TOWN OF SILVER CLIFF
SILVER CLIFF, COLORADO

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT

FOR THE YEAR ENDED
DECEMBER 31, 2017

E

RECEIVED
Office of the State Auditor
August 21 , 2018

TABLE OF CONTENTS

FINANCIAL SECTION

Town of Silver Cliff
Management's Discussion and Analysis
For the year ended December 31, 2017

Governmental Accounting Standards Board Statement Number 34 (GASB 34) requires that this Management's Discussion and Analysis (MD&A) be written to provide an overview of Silver Cliff's financial activities for the fiscal year ended December 31, 2017. The purpose of this MD&A is to provide, in simple terms, an explanation of the effect on the Town's financial position from local economic and business factors, and to explain the reasons for any significant changes in the Town's financial position.

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

ECONOMIC FACTORS AFFECTING THE TOWN IN 2017

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

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

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

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

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

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

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

In addition to the limitation provisions of TABOR, there is also a requirement that every entity to which TABOR applies must establish an "emergency reserve". Each entity shall reserve 3% or more of its fiscal year spending excluding bond debt service. For the year ended December 31, 2017, the Town has set aside $12,000 to establish that reserve.

OVERVIEW OF FINANCIAL STATEMENTS

This annual report consists of a series of financial statements:

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

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

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

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

Government-wide Financial Statements

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

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

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

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

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

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

Fund Financial Statements

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

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

Reconciliation of Government-wide Financial Statements to Fund Financial Statements

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

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

FINANCIAL OVERVIEW

In condensed format, the following table shows the statement of net position at December 31, 2017 and 2016:

CONDENSED STATEMENT OF NET POSITION

	Governmental Activities	
	12/31/2017	12/30/2016
ASSETS		
Current and Other Assets	$ 311,241	$ 256,212
Capital Assets	753,036	753,970
Total Assets	1,064,277	1,010,182
LIABILITIES		
Current Liabilities	3,076	6,290
Noncurrent Liabilities	9,677	7,218
Total Liabilities	12,753	13,508
DEFERRED INFOWS	23,653	24,330
NET POSITION		
Net Investment in Capital Asse	753,036	753,970
Restricted	20,951	12,518
Unrestricted	253,884	205,853
Total Net Position	**$ 1,027,871**	**$ 972,341**

The following table shows the changes in net position for the year ended December 31, 2017 and 2016:

CONDENSED STATEMENT OF ACTIVITIES

	Governmental Activities	
	12/31/2017	12/31/2016
PROGRAM REVENUES		
Charges for Services	$ 40,180	$ 41,123
Operating Grants	87,223	82,481
Capital Grants	-	7,690
Total Program Revenues	127,403	131,294
GENERAL REVENUES		
Property Taxes	24,515	24,995
Specific Ownership Taxes	3,536	3,267
Sales and Use Taxes	153,951	132,730
Franchise Taxes	18,563	19,561
Other Taxes	-	1,309
Gain on Sale of Property	42,607	-
Interest Income	774	962
Other Revenues	1,907	1,138
Total General Revenues	245,853	183,962
Total Revenues	373,256	315,256
PROGRAM EXPENSES		
General Government	124,192	135,916
Public Safety	60,579	48,413
Public Works	104,302	86,734
Culture and Recreation	39,207	49,124
Interest	590	-
Total Program Expenses	317,729	320,187
CHANGE IN NET POSITION	55,527	(4,931)
Net Position, Beginning	972,344	977,275
NET POSITION, ENDING	**$ 1,027,871**	**$ 972,344**

The most significant item related to the change in net position for 2017 was related to the sale of future cell tower lease revenues that was utilized for the purchase of capital assets.

GOVERNMENTAL ACTIVITIES

The General Fund is the chief operating fund of the Town. The General Fund generates in excess of 40% of its revenues from sales tax. This revenue is used for general governmental purposes. Highway users tax (HUTF) provides about 13% of the general funds revenues and is used strictly on street and alley expenses.

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

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

CAPITAL ASSETS

At the end of 2017, the Town has a broad range of capital assets totaling $753,036, net of depreciation. These assets include buildings, equipment, infrastructure, park property, and improvements. Major acquisitions were primarily public works vehicle related. The Town also deleted numerous older capital assets that were no longer in use or owned by the Town that had not been removed in previous years.

A summary of capital assets at December 31, 2017 is as follows:

LONG-TERM DEBT

The Town entered into a capital lease during 2017 for the purchase of public works vehicles. This lease was subsequently repaid from the proceeds of rights to future tower rental receipts.

GENERAL FUND BUDGET

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

Total General Fund revenues were approximately $84,000 over budget primarily related to the sale of the rights to future tower rents. Expenditures were $15,000 under budget. Overall General Fund carryover increased from $210,956 to $265,251.

