



COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED DECEMBER 31, 2016

Prepared by:
Town of Silverthorne's
General Government Department



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TOWN OF SILVERTHORNE, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For Fiscal Year Ended December 31, 2016

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August 31, 2017

To the Honorable Mayor, Members of the Town Council and the Citizens of the Town of Silverthorne:

The Town of Silverthorne is pleased to present the comprehensive annual financial report, prepared in accordance with generally accepted accounting principles (GAAP) for the year ended December 31, 2016. The report is submitted as mandated by both local ordinance and state statutes. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Town government. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Town government. The Town has established an internal control structure designed to ensure accurate financial reporting and to safeguard the assets of the Town. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

The Town of Silverthorne's financial statements for the year ended December 31, 2016, have been issued an unmodified ("clean") opinion by Swanhorst & Company, LLC, a firm of licensed certified public accountants. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town of Silverthorne's MD&A can be found immediately following the report of the independent auditors.

Governmental Structure

Of all the towns in Colorado, few have probably experienced the overwhelming change that Silverthorne has in the short time since its incorporation in 1967. Over the course of its brief existence, the Town has gone from a makeshift construction camp for workers building the Dillon Dam, to a period in which the most the Town had to offer was a convenient refueling stop along Interstate 70, to a full-service, well-balanced community of approximately 4,200 people.

The Town of Silverthorne is located high in the Colorado Rocky Mountains, approximately 70 miles west of Denver, at an elevation of 8,730 feet. It is situated along the Lower Blue River Valley below peaks of 12,000 and 13,000 feet and is surrounded on two sides by large stands of forest and Wilderness Areas. It is considered the gate-

way to Summit County and Western Colorado. Five major ski resorts are within 10 miles of Silverthorne making Silverthorne a “bedroom community” to the resorts and an attractive area for second homeowners.

The government operates under the council-manager form of government. Policymaking and legislative authority are vested in the Town Council, which consists of a mayor and six-member council. The Town Council is responsible for, among other things, passing ordinances, adopting the budget and hiring the Town Manager. The Town Manager is responsible for carrying out the policies and ordinances of the Town Council and for overseeing the day-to-day operations.

The Town provides a full range of services. These services include police protection, street construction and maintenance, infrastructure, water and sewer services, the Silverthorne Recreation Center, recreation activities and programs, the Silverthorne Performing Arts Center (SPAC) and operational support for the Lake Dillon Theater Company, the Silverthorne Pavilion and arts and cultural events. Wastewater services are provided through a legally separate Joint Sewer Authority, which the Town manages and are therefore reported separately within the Town of Silverthorne’s financial statements. Additional information on the Authority can be found in Note G in the notes to the financial statements.

The Town Council is required to adopt a final budget by no later than the thirty days prior to the beginning of the fiscal year. This annual budget serves as the foundation for the Town of Silverthorne’s financial planning and control. The budget is prepared by fund, function (e.g. Public Works), and department (e.g. Streets). Department Directors may transfer resources within a department. Transfers between departments require the Town Manager’s approval while transfers between funds need approval from the Town Council. Adjustments to the budget are conducted several times during a fiscal year after Town Council review and approval via ordinance.

In order to evaluate progress against the goals set for 2016, it is important to note the primary goal of the Town Council as described in its Mission Statement:

We, the Silverthorne Town Council, recognize our Town as a year-round, family community with economic, recreational and social opportunities for all citizens to have a mountain quality of life.”

The Mission Statement and other tools such as the Home Rule Charter, the Municipal Code, the Comprehensive Plan, the Three Mile Plan, Parks, Trails & Open Space Plan and Department Policies (Operations, Personnel and Financial) and strategic plans all provide guidance to the Town Council and Town staff in their task of making decisions regarding daily operations as well as long range planning.

Factors Affecting Financial Condition

Local Economy: Fiscal year 2016 results reflect continuing national/state/local economic growth. Sales tax revenues, which continue to be our major revenue source, had a record year in 2016. The Town saw an increase in residential construction starts in 2016. Most of these residences will obtain a certificate of occupancy in 2017.

Silverthorne is home to many commercial businesses which service the community and surrounding areas as well as a large number of visitors to the area. Retail stores include Lowe’s, Target, and 80 (when fully leased) Outlet stores, 36 restaurants and 7 hotels. Major industries/employers in 2016 included: Lowe’s, Outlets at Silverthorne Stores, Xcel Public Utilities, Town of Silverthorne, U.S. Forest Service, Colorado Mountain Express, Target and a combination of lodging, building and restaurant businesses. During the recession of 2009-2011, many of these businesses (and the Town) laid off employees or left positions vacant. Employment statistics have improved annually beginning

in 2012 and it is currently a very tight job market. As a comparison, Summit County and Colorado unemployment rates in 2012 were 7.1% and 8% respectively, and by the end of 2016 the rates were 1.5% and 3.0% respectively.

The Town continues to be financially stable and did not use general fund balances for 2016 annual operations (fund balance decreased due to a transfer to the Capital Improvement Project Fund). Recent economic history includes: the opening of the Target store in March of 2003, strong growth in tourism and the building industries from 2005 - 2008. Beginning in 2009 and continuing into 2011, revenues decreased due to the recession. During this time, the Town froze salaries, left five positions vacant and had across-the-board reductions to supplies & services. 2013 saw the opening of the Lowe's Home Improvement store. 2015 included merit and market salary increases for employees and growth in department expenditures. While the Town has had modest to moderate increases in cash throughout the years, in order to complete many planned projects it will be necessary to diversify and increase revenues. In the meantime, due to a conservative reserve policy (6-month of expenditures), the Town is in position to handle economic difficulties.

The primary challenge the Town faces is its dependency on sales tax revenues. 2016 sales tax revenues comprised 62% of the general fund and 97% of the sales tax capital fund revenues (not including financing proceeds). Fiscal year 2016 sales tax results were at an all-time high of \$10,724,078 (an increase of 5.4% increase over 2015). The Town is looking forward to using these additional revenues to increase and improve services provided to residents and visitors.

Sales tax trends model the health of our local businesses and unfortunately, the retail industry is declining nationwide. This is reflected in the decreased sales tax the Town receives from the Outlet stores. The Outlets continue to be an important source of Town's revenues, contributing 22% of the Town's total sales tax revenues. Beyond the Outlets and other small businesses, the Town is home to a two big-box stores: Target and Lowe's. A new Hampton Inn also opened its doors in December of 2015 and has been operating at almost full occupancy ever since.

State-wide skier/snowboarder numbers were down slightly in the 2016/2017 winter season. Recent reports from Colorado Ski Country showed a decrease of 1.4% for the state, and Vail Resorts (the owner of two of four ski resorts in Summit County) reported that the skier visits for the 2016/2017 season decreased by 2.8%. Vail Resorts' data represents 10 ski areas across North America and statistics for individual resorts is not available. In most years, changes in the number of skier visits track with the Town's sales tax revenue, although in 2016 that was not the case.

New building permits issued in 2016 were up 53% as compared to 2015. In 2016, the Town issued 157 building permits versus to 107 in 2015. Building related activities bring in one-time revenues including building permits, excise tax, utility taps, and 5A workforce housing impact fees. In certain developments, the Town has worked to establish Real Estate Transfer Assessment agreements which contribute to Town revenues when residential property changes ownership. The number of building permits issued is a leading indicator as to construction retail revenues, and in 2016 sales tax revenues for the building retail sector increased in by 14.2%. Even with the large number of new residential housing starts, the community continues to experience a shortage of affordable housing.

Additional Revenue Stream: To address the County-wide challenges of affordable/workforce housing, in 2015 a ballot measure was passed to extend the existing workforce and affordable housing tax in perpetuity. The 0.125% sales tax supports the construction of local workforce housing projects and as well as services and programs such as homebuyers' education classes, loan options, down-payment assistance and home rehabilitation assistance for eligible residents. Then in 2016, an additional ballot measure was passed to temporarily increase the sales tax dedicated for affordable housing development. An increase of 0.6% for ten years is expected to garner the Town over \$1M in additional revenues annually which will help finance construction of residential development of the

Smith Ranch property. The residential portion of this parcel is dedicated to affordable and/or workforce housing.

New Facilities and Programs: General fund revenues out-paced expenditures in 2016 by \$1,302,759 (not including transfers). The Town continues to control expenditures while cautiously budgeting for sales tax revenues. A recent addition to the budget was operational support for the Lake Dillon Theater Company, which began operating out of the new Silverthorne Performing Arts Center (SPAC) in June of 2017. Further emphasis has been placed on economic development by encouraging and coordinating with developers interested in our Town Core area. The construction of the SPAC was in progress at the end of 2016 and is the largest capital project the Town has taken on in quite some time. Lease-purchase financing of \$4.5M was utilized to make this important project possible. Other funding sources were General and Capital Fund balances and contributions from the Lake Dillon Theater Company to take place in 2017 and 2018.

The Town has taken many steps towards the goal of a vibrant downtown area. In 2015, the Town completed an Arts strategic plan. Our Council has made the additional of arts and culture programs a goal for the Town and as part of our Town Core area. As part of the strategy, the Town has an agreement with the Lake Dillon Theater Company (LDTC) to move to Silverthorne and to operate out of the new Silverthorne Performing Arts Center (SPAC) which was completed in 2017. The SPAC is now a centerpiece for visitors to the Town Core and complements the existing Pavilion events venue, which hosts entertainment, weddings, private and community events. Pedestrian bridges and walkways add to the accessibility of the Center and connect to the Outlets, parks, and the Recreation Center. The Town strives to balance economics with our vision of a vibrant Town Core area and is working with a private developer to add mixed use residential/retail in the Town core across from the SPAC. Town contributions to the development will be made possible by incremental taxes on the improvements received by the Town's Urban Renewal Authority.

The Town's current Public Works shop has outgrown its location. The construction of the new Cottonwood Shop on the North end of Town will provide much needed office and equipment storage space. The new Cottonwood Public Works building has been designed, and construction is expected to begin in 2017 with completion in 2018. The Town sold the building leased by the US Forest Service in early 2017 as ownership of the property did not support the Town's strategic direction. The funds made available from that sale will be used toward partially funding the new public works shop project. Other sources include transfers from the General, Water and Sewer Funds as well as a \$1,000,000 grant from the Colorado Department of Local Affairs.

Another project expected to take several years to complete is construction of attainable housing and retail development on the Smith Ranch property. Although additional sales tax revenues dedicated to affordable housing mentioned above will allow the Town to contribute to this project, residential development adds service and maintenance expense to the Town's budget but does not contribute to revenues. We hope that the commercial tract will attract a grocery store and other retailers as well as provide a new location for the fire district and other community needs.

Long-Term Financial Planning: The spendable fund balance in the general fund is 96% of annual expenditures. This places the Town in a solid financial position; however, the impacts of additional programs and projects have long term effects which the Town will need to temper if new/additional revenue streams are not identified. In planning for the future, strategic plans for Public Works, Public Safety, and the Arts have been completed which complement our Comprehensive Plan and Parks, Trails and Open Space Master plan. These documents will help guide us down the path that the Town envisions for its future.

The ongoing financial challenge for the Town is to bring balance between commercial and residential development. Commercial business generates revenues for the Town but residential development requires public services and provides very limited revenues to offset the cost of those services.

Relevant Financial Policies: The Town recognizes that in order to maintain current service levels and the potential need to increase service levels when impacted by growth in future years, the Town will need to find other revenue sources and/or continue to encourage increase in sales tax generating businesses. Per the Town's Financial Policies, the Town maintains financial reserves "to pay for needs caused by unforeseen emergencies which may include revenue shortages." This contingency can assist the Town in maintaining current service levels, but utilizing these funds is not interpreted as a long-term solution to a situation. In general, the Town Council does not consider the use of reserves for general day to day operations. The question of "Who pays for services when growth occurs?" continues to be a statewide challenge for Colorado and locally for Silverthorne. The Town has addressed this issue by utilizing real estate transfer assessments and general improvement districts in some residential areas. The Town's will continue to consider these tools as well as others to add to the revenue base in future years.

Per the Town's financial policies, capital related funds allow fund balances to grow and then be utilized for one-time type of capital projects as defined by the funds. Therefore, it's not unusual to see years where capital expenditures are greater than actual revenues.

Major Initiatives: In recent years, revenue trends have given the Town confidence in investing in projects that we expect will increase tourism, development and revenue diversity. The Town does not assess a property tax, therefore, residential development adds to the need to provide services without the offset of increased revenues. We remain dependent on growth in our sales tax base both through additional retail offerings and visitors to our stores and hotels. However, with growth in population, we hope to attract additional retail development, including a grocery store.

Some examples of how the Town is committed to economic development are the Urban Renewal Authority (URA) the Town established and recently reactivated. Other initiatives include reviewing sections of our commercial districts, purchasing property and activating the use of tax incentive programs such as the Enhanced Sales Tax Incentive Program (ESTIP) and Tax Increment Financing (TIF). In 2017, URA property tax incremental revenues will continue to be small, but we expect them to increase substantially as we pursue opportunities to make the best use of our commercial districts and entrance to our community.

The Town is also studying the costs and benefits to making improvements to Highway 9 through the Town Core with the intention of making it a more pedestrian friendly downtown. The calming of traffic through the core area will be essential to enable safe crossing and to encourage vibrancy on both sides of the thoroughfare.

As mentioned above, the Town is looking to expand cultural opportunities. In 2017, the Town completed a new Performing Arts Center and the Lake Dillon Theater Company has added programming making the SPAC a community attraction. Other art related projects and events have been incorporated into the Town such as a summer concert series. We are working to fulfill our Council's goal to draw more people to our community and to encourage economic development.

Town management and Council have and will continue to work together to analyze complex issues- looking for the best ways to utilize Town funds to provide services to the public while planning for the future.

Awards and Acknowledgements

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Silverthorne for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2015. The Certificate of Achievement is a prestigious national award; recognized for conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR), whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. Fiscal year 2015 was the twenty-first consecutive year the Town of Silverthorne has received the award. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

The Town also received the GFOA Distinguished Budget Presentation Award for our 2015-2016 Financial Plan. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

Acknowledgments: The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance & Administration Department. We would also like to express our appreciation for the cooperation of the other Town departments, which provided assistance and support.

Finally, we acknowledge the Mayor and Town Council, who have consistently supported the Town's goal of excellence in all aspects of financial management. Their continuing interest and support is greatly appreciated.

Respectfully Submitted,



Ryan Hyland
Town Manager, Town of Silverthorne



Laura Kennedy
Director of Finance & Administration

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Silverthorne
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

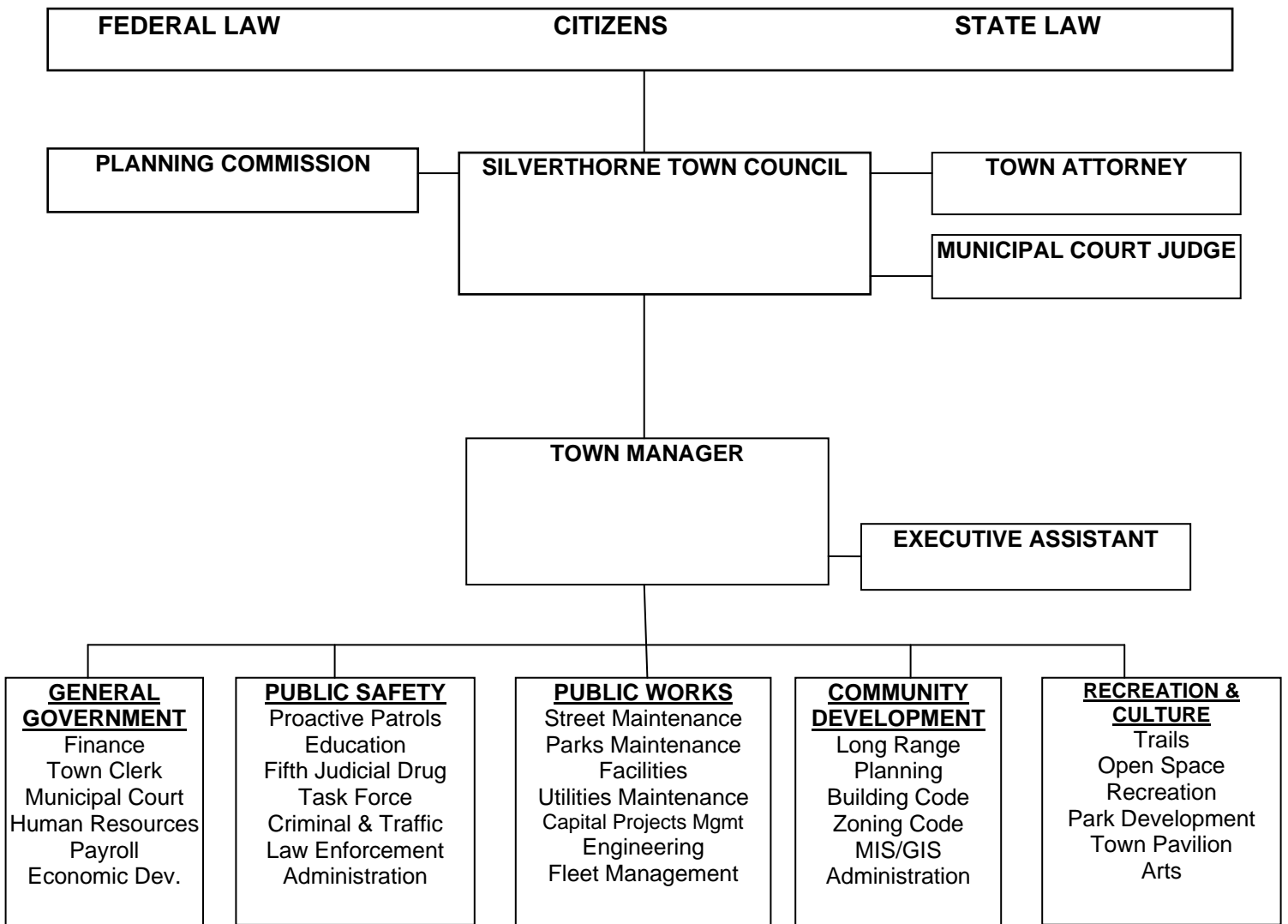


Executive Director/CEO



SILVERTHORNE COLORADO

TOWN OF SILVERTHORNE, CO ORGANIZATIONAL CHART





TOWN OF SILVERTHORNE, COLORADO
LIST OF ELECTED AND ADMINISTRATIVE OFFICIALS
December 31, 2016

Elected Officials

Mayor	Bruce Butler
Mayor Pro-tem	Joanne Nadalin
Council Members	Russ Camp
	Derrick Fowler
	Robert Kieber
	Peggy Long
	Tanya Shattuck

Administrative Officials

Town Manager	Ryan Hyland
Assistant Town Manager	Mark Leidal
Attorney	Matt Mire
Town Clerk	Michele Miller
Administration & Finance Director	Laura Kennedy
Police Chief	John Minor
Public Works Director	Tom Daugherty
Community Development Director	Mark Leidal
Recreation & Culture Director	JoAnne Cook

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Honorable Mayor and Members of the Town Council
Town of Silverthorne
Silverthorne, Colorado

INDEPENDENT AUDITORS' REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Silverthorne as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Town of Silverthorne, 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.

Auditors' 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 auditors' 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 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 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, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Silverthorne as of December 31, 2016, and the respective changes in financial position and cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters (Required Supplementary Information)

Accounting principles generally accepted in the United States of America require that the management discussion and analysis and the required supplementary information listed in the table of contents 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 information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Matters (Other Information)

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Silverthorne’s basic financial statements. The introduction section, combining and individual fund statements and schedules, statistical section, and local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules and the local highway finance report 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 the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole. The introduction and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.



August 29, 2017

TOWN OF SILVERTHORNE, COLORADO
MANAGEMENT DISCUSSION & ANALYSIS
December 31, 2016

As management of the Town of Silverthorne, we offer readers of the Town of Silverthorne's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-6 of this report.

FINANCIAL HIGHLIGHTS

- The assets of the Town of Silverthorne exceeded its liabilities at the close of fiscal year 2016 by \$100,604,616 (*net position*). Of this amount, \$26,750,545 (*unrestricted net position*) may be used to meet the Town's ongoing obligations or unforeseen expenses.
- As of the close of fiscal year 2016, the Town of Silverthorne's governmental funds reported a combined ending fund balance of \$17,227,728; an increase of \$2,732,709 compared to fiscal year 2015. \$6,761,443 of the fund balance total is considered unassigned.
- At the end of fiscal year 2016, unassigned fund balance for the general fund was \$10,624,320 or 98% of the total general fund expenditures.
- The general fund balance decreased by \$197,241 in 2016. The primary reason for the decrease was a transfer of \$1,500,000 to the Capital Fund for the construction of the Silverthorne Performing Art Center. Governmental funds general sales tax revenues, which is the Town's primary revenue source, increased by \$550,332 or 5.4% as compared to 2015 results.
- The Town governmental and proprietary funds expended \$7,885,841 in capital assets in 2016. There was no contributed infrastructure from developers in 2016.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the Town of Silverthorne's basic financial statements. The basic financial statements are comprised of three components: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town of Silverthorne's finances, in a manner similar to a private-sector business.

The **statement of net position** presents information on all the Town of Silverthorne's assets, liabilities and deferred inflows of resources, with the difference 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.

The **statement of activities** presents information showing how the Town of Silverthorne'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*. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future periods (e.g. uncollected taxes and earned but unused personal time).

Both of the government-wide financial statements distinguish functions of the Town of Silverthorne that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*Business-type Activities*). The Governmental Activities of the Town of Silverthorne include: general government, public safety (police), public works, community development, recreation & culture,

urban renewal and housing. The Business-type Activities of the Town of Silverthorne include water and sewer.

The government-wide financial statements can be found on pages 25-27 of this report.

Fund Financial Statements

A *fund* is a grouping that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State law and bond covenants; however Town Council establishes other funds to help control and manage money for particular purposes. All of the Town's funds can be divided into four categories: Governmental Funds, Proprietary Funds, Fiduciary Funds and Internal Service Funds.

Governmental Funds – *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *short-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements. This accounting method is called *modified accrual* accounting.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town of Silverthorne maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general, sales tax capital improvement and urban renewal authority fund. These three funds are considered to be major funds. The other four funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining and individual fund statements and schedules* elsewhere in this report.

The Town adopts an annual appropriated budget for its general, sales tax capital improvement and urban renewal authority funds. A budgetary comparison statement has been provided for the general, sales tax capital improvement and urban renewal authority funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 28-30 of this report.

Proprietary Funds – The Town of Silverthorne maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its water and sewer funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally. The Town uses an internal service fund to account for health & short-term disability insurance claims. Because these services predominantly benefit the Town rather than business-type functions, they have been primarily included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water and sewer funds. Both are considered to be major funds of the Town of Silverthorne. The health & short-term disability insurance claims internal service fund is also presented in the proprietary fund statements.

