# Town of Silver Cliff, Colorado

## Financial Statements
## with
## Independent Auditors' Report

## December 31, 2016

E

**RECEIVED**
*By the Office of the State Auditor at 2:24 pm, Aug 01, 2017*

# Table of Contents

# Management’s Discussion and Analysis

**Town of Silver Cliff**
**Management's Discussion and Analysis**
**For the year ended December 31, 2016**

Governmental Accounting Standards Board Statement Number 34 (GASB 34) requires that this Management's Discussion and Analysis (MD&A) be written to provide an overview of Silver Cliff's financial activities for the fiscal year ended December 31, 2016. The purpose of this MD&A is to provide, in simple terms, an explanation of the effect on the Town's financial position from local economic and business factors, and to explain the reasons for any significant changes in the Town's financial position.

The Town believes this presentation will give a better view of the Town's fund statements and provide for better understanding of the financial position of the Town.

## ECONOMIC FACTORS AFFECTING THE TOWN IN 2016

Silver Cliff is located in the Wet Mountain Valley in south-central Colorado in Custer County, and has a population of 596 (per 2006 Census), and consists of approximately 9,390 acres or 14.67 square miles.

Silver Cliff was incorporated as a statutory town under the laws of the State of Colorado in 1879 and operates under an elected Mayor-Board form of government. The Town Board consists of a Mayor and six trustees, all elected at-large. The Board appoints or hires the Town Clerk/Treasurer, Building/Zoning Enforcement Officer, Town Maintenance Man, Town Attorney and Municipal Court Judge.

Silver Cliff is not a full-service town. Police protection is provided by the Custer County Sheriff's Department, fire protection by the Wet Mountain Fire Protection District and water and wastewater treatment by Round Mountain Water & Sanitation District. Silver Cliff provides their own street and parks maintenance and maintains approximately 20 miles of streets.

Because over 30% of Silver Cliff's revenues are generated from sales tax, tourism greatly affects Silver Cliff's budget. Silver Cliff is located approximately 50 miles from any city of size and is not on a route you wild take to get to another city. Fuel prices along with the state of the economy have a direct effect on tourism.

Although Silver Cliff's residential development continues to grow, commercial development is much slower. This may be due to high costs of available vacant commercial property and higher costs of construction in our area. Water pressure is also limited in Silver Cliff which contributes to restricted commercial growth. This issue is being resolved by a joint effort with Round Mountain Water & Sanitation District for improvements to the Town's water system.

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR imposes tax raising, revenue, spending and debt limitations on local government entities within the State of Colorado. These limitations became effective for the first year beginning after December 31, 1992.

On April 2, 1996, the Town of Silver Cliff passed a referendum regarding the revenue and spending limits imposed by Article X, Section 20 of the Colorado Constitution. The referendum allows the Town, without increasing or adding any taxes of any kind, to collect, retain and expend all revenues and other funds collected during 1995 and thereafter.

In addition to the limitation provisions of TABOR, there is also a requirement that every entity to which TABOR applies must establish an "emergency reserve". Each entity shall reserve 3% or more of its fiscal year spending excluding bond debt service. For the year ended December 31, 2016, the Town has set aside $9,500 to establish that reserve.

## OVERVIEW OF FINANCIAL STATEMENTS

This annual report consists of a series of financial statements:

- **Basic Financial Statements.** This section includes government-wide financial statements, fund financial statements and notes to the financial statements. The government-wide financial statements present the financial position and activities of the Town as a whole using accounting methods similar to those used by private-sector companies. The fund financial statements present financial information on specific activities of the Town. Funds are classified as major and nonmajor funds. The General Fund is considered a major fund. The Museum Fund and the Conservation Trust Fund are nonmajor funds and are reported in aggregate is a separate column. The notes to the financial statements provide additional disclosures to the information presented in the financial statements.

- **Required Supplementary Information.** This section includes financial information that is not part of the basic financial statements but is required by accounting principles generally accepted in the United States of America (GAAP). It includes a budgetary comparison schedule for the General Fund.

- **Other Supplementary Information**. This section includes a combining balance sheet and statement of revenues, expenditures and changes in fund balances for the Museum Fund and the Conservation Trust Fund. This section also presents budget to actual information for these two funds. This budget to actual information, though not required by GAAP is required by the State of Colorado.

- **Legal and Other Regulatory Requirements.** This section includes the Local Highway Finance Report. This report is required to be presented by the State of Colorado.

**Government-wide Financial Statements**
The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances. These statements include assets and liabilities of the Town. The financial effect of transactions and events are recognized when they occur (accrual basis of accounting), regardless of when cash is received or paid. There are two government-wide financial statements:

- **Statement of Net Position.** This statement presents information on all of the Town's assets and liabilities, with the difference of the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

- **Statement of Activities.** This statement presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The government-wide financial statements have separate columns for governmental activities and business-type activities. The Town's activities are classified as follows:

- **Government Activities.** Activities reported here include public safety, public works, and general administration. Property taxes, sales tax, federal, state and other local revenues finance these activities.

- **Business-Type Activities.** The Town has no business-style activities at this time.

**Fund Financial Statements**
The fund financial statements present financial information on specific activities of the Town. Funds are accounting devices that the Town uses to keep track of specific sources of funding and spending for particular purposes. There are three types of funds: government, proprietary and fiduciary funds, however, at this time the town only has government funds.

- **Government Funds.** These statements cover the same activities that are reported in the governmental activities of the government-wide financial statements. The accounting basis and the measurement focus used in these statements, however, are not the same as the ones used in the government-wide financial statements. The governmental funds statements focus on current year accountability, as well as on the resources available at the end of the fiscal year.

