

TOWN OF SILVER PLUME, COLORADO

FINANCIAL STATEMENTS
December 31, 2017

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Office of the State Auditor

June 14, 2018

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Green & Associates LLC

Certified Public Accountants & Business Consultants

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Town of Silver Plume, Colorado

We have audited the accompanying financial statements of the governmental activities, business activities and each major fund of the Town of Silver Plume, Colorado as of and for the year ended December 31, 2017, which collectively comprise the Town's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 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, business activities, and each major fund of the Town of Silver Plume, 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 accordance with accounting principles generally accepted in the United States of America.

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Other-Matters

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule General Fund, Schedule of Contributions – Multiyear, and the Schedule of the Town's Proportionate Share of the Net Pension Liability – PERA, as 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 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Silver Plume, Colorado's basic financial statements as a whole. The Other Supplemental Information and the Local Highway Finance Report as 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 Other Supplemental Information 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 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 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.



Brighton, Colorado
June 12, 2018

Management's Discussion and Analysis

Management's Discussion and Analysis

As management of the Town of Silver Plume (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with the Town's financial statements.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the Town exceeded its liabilities and deferred inflows of resources at the close of 2017 by \$4,472,936 (*net position*). Of this amount, \$305,992 (*unrestricted net position*) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$166,730.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$360,368.

OVERVIEW OF THE FINANCIAL STATEMENTS

This management discussion and analysis ("MD&A") is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains required 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's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between these 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'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 are reported in this statement for some items that will only result in cash flow in future fiscal period (e.g., uncollected taxes and earned but unused vacation and sick leave).

Both of the government-wide financial statements distinguish functions of the Town 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 include general government, public safety, public works, community development, culture, parks, recreation, cemetery, and library. The business-type activities of the Town include sewer and water operations.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. During the year the Town segregates transactions related to certain Town functions or activities in

separate funds in order to aid financial management and to demonstrate legal compliance. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. All governmental funds are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet and only revenues that are available within 60 days are recorded in the Statement of Revenues, Expenditures and Changes in Fund Balance.

The governmental funds statements provide a detailed short-term view of governmental fund operations and the basic services it provides. These statements help you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The differences between governmental activities reported in the statement of net position and the statement of activities and governmental funds are described in the accompanying reconciliations.

Proprietary funds. The Town maintains one type of proprietary fund, enterprise fund. The Town uses enterprise funds to account for its water and sewer operations.

The proprietary funds are prepared using the economic resources measurement focus and the accrual basis of accounting. All assets, deferred outflows of resources, liabilities, and deferred inflows of resources associated with the operating of the Town are included in the statement of net position.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplementary information concerning the Town's combining financial statements for non-major funds, the budget comparison statements for non-major and enterprise funds.

This foregoing information is a summary of the financial information contained in the Town's financial statements. For more about the information contained in this condensed, comparative financial information, we recommend a close review of the accompanying audited financial statements beginning on page 5.

Discussion of Financial Position and Operating Activities Net position at the end of December 2017 was \$580,912 for the governmental activities, \$3,892,024 for the business-type activities and \$4,472,936 for the primary government. This increase is from revenues that exceeded expenses by \$166,730 for the primary government. The primary driver of the change was increased revenues from property taxes, grants, and cost reduction efforts relating to operations.

The restricted portion of net position represents resources that are subject to external restrictions on how they may be used. The unrestricted net position may be used to meet the Town's ongoing obligations to citizens and creditors.

Condensed Statement of Net Position

	Governmental Activities		Business-type Activities		Primary Government	
	2017	2016	2017	2016	2017	2016
Current and Other Assets	\$ 478,111	\$ 257,129	\$ 490,838	\$ 213,855	\$ 968,949	\$ 470,984
Capital Assets	351,431	336,003	4,198,707	4,166,181	4,550,138	4,502,184
Total Assets	<u>829,542</u>	<u>593,132</u>	<u>4,689,545</u>	<u>4,380,036</u>	<u>5,519,087</u>	<u>4,973,168</u>
Deferred Outflows of Resources	14,616	14,457	10,881	7,887	25,497	22,344
Current Liabilities	179,465	6,939	310,099	80,541	489,564	87,480
Long Term Liabilities	57,054	53,043	476,288	474,872	533,342	527,915
Total Liabilities	<u>236,519</u>	<u>59,982</u>	<u>786,387</u>	<u>555,413</u>	<u>1,022,906</u>	<u>615,395</u>
Deferred Inflows of Resources	26,727	58,301	22,015	15,610	48,742	73,911
Net Position						
Net investment in capital assets	351,431	336,003	3,752,430	3,708,105	4,103,861	4,044,108
Restricted	9,284	10,777	56,132	56,262	65,416	67,039
Unrestricted	220,197	142,526	83,462	52,533	303,659	195,059
Total Net Position	<u>\$ 580,912</u>	<u>\$ 489,306</u>	<u>\$ 3,892,024</u>	<u>\$ 3,816,900</u>	<u>\$ 4,472,936</u>	<u>\$ 4,306,206</u>

Condensed Statement of Activities

Statement of Activities	Governmental Activities		Business-type Activities		Primary Government	
	2017	2016	2017	2016	2017	2016
Program Expenses	\$ 100,299	\$ 51,396	\$ 327,656	\$ 432,083	\$ 427,955	\$ 483,479
Program Revenues	9,684	6,124	391,735	951,868	401,419	957,992
Net Program Expense	<u>90,615</u>	<u>45,272</u>	<u>(64,079)</u>	<u>(519,785)</u>	<u>26,536</u>	<u>(474,513)</u>
General Revenues	182,221	153,383	11,045	12,866	193,266	166,249
Change in Net Position	91,606	108,111	75,124	532,651	166,730	640,762
Net Position, Beginning of Year (RESATED)	489,306	381,195	3,816,900	3,284,249	4,306,206	3,665,444
Net Position, End of Year	<u>\$ 580,912</u>	<u>\$ 489,306</u>	<u>\$ 3,892,024</u>	<u>\$ 3,816,900</u>	<u>\$ 4,472,936</u>	<u>\$ 4,306,206</u>

The Town restricted three percent (3%) of its general revenues for emergencies in accordance with TABOR requirements. The Town had a TABOR reserve of \$4,113 at December 31, 2017. The Town's total assets are comprised primarily cash and equivalents, receivables for utility services and tax revenues, investments and long term capital assets. The Town's total liabilities are comprised primarily of accounts payable relating to ongoing operations, long-term debt and pension related liabilities.

In 2017, program expenses exceeded program revenues by \$26,536 for the primary government. This was offset by net general revenues of \$193,266, which resulted in an overall increase in net position. See page 6 of the accompanying Financial Statements for details of these revenues and expenses.

Fund Discussion

Governmental Funds

The General Fund balance increased from \$242,936 in 2016 to \$362,147 in 2017. The primary reason for these changes were decreased expenditures. The fund balance includes \$4,113 of restricted amounts. The assets and liabilities are comprised primarily of cash and receivables to be collected in 2017. As of December 31, 2017 the Town's combined fund balance for all governmental funds was \$275,109.

General Fund Budgetary Discussion

Actual revenues for 2017 were \$87,148 more than budgeted. Actual expenditures for 2017 were \$35,429 less than budgeted primarily because of conservative spending on the part of staff. The general fund budget was not amended in 2017.

