS/RECOMMENDATION: Staff recommends that the Board certify the mill levy as presented and assessed valuations for San Miguel and Dolores Counties, for Fiscal Year 2026.

ATTACHMENTS:

Attachment A: CDOR Form DLG 70 for San Miguel County for FY26

Attachment B: Certification of Valuation to the San Miguel County Assessor

Attachment C: CDOR Form DLG 70 for Dolores County for FY26

Attachment D: Certification of Valuation to the Dolores County Assessor

CERTIFICATION OF TAX LEVIES for NON-SCHOOL GovernmentsTO: County Commissioners¹ of SAN MIGUEL COUNTY, Colorado.On behalf of the SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION,
(taxing entity)^Athe BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION
(governing body)^Bof the SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION
(local government)^CHereby officially certifies the following mills
to be levied against the taxing entity's GROSS \$ 1,485,693,481
assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)Note: If the assessor certified a NET assessed valuation
(AV) different than the GROSS AV due to a Tax
Increment Financing (TIF) Area^F the tax levies must be \$ 1,485,693,481
calculated using the NET AV. The taxing entity's total (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
property tax revenue will be derived from the mill levy
multiplied against the NET assessed valuation of: **USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED
BY ASSESSOR NO LATER THAN DECEMBER 10**Submitted: _____ for budget/fiscal year 2026.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)**PURPOSE** (see end notes for definitions and examples)**LEVY²****REVENUE²**

1. General Operating Expenses ^H	<u>2.086</u> mills	\$ <u>3,099,156</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< <u>.097</u> > mills	\$ < <u>144,112</u> >
SUBTOTAL FOR GENERAL OPERATING:	<u>1.989</u> mills	\$ <u>2,955,044</u>
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>1.989</u> mills	\$ <u>2,955,044</u>

Contact person: _____ Daytime phone: (970) 239-6034
(print) David Averill
Signed: David Averill Title: Executive Director, S.M.A.R.T.

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-I-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

26 County Tax Entity Code

CERTIFICATION OF VALUATION BY

DOLA LGID/SID 66712/1

New Tax Entity? ☐ YES ☐ NO

San Miguel COUNTY ASSESSOR

Date 11/19/2025

NAME OF TAX ENTITY: San Miguel Authority for Regional Transportation

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025 :

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: ‡	1. \$ 1,216,687,441.80
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	2. \$ 1,485,693,481.51
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3. \$ 0.00
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4. \$ 1,485,693,481.51
5. NEW CONSTRUCTION: *	5. \$ 15,636,240.00
6. INCREASED PRODUCTION OF PRODUCING MINE: =	6. \$ 0.00
7. ANNEXATIONS/INCLUSIONS:	7. \$ 0.00
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: =	8. \$ 0.00
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.):	9. \$ 0.00
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.):	10. \$ 71.10
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11. \$ -4,005.45

- ‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution
 * New Construction is defined as: Taxable real property structures and the personal property connected with the structure.
 = Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.
 = Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2025 :

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1. \$ 17,847,304,827.00
ADDITIONS TO TAXABLE REAL PROPERTY	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: *	2. \$ 241,975,431.00
3. ANNEXATIONS/INCLUSIONS:	3. \$ 0.00
4. INCREASED MINING PRODUCTION: §	4. \$ 0.00
5. PREVIOUSLY EXEMPT PROPERTY:	5. \$ 989,939.00
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6. \$ 0.00
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	7. \$ 42,682.00

DELETIONS FROM TAXABLE REAL PROPERTY

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	8. \$ 0.00
9. DISCONNECTIONS/EXCLUSIONS:	9. \$ 0.00
10. PREVIOUSLY TAXABLE PROPERTY:	10. \$ 9,082,953.00

- ¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.
 * Construction is defined as newly constructed taxable real property structures.
 § Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:

\$ 0.00

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

\$ 3,180,481.00

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

DLG 57 (Rev. 7/27)

USE FOR STATUTORY PROPERTY TAX LIMIT CALCULATION ("5.25% LIMIT") 29-1-1703, C.R.S.

IN ACCORDANCE WITH §§ 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2025 :

1. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	1. \$ 1,485,693,481.51
2. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	2. \$ 0.00
3. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	3. \$ 1,485,693,481.51
4. NEW CONSTRUCTION:	4. \$ 15,636,240.00
5. ANNEXATIONS/INCLUSIONS:	5. \$ 0.00
6. PREVIOUSLY EXEMPT PROPERTY:	6. \$ 72,120.00
7. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.): Includes all revenue collected on valuation not previously certified:	7. \$ 71.10
8. INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO A CHANGE IN LAW FOR A PROPERTY TAX CLASSIFICATION:	8. \$ 0.00
9. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	9. \$ -4,005.45
10. TOTAL PRODUCING MINES, OR PRIMARY OIL OR GAS PRODUCTION:	10. \$ 0.00
11. REVENUE INCREASE FROM EXPIRED TIF:	11. \$ 0.00

Notes:

The property tax limit will apply to all property taxing entities with the exception of school districts and any county, city and county, city, or town that has adopted a home rule charter (29-1-306(1)(b), C.R.S.). The revenue limit applies to any property taxing entities that have authority to exceed current 5.5% and the TABOR limit.

The Division of Local Government ("the Division") has developed technical assistance resources to assist taxing entities with the calculation of the property tax limit available online here (<https://dlg.colorado.gov/budget-information-and-resources>). Please understand that the Division has no statutory or administrative role in calculating or enforcing the property tax limit, and each taxing entity's revenue limits and voter approval history may be unique. The technical assistance resources provided by the Division with regard to the property tax limit are not definitive and not legal advice. Taxing entities may choose to calculate the property tax limit with a methodology that is different from the methodology presented in the Division's technical assistance resources. The Division always recommends that taxing entities consult with an attorney in order to understand and apply the various statutory and constitutional revenue limits that may apply to that taxing entity.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

DLG 57 (Rev. 5/25)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL GovernmentsTO: County Commissioners¹ of DOLORES COUNTY, Colorado.On behalf of the SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION,
(taxing entity)^Athe BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION
(governing body)^Bof the SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION
(local government)^CHereby officially certifies the following mills
to be levied against the taxing entity's GROSS \$ 9,801,193
assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)Note: If the assessor certified a NET assessed valuation
(AV) different than the GROSS AV due to a Tax
Increment Financing (TIF) Area^F the tax levies must be \$ 9,801,193
calculated using the NET AV. The taxing entity's total
property tax revenue will be derived from the mill levy
multiplied against the NET assessed valuation of: (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
**USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED
BY ASSESSOR NO LATER THAN DECEMBER 10**Submitted: _____ for budget/fiscal year 2026.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)**PURPOSE** (see end notes for definitions and examples)**LEVY²****REVENUE²**

1. General Operating Expenses ^H	<u>2.086</u> mills	\$ <u>20,445</u>
2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I	< <u>.097</u> > mills	\$ < <u>951</u> >
SUBTOTAL FOR GENERAL OPERATING:	<u>1.989</u> mills	\$ <u>19,494</u>
3. General Obligation Bonds and Interest ^J	_____ mills	\$ _____
4. Contractual Obligations ^K	_____ mills	\$ _____
5. Capital Expenditures ^L	_____ mills	\$ _____
6. Refunds/Abatements ^M	_____ mills	\$ _____
7. Other ^N (specify): _____	_____ mills	\$ _____
	_____ mills	\$ _____
TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7]	<u>1.989</u> mills	\$ <u>19,494</u>

Contact person: _____ Daytime phone: (970) 239-6034
(print) David Averill
Signed: David Averill Title: Executive Director, S.M.A.R.T.

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-I-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the *taxing entity's* boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's **FINAL** certification of valuation).

County Tax Entity Code _____

CERTIFICATION OF VALUATION BY DOLORES COUNTY ASSESSOR

DOLA LGID/SID _____

New Tax Entity? ☐ YES ☐ NODate 11/18/2025NAME OF TAX ENTITY: SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR _____:

- | | | |
|---|--------|-----------|
| 1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | 1. \$ | 8,084,963 |
| 2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡ | 2. \$ | 9,801,193 |
| 3. LESS TOTAL TIF AREA INCREMENTS, IF ANY: | 3. \$ | |
| 4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION: | 4. \$ | 9,801,193 |
| 5. NEW CONSTRUCTION: * | 5. \$ | 276,785 |
| 6. INCREASED PRODUCTION OF PRODUCING MINE: ≈ | 6. \$ | |
| 7. ANNEXATIONS/INCLUSIONS: | 7. \$ | |
| 8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈ | 8. \$ | |
| 9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ | 9. \$ | |
| 10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(a), C.R.S.). Includes all revenue collected on valuation not previously certified: | 10. \$ | |
| 11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.): | 11. \$ | .73 |

‡ This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution

* New Construction is defined as: Taxable real property structures and the personal property connected with the structure.

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY

IN ACCORDANCE WITH ART. X, SEC. 20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR _____:

- | | | |
|--|-------|------------|
| 1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶ | 1. \$ | 94,431,230 |
| ADDITIONS TO TAXABLE REAL PROPERTY | | |
| 2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: * | 2. \$ | 4,428,555 |
| 3. ANNEXATIONS/INCLUSIONS: | 3. \$ | |
| 4. INCREASED MINING PRODUCTION: § | 4. \$ | |
| 5. PREVIOUSLY EXEMPT PROPERTY: | 5. \$ | |
| 6. OIL OR GAS PRODUCTION FROM A NEW WELL: | 6. \$ | |
| 7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.): | 7. \$ | |

DELETIONS FROM TAXABLE REAL PROPERTY

- | | | |
|---|--------|--|
| 8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: | 8. \$ | |
| 9. DISCONNECTIONS/EXCLUSIONS: | 9. \$ | |
| 10. PREVIOUSLY TAXABLE PROPERTY: | 10. \$ | |

¶ This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.

* Construction is defined as newly constructed taxable real property structures.

§ Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:
TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY \$ _____

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): ** \$ 10.75

** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

DLG 57 (Rev. 7/21)

USE FOR STATUTORY PROPERTY TAX LIMIT CALCULATION ("5.25%" LIMIT)

IN ACCORDANCE WITH §§ 39-5-121(2)(a) and 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR _____:

1.	CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION:	1.	\$	9,801,193
2.	LESS TOTAL TIF AREA INCREMENTS, IF ANY:	2.	\$	
3.	CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	3.	\$	9,801,193
4.	NEW CONSTRUCTION:	4.	\$	276,785
5.	ANNEXATIONS/INCLUSIONS:	5.	\$	
6.	PREVIOUSLY EXEMPT PROPERTY:	6.	\$	
7.	TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	7.	\$	
8.	INCREASED VALUATION FOR ASSESSMENT ATTRIBUTABLE TO A CHANGE IN LAW FOR A PROPERTY TAX CLASSIFICATION* (29-1-306(3)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	8.	\$	
9.	TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) AND (39-10-114(1)(a)(I)(B), C.R.S.):	9.	\$.73
10.	TOTAL VALUATION FOR ASSESSMENT FROM PRODUCING MINES OR LANDS OR LEASEHOLDS PRODUCING OIL OR GAS	10.	\$	
11.	REVENUE INCREASE FROM EXPIRED TIF:	11.	\$	

* Change in law for property tax classification does not include changes in classification due to property use changes.