The basic proprietary fund financial statements can be found on pages 31-33 of this report.

Fiduciary Funds – The Town of Silverthorne maintains one fiduciary fund, the Joint Sewer Authority, which is an agency fund. It is used to account for situations where the Town’s role is purely custodial. Agency funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town’s own programs. All assets reported in agency funds are offset by a liability; the accrual basis of accounting is used to recognize receivables and payables.

The fiduciary fund financial statements can be found on page 34.

Notes to Financial Statements & Required Supplementary Information – The notes and required supplementary information provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes and required supplementary information to the financial statements can be found on pages 35-54 of this report.

Supplementary & Other Information – The supplementary and combining statements referred to earlier in connection with major and non-major governmental funds are presented immediately following the required notes to financial statements. Combining and individual fund statements and schedules can be found on pages 55-74.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

Net Position – As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the Town of Silverthorne, governmental activities assets exceeded liabilities by over \$62 million at the close of fiscal year 2016.

Combined net position of the Town at December 31, was:

	TOWN OF SILVERTHORNE’S NET POSITION					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Current and Other Assets	\$ 20,046,342	\$ 16,347,693	\$ 16,485,155	\$ 14,559,692	\$ 36,531,497	\$ 30,907,385
Capital Assets	50,869,969	45,961,953	21,442,855	22,303,504	72,312,824	68,265,457
Total Assets	70,916,311	62,309,646	37,928,010	36,863,196	108,844,321	99,172,842
Long-Term Liabilities	5,561,455	677,399	29,363	27,636	5,590,818	705,035
Other Liabilities	2,550,106	1,487,073	34,723	39,625	2,584,829	1,526,698
Total Liabilities	8,111,561	2,164,472	64,086	67,261	8,175,647	2,231,733
Deferred Inflows of Resources	64,050	55,101	-	-	64,050	55,101
Net Position:						
Net Investment in Capital Assets	45,863,329	45,798,581	21,442,855	22,303,504	67,306,184	68,102,085
Restricted	6,547,887	3,629,389	-	-	6,547,887	3,629,389
Unrestricted	10,329,479	10,662,103	16,421,066	14,492,431	26,750,545	25,154,534
Total Net Position	\$ 62,740,695	\$ 60,090,073	\$ 36,863,921	\$ 36,795,935	\$ 100,604,616	\$ 96,886,008

By far the largest portion of the Town of Silverthorne’s net position, 67%, reflects its investment in capital assets (e.g. land, buildings, infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town of Silverthorne uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Silverthorne’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay any debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the Town’s ongoing obligations to citizens and creditors.

The \$36,531,497 of Total Primary Government current and other assets includes \$20,237,284 in cash and investments. This reflects the strong cash balances that the Town of Silverthorne has maintained in 2016, even with completing over \$7.8 million in capital projects. Cash & investments increased by \$5.0 million in 2016 due to an increase in revenues versus expenses. Sales tax and (one-time) building

revenues such as permits, tap fees, and development excise tax made up the majority of the increase. Capital assets increased by \$4,047,367 due primarily to this project as well. The \$5,590,818 in long-term liabilities outstanding consists of lease/purchase agreements and accrued compensated absences. The amount financed for the construction of the SPAC was \$4.5 million and the Lake Dillon Theater Company will be making \$2.7 million in contributions in 2017 and 2018 to help with funding as well.

At the end of 2016, the Town of Silverthorne is able to report a positive balance of net position for the government as a whole, as well as for its separate Governmental and Business-type Activities. The Governmental Activities unrestricted net position equals 71.6% of total expenses for Governmental Activities in the Statement of Activities for 2016.

During 2016, the Town of Silverthorne's Governmental Activities net position increased by \$2,650,622. This increase can be attributed to numerous revenue items during the year including: a \$550K increase in sales tax revenues over 2015 and \$640K in building related revenues. The net position from Business-Type Activities showed a \$1,067,986 increase due primarily to the sale of utility taps to new construction projects totaling \$1,811,304.

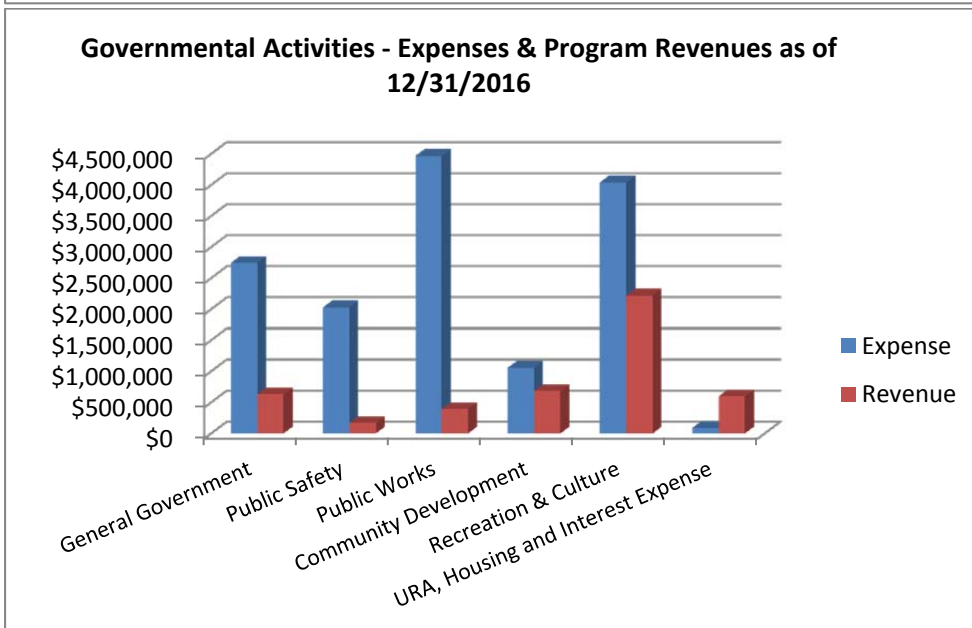
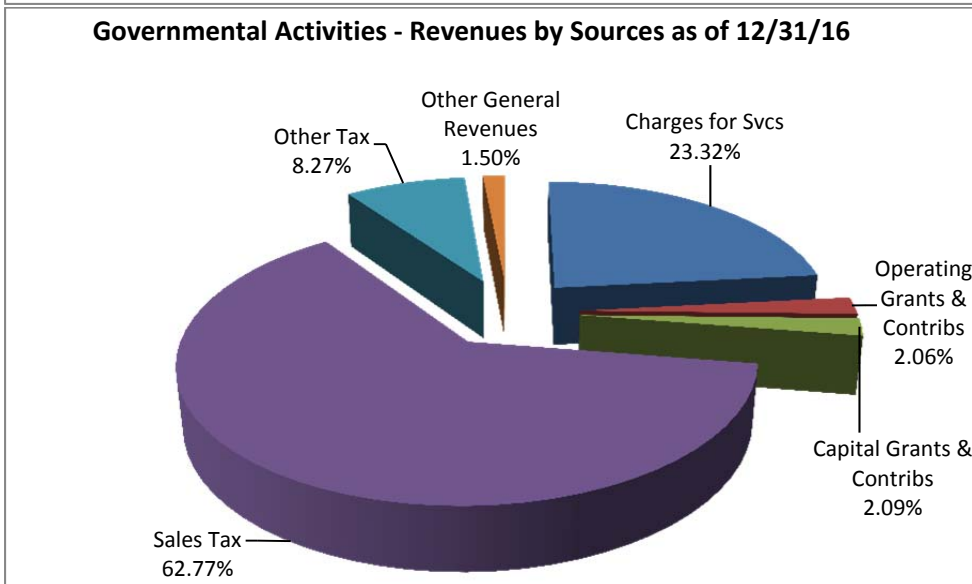
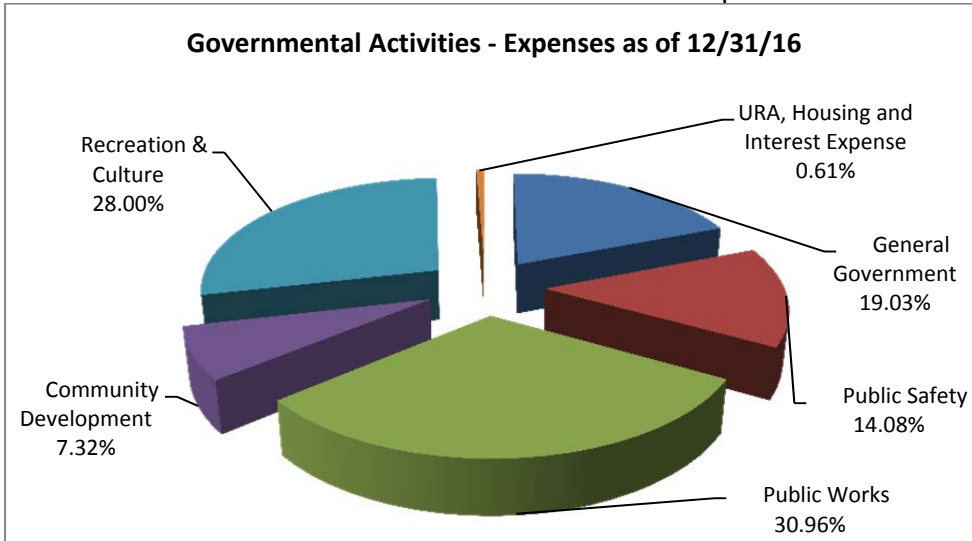
Changes in Net Position – Governmental activities increased the Town of Silverthorne's net position by \$2,650,622, reflecting a 4.4% growth to total net position. This increase shows that the Town continued to experience growth in 2016 and had a higher surplus as compared to 2015, by \$393,026. The Town is experiencing an increase in revenues but seeing expenses grow as well (\$1,057,949) in 2016 compared to 2015. The higher surplus in 2016 was primarily due to building related fees and sales tax revenue increases.

TOWN OF SILVERTHORNE'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Program Revenues:						
Charges for Services	\$ 3,984,017	\$ 3,573,248	\$ 2,495,690	\$ 2,308,354	\$ 6,479,707	\$ 5,881,602
Operating Grants & Contributions	351,748	416,907	-	-	351,748	416,907
Capital Grants & Contributions	357,611	288,657	1,811,304	1,019,012	2,168,915	1,307,669
General Revenues:						
Sales Taxes	10,724,078	10,173,746	-	-	10,724,078	10,173,746
Other Taxes	1,413,121	972,695	-	-	1,413,121	972,695
Other General Revenues	255,487	209,834	147,341	520,224	402,828	712,058
Total Revenues	<u>17,086,062</u>	<u>15,635,087</u>	<u>4,454,335</u>	<u>3,829,590</u>	<u>21,540,397</u>	<u>19,464,677</u>
Program Expenses:						
General Government	2,747,399	2,312,724	-	-	2,747,399	2,312,724
Public Safety	2,031,902	1,888,198	-	-	2,031,902	1,888,198
Public Works	4,468,632	4,315,694	-	-	4,468,632	4,315,694
Community Development	1,057,165	925,638	-	-	1,057,165	925,638
Recreation & Culture	4,042,014	3,897,197	-	-	4,042,014	3,897,197
Housing	40,652	32,575	-	-	40,652	32,575
Urban Renewal Authority	800	2,298	-	-	800	2,298
Interest on Long Term Debt	46,876	3,167	-	-	46,876	3,167
Water	-	-	1,896,289	1,763,394	1,896,289	1,763,394
Sewer	-	-	1,490,060	1,307,929	1,490,060	1,307,929
Total Expenses	<u>14,435,440</u>	<u>13,377,491</u>	<u>3,386,349</u>	<u>3,071,323</u>	<u>17,821,789</u>	<u>16,448,814</u>
Change in Net Position	2,650,622	2,257,596	1,067,986	776,267	3,718,608	3,033,863
Net Position –Beginning of Yr	60,090,073	57,832,477	36,795,935	36,019,668	96,886,008	93,852,145
Net Position – End of Year	<u>\$ 62,740,695</u>	<u>\$ 60,090,073</u>	<u>\$ 37,863,921</u>	<u>\$ 36,795,935</u>	<u>\$100,604,616</u>	<u>\$ 96,886,008</u>

Governmental Activities

Governmental activities increased the Town of Silverthorne's net position by \$2,650,622. The following are illustrative summaries of Governmental Activities revenues and expenses:



Governmental Activities Analysis:

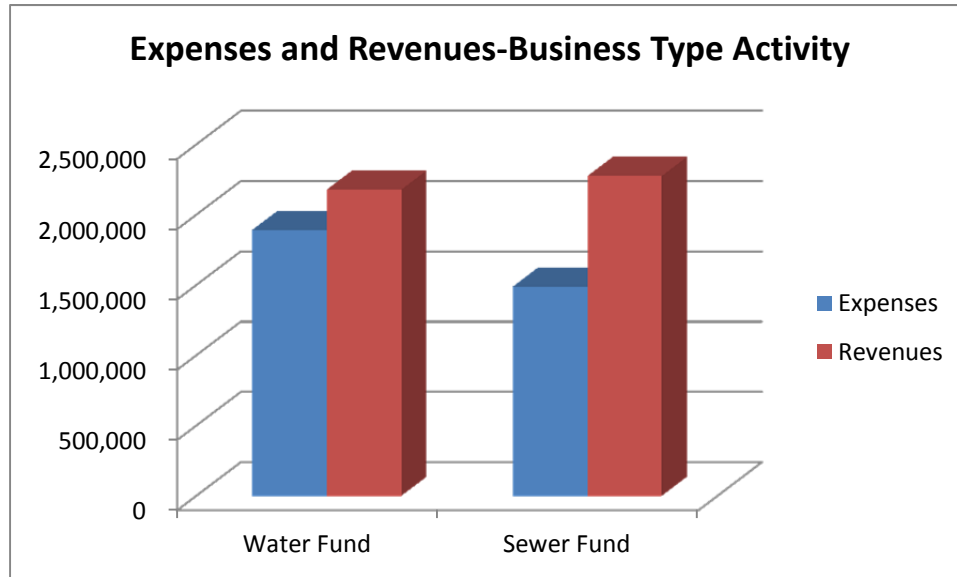
- Sales tax revenues increased by 5.4% (\$550,332) in 2016. All economic indicators are forecasting the national/state/local economies to stabilize and grow, albeit slowly. The Town's building-related retail sector increased by 14.2% (\$302,015). Lowes continues to help retain building material sales that were leaving the Summit County area in past years as well as bring additional sales taxes to the Town. We expect ESTIP agreement with Lowe's to be fulfilled before the end of 2018 which will reduce Administrative expenses as well. In 2016, we had a few new businesses open including restaurants (Fritanga's and Sauce on the Blue), a new art gallery (A Taste of China), and a new dance studio (Studio B).
- The consumer retail sales tax category increased by \$74,661 or 3.1% (not including the Outlets). Revenues from The Outlets at Silverthorne continued to decline by \$129,053 or 5.1%. This is a trend retailers are experiencing nationwide with stores and malls closing around the country. The Outlets comprise 22% of the Town's total sales tax base and therefore this trend is very concerning to the Town.
- Building related permits and taxes increased by \$639,643 or 61.4% from 2016 due to a large residential development (South Maryland Creek Ranch, a.k.a. Summit Sky Ranch) and continued development in existing residential neighborhoods such as Angler Mountain Ranch.
- In fiscal year 2016, the Town contracted with an investment advisor (Chandler Asset Management) and interest rates began to show signs of increasing after many years of record lows. The year over year increase in interest income was not substantial in dollars (\$42,424), but the percentage increase of 207% was impressive.
- Governmental activities' expenses increased by \$1,057,949 or 12.0% from 2015. A portion of this increase (\$111K) is due to economic development incentives such as the Enhanced Sales Tax Incentive Program (ESTIP) agreements and marketing (\$87K). Greater than expected ESTIP payments were due to higher sales tax receipts. The Town also contributed toward the Operations and Programs of the Lake Dillon Theater Company during their transition to the Silverthorne Performing Arts Center. This support will continue and increase in the coming years, but in 2016 it added \$136K to the Town's budget. In keeping with increased construction activities, payments by the Town to the County for building inspections increased by \$97K.
- Additionally, the Town added \$1.8 million in depreciable capital assets and saw depreciation expenses increase by \$87K.
- During fiscal year 2016, the Town added two new full-time positions at the recommendation of the Public Works Strategic Plan which was conducted in 2015. Adding a Parks Manager and a Facilities Manager has increased the service level for these functions. Merit salary increases were offered at up to 3% and wage and benefit expenses increased by 6.3% or \$425K in 2016. The current employment market favors employees and we are seeing some turnover, additionally, the Town is losing long-tenured employees due to the "silver tsunami" of baby boomers reaching retirement age.

Business-type Activities

Net position in Business-type Activities increased by \$1,067,986. Business type activities include water and sewer service.

In 2016, there was a small rate increase for water and sewer users. Additionally, there were 39 new accounts added, an increase of 2%. Revenues from user fees were up 5.8%. Charges for services make up approximately 56% of program revenues with system development fees and capital contributions making up the other 34%. The capital contributions reflect the residential building/infrastructure growth in the Town including \$1,811,303 in capital tap fees.

The following chart demonstrates the current level of recovery for the Town's business type activities:



FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

As noted earlier, The Town of Silverthorne uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The Town is reporting fund balance classifications as required by Governmental Accounting Standards Board Statement #54 (GASB 54). The objective of GASB 54 reporting is to enhance the usefulness of the fund balance information by providing clearer fund balance classifications that can be applied more consistently across governments. The classifications are designed based on the relative strength of the constraints that control how specific amounts can be spent, or in the case of inventories, the inability to be spent. This change in reporting does not present any changes in the strategic initiatives of the Town, and enhances public disclosure of the Town's financial condition.

The ***nonspendable*** classification is generally for inventories and prepaid expenses that are a part of fund balance but are not available for spending.

The ***restricted*** classification includes amounts that can be spent only for the specific purposes stipulated by constitution, external resources providers, or through enabling legislation. Under the Colorado Constitution, the Town has restricted fund balance for emergencies and other fund balances for which the funds may only be used for a specific purpose.

The ***unassigned*** classification is the residual classification for the Town's General Fund only and includes all spendable amounts not contained in other classifications. The Town has made a choice via its financial policies and a resolution to use 6-months of General Fund expenditures for unforeseen emergencies.

**FINANCIAL ANALYSIS OF THE TOWN'S FUNDS
CONTINUED**

	General Fund	Capital Improvement Fund	Urban Renewal Authority Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepays	\$ 12,268	\$ 13,747	\$ -	\$ -	\$ 26,015
Inventories	14,592	-	-	-	14,592
Land Held for Resale	-	-	3,148,429	-	3,148,429
Investment in Joint Venture	-	-	729,362	-	729,362
Total Nonspendable	<u>26,860</u>	<u>13,747</u>	<u>3,877,791</u>	<u>-</u>	<u>3,918,398</u>
Restricted for:					
Emergencies	510,785	-	-	-	510,785
Blue River Improvements	-	-	-	270,361	270,361
Parks, Trails & Open Space	-	-	-	309,921	309,921
Marketing	-	-	-	91,193	91,193
Affordable Housing	-	-	-	1,087,223	1,087,223
Capital Improvements	-	2,130,289	-	2,148,115	4,278,404
Total Restricted	<u>510,785</u>	<u>2,130,289</u>	<u>-</u>	<u>3,906,813</u>	<u>6,547,887</u>
Unassigned	<u>10,624,320</u>	<u>-</u>	<u>(3,862,877)</u>	<u>-</u>	<u>6,761,443</u>
Total Fund Balances	<u>\$11,161,965</u>	<u>\$ 2,144,036</u>	<u>\$14,914</u>	<u>\$ 3,906,813</u>	<u>\$ 17,227,728</u>

Governmental Funds – The focus on the Town of Silverthorne’s governmental funds is to provide information on short-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town’s financing requirements.

As the Town completed the year, its governmental funds reported a combined fund balance of \$17,227,728. Of that balance, \$6,761,443 constitutes spendable fund balance which is available for spending at the government’s discretion, as it relates to a specific use or for emergencies. A portion of the fund balance is not available for new spending because it has already been spent for items such as inventories, prepaid expenses, land held for resale and an investment in a joint venture. The nonspendable fund balance at December 31, 2016 was \$3,918,398.

The general fund is the chief operating fund of the Town of Silverthorne. At the end of the current fiscal year, spendable fund balance of the general fund was \$10,624,320, while the total fund balance decreased from 2015 to \$11,161,965. As a measure of the general fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to fund expenditures. Unassigned fund balance represents 97.6% of total 2016 general fund expenditures, while total fund balance represents 102.6% of that same amount.

During fiscal year 2016, the fund balance of the Town’s general fund decreased by \$197,241. Key factors for 2016 are as follows:

- Revenues were 6.7% (\$762,230) higher in 2016 compared to 2015. The largest contributor to the increase was due to tax revenues which were \$402,134 higher than in the prior year. Sales tax makes up the largest portion of tax revenues with the General Fund receiving approximately 70% of total sales tax revenues. In 2016, General Fund sales tax revenues totaled \$7.54 million which was an increase of \$374,220 (5.2%) from 2015. In 2016, the Town also saw an increase to building related permits in the amount of \$226K which reflects the increase in in the construction sector. Charges for services increased by \$173,210 primarily due to building permits and fees. The Recreation Center also contributed to this increase through increased pass sales and merchandise sales due to a recent closure of a local Sports Authority store.
- Expenditures for 2016 increased by \$1,388,168 (14.6%) as compared to 2015. Items that contributed to the increase includes: Operating and Program support for the Lake Dillon Theater Company, two additional staff positions, increased cost for building inspections due to construction projects in Town, more in ESTIP payments (reflective of larger sales tax revenues),

and increased Marketing initiatives. Additionally, the Town budgeted merit pay increases up to 3%. Despite these increases to expenditures, the Town's General Fund balance would have increased by over \$1.3 million, however, a transfer of \$1.5M to the Capital Fund to support the construction of the Performing Arts Center resulted in a small (1.7%) decrease.

The sales tax capital improvement fund has a fund balance of \$2,144,036. The increase in fund balance during 2016 was \$1,462,553 which is primarily due to timing. The Town transferred \$1.5M to the capital improvement fund from the general fund to help finance the construction of the Silverthorne Performing Arts Center (SPAC), but the project was in progress at the end of 2016. The Town expended \$7,765,832 on new capital and asset management projects. The most significant expenditure was the construction of the Silverthorne Performing Arts Center at \$5,693,004. Other priorities included street maintenance (\$783K), fleet replacements (\$278K), pool pump room remodel (\$507K), and sidewalks (\$167K). Like the general fund, the primary revenue source for the capital improvement fund is sales tax. The Town is able to continue to provide funding for capital and asset projects because 60% of our sales tax revenue is legally required to be used in the capital improvement fund.