Proprietary Fund

The Water Fund balance decreased by \$34,780. Deferred inflows of resources, and deferred outflows of resources fluctuated due to changes in pension related amounts. The assets and liabilities are comprised primarily of cash; water accounts receivable and capital assets. Actual revenues for 2017 were \$6,822 more than the budgeted amount. Actual expenditures for 2017 were \$41,474 less than the budgeted amount.

The Sewer Fund balance increased by \$109,904 in 2017. The assets and liabilities are comprised primarily of cash, sewer accounts receivable and capital assets. Actual revenues for 2017 were \$592,280 less than the budgeted amount. Actual expenditures for 2017 were \$535,574 less than the budgeted amount due to lower than expected grant revenue and related spending.

Capital Assets and Long-term Obligations

Capital Assets. At the end of 2017 the Town had \$4,550,138 invested in a broad range of capital assets including major infrastructure such as buildings, roads, bridges, storm water drainage, parks and recreation facilities and water lines and distribution systems. More detailed information on the Town's capital assets is presented in detail in the notes to the financial statements.

Long-term Debt. The only changes to long-term debt was the scheduled payment of principal.

ECONOMIC FACTORS AND BUDGET OVERVIEW

The Town is expecting a slight increase in sales taxes due to the addition of new businesses. This will be offset by an expected decrease in royalties in the transfer station. The mill levy for the year is unchanged and property taxes are expected to remain flat.

Contacting the Town

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town of Silver Plume, Drawer F, Silver Plume, CO 80476.

Basic Financial Statements

Town of Silver Plume, Colorado
Statement of Net Position
December 31, 2017

	Governmental Activities	Business- Type Activities	Total
Assets			
Current Assets			
Cash and cash equivalents	\$ 259,633	\$ 52,775	\$ 312,408
Cash with county treasurer	5,072	-	5,072
Investments	-	25,077	25,077
Accounts receivable - service charges (net of allowance)	-	57,243	57,243
Grants receivable	-	100,127	100,127
Property taxes receivable	23,735	20,217	43,952
Due from other funds	184,067	179,267	363,334
Cash and cash equivalents - Restricted	5,604	56,132	61,736
Total Current Assets	<u>478,111</u>	<u>490,838</u>	<u>968,949</u>
Noncurrent Assets			
Capital assets			
Nondepreciable	67,277	883,954	951,231
Depreciable	582,885	5,223,095	5,805,980
Total Capital Assets	<u>650,162</u>	<u>6,107,049</u>	<u>6,757,211</u>
Less accumulated depreciation	<u>(298,731)</u>	<u>(1,908,342)</u>	<u>(2,207,073)</u>
Net Capital Assets	<u>351,431</u>	<u>4,198,707</u>	<u>4,550,138</u>
Total Assets	<u>829,542</u>	<u>4,689,545</u>	<u>5,519,087</u>
Deferred Outflows of Resources			
PERA	14,616	10,881	25,497
Total Deferred Outflows of Resources	<u>14,616</u>	<u>10,881</u>	<u>25,497</u>
Liabilities			
Current Liabilities			
Accounts payable	-	109,591	109,591
Accrued interest	-	3,973	3,973
Due to other funds	179,267	184,067	363,334
Compensated absences	198	-	198
Long-term debt - current portion	-	12,468	12,468
Total Current Liabilities	<u>179,465</u>	<u>310,099</u>	<u>489,564</u>
Noncurrent Liabilities			
Long-term debt	-	433,809	433,809
Net pension liability	57,054	42,479	99,533
Total Long Term Liabilities	<u>57,054</u>	<u>476,288</u>	<u>533,342</u>
Total Liabilities	<u>236,519</u>	<u>786,387</u>	<u>1,022,906</u>
Deferred Inflows of Resources			
Deferred property taxes	23,735	20,217	43,952
PERA	2,992	1,798	4,790
Total Deferred Inflows of Resources	<u>26,727</u>	<u>22,015</u>	<u>48,742</u>
Net Position			
Investment in capital assets	351,431	3,752,430	4,103,861
Restricted for emergencies (TABOR)	4,113	-	4,113
Restricted - other	5,171	56,132	61,303
Unrestricted	<u>220,197</u>	<u>83,462</u>	<u>303,659</u>
Total Net Position	<u>\$ 580,912</u>	<u>\$ 3,892,024</u>	<u>\$ 4,472,936</u>

The accompanying notes are an integral part of these financial statements

Town of Silver Plume, Colorado
Statement of Activities
For the Year Ended December 31, 2017

Functions / Programs	Program Revenues				Net (Expense) Revenue and Change in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government							
Governmental activities:							
General government	48,968	100	-	-	\$ (48,868)	\$ -	\$ (48,868)
Public works	37,774	-	-	-	(37,774)	-	(37,774)
Public safety	4,246	9,584	-	-	5,338	-	5,338
Culture, parks and recreation	9,311	-	-	-	(9,311)	-	(9,311)
Total Governmental Activities	100,299	9,684	-	-	(90,615)	-	(90,615)
Business-type activities:							
Water operations	151,319	116,467	-	-	-	(34,852)	(34,852)
Sewer operations	176,337	133,204	-	142,064	-	98,931	98,931
Total Business-Type Activities	327,656	249,671	-	142,064	-	64,079	64,079
TOTAL PRIMARY GOVERNMENT	427,955	259,355	-	142,064	(90,615)	64,079	(26,536)
General Revenues							
Property taxes					38,330	10,946	49,276
Specific ownership taxes					3,628	-	3,628
Other taxes and franchise fees					108,162	-	108,162
Intergovernmental					1,088	-	1,088
Investment income					32	99	131
Other					30,981	-	30,981
Total General Revenues and Transfers					182,221	11,045	193,266
					91,606	75,124	166,730
					489,306	3,816,900	4,306,206
					580,912	3,892,024	4,472,936

The accompanying notes are an integral part of these financial statements

Fund Financial Statements

Town of Silver Plume, Colorado
Balance Sheet
Governmental Funds
December 31, 2017

	<u>General</u>	<u>Road and Bridge</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Assets				
Cash and cash equivalents - unrestricted	\$ 257,393	\$ -	\$ 2,240	\$ 259,633
Cash with county treasurer	3,703	1,369	-	5,072
Property taxes receivable	23,735	-	-	23,735
Due from other funds	280,318	-	-	280,318
Cash and cash equivalents - restricted	-	-	5,604	5,604
Total Assets	<u>\$ 565,149</u>	<u>\$ 1,369</u>	<u>\$ 7,844</u>	<u>\$ 574,362</u>
Liabilities				
Due to other funds	\$ 179,267	\$ 95,818	\$ 433	\$ 275,518
Total Liabilities	<u>179,267</u>	<u>95,818</u>	<u>433</u>	<u>275,518</u>
Deferred Inflows of Resources				
Deferred property taxes	23,735	-	-	23,735
Total Deferred Inflows of Resources	<u>23,735</u>	<u>-</u>	<u>-</u>	<u>23,735</u>
Fund Balance				
Restricted	4,113	-	5,171	9,284
Assigned	-	-	-	-
Unassigned	358,034	(94,449)	2,240	265,825
Total Fund Balance	<u>362,147</u>	<u>(94,449)</u>	<u>7,411</u>	<u>275,109</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 565,149</u>	<u>\$ 1,369</u>	<u>\$ 7,844</u>	<u>\$ 574,362</u>

Amounts reported for governmental activities in the statement of

Total fund balances - governmental funds \$ 275,109

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the funds.