Note:

The property tax limit will apply to all property taxing entities with the exception of school districts and any county, city and county, city, or town that has adopted a home rule charter (29-1-306(1)(b), C.R.S.). The revenue limit applies to any property taxing entities that have authority to exceed current 5.5% and the TABOR limit.

The Division of Local Government ("the Division") has developed technical assistance resources to assist taxing entities with the calculation of the property tax limit available online here (<https://dlg.colorado.gov/budget-information-and-resources>). Please understand that the Division has no statutory or administrative role in calculating or enforcing the property tax limit, and each taxing entity's revenue limits and voter approval history may be unique. The technical assistance resources provided by the Division with regard to the property tax limit are not definitive and not legal advice. Taxing entities may choose to calculate the property tax limit with a methodology that is different from the methodology presented in the Division's technical assistance resources. The Division always recommends that taxing entities consult with an attorney in order to understand and apply the various statutory and constitutional revenue limits that may apply to that taxing entity.

NOTE: ALL LEVIES MUST BE CERTIFIED to the COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

DLG 57 (Rev. 7/21)

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL
TRANSPORTATION CERTIFYING THE VOTER APPROVED SAN MIGUEL COUNTY AND DOLORES COUNTY
PROPERTY TAX MILL LEVIES FOR THE BUDGET YEAR 2026**

RESOLUTION NO. 2025-22

WHEREAS, the San Miguel Authority for Regional Transportation (“SMART”) was approved by the registered electors of the Town of Telluride, Town of Mountain Village, the Town of Rico, and that portion of unincorporated San Miguel County located within the SMART boundaries, pursuant to the Colorado Regional Transportation Authority Law, C.R.S Title 43, Article 4, Part 6, and;

WHEREAS, SMART is governed by the Colorado Regional Transportation Authority Law and the SMART Intergovernmental Agreement (“SMART IGA”), as amended, approved by each of the governing bodies of the Town of Telluride, Town of Mountain Village, Town of Rico and San Miguel County, and;

WHEREAS, the Board has reviewed and approved the Department of Local Affairs Form DLG-70 Certification of the Tax Levies for San Miguel County, herein Exhibit A, and the corresponding Certification of Valuation by the San Miguel County Assessor dated November 19th, 2025, herein Exhibit B;

WHEREAS, the Board has reviewed and approved the Department of Local Affairs Form DLG-70 Certification of the Tax Levies for Dolores County, herein Exhibit C, and the corresponding Certification of Valuation by the Dolores County Assessor dated November 18th, 2025, herein Exhibit D;

WHEREAS, the Board desires to take action and set forth these Certifications in accordance with 39-5-128(1) C.R.S.

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of the San Miguel Authority for Regional Transportation:

1. **THAT**, for the purpose of meeting general operating expenses of SMART during the 2026 budget year, there is hereby levied a tax of 2.086 mills upon each dollar of total valuation for assessment of all taxable property within the boundaries of the San Miguel Authority for Regional Transportation for the year 2026 and is granting a temporary tax credit/mill levy reduction of 0.097 mills in accordance with Section 29-1-1702, C.R.S., for an effective temporary mill rate of 1.989 mills generating approximately \$2,974,538 in revenue, and
2. **THAT**, the Board of Directors for the San Miguel Authority for Regional Transportation are hereby authorized to certify to the County Commissioners of San Miguel County and Dolores County, Colorado the mill levy for the San Miguel Authority for Regional Transportation as herein determined.

**ADOPTED AND APPROVED BY THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL
TRANSPORTATION AT A REGULAR PUBLIC MEETING THIS 9TH DAY OF DECEMBER 2025.**

By: _____

Harvey Mogenson, SMART Board Chair

Attest:

David Averill, SMART Executive Director

AGENDA ITEM SUMMARY (AIS)

San Miguel Authority for Regional Transportation



MEETING DATE: December 9th, 2025

AGENDA ITEM: 4

ACTION REQUESTED: Adoption of Resolution 2025-23, 2026 Budget and Capital Plan
Adoption and Spending Resolution

SUBMITTED BY: D.Averill

BACKGROUND INFORMATION/KEY POINTS:

This is an action item intended for the Board to approve, adopt, and appropriate funding for the recommended FY26 Budget and 2026-2030 Capital Plan developed by staff in response to guidance given at the September 11th, October 9th, and November 13th Board meetings.

At its September 11th 2025 meeting the Board discussed 2026 revenue assumptions and other items in the context of developing draft budget scenarios. At the October meeting the Board was presented with a draft budget scenario incorporating the agreed upon assumptions from the September meeting. At the November meeting the Board discussed the final draft scenario presented by staff, including a discussion about the mill levy rate and gave direction on incorporating a temporary mill rate reduction in concert with new property tax legislation. Based on the guidance and discussion at these previous meetings, staff is now presenting the recommended FY26 budget and capital plan for formal adoption.

The Recommended FY26 budget includes:

- An assumed 3% decrease in total sales tax revenue from 2025 budget levels, resulting in anticipated revenue of \$5,792,210
- A temporary mill levy credit of .097 resulting in an effective mill levy rate of 1.989 mills resulting in \$2,974,538 in anticipated revenue
- An assumption that lodging tax revenue will decrease 2% to \$1,943,739 in anticipated revenue
- An assumption that RETA revenue will be \$175,000 in FY26
- Updated cost estimates for operations by route that are reflective of current Contract rates;
- a service expansion pool of \$500k
- anticipated additional costs for fuel and maintenance assuming some level of service expansion takes place in FY26.

Capital Plan:

Staff is also recommending the attached capital plan based on current reserves, identified projects, and a proposed bus replacement schedule through 2030.

As the gondola planning process continues, we will develop a separate capital plan both for the ongoing maintenance needs post- 2027, as well as the overall gondola rebuild project.

COMMITTEE DISCUSSION: NA

SUPPORTING INFORMATION: NA

FISCAL IMPACT: The recommended 2026 Budget and Capital Plan, while expanding service and accounting for increased costs, would see SMART finishing FY2026 “in the black” and would not negatively impact SMARTs cash flow or deplete our reserve balances.

ADVANTAGES: NA

DISADVANTAGES: NA

ANALYSIS/RECOMMENDATION: None at this time.

ATTACHMENTS:

Attachment A: Recommended Fiscal Year 2026 Budget

Attachment B: Recommended FY2026-FY2030 Capital Plan

AFFIDAVIT OF PUBLICATION

The Telluride Times
P.O. Box 713, Telluride, CO 81435
(970) 728-9788

State of Florida, County of Orange, ss:

I, Edmar Corachia, of lawful age, being duly sworn upon oath depose and say that I am an agent of Column Software, PBC, duly appointed and authorized agent of the Publisher of The Telluride Times, a daily newspaper, published in Telluride and printed in Montrose, in San Miguel County and State of Colorado; that said newspaper has a general circulation in said County and has been continuously and uninterruptedly published therein, during a period of at least fifty-two consecutive weeks next prior to other first publication of the annexed notice; that said newspaper is a newspaper within the meaning of the act of the General Assembly of the State of Colorado, entitled "An Act to regulate the printing of legal notices and advertisements," and amendments thereto; that the notice of which the annexed is printed copy taken from said newspaper, was published in said newspaper, and in the regular and entire issue of every number thereof; 1 day(s) that said notice was published in said newspaper proper and not in any supplement thereof, and that the first publication of said notice as aforesaid, was on **Dec 4, 2025** and the last on the day of **Dec 4, 2025**.

Publication Dates:

- Dec 4, 2025

Notice ID: RsUonYWp3SHCJ3zQoRsB

Notice Name: SMART FY26 Budget Hearing Notice

Edmar Corachia

 Agent

VERIFICATION

State of Florida
 County of Orange

Signed or attested before me on this: 12/04/2025

[Signature]

 Notary Public

Notarized remotely online using communication technology via Proof.

PUBLIC NOTICE is hereby given that the San Miguel Authority for Regional Transportation, at its regular meeting at 10 a.m. on December 9th, 2025, will consider approval of the Fiscal Year 2026 annual budget, mill levy and capital program. The meeting will be held virtually with details posted on the SMART website at least 48 hours in advance of the posted meeting time and date. The proposed annual budget is available for review at the SMART office at 137 Society Drive, Unit B in Lawson Hill or on the SMART website at www.smarttelluride.com. Any interested elector may file an objection to the proposed budget at any time prior to final adoption. Objections can be sent in advance of the meeting to David Averill, SMART Executive Director at david.averill@smarttelluride.com or in person at the public meeting.
 12/4 COL-000017



PAMELA BAEZ
 Notary Public - State of Florida
 Commission # HH 732409
 Expires on October 19, 2029

SMART Recommended FY26 Budget

December 9th, 2025

	2025 Final Budget	2026 Recommended Budget
Beginning Operating Fund Balance Estimate, January 1st 2025	\$650,000	\$650,000
Transfers		
Transfer to Operating and Capital Reserve	\$0	\$0
Total Transfers	\$0	\$0
Remaining Operating Fund Balance after Transfers	\$650,000	\$650,000

PROJECTED REVENUES		
SMART Ballot Tax Revenue		
Lodging Tax	\$1,983,407	\$1,943,739
Sales Tax	\$5,971,350	\$5,792,210
Property Tax	\$2,554,875	\$2,974,538
Subtotal Taxes	\$10,509,632	\$10,710,486
Intergovernmental Revenue		
San Miguel County Transit Fund pass-through (RETA)	\$200,000	\$175,000
Subtotal Intergovernmental	\$200,000	\$175,000
Fees for Services		
Fares - Norwood/Nucla/Naturita/Montrose/Rico	\$45,000	\$40,000
Fares - Van pools	\$20,000	\$20,000
Subtotal Fees for Services	\$65,000	\$60,000
Grant Revenue		
CDOT Operating (5311)	\$193,254	\$199,051
CDOT Operating (SB230)	\$0	\$290,000
Subtotal Grant Revenue	\$193,254	\$489,051
Facility Revenue		
137 and 135 Society Dr.	\$100,000	\$60,000
Subtotal Facility Revenue	\$100,000	\$60,000
Interest Income		
Alpine Reserve Account	\$100,000	\$50,000
Total All Revenues	\$11,167,886	\$11,544,537