**Reconciliation of Government-wide Financial Statements to Fund Financial Statements**
The government activities of the government-wide financial statements and the governmental funds of the fund financial statements do not use the same accounting basis. Capital assets and long term liabilities are not included on the balance sheet of the government funds, but are included on the statement of net position. Capital assets are recorded as expenditures when they are purchased in the governmental funds and depreciated over the useful life in the government-wide financial statements. Two schedules will be used to reconcile the government-wide financial statements to the governmental funds of the fund financial statements:

- Reconciliation of the balance sheet of the governmental funds to the statement of net position
- Reconciliation of the statement of revenues and expenditures and changes in fund balance to the statement of activities

**FINANCIAL OVERVIEW**
In condensed format, the following table shows the statement of net position at December 31, 2016 and 2015:

| | 2016 | 2015 |
|---|---|---|
| Current and other assets | $ 249,466 | $ 244,573 |
| Capital assets | 753,970 | 769,700 |
| Total assets | 1,003,436 | 1,014,273 |
| Total liabilities | 13,510 | 12,498 |
| Deferred Inflow of resources | 24,330 | 24,500 |
| Net Position: | | |
| Invested in capital assets | 753,970 | 769,700 |
| Restricted | 12,520 | 12,944 |
| Unrestricted | 205,854 | 194,631 |
| Total Net Position | $ 972,344 | $ 977,275 |

The following table shows the changes in net position for the year ended December 31, 2016 and 2015

| | 2016 | 2015 |
|---|---|---|
| Revenues: | | |
| Program Revenues: | | |
| Charges for services | $ 41,123 | $ 27,733 |
| Operating grants and contributions | 82,481 | 70,852 |
| Capital grants/contributions | 7,690 | 5,924 |
| Total Program Revenues | 131,294 | 104,509 |
| General Revenues: | | |
| Property taxes | 24,995 | 24,197 |
| Sales and use taxes | 132,730 | 127,312 |
| Franchise tax | 19,561 | 18,946 |
| Other general revenues | 6,676 | 10,588 |
| Total General Revenues | 183,962 | 181,043 |
| Total Revenue | 315,256 | 285,552 |

| | 2016 | 2015 |
|---|---|---|
| Program Expenses: | | |
| General Government | 135,916 | 112,063 |
| Public safety | 48,413 | 39,430 |
| Public works | 86,734 | 94,047 |
| Parks and museum | 49,124 | 42,985 |
| Total Expenses | 320,187 | 288,525 |
| Increase (Decrease) in Net Position | (4,931) | (2,973) |
| Beginning Net Position | 977,275 | 979,979 |
| Ending Net Position | $ 972,344 | $ 977,006 |

As shown above the change in net position was not significant in 2016.

## GOVERNMENTAL ACTIVITIES

The General Fund is the chief operating fund of the Town. The General Fund generates in excess of 40% of its revenues from sales tax. This revenue is used for general governmental purposes. Highway users tax (HUTF) provides about 18% of the general funds revenues and is used strictly on street and alley expenses. Property tax and building permit fees add an additional 15.0% to the Town's general fund revenues, and the remaining revenues are generated from other sources, such as interest, franchise taxes and license fees.

Expenditures are divided into the following functions: general government, public safety, public works, parks and recreation, museum, capital outlay and debt service.

General government expenditures include general operational, administrative expenses of the Town, building and zoning department, and animal control expenses. Public works expenses cover street and alley maintenance, improvements, snow removal and other street related expenses. Parks and recreation includes maintenance and park utilities. Capital improvements include things such as purchase of equipment, infrastructure improvements such as paving, curb and gutter, sidewalks and other miscellaneous permanent improvements.

## OTHER FUND ANALYSIS

Conservation Trust Fund (CTF) has its own checking account and all funds remain separate. The Conservation Trust Fund consists of revenues derived from State lottery proceeds and interest income. This fund is used for capital park improvements.

## CAPITAL ASSETS

At the end of 2016, the Town has a broad range of capital assets totaling $763,355, net of depreciation. These assets include buildings, equipment, infrastructure, park property, and improvements

A summary of capital assets at December 31, 2016 is as follows:

| Description | Balance Beginning of Year | Additions | Deletions | Balance End of Year |
|---|---|---|---|---|
| Land (not being depreciated) | $ 144,251 | $ - | $ - | $ 144,251 |
| ***Capital Assets Being Depreciated*** | | | | |
| Land improvements | 352,703 | 8,081 | - | 360,784 |
| Buildings: | 422,368 | - | - | 422,368 |
| Equipment and vehicles | 236,863 | 23,900 | - | 260,763 |
| Infrastructure | 193,745 | - | - | 193,745 |
| Totals at cost | 1,349,930 | 31,981 | - | 1,381,911 |
| Less Accumulated Depreciation | (580,230) | (47,711) | - | (627,941) |
| **Net capital assets** | **$ 769,700** | N/A | N/A | **$ 753,970** |

## NEXT YEAR'S BUDGET AND RATES

To satisfy a budget that cannot be balanced by using the estimated years revenues, the Town has designated portions of their unreserved fund equity for subsequent expenditures, which can be appropriated in future years. A smaller portion, 3% of fiscal year spending, is reserved for emergencies per TABOR.

The following is a schedule of 2016 actual expenditures compared to budgeted 2016 expenditures:

| | 2016 Budget | 2016 Actual |
|---|---|---|
| General Fund | $ 340,050 | $ 298,982 |
| Conservation Trust Fund | $ 5,927 | $ 3,500 |
| Museum Fund | $ 9,700 | $ 5,409 |

### Future/Anticipated Projects that may affect the Town Finances

The Town of Silver Cliff is continuing with the rezoning project. The Board of Trustees feel there is a need to adjust our current zoning to allow for more industry type of businesses and most importantly design an area for a Main Street. There is a committee in place for this project and we will be working with Downtown Colorado Inc., to accomplish many stages of this project.

Silver Cliff built a 3 flag commemorative display at our Silver Cliff Commemorative and Community Park. It features the American Flag, the Colorado Flag and the POW Flag set in front of a brick wall with the back drop of the Sangre de Cristo Mountain Range where memorial plaques can be placed. There is open areas for benches and the option to purchase a bench and have a plaque mounted on it is open to the community. This project will be an ongoing project with the addition of more benches and a piece of military equipment to have on display. The American Legion held their Memorial Day Celebration at the Commemorative and we received many complements and words of appreciation for building this for the community.

Pickle Ball has been added to our park and it has been a great addition. Many ideas of other activities that could benefit our park have been brought to the Park Committee and they are in the process of putting a plan together to make these additions (disc (Frisbee) golf, shuffle board, doing some upgrades to the skate board park, paint the basketball court, new sand in the sand volleyball and possibly another volleyball court). Once a plan is approved we will apply for some grants to accomplish this. We have 10 High School Students helping with this project.