Capital assets 650,162
Accumulated depreciation (298,731)

Long-term liabilities, deferred inflows of resources and deferred outflows of resources are not due and payable in the current year and, therefore, are not reported in the funds.

Net pension liabilities (57,054)
Deferred outflows - PERA 14,616
Deferred inflows - PERA (2,992)
Compensated absences (198)

Net position of governmental activities \$ 580,912

The accompanying notes are an integral part of these financial statements

Town of Silver Plume, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2017

	<u>General</u>	<u>Road and Bridge</u>	<u>Nonmajor Governmental</u>	<u>Total</u>
Revenues				
Property taxes	\$ 32,375	\$ 5,955	\$ -	\$ 38,330
Specific ownership taxes	3,447	181	-	3,628
Other taxes and franchise fees	98,732	9,430	-	108,162
Licenses and permits	9,476	108	-	9,584
Intergovernmental	-	-	1,088	1,088
Charges for services	-	-	100	100
Investment income	32	-	-	32
Other	22,056	8,925	-	30,981
Total Revenues	<u>166,118</u>	<u>24,599</u>	<u>1,188</u>	<u>191,905</u>
Expenditures				
Current				
General government	42,421	6,974	-	49,395
Public works	240	45,134	-	45,374
Public safety	4,246	-	-	4,246
Culture, parks and recreation	-	-	4,481	4,481
Capital outlay	-	34,000	-	34,000
Total Expenditures	<u>46,907</u>	<u>86,108</u>	<u>4,481</u>	<u>137,496</u>
Net Change in Fund Balance	<u>119,211</u>	<u>(61,509)</u>	<u>(3,293)</u>	<u>54,409</u>
Fund Balance, Beginning	242,936	(32,940)	10,704	220,700
Fund Balance, Ending	<u>\$ 362,147</u>	<u>\$ (94,449)</u>	<u>\$ 7,411</u>	<u>\$ 275,109</u>

Amounts reported for governmental activities in the statement of activities are different because:

Net change in Fund Balances - total governmental funds	\$ 54,409
Assets are depreciated over time and charged to expense on the government-wide statements but are recognized as an expenditure in full in the fund statements.	(18,572)
Changes in pension related assets, liabilities, deferred inflows and deferred outflows of resources which do not utilize current resources and are not reported in the governmental funds.	21,769
Change in net position - governmental activities	<u>\$ 91,606</u>

The accompanying notes are an integral part of these financial statements

Town of Silver Plume, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2017

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Assets			
Current Assets			
Cash and cash equivalents	\$ 52,775	\$ -	\$ 52,775
Cash and cash equivalents - Restricted	19,422	36,710	56,132
Investments	25,077	-	25,077
Receivables - service charges (net of allowance)	21,459	35,784	57,243
Grants receivable	-	100,127	100,127
Property taxes receivable	7,065	13,152	20,217
Due from other funds	199,267	-	199,267
Total Current Assets	<u>325,065</u>	<u>185,773</u>	<u>510,838</u>
Capital Assets			
Nondepreciable	-	883,954	883,954
Depreciable	3,928,059	1,295,036	5,223,095
Total Capital Assets	<u>3,928,059</u>	<u>2,178,990</u>	<u>6,107,049</u>
Less accumulated depreciation	(1,252,298)	(656,044)	(1,908,342)
Net Capital Assets	<u>2,675,761</u>	<u>1,522,946</u>	<u>4,198,707</u>
Total Noncurrent Assets	<u>2,675,761</u>	<u>1,522,946</u>	<u>4,198,707</u>
Total Assets	<u>3,000,826</u>	<u>1,708,719</u>	<u>4,709,545</u>
Deferred Outflows of Resources			
Pension	4,411	6,470	10,881
Total Deferred Outflows of Resources	<u>4,411</u>	<u>6,470</u>	<u>10,881</u>
Liabilities			
Current Liabilities			
Accounts payable	304	109,287	109,591
Accrued interest	3,973	-	3,973
Due to other funds	-	204,067	204,067
Long term debt - current portion	6,222	6,246	12,468
Total Current Liabilities	<u>10,499</u>	<u>319,600</u>	<u>330,099</u>
Long Term Liabilities			
Long term debt	346,678	87,131	433,809
Net pension liability	17,221	25,258	42,479
Total Long Term Liabilities	<u>363,899</u>	<u>112,389</u>	<u>476,288</u>
Total Liabilities	<u>374,398</u>	<u>431,989</u>	<u>806,387</u>
Deferred Inflows of Resources			
Pension	729	1,069	1,798
Deferred property taxes	7,065	13,152	20,217
Total Deferred Inflows of Resources	<u>7,794</u>	<u>14,221</u>	<u>22,015</u>
Net Position			
Investment in capital assets	2,322,861	1,429,569	3,752,430
Restricted	19,422	36,710	56,132
Unrestricted	280,762	(197,300)	83,462
Total Net Position	<u>\$ 2,623,045</u>	<u>\$ 1,268,979</u>	<u>\$ 3,892,024</u>

The accompanying notes are an integral part of these financial statements

Town of Silver Plume, Colorado
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2017

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Operating Revenues			
Charges for services	\$ 116,467	\$ 133,204	\$ 249,671
Total Operating Revenues	<u>116,467</u>	<u>133,204</u>	<u>249,671</u>
Operating Expenses			
General and Administration	12,561	32,519	45,080
Operations	38,279	117,780	156,059
Depreciation expense	84,513	25,058	109,571
Total Operating Expenses	<u>135,353</u>	<u>175,357</u>	<u>310,710</u>
Operating Income	<u>(18,886)</u>	<u>(42,153)</u>	<u>(61,039)</u>
Nonoperating Revenues			
Property taxes	-	10,946	10,946
Grants	-	142,064	142,064
Interest income	72	27	99
Interest expense	(15,966)	(980)	(16,946)
Total Nonoperating Revenues	<u>(15,894)</u>	<u>152,057</u>	<u>136,163</u>
CHANGE IN NET POSITION	<u>(34,780)</u>	<u>109,904</u>	<u>75,124</u>
Net Position, Beginning	<u>2,657,825</u>	<u>1,159,075</u>	<u>3,816,900</u>
Net Position, Ending	<u><u>2,623,045</u></u>	<u><u>1,268,979</u></u>	<u><u>3,892,024</u></u>