The Town's Urban Renewal Authority (URA) is considered a blended component of the Town as the URA board is the Town Council and the URA is currently dependent on the Town for funding. This fund currently has a balance of \$14,914 and is holding commercial property with a value of \$3,148,429 with investment in a joint venture of \$729,362. In recent years, an advancement from the general fund assisted with the purchase of the property and the activities of the fund. Incremental property tax revenues of \$53K were received in 2016.

Capital project funds (other governmental funds) have a total fund balance of \$3,906,813. The fund balance is considered spendable, but is restricted for expenditures based on past election questions. The capital projects nonmajor fund balance increased by \$1,412,682 in 2016 as revenues outpaced expenditures in the Development Excise Tax and 5A Housing Funds. These funds collect revenues through building (Development Excise) activity and increased sales tax (5A Housing tax) and their growth is consistent with what we experienced in the General Fund.

Proprietary funds – The Town of Silverthorne's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the water and sewer funds at the end of the year amounted to \$16,408,252. The net position for the proprietary funds increased by \$1,072,365 in 2016. Other factors concerning the finances of these two funds have been addressed in the discussion of the Town's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, the Town Council revised the Town budget twice. These budget amendments fell into two categories:

- Supplemental appropriations approved shortly after the beginning of the year to reflect projects and purchases not completed as expected in 2015.
- Midyear adjustments for increases due to building and sales tax activity, economic development, unanticipated projects, and expenditure savings.

Material differences between the original budget and the amended budget include:

- General Fund
 - Revenues: projected sales tax revenues were greater than budgeted, and building related permit revenues due to construction projects that were not known when the original budget was produced.
 - Expenditures: the Town elected to increase the Arts and Culture budget for events and marketing, building inspections fees paid to the County were also greater than originally anticipated due to the robust residential construction taking place, and ESTIP payments were greater than originally budgeted as they go hand-in-hand with sales tax revenues.

The statement of budget to actual for the General Fund can be found on page 53.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Town of Silverthorne's investment in capital assets for its governmental and business-type activities as of December 31, 2016 amounts to \$67,306,184 (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings, vehicles, equipment, roads, bridges, trails, intangibles, water rights and utility system infrastructure. The total net decrease in the Town of Silverthorne's investment in capital assets for the current fiscal year was \$795,901-this is due to the financing of the project in progress which was completed in early 2017.

Major capital assets events during the 2016 fiscal year included the following:

- The construction of the Silverthorne Performing Arts Center \$5,693,004 (in progress at year-end 2016, completed in June of 2017).
- Major maintenance of Town streets, sidewalks & trails at a cost of \$950K.
- Replacement of the recreation center's pool pump room equipment at a cost of \$507,438.
- Vehicles and heavy equipment including two snow plow attachments - \$278K.
- Annual Depreciation for the Governmental-Type: \$2,798,122 and Business-Type: \$980,658.

The table below provides a summary of total capital assets at December 31:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2016	2015	2016	2015	2016	2015
Land	\$ 9,694,924	\$ 9,694,924	\$ 3,871	\$ 3,871	\$ 9,698,795	\$ 9,698,795
Projects in Progress	6,523,107	558,170	217,776	228,619	6,740,883	786,789
Buildings	8,782,587	9,316,887	-	-	8,782,587	9,316,887
Vehicles & Heavy Equipment	2,389,290	2,468,820	-	-	2,389,290	2,468,820
Equipment & Furniture	1,054,336	629,805	327,424	356,240	1,381,760	986,045
Infrastructure	19,031,614	19,637,983	-	-	19,031,614	19,637,983
Other Improvements	2,878,071	3,095,429	1,804,341	1,866,226	4,682,412	4,961,655
Water/Sewer Infrastructure	-	-	10,598,078	11,332,983	10,598,078	11,332,983
Intangibles	516,040	559,935	67,115	91,315	583,155	651,250
Water Rights	-	-	8,424,250	8,424,250	8,424,250	8,424,250
Total	<u>\$50,869,969</u>	<u>\$45,961,953</u>	<u>\$21,442,855</u>	<u>\$22,303,504</u>	<u>\$ 72,312,824</u>	<u>\$ 68,265,457</u>

Note E of the financial statements on page 44 provides a summary of the Town's capital assets.

Long-Term Debt

At the end of the current fiscal year, the Town of Silverthorne government and proprietary/business funds had no bond debt. In 2016, the Town's governmental activities total long-term debt increased by \$4,884,056 with a balance of \$5,561,455. A lease purchase of Town Hall to fund construction of the SPAC in the amount of \$4,500,000 was added as well as lease/purchase financing of two snow plow replacements in the amount of \$417,416. Debt principal reduction in the amount of \$74,148 also took place. For the business-type funds, the total long-term debt increased by \$1,727 and has a balance of \$29,363. The outstanding long term debt is for compensated absences.

Note H of the financial statements on pages 46-47 provides a summary of the Town's long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Sales tax revenue accounts for approximately 63% of government fund revenues and continues to be an important and primary revenue source for providing funds for the general operations/maintenance and capital for the Town of Silverthorne.
- The national, state and local economies are projected to continue to see growth in 2017. Silverthorne's sales tax revenue budget projections for 2017 are estimated to be up from 2016 by 2.0%. Several small businesses are due to open in 2017 but the Town is typically conservative in revenue estimations.

- The Town is committed to supporting arts in the community and completed construction of the Silverthorne Performing Arts Center in 2017. The Lake Dillon Theater Company began operating out of its new location in June of 2017. Additionally, the Town will be contributing approximately \$150K, annually to LTDC to assist with operations and programming as well as to host a summer concert series and produce other community arts displays, gatherings and events.
- Based on recommendations of the Public Safety strategic plan, the Town added one new full-time position in 2017 to address evidence processing needs in the Public Safety department. In 2017, the budget includes a provision for merit increases of up to 5%.
- The emphasis on economic development continues in 2017 with funding for business grants, ESTIP programs, art programming and operational support, marketing and advertising.
- The Town continues a strong emphasis on asset management by including \$2.0M in the 2017 budget for these purposes. This includes a number of building maintenance items, replacing the Nike Bridge located at the Outlets at Silverthorne, reconstruction of Arctic Placer Park, updating three police vehicles and drainage construction/improvement on several parks and trails. These maintenance projects are possible because of the voter approved designation of sales tax funds towards capital assets. Those funds can only be used for maintaining current capital assets and providing new assets.
- The Town will design and engineer the new Cottonwood Public Works Shop and possibly begin construction.
- The Town has done its best to limit rate increases for 2017. The sewer services quarterly rates increased by 3% and there was a 2% increase to the flat portion of the water rates.

As we continue to add capital and services to our operations, the Town of Silverthorne continues to be in a strong financial position. While this strong financial position is reassuring; the fact remains that annual operational expenditures must be paid for from revenues earned during this same period, not from reserves. In other words, we must live within our means. All these factors were considered in preparing the Town of Silverthorne's budget for the 2017 fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Silverthorne'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 financial information should be addressed to the Finance Director, PO Box 1309, Silverthorne, Colorado 80498.

TOWN OF SILVERTHORNE, COLORADO

STATEMENT OF NET POSITION

December 31, 2016

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash & Investments	\$ 13,699,698	\$ 6,537,586	\$ 20,237,284
Accounts Receivable	965,669	570,403	1,536,072
Property Taxes Receivable	64,050	-	64,050
Due from Other Governments	1,083,450	-	1,083,450
Internal Balances	(12,814)	12,814	-
Prepays	26,015	-	26,015
Inventory	14,592	26,777	41,369
Deposits	4,400	-	4,400
Land Held for Resale	3,148,429	-	3,148,429
Investment in Joint Venture	729,362	-	729,362
Restricted Cash & Investments	323,491	-	323,491
NonCurrent Assets:			
Investment in Joint Sewer Authority	-	9,337,575	9,337,575
Capital Assets:			
Nondepreciable Assets	16,218,031	8,645,897	24,863,928
Depreciable Assets, Net	34,651,938	12,796,958	47,448,896
TOTAL ASSETS	70,916,311	37,928,010	108,844,321
LIABILITIES			
Accounts Payable	1,534,155	19,428	1,553,583
Accrued Liabilities	783,631	15,295	798,926
Unearned Revenues	74,150	-	74,150
Accrued Interest Payable	37,456	-	37,456
Claims Payable	120,714	-	120,714
Noncurrent Liabilities:			
Due Within One Year	1,040,393	27,636	1,068,029
Due in More Than One Year	4,521,062	1,727	4,522,789
TOTAL LIABILITIES	8,111,561	64,086	8,175,647
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	64,050	-	64,050
NET POSITION			
Net Investment in Capital Assets	45,863,329	21,442,855	67,306,184
Restricted for:			
Emergency	510,785	-	510,785
Blue River Improvements	270,361	-	270,361
Parks, Trails & Open Space	309,921	-	309,921
Marketing	91,193	-	91,193
Affordable Housing	1,087,223	-	1,087,223
Capital Improvements	4,278,404	-	4,278,404
Unrestricted	10,329,479	16,421,066	26,750,545
TOTAL NET POSITION	\$ 62,740,695	\$ 37,863,921	\$ 100,604,616

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

STATEMENT OF ACTIVITIES

Year Ended December 31, 2016

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Program Revenues Operating Grants and Contributions</u>
PRIMARY GOVERNMENT			
Governmental Activities			
General Government	\$ 2,747,399	\$ 632,652	\$ -
Public Safety	2,031,902	129,639	37,557
Public Works	4,468,632	81,037	311,972
Community Development	1,057,165	681,801	-
Recreation & Culture	4,042,014	2,175,423	-
Urban Renewal	800	-	2,219
Housing	40,652	283,466	-
Interest on Long-Term Debt	46,876	-	-
	<u>14,435,440</u>	<u>3,984,017</u>	<u>351,748</u>
 Business-Type Activities			
Water	1,896,289	1,166,615	-
Sewer	1,490,060	1,329,075	-
	<u>3,386,349</u>	<u>2,495,690</u>	<u>-</u>
 TOTAL PRIMARY GOVERNMENT	<u>\$ 17,821,789</u>	<u>\$ 6,479,707</u>	<u>\$ 351,748</u>
 GENERAL REVENUES			
Taxes:			
Sales Taxes			
Lodging Tax			
Franchise Taxes			
Development Excise Tax			
Other Taxes			
Grants & Contributions not Restricted to Specific Programs			
Investment Income			
Gain on Sale of Capital Assets			
Miscellaneous			
Total General Revenues			
 Change in Net Position			
 NET POSITION, Beginning of Year			
 NET POSITION, End of Year			

See the accompanying Independent Auditors' Report.

**Net (Expenses) Revenues and
Changes in Net Position**

<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ -	\$ (2,114,747)	\$ -	\$ (2,114,747)
-	(1,864,707)	-	(1,864,707)
-	(4,075,624)	-	(4,075,624)
-	(375,364)	-	(375,364)
45,891	(1,820,700)	-	(1,820,700)
-	1,419	-	1,419
311,720	554,534	-	554,534
-	(46,876)	-	(46,876)
<u>357,611</u>	<u>(9,742,064)</u>	<u>-</u>	<u>(9,742,064)</u>
1,003,257	-	273,583	273,583
808,047	-	647,062	647,062
<u>1,811,304</u>	<u>-</u>	<u>920,645</u>	<u>920,645</u>
<u>\$ 2,168,915</u>	<u>(9,742,064)</u>	<u>920,645</u>	<u>(8,821,419)</u>
	10,724,078	-	10,724,078
	266,832	-	266,832
	270,551	-	270,551
	663,574	-	663,574
	212,164	-	212,164
	95,743	-	95,743
	62,718	27,820	90,538
	62,287	-	62,287
	34,739	119,521	154,260
	<u>12,392,686</u>	<u>147,341</u>	<u>12,540,027</u>
	2,650,622	1,067,986	3,718,608
	<u>60,090,073</u>	<u>36,795,935</u>	<u>96,886,008</u>
	<u>\$ 62,740,695</u>	<u>\$ 37,863,921</u>	<u>\$ 100,604,616</u>

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2016

	<u>General</u>	<u>Sales Tax Capital Improvement</u>	<u>Urban Renewal Authority</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
ASSETS					
Cash & Investments	\$ 6,672,267	\$ 2,863,847	\$ 89,806	\$ 3,823,382	\$ 13,449,302
Accounts Receivable	397,492	381,828	90	55,831	835,241
Property Taxes Receivable	-	-	64,050	-	64,050
Due from Other Governments	1,052,935	-	-	30,515	1,083,450
Interfund Receivable	3,952,773	-	-	-	3,952,773
Prepays	12,268	13,747	-	-	26,015
Inventory	14,592	-	-	-	14,592
Deposits	-	-	-	4,400	4,400
Land Held for Resale	-	-	3,148,429	-	3,148,429
Investment in Joint Venture	-	-	729,362	-	729,362
Restricted Cash & Investments	<u>291,836</u>	<u>-</u>	<u>31,655</u>	<u>-</u>	<u>323,491</u>
Total Assets	<u>\$ 12,394,163</u>	<u>\$ 3,259,422</u>	<u>\$ 4,063,392</u>	<u>\$ 3,914,128</u>	<u>\$ 23,631,105</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	436,622	1,084,836	-	7,315	1,528,773
Accrued Liabilities	721,426	30,550	31,655	-	783,631
Interfund Payable	-	-	3,952,773	-	3,952,773
Unearned Revenues	<u>74,150</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,150</u>
Total Liabilities	<u>1,232,198</u>	<u>1,115,386</u>	<u>3,984,428</u>	<u>7,315</u>	<u>6,339,327</u>
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	<u>-</u>	<u>-</u>	<u>64,050</u>	<u>-</u>	<u>64,050</u>
FUND BALANCES					
Nonspendable:					
Prepays	12,268	13,747	-	-	26,015
Inventory	14,592	-	-	-	14,592
Land Held for Resale	-	-	3,148,429	-	3,148,429
Investment in Joint Venture	-	-	729,362	-	729,362
Restricted for:					
Emergency	510,785	-	-	-	510,785
Blue River Improvements	-	-	-	270,361	270,361
Parks, Trails & Open Space	-	-	-	309,921	309,921
Marketing	-	-	-	91,193	91,193
Affordable Housing	-	-	-	1,087,223	1,087,223
Capital Improvements	-	2,130,289	-	2,148,115	4,278,404
Unassigned	<u>10,624,320</u>	<u>-</u>	<u>(3,862,877)</u>	<u>-</u>	<u>6,761,443</u>
Total Fund Balances	<u>11,161,965</u>	<u>2,144,036</u>	<u>14,914</u>	<u>3,906,813</u>	<u>17,227,728</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 12,394,163</u>	<u>\$ 3,259,422</u>	<u>\$ 4,063,392</u>	<u>\$ 3,914,128</u>	

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 therefore are not reported in the funds. 50,869,969

An Internal Service Fund is used by management to charge the costs of certain activities to individual funds, such as self funded insurance. A portion of the assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. 241,909

Long-term liabilities, including lease payable, accrued interest and compensated absences, are not due and payable in the current period, and therefore are not reported in the funds. (5,598,911)

Total Net Position of Governmental Activities \$ 62,740,695

TOWN OF SILVERTHORNE, COLORADO

**STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**
Year Ended December 31, 2016

	General	Sales Tax Capital Improvement	Urban Renewal Authority	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 7,968,905	\$ 3,184,953	\$ 52,935	\$ 930,406	\$ 12,137,199
Intergovernmental	407,715	-	-	357,611	765,326
Licenses, Permits & Fees	765,005	-	-	281,997	1,047,002
Charges for Services	2,864,172	-	-	1,469	2,865,641
Fines & Forfeitures	71,374	-	-	-	71,374
Interest	30,677	14,436	361	15,062	60,536
Grants/Donations	37,557	-	-	-	37,557
Miscellaneous	39,311	-	2,219	-	41,530
Total Revenues	<u>12,184,716</u>	<u>3,199,389</u>	<u>55,515</u>	<u>1,586,545</u>	<u>17,026,165</u>
EXPENDITURES					
Current:					
General Government	2,527,081	-	-	34,241	2,561,322
Public Safety	1,945,172	-	-	-	1,945,172
Public Works	2,339,892	-	-	-	2,339,892
Community Development	953,271	-	-	-	953,271
Recreation & Culture	3,116,542	-	-	-	3,116,542
Urban Renewal	-	-	800	-	800
Housing	-	-	-	40,652	40,652
Capital Outlay	-	8,118,602	-	98,970	8,217,572
Debt Service:					
Principal	-	74,148	-	-	74,148
Interest & Fiscal Charges	-	58,920	-	-	58,920
Total Expenditures	<u>10,881,957</u>	<u>8,251,670</u>	<u>800</u>	<u>173,863</u>	<u>19,308,290</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>1,302,759</u>	<u>(5,052,281)</u>	<u>54,715</u>	<u>1,412,682</u>	<u>(2,282,125)</u>
OTHER FINANCING SOURCES (USES)					
Lease Financing	-	4,917,416	-	-	4,917,416
Sale of Capital Assets	-	97,418	-	-	97,418
Transfer In	-	1,500,000	-	-	1,500,000
Transfer Out	(1,500,000)	-	-	-	(1,500,000)
Total Other Financing Sources (Uses)	<u>(1,500,000)</u>	<u>6,514,834</u>	<u>-</u>	<u>-</u>	<u>5,014,834</u>
Net Change in Fund Balances	(197,241)	1,462,553	54,715	1,412,682	2,732,709
Fund Balances, Beginning of Year	<u>11,359,206</u>	<u>681,483</u>	<u>(39,801)</u>	<u>2,494,131</u>	<u>14,495,019</u>
Fund Balances, End of Year	<u>\$ 11,161,965</u>	<u>\$ 2,144,036</u>	<u>\$ 14,914</u>	<u>\$ 3,906,813</u>	<u>\$ 17,227,728</u>

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES**
Year Ended December 31, 2016

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$ 2,732,709
Amounts reported for Governmental Activities in the Statement of Activities are different because:	
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay \$7,765,832, exceeds the disposal/sale of capital assets (\$59,694) and depreciation expense (\$2,798,122) in the current period.	4,908,016
The issuance of long-term debt (e.g. lease/purchases in the amount of \$4,917,416) provided current financial resources to governmental funds, while the repayment of the principal of long-term debt (\$74,148) consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long-term debt.	(4,843,268)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This amount represents the change in accrued compensated absences (\$40,788) and in accrued interest payable (\$37,456)	(78,244)
An Internal Service Fund is used by management to charge the costs of certain activities to individual funds, such as self-funded insurance. A portion of the activities of the internal service fund is reported with governmental activities in the statement of activities.	<u>(68,591)</u>
Change in Net Position of Governmental Activities	\$ <u><u>2,650,622</u></u>

TOWN OF SILVERTHORNE, COLORADO

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2016

	Business-Type Activities - Enterprise Funds			Governmental
	Water Fund	Sewer Fund	Totals	Activities - Internal Service Fund
ASSETS				
Current Assets:				
Cash & Investments	\$ 2,403,946	\$ 4,133,640	\$ 6,537,586	\$ 250,396
Accounts Receivable	223,562	346,841	570,403	130,424
Inventory	26,777	-	26,777	-
Total Current Assets	2,654,285	4,480,481	7,134,766	380,820
Noncurrent Assets:				
Investment in Joint Sewer Authority	-	9,337,575	9,337,575	-
Capital Assets:				
Nondepreciable Assets	8,564,856	81,041	8,645,897	-
Depreciable Assets, Net	9,435,379	3,361,579	12,796,958	-
Total Noncurrent Assets	18,000,235	12,780,195	30,780,430	-
TOTAL ASSETS	20,654,520	17,260,676	37,915,196	380,820
LIABILITIES				
Current Liabilities:				
Accounts Payable	14,882	4,546	19,428	5,382
Accrued Liabilities	15,295	-	15,295	-
Claims Payable	-	-	-	120,714
Compensated Absences	27,636	-	27,636	-
Total Current Liabilities	57,813	4,546	62,359	126,096
Noncurrent Liabilities:				
Compensated Absences	1,727	-	1,727	-
TOTAL LIABILITIES	59,540	4,546	64,086	126,096
NET POSITION				
Net Investment in Capital Assets	18,000,235	3,442,620	21,442,855	-
Unrestricted	2,594,744	13,813,508	16,408,252	254,723
TOTAL NET POSITION	\$ 20,594,979	\$ 17,256,128	37,851,107	\$ 254,723

Amounts Reported for Business-Type Activities in the Statement of Net Position are different because:

An Internal Service Fund is used by management to charge the costs of health and short-term disability claims to individual funds. A portion of the assets and liabilities of the Internal Service Fund are included in business-type activities in the Statement of Net Position.