The Custer County Economic Development Corp. has been working to get WI FI along the Highway 96 corridor from the west end of Westcliffe to the east end of Silver Cliff, this will be an ongoing process. Coverage is in place in the first 3 blocks of Westcliffe.

Silver Cliff has been with working with Viscount Mining Corp. on an exploration of mineral on property owned by Silver Cliff. Viscount has drilled 9 core samples and is in the process of having the assays done on these samples. After the assays, we will see if this project will continue.

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

Town Clerk
Silver Cliff Town Hall
612 Main Street
P.O. Box 154
Silver Cliff, CO 81249
719-783-2615

# Independent Auditors' Report

Holscher, Mayberry & Company, LLC
**Certified Public Accountants**

**Member of the American Institute of Certified Public Accountants**
**Governmental Audit Quality Center**
**and Private Company Practice Section**

# Independent Auditors' Report

To the Board of Trustees
Town of Silver Cliff, Colorado

## *Report on the Financial Statements*

We have audited the accompanying financial statements of the governmental activities each major fund and the aggregate remaining fund information of the Town of Silver Cliff, Colorado as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Town's *Basic Financial Statements* as listed in the table of contents.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the Town of Silver Cliff, Colorado, as of December 31, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Report on Summarized Comparative Information

We have previously audited the Town of Silver Cliff's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 3, 2016. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015 is consistent, in all material respects, with the audited financial statements from which it has been derived.

8310 South Valley Highway – Suite 300
Englewood, Colorado 80112

Voice (303) 907 – 1463
Fax (303) 496 – 0978

## Other Matters

**Management's Discussion and Analysis**

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

**Other Required Supplementary Information and Other Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Silver Cliff's *Basic Financial Statements*. The *Other Required Supplementary Information* (pages 15 – 16) and *Other Supplementary Information* (pages 17 – 18) are presented for purposes of additional analysis and are not a required part of the *Basic Financial Statements*.

The *Other Required Supplementary Information* and *Other Supplementary Information* are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the *Basic Financial Statements*. Such information has been subjected to the auditing procedures applied in the audit of the *Basic Financial Statements* and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the *Basic Financial Statements* or to the *Basic Financial Statements* themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *Other Required Supplementary Information* and *Other Supplementary Information* are fairly stated, in all material respects, in relation to the *Basic Financial Statements* as a whole.

**Legal and Other Regulatory Requirements – Local Highway Finance Report**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Silver Cliff's *Basic Financial Statements*. The *Local Highway Finance Report* is presented for purposes of additional analysis and legal compliance and is not a required part of the *Basic Financial Statements*.

The *Local Highway Finance Report* presented in the State Compliance Section is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the *Basic Financial Statements*. Such information has been subjected to the auditing procedures applied in the audit of the *Basic Financial Statements* and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the *Basic Financial Statements* or to the *Basic Financial Statements* themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the *Local Highway Finance Report* is fairly stated, in all material respects, in relation to the *Basic Financial Statements* as a whole.

Holscher, Mayberry + Company, LLC

Englewood, Colorado

**April 26, 2017**

# Basic Financial Statements

# Town of Silver Cliff

## Statement of Net Position

December 31, 2016
(With Comparative Figures for 2015)

| | 2016 | 2015 |
|---|---|---|
| **Assets** | | |
| Cash | $ 99,541 | 100,340 |
| Receivables: | | |
| Franchise fee | 19,561 | 18,921 |
| Sales tax | 18,434 | 19,986 |
| Property tax | 24,330 | 24,500 |
| Other | 12,090 | 5,704 |
| Investments | 75,508 | 75,122 |
| Due from other governments | 6,748 | |
| **Capital Assets** | | |
| Land (not being depreciated) | 144,251 | 144,251 |
| **Capital Assets Being Depreciated** | | |
| Land Improvements | 360,784 | 352,703 |
| Buildings | 422,368 | 422,368 |
| Equipment and vehicles | 260,763 | 236,863 |
| Infrastructure | 193,745 | 193,745 |
| Less accumulated depreciation | (627,941) | (580,230) |
| Total Assets | $ 1,010,182 | $ 1,014,273 |
| | | |
| **Liabilities** | | |
| Accounts payable | $ 5,632 | $ 5,577 |
| Accrued expenses | 658 | 925 |
| Due in more than one year | 7,218 | 5,996 |
| Total Liabilities | $ 13,511 | $ 12,498 |
| | | |
| **Deferred Inflow of Resources** | | |
| Deferred property taxes | $ 24,330 | $ 24,500 |
| | | |
| **Net Position** | | |
| Invested in capital assets net of related debt | $ 753,970 | $ 769,700 |
| Restricted for: | | |
| Emergency | 9,500 | 9,000 |
| Parks capital improvement | 3,018 | 3,944 |
| Unrestricted | 205,853 | 194,631 |
| Total Net Position | $ 972,341 | $ 977,275 |

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

# Town of Silver Cliff

## Statement of Activities

For the Year Ended December 31, 2016

| Functions/Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions | Program Revenues: Capital Grants and Contributions | Net Revue (Expense) and Change in Net Position |
|---|---|---|---|---|---|
| ***Governmental Activities*** | | | | | |
| General government | $ 135,916 | $ 41,123 | 11,322 | $ - | $ (83,471) |
| Public safety | 48,413 | - | - | - | (48,413) |
| Public works | 86,734 | - | 69,057 | - | (17,677) |
| Parks and recreation | 49,124 | - | 2,102 | 7,690 | (39,332) |
| Total Governmental Activities | 320,187 | 41,123 | 82,481 | 7,690 | (188,893) |

| ***General Revenues*** | |
|---|---|
| Taxes | |
| Sales and use tax | 132,730 |
| Property taxes | 24,995 |
| Franchise taxes | 19,561 |
| Other taxes | 4,576 |
| Interest and investment earnings | 962 |
| Miscellaneous | 1,135 |
| Total General Revenues | 183,959 |
| Changes in Net Position | (4,934) |
| Net Position - Beginning of the Year | 977,275 |
| Net Position - End of the Year | $ 972,341 |