NEXT YEAR'S BUDGET AND RATES

The 2018 proposed estimated sales tax is $125,000.00. Once again, our sales tax has decreased due to the fact that we have had 3 businesses close. The Town is still fighting to get the zip code issue settled so that we can get all the sales tax due to the Town. The zip code was dropped back in 1987 and the Town has not been receiving all the sales tax due to the Town since. Silver Cliff and Westcliffe now share 81252 zip code and the postal service has Westcliffe as the preferred town for this zip. The Mayor is writing a letter to the postal service requesting that they reinstate our zip or to take the preferred off and let there be a list to choose from in the 81252 zip code area. We have been doing more research on this issue and have found some more avenues that are helping support our request. We are also anticipating an increase in out mineral royalties.

Adding the Commemorative with flags and a memorial wall was a great addition. There will be benches, lighting, and bathrooms added as the plans progress. Some of the funds for this project will come out of the Conservation Trust Fund. We are getting information out to the community to order plaques and/or benches. We will be applying for a GOCO Grant to help with improvements to the skateboard park, pickleball courts, sand volleyball courts, restrooms and a disc golf course.

The Town of Silver Cliff has become one of the International Dark Skies, with this accreditation we hope our tourism will increase on our off-season months. This accreditation has helped bring many tourists to our area.

At the Museum, the Town pays for the curator and 1 employee to keep the museum open. The Town does most of the general maintenance. There are some major issues that are being assessed and we are working with the State Historical Society to come up with a plan for these issues. The drainage protection project did not happen this year. With more inspections, it was determined that this issue will be included with the total improvement project. This project has become more detailed and we are currently looking at grants that can help us fix all the issues at once.

Requests for Information

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

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

Holscher, Mayberry & Company, LLC
Certified Public Accountants

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

Board of Trustees
Town of Silver Cliff
Silver Cliff, Colorado

Independent Auditors' Report

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Silver Cliff, Colorado, as of and for the year ended December 31, 2017, and the related notes to the financial statements which collectively comprise the basic financial statements of the Town, 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 the 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. 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.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Silver Cliff, Colorado, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Town of Silver Cliff's 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 26, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2016 is consistent, in all material respects, with the audited financial statements from which it has been derived.

8310 South Valley Highway – Suite 300
Englewood, Colorado 80112

Voice (303) 993 – 2199
Fax (720) 633 – 9763

Other Matters

Required Supplementary Information – Management's Discussion and Analysis

Accounting principles generally accepted in the United States of America require that the management, discussion and analysis on pages M1 – M6 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 required supplementary 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.

Required Supplementary Information – Budgetary Comparison Schedules and Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules shown on pages 20 - 21 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. The combining and budgetary comparison statements and schedules listed as other supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements. This information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the 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 financial statements as a whole.

Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Local Highway Finance Report page 26-30 is presented for purposes of legal compliance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Holscher. Mayberry + Company. LLC

Englewood, Colorado
August 3, 2018

INTENTIONALLY LEFT BLANK

BASIC FINANCIAL STATEMENTS

TOWN OF SILVER CLIFF, COLORADO

STATEMENT OF NET POSITION
DECEMBER 31, 2017

		GOVERNMENTAL ACTIVITIES
ASSETS AND DEFERRED OUTFLOWS		
ASSETS		
Current Assets		
Cash and Investments		
Cash	$	235,257
Receivables		
Property Tax Receivable		45,514
Intergovernmental Receivables		6,735
Accounts Receivable		23,735
Total Current Assets		311,241
Noncurrent Assets		
Capital Assets not being Depreciated		144,251
Capital Assets being Depreciated		1,244,148
Accumulated Depreciation		(635,363)
Total Noncurrent Assets		753,036
TOTAL ASSETS	$	1,064,277
DEFERRED OUTFLOWS OF FINANCIAL RESOURCES		
LIABILITIES, DEFERRED INFLOWS AND NET POSITION		
LIABILITIES		
Current Liabilities		
Accounts Payable	$	3,076
Noncurrent Liabilities		
Due in more than one year		9,677
TOTAL LIABILITIES		12,753
DEFERRED INFLOWS OF FINANCIAL RESOURCES		
Deferred Property Taxes		23,653
NET POSITION		
Net Investment in Capital Assets		753,036
Restricted Net Position		20,951
Unrestricted Net Position		253,884
TOTAL NET POSITION		1,027,871
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	$	1,064,277

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

TOWN OF SILVER CLIFF, COLORADO

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

		PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	GOVERNMENT ACTIVITIES
FUNCTIONS/PROGRAMS				
Government Activities				
Current:				
General Government	$ 124,192	$ 23,192	$ 13,754	$ (87,246)
Public Safety	60,579	475	-	(60,104)
Public Works	104,302	16,463	67,563	(20,276)
Culture and Recreation	39,207	50	5,906	(33,251)
Capital Outlay - Non Capitalized	(11,141)		-	11,141
Interest on Debt	590	-	-	(590)
TOTAL GOVERNMENT	$ 317,729	$ 40,180	$ 87,223	(190,326)
GENERAL REVENUES				
Property Taxes				24,515
Specific Ownership Taxes				3,536
Sales and Use Taxes				153,951
Franchise and In Lieu of Taxes				18,563
Interest Income				774
Gain (Loss) on Disposal of Capital Assets				42,607
Other Revenues				1,907
TOTAL GENERAL REVENUES				245,853
CHANGE IN NET POSITION				55,527
NET POSITION - Beginning				972,344
NET POSITION - Ending				$ 1,027,871