12,814

Total Net Position of Business-Type Activities \$ 37,863,921

TOWN OF SILVERTHORNE, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
NET POSITION - PROPRIETARY FUNDS**

Year Ended December 31, 2016

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Fund</u>
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>	
OPERATING REVENUES				
User Fees	\$ 1,107,604	\$ 1,321,675	\$ 2,429,279	\$ -
Charges for Services	59,011	7,400	66,411	988,419
Miscellaneous	-	-	-	478
Total Operating Revenues	<u>1,166,615</u>	<u>1,329,075</u>	<u>2,495,690</u>	<u>988,897</u>
OPERATING EXPENSES				
Operations	897,743	313,896	1,211,639	-
Maintenance	271,550	72,646	344,196	-
Contractual Services	25,493	486,273	511,766	-
Claims & Wellness	-	-	-	1,058,661
Miscellaneous	-	-	-	5,388
Depreciation	697,124	283,534	980,658	-
Total Operating Expenses	<u>1,891,910</u>	<u>1,156,349</u>	<u>3,048,259</u>	<u>1,064,049</u>
Net Operating Income (Loss)	<u>(725,295)</u>	<u>172,726</u>	<u>(552,569)</u>	<u>(75,152)</u>
NONOPERATING REVENUES/(EXPENSES)				
Interest Revenue	9,045	18,775	27,820	2,182
Equity Gain in Joint Sewer Authority	-	119,521	119,521	-
AMP Fees paid to Joint Sewer Authority (JSA)	-	(333,711)	(333,711)	-
Total Nonoperating Revenues/(Expenses)	<u>9,045</u>	<u>(195,415)</u>	<u>(186,370)</u>	<u>2,182</u>
Income (Loss) Before Capital Contributions	(716,250)	(22,689)	(738,939)	(72,970)
Tap Fees	<u>1,003,257</u>	<u>808,047</u>	<u>1,811,304</u>	<u>-</u>
Change in Net Position	287,007	785,358	1,072,365	(72,970)
NET POSITION, Beginning of Year	<u>20,307,972</u>	<u>16,470,770</u>	<u>36,778,742</u>	<u>327,693</u>
NET POSITION, End of Year	<u>\$ 20,594,979</u>	<u>\$ 17,256,128</u>	<u>\$ 37,851,107</u>	<u>\$ 254,723</u>

Amounts Reported for Business-Type Activities in the Statement of Activities are different because:

Change in Net Position of Proprietary Funds \$ 1,072,365

An Internal Service Fund is used by management to charge the costs of health claims to individual funds. A portion of the activities of the Internal Service Fund is reported with business-type activities in the Statement of Activities. (4,379)

Change in Net Position of Business-Type Activities \$ 1,067,986

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

Year Ended December 31, 2016

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water Fund	Sewer Fund	Totals	
Cash Flows From Operating Activities				
Cash Received from Customers/Users	\$ 1,159,914	\$ 1,311,978	\$ 2,471,892	\$ 892,345
Cash Paid to Suppliers	(798,582)	(802,693)	(1,601,275)	(1,015,735)
Cash Paid to Employees	(399,378)	(70,476)	(469,854)	-
Net Cash Provided (Used) by Operating Activities	(38,046)	438,809	400,763	(123,390)
Cash Flows from Capital & Related Financing Activities				
Acquisition of Capital Assets	(104,808)	(15,000)	(119,808)	-
Investment in Joint Sewer Authority	-	(165,557)	(165,557)	-
AMP Fees paid to Joint Sewer Authority (JSA)	-	(333,711)	(333,711)	-
Tap Fees	1,003,257	808,047	1,811,304	-
Net Cash Provided (Used) by Capital & Related Financing Activities	898,449	293,779	1,192,228	-
Cash Flows from Investing Activities				
Interest Received	9,045	18,775	27,820	2,183
NET CHANGE IN CASH AND CASH EQUIVALENTS	869,448	751,363	1,620,811	(121,207)
Cash & Cash Equivalents, Beginning of Year	1,534,498	3,382,277	4,916,775	371,603
Cash & Cash Equivalents, End of Year	\$ 2,403,946	\$ 4,133,640	\$ 6,537,586	\$ 250,396
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Net Operating Income (Loss)	\$ (725,295)	\$ 172,726	\$ (552,569)	\$ (75,152)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	697,124	283,534	980,658	-
Changes to Assets & Liabilities:				
Accounts Receivable	(6,701)	(17,097)	(23,798)	(96,552)
Prepays	292	-	292	-
Inventory	(447)	-	(447)	-
Accounts Payable	(4,912)	(354)	(5,266)	(2,622)
Accrued Liabilities	166	-	166	-
Claims Payable	-	-	-	50,936
Compensated Absences	1,727	-	1,727	-
Total Adjustments	687,249	266,083	953,332	(48,238)
Net Cash Provided (Used) by Operating Activities	\$ (38,046)	\$ 438,809	\$ 400,763	\$ (123,390)

TOWN OF SILVERTHORNE, COLORADO

STATEMENT OF ASSETS AND LIABILITIES - AGENCY FUND

December 31, 2016

	<u>Joint Sewer Authority</u>
ASSETS	
CURRENT ASSETS	
Cash & Investments	\$ <u>6,526,645</u>
Total Current Assets	\$ <u><u>6,526,645</u></u>
LIABILITIES	
LIABILITIES	
Funds Held for Authority	\$ <u>6,526,645</u>
Total Liabilities	\$ <u><u>6,526,645</u></u>

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Silverthorne is a Colorado Home Rule Town operating under a charter provided by the authority of the Constitution of the State of Colorado, and adopted by its citizens on April 4, 1994. The Town operates under a Council-Manager form of government and provides services as authorized by its charter.

The accounting policies of the Town of Silverthorne conform to generally accepted accounting principles (GAAP) as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of the more significant policies:

1. Financial Reporting Entity

The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for departments that make up its legal entity. It is also financially accountable for legally separate organizations if Town officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose the specific financial burdens on, the Town. The Town may also be financially accountable for organizations that are fiscally dependent upon it.

The Silverthorne Urban Renewal Authority (URA) was established in 1996 along with the Silverthorne Urban Renewal Plan to assist with revitalization of the Town's commercial areas and downtown core. The Town amended the Silverthorne Urban Renewal Plan in 2013 to allow for tax increment financing and the ability to purchase commercial properties. The Town Council serves as the governing board for the URA and the Town has operational responsibilities. Although the URA is legally separate from the Town, the URA's primary revenue source, tax increment financing, can only be established by the Town. The URA does not issue separate financial statements and is reported as a capital projects fund in the Town's financial statements. The URA is considered a blended component unit of the Town.

2. Government-wide & Fund Financial Statements

The government-wide financial statements (e.g., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges between the government's water and sewer functions and various other functions of the Town. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment, are 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. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. Internally dedicated resources are reported as *general revenues* rather than as program revenues.

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Separate financial statements are provided for governmental, proprietary and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

3. Measurement Focus & Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting* as are the proprietary fund financial statements. Accordingly, all of the Town's assets and liabilities, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flow. The agency fund utilizes the accrual basis of accounting.

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 sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims, judgments and compensated absences, are recorded only when payment is due.

Taxes, intergovernmental revenues, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Sales and lodging taxes collected and held by vendors at year end on behalf of the Town are recognized as revenue if collected within sixty days after year end. Expenditure-driven grants are recognized as revenue when qualifying expenditures have been incurred and all other grant requirements imposed by the provider have been met. All other revenue items are considered to be measurable and available only when cash is received by the Town.

4. Financial Statement Presentation

The Town uses funds to report on its financial position, the results of its operations and cash flows. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental Funds

Governmental funds are used to account for all or most of a government's general activities, including the collection and distribution of earmarked monies for the acquisition or construction of general capital assets (Capital Projects Funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In 2016, the Town had the following major Governmental Funds:

General Fund – This fund is the Town’s primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

Sales Tax Capital Improvement Fund – This fund is used to account for 60% of the Town’s 2% sales tax. The funds are used for the acquisition, construction and debt of major capital projects and facilities other than those financed by proprietary funds and fiduciary funds. This was approved by voters in 1992.

Urban Renewal Authority Fund – This fund is used to account for all financial activities related to the URA. The URA’s main function is to collect property tax increment revenues and to assist with revitalization of the Town’s commercial areas and downtown core.

Proprietary Funds

In 2016, the Town had the following major Proprietary Funds:

Enterprise Funds:

Water Fund – This fund is used to account for the acquisitions, operation and maintenance of the facilities, services and water rights associated with providing water to the Town.

Sewer Fund – This fund is used to account for the operation and maintenance of the infrastructure and services associated with providing sewer services to the Town.

Additionally, the Town reports the following fund types:

Internal Service Fund

Internal Service Fund – This fund is used to account for the Town’s self-funded insurance programs. Internal Service Funds account for services provided to other departments, funds or agencies of the Town, on a cost reimbursement basis.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

Fiduciary Funds

In 2016, the Town had the following Fiduciary Fund:

Agency Fund:

Joint Sewer Authority (JSA) Agency Fund – This fund is used to account for the joint venture which provides wastewater collection and treatment facilities for the central basin of Summit County. There are five participants (Town of Silverthorne, Town of Dillon, Dillon Valley Metro District, Buffalo Mountain Metro District and the Mesa Cortina Metro District) to the JSA and the Town is the managing entity. The Town holds all assets on behalf of the JSA in a purely custodial capacity.

TOWN OF SILVERTHORNE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE B - ASSETS, LIABILITIES & NET POSITION OR FUND BALANCE

1. Cash & Investments

The Town pools cash resources of its various funds in order to facilitate the management of cash. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements can be invested in various interest-bearing securities and disclosed as part of the Town's investments.

The Town considers pooled cash and investments to be cash equivalents for the statement of cash flows. Cash equivalents include investments with original maturities of three months or less.

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts, where applicable.

3. Property Taxes Receivable

Property taxes earned but collected in the subsequent year are recorded as receivables and deferred inflows of resources at year end. Taxes are due in the subsequent year on April 30th, or in two installments on February 28th and June 15th. Taxes are collected by the County Treasurer and remitted to the Town (URA) on a monthly basis. In April of 1994, the Town had a ballot question that included the phrase "...and reduce the Town of Silverthorne ad valorem property tax to zero." The voters of the Town approved this reduction in property taxes when the ballot question was approved, and therefore, the Town's General Fund no longer collects property taxes. However, the Silverthorne Urban Renewal Authority does receive property taxes through a tax increment within the Urban Renewal designated area.

4. Inventory & Prepays

Inventories are merchandise intended for sale to the public. For the enterprise funds, some of the inventories are also available for internal use. Inventories are valued at cost using the first in/first out (FIFO) method. The cost of inventories is recorded as expenditures or expenses when consumed.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaids in both government-wide and fund financial statements using the consumption method.

5. Deposits & Land Held for Resale

Deposits are funds being held in a separate account, outside of Town bank accounts, that are intended to be used or held for a Town purpose.

Land held for resale is any property purchased through the URA that is intended to be sold for future commercial development. The land is reported at cost, which is the approximate fair value of the land.

6. Restricted Cash & Investments

Restricted cash and investments of \$323,491, are reported in the General and URA Funds. These funds represent escrowed monies held from developers pending satisfactory completion of various construction projects within the Town and for the Blue River Real Estate Company, LLC that the URA is an equal partner with Craig Realty.

7. Capital Assets

Capital assets, which include land, building and improvements, other improvements, intangibles, equipment and furniture, vehicles and heavy equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE B - ASSETS, LIABILITIES & NET POSITION OR FUND BALANCE (CONTINUED)
7. Capital Assets (continued)

columns in the government-wide financial statements and the proprietary funds in the financial statements. Capital assets are defined by the Town as assets with a cost of \$5,000 or more and an estimated useful life in excess of one year. Capital assets are valued at historical or estimated historical costs. Donated or contributed assets are recorded at their acquisition value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital asset, as applicable.

Capital assets are depreciated using the straight-line method. Depreciation expense is reflected as an operating expense in the government-wide statement of activities and the proprietary fund statements.

Estimated useful lives for asset types are as follows:

<u>Asset</u>	<u>Years</u>
Buildings and Improvements	5-40
Equipment and Furniture	5-15
Vehicles and Heavy Equipment	5-15
Infrastructure	7-50
Intangible Assets	5-10
Other Improvements	10-25
Water Tanks, Wells and Lines	10-60

8. Unearned Revenues

Unearned revenues include contributions/donations that have been collected but the corresponding expenditures have not been incurred. The next calendar year's business licenses that are collected prior to the first of the year are also unearned.

9. Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows 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. Deferred inflows of resources include property taxes earned but levied for a subsequent year.

10. Compensated Absences

Employees accrue personal leave time which may be used in place of traditional sick and vacation time. Personal leave accrues to employees based on a sliding scale, and may be carried over to subsequent periods. Upon termination in good standing, employees are compensated for 100% of unused personal time.

Compensation time is earned when a full time employee works over 40 hours in a week. The time is figured at time and half for each hour worked over 40 hours.

Accumulated personal and compensation time is available to employees due to services employees have already provided to the Town. No liability is reported in the governmental funds in connection with compensated absences until they are paid or due for payment.

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE B - ASSETS, LIABILITIES & NET POSITION OR FUND BALANCE (CONTINUED)

11. Long-term Obligations

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds statement of net position. Debt premiums and discounts are deferred and amortized over the life of the debt using the straight-line method.

In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Issuance costs, whether or not withheld from debt proceeds, are reported as current expenditures or expenses.

12. Net Position/Fund Balances

In the government-wide financial statements and the proprietary funds in the fund financial statements, net position is restricted when constraints placed on the use of resources are externally imposed. In the fund financial statements, governmental funds report fund balances based on financial reporting standards that establish criteria for classifying fund balances into specifically defined classifications to make the nature and extent of constraints more useful and understandable. The classifications comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances may be classified as nonspendable, restricted, committed, assigned, or unassigned.

- Nonspendable Fund Balance – Amounts that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. Examples are items that are not expected to be converted to cash including inventories and prepaids.
- Restricted Fund Balance – Amounts that are restricted for specific purposes. The spending constraints placed on the use of fund balance amounts are externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation that are legally enforceable.
- Committed Fund Balance – Amounts that can only be used for specific purposes pursuant to constraints imposed by the Town Council by ordinance. The committed amounts cannot be used for any other purpose until Town Council removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.
- Assigned Fund Balance – 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 Town Council through policy or resolution, or Council can delegate the authority. Council has granted, through resolution, the Town Manager or the Manager's Designee, the authority to designate the assigned fund balance for each fund based on the intended use of such resources.
- Unassigned Fund Balance – The remaining fund balance of the general fund after amounts are set aside for other classifications. Negative fund balances of other funds are also included in this category.

TOWN OF SILVERTHORNE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE B - ASSETS, LIABILITIES & NET POSITION OR FUND BALANCE (CONTINUED)

The Town of Silverthorne has established a formal policy for its use of restricted and unrestricted (committed, assigned, unassigned) fund balance. If expenditures are incurred, the Town uses restricted fund balance first, if the expenditure meets the restricted purpose, followed by committed amounts, assigned amounts, and finally, unassigned amounts.

NOTE C – DEPOSITS & INVESTMENTS

The Town maintains a cash and short-term investments pool that is available for use by all Funds. Additionally, the Town pools longer-term investments for all Funds.

The Town's deposits are entirely covered by federal depository insurance (FDIC) or by collateral held under Colorado's Public Deposit Protection Act (PDPA). The PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by State regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits.

At the end of 2016, the Town held deposits and investments with the following maturities:

	<u>S&P Rating</u>	<u>Carrying Amounts</u>	<u>Maturities</u>	
			<u>Less than one year</u>	<u>Less than five years</u>
Deposits:				
Cash on Hand	Not Rated	\$4,000	\$4,000	
Bank Deposits	Not Rated	752,146	752,146	
Certificates of Deposit	Not Rated	2,070,284	2,070,284	
Investments				
United States Treasuries	NA	3,245,850	3,245,850	
US Agencies	AA+	5,493,607	1,501,720	3,991,887
Money Market Fund	Aaa	221,504	221,504	
Investment Pools	AAAm	15,300,029	15,300,029	
		<u>\$27,087,420</u>	<u>23,095,533</u>	<u>3,991,887</u>

Reconciliation to the Financial Statements

Cash & Investments	\$20,237,284
Restricted Cash & Investments	323,491
Fiduciary Fund Cash & Investments	<u>6,526,645</u>
	<u>\$27,087,420</u>

TOWN OF SILVERTHORNE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE C - DEPOSITS & INVESTMENTS (CONTINUED)

The Town of Silverthorne is governed by the deposit and investment limitations of State law. Custodial risk is not addressed by State statutes or by policy. The Town has a formal investment policy that limits its investment choices. The investment choices are within the limitations of State laws and include:

- Direct obligations of the US government and certain US agency securities;
- Certificates of deposits or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions;
- With certain limitations, commercial paper and money market funds regulated by the Securities and Exchange Commission (SEC);
- Local government investment pools

The Town measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs

At December 31, 2016, the Town had the following fair value measurements:

Investments measured at Fair Value:	Total	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
U.S. Instrumentalities	8,739,457		8,739,457	
Total	\$8,739,457		\$8,739,457	
Investments Measured at Net Asset Value:				
Colotrust	13,005,413			
CSAFE	2,294,616			
Money Market Funds	221,504			
Total	\$15,521,533			

Credit Risk – State statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission’s Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by one or more nationally recognized statistical rating organizations.

Interest Rate Risk – State statutes generally limit investments to an original maturity of no more than five years. 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. The Town’s general policy is to buy and hold investments to maturity. The Town’s investment portfolio is designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the Town’s investment risk constraints and the cash flow characteristics of the portfolio.

Concentration of Credit Risk – The Town places limits on the amount it may invest in any one issuer. The Town’s investment policy limits concentration depending on the investment instruments. At a maximum, the policy allows no more than 50% of the portfolio in any single issuer. Additionally, the Town’s investment policy recommends the Town diversify use of investment instruments to avoid incurring unreasonable risk in over investing in one specific instrument or in one institution. The Town’s investment policy recommends that “no more than 25% of the portfolio deposited in any single bank or savings and loan. No more than 50% of the portfolio in PDPA collateralized deposits.” At December 31, 2016, the Town’s investments in the Federal National Mortgage Association, Federal

TOWN OF SILVERTHORNE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE C - DEPOSITS & INVESTMENTS (CONTINUED)

Home Loan Mortgage Corporation, Federal Home Loan Bank, and Federal Farm Credit Banks Funding Corporation represented 5%, 6%, 5% and 6%, respectively, of total investments.

At December 31, 2016, the Town had invested \$15,300,029 in Local Governmental Investment Pools (Pools) from the Colorado Local Government Liquid Asset Trust (COLOTRUST) and Colorado Surplus Asset Fund Trust (CSAFE). The Pools are investment vehicles established by State statute for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the Pools. The Pools operate in conformity with the Securities and Exchange Commission's Rule 2a-7, as promulgated under the Investment Company Act of 1940, as amended with each share equal in value to \$1. Investments of COLOTRUST and CSAFE are limited to those allowed by State statute. A designated custodial bank provides safekeeping and depository services, and substantially all securities owned by the Pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investment owned by the participating government.

NOTE D – RECEIVABLES & DUE FROM OTHER GOVERNMENTS

Receivables and Due from Other Governments, as of December 31, 2016, for the Town's individual major funds and non-major funds in the aggregate, are as follows.

	General Fund	Sales Tax Capital Improvement Fund	Urban Renewal Authority Fund	Nonmajor Funds	Water Fund	Sewer Fund
Receivables:						
Taxes	\$ 315,952	\$ 371,474	\$ 64,050	\$ 55,831	\$ -	\$ -
Accounts	81,540	13,354	90	-	223,562	346,841
Total Receivables	<u>\$ 397,492</u>	<u>\$ 381,828</u>	<u>\$ 64,140</u>	<u>\$ 55,831</u>	<u>\$ 223,562</u>	<u>\$ 346,841</u>
Due from Other Governments						
County	\$ 3,036	\$ -	\$ -	\$ -	\$ -	\$ -
Local Authority	-	-	-	30,515	-	-
State	1,049,899	-	-	-	-	-
Total Other Governments	<u>\$ 1,052,935</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,515</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF SILVERTHORNE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE E – CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended December 31, 2016.

<u>Governmental Activities</u>	Balance December 31, 2015	Additions	Disposals	Balance December 31, 2016
Capital assets, not being depreciated:				
Land	\$ 9,694,924	\$ -	\$ -	\$ 9,694,924
Projects in Progress	558,170	5,982,587	(17,650)	6,523,107
Total capital assets not being depreciated	<u>10,253,094</u>	<u>5,982,587</u>	<u>(17,650)</u>	<u>16,218,031</u>
Capital assets, being depreciated:				
Buildings and Improvements	17,326,585	118,193	(30,000)	17,414,778
Vehicles & Heavy Equipment	4,004,317	229,275	(217,772)	4,015,820
Equipment & Furniture	1,586,323	612,205	(82,419)	2,116,109
Infrastructure	34,760,639	682,601	-	35,443,240
Intangibles	894,932	68,645	(60,940)	902,637
Other Improvements	6,719,360	89,976	-	6,809,336
Total capital assets being depreciated	<u>65,292,156</u>	<u>1,800,895</u>	<u>(391,131)</u>	<u>66,701,920</u>
Less accumulated depreciation:				
Buildings and Improvements	(8,009,698)	(649,493)	27,000	(8,632,191)
Vehicles & Heavy Equipment	(1,535,497)	(274,567)	183,534	(1,626,530)
Equipment & Furniture	(956,517)	(187,676)	82,240	(1,061,773)
Infrastructure	(15,122,656)	(1,288,970)	-	(16,411,626)
Intangibles	(334,997)	(90,083)	38,483	(386,597)
Other Improvements	(3,623,932)	(307,333)	-	(3,931,265)
Total accumulated depreciation	<u>(29,583,297)</u>	<u>(2,798,122)</u>	<u>331,437</u>	<u>(32,049,982)</u>
Total capital assets, being depreciated, net	<u>35,708,859</u>	<u>(997,227)</u>	<u>(59,694)</u>	<u>34,651,938</u>
Governmental activities capital assets, net	<u>\$ 45,961,953</u>	<u>\$ 4,985,360</u>	<u>\$ (77,344)</u>	<u>\$ 50,869,969</u>
<u>Business - Type Activities</u>	Balance December 31, 2015	Additions	Disposals	Balance December 31, 2016
Capital assets, not being depreciated:				
Land	\$ 3,871	\$ -	\$ -	\$ 3,871
Projects in Progress	228,619	21,790	(32,633)	217,776
Water Rights	8,424,250	-	-	8,424,250
Total capital assets, not being depreciated	<u>8,656,740</u>	<u>21,790</u>	<u>(32,633)</u>	<u>8,645,897</u>
Capital assets, being depreciated:				
Water Tanks	2,272,867	-	-	2,272,867
Lines	17,569,832	-	-	17,569,831
Wells	2,871,510	112,680	-	2,984,191
Machinery & Equipment	695,525	18,172	(32,562)	681,135
Intangibles	219,106	-	-	219,106
Other Improvements	2,044,563	-	-	2,044,563
Total capital assets, being depreciated	<u>25,673,403</u>	<u>130,852</u>	<u>(32,562)</u>	<u>25,771,693</u>
Less accumulated depreciation:				
Water Tanks	(1,028,688)	(56,781)	-	(1,085,469)
Lines	(8,541,486)	(661,845)	-	(9,203,331)
Wells	(1,811,052)	(128,959)	-	(1,940,011)
Machinery & Equipment	(339,285)	(46,988)	32,562	(353,711)
Intangibles	(127,791)	(24,200)	-	(151,991)
Other Improvements	(178,337)	(61,885)	-	(240,222)
Total accumulated depreciation	<u>(12,026,639)</u>	<u>(980,658)</u>	<u>32,562</u>	<u>(12,974,735)</u>
Total capital assets, being depreciated, net	<u>13,646,764</u>	<u>(849,806)</u>	<u>-</u>	<u>12,796,958</u>
Business-type activities capital assets, net	<u>\$ 22,303,504</u>	<u>\$ (828,016)</u>	<u>\$ (32,633)</u>	<u>\$ 21,442,855</u>

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE E – CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions as follows:

Governmental Activities:

General Government	\$ 109,457
Public Safety	75,604
Public Works	1,865,551
Community Development	62,543
Recreation & Culture	<u>684,967</u>
Total Governmental Activities Depreciation Expenses	<u>\$2,798,122</u>

NOTE F - INVESTMENT IN JOINT VENTURES

Joint Sewer Authority

The Town is a participant in the Silverthorne/Dillon Joint Sewer Authority (JSA), which was formed to construct and operate a wastewater treatment facility. Participants in the JSA are the Towns of Silverthorne and Dillon, the Dillon Valley District, the Buffalo Mountain Metropolitan District and the Mesa Cortina Metro District.