# Town of Silver Cliff

## Balance Sheet - Governmental Funds

December 31, 2016

| Assets | General Fund | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|
| Cash | $ 86,752 | $ 12,789 | $ 99,541 |
| Investments | 75,508 | - | 75,508 |
| Receivables: | | | |
| Franchise fee | 19,561 | - | 19,561 |
| Sales tax | 18,434 | - | 18,434 |
| Property taxes | 24,330 | - | 24,330 |
| Other accounts receivable | 10,162 | 1,927 | 12,089 |
| Due from other governments | 6,748 | - | 6,748 |
| Total Assets | $ 241,495 | $ 14,716 | $ 256,211 |
| **Liabilities** | | | |
| Accounts payable | $ 5,552 | $ 80 | $ 5,632 |
| Accrued payroll liabilities | 658 | - | 658 |
| Total Liabilities | 6,210 | 80 | 6,290 |
| **Deferred Inflows of Resources** | | | |
| Deferred property taxes | 24,330 | - | 24,330 |
| **Fund Balance** | | | |
| Restricted for parks capital improvements | - | 3,018 | 3,018 |
| Restricted for emergency reserves | 9,500 | - | 9,500 |
| Assigned for museum fund | - | 11,617 | 11,617 |
| Unassigned fund balance | 201,455 | - | 201,455 |
| Total Fund Balance | 210,955 | 14,636 | 225,591 |
| Total Liabilities, Deferred Inflows and Fund Balance | $ 241,495 | $ 14,716 | $ 256,211 |

# Town of Silver Cliff

## Reconciliation of the Governmental Funds Balance Sheet with the Statement of Net Position

December 31, 2016

| | | |
|---|---|---|
| **Total Fund Balance - Governmental Funds** | $ | 225,591 |
| ***Amounts reported for governmental activities in the statement of Net Position are different because:*** | | |
| Capital assets used in governmental activities are not financial resources and are therefore not reported in the governmental funds | | 753,971 |
| Vested employee sick pay is not expected to be paid during the next year and is therefore not considered a fund liability | | (7,218) |
| **Total Net Position - Governmental Activities** | $ | 972,341 |

# Town of Silver Cliff

## Statement of Revenues, Expenditures, and Changes In Fund Balance - Governmental Funds

For the Year Ended December 31, 2016

| | General Fund | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|
| **Revenues** | | | |
| Property tax | $ 24,995 | $ - | $ 24,995 |
| Sales and use tax | 132,730 | - | 132,730 |
| Franchise tax and special assessments | 19,561 | - | 19,561 |
| Other taxes | 4,576 | - | 4,576 |
| Intergovernmental, grants and donations | 55,737 | 12,654 | 68,391 |
| County road and bridge tax | 21,780 | - | 21,780 |
| Charges for services | 41,123 | - | 41,123 |
| Investment earnings | 886 | 76 | 962 |
| Miscellaneous | 1,135 | - | 1,135 |
| Total Revenue | 302,523 | 12,730 | 315,253 |
| **Expenditures** | | | |
| General government | 124,754 | 5,409 | 130,163 |
| Public works | 67,418 | - | 67,418 |
| Public safety | 48,413 | - | 48,413 |
| Parks and recreation | 25,260 | - | 25,260 |
| Capital outlay | 28,481 | 3,500 | 31,981 |
| Total Expenditures | 294,326 | 8,909 | 303,235 |
| **Other Financing Sources and (Uses)** | | | |
| Operating transfers | (656) | 656 | - |
| Total Other Financing Sources and (Uses) | (656) | 656 | - |
| Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses | 7,541 | 4,477 | 12,018 |
| Fund Balance, Beginning of Year | 203,414 | 10,159 | 213,573 |
| Prior Period Adjustment | | - | - |
| Fund Balance, End of Year | $ 210,955 | $ 14,636 | $ 225,591 |

# Town of Silver Cliff

## Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances with the Statement of Activities

For the Year Ended December 31, 2016

| | | |
|---|---|---|
| **Total Change in Fund Balances - Governmental Funds** | $ | 12,018 |
| ***Amounts reported for governmental activities in the statement of Activities are different Because:*** | | |
| The cost of capital outlays to purchase or build capital assets shown on the statement of Net Position. | | 31,981 |
| Depreciation of capital assets is not considered an expenditure of the fund because it does not require the use of current resources | | (47,711) |
| Change in vested sick pay | | (1,222) |
| **Change in Net Position of Governmental Activities** | $ | (4,934) |

## Notes to Financial Statements

### 1. Summary of Significant Accounting Policies

The basic financial statements of the Town of Silver Cliff, Colorado have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

A. REPORTING ENTITY

The Town of Silver Cliff was incorporated in 1879 under the laws of the State of Colorado and operates under an elected Mayor-Board form of government. As required by generally accepted accounting principles, these financial statements present the Town of Silver Cliff (the primary government) and its component units, if any. No additional separate governmental units, agencies, or nonprofit corporations are included in the financial statements of the Town, since none were discovered to fall within the oversight responsibility based upon the application of the following criteria: financial accountability, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

B. BASIS OF PRESENTATION – GOVERNMENT-WIDE FINANCIAL STATEMENTS

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from the Town's three governmental funds. The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all of the activities of the Town.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as *general revenues.*

C. BASIS OF PRESENTATION – FUND FINANCIAL STATEMENTS

Governmental fund financial statements include a separate balance sheet and a statement of revenues, expenditures and changes in fund balances for the general fund and the other governmental funds combined. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the government-wide financial statements. The Town presents the following major governmental fund:

*General Fund*: This fund is established to account for resources devoted to financing the general services that the town performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the Town are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

D. MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

E. ASSETS, LIABILITIES, DEFERRED INFLOWS, AND NET POSITION/FUND BALANCE

### Deposits and Investments

The town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes govern the town's deposits of cash and investments.

Investments consist of certificates of deposit maturing in January and February of 2017.

### Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." An allowance for doubtful accounts on accounts receivable is not considered necessary.

### Capital Assets

Purchased or constructed capital assets are recorded at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. Infrastructure is reported in this financial statement and is being depreciated. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets' useful lives are not capitalized.