The accompanying notes are an integral part of these financial statements

Town of Silver Plume, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2017

	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
Cash Flows From Operating Activities			
Cash received from customers	\$ 118,116	\$ 135,140	\$ 253,256
Cash paid to suppliers	(59,263)	(79,207)	(138,470)
Cash paid to employees	(6,473)	(9,495)	(15,968)
Net Cash Provided by Operating Activities	<u>52,380</u>	<u>46,438</u>	<u>98,818</u>
Cash Flows From Non-Capital Financing Activities			
Property and ownership taxes	-	10,946	10,946
Net cash provided by non-capital financing activities	<u>-</u>	<u>10,946</u>	<u>10,946</u>
Cash Flows From Capital And Related Financing Activities			
Acquisitions and construction of capital assets	-	(142,098)	(142,098)
Grant proceeds	-	59,574	59,574
Principal paid on long-term debt	(5,615)	(6,184)	(11,799)
Interest paid on long-term debt	(15,966)	(980)	(16,946)
Net cash used by capital and related financing activities	<u>(21,581)</u>	<u>(89,688)</u>	<u>(111,269)</u>
Cash Flows From Investing Activities			
Purchases of investments	(2)	-	(2)
Investment income	72	27	99
Net Cash Provided by Noncapital Financing Activities	<u>70</u>	<u>27</u>	<u>97</u>
Net Change in Cash	30,869	(32,277)	(1,408)
Cash and cash equivalents, Beginning	41,328	68,987	110,315
Cash and cash equivalents, ending	<u>\$ 72,197</u>	<u>\$ 36,710</u>	<u>\$ 108,907</u>
Unrestricted Cash and Cash Equivalents	52,775	-	52,775
Restricted Cash and Cash Equivalents	19,422	36,710	56,132
Total Cash and Cash Equivalents	<u>\$ 72,197</u>	<u>\$ 36,710</u>	<u>\$ 108,907</u>
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities			
Net Operating Income	\$ (18,886)	\$ (42,153)	\$ (61,039)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities			
Depreciation expense	84,513	25,058	109,571
Increase (decrease) in pension liability	(340)	13,881	13,541
Increase (decrease) in deferred inflows	(8,744)	(5,068)	(13,812)
Decrease (increase) in deferred outflows	375	(3,369)	(2,994)
Changes in current assets and liabilities			
Accounts receivable	1,649	1,936	3,585
Accounts payable	(6,187)	56,153	49,966
Net Cash Provided by Operating Activities	<u>\$ 52,380</u>	<u>\$ 46,438</u>	<u>\$ 98,818</u>

The accompanying notes are an integral part of these financial statements

Town of Silver Plume, Colorado
Notes to Financial Statements
December 31, 2017

Note 1 Summary of Significant Accounting Policies

Financial Reporting Entity

The Town of Silver Plume, Colorado (the "Town") was incorporated in 1880 as a statutory town. On April 22, 2003 the Town adopted its home rule charter as authorized by article 20 of the Colorado constitution. The Town's major operations include general government; water and sewer operations, public works, and parks and recreation.

The Governmental Accounting Standards Board (GASB) is the authoritative body and the Town follows all GASB accounting pronouncements, which provides guidance for determining which governmental activities, organization and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency. The Town is not financially accountable for any other organization, nor is the Town a component unit of any other primary governmental entity.

Basis of Presentation

The Town's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of information.

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the Town as a whole. These statements include the financial activities of the primary government.

The statement of net position presents the financial position of the governmental and proprietary fund activities at the end of the year. The statement of activities presents a comparison between program expenses and the program revenue for each program or function of the primary government activities. Program expenses are those that are specifically associated with a service, program or department; and therefore, clearly identifiable to a particular function. Program revenue includes charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenue are presented as general revenue of the Town, with certain limited exceptions. The comparison of program expenses with program revenue identifies the extent to which each function is self-financing or draws from the general revenue of the Town.

Fund Accounting

During the year the Town segregates transactions related to certain Town functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Town at this more detailed level. The focus of governmental fund financial statements is on major funds.

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 1 Summary of Significant Accounting Policies (Continued)

The accounts of the Town are organized on the basis of funds each of which is considered a separate accounting entity. In the fund financial statements, the Town reports the following major governmental funds:

General Fund – The General Fund is the general operating fund of the Town. It is used to account for all financial activities except those required to be accounted for in another fund.

Road and Bridge – This is used to account for state highway funds, county road and bridge taxes and other revenues designated for construction and maintenance of roads and bridges.

The Town's remaining governmental funds are; conservation trust fund and cemetery fund which are presented as non-major funds.

Enterprise Funds are used to account for operations that are financed in a manner similar to private business enterprises where the intent of the governing body is that the costs of providing goods or services to the general public be recovered primarily through user charges. The Town reports the following major enterprise funds:

Sewer Fund – The Sewer Fund accounts for the costs related to providing sewer services to the Town.

Water Fund – The Water Fund accounts for the costs related to providing water services to the Town.

Measurement Focus and Basis of Accounting

Government-wide Financial Statement

The government-wide financial statements are prepared using the economic resources measurement focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Town are included in the statement of net position.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet and only revenues that are available within 60 days are recorded in the Statement of Revenues, Expenditures and Changes in Fund Balance.

The Statement of Revenues, Expenditures, and Changes in Fund Balance reports on the sources (revenue and other financing sources) and uses (expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Proprietary funds, which include enterprise funds, are accounted for using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recorded when incurred. Depreciation is computed and recorded as an operating expense. Expenditures for capital outlay are recognized as increases in capital assets.

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 1 Summary of Significant Accounting Policies (Continued)

Revenue

Revenue resulting from exchange transactions, in which each party gives and receives essentially the same value, is recorded on the accrual basis, when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are both measurable and available to finance expenditures of the fiscal period, which is typically within sixty days of realization.

Non-exchange transactions, in which the Town receives value without directly giving value in return, include sales taxes, grants, entitlements and donations. Revenue from sales tax is recognized in the fiscal year for which the taxes are collected by the vendor. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Program revenues consist of revenues that are associated with the governmental services such as licenses, permits and water sales.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the fund liability is incurred, if measurable. Allocations of costs, such as depreciation and amortization, are not recognized in governmental funds.

Property Taxes

Property taxes attach an enforceable lien on property as of January 1st. Taxes are levied on January 1st and are payable either in one installment on or before April 30th, or in two installments due on or before February 28th and June 15th of each year. The collections and assessments are done by Clear Creek County and are remitted to the Town monthly. Property taxes, which are due to be paid in the next period and representing an enforceable lien at January 1st of the next year, have been recorded as a receivable and a deferred inflow of resources in the year in which they are levied. Property tax revenues are recognized when they are collected by Clear Creek County.

Assets and Liabilities

Cash and cash equivalents- The Town follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based on each fund's average equity balance in total cash. The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short term investments with maturities of 90 days or less at the date of their acquisition.

Investments – investments are recorded at fair value, which approximates cost.

Receivables – all receivables are reported at their book value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. Substantially all revenues of the enterprise funds originate from charges to the users, and the District has the ability to place liens on the property.

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 1 Summary of Significant Accounting Policies (Continued)

Management has reviewed the collectability of accounts receivable and has determined the collectability of accounts. Accordingly, the Town has established an allowance for doubtful accounts in the amount of \$78,555 relating to water and sewer accounts currently in litigation.

Capital assets - are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capitalized assets are defined by the Town as assets that have a useful life of more than one year and exceed \$5,000:

	Governmental Activities Estimated Lives	Business-type Activities Estimated Lives
Land and water rights	N/A	N/A
Buildings	20-50 years	N/A
Improvements other than buildings	10-50 years	N/A
Equipment	5-10 years	5-10 years
Utility systems	N/A	25-50 years
Infrastructure	35 years	N/A

Capital assets are recorded at cost except for those assets which have been contributed, which are stated at estimated fair market value at the date of contribution or at developer's cost. Depreciation is computed using the straight-line method over the asset's estimated economic useful life. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capitalized assets since their useful life often extends beyond most other capital assets and are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities.

Impairment of Capital Assets

GASB Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*, ("GASB No 42"), establishes accounting and financial reporting standards for impairment of capital assets. A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. The Town is required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. Management of the Town has determined that there are no indications of impairment of capital assets as of December 31, 2017.

Long-Term Obligations

In the government-wide financial statements and enterprise fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities or enterprise fund type statement of net position. Bond issuance costs are expensed during the current period. Bond premiums and discounts are amortized over the term of the related debt.

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 1 Summary of Significant Accounting Policies (Continued)

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances and discounts are reported as other financing sources. The issuance costs related to the debt is reported as an expenditure in the current period.