Construction costs are paid by each participant based on their share of the available capacity in each phase of the project. Operating costs are funded by quarterly billings to the participants, which are based on the number of taps each participant has connected to the system.

The Town records its investments in the JSA, and its share of operating costs in the Sewer Fund. The investment is accounted for under the equity method. The Town had an investment in the JSA at December 31, 2016, the date of the most recent audited financial statements, of \$9,337,575. The Town represents a 67.17% share in the joint venture. At December 31, 2016, the Town was responsible for 38.3% of the JSA's operating expenses.

Based on the 2016 audited results, the Town's equity in the JSA increased by \$285,078.

Joint Sewer Authority financial statements are issued annually and can be obtained from the managing entity, the Town of Silverthorne.

Urban Renewal Authority Joint Venture

The Town's Urban Renewal Authority (URA) is an equal partner with Craig Reality in the Acorn commercial property that was purchased in 2014. The partnership formed is Blue River Real Estate Company, LLC. The purpose of the partnership is to attain and hold a section of commercial property to be used at a future date within a new commercial development.

All revenues and expenses are to be equally shared. Equal payments are to be made to the LLC when needed. The URA had an investment in the partnership as of December 31, 2016, of \$729,362. The URA represents a 50% share in the joint venture. At December 31, 2016, the URA was responsible for 50% of the partnerships operating expenses.

TOWN OF SILVERTHORNE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE G – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the year are referred to as either *Interfund Receivables* or *Payables*. Any residual balances outstanding between governmental and business-type activities are reported in the government-wide financial statements as internal balances.

Interfunds:

<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Amount</u>
General Fund	Urban Renewal Authority Fund	\$3,952,773

The amounts payable to the General Fund relate to the advance made to the URA for URA activity and land purchases. Repayment will be made from increment property taxes and proceeds from the sale of land.

Transfers between funds during the year ended December 31, 2016, were as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Sales Tax Capital Improvement Fund	\$ 1,500,000	\$ -
General Fund	-	1,500,000
Total Transfers	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>

The General Fund transferred \$1,500,000 to the Sales Tax Capital Improvement Fund to assist with the construction of the Silverthorne Performing Arts Center.

NOTE H - LONG-TERM DEBT

Governmental & Business Activities:

The following summarizes the changes in the Town's long-term liabilities for the year ended December 31, 2016:

	<u>Balance 12/31/15</u>	<u>Additions</u>	<u>Retirement</u>	<u>Balance 12/31/16</u>	<u>Due Within One Year</u>
Governmental Activities:					
Capital Leases	\$ 163,372	\$ 4,917,416	\$ (74,148)	\$ 5,006,640	\$ 526,366
Compensated Absences – Gov.	<u>514,027</u>	<u>617,539</u>	<u>(576,751)</u>	<u>554,815</u>	<u>514,027</u>
Total Governmental	<u>\$ 677,399</u>	<u>\$ 5,534,955</u>	<u>\$ (650,899)</u>	<u>\$ 5,561,455</u>	<u>\$ 1,040,393</u>
Business-Type Activities:					
Compensated Absences – Bus.	<u>\$ 27,636</u>	<u>\$ 43,841</u>	<u>\$ (42,114)</u>	<u>\$ 29,363</u>	<u>\$ 27,636</u>

Compensated absences of the governmental activities are expected to be liquidated with revenues from the General Fund.

Capital Lease Obligations:

In 2016, the Town entered into a ten year lease-purchase agreement for \$4,500,000 on the Town Hall building in order to provide funding for the construction of the Silverthorne Performing Arts Center. No payments were due in 2016. Semiannual payments (including interest) of approximately \$250,000 are due on June 1st and December 1st starting on June 1, 2017. The interest rate on this financing is 1.92%.

TOWN OF SILVERTHORNE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE H - LONG-TERM DEBT (CONTINUED)

Also in 2016, the Town entered into a lease purchase agreement for \$417,416 to purchase two additional plow trucks and attachments. Both of these vehicles have a useful life of ten years and in 2016, \$18,373 was included in depreciation expense. The interest rate on this financing is 1.96%. Semiannual payments of \$44,015 are due on the 15th of February and August each year beginning on August 15, 2016.

In 2014, The Town entered into a lease purchase agreement for \$180,000 to purchase a John Deere front loader and related accessories. The front loader has an estimated useful life of ten-years. This year, \$17,670 was included in depreciation expense. The equipment is used by the Town's Public Works department. The amount financed was \$180,000 at an interest rate of 3.5%. Semi-annual payments are \$19,778 which includes interest. Payments are due on July 1st and January 1st and began on July 1, 2015.

The following is a schedule of the future minimum lease payments under these capital leases:

Year	Principal	Interest	Total
2017	\$ 526,366	\$ 120,851	\$ 647,217
2018	539,210	84,887	624,097
2019	547,129	73,904	621,033
2020	540,348	62,699	603,047
2021	488,587	52,268	540,855
2022-2026	<u>2,365,000</u>	<u>126,960</u>	<u>2,491,960</u>
Total	<u>\$ 5,006,640</u>	<u>\$ 521,569</u>	<u>\$ 5,528,209</u>

NOTE I - PENSION PLANS

ICMA Retirement Prototype Money Purchase Plan & Trust (A 401 Qualified Plan)

All full-time and ¾ time employees, except elected/appointed officials as defined by the Town Code, participate in a Section 401(A) defined contribution money purchase retirement plan. The plan, administered by ICMA Retirement Corporation, requires the Town to contribute monthly an amount equal to 10.5% of each employee's salary. All amounts contributed are vested immediately. Each participant is required to contribute 7.5% of earnings for the plan year as a condition of participation in the plan. The Town Council has the authority to make changes to the plan as to the contributions and vesting rights as long as the changes are within the laws as set by the Federal Government.

Total contributions by the Town for the year ended December 31, 2016, were \$619,943. Total contributions by the employees for the year ended December 31, 2016, were \$442,817.

NOTE J - COLORADO CONTRABAND FORFEITURE ACT

The Town's police department has entered into a program with other law enforcement agencies in the Colorado Fifth Judicial District, whereby most assets acquired under the Colorado Contraband Forfeiture Act are turned over to the District to be used for authorized purposes to benefit all agencies within the District. At December 31, 2016, the Town had \$3,382 in seizure funds, which the police department is using for rewards for information leading to solving police cases.

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016

NOTE K - RISK MANAGEMENT

Colorado Intergovernmental Risk Sharing Agency (CIRSA)

The Town is a member with CIRSA, a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, section 18(2).

The purposes of CIRSA are to provide members defined liability and property coverage and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or officers. CIRSA provides insurance coverage for workers compensation, property, liability, crime, police professional and errors and omissions insurance. CIRSA does not cover contractual risks.

It is the intent of CIRSA to create an entity in perpetuity which will administer and use funds contributed by members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability or loss, to the limit of the financial resources of CIRSA. All income and assets of CIRSA are dedicated to the exclusive benefit of its members.

The deductible amount paid by the Town for each incident in 2016 was \$5,000; there is no change in coverage from past years. CIRSA is a separate legal entity and the Town does not approve budgets nor does it have the ability to significantly affect the operations of CIRSA.

Group Insurance - Health & Short Term Disability

The Town has an established partially self-funded insurance plan for health and short-term disability for employees and their dependents. Under the health insurance program, for employees, spouses and dependents who choose to participate, the Town provides health insurance coverage up to \$65,000 and aggregate losses for all participants up to \$1,000,000. The Town purchases commercial insurance for claims in excess of coverage provided by the Town.

For the Town's short-term disability program, the Town provides coverage equal to the coverage that was provided by the private insurance industry. The coverage has a low risk to the Town. There is no excess coverage insurance for these plans. The short-term disability insurance covers a maximum of 12 weeks of 60% of weekly salary with a maximum of \$1,000 per week.

All Town departments participate in the group insurance and make payments to the Health & Short-term Disability Internal Service Fund based on prior claims experience in amounts needed to pay current year claims and to establish a reserve for catastrophic losses. The Fund has a net position of \$254,723 as of December 31, 2016.

The Town has established a reserve for incurred but not reported (IBNR) claims based on claims experience. The IBNR reserves are included in claims payable, and include a provision for incremental claim adjustment expenses as well as estimated recoveries, if applicable. Other than current amounts, the Town does not believe that IBNR claims can be reasonably estimated. Therefore, no long-term liability is reported in the financial statements. Changes in claims payable were as follows:

	2015	2016
Claims Payable, Beginning of Year	\$ 64,764	\$ 69,778
Claims and Changes in Provisions	580,191	1,041,941
Claim Payments	<u>(575,177)</u>	<u>(991,005)</u>
Claims Payable, End of Year	<u>\$ 69,778</u>	<u>\$ 120,714</u>

TOWN OF SILVERTHORNE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

NOTE L– CONTINGENCIES AND COMMITMENTS

Litigation

The Town had no active lawsuits as of the end of 2016.

Economic Development Agreements

The Town has entered into Enhanced Sales Tax Incentive Programs (ESTIP) agreements in an effort to promote economic development and re-development within the Town. Enhanced sales tax shall mean the amount of sales tax collected by the Town, and available to the Town after the deduction of sixty percent (60%) of the two-percent Town sales taxes required by election, over and above a base amount negotiated and agreed upon by the applicant and the Town, and approved by the Town Council. Any owner of a newly established retail-sales-tax-generating business or location, or the owner of an existing retail-sales-tax-generating business or location which wishes to expand substantially, which newly established or substantial expansion is accomplished subsequent to the effective date of this Division, may apply to the Town for inclusion within the ESTIP, provided that the new or expanded business is reasonably likely to generate enhanced sales taxes of at least five thousand dollars (\$5,000) in the first year of operation.

The uses eligible for the shared enhanced sales taxes shall be strictly limited to those which are public or public-related in nature. Some examples are improvements to streets, sidewalks, drainage facilities, demolition and site restoration for redevelopment, landscaping, decorative structures, enhanced architectural features, public transportation improvements, installation of utility lines and any other improvements of a similar nature which are specifically approved by the Town Council. Public or public-related purposes also include redevelopment of existing properties, occupancy of existing vacant space and expansion or creation of jobs in the Town. There are currently six active agreements as of December 31, 2016: Lowes, Murdoch's, Baker's Brewery, Starbucks, Hampton Inn and Sauce on the Blue. The gross dollar amount by which the Town's sales tax revenues were decreased during 2016 was \$518,649.

NOTE M - TAXPAYER BILL OF RIGHTS & THE AMENDMENT ONE ELECTION QUESTION

At the November 3, 1992 general election, Colorado voters approved an amendment to the Colorado Constitution commonly known as the Taxpayer's Bill of Rights (the Amendment). The Amendment was effective December 31, 1992, and its provisions limit government taxes, spending, revenues and debt without electoral approval.

The Amendment by its terms applies to local governments such as the Town but excludes "enterprises" which are defined as a (1) government owned business, (2) authorized to issue its own debt and (3) receives less than 10% of its annual revenue in grants from all state and local governments. The Town considers its Water and Sewer Funds to be "enterprises" and, therefore, considers them excluded from the terms of the Amendment.

On April 5, 1994 an election question was approved by the Citizens of the Town of Silverthorne. The election question asked the citizens for the Town to retain the ability to collect and expend the full revenues generated without any increase in any tax rate and expenditures and revenues on debt service, municipal operations and capital projects without the limitation of the Amendment. The period covered was January 1, 1994 to December 31, 2013.

On November 3, 2009, an election question was approved by the Citizens of Silverthorne. The election question asked the citizens for the Town to continue beyond December 31, 2013, to retain the ability to collect and expend the full revenues generated without any increase in any tax rate and

TOWN OF SILVERTHORNE, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2016**

**NOTE M - TAXPAYER BILL OF RIGHTS & THE AMENDMENT ONE ELECTION QUESTION
(CONTINUED)**

expenditures and revenues on debt service, municipal operations and capital projects without the limitation of the Amendment. The basis of this question was to take the 1994 election question and continue to be exempt from TABOR as it relates to revenue limits indefinitely.

For 2016, The Town was required to reserve 3% of its fiscal year spending as “emergency reserves.” The TABOR emergency reserve of \$510,785 has been recorded as restricted fund balance in the General Fund.

Required Supplementary Information

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TOWN OF SILVERTHORNE, COLORADO

**GENERAL FUND
BUDGETARY COMPARISON SCHEDULE**

Year Ended December 31, 2016

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 7,667,595	\$ 7,917,595	\$ 7,968,905	\$ 51,310
Intergovernmental	397,374	397,374	407,715	10,341
Licenses, Permits & Fees	311,533	671,533	765,005	93,472
Charges for Services	2,467,861	2,638,161	2,864,172	226,011
Fines & Forfeitures	125,000	125,000	71,374	(53,626)
Interest	93,378	23,378	30,677	7,299
Grants/Donations	25,000	37,500	37,557	57
Miscellaneous	24,500	24,500	39,311	14,811
	<u>11,112,241</u>	<u>11,835,041</u>	<u>12,184,716</u>	<u>349,675</u>
Total Revenues				
EXPENDITURES				
Current				
General Government	2,353,487	2,490,170	2,527,081	(36,911)
Public Safety	1,973,428	2,015,278	1,945,172	70,106
Public Works	2,599,737	2,522,087	2,339,892	182,195
Community Development	824,642	974,642	953,271	21,371
Recreation & Culture	3,194,974	3,230,570	3,116,542	114,028
	<u>10,946,267</u>	<u>11,232,746</u>	<u>10,881,957</u>	<u>350,789</u>
Total Expenditures				
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>165,974</u>	<u>602,295</u>	<u>1,302,759</u>	<u>700,464</u>
OTHER FINANCING SOURCES (USES)				
Transfer Out	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>(1,500,000)</u>	<u>-</u>
Net Change in Fund Balance, Budgetary Basis	<u>(1,334,026)</u>	<u>(897,705)</u>	<u>(197,241)</u>	<u>700,464</u>
Fund Balance, Beginning of Year	<u>6,311,868</u>	<u>11,359,206</u>	<u>11,359,206</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 4,977,842</u>	<u>\$ 10,461,501</u>	<u>\$ 11,161,965</u>	<u>\$ 700,464</u>

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2016**

NOTE 1 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets for the governmental funds, except for interfund loan activity in General, Housing 5A and Development Excise Tax Funds, are adopted on a basis consistent with generally accepted accounting principles (GAAP). Additionally, interfund loan activity, developer proceeds and capital outlay of the Urban Renewal Authority Fund, are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for the proprietary fund are adopted on a basis consistent with GAAP, except that the budgeted expenditures also include capital outlay and exclude depreciation expense and equity gain/loss from joint ventures and capital assets. The Council does not budget for the fiduciary funds. Council legally adopts all governmental and proprietary fund budgets. All annual appropriations lapse at the end of the fiscal year.

During the year, the Town Council meets with each department to approve policy, identify goals and performance measures. It is the department's responsibility to prepare an annual budget to implement the policy and accomplish the goals identified. Each year, the Manager will present the Financial Policies in August, Capital Budget in September, and the Operating Budget in October. The Council holds two public hearings prior to the Council's adoption of the Budget Resolution schedule to be completed on or before the first regular Council meeting in November of each year.

The appropriated budget is prepared by fund, department, programs and categories. The Manager may approve transfer of budget between departments within a fund. Departments may request the Manager's approval to transfer budget items between categories and programs within a department. The Manager will review requests to ensure compliance with the goals and objectives of the annual budget as approved by the Council. Transfers of appropriation between funds require the approval of Council. The legal level of budgetary control is the fund level. Council can amend the approved budget during the year.

For the year ended December 31, 2016, the Health & Short-term Disability Claims Fund expenses exceeded the amounts budgeted by \$216,925 due to unexpected health related claims. This may be a violation of State statute.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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Capital Project Funds

Capital project funds are used to account for financial resources that are restricted, committed, or assigned to expenditures for capital outlays including the acquisition or construction of capital facilities and other capital assets.

Sales Tax Capital Improvement Fund - This fund is used to account for the 60% of the Town's 2% sales tax. The funds are used for the acquisition, construction and debt of major capital products and facilities other than those financed by proprietary funds and trust funds

Silverthorne Urban Renewal Authority – The Silverthorne Urban Renewal Authority was established in 1996 and the Silverthorne Urban renewal Authority was approved in 2013 in order to revitalize blighted areas and stimulate commercial development in the Town.

Conservation Trust Fund - This fund is used to account for the Town's share of lottery funds distributed by the State of Colorado. Funds are to be used for Parks, Trails and Open Space.

Lodging Tax Fund – This fund is used to account for the voter approved 2% tax on lodging sales. Funds are to be split and expended 85% to Parks, Trails and Open Space – 15% for marketing.

5A Housing Fund – This fund is used to account for the voter approved .125% sales tax and impact fees that is assessed by the Summit Housing Authority and distributed back to the Town for affordable housing related capital projects.

Development Excise Tax Fund – This fund is used to account for the voter approved \$2 per square foot charged on new residential construction. Funds are to be used for growth related operations and capital expenditures.

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TOWN OF SILVERTHORNE, COLORADO

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

December 31, 2016

	Capital Project Funds				Total Other Governmental Funds
	Conservation Trust	Lodging Tax	5A Housing	Development Excise Tax	
ASSETS					
Cash & Investments	\$ 84,702	561,692	\$ 1,028,873	\$ 2,148,115	\$ 3,823,382
Accounts Receivable	-	31,761	24,070	-	55,831
Due from Other Governments	-	-	30,515	-	30,515
Deposits	-	-	4,400	-	4,400
Total Assets	<u>\$ 84,702</u>	<u>593,453</u>	<u>\$ 1,087,858</u>	<u>\$ 2,148,115</u>	<u>\$ 3,914,128</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ -	\$ 6,680	\$ 635	\$ -	\$ 7,315
Total Liabilities	<u>-</u>	<u>6,680</u>	<u>635</u>	<u>-</u>	<u>7,315</u>
FUND BALANCES					
Restricted For:					
Blue River Improvements	-	270,361	-	-	270,361
Parks, Trails & Open Space	84,702	225,219	-	-	309,921
Marketing	-	91,193	-	-	91,193
Affordable Housing	-	-	1,087,223	-	1,087,223
Capital Improvements	-	-	-	2,148,115	2,148,115
Total Fund Balances	<u>84,702</u>	<u>586,773</u>	<u>1,087,223</u>	<u>2,148,115</u>	<u>3,906,813</u>
Total Liabilities & Fund Balances	<u>\$ 84,702</u>	<u>593,453</u>	<u>\$ 1,087,858</u>	<u>\$ 2,148,115</u>	<u>\$ 3,914,128</u>

TOWN OF SILVERTHORNE, COLORADO

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**

Year Ended December 31, 2016

	Capital Project Funds				Total Other Governmental Funds
	Conservation Trust	Lodging Tax	5A Housing	Development Excise Tax	
REVENUES					
Taxes	\$ -	\$ 266,832	\$ -	\$ 663,574	\$ 930,406
Intergovernmental	45,891	-	311,720	-	357,611
Licenses, Permits & Fees	-	-	281,997	-	281,997
Charges for Services	-	-	1,469	-	1,469
Interest	204	2,278	3,630	8,950	15,062
Total Revenues	<u>46,095</u>	<u>269,110</u>	<u>598,816</u>	<u>672,524</u>	<u>1,586,545</u>
EXPENDITURES					
Current:					
General Government - Marketing	-	34,241	-	-	34,241
Housing	-	-	40,652	-	40,652
Capital Outlay	-	54,205	-	44,765	98,970
Total Expenditures	<u>-</u>	<u>88,446</u>	<u>40,652</u>	<u>44,765</u>	<u>173,863</u>
Net Change in Fund Balance	46,095	180,664	558,164	627,759	1,412,682
Fund Balances, Beginning of Year	<u>38,607</u>	<u>406,109</u>	<u>529,059</u>	<u>1,520,356</u>	<u>2,494,131</u>
Fund Balances, End of Year	<u>\$ 84,702</u>	<u>\$ 586,773</u>	<u>\$ 1,087,223</u>	<u>\$ 2,148,115</u>	<u>\$ 3,906,813</u>

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

CONSERVATION TRUST FUND
BUDGETARY COMPARISON SCHEDULE

Year Ended December 31, 2016

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Intergovernmental	\$ 41,624	\$ 41,624	\$ 45,891	\$ 4,267
Interest	25	25	204	179
Total Revenues	<u>41,649</u>	<u>41,649</u>	<u>46,095</u>	<u>4,446</u>
EXPENDITURES				
Capital Outlay	<u>81,935</u>	<u>31,935</u>	<u>-</u>	<u>31,935</u>
Total Expenditures	<u>81,935</u>	<u>31,935</u>	<u>-</u>	<u>31,935</u>
Net Change in Fund Balance	(40,286)	9,714	46,095	36,381
Fund Balance, Beginning of Year	<u>40,286</u>	<u>38,607</u>	<u>38,607</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ -</u></u>	<u><u>\$ 48,321</u></u>	<u><u>\$ 84,702</u></u>	<u><u>\$ 36,381</u></u>

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

LODGING TAX FUND
BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2016

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 223,000	\$ 257,000	\$ 266,832	\$ 9,832
Interest	6,738	6,738	2,278	(4,460)
Total Revenues	<u>229,738</u>	<u>263,738</u>	<u>269,110</u>	<u>5,372</u>
EXPENDITURES				
General Government - Marketing	49,000	49,000	34,241	14,759
Capital Outlay	40,000	75,000	54,205	20,795
Total Expenditures	<u>89,000</u>	<u>124,000</u>	<u>88,446</u>	<u>35,554</u>
Net Change in Fund Balance	140,738	139,738	180,664	40,926
Fund Balance, Beginning of Year	<u>326,693</u>	<u>406,109</u>	<u>406,109</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 467,431</u>	<u>\$ 545,847</u>	<u>\$ 586,773</u>	<u>\$ 40,926</u>

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

5A HOUSING FUND
BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2016

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	\$ 298,000	\$ 298,000	\$ 311,720	\$ 13,720
Licenses, Permits & Fees	112,500	257,500	283,466	25,966
Interest	3,642	3,642	3,630	(12)
Miscellaneous	-	-	-	-
	414,142	559,142	598,816	39,674
EXPENDITURES				
Housing Administrative Fees	49,393	49,393	36,152	13,241
Housing Programs	40,000	7,500	4,500	3,000
	89,393	56,893	40,652	16,241
Net Change in Fund Balance,	324,749	\$ 502,249	558,164	55,915
Fund Balance, Beginning of Year	443,519	529,059	529,059	-
Fund Balance, End of Year	\$ 768,268	\$ 1,031,308	\$ 1,087,223	\$ 55,915

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

DEVELOPMENT EXCISE TAX FUND
BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2016

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
Taxes	\$ 150,000	\$ 600,000	\$ 663,574	\$ 63,574
Interest	24,331	24,331	8,950	(15,381)
Total Revenues	174,331	624,331	672,524	48,193
EXPENDITURES				
Capital Outlay	18,750	77,918	44,765	33,153
Transfer Out	500,000	-	-	-
Total Expenditures	518,750	77,918	44,765	33,153
Net Change in Fund Balance	(344,419)	546,413	627,759	81,346
Fund Balance, Beginning of Year	1,447,722	1,520,356	1,520,356	-
Fund Balance, End of Year	\$ 1,103,303	\$ 2,066,769	\$ 2,148,115	\$ 81,346

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO
SALES TAX CAPITAL IMPROVEMENT FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2016

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 2,996,544	\$ 3,101,544	\$ 3,184,953	\$ 83,409
Contributions	980,000	-	-	-
Interest	12,190	12,190	14,436	2,246
Total Revenues	<u>3,988,734</u>	<u>3,113,734</u>	<u>3,199,389</u>	<u>85,655</u>
EXPENDITURES				
Capital Outlay	12,126,796	9,828,669	8,118,602	1,710,067
Debt Services:				
Principal	34,133	78,148	74,148	4,000
Interest & Fiscal Charges	5,422	55,422	58,920	(3,498)
Total Expenditures	<u>12,166,351</u>	<u>9,962,239</u>	<u>8,251,670</u>	<u>1,710,569</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(8,177,617)</u>	<u>(6,848,505)</u>	<u>(5,052,281)</u>	<u>1,796,224</u>
OTHER FINANCING SOURCES				
Sale of Capital Assets	89,000	89,000	97,418	8,418
Lease Financing	6,000,000	4,917,416	4,917,416	-
Transfer In	2,000,000	1,500,000	1,500,000	-
Total Other Financing Sources	<u>8,089,000</u>	<u>6,506,416</u>	<u>6,514,834</u>	<u>8,418</u>
Net Change in Fund Balance	(88,617)	(342,089)	1,462,553	1,804,642
Fund Balance, Beginning of Year	<u>645,037</u>	<u>681,483</u>	<u>681,483</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 556,420</u>	<u>\$ 339,394</u>	<u>\$ 2,144,036</u>	<u>\$ 1,804,642</u>

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

URBAN RENEWAL AUTHORITY FUND
BUDGETARY COMPARISON SCHEDULE

Year Ended December 31, 2016

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Taxes	\$ 61,000	\$ 61,000	\$ 52,935	\$ (8,065)
Interest	-	-	361	361
Miscellaneous	-	-	2,219	2,219
 Total Revenues	<u>61,000</u>	<u>61,000</u>	<u>55,515</u>	<u>(5,485)</u>
 EXPENDITURES				
Urban Renewal	<u>20,000</u>	<u>20,000</u>	<u>800</u>	<u>19,200</u>
 Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>800</u>	<u>19,200</u>
 Net Change in Fund Balance	41,000	41,000	54,715	13,715
 Fund Balance, Beginning of Year	<u>22,780</u>	<u>(39,801)</u>	<u>(39,801)</u>	<u>-</u>
 Fund Balance, End of Year	<u>\$ 63,780</u>	<u>\$ 1,199</u>	<u>\$ 14,914</u>	<u>\$ 13,715</u>

See the accompanying Independent Auditors' Report.