Capital assets are depreciated using the straight line method over the following estimated useful lives.

| | |
|---|---|
| Buildings and improvements | 20 – 50 years |
| Infrastructure | 10 years |
| Equipment and vehicles | 5 – 20 years |

Land and related improvements are not depreciated and assets under construction are not depreciated until they become available for service.

### Deferred Inflow of Resources

In addition to liabilities, the statement of net position and the governmental fund balance sheet report a separate section for *deferred inflow of resources*. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

### Net Position/Fund Balance

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The town itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). Classifications are hierarchical and are based primarily on the extent to which the town is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. The town classifies and reports amounts in the appropriate fund balance classifications. The town's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of restricted, committed, assigned, or unassigned.

The town may report the following classifications:

- Nonspendable Fund Balance—nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form—such as prepaid insurance or (b) legally or contractually required to be maintained intact—such as a trust that must be retained in perpetuity.
- Restricted Fund Balance—restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions are placed on fund balances

when legally enforceable legislation establishes the Town's right to assess, levy, or charge fees to be used for a specific purpose. Legal enforceability means that the town can be compelled by an external party (e.g., citizens, public interest groups, the judiciary) to use resources created by enabling legislation only for the purposes specified by the legislation.

- Committed Fund Balance—committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by the town Board of Trustees. Committed amounts cannot be used for any other purpose unless the board removes those constraints by taking the same type of action (e.g., legislation, resolution or ordinance). Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the board. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- Assigned Fund Balance—assigned fund balances are amounts that are constrained by the town's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by (a) the Board of Trustees or (b) an appointed body (e.g., a budget or finance committee) or official to which the board has delegated the authority to assign, modify, or rescind amounts to be used for specific purposes. The Board of Trustees has not designated anyone other than the board itself to assign fund balances. Assigned fund balance includes (a) all remaining amounts that are reported in governmental funds (other than the general fund) that are not classified as nonspendable, restricted, or committed, and (b) amounts in the general fund that are intended to be used for a specific purpose. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund, are assigned for purposes in accordance with the nature of their fund type. Assignment within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the town itself.
- Unassigned Fund Balance—unassigned fund balance is the residual classification for the general fund. This classification represents general fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the general fund.

## Fund Balance Flow Assumptions

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

F. REVENUES AND EXPENDITURES

## Program Revenues

Amounts reported as *program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

## Property Taxes

Property taxes are levied on January 1 based on the assessed value of property as listed on the previous June 30, and are payable in two equal payments before the last day of February and the 15th day of June or in one full payment before the last day of April.

Property taxes are recognized as revenue when they are levied because they are considered to be both measurable and available. Available means due or past due and receivable within the current period and collected no more than 60 days after December 31.

### Compensated Absences

Employees of the town are entitled to vacation and sick leave benefits based on length of service. Vacation leave is earned on a yearly basis. The amount of vacation varies between five and fifteen days per year depending upon the number of years of continuous service provided by the employee. Vacation must be taken during the calendar year it is earned, except for one week which may be carried over to the next year. Any unused vacation time will be paid to the employee upon termination.

Sick leave is earned at one day per month for full time employees and is prorated for part time employees. Employees will be allowed to accumulate 30 days of sick leave, half of which is paid upon termination.

Because it is believed that only an insignificant portion of the liability for compensated absences will be paid in the coming year, these benefit costs are not accrued in the fund financial statements but are recognized in the government-wide financial statements.

G. BUDGETS AND ENCUMBRANCES

An annual budget and appropriation ordinance is adopted by the Board of Trustees in accordance with Colorado State Budget Act. The budget is prepared on a basis consistent with generally accepted accounting principles. Budgets are established for all governmental funds. Formal budgetary accounting is employed as a management control device during the year to monitor the individual funds. The fund level is the level of classification at which expenditures may not legally exceed appropriations. During the year the general fund budget was amended to provide additional appropriations of $9,658.

H. RISK MANAGEMENT

The town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The town participates in a public entity risk pool to mitigate such risks. Settled claims resulting from these risks did not exceed coverage by the public entity risk pool during any of the last three years.

I. USE OF ESTIMATES

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

J. TAX, SPENDING AND DEBT LIMITATIONS

In November, 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR imposes tax raising, revenue, spending and debt limitations on local government entities within the State of Colorado. These limitations became effective for the first fiscal year beginning after December 31, 1992.

On April 2, 1996 the Town of Silver Cliff passed a referendum regarding the revenue and spending limits imposed by Article X, section 20 of the Colorado constitution. The referendum allows the Town, without increasing or adding any taxes of any kind, to collect, retain and expend all revenues and other funds collected during 1995 and thereafter.

In addition to the tax raising, revenue, spending and debt limitation provisions of TABOR, there is also a requirement that every entity to which TABOR applies must establish an "emergency reserve". The reserve must be at least 3% of its fiscal year spending subject to some exclusions. The reserve may only be used for declared emergencies. For the year ended December 31, 2016, the town has reserved $9,500 which represents 3% of fiscal year spending.

The town believes it is in compliance with TABOR's provisions.

## 2. Cash in Banks and Savings and Loans

Deposits of the town at the banks or savings and loans where the funds are maintained are insured up to $250,000, either by the Federal Deposit Insurance Corporation (FDIC) or by the Federal Savings and Loan Insurance Corporation (FSLIC). Colorado's Public Deposit Protection Act of 1975 enables any eligible public depository to elect to secure public deposits by pledging eligible collateral having a market value at all times equal to at least one hundred two percent (102%) of the aggregate of said deposits not insured.

CUSTODIAL CREDIT RISK – DEPOSITS

Custodial credit risk is the risk that in the event of a bank failure, the town's deposits may not be returned to it. The town does not have a deposit policy for custodial credit risk. Uninsured deposits in financial institutions are placed into three categories depending on the custody credit risk. The categories are as follows:

a. Uncollateralized
b. Collateralized with securities held by the pledging financial institution
c. Collateralized with securities held by the pledging financial institution's trust department, or agent but not in the entity's name.