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

TOWN OF SILVER CLIFF, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2017
With Comparative Totals for December 31, 2016

	General Fund	Other Funds	Total 2017	Total 2016
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and Investments				
Cash	$ 215,909	$ 19,348	$ 235,257	$ 175,048
Receivables				
Property Tax Receivable	45,514	-	45,514	42,764
Intergovernmental Receivables	6,735	-	6,735	6,748
Accounts Receivable	23,735	-	23,735	31,652
TOTAL ASSETS	$ 291,893	$ 19,348	$ 311,241	$ 256,212
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts Payable	$ 2,989	$ 87	$ 3,076	$ 6,290
DEFERRED INFLOWS OF FINANCIAL RESOURCES				
Deferred Property Taxes	23,653	-	23,653	24,330
FUND BALANCE				
Restricted Fund Balance	12,000	8,951	20,951	12,518
Committed Fund Balance	-	10,310	10,310	11,618
Unassigned Fund Balance	253,251	-	253,251	201,456
TOTAL FUND BALANCE	265,251	19,261	284,512	225,592
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	$ 291,893	$ 19,348	$ 311,241	$ 256,212

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

TOWN OF SILVER CLIFF, COLORADO

RECONCILIATION OF GOVERNMENTAL FUND BALANCE
TO GOVERNMENTAL ACTIVITIES NET POSITION
DECEMBER 31, 2017

Fund Balance - Governmental Funds		$ 284,512
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds		
Capital assets, not being depreciated	$ 144,251	
Capital assets, being depreciated	1,244,148	
Accumulated depreciation	(635,363)	753,036
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.		
Accrued compensated absences	(9,677)	(9,677)
Total Net Position - Governmental Activities		$ 1,027,871

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

TOWN OF SILVER CLIFF, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017
With Comparative Totals for the Year Ended December 31, 2016

	General Fund	Other Funds	Total 2017	Total 2016
REVENUES				
Taxes	$ 200,566	$ -	$ 200,566	$ 180,554
Intergovernmental Revenues	71,826	5,906	77,732	82,146
Licenses and Permits	18,241	-	18,241	27,866
Fines and Forfeits	325	-	325	-
Charges for Services	21,614	-	21,614	13,258
Investment Earnings	690	84	774	953
Other Revenues	59,965	2,584	62,549	10,630
TOTAL REVENUES	373,227	8,574	381,801	315,407
EXPENDITURES				
Current:				
General Government	117,887	-	117,887	123,123
Public Safety	60,579	-	60,579	54,726
Public Works	83,657	-	83,657	67,319
Parks, Recreation and Other	13,151	3,949	17,100	30,820
Capital Outlay	43,068	-	43,068	27,400
Debt Service	24,913	-	24,913	-
TOTAL EXPENDITURES	343,255	3,949	347,204	303,388
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	29,972	4,625	34,597	12,019
OTHER FINANCING SOURCES (USES)				
Debt Proceeds	24,323	-	24,323	-
Transfers (In)	-	-	-	8,656
Transfers (Out)	-	-	-	(8,656)
TOTAL OTHER FINANCING SOURCES (USES)	24,323	-	24,323	-
NET CHANGE IN FUND BALANCE - GAAP BASIS	54,295	4,625	58,920	12,019
FUND BALANCE, BEGINNING	210,956	14,636	225,592	213,573
FUND BALANCE, ENDING	$ 265,251	$ 19,261	$ 284,512	$ 225,592

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

TOWN OF SILVER CLIFF, COLORADO

RECONCILIATION OF GOVERNMENTAL FUNDS CHANGE IN FUND BALANCE TO GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2017

Change in Fund Balance - Governmental Funds		$ 58,920
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level		
Capitalized Asset Purchases	$ 55,411	
Depreciation Expense	(47,799)	(934)
Gain (Loss) on Asset Disposals	(8,546)	
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level		
Proceeds from debt issuances	(24,323)	
Principal payments on capital leases	24,323	
Change in accrued compensated absences	(2,459)	(2,459)
Change in Net Position - Governmental Activities		$ 55,527

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

HISTORY AND FUNCTION OF ORGANIZATION

The Town of Silver Cliff was incorporated under the laws of the State of Colorado and operates under an elected Mayor-Board form of government. As required by generally accepted accounting principles, these financial statements present the Town of Silver Cliff (the primary government). No additional separate governmental units, agencies, or nonprofit corporations are included in the financial statements of the town.

REPORTING ENTITY

In accordance with Governmental Accounting Standards, the Town has considered the possibility of inclusion of additional entities in its basic financial statements. The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations 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 benefits to, or to impose specific financial burdens on, the Town. The Town may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based upon the application of these criteria, no additional organizations were included within the Town's reporting entity.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the activities of the Town. 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 Town presently does not have any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of the 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.

FUND ACCOUNTING

The accompanying financial statements include the Town's governmental fund types. The Town's accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

NOTE 1: **<u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u>** (Continued)

FUND ACCOUNTING (Continued)

<u>Governmental Fund Types</u>
Governmental funds are those through which most governmental functions of the Town are financed. The acquisition, use and balances of the Town's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is on determination of changes in financial position, rather than on a computation of net income.

