

**TOWN OF SILVERTHORNE, COLORADO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**For Fiscal Year Ended December 31, 2017**

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July 18, 2018

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

The Town of Silverthorne is pleased to present the comprehensive annual financial report, prepared in accordance with generally accepted accounting principles (GAAP) for the year ended December 31, 2017. The report is submitted as mandated by both local ordinance and state statutes. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Town government. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Town government. The Town has established an internal control structure designed to ensure accurate financial reporting and to safeguard the assets of the Town. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

The Town of Silverthorne's financial statements for the year ended December 31, 2017, have been issued an unmodified ("clean") opinion by Hinkle & Company, PC, a firm of licensed certified public accountants. The independent auditor's report is presented as the first component of the financial section of this report.

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

**Governmental Structure**

Of all the towns in Colorado, few have probably experienced the overwhelming change that Silverthorne has in the short time since its incorporation in 1967. Over the course of its brief existence, the Town has gone from a makeshift construction camp for workers building the Dillon Dam, to a period in which the most the Town had to offer was a convenient refueling stop along Interstate 70, to a full-service, well-balanced community of approximately 4,400 people.

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

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

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

The Town provides a full range of services. These services include Public Safety (Police); Public Works Services such as street and park construction and maintenance; Community Development (building and planning department); water and sewer services; the Silverthorne Recreation Center which includes recreation activities and programs; the Silverthorne Performing Arts Center (SPAC) and operational support for the Lake Dillon Theater Company; the Silverthorne Pavilion as well as community and cultural events. Wastewater services are provided through a legally separate Joint Sewer Authority, which the Town manages and are therefore reported separately within the Town of Silverthorne’s financial statements. Additional information on the Authority can be found in Note G in the notes to the financial statements.

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

In order to evaluate progress against the goals set for 2017, it is important to note the primary goal of the Town Council as described in its Mission Statement:

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

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

### **Factors Affecting Financial Condition**

**Local Economy:** Fiscal year 2017 results reflect continuing national/state/local economic growth. Sales taxes, which continue to be the Town’s primary source of revenue, hit a new all-time high in 2017. The Town also saw many residential construction projects start in 2017. Most of these residences will obtain a certificate of occupancy in 2018.

Silverthorne is home to many commercial businesses which service the community, the surrounding areas, and a large number of visitors to the Town. Retail stores include Lowe’s, Target, and the Silverthorne Outlet stores. In addition, there are 37 restaurants and 7 hotels. Major industries/employers in 2017 included: Lowe’s, Outlets at Silverthorne Stores, Xcel Public Utilities, the Town of Silverthorne, the U.S. Forest Service, Colorado Mountain Express, Target and a combination of lodging, building, and restaurant businesses. During the recession of 2009-2011, many of these

businesses (and the Town) laid off employees or left positions vacant. However, employment statistics have improved year over year and the current job market is very tight. As a comparison, Summit County and Colorado unemployment rates in 2012 were 7.1% and 8% respectively, and by the end of 2017, these rates were 1.5% and 3.0%.

The Town continues to be financially stable and did not use general fund balances for 2017 annual operations. However, the General Fund balance was decreased due to a transfer to the Capital Improvement Project Fund to fund a new Public Works Shop (the Cottonwood Shop). To recap recent economic history: a Target store opened in March of 2003, and the Town experienced strong growth in tourism and the building industries from 2005-2008. Then, from 2009 to 2011, revenues decreased due to the national recession. During this time, the Town froze salaries, left five positions vacant and had across-the-board budget reductions to supplies and services. In 2013, the Lowe's Home Improvement store opened and, in 2015, merit and market salary increases for employees were restored and moderate growth in department expenditures was authorized. While the Town has had sufficient revenues throughout the years, in order to complete the various projects the community desires, it will be necessary to diversify and increase revenues. In the meantime, due to a conservative General Fund reserve policy (6 months of expenditures), the Town is in position to cover operational costs and handle economic difficulties.

The primary challenge the Town faces is its dependency on sales tax revenues. 2017 sales tax revenues comprised 60% of the General Fund and 98% of the Sales Tax Capital Fund revenues (not including transfers). Fiscal year 2017 sales tax revenues reached an all-time high of \$11,184,915 (an increase of 4.3% over 2016). The Town has many projects to complete in order to provide amenities described in the Comprehensive and Parks, Open Space, Recreation, and Trails master plan. In addition, the residential growth the Town is experiencing will require increased services, especially in the areas of Public Safety, street maintenance, and parks.