At December 31, 2016 all of the Town's deposits were insured

INTEREST RATE RISK

The town has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

CREDIT RISK

The town has no investment policy that limits its investment choices other than the limitation of state law as follows:

1. Direct obligations of the U.S. Government, its agencies, and instrumentalities to which the full faith and credit of the U.S. Government is pledged or obligations to the payment of which the full faith and credit of the State is pledged;
2. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out of state financial institutions;
3. With certain limitation, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper, and repurchase agreements with certain limitations;
4. Town, municipal, or school district tax supported debt obligations; bond or revenue anticipation notes; money; or bond or revenue anticipation notes of public trusts whose beneficiary is a town, municipality, or school district;
5. Notes or bonds secured by a mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and obligations of the National Mortgage Association; and
6. Money market funds regulated by the Securities and Exchange Commission in which investments consist of the investments in 1, 2, 3, and 4 above.

CONCENTRATIONS OF CREDIT RISK

The town places no limit on the amount it may investment in any one issuer. At December 31, 2016 the town had no concentration of investment credit risk.

The town invests excess funds under the prudent investor rule. Criteria for selection of investments and their order of priority are: 1) safety; 2) liquidity; and 3) yield.

## 3. Capital Assets

The following is a summary of the activity for capital assets for the year.

| Description | Balance Beginning of Year | Additions | Deletions | Balance End of Year |
|---|---|---|---|---|
| Land (not being depreciated) | $ 144,251 | $ - | $ - | $ 144,251 |
| ***Capital Assets Being Depreciated*** | | | | |
| Land improvements | 352,703 | 8,081 | - | 360,784 |
| Buildings: | 422,368 | - | - | 422,368 |
| Equipment and vehicles | 236,863 | 23,900 | - | 260,763 |
| Infrastructure | 193,745 | - | - | 193,745 |
| Totals at cost | 1,349,930 | 31,981 | - | 1,381,911 |
| Less Accumulated Depreciation | (580,230) | (47,711) | - | (627,941) |
| **Net capital assets** | **$ 769,700** | N/A | N/A | **$ 753,970** |

Depreciation was charged to activities as follows:

| | |
|---|---|
| General government | $ 4,531 |
| Public works | 19,316 |
| Parks and recreation | 23,864 |
| Total depreciation expense | $ 47,711 |

## 4. Long-term Debt

The following is a summary of long-term debt transactions for the year:

| Description | Balance January 01, 2016 | Additions | Retirements | Balance December 31, 2016 | Due Within One Year |
|---|---|---|---|---|---|
| Compensated Absences | 5,996 | 1,222 | - | 7,218 | - |
| **Total** | **$ 5,996** | **$ 1,222** | **$ -** | **$ 7,218** | **$ -** |

## 5. Risk Management

The town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA provides liability coverage and Pinnacol Assurance provides workers' compensation coverage to the town. The coverage is provided through joint self - insurance and excess insurance.

CIRSA's rate setting policies are established by the Board of Directors, in consultation with independent actuaries. The town is subject to a supplemental assessment in the event of deficiencies and may receive credit on future contributions in the event of a surplus.

CIRSA has entered into various excess insurance contracts to limit large losses and minimize exposure on large risks. Excess of loss insurance contracts in effect during 2016 limit CIRSA's per occurrence exposure to $500,000 for the property coverages and $600,000 for casualty coverages and provide coverage to specified upper limits.

## Other Required Supplementary Information

This section, though not a part of the Basic Financial Statements for the Town of Silver Cliff, Colorado, is required to be presented by the Governmental Accounting Standards Board. The section contains the budget to actual comparisons for the General Fund.

# Town of Silver Cliff
## General Fund

### Schedule of Revenues and Expenditures- Budget and Actual - and Changes in Fund Balance
For the Year Ended December 31, 2016

| | Original Budget | Final Budget | Actual | Variance with Budget |
|---|---|---|---|---|
| **Revenue** | | | | |
| ***Taxes*** | | | | |
| Property tax | $ 29,000 | $ 29,000 | $ 24,995 | $ (4,005) |
| Sales and use tax | 126,000 | 135,000 | 132,730 | (2,270) |
| County road and bridge tax | 21,700 | 21,700 | 21,780 | 80 |
| Franchise and special assessments | 20,000 | 20,000 | 19,561 | (439) |
| Specific ownership tax | 3,000 | 3,300 | 3,268 | (32) |
| Cigarette tax | 800 | 1,155 | 1,308 | 153 |
| Total taxes | 200,500 | 210,155 | 203,642 | (6,513) |
| ***Charges for Services*** | | | | |
| Building and zoning | 10,200 | 15,225 | 16,199 | 974 |
| Liquor licenses and special events | 725 | 1,375 | 850 | (525) |
| Other charges for services | 13,284 | 21,903 | 24,074 | 2,171 |
| Total charges for services | 24,209 | 38,503 | 41,123 | 2,620 |
| ***Intergovernmental and grant revenues*** | | | | |
| Highway users tax | 44,400 | 44,400 | 47,277 | 2,877 |
| Other grants | 1,800 | 7,500 | 8,461 | 961 |
| Total intergovernmental revenue | 46,200 | 51,900 | 55,738 | 3,838 |
| ***Interest income*** | 400 | 460 | 886 | 426 |
| ***Other revenue*** | 2,300 | 500 | 1,135 | 635 |
| ***Transfers in*** | - | 4,000 | 4,000 | - |
| Total revenue | $ 273,609 | $ 305,518 | $ 306,524 | $ 1,006 |

## Town of Silver Cliff
### General Fund
Schedule of Revenues and Expenditures- Budget and Actual - and Changes in Fund Balance (continued)
For the Year Ended December 31, 2016