PROJECTED EXPENSES		
General Expenses		
Personnel Expenditures		
Salaries	\$308,000	\$341,197
Benefits	\$79,000	\$86,000
Payroll taxes	\$23,000	\$26,000
Subtotal Personnel Expenditures	\$410,000	\$453,197
Professional Services + Operations		
Mileage reimbursement	\$3,500	\$3,500
Office Expenses	\$14,000	\$17,000
PR/Marketing	\$85,000	\$75,000
Website support	\$10,000	\$11,000
Attorney fees	\$18,000	\$20,000
Bookkeeping/Audit services	\$25,000	\$27,500
CIRSA PC/WC coverage	\$25,000	\$27,500
Treasurers Fees	\$23,000	\$25,000
Subtotal Professional Services + Operations	\$203,500	\$206,500
Association Dues, Conferences and Training		
Colorado Association of Transit Agencies (CASTA) Dues	\$5,000	\$6,000
South West Transit Association (SWTA) Dues	\$300	\$300
Training Registration and Lodging	\$2,200	\$2,500
Travel expenses	\$4,400	\$4,500
Conference Registration and Lodging	\$4,800	\$5,000
Subtotal Association Dues, Conferences and Training	\$16,700	\$18,300
Total General Expenses	\$630,200	\$677,997
Transit Services, Facilities, and Special Project Expenses		
Transit Service Expenses		
Fixed Route Transit Services	\$1,088,512	\$1,250,000
Fixed Route Fuel costs	\$150,000	\$155,000
Commuter Vanpool Program (fuel, insurance, maintenance)	\$75,000	\$75,000
Offseason service, includes Lawson and Meadows local services	\$327,680	\$330,000
Medical Shuttles - Allpoints	\$15,000	\$15,000
Service Expansion/Pilot Pool	\$575,000	\$500,000
Parts allowance/Unscheduled maintenance	\$115,000	\$120,000
Real Time bus app implementation and annual expenses	\$49,000	\$50,000
Subtotal Transit Service Expenses	\$2,395,192	\$2,495,000
Lawson Hill Intercept Lot Expenses		
Winter Plowing	\$14,000	\$20,000
Security/Parking Enforcement	\$9,270	\$8,500
Janitorial Services for restrooms	\$15,000	\$16,000
(Lawson Lot Management Expenses continued next page ...)		

(Lawson Lot Management Expenses continued ...)		
Janitorial Supplies	\$2,900	\$3,000
Recycling and Waste removal	\$1,400	\$1,400
Landscape Maintenance	\$3,200	\$3,500
Utilities (Gas/Electric/Water)	\$3,200	\$3,500
Subtotal Lawson Lot Management Expenses	\$48,970	\$55,900
Facility Maintenance Expenses		
Lawson Owners HOA dues	\$2,100	\$2,200
Property management services	\$9,000	\$10,000
Winter Plowing	\$1,700	\$2,000
Janitorial	\$3,600	\$3,700
Landscape Maintenance	\$2,300	\$2,500
Utilities	\$7,000	\$7,500
Subtotal Facility Maintenance Expenses	\$25,700	\$27,900
Special Projects		
Gondola Project Development funding	\$480,000	\$1,253,000
East End mobility visioning project	\$75,000	\$75,000
SMART capital facilities planning and design	\$75,000	\$75,000
Subtotal Special Projects	\$630,000	\$1,403,000
Total Transit Services, Facilities and Special Projects expenses	\$3,099,862	\$3,981,800
Total All Expenses	\$3,730,062	\$4,659,797
Projected Yearly Net Income	\$7,437,824	\$6,884,740
Transfer to Gondola Reserve		\$5,863,040
Projected Operating Fund Balance, 12/31/26		\$1,021,700
End of year transfer to Bus Ops Reserve		\$371,700
Initial Operating Fund Balance 1/1/27		\$650,000

Total Capital and Operating Reserve Balance assuming no additional transfers on 12/2/2025	\$6,050,000
90 Day Operating Reserve	\$805,000
Total Bus Ops Capital Reserves Available	\$5,245,000

Projected Bus Ops Capital Projects - 2026	Total Cost	Anticipated State/Federal Share	Local Share	Grant Funding Secured? (source)
Meadows Trail Underpass local match funding for construction	\$250,000	\$0	\$250,000	No
Norwood bus barn expansion	\$250,000	\$0	\$250,000	No (5311/5339)
Driveway repair work at Lawson Facilities	\$500,000	\$0	\$500,000	No
Bus Stop Improvements	\$200,000	\$0	\$200,000	No (5311/5339)
Additional 40' transit bus (back up for expanded Montrose service)	\$700,000	\$560,000	\$140,000	No (5311/5339/SB230)
Local Match for Town of Telluride MMOF project at Mahoney/Colorado	\$100,000		\$100,000	No
Maintenance facility interior prep	\$250,000	\$0	\$250,000	No
Tools and equipment for maintenance facility	\$505,500	\$404,400	\$101,100	No (5311/5339)
Replacement buses (3) for Lawson/Off-Season	\$675,000	\$534,108	\$140,892	Yes (5339)
Total	\$3,430,500	\$1,498,508	\$1,931,992	

Beginning FY27 Capital Reserve Balance assuming no additional transfers \$3,313,008

Projected Bus Ops Capital Projects - 2027	Total Cost	Anticipated State/Federal Share	Local Share	Grant Funding Secured? (source)
Ilium Parcel paving	\$600,000	\$0	\$600,000	No (5311/5339)
Bus Stop Improvements	\$200,000	\$0	\$200,000	No (5311/5339)
Total	\$800,000	\$0	\$800,000	

Beginning FY28 Capital Reserve Balance assuming no additional transfers \$2,513,008

Projected Bus Ops Capital Projects - 2028	Total Cost	Anticipated State/Federal Share	Local Share	Grant Funding Secured? (source)
Bus Stop Improvements	\$200,000		\$200,000	No
Replace 30' bus (703)	\$700,000	\$560,000	\$140,000	No (5311/5339)
Total	\$700,000	\$560,000	\$340,000	

Beginning FY29 Capital Reserve Balance assuming no additional transfers \$2,173,008

Projected Bus Ops Capital Projects - 2029	Total Cost	Anticipated State/Federal Share	Local Share	Grant Funding Secured? (source)
Bus Stop Improvements	\$200,000		\$200,000	No (5311/5339)
Total	\$200,000	\$0	\$200,000	

Beginning FY30 Capital Reserve Balance assuming no additional transfers \$1,973,008

Projected Bus Ops Capital Projects - 2030	Total Cost	Anticipated State/Federal Share	Local Share	Grant Funding Secured? (source)
Bus Stop Improvements	\$200,000		\$200,000	No (5311/5339)
Total	\$200,000	\$0	\$200,000	

Beginning FY30 Capital Reserve Balance assuming no additional transfers \$1,773,008

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL
TRANSPORTATION ADOPTING A BUDGET AND APPROVING SPENDING APPROPRIATIONS FOR
FISCAL YEAR 2026 BEGINNING ON THE FIRST DAY OF JANUARY 2026 AND ENDING ON THE LAST
DAY OF DECEMBER 2026**

RESOLUTION NO. 2025-23

WHEREAS, the San Miguel Authority for Regional Transportation ("SMART") was approved by the registered electors of the Town of Telluride, Town of Mountain Village, Town of Rico, and that portion of unincorporated San Miguel County located within the SMART boundaries, pursuant to the Colorado Regional Transportation Authority Law, C.R.S Title 43, Article 4, Part 6, and;

WHEREAS, SMART is governed by the Colorado Regional Transportation Authority Law and the SMART Intergovernmental Agreement ("SMART IGA"), as amended, approved by each of the governing bodies of the Town of Telluride, Town of Mountain Village, San Miguel County, and the Town of Rico, and;

WHEREAS, an annual budget and capital plan for 2026 has been prepared and submitted for consideration of the SMART Board of Directors at a regular noticed meeting on December 9th, 2025, and;

WHEREAS, the Board has reviewed and determined that proposed revenues are of 1.07% levied sales tax and 1.989 mills of property tax revenue and 1.25% lodgers tax and that the expenditures identified herein are estimated to be the best available information for the Regional Transportation Authority, and;

WHEREAS, the SMART Board has made provision in the Fiscal Year 2026 budget for revenues in an amount equal to or greater than the total proposed expenditures and set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserve/fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of SMART.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION AS FOLLOWS:

1. The budget submitted hereby is approved and adopted as the budget of the San Miguel Authority for Regional Transportation for Fiscal Year 2026; and
2. The following sums are hereby appropriated from the Fiscal Year 2026 revenues for the purposes stated:

General Fund	
General Operations	\$677,997
Transit and Transportation Services and Special Projects	<u>\$2,728,800</u>

Total General Fund · \$3,406,797

Bus Operations Reserve Fund

Beginning Fund Balance	\$6,050,000
FY26 Capital Purchases	\$1,931,112
Remaining Capital Reserve	\$3,313,008
<u>Remaining Operating Reserve</u>	<u>\$805,000</u>
Total Remaining Bus Operations Reserve Fund Balance	\$4,118,008

Gondola Reserve Fund

Beginning Fund Balance	\$5,557,831
FY26 Gondola Project	
Development Costs	\$1,253,000
Remaining Capital Reserve	\$4,304,831
<u>Remaining Operating Reserve</u>	<u>\$0</u>
Total Remaining Gondola Reserve Fund Balance	\$4,304,831

ADOPTED AND APPROVED BY THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION AT A REGULAR PUBLIC MEETING THIS 9TH DAY OF DECEMBER, 2025.

Harvey Mogenson, Board Chair

David Averill, Executive Director



SMART Board of Directors - anticipated meeting dates for 2026

January 8th, 2026 (Th)

February 12th, 2026 (Th)

March 12^h, 2026 (Th)

April 9th, 2026 (Th)

May 14th, 2026 (Th)

June 11th, 2026* (Th)

July 9th, 2026* (Th)

August 13th, 2026 (Th)

September 10th, 2026 (Th)

October 8th, 2026 (Th)

November 12th, 2026 (Th)

December 10th, 2026 (Th)

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR
REGIONAL TRANSPORTATION ESTABLISHING A MEETING SCHEDULE FOR 2026**

RESOLUTION 2025-24

RECITALS:

WHEREAS, the San Miguel Authority for Regional Transportation ("SMART") was approved by the registered electors of the Town of Telluride , Town of Mountain Village, Town of Rico and that portion of the SMART combination that are within that part of the SMART boundaries located within unincorporated San Miguel County, pursuant to the Colorado Regional Transportation Authority Law, C.R.S Title 43, Article 4, Part 6, at the general election held on November 8, 2016;

WHEREAS , Section 3.09 of the SMART IGA requires all actions of the Board to be taken by written resolution;

WHEREAS , the Board desires to take action on certain items set forth below in accordance with the SMART IGA.

NOW THEREFORE, BE IT RESOLVED, by the Board of Directors of the San Miguel Authority for Regional Transportation as follows:

- 1. That**, the attached 2026 meeting schedule is approved.