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

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

MEASUREMENT FOCUS AND 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. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include: (1) principal and interest on general long-term debt which is recognized when due and (2) compensated absences which are recognized when the obligations are expected to be liquidated with expendable available resources.

Those revenues susceptible to accrual are sales taxes, property taxes, franchise taxes, and grants. Other revenues are not susceptible to accrual as they generally are not measurable until received in cash.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

BUDGETS AND BUDGETARY ACCOUNTING
Budgets were adopted for all funds. Budgets are prepared on the same basis of accounting as that used for accounting purposes. In the budget versus actual statements, the actual results of operations are presented on the budgetary basis of accounting for proper comparison to the budget.

Budgets are adopted based on the requirements of state statutes. The following timetable is used:

1) Submission of the proposed budget to the Board of Trustees by October 15 of each year.
2) Certification of mill levies to the County Commissioners by December 15 of each year.
3) Final adoption of the budget and appropriations by December 15 of each year.

The Town does not use encumbrance accounting and all appropriations lapse at year end.

ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE

Cash and Equivalents
For the purposes of cash flow presentation, the Town considers all fully cash and fully liquid investment balances as cash and cash equivalents.

Property Taxes
Property taxes are levied on December 15 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the Town on a monthly basis.

Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred revenue is recorded at December 31. As the tax is collected in the succeeding year, the deferred revenue is recognized as revenue and the receivable is reduced.

Capital Assets
Capital assets are defined by the town as assets with an initial individual cost of more than $5,000 and a useful life of more than three years except for infrastructure assets. For infrastructure assets the same estimated minimum useful life is used (3 years), but only those infrastructures projects that cost more than $25,000 are considered for capitalization. Purchased or constructed capital assets are recorded at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation.

Infrastructure is reported in this financial statement and is being depreciated. The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend the assets' useful lives are not capitalized.

NOTE 1: <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (Continued)

ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (Continued)

Capital Assets (Continued)
Capital assets are depreciated using the straight line method over the following estimated useful lives.

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

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

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

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

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

Deferred Inflows of Financial Resources
In addition to liabilities, the statement of net 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. The government has only one type of item, which arises both under the full accrual and modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported in both the governmental activities statement of net position and in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow is recorded at December 31. As the tax is collected in the succeeding year, the deferred inflow is recognized as revenue and the receivable is reduced.

NOTE 1: <u>SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES</u> (Continued)

ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION/FUND BALANCE (Continued)

Net Position/Fund Balances
In the government-wide financial statements net position is either shown as invested in capital assets net of related debt, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as "nonspendable" include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. The Town does not currently have any nonspendable fund balances.

Fund balance is reported as "restricted" when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Amounts that can only be used for specific purposes pursuant to constraints imposed by the most formal action, adoption of an ordinance, of the government's highest level of decision-making authority, the Board of Trustees, are reported as "committed" fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts. Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The Town does not currently have any assigned fund balances.

All remaining fund balance in the General Fund or deficits in the other governmental funds are presented as unassigned.

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

COMPARATIVE DATA
Comparative total data for the prior year has been presented in most of the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in certain statements since their inclusion would make those statements unduly complex and difficult to read.

NOTE 2: CASH AND INVESTMENTS

Deposits

Custodial Credit Risk - Deposits
In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The Town's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

NOTE 2: <u>CASH AND INVESTMENTS</u> (Continued)

<u>Deposits</u> (Continued)

At December 31, 2017, all of the Town's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

	Bank Balance	Book Balance
FDIC Insured	$ 244,046	$ 244,046
Petty Cash	-	50
Total Cash	**$ 244,046**	**$ 244,096**

Investments

<u>Credit Risk - Investments</u>
Colorado statutes specify which instruments units of local government may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of the U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The Town's investment policy limits its investments to those allowed by Colorado Revised Statute 24-75-601.1 as described above.

The Town did not hold any investments other than certificates of deposits included in the bank balances shown above at December 31, 2017.

<u>Concentration of Credit Risk - Investments</u>
The Town places no limit on the amount that may be invested in any one issuer.

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

Interest Rate Risk - Investments
Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase. The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, other than those contained in state statutes. The anticipated maturity of any investment is not expected to exceed five years regardless of stated maturity.

Custodial Credit Risk – Investments
For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2017, the Town did not have any investments requiring safekeeping.