| | Original Budget | Final Budget | Actual | Variance with Budget |
|---|---|---|---|---|
| **Expenditures** | | | | |
| ***General Government*** | | | | |
| Personnel costs | $ 65,400 | $ 65,400 | $ 60,847 | $ 4,553 |
| Donations | - | 5,000 | 5,000 | - |
| Legal | 4,000 | 4,000 | 6,475 | (2,475) |
| Audit | 5,200 | 5,200 | 5,050 | 150 |
| Insurance | 6,000 | 6,000 | 4,585 | 1,415 |
| Treasurer's fees | 1,000 | 1,000 | 2,473 | (1,473) |
| Town hall maintenance and utilities | 11,000 | 11,000 | 7,611 | 3,389 |
| Other | 29,450 | 65,450 | 32,713 | 32,737 |
| Total general government | 122,050 | 163,050 | 124,754 | 38,296 |
| ***Public works*** | | | | |
| Personnel costs | 46,800 | 46,800 | 42,083 | 4,717 |
| Street maintenance and fuel | 5,200 | 5,200 | 2,993 | 2,207 |
| Street lights | 5,000 | 5,000 | 4,227 | 773 |
| Repairs and maintenance | 10,100 | 10,100 | 7,236 | 2,864 |
| Utilities | 6,000 | 6,000 | 6,129 | (129) |
| Other public works | 2,800 | 2,800 | 4,750 | (1,950) |
| Total public works | 75,900 | 75,900 | 67,418 | 8,482 |
| ***Public safety*** | 47,700 | 47,700 | 48,413 | (713) |
| ***Park maintenance and utilities*** | 23,200 | 23,200 | 25,260 | (2,060) |
| ***Capital Outlay*** | - | 30,200 | 28,481 | 1,719 |
| ***Transfers to other funds*** | - | - | 4,656 | (4,656) |
| Total Expenditures | 268,850 | 340,050 | 298,982 | 41,068 |
| Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses | $ 4,759 | $ (34,532) | 7,542 | $ 42,074 |
| Fund Balance, Beginning of Year | | | 203,413 | |
| Fund Balance, End of Year | | | $ 210,955 | |

## Other Supplementary Information

This section, though not required by generally accepted accounting principles, presents the combining statements of the conservation trust and museum funds (nonmajor governmental funds) and the budget to actual comparisons for the conservation trust fund and the museum fund for the Town of Silver Cliff, Colorado.

## Town of Silver Cliff

### Combining Balance Sheet - Nonmajor Funds

December 31, 2016

| | Museum Fund | Conservation Trust Fund | Totals |
|---|---|---|---|
| **Assets** | | | |
| Cash | $ 9,770 | $ 3,018 | $ 12,788 |
| Accounts receivable | 1,927 | - | 1,927 |
| Total Assets | $ 11,697 | $ 3,018 | $ 14,715 |
| **Liabilities** | | | |
| Accounts payable | $ 80 | - | 80 |
| Total Liabilities | 80 | - | 80 |
| **Fund Balance** | | | |
| Restricted | - | 3,018 | 3,018 |
| Assigned | 11,617 | - | 11,617 |
| Total Fund Balance | 11,617 | 3,018 | 14,635 |
| Total Liabilities and Fund Balance | $ 11,697 | $ 3,018 | $ 14,715 |

## Town of Silver Cliff

### Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Funds

December 31, 2016

| | Museum Fund | Conservation Trust Fund | Totals |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ - | $ 6,556 | $ 6,556 |
| Donations | 6,097 | - | 6,097 |
| Other | 59 | 17 | 76 |
| Total Revenues | 6,156 | 6,573 | 12,729 |
| **Expenditures** | | | |
| General government | 5,409 | - | 5,409 |
| Capital outlay | - | 3,500 | 3,500 |
| Total Expenditures | 5,409 | 3,500 | 8,909 |
| Excess of Revenues Over (Under) Expenditures | 747 | 3,073 | 3,820 |
| **Other Financing Sources (Uses)** | | | |
| Transfers from other funds | 4,656 | (4,000) | 656 |
| Net Change in Fund Balance | 5,403 | (927) | 4,476 |
| Fund Balance, Beginning of Year | 6,214 | 3,945 | 10,159 |
| Fund Balance, End of Year | $ 11,617 | $ 3,018 | $ 14,635 |

# Town of Silver Cliff

## Schedule of Revenues and Expenditures - Budget and Actual - and Changes in Fund Balance
For the Year Ended December 31, 2016

| | Conservation Trust Fund | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Budget |
| **Revenues** | | | | |
| State revenues and grants | $ 5,800 | $ 5,800 | $ 6,556 | $ 756 |
| Interest income | 60 | 60 | 19 | (41) |
| Total Revenue | 5,860 | 5,860 | 6,575 | 715 |
| **Expenditures** | | | | |
| Capital outlay | 5,927 | 5,927 | 3,500 | 2,427 |
| Total Expenditures | 5,927 | 5,927 | 3,500 | 2,427 |
| Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses | $ (67) | $ (67) | 3,075 | $ 3,142 |
| Fund Balance, Beginning of Year | | | 3,945 | |
| Fund Balance, End of Year | | | $ 7,020 | |

| | Museum Fund | | | |
|---|---|---|---|---|
| | Original Budget | Final Budget | Actual | Variance with Budget |
| **Revenues** | | | | |
| Donations | $ 7,000 | $ 7,000 | $ 6,097 | $ (903) |
| Other revenues | 80 | 80 | 60 | (20) |
| Total Revenue | 7,080 | 7,080 | 6,157 | (923) |
| **Expenditures** | | | | |
| General government | 9,700 | 9,700 | 5,409 | 4,291 |
| Total Expenditures | 9,700 | 9,700 | 5,409 | 4,291 |
| Transfers from other funds | - | - | 4,656.00 | 4,656.00 |
| Excess of Revenue and Other Sources Over (Under) Expenditures and Other Uses | $ (2,620) | $ (2,620) | 5,404 | $ 8,024 |
| Fund Balance, Beginning of Year | | | 6,214 | |
| Fund Balance, End of Year | | | $ 11,618 | |

## Legal and Other Regulatory Requirements – Local Highway Finance Report

This section presents the Local Highway Finance Report. The State of Colorado requires that it be presented with the Town of Silver Cliff's Audited Financial Statements.

The public report burden for this information collection is estimated to average 380 hours annually.