Sales tax trends model the health of our local businesses and, unfortunately, the retail industry is declining nationwide. This is reflected in the decreased sales tax the Town receives from the Outlet stores. The Outlets continue to be an important source of Town's revenues, contributing 22% of the Town's total sales tax revenues. Beyond the Outlets and other small businesses, the Town is home to a two big-box stores: Target and Lowe's. A Hampton Inn hotel opened its doors in late 2015 and contributes to both sales tax and lodging tax revenues. A number of hotel chains have expressed interest in establishing new locations in Town due to our convenient location at the junction of Highways 9 and 6 and Interstate 70.

State-wide skier/snowboarder numbers were down about 5% in the 2017/2018 winter season. Recent reports from Colorado Ski Country showed a decrease of less than one percent for the state, and Vail Resorts (the owner of two of four ski resorts in Summit County) reported that the skier visits for the 2017/2018 season decreased by 2.8%. Vail Resorts' data represents 10 ski areas across North America and statistics for individual resorts is not available. In most years, changes in the number of skier visits track with the Town's sales tax revenue, although in 2017 that was not the case.

New building permits issued in 2017 were down slightly (4.5%) compared to 2016. In 2017, the Town issued 150 building permits versus 157 in 2016. Building related activities bring in one-time revenues including building permits, development excise tax, utility taps, and 5A workforce housing impact fees. In certain developments, the Town has worked to establish Real Estate Transfer Assessment agreements which contribute to Town revenues when residential property changes ownership. The number of building permits issued is a leading indicator as to construction retail revenues, however, in 2017 sales tax revenues for the building retail sector increased by 3.69%. Even with the large number of new residential housing starts, the community continues to experience a shortage of affordable workforce housing.

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

**New Facilities and Programs:** General fund revenues out-paced expenditures in 2017 by \$1,583,622 (not including transfers). The Town continues to control expenditures while cautiously budgeting for sales tax revenues. A recent addition to the budget was operational support for the Lake Dillon Theater Company, which began operating out of the new Silverthorne Performing Arts Center (SPAC) in June of 2017. Further emphasis has been placed on economic development by encouraging and coordinating with developers interested in our Town Core area. The construction of the SPAC was in progress at the end of 2016 and is the largest capital project the Town has taken on in quite some time. Lease-purchase financing of \$4.5M was utilized to make this important project possible. Other funding sources were General and Capital Fund balances and contributions from the Lake Dillon Theater Company to take place in 2017 and 2018.

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

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

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

**Long-Term Financial Planning:** The spendable fund balance in the General Fund is 98% of annual expenditures. This places the Town in a solid financial position; however, the impacts of additional

programs and projects have long term effects which the Town will need to temper if new/additional revenue streams are not identified. In planning for the future, strategic plans for Public Works, Public Safety, Information Technology, and the Arts have been completed which complement our Comprehensive Plan and the Parks, Trails and Open Space Master plan. These documents will help guide us down the path that the Town envisions for its future.

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

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

Per the Town's financial policies, funds for planned equipment purchases, operating maintenance, and capital projects can accumulate in a fund's balance and then be utilized for one-time expenditures as defined by the fund. Therefore, it's not unusual to see years where capital expenditures are greater than actual revenues.

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

Some examples of how the Town is committed to economic development are the Urban Renewal Authority (URA) the Town established and recently reactivated. Other initiatives include reviewing sections of our commercial districts, purchasing property and activating the use of tax incentive programs such as the Enhanced Sales Tax Incentive Program (ESTIP) and Tax Increment Financing (TIF). In 2018, URA property tax incremental revenues will continue to be small, but we expect them to increase substantially as we pursue opportunities to make the best use of our commercial districts and entrance to our community.

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

As mentioned above, the Town is also looking to expand cultural opportunities. In 2017, the Town completed a new Performing Arts Center. The Lake Dillon Theater Company provides programming, which makes the SPAC a community attraction. Other art related projects and events have been incorporated into the Town such as a summer concert series and in 2018, First Fridays. We are

working to fulfill our Council's goal to draw more people to our community and to encourage economic development.

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

### **Awards and Acknowledgements**

**Awards:** The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Silverthorne for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2016. The Certificate of Achievement is a prestigious national award; recognized for conformance with the highest standards for preparation of state and local government financial reports.