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the governmental funds.

Compensated absences – The Town reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. Personal leave benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services rendered and it is probable that the Town will compensate the employees for the benefits earned. Upon termination of employment from the Town, an employee will be compensated for all accrued vacation, holiday and compensatory time at their current rate of pay, there is no payment for sick leave upon termination. Amounts of vested or accumulated vacation and holiday pay that are not expected to be liquidated with expendable available financial resources are reported on the government-wide financial statements.

Deferred outflows of resources- In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. A deferred outflow of resources is a consumption of net position by the Town that is applicable to a future reporting period. The Town has one item that qualifies as a deferred outflow of resources. A deferred outflow of resources related to GASB Statement No. 68 has been recorded as of December 31, 2017 which consists of five components: 1) contributions subsequent to the measurement date 2) change in investment earnings 3) change in proportionate share; 4) change in experience; and 5) change in assumptions.

Deferred inflow of resources- In addition to liabilities, the statement of net position will sometimes report separate sections for deferred inflows of resources. A deferred inflow of resources is an acquisition of net position by the Town that is applicable to a future reporting period. The Town has two items that qualify for reporting as deferred inflows of resources. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable, and are recognized as an inflow of resources in the period they are collected. A deferred inflow related to GASB Statement No. 68 has been recorded as of December 31, 2017 which consists of three components: 1) change in experience, 2) change in proportionate share, and 3) change in assumptions.

Net Position

Equity is classified as net position and displayed in three components:

Net investment in capital assets – consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 1 Summary of Significant Accounting Policies (Continued)

Restricted net position – consists of net position with constraints placed on the use either by (1) external groups, such as creditors, grantors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The Town utilizes restricted net position before utilizing unrestricted net position when an expense is incurred for both purposes

Unrestricted net position – all other net position that do not meet the definition of “restricted” or “net investment in capital assets.” The net position is available for future operations or distributions.

Fund Balance

Nonspendable- consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained in tact. The nonspendable fund balance was \$0 as of December 31, 2017.

Restricted - General Fund - Article X, Section 20 of the Constitution of the State of Colorado (TABOR) requires the Town to establish Emergency reserves (see Note 4). A reservation of \$4,113 of the General Fund balance has been made in compliance with this requirement. Additionally the Town has \$5,171 restricted for parks and other items related to the conservation trust fund.

Committed- Committed fund balance includes those items which can be used for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees. Those committed amounts cannot be used for any other purpose unless the Board of Trustees formally removes or changes the specified uses. The Town had a committed fund balance of \$0 as of December 31, 2017.

Assigned – Includes all amounts that are constrained by the Town’s intent to be used for a specific purpose but are neither committed nor restricted. The assignment of these balances must occur through a formal action of the Board of Trustee’s. As of December 31, 2017 the assigned fund balance was \$0.

Unassigned- consists of the residual classification for each fund. This represents amounts that have not been assigned to other funds and that has not been restricted, committed, or assigned for specific purposes.

The Town has not adopted fund balance policies; therefore the Town follows the guidance in accordance with GASB 54 and apply resources in the following order: restricted, committed, assigned and unassigned. The Road and Bridge fund had a deficit fund balance at year end.

Interfund Transactions

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. At year-end outstanding balances are reported as due to / due from other funds. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as transfers. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances. The effect of interfund activity has been eliminated from the government-wide financial statements except for charges between the enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 1 Summary of Significant Accounting Policies (Continued)

Budgets and Budgetary Accounting

Budgets are adopted on a cash basis except for accrual of current vendor invoices and utility billings. Annual appropriated budgets are adopted for the fund. All annual appropriations lapse at fiscal year end.

The Town adheres to the following procedures in establishing the budgetary data reflected in the financial statements:

- Budgets are required by state law for all funds. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year-end.
- Prior to December 31, the budget is adopted by formal resolution.
- Budgets are required to be filed with the State of Colorado within thirty days after the beginning of the fiscal year.
- Expenditures may not legally exceed appropriations at the fund level.
- The Town Board must approve revisions that alter the total expenditures of any fund.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted by the Town Board or revised by the Town Board.

The Road and Bridge fund, and Conservation Trust fund had expenditures in excess of budgeted amounts which may be a violation of state budget law.

Use of Estimates in the Preparation of Financial Statements

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

Note 2 Cash and Investments

Cash Deposits

The Town maintains a cash pool that is available for use by all funds. Each fund's portion of the pool is displayed on the combined balance sheet as "Cash and Cash equivalents". As of December 31, 2017, the Town's cash deposits had a carrying balance of \$374,144 with corresponding bank balance of \$392,877 of which \$250,000 is federally insured.

The Colorado Public Deposit Protection Act (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. The eligible collateral is specified under the 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 uninsured deposits. The Town had \$142,877 collateralized under PDPA.

The Colorado Divisions of Banking 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.

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 2 Cash and Investments (Continued)

A summary of cash and cash equivalents at December 31, 2017 is as follows:

	2017
Cash deposits	\$ 374,144
Total cash and cash equivalents	\$ 374,144

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of December 31, 2017, none of the Town's bank deposits were exposed to custodial credit risk.

Investments

Colorado statutes specify in which investment instruments the units of local government may invest:

- Obligations of the United States and certain United States government agency securities.
- Certain international agency securities.
- General obligation and revenue bonds of United States 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 is to hold investments until maturity and mirrors State statute.

At December 31, 2017 the Town had \$25,077 invested in a certificate of deposit with Evergreen Bank. The Certificate of Deposit has an initial maturity of six months and renews semi-annually. The interest rate on the certificate at December 31, 2017 was .0100%. The certificate of deposit was not rated. The certificate is presented using amortized cost.

Note 3 Receivables

	Governmental Activities	Business - type Activities	Total
Receivables			
Trade accounts receivable	-	135,798	135,798
Less: Allowance for doubtful accounts	-	(78,555)	(78,555)
Grants receivable	-	100,127	100,127
Due from other governments	5,072	-	5,072
Total	\$ 5,072	\$ 157,370	\$ 162,442

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 4 Capital Assets

A summary of changes to capital assets for 2017 is as follows:

Governmental Activities	Balance at 12/31/2016	Additions	Disposals	Balance at 12/31/2017
Nondepreciable Capital Assets				
Land	62,277	-	-	62,277
Easement	5,000	-	-	5,000
Total Non-Depreciable Capital Assets	<u>67,277</u>	<u>-</u>	<u>-</u>	<u>67,277</u>
Depreciable Capital Assets				
Buildings and improvements	310,280	-	-	310,280
Park and park improvements	117,422	-	-	117,422
Machinery and equipment	121,183	34,000	-	155,183
Total Depreciable Capital Assets	<u>548,885</u>	<u>34,000</u>	<u>-</u>	<u>582,885</u>
Less Accumulated Depreciation				
Buildings and improvements	(113,434)	(10,342)	-	(123,776)
Park and park improvements	(45,542)	(4,830)	-	(50,372)
Machinery and equipment	(121,183)	(3,400)	-	(124,583)
Total Accumulated Depreciation	<u>(280,159)</u>	<u>(18,572)</u>	<u>-</u>	<u>(298,731)</u>
Net Capital Assets	<u>\$ 336,003</u>	<u>\$ 15,428</u>	<u>\$ -</u>	<u>\$ 351,431</u>
Depreciation Expense By Function				
General Government		\$ 10,342		
Public Safety		-		
Public Works		3,400		
Culture, Parks, and Recreation		4,830		
Total Depreciation Expense		<u>\$ 18,572</u>		
Business-type Activities	Balance at 12/31/2016	Additions	Disposals	Balance at 12/31/2017
Nondepreciable Capital Assets				
Construction in progress	\$ 741,856	\$ 142,098	\$ -	\$ 883,954
Total Non-Depreciable Capital Assets	<u>741,856</u>	<u>142,098</u>	<u>-</u>	<u>883,954</u>
Depreciable Capital Assets				
Water Plant	3,476,200	-	-	3,476,200
Water Distribution System	422,955	-	-	422,955
Sewer Distribution System	1,295,037	-	-	1,295,037
Machinery & Equipment	28,903	-	-	28,903
Total Depreciable Capital Assets	<u>5,223,095</u>	<u>-</u>	<u>-</u>	<u>5,223,095</u>
Less Accumulated Depreciation				
Water Plant	(787,938)	(69,524)	-	(857,462)
Water Distribution System	(359,402)	(14,099)	-	(373,501)
Sewer Distribution System	(630,986)	(25,058)	-	(656,044)
Machinery & Equipment	(20,445)	(890)	-	(21,335)
Total Accumulated Depreciation	<u>(1,798,771)</u>	<u>(109,571)</u>	<u>-</u>	<u>(1,908,342)</u>
Net Capital Assets	<u>\$ 4,166,180</u>	<u>\$ 32,527</u>	<u>\$ -</u>	<u>\$ 4,198,707</u>

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 5 Long-Term Debt

The following is an analysis of changes in long-term debt for the year ended December 31, 2017 for the business-type activities:

	Balance 12/31/2016	Additions	Reductions	Balance 12/31/2017	Amounts Due Within One Year
Sewer Fund					
WPCRF direct loan, 2011	\$ 99,561	\$ -	\$ 6,184	\$ 93,377	\$ 6,246
Water Fund					
Water Revenue Bond U.S. Rural Utility Services, 2006	358,515	-	5,615	352,900	6,222
Total Long-term Debt	<u>\$ 458,076</u>	<u>\$ -</u>	<u>\$ 11,799</u>	<u>\$ 446,277</u>	<u>\$ 12,468</u>

Water Pollution Control Revolving Fund – Sewer Fund

In 2011 the Town obtained financing from the Colorado Water Resources and Power Authority (CWRPDA) in the amount of \$200,000. At closing the CWRPDA forgave \$70,427 and subsequently forgave an additional \$70,761 in 2014. The funds were used to replace manholes, sanitary sewer mains and lines, and installing a net metering vault. Interest accrues at 1.00% per annum and is due in semiannual payments in the amount of \$3,582 through November 1, 2031. The Town has pledged the revenue from the operation and use of the sewer system and other legally available revenue, after the payment of operation and maintenance expenses for the system, for the repayment of the note. The note is subject to a rate covenant and a reserve covenant. The Town was out of compliance with both covenants at December 31, 2017.

Year ending December 31,	Principal	Interest	Total
2018	6,246	918	7,164
2019	6,308	856	7,164
2020	6,372	792	7,164
2021	6,436	728	7,164
2022	6,500	664	7,164
2023-2027	33,492	2,328	35,820
2028-2031	28,023	633	28,656
Total	<u>\$ 93,377</u>	<u>\$ 6,919</u>	<u>\$ 100,296</u>

Revenue Bond – Water Fund

On September 26, 2006, the Town issued a \$402,000 water revenue bond through the U.S. Rural Utility Services for improving water facilities. The Town has pledged the revenue from the operation and use of the water system and other legally available revenue, after the payment of operation and maintenance expenses of the system, for the repayment of the bond. The bond is payable in semiannual installments of \$10,790 and carries an interest rate of 4.375% per annum through October 1, 2046. The future minimum payments of the bond are as follows:

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 5 Long-Term Debt (Continued)

Year ending December 31,	Principal	Interest	Total
2018	6,222	15,358	21,580
2019	6,497	15,083	21,580
2020	6,742	14,838	21,580
2021	7,082	14,498	21,580
2022	7,396	14,184	21,580
2023-2027	42,139	65,761	107,900
2028-2032	52,296	55,604	107,900
2033-2037	64,973	42,927	107,900
2038-2042	80,679	27,221	107,900
2043-2046	78,874	7,948	86,822
Total	<u>\$ 352,900</u>	<u>\$ 273,422</u>	<u>\$ 626,322</u>

Note 6 Pension Plans

Public Employees Retirement Association of Colorado

Summary of Significant Accounting Policies

Pensions. The Town participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan description. Eligible employees of the Town are provided with pensions through the Local Government Division Trust Fund (LGDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 6 Pension Plans (Continued)

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments (COLAs), referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve for the LGDTF.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions. Eligible employees and the Town are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* Eligible employees are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 6 Pension Plans (Continued)

	For the Year Ended December 31, 2016	For the Year Ended December 31, 2017
Employer Contribution Rate ¹	10.00 %	10.00 %
Amount of Employer Contribution Apportioned to the health Care Trust Fund as Specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%	(1.02)%
Amount Apportioned to the LGDTF ¹	8.98 %	8.98 %
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411 ¹	2.20 %	2.20 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411 ¹	1.50 %	1.50 %
Total Employer Contribution Rate to the LGDTF ¹	12.68 %	12.68 %

¹Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Town is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Town were \$4,713 for the year ended December 31, 2017.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2017, the Town reported a liability of \$99,533 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015. Standard update procedures were used to roll forward the total pension liability to December 31, 2016. The Town proportion of the net pension liability was based on the Town's contributions to the LGDTF for the calendar year 2016 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2016, the Town's proportion was .0073709287 percent, which was a decrease of .00000711907 percent from its proportion as measured at December 31, 2015. For the year ended December 31, 2017, the Town recognized pension expense of \$21,769. At December 31, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,771	\$ 0
Changes of assumptions or other inputs	\$ 7,060	\$ 288
Net difference between projected and actual earnings on pension plan investments	\$ 11,953	\$ 0
Changes in proportion and differences between contributions recognized and proportionate share of contributions	\$ 0	\$ 4,502
Contributions subsequent to the measurement date	\$ 4,713	N/A

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Total	\$ 25,497	\$ 4,790
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Note 6 Pension Plans (Continued)

The Town reported \$4,713 as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date which will be recognized as a reduction of the net pension liability for the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows.

Year Ended	Pension Expense
2018	\$ 11,329
2019	5,273
2020	3,349
2021	756
2022	-
Thereafter	-
Total	\$ 20,707

Based on the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic assumptions were adopted by PERA's Board on November 18, 2016 and effective as of December 31, 2016. These revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2015 to December 31, 2016:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 10.45 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Mortality rates used in the December, 31, 2015 valuation were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year, and Females set back 2 years. Active member mortality was based upon the same mortality rates but adjusted to 55 percent of the base rate for males and 40 percent of the base rate for females. For disabled retirees, the RP-2000 Disabled Mortality Table (set back 2 years for males and set back 2 years for females) was assumed.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2011, adopted by PERA's Board on November 13, 2012, and an economic assumption study, adopted by PERA's Board on November 15, 2013 and January 17, 2014.

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 6 Pension Plans (Continued)

As a result of the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic actuarial assumptions including withdrawal rates, retirement rates for early reduced and unreduced retirement, disability rates, administrative expense load, and pre- and post-retirement and disability mortality rates were adopted by PERA's Board on November 18, 2016 to more closely reflect PERA's actual experience. As the revised economic and demographic assumptions are effective as of the measurement date, December 31, 2016, these revised assumptions were reflected in the total pension liability roll-forward procedures.