NOTE 3: CAPITAL ASSETS

A summary of the Town's governmental activity capital assets is as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	$ 144,251	$ -	$ -	$ 144,251
Capital Assets Being Depreciated:				
Land Improvements/Infrastructure	541,246	5,625	-	546,871
Buildings	406,089	-	-	406,089
Equipment and Vehicles	290,325	49,786	48,923	291,188
Total Capital Assets Being Depreciated	1,237,660	55,411	48,923	1,244,148
Less Accumulated Depreciation:				
Land Improvements/Infrastructure	(270,193)	(20,099)	-	(290,292)
Buildings	(162,120)	(10,255)	-	(172,375)
Equipment and Vehicles	(195,627)	(17,446)	(40,377)	(172,696)
Total Accumulated Depreciation	(627,940)	(47,800)	(40,377)	(635,363)
Net Capital Assets	$ 753,971	$ 7,611	$ 8,546	$ 753,036

Depreciation is charged to the governmental activities as follows:

General Government	$ 3,846
Public Works	21,847
Parks and Recreation	22,107
Total Depreciation by Function	$ 47,800

NOTE 4: NONCURRENT LIABILITIES

The following is a schedule of long-term liabilities and changes in liabilities for the year.

	Balance 12/31/16	Additions	Payments	Balance 12/31/17	Current Portion	Interest Expense
Capital Lease Payable	$ -	$ 24,323	$ 24,323	$ -	$ -	$ 590
Accrued Compensated Absences	7,218	2,459	-	9,677	-	-
Total Noncurrent Liabilities	**$ 7,218**	**$ 26,782**	**$ 24,323**	**$ 9,677**	**$ -**	**$ 590**

The Town entered into a capital lease obligation during 2017 for the purchase of various equipment. The lease required annual payments of $5,551 through June 2022 and bore interest at 3.95%. The Town repaid this lease via lump sum in September 2017. Assets with a remaining basis of $35,458 were capitalized as part of this lease.

NOTE 5: DEFINED CONTRIBUTION PENSION PLAN

The Town provides a defined contribution plan for all full-time employees through the Colorado County Officials and Employees Retirement Association. Participation in the plan is optional for covered employees. The Town matches employee contributions up to 3% of covered wages.

Employees vest after three years for all employer contributions. The Town is not liable for amounts over the 3% match. The Town Board establishes all benefit provisions. All contributions are current. During 2017, the Town contributed $2,109 and the employees contributed $2,109. The town's total payroll was $114,736 of which $73,22, or 64% was for employees contributing under the plan.

NOTE 6: COMMITMENTS AND CONTINGENCIES

The Town receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of the Town, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the Town at December 31, 2017.

NOTE 7: RESTRICTED FUND BALANCE / NET POSITION

Tax Spending and Debt Limitations

On November 3, 1992, the voters of Colorado approved Amendment 1, commonly known as the TABOR Amendment, which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado, all local governments, and special districts. The Town's financial activity for the year ended December 31, 2017 will provide the basis for calculation of future limitations adjusted for allowable increases tied to inflation and local growth.

Subsequent to December 31, 1992, revenue in excess of the Town's "spending limit" must be refunded unless voters approve the retaining of such excess revenue. TABOR generally requires voter approval for any new tax, tax increases and new debt.

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

TABOR is extremely complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance. The Town's management believes it is in compliance with the TABOR amendment.

The Article requires an emergency reserve be set aside for 2017 in the amount of 3 percent or more of its fiscal year spending. At December 31, 2017, the Town has reserved the following for emergencies:

General Fund	$ 12,000

Other Restrictions

The Town has restricted net position at December 31, 2017 in the Conservation Trust Fund related to unspent Conservation Trust Fund revenues.

Fund Equity Commitments

The Town has committed the following amounts for future Museum related expenditures:

Museum Fund	$10,310

NOTE 8: RISK MANAGEMENT

The Town is involved with the Colorado Intergovernmental Risk Sharing Agency (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 coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons and property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

CIRSA is a separate legal entity and the Town does not approve budgets nor does it have ability to significantly affect the operations of the unit.

The Town has not materially changed its coverage from previous years. Based on the lack of previous loss occurrences, the Town has not recorded any liability for unpaid claims at December 31, 2017.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF SILVER CLIFF, COLORADO

BUDGETARY COMPARISON SCHEDULE
General Fund
FOR THE YEAR ENDED DECEMBER 31, 2017
With Comparative Totals for the Year Ended December 31, 2016

	2017				
	Original Budget	Final Budget	Actual	Variance With Final Budget	2016 Actual
REVENUES					
Taxes					
Property Taxes	$ 26,000	$ 26,000	$ 24,515	$ (1,485)	$ 24,995
Specific Ownership Taxes	3,300	3,300	3,536	236	3,268
Sales and Use Taxes	133,000	133,000	153,952	20,952	132,730
Franchise and In Lieu of Taxes	21,000	21,000	18,563	(2,437)	19,561
Total Tax Revenue	183,300	183,300	200,566	17,266	180,554
Intergovernmental Revenues					
Cigarette Taxes	1,250	1,250	1,096	(154)	1,308
Highway Users	49,300	49,300	48,677	(623)	47,277
Road and Bridge	19,100	19,100	18,886	(214)	18,808
Clerk/Motor Vehicle Fees	2,500	2,500	3,038	538	2,972
State Grants	5,300	5,300	129	(5,171)	5,225
Total Intergovernmental Revenue	77,450	77,450	71,826	(5,624)	75,590
Licenses and Permits					
Liquor Licenses	625	625	1,289	664	800
Building Permits	10,200	10,200	16,062	5,862	16,199
Annexation/Other P&Z Fees	600	600	400	(200)	500
Animal Licenses	250	250	150	(100)	229
Business Licenses	200	200	165	(35)	138
Other Licenses	-	-	175	175	10,000
Total Licenses and Permits	11,875	11,875	18,241	6,366	27,866
Fines and Forfeits	300	300	325	25	-
Charges for Services					
Recreation/Comm Ctr Charges	75	75	50	(25)	50
Rents	5,934	5,934	4,600	(1,334)	5,520
Other Charges for Services	6,300	6,300	16,964	10,664	11,688
Total Charges for Services	12,309	12,309	21,614	9,305	17,258
Investment Earnings	500	500	690	190	886
Other Revenues					
Donations	2,000	2,000	6,908	4,908	3,236
Sale of Capital Assets	-	-	51,153	51,153	-
Other Miscellaneous Revenue	1,000	1,000	1,904	904	1,137
Total Other Revenue	3,000	3,000	59,965	56,965	4,373
TOTAL REVENUES	288,734	288,734	373,227	84,493	306,527