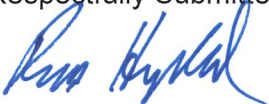
In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR), whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. Fiscal year 2016 was the twenty-second consecutive year the Town of Silverthorne has received the award. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

The Town also received the GFOA Distinguished Budget Presentation Award for our 2017-2018 Financial Plan. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

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

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

Respectfully Submitted,



Ryan Hyland  
Town Manager, Town of Silverthorne



Laura Kennedy  
Director of Finance & Administration



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Town of Silverthorne  
Colorado**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2016**

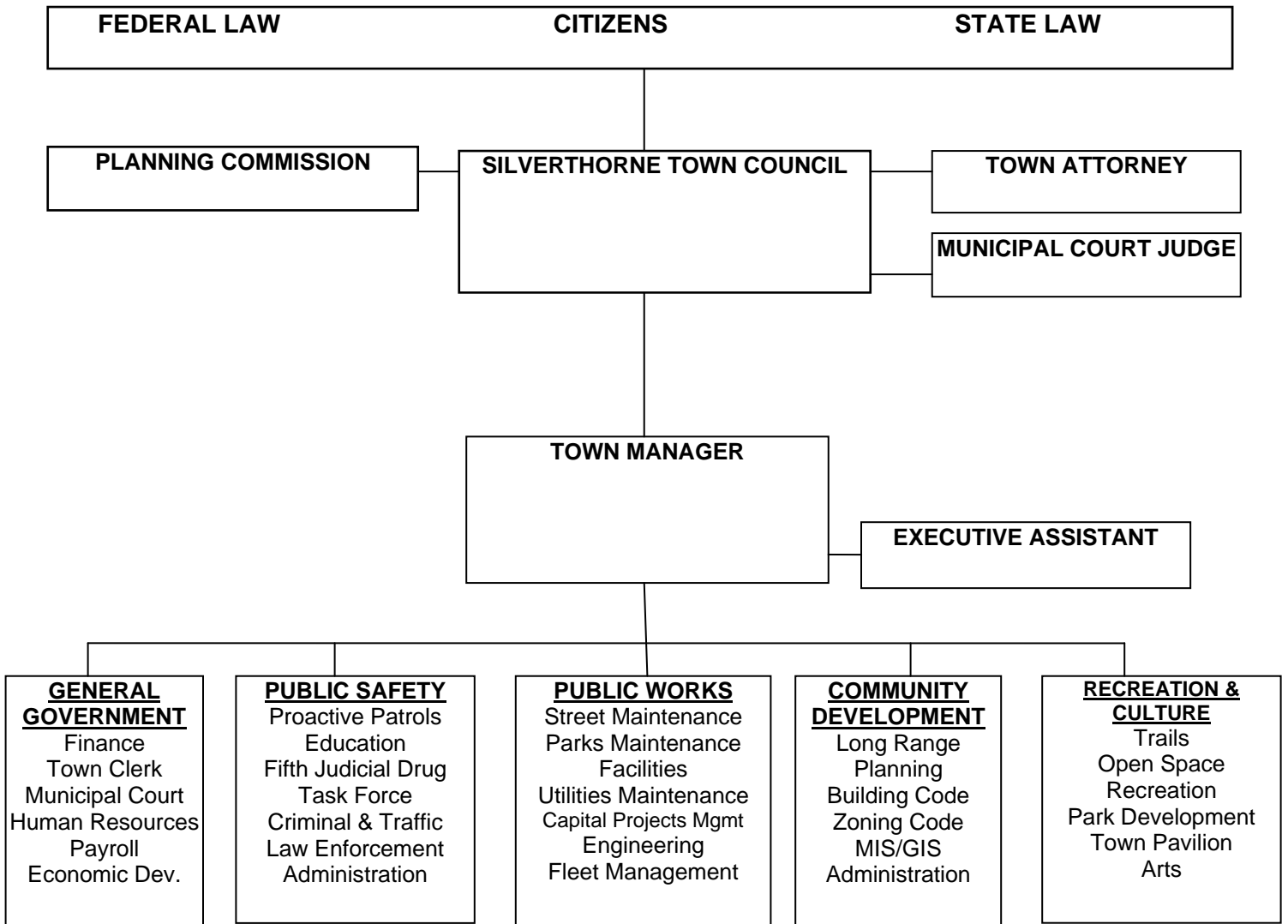
*Christopher P. Morrill*

Executive Director/CEO



# SILVERTHORNE COLORADO

## TOWN OF SILVERTHORNE, CO ORGANIZATIONAL CHART





TOWN OF SILVERTHORNE, COLORADO  
LIST OF ELECTED AND ADMINISTRATIVE OFFICIALS  
December 31, 2017

**Elected Officials**

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

**Administrative Officials**

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

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## Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Silverthorne as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Town of Silverthorne, as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors' Responsibility**

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

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

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

**Opinions**

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

**Other Matters**

***Required Supplementary Information***

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

***Other Information***

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

*Hick & Company, PC*

Greenwood Village, Colorado  
July 2, 2018



**TOWN OF SILVERTHORNE, COLORADO**  
**MANAGEMENT DISCUSSION & ANALYSIS**  
**December 31, 2017**

As management of the Town of Silverthorne, we offer readers of the Town of Silverthorne's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-6 of this report.