**ADOPTED AND APPROVED BY THE BOARD OF DIRECTORS AT A REGULAR PUBLIC MEETING
HELD ON THE 9TH DAY OF DECEMBER 2025.**

**SAN MIGUEL AUTHORITY FOR REGIONAL
TRANSPORTATION**

By: _____
Harvey Mogenson, Chair

Attest:

By: _____
David Averill, Executive Director

AGENDA ITEM SUMMARY (AIS)

San Miguel Authority for Regional Transportation



MEETING DATE: December 9th, 2025

AGENDA ITEM: 6

ACTION REQUESTED: Approval of Resolution 2025-25, Adopting an Investment Policy for SMART

SUBMITTED BY: D. Averill

BACKGROUND INFORMATION/KEY POINTS:

At the June 2025 meeting the Board discussed potentially exploring alternative investment strategies to make better use of SMART's reserve funds. At that time there was broad support among Board members to explore relatively low risk investment strategies. Before SMART can pursue any of these strategies, however, it became apparent that SMART needed to develop an Investment Policy to guide those decisions.

At the August 2025 meeting the Board continued its conversation about implementing an Investment Policy for SMART. At that meeting Averill and Chair Mogenson provided additional context and background to introduce the item, building on the discussion of this topic at the June Board meeting. Averill provided a proposed DRAFT Investment Policy, based on his research and a similar policy currently used by the Roaring Fork Transportation Authority. The Board discussed several points including its desire to segregate gondola fund investments from the other SMART reserve funds, create a SMART Investment Committee, articulate what types of investments SMART should be allowed to pursue, etc. Community member Dylan Brooks shared his perspective on the DRAFT policy as a local investment professional who has worked with similar public organizations to SMART. Based on the discussion and feedback at the August meeting staff is now bringing back a final version of the policy for the Board's consideration.

The Investment Policy now under consideration establishes formal guidelines for the management of SMART funds not needed for daily cash flow. The policy outlines objectives, governance considerations, authorized investment types, risk mitigation practices, expectations around internal controls, reporting, and compliance with relevant state and federal statutes.

This policy has been reviewed by SMART general counsel to ensure legal compliance with statutory investment options. There is emphasis placed on risk mitigation, the "prudent person standard", and ethics. Discussion/guidance is also included on diversification of investments, maturity limits, and authorized investment types. The policy also outlines permitted investment vehicles, rating requirements, maturity limits, and safekeeping.

In general the investment policy is designed to primarily prioritize investments that are safe and liquid enough to meet SMARTs cashflow needs. Investment yield is considered a lesser importance.

Finally, the policy specifies reporting requirements to the Board, performance benchmarks that should be monitored and includes a list of investment committee members.

COMMITTEE DISCUSSION: NA

SUPPORTING INFORMATION: NA

FISCAL IMPACT: If this policy is adopted and SMART pursues an investment strategy there are potential enhanced investment earnings within the defined risk parameters. It is assumed that investment earnings will outweigh brokerage and other fees for a net positive fiscal impact.

ADVANTAGES: Advantages of this policy include ensured compliance with state law, transparency and accountability in SMARTs investment activities and a structured framework for prudent fund management.

DISADVANTAGES: Disadvantages may be that overly conservative guidelines may limit yield potential in high-return markets and increased staff time and resources for review and compliance.

ANALYSIS/RECOMMENDATION: Staff recommends that the Board adopt the SMART Investment Policy as presented.

ATTACHMENTS: SMART Investment Policy



Investment Policy

December 9th, 2025

SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION INVESTMENT POLICY

I. Entity Background

The creation and initial funding of a quarter cent (.25 cent) sales tax and .75 mill levy for the San Miguel Authority for Regional Transportation ("SMART") was approved by the voters within the boundaries of the SMART taxing jurisdiction (initially comprised of the residents of Telluride, Mountain Village, and a portion of San Miguel County) in November of 2016. Residents of the Town of Rico subsequently voted to join SMART in November of 2019. In November of 2024 the SMART voters approved a new sales tax rate of up to 1.07% and a mill levy rate of up to 2.086. The November 2024 vote also approved the implementation of a new lodging tax of 1.25%. The mission of SMART is to create, operate, and maintain a regional public transportation system and facilitate the development of multi-modal transportation options that serve the residents and visitors of its service area with environmentally friendly, convenient, safe, efficient and economical transportation. SMART serves a broad swath of the surrounding region, including the Towns of Telluride, Mountain Village, Rico, Placerville, Norwood, Nucla, Naturita, Ridgway and Montrose.

II. Governing Authority

The SMART investment program shall be operated in conformance with federal, state, and other applicable legal requirements, including authorized investments as defined in part 6 of article 75 of title 24, Colorado Revised Statutes.

III. Purpose

The purpose of this investment policy is to provide guidelines by which the funds that are not otherwise needed to meet the daily cash flow demands of SMART can best be invested. This policy is intended to identify objectives, assign responsibility and adequately address areas of risk inherent in the investment of public funds. Ideally, formal policies will result in superior performance of the investment program and improved communications with the SMART Board and the general public.

IV. Scope

This policy applies to all funds for which the Executive Director has been designated as custodian.

Pooling of Funds

SMART shall not consolidate cash and reserve balances for investment purposes. Investment income will be allocated to the various funds based on their respective investments and in accordance with generally accepted accounting principles.

SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION INVESTMENT POLICY

V. General Objectives

The primary objectives, in priority order, of investment activities shall be safety, liquidity, and yield:

a. *Safety*

Safety of principal is the foremost objective of the SMART investment program. Investments of SMART funds shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objectives in this regard will be to mitigate credit risk and interest rate risk.

1. Credit Risk

SMART will minimize credit risk, which is the risk of loss due to the failure of the security issuer or backer, by:

- limiting investments to the safest types of securities;
- pre-qualifying the financial institutions, brokers/ dealers, intermediaries, and advisers with which SMART will do business;
- diversifying the investment portfolio so that the impact of potential losses from any one type of security or from any one individual issuer will be minimized.

2. Interest Rate Risk

SMART will work to minimize interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates:

- To the extent possible by attempting to match its investments with anticipated cash flow requirements for ongoing operations thereby avoiding the need to sell securities on the open market prior to maturity;
- Investing operating funds primarily in shorter-term securities, money market mutual funds, or similar investment pools.
- SMART aims to reduce the volatility of its returns by minimizing Reinvestment Risk. Laddering maturities and maintaining a mix of short- and intermediate-term instruments will be used to mitigate exposure to declining reinvestment rates

b. *Liquidity*

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands. Furthermore, since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets. A prudent reserve shall be maintained to meet unanticipated cash requirements as defined in Section IX(b) and in accordance with applicable Colorado statutes. A portion of the portfolio may be placed in money market mutual funds or local government investment pools that offer same-day liquidity for short-term funds.

c. *Yield*

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Yield (return on investment) is of secondary importance compared to the safety and liquidity objectives described above. Securities shall not be sold prior to maturity, with the following exceptions:

1. a security with declining credit may be sold early to minimize loss of principal;
2. a security swap would improve the quality, yield, or target duration in the portfolio;
3. liquidity needs of the portfolio require that the security be sold.

SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION INVESTMENT POLICY

VI. Standards of Care

a. *Prudence*

The standard of prudence to be used by SMART officials shall be the "prudent person" standard and shall be applied in the context of managing an overall portfolio. SMART officers or employees acting in accordance with this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

The "prudent person" standard requires that, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

b. *Ethics and Conflicts of Interest*

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of SMART.

c. *Delegation of Authority*

Management responsibility for the investment program is delegated to the SMART Executive Director, who is the custodian for all SMART funds. The Executive Director shall develop and maintain procedures for the operation of the investment program consistent with the entirety of this policy, including explicit delegation of authority to other persons responsible for investment transactions and the establishment of a system of internal controls to insure compliance with this policy.

d. *Authorized Financial Dealers and Institutions*

The Executive Director, or other designated staff member, shall maintain a list of financial institutions and depositories authorized to provide investment services that have been approved by the SMART Board of Directors. In addition, the Executive Director shall maintain a list of broker/dealers approved for investment purposes, and it shall be the policy of SMART to purchase securities only from those authorized firms. To be eligible, a firm must meet at least one of the following criteria:

1. Be recognized as a Primary Dealer by the Federal Reserve Bank of New York or have a Primary Dealer within its holding company structure,
2. Qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

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SMART will select broker/dealers on the basis of their expertise in public cash management and their ability to provide services to SMART's account through an RFP process undertaken every five years. Each authorized broker/dealer shall be required to submit and annually update a SMART approved Broker/Dealer Information Request form that includes the firm's most recent financial statements, proof of Financial Industry Regulatory Authority (FINRA) licenses, and proof of state registration.

In the event that an external investment advisor is not used in the process of recommending a particular transaction in SMART's portfolio, authorized broker/dealers shall attest in writing that they have read, understood, and agree to comply with this Policy in its entirety.

VII. Safekeeping and Custody

a. Safekeeping

All investments shall be made in the name of the San Miguel Authority for Regional Transportation. Institutions issuing non-negotiable certificates of deposit ("CD's") shall keep the CD in safekeeping and send SMART a copy of the CD and a safekeeping receipt. Book entry is an acceptable method of holding CD's.

Investment securities purchased for SMART will be delivered by book entry and held in third party safekeeping by a Federal Reserve member financial institution designated as SMART's custodian bank. SMART shall execute a written agreement with each custodian bank, prior to utilizing that bank's safekeeping or custodial services.

Custodian banks or dealers will be selected on the basis of their ability to provide services for SMART's account and the competitive pricing of their safekeeping and related services.

It is the intent of SMART that all purchased securities be perfected in the name of SMART. Sufficient evidence to title shall be consistent with modern investment, banking, and commercial practices.

All investment securities purchased by SMART will be delivered by book entry and will be held in third-party safekeeping by a District approved custodian bank, its correspondent bank or the Depository Trust Company (DTC).

All fed wireable book entry securities owned by SMART shall be evidenced by a safekeeping receipt, issued to SMART by the custodian bank stating that the securities are held in the Federal Reserve system in a "customer account" for the custodian bank which names SMART as "customer."

All non-fed wireable securities shall be held by the custodian bank's correspondent bank or the bank's participant account with the Depository Trust Company (DTC) and the custodian bank shall issue a safekeeping receipt to SMART evidencing that the securities are held by the correspondent bank or the DTC for SMART.

b. Internal Controls

The Executive Director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of SMART are protected from loss, theft or misuse. Details of the internal controls system shall be documented and shall be reviewed and updated annually.

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The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments by management.

The internal controls structure shall address the following points:

1. Control of collusion
2. Separation of transaction authority from accounting and recordkeeping
3. Custodial safekeeping
4. Avoidance of physical delivery securities
5. Clear delegation of authority to subordinate staff members
6. Written confirmation of transactions for investments and wire transfers
7. Dual authorizations of wire transfers
8. Development of a wire transfer agreement with the lead bank and third-party custodian

Accordingly, the Executive Director shall establish a process for an annual independent review by an external auditor to assure compliance with policies and procedures or alternatively, compliance should be assured through the SMART annual independent audit.

c. Delivery vs. Payment

All trades of marketable securities will be executed by delivery vs. payment (DVP) to ensure that securities are deposited in an eligible financial institution prior to the release of funds.