Enterprise Funds

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

Water Fund - This fund is used to account for the provision of water service for the Town.

Sewer Fund - This fund is used to account for the provision of sewer service for the Town.

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TOWN OF SILVERTHORNE, COLORADO

WATER FUND
BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2016

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
User Fees	\$ 1,012,933	\$ 1,012,933	\$ 1,107,604	\$ 94,671
Charges for Services	4,600	4,600	59,011	54,411
Tap Fees	185,000	872,000	1,003,257	131,257
Interest	15,379	15,379	9,045	(6,334)
Total Revenues	1,217,912	1,904,912	2,178,917	274,005
EXPENSES				
Operations	771,650	904,950	897,743	7,207
Maintenance	228,000	232,500	271,550	(39,050)
Contractual Services	50,500	50,500	25,493	25,007
Capital Outlay	168,750	187,500	104,808	82,692
Total Expenses	1,218,900	1,375,450	1,299,594	75,856
Change in Net Position, Budgetary Basis	\$ (988)	\$ 529,462	879,323	\$ 349,861
ADJUSTMENTS TO GAAP BASIS				
Capital Outlay			104,808	
Depreciation Expense			(697,124)	
Change in Net Position, GAAP Basis			\$ 287,007	

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

SEWER FUND
BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2016

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES				
User Fees	\$ 1,295,405	\$ 1,295,405	\$ 1,321,675	\$ 26,270
Charges for Services	4,400	4,400	7,400	3,000
Tap Fees	150,000	705,000	808,047	103,047
Interest	53,061	53,061	18,775	(34,286)
Total Revenues	1,502,866	2,057,866	2,155,897	98,031
EXPENSES				
Operations	257,402	325,402	313,896	11,506
Maintenance	103,000	103,000	72,646	30,354
Contractual Services	968,196	968,196	819,984	148,212
Capital Outlay	37,500	295,000	15,000	280,000
Total Expenses	1,366,098	1,691,598	1,221,526	470,072
Change in Net Position, Budgetary Basis	\$ 136,768	\$ 366,268	934,371	\$ 568,103
ADJUSTMENTS TO GAAP BASIS				
Capital Outlay			15,000	
Depreciation Expense			(283,534)	
Equity Gain in Joint Sewer Authority Investment			119,521	
Change in Net Position, GAAP Basis			\$ 785,358	

See the accompanying Independent Auditors' Report.

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the governmental unit, or to other governmental units, on a cost-reimbursement basis.

Health & Short-Term Disability Fund – This fund is used to account for the first \$65,000 in medical claims per claimant per year and short-term disability claims. The claims related premiums are paid into this fund to cover the claims which are paid through a third party administrator.

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TOWN OF SILVERTHORNE, COLORADO

HEALTH & SHORT-TERM DISABILITY CLAIMS FUND
BUDGETARY COMPARISON SCHEDULE

Year Ended December 31, 2016

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
REVENUES				
Charges for Services	\$ 733,000	\$ 714,000	\$ 988,419	\$ 274,419
Interest	200	200	2,182	1,982
Miscellaneous	1,000	1,000	478	(522)
Total Revenues	<u>734,200</u>	<u>715,200</u>	<u>991,079</u>	<u>275,879</u>
EXPENSES				
Claims	723,750	808,750	1,041,941	(233,191)
Wellness Program	23,500	23,500	16,720	6,780
Miscellaneous	14,874	14,874	5,388	9,486
Total Expenses	<u>762,124</u>	<u>847,124</u>	<u>1,064,049</u>	<u>(216,925)</u>
Change in Net Position	(27,924)	(131,924)	(72,970)	58,954
Net Position, Beginning of Year	<u>317,799</u>	<u>327,693</u>	<u>327,693</u>	<u>-</u>
Net Position, End of Year	<u>\$ 289,875</u>	<u>\$ 195,769</u>	<u>\$ 254,723</u>	<u>\$ 58,954</u>

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

AGENCY FUND

Year Ended December 31, 2016

	<u>Balance</u> <u>January 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>December 31, 2016</u>
Joint Sewer Authority				
ASSETS				
Cash and Investments	\$ <u>5,172,263</u>	\$ <u>2,844,380</u>	\$ <u>(1,489,998)</u>	\$ <u>6,526,645</u>
Total Assets	\$ <u><u>5,172,263</u></u>	\$ <u><u>2,844,380</u></u>	\$ <u><u>(1,489,998)</u></u>	\$ <u><u>6,526,645</u></u>
LIABILITIES				
Funds Held for Authority	\$ <u>5,172,263</u>	\$ <u>2,844,380</u>	\$ <u>(1,489,998)</u>	\$ <u>6,526,645</u>
Total Liabilities	\$ <u><u>5,172,263</u></u>	\$ <u><u>2,844,380</u></u>	\$ <u><u>(1,489,998)</u></u>	\$ <u><u>6,526,645</u></u>

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

STATISTICAL SECTION

(Unaudited)

This part of the Town of Silverthorne's comprehensive annual financial report presents detailed information as a context for understanding this year's financial statements, note disclosures and supplementary information. This section includes data for the Town (i.e., the primary government) and the business-type funds. This information has not been audited by the independent auditor.

Contents	Schedules	Pages
Financial Trends These tables contain trend information that may assist the reader in assessing the Town's current financial performance by placing it in historical perspective.	1-8	77-84
Revenue Capacity These tables contain information that may assist the reader in assessing the viability of the Town's most significant "own-source" revenues.	9-15	85-91
Debt Capacity These tables present information that may assist the reader in analyzing the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.	16-19	92-95
Demographic and Economic Information These tables offer economic and demographic indicators that are commonly used for financial analysis and depict the Town's present and ongoing financial status.	20-22	96-98
Operating Information These tables contain service and infrastructure indicators that represent how the information in the Town's financial statements relates to the services the Town provides and the activities it performs.	23-24	99-100

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Town of Silverthorne, Colorado
Government-wide Net Position by Category
Last Ten Fiscal Years
(accrual basis of accounting)

Source	2007	2008	2009 (3)	2010	2011	2012	2013	2014	2015	2016
Governmental Activities										
Net Investment in Capital Assets	\$ 30,551,010	\$ 37,724,350	\$ 40,538,196	\$ 40,917,450	\$ 41,837,491	\$ 43,533,197	\$ 46,177,806	\$ 45,104,372	\$ 45,798,581	\$ 45,863,329
Restricted	765,449	780,551	252,224	253,108	-	-	-	-	-	-
Restricted for: (1)										
Emergency	-	-	-	-	258,084	266,008	421,023	434,517	467,218	510,785
Trail Easements	-	-	-	-	-	-	386,461	-	-	-
Blue River Improvements	-	-	-	-	-	68,314	68,323	268,379	268,853	270,361
Parks, Trails & Open Space	-	-	-	-	157,948	81,448	61,325	23,620	90,929	309,921
Marketing	-	-	-	-	40,625	44,331	42,994	48,997	84,934	91,193
Affordable Housing	-	-	-	-	-	-	-	34,441	529,059	1,087,223
Capital Improvements	-	-	-	-	2,128,797	3,148,262	2,070,935	2,446,972	2,188,396	4,278,404
Unrestricted	11,699,883	8,281,222	6,975,032	7,392,136	5,445,153	5,919,695	6,727,071	9,471,179	10,662,103	10,329,479
Subtotal Governmental Activities										
Net Position	<u>43,016,342</u>	<u>46,786,123</u>	<u>47,765,452</u>	<u>48,562,694</u>	<u>49,868,098</u>	<u>53,061,255</u>	<u>55,955,938</u>	<u>57,832,477</u>	<u>60,090,073</u>	<u>62,740,695</u>
Business-type Activities										
Net Investment in Capital Assets (2)	13,834,516	14,840,210	21,753,271	21,312,175	20,957,378	20,831,886	22,425,901	22,920,439	22,303,504	21,442,855
Unrestricted	11,416,846	11,534,762	11,530,909	11,905,165	12,190,736	12,082,221	13,122,888	13,099,229	14,492,431	16,421,066
Subtotal Business-type Activities	<u>25,251,362</u>	<u>26,374,972</u>	<u>33,284,180</u>	<u>33,217,340</u>	<u>33,148,114</u>	<u>32,914,107</u>	<u>35,548,789</u>	<u>36,019,668</u>	<u>36,795,935</u>	<u>37,863,921</u>
Primary Government										
Net Investment in Capital Assets	44,385,526	52,564,560	62,291,467	62,229,625	62,794,869	64,365,083	68,603,707	68,024,811	68,102,085	67,306,184
Restricted	765,449	780,551	252,224	253,108	-	-	-	-	-	-
Restricted for: (1)										
Emergency	-	-	-	-	258,084	266,008	421,023	434,517	467,218	510,785
Trail Easements	-	-	-	-	-	-	386,461	-	-	-
Blue River Improvements	-	-	-	-	-	68,314	68,323	268,379	268,853	270,361
Parks, Trails & Open Space	-	-	-	-	157,948	81,448	61,325	23,620	90,929	309,921
Marketing	-	-	-	-	40,625	44,331	42,994	48,997	84,934	91,193
Affordable Housing	-	-	-	-	-	-	-	34,441	529,059	1,087,223
Capital Improvements	-	-	-	-	2,128,797	3,148,262	2,070,935	2,446,972	2,188,396	4,278,404
Unrestricted	23,116,729	19,815,984	18,505,941	19,297,301	17,635,889	18,001,916	19,849,959	22,570,408	25,154,534	26,750,545
Total Primary Government										
Net Position	<u>\$ 68,267,704</u>	<u>\$ 73,161,095</u>	<u>\$ 81,049,632</u>	<u>\$ 81,780,034</u>	<u>\$ 83,016,212</u>	<u>\$ 85,975,362</u>	<u>\$ 91,504,727</u>	<u>\$ 93,852,145</u>	<u>\$ 96,886,008</u>	<u>\$ 100,604,616</u>

(1) Required for GASB 54, implemented in FY2011.

(2) There is no capital related debt for business-type activities.

(3) Prior Year Adjustments due to GASB 51 adding intangibles capital assets from prior years .

Town of Silverthorne, Colorado
Changes in Net Position - Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
General Government	\$ 1,405,667	\$ 1,469,486	\$ 1,605,745	\$ 1,536,770	\$ 1,670,910	\$ 1,872,746	\$ 2,241,236	\$ 1,935,134	\$ 2,312,724	\$ 2,747,399
Public Safety	1,841,689	1,947,374	1,857,556	1,832,321	1,740,615	1,837,454	1,890,569	1,928,658	1,888,198	2,031,902
Public Works	3,053,768	3,378,759	3,598,113	3,411,665	3,489,925	3,726,877	3,956,584	4,538,704	4,315,694	4,468,632
Community Development	814,718	805,313	745,431	719,689	780,753	746,989	844,004	917,763	925,638	1,057,165
Recreation & Culture	2,912,284	3,054,899	3,089,079	3,038,923	3,049,233	3,241,437	3,214,835	3,419,012	3,897,197	4,042,014
Urban Renewal	-	-	-	-	-	-	25,386	30,967	2,298	800
Housing	39,713	77,764	316,901	84,104	42,821	37,444	61,489	44,081	32,575	40,652
Interest on Long-Term Debt	229,425	162,916	126,502	7,576	2,417	-	-	-	3,167	46,876
Total Expenses	10,297,264	10,896,511	11,339,327	10,631,048	10,776,674	11,462,947	12,234,103	12,814,319	13,377,491	14,435,440
Program Revenues:										
Charges for Services										
General Government	169,744	182,069	257,581	205,876	243,697	334,442	354,339	431,398	587,756	632,652
Public Safety	115,227	143,199	158,075	143,689	139,631	133,987	175,426	156,672	167,225	129,639
Public Works	71,279	83,963	76,876	76,318	78,318	102,056	80,150	78,765	79,487	81,037
Community Development	449,551	412,551	169,820	200,217	219,989	151,940	408,477	345,634	438,838	681,801
Recreation & Culture	1,638,050	1,620,801	1,617,781	1,583,607	1,692,136	1,708,500	1,848,633	1,890,066	2,067,382	2,175,423
Housing	-	-	-	-	-	-	130,757	216,458	232,560	283,466
Operating Grants & Contributions	7,773	292,037	250,850	252,062	452,588	421,313	473,856	489,073	416,907	351,748
Capital Grants & Contributions	2,517,121	1,517,000	977,500	106,017	318,192	2,537,671	1,320,774	266,083	288,657	357,611
Total Program Revenues	4,968,745	4,251,620	3,508,483	2,567,786	3,144,551	5,389,909	4,792,412	3,874,149	4,278,812	4,693,376
Net (Expenses)/Revenues	(5,328,519)	(6,644,891)	(7,830,844)	(8,063,262)	(7,632,123)	(6,073,038)	(7,441,691)	(8,940,170)	(9,098,679)	(9,742,064)
General Revenues & Transfers:										
Taxes:										
Sales Taxes for General Purpose	6,029,697	5,917,576	5,206,198	5,292,277	5,430,076	5,717,520	6,319,207	6,649,243	7,164,905	7,539,125
Sales Taxes for Capital & Debt	2,714,907	2,559,111	2,245,857	2,202,647	2,321,097	2,443,476	2,664,399	2,779,772	3,008,841	3,184,953
Lodging Tax	135,088	146,041	113,629	120,602	128,803	126,856	141,420	160,594	187,720	266,832
Franchise Taxes	204,669	241,047	213,636	231,610	233,638	227,469	258,518	274,436	280,925	270,551
Development Excise Tax	381,781	311,944	92,276	96,986	105,958	129,080	409,336	231,332	350,438	663,574
Other Taxes	-	-	-	-	-	-	-	136,301	153,612	212,164
Grants & Contributions not Restricted	332,663	328,836	347,084	360,206	150,967	49,288	54,361	103,539	97,353	95,743
Investment Income	571,350	361,769	124,732	91,096	47,392	42,473	24,124	20,204	20,294	62,718
Gain on Sales of Capital Assets	-	-	-	-	-	22,339	18,281	199,799	42,625	62,287
Miscellaneous	102,500	229,937	154,128	182,165	177,218	204,454	37,353	261,489	49,562	34,739
Transfers	349,811	318,411	262,092	282,915	342,378	303,240	409,375	-	-	-
Total General Revenues & Transfers	10,822,466	10,414,672	8,759,632	8,860,504	8,937,527	9,266,195	10,336,374	10,816,709	11,356,275	12,392,686
Change in Net Position	\$ 5,493,947	\$ 3,769,781	\$ 928,788	\$ 797,242	\$ 1,305,404	\$ 3,193,157	\$ 2,894,683	\$ 1,876,539	\$ 2,257,596	\$ 2,650,622

Town of Silverthorne, Colorado
 Changes in Net Position - Business-type Activities
 Last Ten Fiscal Years
(accrual basis of accounting)

Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Water	\$1,101,207	\$1,129,095	\$1,138,255	\$1,161,340	\$1,143,688	\$1,354,773	\$1,307,263	\$1,611,244	\$1,763,394	\$1,896,289
Sewer	1,035,722	1,062,344	1,116,886	1,191,002	1,423,734	1,247,906	1,236,203	1,366,990	1,307,929	1,490,060
Total Expenses	2,136,929	2,191,439	2,255,141	2,352,342	2,567,422	2,602,679	2,543,466	2,978,234	3,071,323	3,386,349
Program Revenues:										
Charges for Services										
Water	850,636	899,740	893,157	963,413	935,373	947,202	909,877	950,644	1,038,816	1,166,615
Sewer	973,371	1,010,619	1,030,277	1,078,408	1,138,130	1,149,668	1,167,496	1,224,868	1,269,538	1,329,075
Capital Grants & Contributions	2,265,718	1,321,018	788,267	275,185	741,708	517,458	3,356,775	951,489	1,019,012	1,811,304
Total Program Revenues	4,089,725	3,231,377	2,711,701	2,317,006	2,815,211	2,614,328	5,434,148	3,127,001	3,327,366	4,306,994
Net (Expenses)/Revenues	1,952,796	1,039,938	456,560	(35,336)	247,789	11,649	2,890,682	148,767	256,043	920,645
General Revenues & Transfers:										
Investment Income	324,704	159,173	52,044	36,005	25,363	23,217	14,310	12,289	10,145	27,820
Gain on Sale of Capital Assets	-	-	-	-	-	-	15,042	9,108	8,000	-
Miscellaneous	349,089	242,910	120,403	215,406	-	34,367	124,023	300,715	502,079	119,521
Transfers	(349,811)	(318,411)	(262,092)	(282,915)	(342,378)	(303,240)	(409,375)	-	-	-
Total General Revenues & Transfers	323,982	83,672	(89,645)	(31,504)	(317,015)	(245,656)	(256,000)	322,112	520,224	147,341
Change in Net Position	\$2,276,778	\$1,123,610	\$ 366,915	\$ (66,840)	\$ (69,226)	\$ (234,007)	\$2,634,682	\$ 470,879	\$ 776,267	\$1,067,986

Town of Silverthorne, Colorado
 Changes in Net Position - Proprietary Funds
 Last Ten Fiscal Years
(accrual basis of accounting)

Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Operating Revenues:										
Users Fees	\$1,813,100	\$1,898,765	\$1,907,084	\$2,032,061	\$2,061,699	\$2,088,388	\$2,068,686	\$2,157,860	\$2,295,516	\$2,429,279
Charges for Services	10,907	11,594	16,350	9,760	11,804	8,482	8,687	17,652	12,838	66,411
Total Operating Revenues	1,824,007	1,910,359	1,923,434	2,041,821	2,073,503	2,096,870	2,077,373	2,175,512	2,308,354	\$2,495,690
Operating Expenses:										
Operations	457,614	498,024	479,666	501,184	518,748	530,359	562,240	944,393	1,015,303	1,211,639
Maintenance	146,354	123,411	89,422	159,665	199,856	359,048	236,744	341,765	424,514	344,196
Contractual Services	899,027	852,785	864,837	872,484	857,304	882,193	866,492	754,592	676,369	511,766
Depreciation and Amortization	631,585	717,219	821,216	819,009	954,880	817,881	875,017	939,766	962,926	980,658
Total Operating Expenses	2,134,580	2,191,439	2,255,141	2,352,342	2,530,788	2,589,481	2,540,493	2,980,516	3,079,112	3,048,259
Operating Income (Loss)	(310,573)	(281,080)	(331,707)	(310,521)	(457,285)	(492,611)	(463,120)	(805,004)	(770,758)	(552,569)
Non-Operating Revenues/(Expenses):										
Interest Revenue	324,704	159,173	52,044	36,005	25,363	23,217	14,310	12,289	10,145	27,820
Gain/(Loss) on Disposal of Capital Assets	(2,349)	-	-	-	(11,371)	(7,917)	15,042	9,108	8,000	-
Equity Income in Joint Sewer Authority Investment	349,089	242,910	120,403	215,406	(40,639)	34,367	124,023	300,715	502,079	119,521
AMP Fees to JSA (1)										(333,711)
Total Non-Operating Revenues/(Expenses)	671,444	402,083	172,447	251,411	(26,647)	49,667	153,375	322,112	520,224	(186,370)
Income (Loss) Before Transfers & Capital Contributions	360,871	121,003	(159,260)	(59,110)	(483,932)	(442,944)	(309,745)	(482,892)	(250,534)	(738,939)
Transfer out to General Fund	(349,811)	(318,411)	(262,092)	(282,915)	(342,378)	(303,240)	(409,375)	-	-	-
Tap Fees & Capital Contributions	2,265,718	1,321,018	788,267	275,185	741,708	517,458	3,356,775	951,489	1,019,012	-
Change in Net Position	<u>\$2,276,778</u>	<u>\$1,123,610</u>	<u>\$366,915</u>	<u>(\$66,840)</u>	<u>(\$84,602)</u>	<u>(\$228,726)</u>	<u>\$2,637,655</u>	<u>\$468,597</u>	<u>\$768,478</u>	<u>(738,939)</u>

(1) JSA AMP Fees reported as non-operating expenses beginning in 2016.