See accompanying Independent Auditors' Report.

(Continued)

TOWN OF SILVER CLIFF, COLORADO

BUDGETARY COMPARISON SCHEDULE
General Fund
FOR THE YEAR ENDED DECEMBER 31, 2017
With Comparative Totals for the Year Ended December 31, 2016

	2017				
	Original Budget	Final Budget	Actual	Variance With Final Budget	2016 Actual
(Continued)					
EXPENDITURES					
General Government					
Personnel Services	65,800	65,800	62,650	3,150	55,587
Insurance	10,300	10,300	9,920	380	9,845
Professional Fees	11,400	11,400	10,630	770	11,825
Repairs and Maintenance	3,000	3,000	743	2,257	1,258
Supplies	3,300	3,300	6,825	(3,525)	6,146
Telephone and Utilities	6,000	6,000	7,276	(1,276)	6,453
Other Expenses	26,884	31,884	19,843	12,041	32,009
Total General Government	126,684	131,684	117,887	13,797	123,123
Public Safety					
Personnel Services	36,200	36,200	36,308	(108)	31,758
Insurance	6,000	6,000	5,000	1,000	6,500
Professional Fees	10,000	10,000	10,000	-	8,750
Supplies	50	50	-	50	-
Travel and Training	2,000	2,000	1,118	882	1,405
Other Expenses	4,500	4,500	8,153	(3,653)	6,313
Total Public Safety	58,750	58,750	60,579	(1,829)	54,726
Public Works					
Personnel Services	43,300	43,300	44,069	(769)	42,083
Contract Labor	2,500	2,500	-	2,500	-
Fuel and Automotive	5,000	5,000	2,335	2,665	2,993
Insurance	1,200	1,200	1,156	44	1,158
Repairs and Mainenance	9,000	14,000	19,854	(5,854)	7,085
Supplies	2,600	2,600	5,494	(2,894)	3,101
Telephone and Utilities	11,000	11,000	10,749	251	10,356
Travel and Training	500	500	-	500	543
Total Public Works/Comm Devel	75,100	80,100	83,657	(3,557)	67,319
Parks, Recreation and Other					
Personnel Services	17,500	17,500	6,404	11,096	16,393
Repairs and Maintenance	4,200	4,200	1,991	2,209	4,170
Telephone and Utilities	4,000	4,000	4,756	(756)	4,223
Other Expenses	-	-	-	-	475
Total Parks, Recreation & Other	25,700	25,700	13,151	12,549	25,261
Capital Outlay					
General Government Capital Outlay	-	12,100	13,120	(1,020)	23,900
Parks, Recreation and Other Capital Outlay	1,000	1,000	5,625	(4,625)	-
Total Capital Outlay	1,000	13,100	18,745	(5,645)	23,900
Debt Service					
Principal and Interest	-	24,913	24,913	-	-
TOTAL EXPENDITURES	287,234	334,247	318,932	15,315	294,329
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	1,500	(45,513)	54,295	99,808	12,198
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	4,000
Transfers (Out)	-	-	-	-	(8,656)
NET CHANGE IN FUND BALANCE - BUDGET BASIS	$ 1,500	$ (45,513)	54,295	$ 99,808	7,542
Debt Proceeds			24,323		-
Capital Outlay			(24,323)		-
NET CHANGE IN FUND BALANCE - GAAP BASIS			54,295		7,542
FUND BALANCE, BEGINNING			210,956		203,414
FUND BALANCE, ENDING			$ 265,251		$ 210,956

See accompanying Independent Auditors' Report.

INTENTIONALLY LEFT BLANK

OTHER SUPPLEMENTARY INFORMATION

TOWN OF SILVER CLIFF, COLORADO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2017
With Comparative Totals for December 31, 2016

	SPECIAL REVENUE FUNDS			
	Conservation Trust Fund	Museum Fund	Total 2017	Total 2016
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and Investments				
Cash	$ 8,951	$ 10,397	$ 19,348	$ 12,788
Receivables				
Accounts Receivable	-	-	-	1,928
TOTAL ASSETS	$ 8,951	$ 10,397	$ 19,348	$ 14,716
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts Payable	$ -	$ 87	$ 87	$ 80
FUND BALANCE				
Restricted Fund Balance	8,951	-	8,951	3,018
Committed Fund Balance	-	10,310	10,310	11,618
TOTAL FUND BALANCE	8,951	10,310	19,261	14,636
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	$ 8,951	$ 10,397	$ 19,348	$ 14,716

See accompanying Independent Auditors' Report.