Financial Planning 02/01
Form # 350-050-36

| | |
|---|---|
| **LOCAL HIGHWAY FINANCE REPORT** | City or County:<br>CUSTER |
| | YEAR ENDING :<br>December 2014 2016 |
| This Information From The Records Of (example - City of _ or County of<br>Town of Silver Cliff | Prepared By:<br>Phone:719-783-2615 ILEEN SQUIRE |

## I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

| ITEM | A. Local Motor-Fuel Taxes | B. Local Motor-Vehicle Taxes | C. Receipts from State Highway-User Taxes | D. Receipts from Federal Highway Administration |
|---|---|---|---|---|
| 1. Total receipts available | | | | |
| 2. Minus amount used for collection expenses | | | | |
| 3. Minus amount used for nonhighway purposes | | | | |
| 4. Minus amount used for mass transit | | | | |
| 5. Remainder used for highway purposes | | | | |

## II. RECEIPTS FOR ROAD AND STREET PURPOSES

| ITEM | AMOUNT |
|---|---|
| **A. Receipts from local sources:** | |
| 1. Local highway-user taxes | |
| a. Motor Fuel (from Item I.A.5.) | |
| b. Motor Vehicle (from Item I.B.5.) | |
| c. Total (a.+b.) | |
| 2. General fund appropriations | 5,415 |
| 3. Other local imposts (from page 2) | 19,046 |
| 4. Miscellaneous local receipts (from page 2) | 0 |
| 5. Transfers from toll facilities | |
| 6. Proceeds of sale of bonds and notes: | |
| a. Bonds - Original Issues | |
| b. Bonds - Refunding Issues | |
| c. Notes | |
| d. Total (a. + b. + c.) | 0 |
| 7. Total (1 through 6) | 24,460 |
| **B. Private Contributions** | |
| **C. Receipts from State government** (from page 2) | 48,057 |
| **D. Receipts from Federal Government** (from page 2) | 0 |
| **E. Total receipts (A.7 + B + C + D)** | 72,517 |

## III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

| ITEM | AMOUNT |
|---|---|
| **A. Local highway disbursements:** | |
| 1. Capital outlay (from page 2) | 0 |
| 2. Maintenance: | 40,532 |
| 3. Road and street services: | |
| a. Traffic control operations | 33 |
| b. Snow and ice removal | 3,640 |
| c. Other | 4,227 |
| d. Total (a. through c.) | 7,900 |
| 4. General administration & miscellaneous | 15,386 |
| 5. Highway law enforcement and safety | 8,700 |
| 6. Total (1 through 5) | 72,518 |
| **B. Debt service on local obligations:** | |
| 1. Bonds: | |
| a. Interest | |
| b. Redemption | |
| c. Total (a. + b.) | 0 |
| 2. Notes: | |
| a. Interest | |
| b. Redemption | |
| c. Total (a. + b.) | 0 |
| 3. Total (1.c + 2.c) | 0 |
| **C. Payments to State for highways** | |
| **D. Payments to toll facilities** | |
| **E. Total disbursements (A.6 + B.3 + C + D)** | 72,518 |

## IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

| | Opening Debt | Amount Issued | Redemptions | Closing Debt |
|---|---|---|---|---|
| **A. Bonds (Total)** | ps://sites.google.com/a/state.co.us/local-highway-finance-report/home | | | 0 |
| 1. Bonds (Refunding Portion) | | | | |
| **B. Notes (Total)** | | | | 0 |

## V. LOCAL ROAD AND STREET FUND BALANCE

| A. Beginning Balance | B. Total Receipts | C. Total Disbursements | D. Ending Balance | E. Reconciliation |
|---|---|---|---|---|
| | 72,517 | 72,518 | | (1) |

**Notes and Comments:**

FORM FHWA-536 (Rev. 1-05) PREVIOUS EDITIONS OBSOLETE (Next Page)

| LOCAL HIGHWAY FINANCE REPORT | STATE:<br>Colorado |
|---|---|
| | YEAR ENDING (mm/yy):<br>December 31, 2016 |

## II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

| ITEM | AMOUNT | ITEM | AMOUNT |
|---|---|---|---|
| **A.3. Other local imposts:** | | **A.4. Miscellaneous local receipts:** | |
| a. Property Taxes and Assessments | | a. Interest on investments | |
| b. Other local imposts: | | b. Traffic Fines & Penalities | |
| 1. Sales Taxes | | c. Parking Garage Fees | |
| 2. Infrastructure & Impact Fees | | d. Parking Meter Fees | |
| 3. Liens | | e. Sale of Surplus Property | |
| 4. Licenses | | f. Charges for Services | |
| 5. Specific Ownership &/or Other | 19,046 | g. Other Misc. Receipts | 0 |
| 6. Total (1. through 5.) | 19,046 | h. Other | |
| c. Total (a. + b.) | 19,046 | i. Total (a. through h.) | 0 |
| | (Carry forward to page 1) | | (Carry forward to page 1) |

| ITEM | AMOUNT | ITEM | AMOUNT |
|---|---|---|---|
| **C. Receipts from State Government** | | **D. Receipts from Federal Government** | |
| 1. Highway-user taxes | 45,058 | 1. FHWA (from Item I.D.5.) | |
| 2. State general funds | | 2. Other Federal agencies: | |
| 3. Other State funds: | | a. Forest Service | |
| a. State bond proceeds | | b. FEMA | |
| b. Project Match | | c. HUD | |
| c. Motor Vehicle Registrations | 2,999 | d. Federal Transit Admin | |
| d. Other (Specify) - DOLA Grant | | e. U.S. Corps of Engineers | |
| e. Other (Specify) | | f. Other Federal | |
| f. Total (a. through e.) | 2,999 | g. Total (a. through f.) | 0 |
| 4. Total (1. + 2. + 3.f) | 48,057 | 3. Total (1. + 2.g) | |
| | | | (Carry forward to page 1) |

## III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

| | ON NATIONAL HIGHWAY SYSTEM (a) | OFF NATIONAL HIGHWAY SYSTEM (b) | TOTAL (c) |
|---|---|---|---|
| **A.1. Capital outlay:** | | | |
| a. Right-Of-Way Costs | | | 0 |
| b. Engineering Costs | | | 0 |
| c. Construction: | | | |
| (1). New Facilities | | | 0 |
| (2). Capacity Improvements | | | 0 |
| (3). System Preservation | | | 0 |
| (4). System Enhancement & Operation | | | 0 |
| (5). Total Construction (1) + (2) + (3) + (4) | 0 | 0 | 0 |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5) | 0 | 0 | 0 |
| | | | (Carry forward to page 1) |

**Notes and Comments:**

**FORM FHWA-536 (Rev.1-05)** PREVIOUS EDITIONS OBSOLETE