Town of Silverthorne, Colorado
 Changes in Net Position - Total
 Last Ten Fiscal Years
(accrual basis of accounting)

Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Governmental Activities	\$ 10,297,264	\$ 10,896,511	\$ 11,339,327	\$ 10,631,048	\$ 10,776,674	\$ 11,462,947	\$ 12,234,103	\$ 12,814,319	\$ 13,377,491	\$ 14,435,440
Business-type Activities	2,136,929	2,191,439	2,255,141	2,352,342	2,567,422	2,602,679	2,543,466	2,978,234	3,071,323	3,386,349
Total Expenses	12,434,193	13,087,950	13,594,468	12,983,390	13,344,096	14,065,626	14,777,569	15,792,553	16,448,814	17,821,789
Program Revenues:										
Governmental Activities	4,968,745	3,977,762	3,274,144	2,337,143	2,916,688	5,389,909	4,792,412	3,874,149	4,278,812	4,693,376
Business-type Activities	4,089,725	3,231,377	2,711,701	2,317,006	2,815,211	2,614,328	5,434,148	3,127,001	3,327,366	4,306,994
Total Program Revenues	9,058,470	7,209,139	5,985,845	4,654,149	5,731,899	8,004,237	10,226,560	7,001,150	7,606,178	9,000,370
Net (Expense)/Revenue	(3,375,723)	(5,878,811)	(7,608,623)	(8,329,241)	(7,612,197)	(6,061,389)	(4,551,009)	(8,791,403)	(8,842,636)	(8,821,419)
General Revenues & Transfers:										
Governmental Activities	10,822,466	10,688,530	8,993,971	9,091,147	9,165,390	9,266,195	10,336,374	10,816,709	11,356,275	12,392,686
Business-type Activities	323,982	83,672	(89,645)	(31,504)	(317,015)	(245,656)	(256,000)	322,112	520,224	147,341
Total General Revenues & Transfers	11,146,448	10,772,202	8,904,326	9,059,643	8,848,375	9,020,539	10,080,374	11,138,821	11,876,499	12,540,027
Change in Net Position	\$ 7,770,725	\$ 4,893,391	\$ 1,295,703	\$ 730,402	\$ 1,236,178	\$ 2,959,150	\$ 5,529,365	\$ 2,347,418	\$ 3,033,863	\$ 3,718,608

Town of Silverthorne, Colorado
Fund Balances - Governmental Funds
Last Ten Fiscal Years

Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Nonspendable:										
Inventory & Prepays	\$ -	\$ -	\$ -	\$ -	\$ 32,087	\$ 23,823	\$ 27,880	\$ 119,697	\$ 17,744	\$ 26,860
Restricted	299,264	324,789	319,430	375,817	-	-	-	-	-	-
Restricted For: (1)										
Emergency	-	-	-	-	258,084	266,008	421,023	434,517	467,218	510,785
Blue River Improvements	-	-	-	-	-	-	-	-	-	-
Parks, Trails & Open Space	-	-	-	-	-	-	-	-	-	-
Marketing	-	-	-	-	-	-	-	-	-	-
Capital Improvements	-	-	-	-	-	-	-	-	-	-
Unrestricted	7,843,847	6,494,675	6,056,714	6,122,549	-	-	-	-	-	-
Unassigned	-	-	-	-	5,857,715	6,157,776	6,741,760	9,236,295	10,874,244	10,624,320
Subtotal General Fund	8,143,111	6,819,464	6,376,144	6,498,366	6,147,886	6,447,607	7,190,663	9,790,509	11,359,206	11,161,965
General Fund Percentage Change	15.4%	-16.3%	-6.5%	1.9%	-5.4%	4.9%	11.5%	36.2%	16.0%	-1.7%
All Other Governmental Funds										
Nonspendable:										
Inventory, Prepays, Resale Land & Joint Inv.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,618	\$ 3,148,429	\$ 3,877,791	\$ 3,891,234	\$ 3,891,538
Restricted	626,976	511,991	-	133,000	-	-	-	-	-	-
Restricted, reported in: (1)										
Capital Improvement Fund	1,111,808	1,112,962	650,120	480,806	635,566	1,579,978	853,207	1,251,744	668,040	2,130,289
Conservation Trust Fund	-	-	-	-	-	39,103	-	-	38,607	84,702
Lodging Tax Fund	168,463	306,072	313,059	349,562	198,573	154,990	559,103	340,996	406,109	586,773
Excise Tax Fund	1,653,759	1,840,154	1,286,926	1,385,539	1,493,231	1,568,284	1,217,728	1,195,228	1,520,356	2,148,115
5A Housing Fund	464,920	(1,839,441)	(1,665,335)	(1,469,126)	(1,002,422)	(737,424)	(410,255)	34,441	529,059	1,087,223
Unassigned	-	-	-	-	-	-	(3,187,665)	(3,947,994)	(3,917,592)	(3,862,877)
Subtotal All Other Governmental Funds	4,025,926	1,931,738	584,771	879,781	1,324,948	2,609,549	2,180,547	2,752,206	3,135,813	6,065,763
Total Governmental Funds										
Nonspendable	-	-	-	-	32,087	28,441	3,176,309	3,997,488	3,908,978	3,918,398
Restricted	926,240	836,780	319,430	508,817	2,585,454	3,608,363	3,051,061	3,256,926	3,629,389	6,547,887
Unassigned	11,242,797	7,914,422	6,641,484	6,869,330	5,857,715	6,157,776	3,554,095	5,288,301	6,956,652	6,761,443
Total Governmental Funds	\$ 12,169,037	\$ 8,751,202	\$ 6,960,914	\$ 7,378,147	\$ 8,475,256	\$ 9,794,580	\$ 9,781,465	\$ 12,542,715	\$ 14,495,019	\$ 17,227,728
All Governmental Funds Percentage Change	18.3%	-28.1%	-20.5%	6.0%	14.9%	15.6%	-0.1%	28.2%	15.6%	18.9%

(1) Required for GASB 54, implemented in FY2011.

Town of Silverthorne, Colorado
 Changes in Fund Balances - Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Total Revenues	\$ 13,806,106	\$ 13,265,758	\$ 11,497,637	\$ 11,129,403	\$ 12,182,568	\$ 12,168,761	\$ 14,034,091	\$ 14,483,903	\$ 15,573,926	\$ 17,026,165
Total Expenditures	12,532,906	17,190,402	13,579,019	11,131,960	12,140,869	11,087,961	14,229,117	12,980,312	13,708,038	19,308,290
Excess (Deficiency of Revenues Over (Under) Expenditures	1,273,200	(3,924,644)	(2,081,382)	(2,557)	41,699	1,080,800	(195,026)	1,503,591	1,865,888	(2,282,125)
Other Financing Sources (Uses)										
Capital Lease	237,326	166,000	-	-	-	-	-	180,000	-	4,917,416
Sale of Capital Assets	24,305	22,398	29,003	136,875	185,116	200,282	99,705	1,220,301	86,416	97,418
Loan Repayment	-	-	-	-	-	-	-	267,613	-	-
Transfers In	649,811	2,378,411	762,092	282,915	942,378	303,240	1,934,375	450,000	360,000	1,500,000
Transfers Out	(300,000)	(2,060,000)	(500,000)	-	(1,074,506)	-	(1,525,000)	(450,000)	(360,000)	(1,500,000)
Total Other (Uses) Financing Sources	611,442	506,809	291,095	419,790	52,988	503,522	509,080	1,667,914	86,416	5,014,834
Net Change in Fund Balances	<u>\$ 1,884,642</u>	<u>\$ (3,417,835)</u>	<u>\$ (1,790,287)</u>	<u>\$ 417,233</u>	<u>\$ 94,687</u>	<u>\$ 1,584,322</u>	<u>\$ 314,054</u>	<u>\$ 3,171,505</u>	<u>\$ 1,952,304</u>	<u>\$ 2,732,709</u>

Town of Silverthorne, Colorado
 General Governmental Expenditures by Function
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Current:										
General Government	\$ 1,316,409	\$ 1,394,565	\$ 1,374,550	\$ 1,430,842	\$ 1,606,449	\$ 1,775,620	\$ 2,113,352	\$ 1,786,908	\$ 2,006,008	\$ 2,561,322
Public Safety	1,808,163	1,914,928	1,778,406	1,758,679	1,696,797	1,726,112	1,777,197	1,827,667	1,718,693	1,945,172
Public Works	2,057,478	2,252,885	1,989,880	2,067,316	2,062,359	2,126,862	2,120,051	2,086,824	2,061,593	2,339,892
Community Development	756,543	743,026	682,488	641,036	695,909	676,672	750,395	844,267	758,949	953,271
Recreation and Culture	2,496,865	2,660,391	2,593,163	2,552,086	2,566,259	2,577,156	2,666,719	2,781,363	2,973,466	3,116,542
Urban Renewal	-	-	-	-	-	-	39,236	30,967	2,298	800
5A Housing	39,713	103,361	103,791	84,104	42,821	37,444	61,489	44,081	32,575	40,652
Total Current Expenditures	8,475,171	9,069,156	8,522,278	8,534,063	8,670,594	8,919,866	9,528,439	9,402,077	9,553,582	10,957,650
% Change from Prior Year	10.3%	7.0%	-6.0%	0.1%	1.6%	2.9%	6.8%	-1.3%	1.6%	14.7%
Capital Outlay	3,208,983	5,502,862	2,910,833	2,430,624	3,379,228	2,152,216	4,700,678	3,578,235	4,134,661	8,217,572
% Change from Prior Year	-32.6%	71.5%	-47.1%	-16.5%	39.0%	-36.3%	118.4%	-23.9%	15.6%	98.7%
Debt Service										
Principal	620,620	2,437,571	2,034,669	158,942	88,428	15,564	-	-	16,628	74,148
Interest and Fiscal Charges	228,132	180,813	111,239	8,331	2,619	315	-	-	3,167	58,920
Total Debt Service	848,752	2,618,384	2,145,908	167,273	91,047	15,879	-	-	19,795	133,068
% Change from Prior Year	6.2%	208.5%	-18.0%	-92.2%	-45.6%	-82.6%	100.0%	100.0%	100.0%	100.0%
Total Expenditures	\$ 12,532,906	\$ 17,190,402	\$ 13,579,019	\$ 11,131,960	\$ 12,140,869	\$ 11,087,961	\$ 14,229,117	\$ 12,980,312	\$ 13,708,038	\$ 19,308,290
% Change from Prior Year	-5.3%	37.2%	-21.0%	-18.0%	9.1%	-8.7%	28.3%	-8.8%	5.6%	40.9%
Debt Service as a Percentage of Noncapital Expenditures (1)	9.1%	22.4%	20.1%	1.9%	1.0%	0.2%	0.0%	0.0%	0.2%	1.2%

(1) Debt service amount includes financial charges.

Town of Silverthorne, Colorado
 General Governmental Revenues by Source (1)
 Last Ten Fiscal Years

Revenue Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Taxes	\$ 9,613,728	\$ 9,601,173	\$ 8,264,367	\$ 8,323,214	\$ 8,598,402	\$ 8,782,052	\$ 9,792,880	\$ 10,231,678	\$ 11,146,441	\$ 12,137,199
Intergovernmental	477,430	217,608	227,151	248,440	245,999	487,782	646,936	711,647	737,858	765,326
Licenses, Permits & Fees	486,642	674,307	289,014	324,285	570,985	291,456	618,974	658,735	769,227	1,047,002
Charges for Services	1,895,858	2,012,446	1,926,913	1,910,868	2,460,431	2,114,406	2,254,078	2,356,781	2,690,962	2,865,641
Fines and Forfeitures	99,555	99,243	137,646	124,666	118,523	83,922	124,730	102,943	110,966	71,374
Interest	571,351	361,769	124,733	91,096	47,390	42,473	24,124	20,204	20,294	60,536
Grants/Donations	606,555	218,179	416,511	34,419	16,025	158,315	519,648	147,047	65,059	37,557
Miscellaneous	54,987	81,033	111,302	72,415	124,813	208,355	52,721	254,868	33,119	41,530
Total Revenues	\$ 13,806,106	\$ 13,265,758	\$ 11,497,637	\$ 11,129,403	\$ 12,182,568	\$ 12,168,761	\$ 14,034,091	\$ 14,483,903	\$ 15,573,926	\$ 17,026,165
% change from prior year	2.6%	-3.9%	-13.3%	-3.3%	5.2%	-0.1%	15.3%	1.8%	7.5%	9.3%

(1) Includes general, special revenue and capital improvement funds.

Taxes	69.6%	72.4%	71.9%	74.8%	70.6%	72.2%	69.8%	70.6%	71.6%	71.3%
Intergovernmental	3.5%	1.6%	2.0%	2.2%	2.0%	4.0%	4.6%	4.9%	4.7%	4.5%
Licenses, Permits & Fees	3.5%	5.1%	2.5%	2.9%	4.7%	2.4%	4.4%	4.5%	4.9%	6.1%
Charges for Services	13.7%	15.2%	16.8%	17.2%	20.2%	17.4%	16.1%	16.3%	17.3%	16.8%
Fines	0.7%	0.7%	1.2%	1.1%	1.0%	0.7%	0.9%	0.7%	0.7%	0.4%
Interest	4.1%	2.7%	1.1%	0.8%	0.4%	0.3%	0.2%	0.1%	0.1%	0.4%
Grants	4.4%	1.6%	3.6%	0.3%	0.1%	1.3%	3.7%	1.0%	0.4%	0.2%
Miscellaneous	0.4%	0.6%	1.0%	0.7%	1.0%	1.7%	0.4%	1.8%	0.2%	0.2%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Town of Silverthorne, Colorado
 Changes in Fund Balances - Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Schedule 10

Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues:										
Taxes	\$ 9,613,728	\$ 9,601,173	\$ 8,264,367	\$ 8,323,214	\$ 8,598,402	\$ 8,782,052	\$ 9,792,880	\$ 10,231,678	\$ 11,146,441	\$ 12,137,199
Intergovernmental	477,430	217,608	227,151	248,440	245,999	487,782	646,936	711,647	737,858	765,326
Licenses, Permits & Fees	486,642	674,307	289,014	324,285	570,985	291,456	618,974	658,735	769,227	1,047,002
Charges for Services	1,895,858	2,012,446	1,926,913	1,910,868	2,460,431	2,114,406	2,254,078	2,356,781	2,690,962	2,865,641
Fines & Forfeitures	99,555	99,243	137,646	124,666	118,523	83,922	124,730	102,943	110,966	71,374
Interest	571,351	361,769	124,733	91,096	47,390	42,473	24,124	20,204	20,294	60,536
Grants/Donations	606,555	218,179	416,511	34,419	16,025	158,315	519,648	147,047	65,059	37,557
Miscellaneous	54,987	81,033	111,302	72,415	124,813	208,355	52,721	254,868	33,119	41,530
Total Revenues	\$ 13,806,106	\$ 13,265,758	\$ 11,497,637	\$ 11,129,403	\$ 12,182,568	\$ 12,168,761	\$ 14,034,091	\$ 14,483,903	\$ 15,573,926	\$ 17,026,165
Expenditures:										
General Government	1,316,409	1,394,565	1,374,550	1,430,842	1,606,449	1,775,620	2,113,352	1,786,908	2,006,008	2,561,322
Public Safety	1,808,163	1,914,928	1,778,406	1,758,679	1,696,797	1,726,112	1,777,197	1,827,667	1,718,693	1,945,172
Public Works	2,057,478	2,252,885	1,989,880	2,067,316	2,062,359	2,126,862	2,120,051	2,086,824	2,061,593	2,339,892
Community Development	756,543	743,026	682,488	641,036	695,909	676,672	750,395	844,267	758,949	953,271
Recreation & Culture	2,496,865	2,660,391	2,593,163	2,552,086	2,566,259	2,577,156	2,666,719	2,781,363	2,973,466	3,116,542
Urban Renewal	-	-	-	-	-	-	39,236	30,967	2,298	800
Housing	39,713	103,361	103,791	84,104	42,821	37,444	61,489	44,081	32,575	40,652
Capital Outlay	3,208,983	5,502,862	2,910,833	2,430,624	3,379,228	2,152,216	4,700,678	3,578,235	4,134,661	8,217,572
Debt Service:										
Principal	620,620	2,437,571	2,034,669	158,942	88,428	15,564	-	-	16,628	74,148
Interest & Fiscal Charges	228,132	180,813	111,239	8,331	2,619	315	-	-	3,167	58,920
Total Expenditures	12,532,906	17,190,402	13,579,019	11,131,960	12,140,869	11,087,961	14,229,117	12,980,312	13,708,038	19,308,290
Excess (Deficiency of Revenues Over (Under) Expenditures	1,273,200	(3,924,644)	(2,081,382)	(2,557)	41,699	1,080,800	(195,026)	1,503,591	1,865,888	(2,282,125)
Other Financing Sources (Uses)										
Capital Leases	237,326	166,000	-	-	-	-	-	180,000	-	4,917,416
Sales of Capital Assets	24,305	22,398	29,003	136,875	185,116	200,282	99,705	1,220,301	86,416	97,418
Loan Repayment	-	-	-	-	-	-	-	267,613	-	-
Transfer In	649,811	2,378,411	762,092	282,915	942,378	303,240	1,934,375	450,000	360,000	1,500,000
Transfer Out	(300,000)	(2,060,000)	(500,000)	-	(1,074,506)	-	(1,525,000)	(450,000)	(360,000)	(1,500,000)
Total Other Financing Sources (Uses)	611,442	506,809	291,095	419,790	52,988	503,522	509,080	1,667,914	86,416	5,014,834
Net Change in Fund Balances	\$ 1,884,642	\$ (3,417,835)	\$ (1,790,287)	\$ 417,233	\$ 94,687	\$ 1,584,322	\$ 314,054	\$ 3,171,505	\$ 1,952,304	\$ 2,732,709

Town of Silverthorne, Colorado
General Governmental Tax Revenues by Source
Last Ten Fiscal Years

Revenue Source	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Sales Tax	\$ 8,491,553	\$ 8,476,687	\$ 7,452,055	\$ 7,502,589	\$ 7,751,173	\$ 8,160,996	\$ 8,983,606	\$ 9,429,015	\$ 10,173,746	\$ 10,724,078
5A Housing Tax	253,051	273,858	234,339	222,978	227,863	243,209	257,693	272,148	294,155	311,720
Lodging Tax	135,088	146,041	113,629	120,602	128,803	126,856	141,420	160,594	187,720	266,832
Dev. Excise Tax	381,781	311,944	92,276	96,986	105,958	129,080	409,336	231,332	350,438	663,574
Other Taxes	-	-	-	-	-	-	-	136,301	153,612	212,164
Franchise Tax	204,669	241,047	213,636	231,610	233,638	227,469	258,518	274,436	280,925	270,551
Cigarette Tax	51,194	49,426	44,674	40,805	37,544	35,963	35,661	77,259	81,379	84,647
Road & Bridge Tax	66,757	72,702	73,862	74,951	75,733	62,672	63,487	62,235	62,240	66,562
Miscellaneous Tax	29,635	29,468	39,896	32,693	37,690	39,015	46,420	54,313	44,582	40,338
Total Revenues (2)	\$ 9,613,728	\$ 9,601,173	\$ 8,264,367	\$ 8,323,214	\$ 8,598,402	\$ 9,025,260	\$ 10,196,141	\$ 10,697,633	\$ 11,628,797	\$ 12,640,466
% change from prior year	<u>9.2%</u>	<u>-0.2%</u>	<u>-13.6%</u>	<u>9.7%</u>	<u>3.2%</u>	<u>4.9%</u>	<u>13.0%</u>	<u>4.9%</u>	<u>8.7%</u>	<u>8.7%</u>

(1) The Town of Silverthorne does not assess a municipal property tax.

(2) Years prior to 2012 included Highway User Tax, which is now included in Program Revenues.

Source: Town of Silverthorne Sales Tax Reports

Town of Silverthorne, Colorado
Silverthorne Property Tax Mill Levies (1)
Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Summit County Government:										
General Fund	4.625	4.704	5.004	4.240	5.204	5.260	5.158	4.939	4.833	5.630
Road & Bridge Fund	0.943	0.932	0.813	0.814	0.814	0.814	0.814	0.814	0.814	0.814
Social Services Fund	0.211	0.158	0.103	0.103	0.234	0.203	0.130	0.256	0.231	0.229
Library Fund	0.646	0.644	0.563	0.548	0.662	0.665	0.768	0.865	0.895	0.889
Capital Expenditures	2.360	2.362	3.033	2.991	1.898	1.899	1.920	1.913	2.000	1.424
Legacy Fund	0.288	0.253	0.289	0.336	0.421	0.421	0.437	0.433	0.346	0.912
Open Space (2)	1.630	1.611	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
2010 Fund	0.288	0.284	2.297	3.063	3.063	3.062	3.062	3.062	3.062	2.297
Early Childhood Care & Learning	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Safety First Fund (3)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.391	2.391	2.391
Total	11.491	11.448	12.602	12.595	12.796	12.824	12.789	15.173	15.072	15.086
Summit School District RE-1:										
General Fund	13.271	13.320	12.832	13.923	14.635	14.677	14.708	14.670	14.273	14.278
Bond Redemption Fund	4.663	4.653	3.886	3.582	4.492	4.331	4.421	4.350	4.350	4.921
Special Building & Technology Fund	3.671	3.396	3.396	0.000	0.000	0.000	0.000	0.000	0.000	1.000
Kindergarten Fund	0.000	0.438	0.451	0.403	0.524	0.472	0.573	0.548	0.485	0.445
Transportation Fund	0.485	0.484	0.371	0.456	0.551	0.551	0.573	0.567	0.510	0.507
Total	22.090	22.291	20.936	18.364	20.202	20.031	20.275	20.135	19.618	21.151
College:										
Colorado Mountain College	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997
Special Districts:										
Colorado River Water Conservation District	0.191	0.198	0.166	0.188	0.228	0.242	0.254	0.253	0.243	0.253
Eagles Nest Metropolitan District (4)	15.030	15.014	15.076	15.028	15.022	15.157	15.007	15.023	15.000	15.020
Lake Dillon Fire Protection District	8.275	8.286	8.295	8.279	8.284	9.021	9.014	9.016	9.026	9.023
Middle Park Water Conservancy District	0.062	0.062	0.056	0.056	0.056	0.056	0.056	0.056	0.055	0.055
Total	23.558	23.560	23.593	23.551	23.590	24.476	24.331	24.348	24.324	24.351
Total Mill Levies	61.136	61.296	61.128	58.507	60.585	61.328	61.392	63.653	63.011	64.585

(1) The Town does not have a property tax.