VIII. Suitable and Authorized Investments

a. Investment Types

All investments will be made in accordance with the Colorado Revised Statutes as follows: C.R.S. 11-10.5-101, et seq. Public Deposit Protection Act; C.R.S. 24-75-601, et. seq. Funds - Legal Investments; C.R.S. 24-75-603, Depositories; and C.R.S. 24-75-702, Local governments – authority to pool surplus funds. Any revisions or extensions of these sections of the statutes will be assumed to be part of this Policy immediately upon being enacted.

The ratings requirements outlined in this section are those as published by Standard & Poor's ("S&P"), a Nationally Recognized Statistical Rating Organization ("NRSRO"). Securities purchased may be rated by Standard & Poor's, Moody's Investors Service, or Fitch Ratings, therefore, the ratings equivalents of those referenced by S&P are listed below:

LONG-TERM RATINGS		
Standard & Poor's	Moody's Investors Service	Fitch Ratings
AAA	Aaa	AAA
AA+	Aa1	AA+
AA	Aa2	AA
AA-	Aa3	AA-
A+	A1	A+
A	A2	A
A-	A3	A-

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SHORT-TERM RATINGS		
Standard & Poor's	Moody's Investors Service	Fitch Ratings
A-1+	P-1	F1+
A-1	P-1	F1

POOL RATINGS		
Standard & Poor's	Moody's Investors Service	Fitch Ratings
AAAm	Aaa	AAAmmf
AAAf	Aaa-bf	AAAf

This Policy further restricts the investment of SMART funds to the following types of securities and transactions:

1. U.S. Treasury Obligations: Treasury bills, Treasury notes, Treasury bonds, and Treasury STRIPS and those securities for which the full faith and credit of the United States are pledged for the payment of principal and interest with maturities not exceeding five years from the date of trade settlement.
2. Federal Agency and Instrumentality Securities: Any security issued by, fully guaranteed by, or for which the full credit of the following is pledged for payment: The federal farm credit bank, the federal land bank, a federal home loan bank, the federal home loan mortgage corporation, the federal national mortgage association, the export-import bank, the Tennessee Valley Authority, the government national mortgage association, the world bank, or an entity or organization that is not listed in this paragraph but that is created by, or the creation of which is authorized by, legislation enacted by the United States congress and that is subject to control by the federal government that is at least as extensive as that which governs an entity or organization listed in this paragraph. Such securities must be rated at least AA- or the equivalent at the time of purchase by at least two NRSROs and have a final maturity not exceeding five years from the date of trade settlement.
3. Corporate Debt with a maturity not exceeding three years from the date of trade settlement, issued by any corporation or bank organized and operating within the United States. The debt must be rated at least AA- or the equivalent at the time of purchase by at least two NRSROs and rated not less by any NRSRO that rates it. The aggregate investment in corporate debt, commercial paper, and banker's acceptances shall not exceed 50% of SMART's investment portfolio, and no more than 5% of SMART's investment portfolio may be invested in the obligations of any one issuer.
4. Non-negotiable Certificates of Deposit with a maturity not exceeding one year from the date of trade settlement in any FDIC insured state or national bank located in Colorado that is an eligible public depository as defined in C.R.S. 11-10.5-103. Certificates of deposit that exceed FDIC insurance limits shall be collateralized as required by the Public Deposit Protection Act.
5. Commercial Paper issued by domestic corporations with an original maturity of 270 days or less from the date of trade settlement that is rated at least A-1 or the equivalent at the time of purchase by at least two NRSROs. The aggregate investment in commercial paper, banker's acceptances,

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and corporate debt shall not exceed 50% of SMART's investment portfolio, and no more than 5% of SMART's investment portfolio may be invested in the obligations of any one issuer.

6. Eligible Banker's Acceptances with maturities not exceeding 180 days from the date of trade settlement, issued by FDIC insured state or national banks. Banker's Acceptances shall be rated at least A-1 or the equivalent at the time of purchase by at least two NRSROs. The aggregate investment in banker's acceptances, commercial paper, and corporate debt shall not exceed 50% of SMART's investment portfolio, and no more than 5% of SMART's investment portfolio may be invested in the obligations of any one issuer.
7. Repurchase Agreements with a termination date of 180 days or less collateralized by U.S. Treasury obligations, Federal Agency securities, or Federal Instrumentality securities listed in 1. through 2. above with a final maturity not exceeding ten years. The purchased securities shall have a minimum market value including accrued interest of 102% of the dollar value of the transaction. Collateral shall be held by SMART's third-party custodian bank, and the market value of the collateral securities shall be marked-to-the market daily.

Repurchase Agreements shall be entered into only with broker/dealers recognized as Primary Dealers by the Federal Reserve Bank of New York, or with firms that have a Primary Dealer within their holding company structure. Approved Repurchase Agreement counterparties if rated, shall have a short-term credit rating of at least A-1 or the equivalent and a long-term credit rating of at least A or the equivalent by each (NRSRO) that rates them.

8. Local Government Investment Pools ("LGIPs") organized pursuant to the provisions of Article 75, Title 24, Part 7 of C.R.S. and have a credit rating of AAAm, AA Af or the equivalent by one or more NRSRO. 100 percent of the Portfolio may be invested in LGIPs.
9. Money Market Mutual Funds registered under the Investment Company Act of 1940 that: 1) are "no-load" (no commission or fee shall be charged on purchases or sales of shares); 2) have a policy seeking a constant net asset value of \$1.00 per share; 4) have a maximum stated maturity and weighted average maturity in accordance with Rule 2a-7 of the Investment Company Act of 1940; and 5) have a rating of AAAm or the equivalent by one or more NRSROs.
10. General Obligations and Revenue Obligations of state or local governments with a final maturity not exceeding five years from the date of trade settlement. Such obligations of Colorado (or any political subdivision, institution, department, agency, instrumentality, or authority of the state) shall be rated at least "A" or the equivalent at the time of purchase by at least two NRSROs. Such obligations of any other governmental entity shall be rated at least "AA" or the equivalent at the time of purchase by at least two NRSROs. SMART shall limit investments in General and Revenue Obligations to no more than 50 percent of the total portfolio and 5% per issuer.

The foregoing list of authorized securities and transactions shall be strictly interpreted. Any deviation from this list must be pre-approved by the SMART Board of Directors. Rating requirements are applicable to securities at the time of purchase. Securities held by SMART that have been downgraded to a level that is below the minimum ratings described herein may be sold or held at SMART's discretion. The Executive Director shall notify the Board of Directors of any such downgrade and the recommended course of action. The Portfolio will be brought back into compliance with Investment Policy guidelines as soon as is practical.

SMART may, from time-to-time issue bonds, the proceeds of which must be invested to meet specific

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cash flow requirements. In such circumstances and notwithstanding the paragraph immediately above, the reinvestment of debt issuance or related reserve funds may, upon the advice of Bond Counsel or financial advisors, deviate from the provisions of this Policy with the written approval of the Executive Director.

b. Collateralization

Where allowed by state law and in accordance with the Government Finance Officers Association (GFOA) Recommended Practices on the Collateralization of Public Deposits, full collateralization will be required on all demand deposit accounts, including checking accounts and non-negotiable certificates of deposit.

c. Repurchase Agreements

Repurchase agreements shall be consistent with GFOA Recommended Practices on Repurchase Agreements. (See GFOA Recommended Practices in Appendix.)

IX. Investment Parameters

a. Diversification

The investments shall be diversified by:

- limiting investments to avoid over concentration in securities from a specific issuer or business sector (excluding U.S. Treasury securities),
- limiting investment in securities that have higher credit risks,
- investing in securities with varying maturities, and
- continuously investing a portion of the portfolio in readily available funds such as local government investment pools, money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

b. Maturity

To the extent possible, SMART shall attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, SMART will not directly invest in securities maturing more than five years from the date of trade settlement or in accordance with state and local statutes and ordinances.

Reserve funds and other funds with longer-term investment horizons may be invested in securities exceeding five years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of funds. The intent to invest in securities with longer maturities shall be approved by the Board of Directors. (See the GFOA Recommended Practice on "Managing Market Risk in a Portfolio").

Because of inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as local government investment pools, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

c. Competitive Bids

The Executive Director, or designee, shall obtain competitive bids from at least two brokers or financial institutions on all purchases of investment instruments purchased on the secondary market.

SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION INVESTMENT POLICY

X. Reporting

a. Methods

The Executive Director or a designee of the Executive Director shall prepare an investment report at least quarterly, including a management summary that provides an analysis of the status of the current investment portfolio and the individual transactions executed over the last quarter. This management summary will be prepared in a manner which will allow SMART to ascertain whether investment activities during the reporting period have conformed to the investment policy.

The report should be provided to the Board. The report will include the following:

1. Listing of individual securities held at the end of the reporting period;
2. Realized and unrealized gains or losses resulting from appreciation or depreciation by listing the cost and market value of securities over one-year duration that are not intended to be held until maturity (in accordance with Governmental Accounting Standards Board (GASB) requirements);
3. Average weighted yield to maturity of portfolio on investments as compared to applicable benchmarks;
4. Listing of investment by maturity date;
5. Percentage of the total portfolio which each type of investment represents.

b. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a market/economic environment of stable interest rates. A series of appropriate benchmarks shall be established against which portfolio performance shall be compared on a regular basis. The benchmarks shall be reflective of the actual securities being purchased and risks undertaken, and the benchmarks shall have a similar weighted average maturity as the portfolio.

c. Marking to Market

The market value of the portfolio shall be calculated at least quarterly and a statement of the market value of the portfolio shall be issued at least quarterly. This will ensure that review of the investment portfolio, in terms of value and price volatility, has been performed consistent with the GFOA Recommended Practice on "Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools." In defining market value, considerations should be given to the applicable GASB statements.

SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION INVESTMENT POLICY

XI. Policy Considerations

a. Exemption

Any investment currently held that does not meet the guidelines of this policy shall be temporarily exempted from the requirements of this policy. Investments must come in conformance with the policy within six months of the policy's adoption or the governing body must be presented with a plan through which investments will come into conformance.

b. Amendments

This policy shall be reviewed on an annual basis and amended as may be necessary. Any changes must be approved by the Board, as well as the individuals charged with maintaining internal controls.