TOWN OF SILVER CLIFF, COLORADO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2017
With Comparative Totals for the Year Ended December 31, 2016

	SPECIAL REVENUE FUNDS			
	Conservation Trust Fund	Museum Fund	Total 2017	Total 2016
REVENUES				
Intergovernmental Revenues	$ 5,906	-	$ 5,906	$ 6,556
Investment Earnings	27	57	84	67
Other Revenues	-	2,584	2,584	6,257
TOTAL REVENUES	5,933	2,641	8,574	12,880
EXPENDITURES				
Current:				
Parks, Recreation and Other	-	3,949	3,949	5,559
Capital Outlay	-	-	-	3,500
TOTAL EXPENDITURES	-	3,949	3,949	9,059
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	5,933	(1,308)	4,625	3,821
OTHER FINANCING SOURCES (USES)				
Transfers (In)	-	-	-	4,656
Transfers (Out)	-	-	-	(4,000)
NET CHANGE IN FUND BALANCE - GAAP BASIS	5,933	(1,308)	4,625	4,477
FUND BALANCE, BEGINNING	3,018	11,618	14,636	10,159
FUND BALANCE, ENDING	$ 8,951	$ 10,310	$ 19,261	$ 14,636

See accompanying Independent Auditors' Report.

TOWN OF SILVER CLIFF, COLORADO

BUDGETARY COMPARISON SCHEDULE
Conservation Trust Fund
FOR THE YEAR ENDED DECEMBER 31, 2017
With Comparative Totals for the Year Ended December 31, 2016

	2017			
	Original & Final Budget	Actual	Variance With Final Budget	2016 Actual
REVENUES				
Intergovernmental Revenues				
Cons Trust Fund Revenue	$ 5,906	$ 5,906	$ -	$ 6,556
Investment Earnings	50	27	(23)	17
Other Revenues				
Other Miscellaneous Revenue	-	-	-	150
TOTAL REVENUES	5,956	5,933	(23)	6,723
EXPENDITURES				
Parks, Recreation and Other				
Other Expenses	-	-	-	150
Capital Outlay				
Parks, Recreation and Other Capital Outlay	6,000	-	6,000	3,500
TOTAL EXPENDITURES	6,000	-	6,000	3,650
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(44)	5,933	5,977	3,073
OTHER FINANCING SOURCES (USES)				
Transfers (Out)	-	-	-	(4,000)
NET CHANGE IN FUND BALANCE - BUDGET BASIS	$ (44)	5,933	$ 5,977	(927)
FUND BALANCE, BEGINNING		3,018		3,945
FUND BALANCE, ENDING		$ 8,951		$ 3,018

See accompanying Independent Auditors' Report.

TOWN OF SILVER CLIFF, COLORADO

BUDGETARY COMPARISON SCHEDULE
Museum Fund
FOR THE YEAR ENDED DECEMBER 31, 2017

	2017			2016
	Original & Final Budget	Actual	Variance With Final Budget	Actual
REVENUES				
Investment Earnings	$ 50	$ 57	$ 7	$ 50
Other Revenues				
Donations	5,800	2,584	(3,216)	6,097
Other Miscellaneous Revenue	50	-	(50)	10
TOTAL REVENUES	5,900	2,641	(3,259)	6,157
EXPENDITURES				
Parks, Recreation and Other				
Personnel Services	-	-	-	1,999
Repairs and Maintenance	5,500	1,562	3,938	337
Supplies	200	-	200	261
Telephone and Utilities	3,000	1,912	1,088	2,619
Other Expenses	1,000	475	525	193
TOTAL EXPENDITURES	9,700	3,949	5,751	5,409
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(3,800)	(1,308)	2,492	748
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	4,656
NET CHANGE IN FUND BALANCE - BUDGET BASIS	$ (3,800)	(1,308)	$ 2,492	5,404
FUND BALANCE, BEGINNING		11,618		6,214
FUND BALANCE, ENDING		$ 10,310		$ 11,618

See accompanying Independent Auditors' Report.

INTENTIONALLY LEFT BLANK

COMPLIANCE SECTION

STATE COMPLIANCE

Steps for printing your content and returning to 'Edit Mode

1. Click Ctrl + A on a Windows machine or Command + A on a Mac to select all data.
2. Right-click your mouse and select Print.
3. Confirm that print settings are correct - make sure "selection only" isn't checked.
4. Print hard copy or to PDF.
5. Click "Edit Mode" to return to modifying your data.
6. Remember to click "Save" to save any changes.