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was changed to reflect 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016. As a result of the October 28, 2016 actuarial assumptions workshop and the November 18, 2016 PERA Board meeting, the economic assumptions changed, effective December 31, 2016, as follows:

- Investment rate of return assumption decreased from 7.50 percent per year, compounded annually, net of investment expenses to 7.25 percent per year, compounded annually, net of investment expenses.
- Price inflation assumption decreased from 2.80 percent per year to 2.40 percent per year.
- Real rate of investment return assumption increased from 4.70 percent per year, net of investment expenses, to 4.85 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.90 percent per year to 3.50 percent per year.

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Note 6 Pension Plans (Continued)

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the November 18, 2016 adoption of the current long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income – Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	.20%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated economic and demographic actuarial assumptions adopted by PERA’s Board on November 18, 2016.
 Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

Note 6 Pension Plans (Continued)

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions
- were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.25%) or one percentage-point higher (8.25%) than the current rate:

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

Discount Rate:	6.25%	7.25%	8.25%
Proportionate share of the net pension liability	\$146,756	\$99,533	\$60,426

Town of Silver Plume, Colorado
Notes to Financial Statements (Continued)
December 31, 2017

Pension plan fiduciary net position. Detailed information about the LGDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Note 6 Pension Plans (Continued)

Defined Contribution Pension Plans

Voluntary Investment Program

Plan Description - Employees of the Town that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report for the Program. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy – The Town is required to contribute at a rate of 1.02 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the Town are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending December 31, 2017, 2016 and 2015 the Town contributions to the HCTF was \$378, \$456, and \$658, respectively, equal to their required contributions for each year.

Note 7 Risk Management

Risk Management Insurance Pool

The Town is self-insured for property and liability insurance. In order to mitigate risk, the Town is a member of the Colorado Intergovernmental Risk Sharing Agency ("CIRSA") and Colorado Intergovernmental Risk Sharing Agency Worker's Compensation ("CIRSA/WC"). CIRSA and CIRSA/WC have a legal obligation for claims against their members to the extent that funds are available in their annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA and CIRSA/WC have indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the years such excess occurs, although they are not legally required to do so. Additionally, the Town may receive credit on future contributions in the event of a surplus.

CIRSA has entered into various excess insurance contracts to limit large losses and minimize exposure on large risks. Excess of loss contracts in effect during 2016 limit CIRSA's per occurrence exposure to 100% of \$5,000,000 in excess of \$1,000,000 per claim for property coverage, and 100% of \$500,000 in excess of \$500,000 per claim for excess property coverage and provide coverage to specified upper limits. The excess of loss contract for workers' compensation coverage limits CIRSA's per occurrence exposure to \$500,000 for 2016 and provides coverage to statutory limits for the State of Colorado. The ultimate liability to the Town resulting from claims not covered by CIRSA and CIRSA/WC is not presently determinable. Management is of the opinion that the final outcome of such claims, if any, will not have a material adverse effect on the Town's financial statements.

Required Supplemental Information

Town of Silver Plume, Colorado
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property taxes	\$ 9,930	\$ 32,375	\$ 22,445
Specific ownership taxes	540	3,447	2,907
Other taxes and franchise fees	55,580	98,732	43,152
Licenses and permits	840	9,476	8,636
Investment income	80	32	(48)
Other	12,000	22,056	10,056
Total Revenues	<u>78,970</u>	<u>166,118</u>	<u>87,148</u>
Expenditures			
Current			
General government	44,786	42,421	2,365
Public works	10,552	240	10,312
Public safety	4,598	4,246	352
Culture, parks and recreation	400	-	400
Capital outlay	22,000	-	22,000
Total Expenditures	<u>82,336</u>	<u>46,907</u>	<u>35,429</u>
Net Change in Fund Balance	<u>\$ (3,366)</u>	<u>119,211</u>	<u>\$ 122,577</u>
Fund Balance, Beginning		242,936	
Fund Balance, End		<u>\$ 362,147</u>	

See the accompanying Independent Auditor's report

Town of Silver Plume, Colorado
Budgetary Comparison Schedule
Road and Bridge
For the Year Ended December 31, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property taxes	\$ 2,979	\$ 5,955	\$ 2,976
Specific ownership taxes	202	181	(21)
Other taxes and franchise fees	6,593	9,430	2,837
Licenses and permits	60	108	48
Investment income	30	-	(30)
Other	-	8,925	8,925
Total Revenues	<u>9,864</u>	<u>24,599</u>	<u>14,735</u>
Expenditures			
Current			
General government	14,544	6,974	7,570
Public works	10,107	45,134	(35,027)
Public safety	1,725	-	1,725
Culture, parks and recreation	150	-	150
Capital outlay	-	34,000	(34,000)
Total Expenditures	<u>26,526</u>	<u>86,108</u>	<u>(59,582)</u>
Net Change in Fund Balance	<u>\$ (16,662)</u>	<u>(61,509)</u>	<u>\$ (44,847)</u>
Fund Balance, Beginning		(32,940)	
Fund Balance, End		<u>\$ (94,449)</u>	

See the accompanying Independent Auditor's report

Town of Silver Plume, Colorado
Required Supplementary Information
Schedule of the Town's Proportionate Share of the Net Pension Liability - PERA
Last 10 Fiscal Years *

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Town's proportion of the net pension liability / asset	0.0073709287%	0.0074421194%	0.0127277929%	0.0222175531%
Town's proportional share of the net pension liability (asset)	\$ 99,533	\$ 81,981	\$ 114,080	\$ 182,833
Town's percentage of net pension liability as a percent of covered payroll	222.78%	152.35%	392.58%	154.26%
Town's covered payroll	44,677	53,812	29,059	118,525
Total pension liability	5,123,847,000	4,762,090,000	4,647,777,000	4,517,239,000
Plan fiduciary net position	3,773,506,000	3,660,509,000	3,751,468,000	3,508,312,000
Net pension liability (asset)	<u>\$ 1,350,341,000</u>	<u>\$ 1,101,581,000</u>	<u>\$ 896,309,000</u>	<u>\$ 1,008,927,000</u>
Plan fiduciary net position as a percentage of the total pension	74%	77%	81%	78%

* Information for the prior 6 years was not available to report

See the accompanying Independent Auditor's report

Town of Silver Plume, Colorado
Schedule of Contributions Multiyear - PERA
Last 10 Fiscal Years

FY Ending December 31, (a)	Actuarially Determined Contribution (b)	Actual Contribution * ©	Contribution Deficiency (Excess) (d) = (b) - (c)	Covered Payroll (e)	Actual Contribution as a % of Covered Payroll (f)
2017	\$ 4,713	\$ 4,713	\$ -	37,158	12.68%
2016	5,665	5,665	-	44,677	12.68%
2015	6,823	6,823	-	53,812	12.68%
2014	3,685	3,685	-	29,059	12.68%

The schedule is intended to show ten years of data. The remaining years will be shown as the data becomes available.