(2) Combined into "2010 Fund" in 2009, which also includes Workforce Housing, Wildfire Mitigation and Energy Efficiency in Public Buildings.

(3) Ambulance, Communications Center, Water Protection

(4) Applies only to properties in the Eagles Nest subdivision.

Source: Summit County Assessor's Office

Town of Silverthorne, Colorado
Water and Sewer Rates
Last Ten Fiscal Years

	<u>2007 (1)</u>	<u>2008 (2)</u>	<u>2009 (3)</u>	<u>2010 (4)</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015 (5)</u>	<u>2016</u>
Water Rates:										
Monthly	\$ 15.00	\$ 15.00	\$ 12.17	\$ 12.17	\$ 12.17	\$ 12.17	\$ 12.35	\$ 12.97	\$ 13.62	\$ 14.03
Per 1,000 Gallons	1.00	1.00	1.30	1.35	1.35	1.35	1.35	1.35	1.35	1.35
Tap Fee	5,400	5,800	6,000	6,200	6,400	6,600	6,800	7,000	7,200	7,400
Sewer Rates:										
Monthly	\$ 27.83	\$ 27.83	\$ 27.83	\$ 28.67	\$ 30.10	\$ 30.10	\$ 30.10	\$ 30.70	\$ 32.32	\$ 31.94
Tap Fee	5,400	5,400	5,400	5,400	5,600	5,600	5,600	5,600	5,800	6,000

(1) The Town instituted a tiered water rate commencing in 2007. The rate is \$1.00 for 0 - 5,000 gallons used, \$2.00 for 5,001-10,000 gallons used, \$3.00 for 10,001-16,666 gallons used and \$4.00 for 16,667 and above.

(2) The Town changed the tiered water rates for 2008. The rates are \$1.00 for 0-15,000 gallons used, \$2.00 for 15,001-30,000 gallons used, \$3.00 for 30,001-50,000 gallons used and \$4.00 for 50,001 and above.

(3) The Town changed the tiered water rates for 2009. The rates are \$1.30 for 0-15,000 gallons used, \$2.60 for 15,001-30,000 gallons used, \$3.90 for 30,001-50,000 gallons used and \$5.50 for 50,001 and above.

(4) The Town changed the tiered water rates for 2010. The rates are \$1.35 for 0-15,000 gallons used, \$2.70 for 15,001-30,000 gallons used, \$4.00 for 30,001-50,000 gallons used and \$5.65 for 50,001 and above.

(5) The Town changed the tiered water rates for 2015. The rates are \$1.35 for 0-5,000 gallons used, \$2.70 for 5,001-10,000 gallons used, \$4.00 for 10,001-16,666 gallons used and \$5.70 for 16,667 and above.

Source: Town of Silverthorne Water Department

Town of Silverthorne, Colorado
Taxable Sales by Category
Last Ten Fiscal Years

Retail Category	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Auto	\$ 15,765,375	\$ 17,388,500	\$ 10,556,975	\$ 12,486,575	\$ 13,789,575	\$ 15,346,050	\$ 17,123,900	\$ 18,917,050	\$ 20,326,400	\$ 21,861,150
Building	35,057,450	34,200,400	23,322,650	18,402,700	18,648,475	22,187,050	39,211,700	43,404,225	53,153,800	60,703,850
Consumer	43,491,450	40,652,225	43,738,925	46,166,550	47,315,975	47,794,275	48,112,700	55,871,150	60,464,050	62,327,775
Outlet Stores	74,205,675	70,151,500	64,776,725	65,973,200	66,877,150	72,092,075	69,416,475	65,353,625	62,875,750	59,651,900
Food/Liquor	31,923,675	31,387,400	28,710,100	28,642,425	30,182,775	30,362,725	31,384,500	32,953,750	35,895,675	39,181,275
Lodging	6,661,250	7,166,875	5,600,325	6,075,775	6,521,850	6,335,825	6,944,400	7,960,825	9,235,800	13,263,950
Services	11,510,250	10,970,250	9,595,675	9,817,525	10,443,525	9,906,900	12,396,475	11,264,750	12,392,175	11,112,025
Total	\$218,615,125	\$211,917,150	\$186,301,375	\$187,564,750	\$193,779,325	\$204,024,900	\$224,590,150	\$235,725,375	\$254,343,650	\$268,101,925

Auto	7.21%	8.21%	5.67%	6.66%	7.12%	7.52%	7.62%	8.03%	7.99%	8.15%
Building	16.04%	16.14%	12.52%	9.81%	9.62%	10.87%	17.46%	18.41%	20.90%	22.64%
Consumer	19.89%	19.18%	23.48%	24.61%	24.42%	23.43%	21.42%	23.70%	23.77%	23.25%
Outlet Stores	33.94%	33.10%	34.77%	35.17%	34.51%	35.33%	30.91%	27.72%	24.72%	22.25%
Food/Liquor	14.60%	14.81%	15.41%	15.27%	15.58%	14.88%	13.97%	13.98%	14.11%	14.61%
Lodging	3.05%	3.38%	3.01%	3.24%	3.37%	3.11%	3.09%	3.38%	3.63%	4.95%
Services	5.27%	5.18%	5.15%	5.23%	5.39%	4.86%	5.52%	4.78%	4.87%	4.14%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Prior year numbers have been restated to reflect sales by category, rather than revenue by category.

Source: Town of Silverthorne Sales Tax Reports

Town of Silverthorne, Colorado
 Top Ten Sales Tax Remitters
 Last Ten Fiscal Years

Sales Tax Remittance Rankings	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1	Target	Target	Target	Target	Target	Target	Target	Target	Target	Lowe's
2	Bighorn	Bighorn	Xcel Energy	Xcel Energy	Xcel Energy	Lowe's	Lowe's	Lowe's	Lowe's	Target
3	Polo	Xcel Energy	Bighorn	Nike	Nike	Nike	Xcel Energy	Xcel Energy	Nike	Nike
4	Xcel Energy	Polo	Polo	Polo	Polo	Xcel Energy	Nike	Nike	Xcel Energy	Murdoch's
5	Office Max	Coach	Nike	Bighorn	Mountain Sports	Coach	Polo	Murdoch's	Murdoch's	Xcel Energy
6	Banana Republic	Vista Auto	Coach	Coach	Coach	Polo	Coach	Vista Motors	Vista Motors	Vista Motors
7	Nike	Nike	Mountain Sports	Mountain Sports	Bighorn	Mountain Sports	Mountain Sports	Mountain Sports	Mountain Sports	Columbia
8	Mountain Sports	Mountain Sports	Banana Republic	Banana Republic	Columbia	Banana Republic	Vista Motors	Columbia	Columbia	George T Sanders
9	Coach	Banana Republic	Ferguson	Office Max	Banana Republic	Vista Motors	Banana Republic	Polo	Under Armour	Summit Ford
10	Vista Auto	Office Max	Office Max	J Crew	Vista Motors	Columbia	Columbia	Under Armour	Summit Ford	Mountain Sports

Town of Silverthorne, Colorado
Computation of Legal Debt Margin
Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Actual valuations	<u>\$ 1,117,694,350</u>	<u>\$ 1,170,597,590</u>	<u>\$ 1,408,620,530</u>	<u>\$ 1,433,569,430</u>	<u>\$ 1,183,778,620</u>	<u>\$ 1,192,029,740</u>	<u>\$ 1,162,235,780</u>	<u>\$ 1,178,975,000</u>	<u>\$ 1,294,410,010</u>	<u>\$ 1,335,504,580</u>
Legal debt margin:										
Debt limitation - 3 percent of actual value (1)	33,530,831	35,117,928	42,258,616	43,007,083	35,513,359	35,760,892	34,867,073	35,369,250	38,832,300	40,065,137
Debt applicable to limitation:										
Total bonded debt	3,995,000	1,845,000	-	-	-	-	-	-	-	-
Less: Special assessment bonds	-	-	-	-	-	-	-	-	-	-
Revenue bonds	(3,995,000)	(1,845,000)	-	-	-	-	-	-	-	-
Debt exempt by law from legal debt margin (Water Bonds)	-	-	-	-	-	-	-	-	-	-
Total exempt debt	<u>(3,995,000)</u>	<u>(1,845,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total debt applicable to limitation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 33,530,831</u>	<u>\$ 35,117,928</u>	<u>\$ 42,258,616</u>	<u>\$ 43,007,083</u>	<u>\$ 35,513,359</u>	<u>\$ 35,760,892</u>	<u>\$ 34,867,073</u>	<u>\$ 35,369,250</u>	<u>\$ 38,832,300</u>	<u>\$ 40,065,137</u>

(1) Colorado State Statute limits the total amount of General Obligation debt to three percent (3%) of the jurisdiction's actual property value.

(2) Prior year valuations revised to reflect actual value rather than assessed value.

Town of Silverthorne, Colorado
Revenue Bond Coverage
Water and Sewer Fund
Last Ten Fiscal Years
(accrual basis of accounting)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Gross Revenues (1)	\$ 2,148,711	\$ 2,069,532	\$ 2,043,837	\$ 2,041,821	\$ 2,073,503	\$ 2,096,870	\$ 2,077,373	\$ 2,175,512	\$ 2,308,354	\$ 2,495,690
Operating Expenses (2)	1,502,995	1,474,220	1,433,925	1,533,333	1,575,908	1,702,243	1,665,476	2,040,750	2,116,186	2,067,601
Net Revenue Available for Debt Service	645,716	595,312	609,912	508,488	497,595	394,627	411,897	134,762	192,168	428,089
Debt Service Requirement										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Coverage	-	-	-	-	-	-	-	-	-	-

(1) Total revenues (including interest) exclusive of tap fees.

(2) Total operating expenses exclusive of depreciation and amortization, and bond interest.

Town of Silverthorne, Colorado
Revenue Bond Coverage
Government Fund Types (1)
Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Gross Revenues (1)	\$ 14,717,548	\$ 15,832,567	\$ 12,288,732	\$ 11,549,193	\$ 12,235,556	\$ 12,672,283	\$ 14,543,171	\$ 16,151,817	\$ 15,660,342	\$ 22,040,999
Operating Expenses (2)	12,832,906	19,250,402	14,079,019	11,131,960	12,140,869	11,087,961	13,870,078	12,980,312	13,708,038	19,308,290
Net Revenue Available for Debt Service	1,884,642	(3,417,835)	(1,790,287)	417,233	94,687	1,584,322	673,093	3,171,505	1,952,304	2,732,709
Debt Service Requirement										
Principal	300,000	325,000	-	-	-	-	-	-	-	-
Interest	201,808	187,976	-	-	-	-	-	-	-	-
Total	\$ 501,808	\$ 512,976	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Coverage	3.76	(6.66)	-	-	-	-	-	-	-	-

(1) Includes general, special revenue and capital improvement funds.

(2) Includes transfers in/out from/to all .

Town of Silverthorne, Colorado
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Population (1) (2) (3)	4,068	4,163	3,863	3,887	3,896	3,916	4,010	4,116	4,239	4,392
Assessed Value	\$ 154,922,390	\$ 159,036,460	\$ 185,244,790	\$ 186,258,380	\$ 154,970,690	\$ 155,852,340	\$ 152,981,040	\$ 152,959,220	\$ 165,029,720	\$ 168,688,520
Governmental Activities										
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Bonds	\$ 3,995,000	\$ 1,845,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Leases	\$ 574,174	\$ 452,603	\$ 262,933	\$ 103,991	\$ 15,879	\$ -	\$ -	\$ 180,000	\$ 163,372	\$ 5,006,640
Business-Type Activities										
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Primary Government	\$ 4,569,174	\$ 2,297,603	\$ 262,933	\$ 103,991	\$ 15,879	\$ -	\$ -	\$ 180,000	\$ 163,372	\$ 5,006,640
Percentage of Personal Income (2) (4)	2.49%	1.21%	0.16%	0.06%	0.01%	0.00%	0.00%	0.08%	0.07%	2.00%
Per Capita (2) (5)	\$ 1,123	\$ 552	\$ 68	\$ 27	\$ 4	\$ -	\$ -	\$ 44	\$ 39	\$ 1,140

(1) Annual government censuses and Summit County/Community Development department.

(2) Prior year numbers that were based on estimates may have changed due to actual numbers becoming available.

(3) Current year is an estimate based on historical data.

(4) Percentage of per capita income from schedule 19.

(5) Represents per capita of Silverthorne population.

Town of Silverthorne, Colorado
 Direct and Overlapping Governmental Activities Debt
 December 31, 2016

Overlapping Entity	2016 Value	Debt Outstanding	Net Outstanding Debt Chargeable to Properties within the Town	
			Percent	Amount
Eagle's Nest Metropolitan District	\$ 61,086,850	\$ 2,085,000	100.0	\$ 2,085,000
Summit County School District RE-1	1,738,162,600	26,530,000	10.0	<u>2,653,000</u>
		Total Overlapping Debt		4,738,000
		Town of Silverthorne Direct Debt		5,006,640
		Total Direct & Overlapping Debt		<u><u>\$ 9,744,640</u></u>

Sources: Summit County Assessor's Office and information obtained from individual entities

Note: Overlapping governments are those that coincide, at least in part, with geographic boundaries of the Town. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of the Town of Silverthorne. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Town of Silverthorne, Colorado
Demographics Statistics
Last Ten Fiscal Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Silverthorne Population (1) (4) (5)	4,068	4,163	3,863	3,887	3,896	3,916	4,010	4,116	4,239	4,392
County Population (1) (3) (4) (5)	26,234	26,724	27,783	28,073	28,144	28,294	28,637	28,975	30,257	30,374
Personal Income (2) (3) (4) (5) (6)	1,182,809	1,215,100	1,138,281	1,210,044	1,286,331	1,296,192	1,414,380	1,490,350	1,590,203	1,653,811
Per Capita Income (2) (3) (4) (5)	45,087	45,468	41,789	43,090	44,431	46,220	49,287	52,393	54,615	56,909
Median Family Income (1) (2) (3) (4) (5)	84,741	81,300	85,100	87,200	89,351	93,729	92,979	90,800	96,883	100,758
Silverthorne School Enrollment (7)	315	336	330	338	342	307	307	320	364	340
Unemployment Rate (1) (2) (3) (4) (5)	2.7%	3.8%	6.9%	7.8%	7.5%	7.1%	4.4%	3.2%	1.6%	1.9%

(1) Annual government census (2000), DOLA (Department of Local Affairs) and Community Development.

(2) Statistics available for Summit County only.

(3) Colorado Department of Local Affairs or Bureau of Economic Analysis (BEA).

(4) Current year is an estimate based on historical data.

(5) Prior year numbers that were based on estimates may have changed due to actual numbers becoming available.

(6) In thousands

(7) RE-1 School District

Town of Silverthorne, Colorado
Principal Employers
Fiscal Year 2016

Employer	Employee # Range (1)	Percentage (2) of Total County Employment
Outlets at Silverthorne	500-999	2.5 - 5.0%
Town of Silverthorne	100-249	0.5 - 1.2%
Target Stores	100-249	0.5 - 1.2%
Lowe's	100-249	0.5 - 1.2%
United Parcel Service	50-99	0.2 - 0.5%
Neils Lunceford	50-99	0.2 - 0.5%
Colorado Mountain Express	50-99	0.2 - 0.5%
McDonald's	50-99	0.2 - 0.5%
Vista Auto Group	50-99	0.2 - 0.5%
Xcel Energy	1-49	.005 - 0.2%
Wendy's	1-49	.005 - 0.2%
Hudson Auto Source	1-49	.005 - 0.2%
Summit Ford, Inc	1-49	.005 - 0.2%

(1) Includes part-time and seasonal employees, if any.

(2) Based on County employment number of 23,708.

(3) Comparisons are unavailable because statistics compilation didn't start until 2007.

Sources: Department of Local Affairs, Summit County and information obtained from individual entities

Town of Silverthorne, Colorado
Operating Indicators by Function
Last Ten Fiscal Years

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Administrative Services:										
Council Meetings	23	23	22	22	22	22	22	22	22	22
Newsletters	6	6	4	6	6	6	4	2	-	-
Business Licenses	1,005	1,067	1,179	1,134	1,130	1,156	1,204	1,241	1,301	1,339
Elections	-	1	1	1	-	2	1	-	-	1
Public Safety: (1)										
Physical Arrests	347	288	212	180	172	144	208	189	176	198
Parking Violations	280	404	443	314	237	342	260	160	161	269
Traffic Violations	2,320	2,501	2,366	2,341	2,082	1,839	2,760	1,727	1,781	1,537
Calls for Service	7,308	7,575	6,840	6,498	5,991	5,848	7,032	6,053	6,134	6,364
Public Works:										
Street Resurfacing (miles)	5	4	5	4	4	4	1	-	8	4
Miles of Streets to Plow	26	28	28	28	28	28	29	32	32	32
Miles of Sidewalks/Trails to Maintain	15	18	24	24	24	24	25	26	26	26
Community Development (2):										
Building Permits Issued	151	92	65	72	59	52	47	81	107	157
CO's Issued	38	56	78	35	8	23	20	30	32	32
Computers	105	113	115	115	115	115	115	115	117	118
Users	120	121	107	109	110	110	110	115	120	121
Applications	25	27	27	33	33	33	35	34	34	34
Recreation & Culture:										
Annual Visitors	242,010	259,922	250,369	248,433	242,593	265,137	265,399	258,469	279,074	287,023
Daily Admissions	35,700	34,000	33,384	33,071	39,013	31,247	32,602	31,632	33,435	33,284
Free Fitness Classes	1,538	1,593	1,593	1,623	1,619	1,542	1,683	1,520	1,533	1,540
Pavilion Wedding Rentals	50	51	34	53	48	50	80	91	104	107
Pavilion Non-Wedding Rentals	74	95	80	119	114	64	69	66	70	56
Water & Sewer:										
Water EQR's	2,980	3,053	3,053	3,148	3,164	3,217	3,243	3,346	3,434	3,481
Service Connections	1,518	1,602	1,643	1,660	1,671	1,687	1,707	1,756	1,819	1,838
Average Daily Consumption in Gallons	760,000	691,500	750,000	643,000	628,000	607,000	727,000	619,745	577,800	594,300
Sewer EQR's	2,971	3,042	3,096	3,149	3,161	3,210	3,238	3,339	3,431	3,475
Service Connections	1,517	1,574	1,600	1,625	1,635	1,654	1,675	1,719	1,758	1,806

(1) Prior year numbers have been restated.

(2) Includes Management Information Systems

Source: Town of Silverthorne Biennial Financial Plan, Comprehensive Annual Financial Report and Individual Departments

Town of Silverthorne, Colorado
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public Safety:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	9	9	9	9	9	9	9	9	9	9
Public Works:										
Miles of Streets	26.08	28.08	28.39	28.39	28.39	28.39	29.03	31.54	31.71	31.71
Miles of Sidewalks/Trails	14.5	17.75	23.95	23.95	24.35	24.35	24.66	26.18	26.18	26.18
Traffic Lights	8	8	8	8	10	10	10	11	11	11
Recreation & Culture:										
Park/Open Space Acreage	72.18	72.18	72.18	72.18	72.18	73.54	82.81	82.81	82.81	82.81
Parks	4	4	4	4	4	7	7	7	7	7
Swimming Pools	4	4	4	4	4	4	4	4	4	4
Tennis Courts	4	4	4	4	4	4	4	4	4	4
Skateboard Parks	1	1	1	1	1	1	1	1	1	1
Volleyball Courts	4	4	4	4	4	4	4	4	4	4
Pavilion (Community Center)	1	1	1	1	1	1	1	1	1	1
Water & Sewer:										
Miles of Water Mains	46.50	46.50	50.18	50.28	45.44	45.60	46.08	48.24	50.21	50.21
Fire Hydrants	376	388	405	407	390	399	416	442	435	435
Miles of Sewers	28.25	28.25	32.78	32.88	31.61	31.61	32.68	32.38	33.89	33.89
Manholes	759	789	870	873	894	933	960	1020	1023	1023

Source: Town of Silverthorne Biennial Financial Plan, Comprehensive Annual Financial Report and Individual Departments

Note: No capital asset indicators are available for the Administrative Services and Community Development functions.

Town of Silverthorne, Colorado
 Summary of Approved Full-time Positions by Department
 Last Ten Fiscal Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Elected/Appointed	8	8	8	8	8	8	8	8	8	8
Total Elected/Appointed	8	8	8	8	8	8	8	8	8	8
Administrative Services	9	10	10	10	10	10	10	10	11	11
Public Safety	21	20	18	18	18	18	19	19	18	18
Public Works (1)	20	20	20	20	20	20	20	21	21	23
Water and Sewer	4	4	4	4	4	4	4	4	5	5
Community Development	8	8	7	6	6	6	6	6	6	7
Recreation and Culture (2)	19	19	19	19	19	19	19	19	21	21
Pavilion	3	4	4	4	4	4	4	4	5	5
Total Full-Time Employees	84	85	82	81	81	81	82	83	87	90

(1) 2009 and 2010 numbers were decreased.

(2) Includes three 3/4 time employees.

Source: Town of Silverthorne Biennial Financial Plan

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

LOCAL HIGHWAY FINANCE REPORT	City or County:
	YEAR ENDING : December 2016
This Information From The Records Of (example - City of _ or County of Town of Silverthorne)	Prepared By: T. McArthur Phone: (970) 262-7301

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		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	690,384
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,298,418
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	53,734
2. General fund appropriations	2,863,381	b. Snow and ice removal	286,315
3. Other local imposts (from page 2)	66,562	c. Other	
4. Miscellaneous local receipts (from page 2)	148,203	d. Total (a. through c.)	340,049
5. Transfers from toll facilities		4. General administration & miscellaneous	327,586
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	583,551
a. Bonds - Original Issues		6. Total (1 through 5)	3,239,988
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	3,078,146	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	245,410	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	9,420
E. Total receipts (A.7 + B + C + D)	3,323,556	b. Redemption	74,148
		c. Total (a. + b.)	83,568
		3. Total (1.c + 2.c)	83,568
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	3,323,556

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				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
	0	3,323,556	3,323,556	0	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 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 & Penalties	47,585
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	97,418
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	66,562	g. Other Misc. Receipts	3,200
6. Total (1. through 5.)	66,562	h. Other	
c. Total (a. + b.)	66,562	i. Total (a. through h.)	148,203
	(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	216,168	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	29,242	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	29,242	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	245,410	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		6,668	6,668
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		656,215	656,215
(4). System Enhancement & Operation		27,501	27,501
(5). Total Construction (1) + (2) + (3) + (4)	0	683,716	683,716
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	690,384	690,384
			(Carry forward to page 1)
Notes and Comments:			