ANNUAL HIGHWAY FINANCE REPORT - CY17

Email address: silverclifftown@centurytel.net

City/County: Silver Cliff

II - RECEIPTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Receipts from local sources

2. General Fund Appropriations:	$	20,909.23
3. Other local imposts: *from A.3. 'Total' below)*	$	19,329.15
4. Miscellaneous local receipts: *from A.4. 'Total' below)*	$	0.00
5. Transfers from toll facilities	$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	$	0.00
b. Bonds - Refunding Issues:	$	0.00
c. Notes:	$	0.00
SubTotal:	$	40,238.38

B. Private Contributions	$	0.00

II - RECEIPTS FOR ROAD AND STREET PURPOSES (Detail)

Please no commas or dollar signs for the input

A.3. Other local imposts

a. Property Taxes and Assessments	$	0.00
b. Other Local Imposts		
1. Sales Taxes:	$	0.00
2. Infrastructure and Impact Fees:	$	0.00

3. Liens:	$ 0.00
4. Licenses:	$ 0.00
5. Specific Ownership and/or Other:	$ 19,329.15
Total: *(a + b) carried to 'Other local imposts' above)*	$ 19,329.15

A.4. Miscellaneous local receipts

Please no commas or dollar signs for the input

a. Interest on Investments:	$ 0.00
b. Traffic fines & Penalities:	$ 0.00
c. Parking Garage Fees:	$ 0.00
d. Parking Meter Fees:	$ 0.00
e. Sale of Surplus Property:	$ 0.00
f. Charges for Services:	$ 0.00
g. Other Misc. Receipts:	$ 0.00
h. Other:	$ 0.00
Total: *(a through h) carried to 'Misc local receipts' above)*	$ 0.00

C. Receipts from State Government

Please no commas or dollar signs for the input

1. Highway User Taxes:	$ 48,676.82
3. Other State funds:	
c. Motor Vehicle Registrations:	$ 7,428.14
d. Other (Specify): Comments: undefined	$ 0.00
e. Other (Specify): Comments: undefined	$ 0.00
Total: *(1+3c,d,e)*	$ 56,104.96

D. Receipts from Federal Government

Please no commas or dollar signs for the input

2. Other Federal Agencies

a. Forest Service:	$ 0.00
b. FEMA:	$ 0.00
c. HUD:	$ 0.00
d. Federal Transit Administration:	$ 0.00
e. U.S. Corp of Engineers	$ 0.00
f. Other Federal:	$ 0.00
Total: *(2a-f)*	$ 0.00

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Local highway disbursements

1. Capital outlay: *(from A.1.d. 'Total Capital Outlay' below)*	$	0.00
2. Maintenance:	$	49,981.92
3. Road and street services		
a. Traffic control operations:	$	8,243.05
b. Snow and ice removal:	$	2,201.63
c. Other:	$	4,114.17
4. General administration & miscellaneous	$	20,602.57
5. Highway law enforcement and safety	$	11,200.00
Total: *(A.1-5)*	$	96,343.34

Please no commas or dollar signs for the input

B. Debt service on local obligations

1. Bonds		
a. Interest	$	0.00
b. Redemption	$	0.00
2. Notes		
a. Interest	$	0.00
b. Redemption	$	0.00
SubTotal: *(1+2)*	$	0.00

Please no commas or dollar signs for the input

C. Payments to State for Highways:	$	0.00
D. Payments to Toll Facilities:	$	0.00
Total Disbursements: *(A+B+C+D)*	$	96,343.34

Please no commas or dollar signs for the input

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES - (Detail)

Please no commas or dollar signs for the input

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A.1. Capital Outlay			
a. Right-Of-Way Costs:	$ 0.00	$ 0.00	$ 0.00
b. Engineering Costs:	$ 0.00	$ 0.00	$ 0.00
c. Construction			
1. New Facilities:	$ 0.00	$ 0.00	$ 0.00
2. Capacity Improvements:	$ 0.00	$ 0.00	$ 0.00
3. System Preservation:	$ 0.00	$ 0.00	$ 0.00
4. System Enhancement:	$ 0.00	$ 0.00	$ 0.00
5. Total Construction:			$ 0.00
d. Total Capital Outlay: *(Lines A.1.a. + 1.b. + 1.c.5)*			$ 0.00

IV. LOCAL HIGHWAY DEBT STATUS

Please no commas or dollar signs for the input

	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	$ 0.00	$ 0.00	$ 0.00	$ 0.00
1. Bonds (Refunding Portion)		$ 0.00	$ 0.00	$ 0.00
B. Notes (Total):	$ 0.00	$ 0.00	$ 0.00	$ 0.00

V - LOCAL ROAD AND STREET FUND BALANCE

Please no commas or dollar signs for the input

A. Beginning Balance	B. Total Receipts	C.Total Disbursements	D. Ending Balance	E. Reconciliation
$ 56,700.00	$ 96,343.34	$ 96,343.34	$ -39,643.34	$ -96,343.34

See accompanying Independent Auditors' Report

Notes & Comments:

undefined

Please enter your name: Ileen Squire

Please provide a telephone number where you may be reached: Clerk/Treasurer

Save | Print Mode | Edit Mode

Please click on the "Save" button before viewing the data in a print format.

FORM FHWA-536e(Version 4.5) - CY17