Other Supplemental Information

**Town of Silver Plume, Colorado
Balance Sheet
Nonmajor Governmental Funds
December 31, 2017**

	<u>Cemetery Operating</u>	<u>Conservation Trust</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 2,240	\$ -	\$ 2,240
Restricted cash and cash equivalents	-	5,604	5,604
Total Assets	<u>\$ 2,240</u>	<u>\$ 5,604</u>	<u>\$ 7,844</u>
Liabilities			
Due to other funds	\$ -	\$ 433	\$ 433
Total Liabilities	<u>-</u>	<u>433</u>	<u>433</u>
Fund Balance			
Restricted	-	5,171	5,171
Unassigned	2,240	-	2,240
Total Fund Balance	<u>2,240</u>	<u>5,171</u>	<u>7,411</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 2,240</u>	<u>\$ 5,604</u>	<u>\$ 7,844</u>

See the accompanying Independent Auditor's report

Town of Silver Plume, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2017

	<u>Cemetery Operating</u>	<u>Conservation Trust</u>	<u>Total</u>
Revenues			
Intergovernmental	\$ -	\$ 1,088	\$ 1,088
Charges for services	100	-	100
Total Revenues	<u>100</u>	<u>1,088</u>	<u>1,188</u>
Expenditures			
Current			
Culture, parks and recreation	-	4,481	4,481
Total Expenditures	<u>-</u>	<u>4,481</u>	<u>4,481</u>
Net Change in Fund Balance	<u>100</u>	<u>(3,393)</u>	<u>(3,293)</u>
Fund Balance, Beginning	<u>2,140</u>	<u>8,564</u>	<u>10,704</u>
Fund Balance, Ending	<u>\$ 2,240</u>	<u>\$ 5,171</u>	<u>\$ 7,411</u>

See the accompanying Independent Auditor's report

Town of Silver Plume, Colorado
Budgetary Comparison Schedule
Cemetery Fund
For the Year Ended December 31, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Charges for services	\$ -	\$ 100	\$ 100
Total Revenues	<u>-</u>	<u>100</u>	<u>100</u>
Expenditures			
Current			
General government	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ -</u>	100	<u>\$ 100</u>
Fund Balance, Beginning		<u>2,140</u>	
Fund Balance, Ending		<u>\$ 2,240</u>	

See the accompanying Independent Auditor's report

Town of Silver Plume, Colorado
Budgetary Comparison Schedule
Conservation Trust Fund
For the Year Ended December 31, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Intergovernmental	\$ -	\$ 1,088	\$ 1,088
Total Revenues	<u>-</u>	<u>1,088</u>	<u>1,088</u>
Expenditures			
Culture, parks and recreation	-	4,481	(4,481)
Total Expenditures	<u>-</u>	<u>4,481</u>	<u>(4,481)</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>(3,393)</u>	<u>\$ 5,569</u>
Fund Balance, Beginning		<u>8,564</u>	
Fund Balance, Ending		<u>\$ 5,171</u>	

See the accompanying Independent Auditor's report

Town of Silver Plume, Colorado
Budgetary Comparison Schedule
Water Fund
For the Year Ended December 31, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property taxes	\$ 6,951	\$ -	\$ (6,951)
Specific ownership taxes	473	-	(473)
Other taxes and franchise fees	1,383	-	(1,383)
Licenses and permits	140	-	(140)
Charges for services	100,000	116,467	16,467
Investment income	70	72	2
Other	700	-	(700)
Total Revenues	<u>109,717</u>	<u>116,539</u>	<u>6,822</u>
Expenditures			
Current			
General and Administrative	37,963	12,561	25,402
Operations	35,102	38,279	(3,177)
Debt service	21,580	21,581	(1)
Capital outlay	19,250	-	19,250
Total Expenditures	<u>113,895</u>	<u>72,421</u>	<u>41,474</u>
Net Change in Fund Balance	<u>\$ (4,178)</u>	<u>44,118</u>	<u>\$ 48,296</u>

Reconciliation to Change in Net Position

Less Depreciation expense	(84,513)
Add: Capital outlay	-
Principal paid on long-term debt	5,615
Change in Net Position	<u>\$ (34,780)</u>

See the accompanying Independent Auditor's report

Town of Silver Plume, Colorado
Budgetary Comparison Schedule
Sewer Fund
For the Year Ended December 31, 2017

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property taxes	\$ 11,872	\$ 10,946	\$ (926)
Specific ownership taxes	135	-	(135)
Other taxes and franchise fees	395	-	(395)
Licenses and permits	40	-	(40)
Charges for services	175,000	133,204	(41,796)
Grants	691,059	142,064	(548,995)
Investment income	20	27	7
Total Revenues	<u>878,521</u>	<u>286,241</u>	<u>(592,280)</u>
Expenditures			
Current			
General and Administrative	11,196	32,519	(21,323)
Operations	120,216	117,780	2,436
Debt service	7,164	7,164	-
Capital outlay	696,559	142,098	554,461
Total Expenditures	<u>835,135</u>	<u>299,561</u>	<u>535,574</u>
Net Change in Fund Balance	<u>\$ 43,386</u>	<u>(13,320)</u>	<u>\$ (56,706)</u>
Reconciliation to Change in Net Position			
Less Depreciation expense		(25,058)	
Add: Capital outlay		142,098	
Principal on long-term debt		6,184	
Change in Net Position		<u>\$ 109,904</u>	

See the accompanying Independent Auditor's report

Special Reports

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: clerk@silverplumeco.com

City/County: Silver Plume

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:	\$	<input type="text" value="0.00"/>
3. Other local imposts: <i>from A.3. Total below</i>	\$	<input type="text" value="7,691.00"/>
4. Miscellaneous local receipts: <i>from A.4. Total below</i>	\$	<input type="text" value="2,005.00"/>
5. Transfers from toll facilities	\$	<input type="text" value="0.00"/>
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	\$	<input type="text" value="0.00"/>
b. Bonds - Refunding Issues:	\$	<input type="text" value="0.00"/>
c. Notes:	\$	<input type="text" value="0.00"/>

SubTotal: \$

B. Private Contributions

\$

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	\$	<input type="text" value="5,955.00"/>
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:	\$	1,736.00

Total: *(a + b) carried to 'Other local imposts' above* \$ 7,691.00

A.4. Miscellaneous local receipts

Please no commas or dollar signs for the input

a. Interest on Investments:	\$	95.00
b. Traffic fines & Penalties:	\$	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:	\$	1,910.00
h. Other:	\$	0.00

Total: *(a through h) carried to 'Misc local receipts' above* \$ 2,005.00

C. Receipts from State Government

Please no commas or dollar signs for the input

1. Highway User Taxes:	\$	8,720.00
3. Other State funds:		
c. Motor Vehicle Registrations:	\$	896.00
d. Other (Specify):		
Comments: undefined	\$	0.00
e. Other (Specify):		
Comments: undefined	\$	0.00

Total: *(1+3c,d,e)* \$ 9,616.00

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:

\$ 9,936.00

3. Road and street services

a. Traffic control operations:

\$ 0.00

b. Snow and ice removal:

\$ 4,602.00

c. Other:

\$ 0.00

4. General administration & miscellaneous

\$ 3,650.00

5. Highway law enforcement and safety

\$ 0.00

Total: (A.1-5) \$ 18,188.00

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)* \$ 18,188.00

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: <i>(Lines A.1.a. + 1.b. + 1.c.5)</i>			\$ 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
\$ -11,025.00	\$ 19,312.00	\$ 18,188.00	\$ -9,901.00	\$ 0.00

Notes & Comments:

Office Hours: Monday thru Thursday 10 a.m. to 1:00 p.m. CLOSED FRIDAYS

Please enter your name:

Please provide a telephone number where you may be reached:

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