XII. List of Attachments

The following documents, as applicable, are attached to this policy:

1. List of Authorized Personnel

Attachment 1: List of Authorized Personnel

Investment Committee	
Primary	Alternate
Executive Director	Business Manager
Board Chair	Board Vice Chair
Board Treasurer	Board Secretary
Primary Portfolio Manager	Back-up Portfolio Manager

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SAN MIGUEL
AUTHORITY FOR REGIONAL TRANSPORTATION ADOPTING AN INVESTMENT
POLICY**

RESOLUTION 2025-25

WHEREAS, the San Miguel Authority for Regional Transportation (“SMART”) was approved by the registered electors of the Town of Telluride, Town of Mountain Village, Town of Rico, and that portion of the SMART combination within unincorporated San Miguel County pursuant to the Colorado Regional Transportation Authority Law, C.R.S. Title 43, Article 4, Part 6, at the general election held on November 8, 2016;

WHEREAS, Section 3.09 of the SMART Intergovernmental Agreement (“IGA”) requires all actions of the Board be taken by written resolution;

WHEREAS, at the June 2025 Board meeting, SMART staff and the Board discussed opportunities to pursue alternative, relatively low-risk investment strategies to make better use of SMART’s reserve funds, at which time the Board expressed support for developing a formal Investment Policy;

WHEREAS, at the August 2025 meeting, the Board continued its discussion, reviewed a draft Investment Policy based on research and model policies from peer transit agencies, considered feedback from staff and community member, and provided direction to staff for revisions;

WHEREAS, staff has returned with a final version of the SMART Investment Policy incorporating Board guidance, legal review, and industry best practices;

WHEREAS, the Investment Policy establishes formal guidelines for the prudent management of SMART’s funds, including authorized investments, risk mitigation measures, diversification requirements, maturity limits, reporting standards, ethical considerations, and compliance with applicable state and federal statutes; and

WHEREAS, the Board finds that adopting an Investment Policy will enhance transparency, accountability, and responsible stewardship of SMART’s financial assets.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION AS FOLLOWS:

1. THAT, the SMART Investment Policy, attached hereto and incorporated by reference, is hereby adopted as the official investment policy of the San Miguel Authority for Regional Transportation.

2. THAT, SMART staff is authorized and directed to implement the Investment Policy, including establishment of appropriate internal controls, reporting procedures, and creation of the SMART Investment Committee as outlined in the policy.

3. THAT, future amendments to the Investment Policy shall be brought before the Board for review and approval in accordance with the SMART IGA.

ADOPTED AND APPROVED BY THE BOARD OF DIRECTORS AT A REGULAR PUBLIC MEETING HELD ON THE 9TH DAY OF DECEMBER 2025.

SAN MIGUEL AUTHORITY FOR REGIONAL TRANSPORTATION

By: _____

Harvey Mogenson, Chair

Attest:

By: _____

David Averill, Executive Director

• **Society Drive Facility Update**

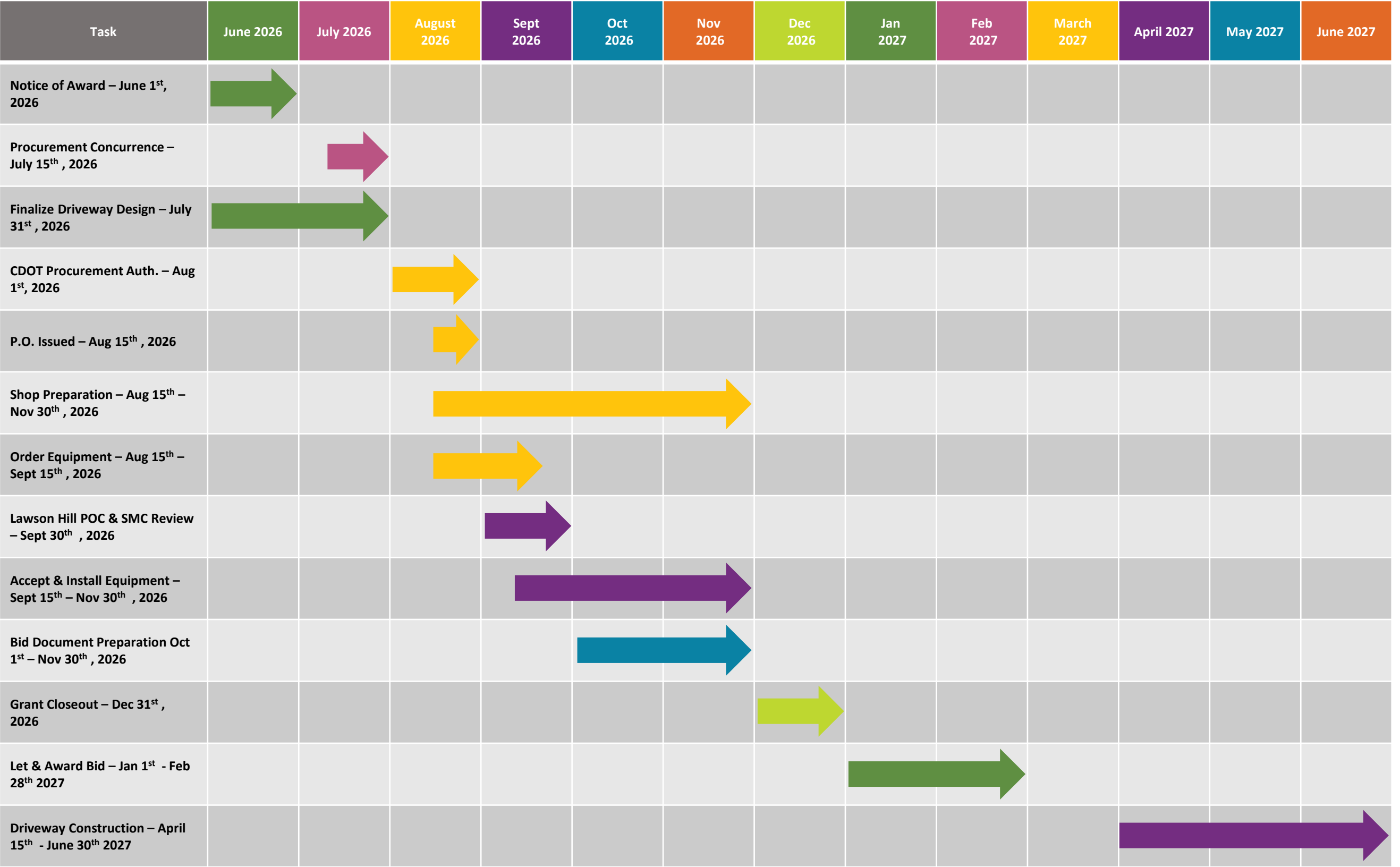
We submitted a grant application to CDOT to equip the Society Drive Facility in preparation for doing maintenance on our smaller buses and vanpool vans. This equipment will allow SMART to perform maintenance locally rather than driving vehicles 65 miles to Montrose, where maintenance is currently taking place. The project will extend the useful life of SMART's fleet, reduce unnecessary non-revenue mileage, and improve vehicle reliability.

Work on setting up this maintenance facility will take place in conjunction with final design and construction of the driveway improvements that will be necessary. The grant application will include a request for the following:

- Vehicle Lift Equipment (\$280,203)
- Wheel Servicing Equipment (\$36,911)
- Air, Fluids, and Lubrication Systems (\$10,919)
- Parts-lifting and handling equipment (\$46,950)
- Miscellaneous tools and shop equipment (\$84,408)
- Equipment delivery (\$45,939)

The total budget for this equipment is expected to be \$505,330. In addition to the equipment there will be preparation work that will need to be accomplished prior to outfitting the shop. This work will include constructing a freight elevator so that we can make use of the loft area for storage, installation of vehicle exhaust reels, electrical upgrades, a fluid disposal area, garage door replacement and any work deemed necessary for fire suppression and fire code compliance. This work is not included in the grant application. CDOT requirements for construction projects are onerous for small projects. We expect this work to be approximately \$250,000, but that budget will be refined as we get more detailed information on what will need to be done prior to utilizing the facility.

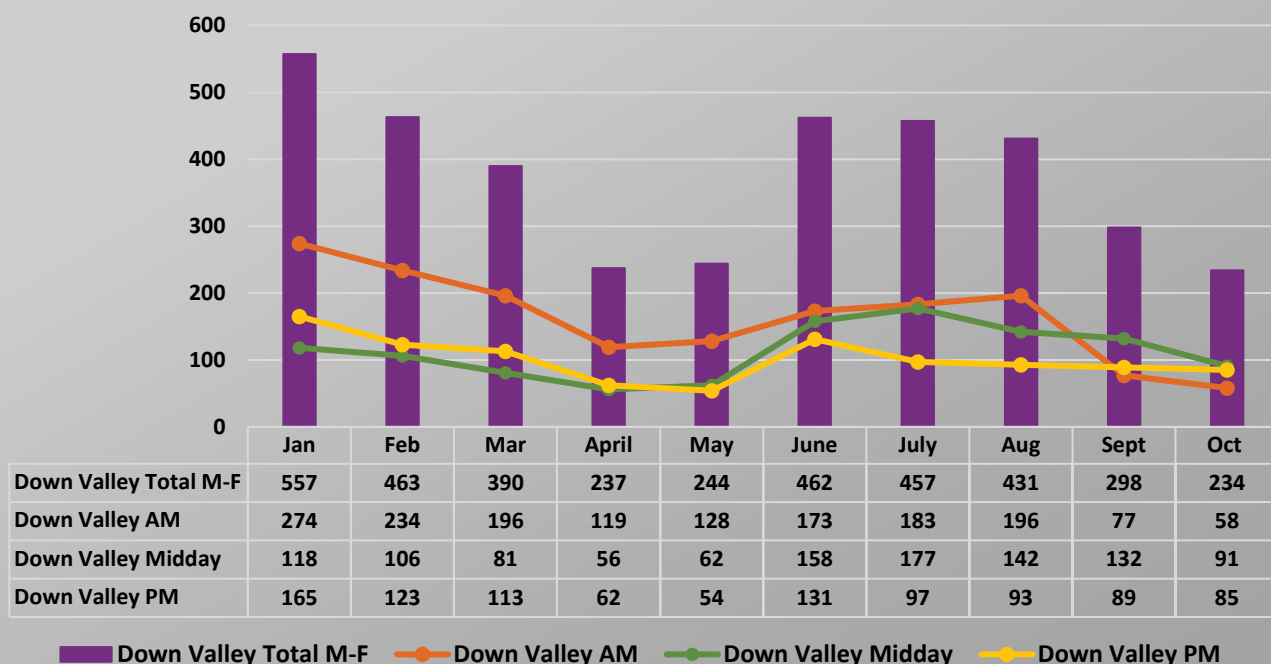
The following page on this report is the anticipated timeline for the shop project. There may be changes based on the success or failure of the grant application and CDOT's internal processes.



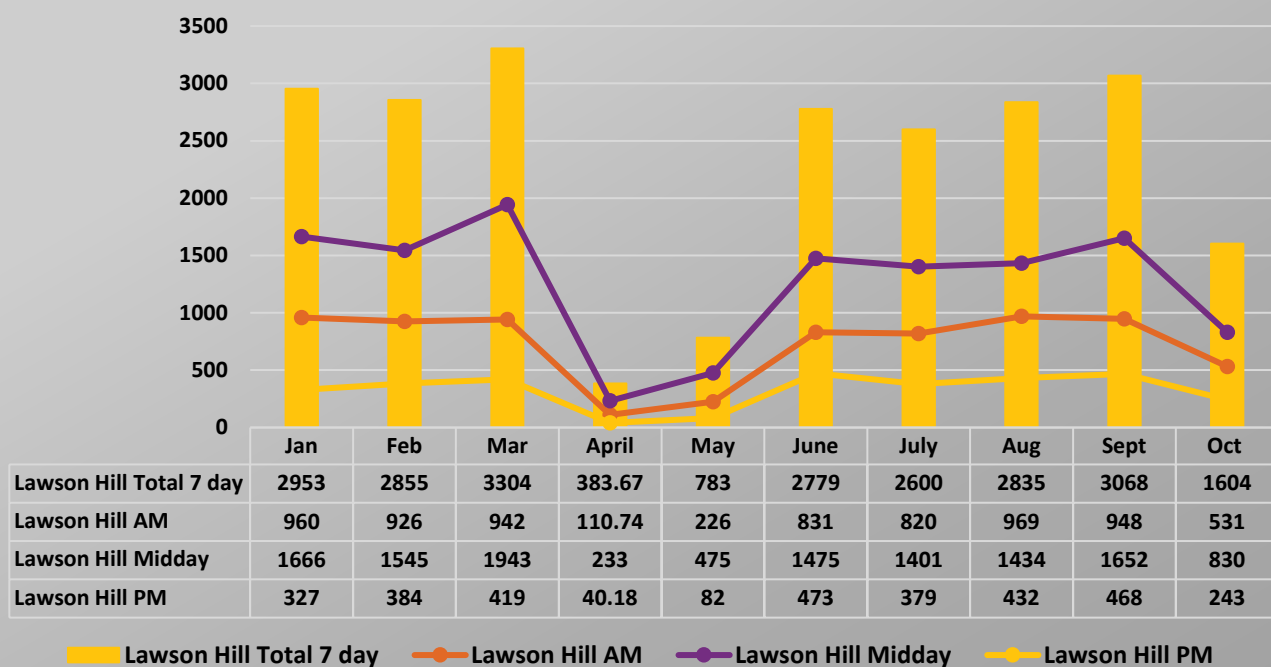
• 2025 Ridership to Date

The following graphs illustrate ridership beginning in January of this year. The Montrose Route started in mid February. The Lawson Hill and Norwood expansions took place in mid September.

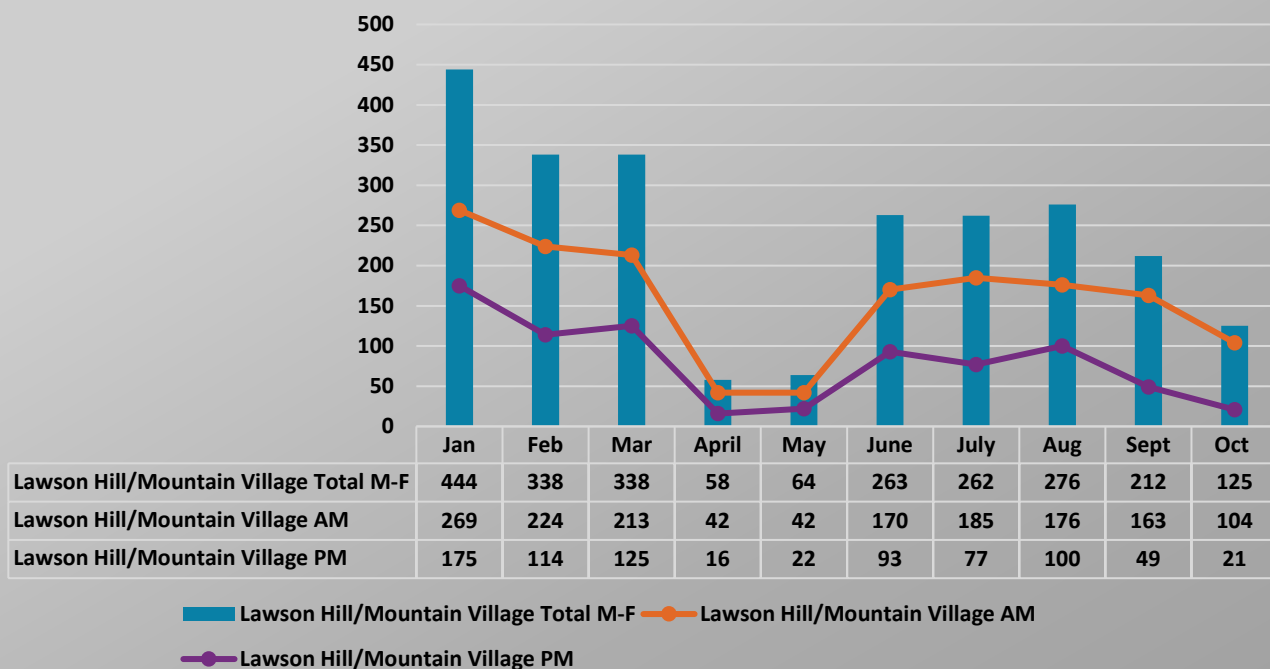
Down Valley Ridership January – October 2025



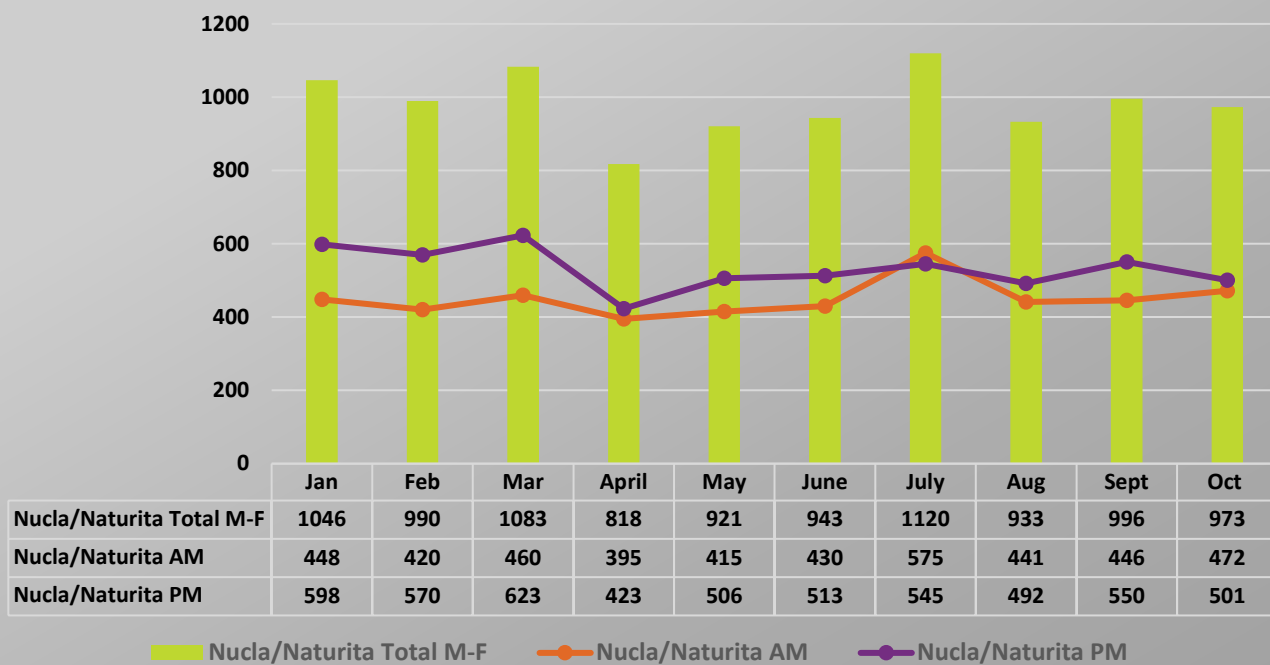
Lawson Hill Ridership January – October 2025



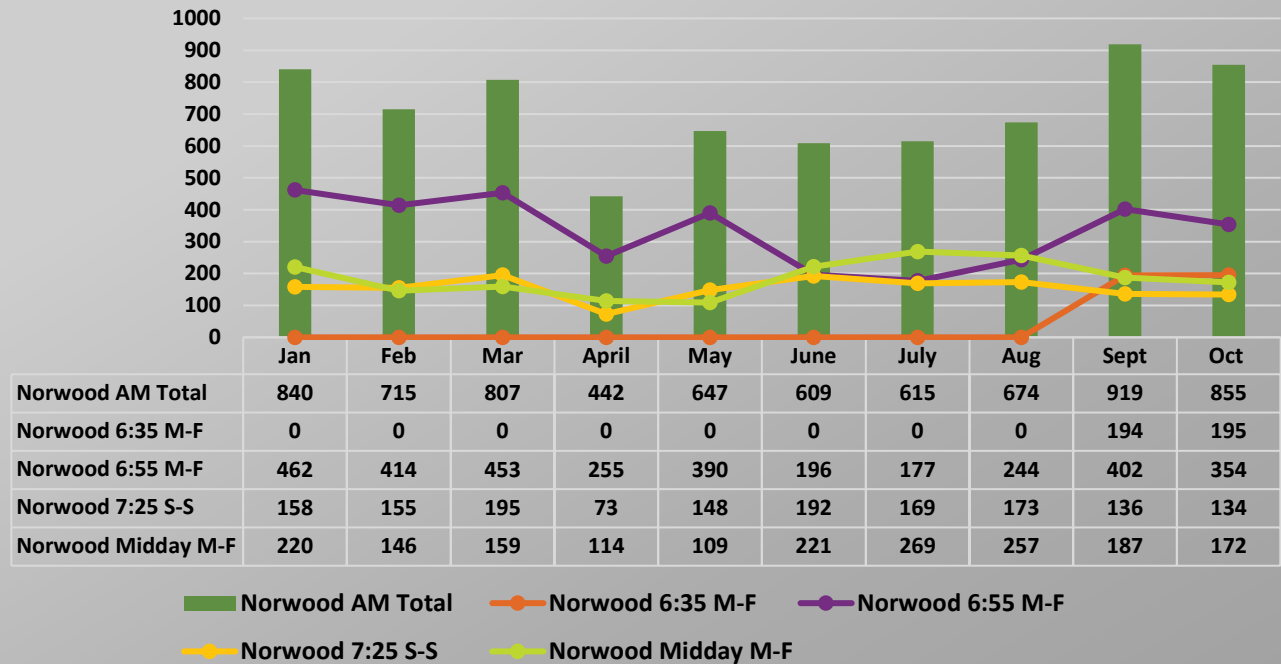
Lawson Hill/MV Ridership January – October 2025



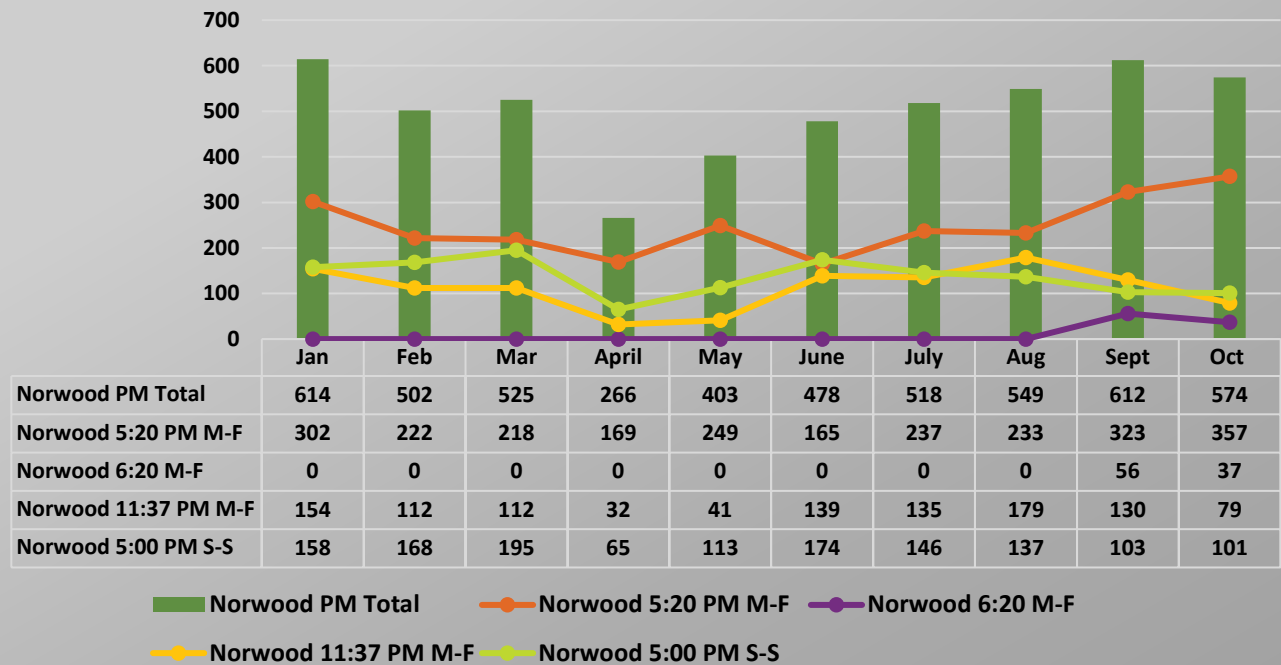
Nucla/Naturita Ridership January – October 2025



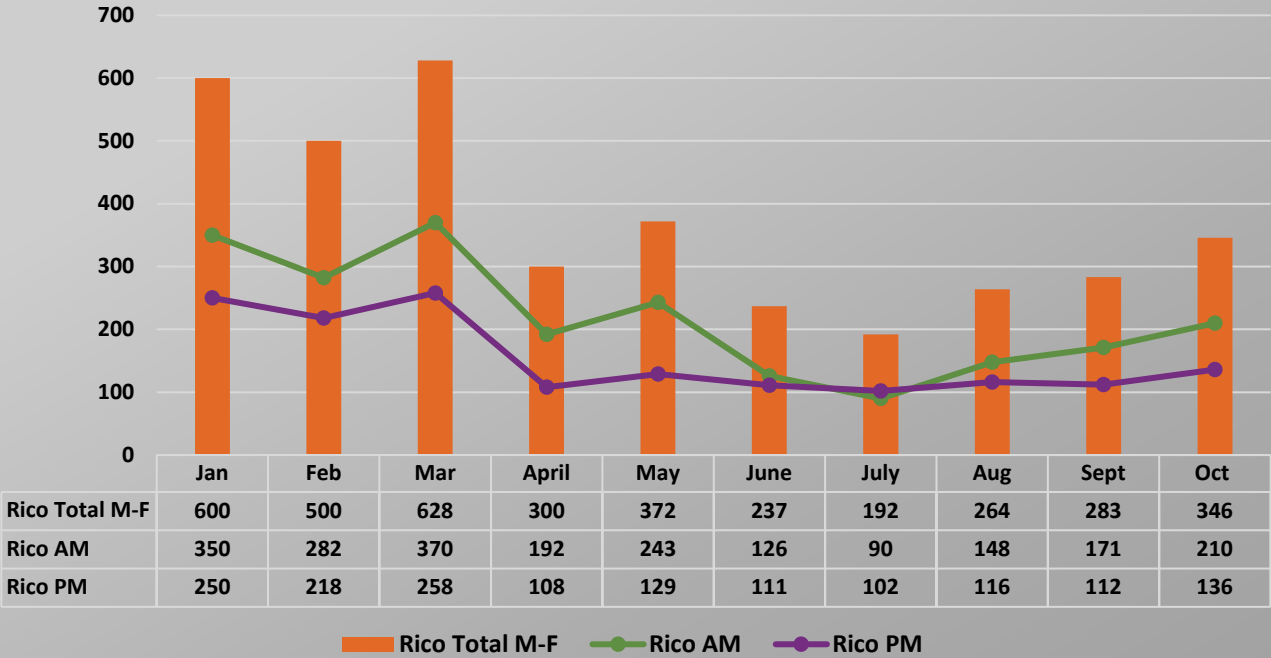
Norwood AM Ridership January – October 2025



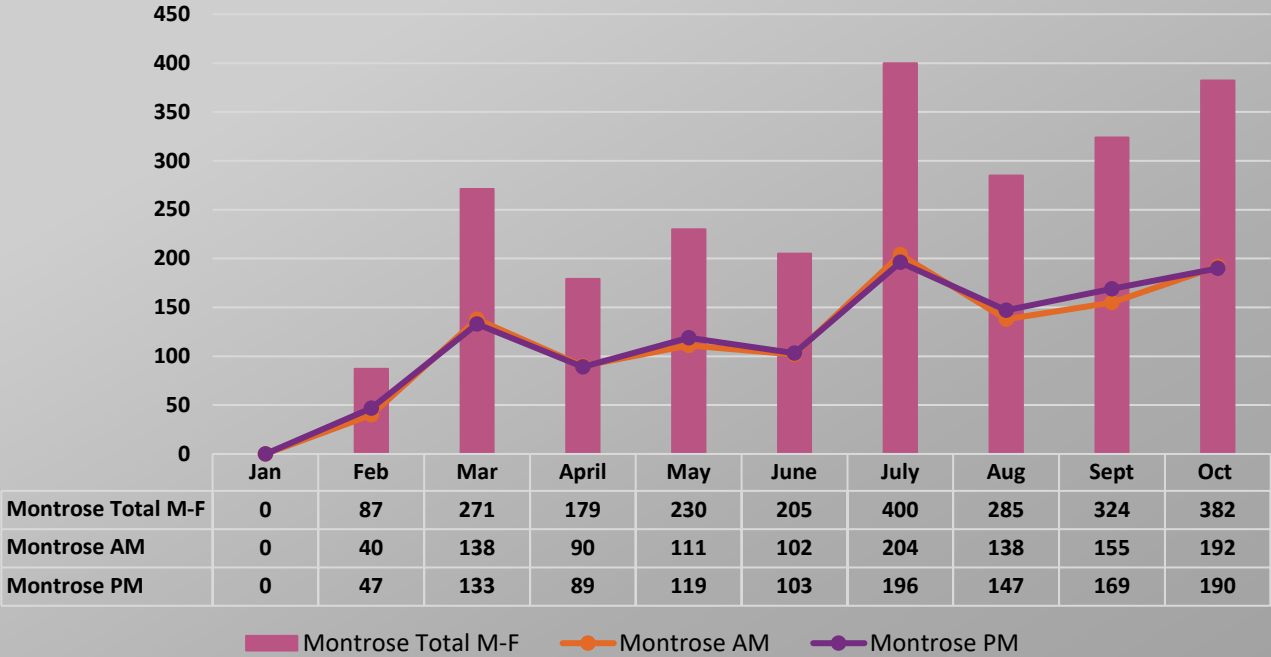
Norwood PM Ridership January – October 2025



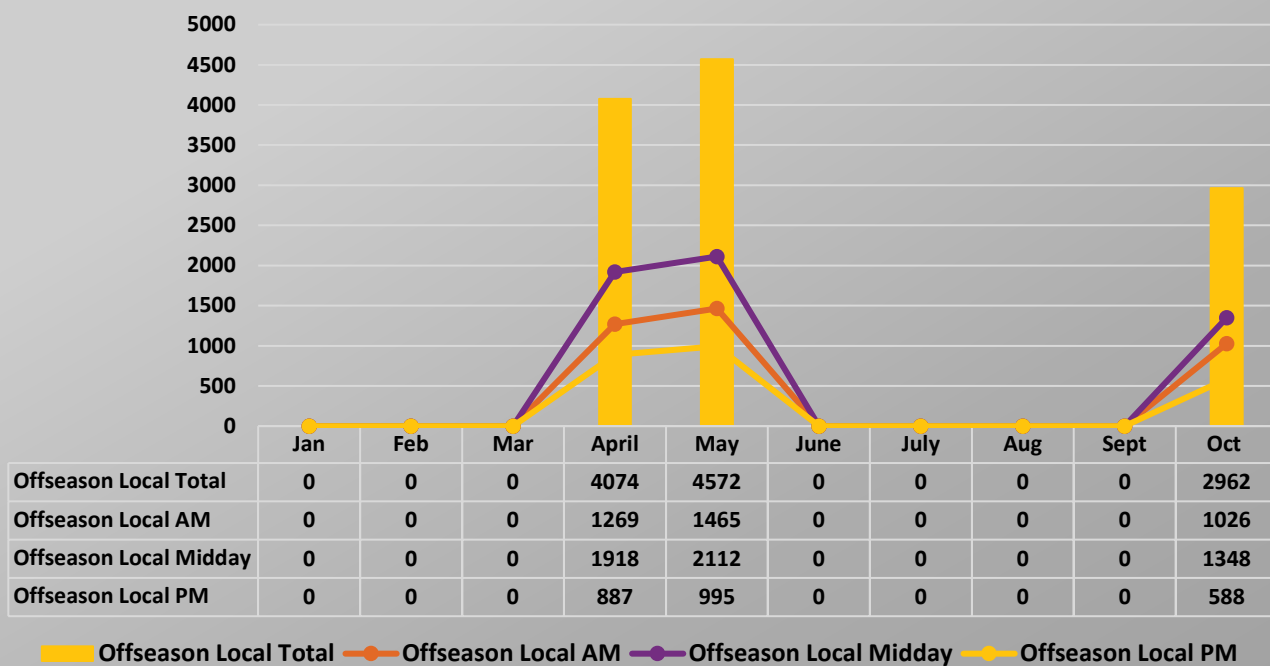
Rico Ridership January – October 2025



Montrose Ridership January – October 2025



Offseason Local January – October 2025



Offseason Local January – October 2025