**FINANCIAL HIGHLIGHTS**

- The assets of the Town of Silverthorne exceeded its liabilities at the close of fiscal year 2017 by \$115,813,482 (*net position*). Of this amount, \$27,123,277 (*unrestricted net position*) may be used to meet the Town's ongoing obligations or unforeseen expenses.
- As of the close of fiscal year 2017, the Town of Silverthorne's governmental funds reported a combined ending fund balance of \$22,220,760; an increase of \$4,993,032 compared to fiscal year 2016. \$11,383,592 of the fund balance total is considered unassigned.
- At the end of fiscal year 2017, unassigned fund balance for the general fund was \$11,383,592 or 98% of the total general fund expenditures.
- The General Fund balance increased by \$883,622 in 2017. The primary reason for the increase was Real Estate Transfer Assessment (RETA) revenue which was \$531,719 greater than in 2016. Another contributor to the increase was tax revenue which was \$381,209 higher than in the prior year. Governmental funds general sales tax revenues, which is the Town's primary revenue source, increased by \$460,837 or 4.3% as compared to 2016 results.
- The Town governmental and proprietary funds added \$15,672,895 in capital assets in 2017. Contributed infrastructure from developers amounted to \$2,078,529 in the governmental funds and \$5,365,429 in the proprietary funds.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

**Government-wide Financial Statements**

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

The ***statement of net position*** presents information on all the Town of Silverthorne's assets, liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The ***statement of activities*** presents information showing how the Town of Silverthorne's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future periods (e.g. uncollected taxes and earned but unused personal time).

Both of the government-wide financial statements distinguish functions of the Town of Silverthorne that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and

charges (*Business-type Activities*). The Governmental Activities of the Town of Silverthorne include: general government, public safety (police), public works, community development, recreation & culture, urban renewal and housing. The Business-type Activities of the Town of Silverthorne include water and sewer.

The government-wide financial statements can be found on pages 27-29 of this report.

### **Fund Financial Statements**

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

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

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

The Town of Silverthorne maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Sales Tax Capital Improvement, Urban Renewal Authority, and 5A Housing fund. These three funds are considered to be major funds. The other three funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining and individual fund statements and schedules* elsewhere in this report.

The Town adopts an annual appropriated budget for its General, Sales Tax Capital Improvement, Urban Renewal Authority, and 5A Housing funds. A budgetary comparison statement has been provided for the General, Sales Tax Capital Improvement, Urban Renewal Authority, and 5A Housing funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 30-32 of this report.

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water and

sewer funds. Both are considered to be major funds of the Town of Silverthorne. The health & short-term disability insurance claims internal service fund is also presented in the proprietary fund statements.

The basic proprietary fund financial statements can be found on pages 33-35 of this report.

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

The fiduciary fund financial statements can be found on page 36.

**Notes to Financial Statements & Required Supplementary Information** – The notes and required supplementary information provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes and required supplementary information to the financial statements can be found on pages 37-56 of this report.

**Supplementary & Other Information** – The supplementary and combining statements referred to earlier in connection with major and non-major governmental funds are presented immediately following the required notes to financial statements. Combining and individual fund statements and schedules can be found on pages 57-76.

**FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE**

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

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

	<b>TOWN OF SILVERTHORNE’S NET POSITION</b>					
	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total Primary Government</b>	
	2017	2016	2017	2016	2017	2016
Current and Other Assets	\$ 25,728,350	\$ 20,046,342	\$ 15,282,867	\$ 16,485,155	\$ 41,011,218	\$ 36,531,497
Capital Assets	56,697,130	50,869,969	26,395,123	21,442,855	83,092,253	72,312,824
Total Assets	82,425,480	70,916,311	41,677,990	37,928,010	124,103,471	108,844,321
Long-Term Liabilities	5,033,741	5,561,455	37,556	29,363	5,071,297	5,590,818
Other Liabilities	3,012,567	2,550,106	104,513	34,723	3,117,080	2,584,829
Total Liabilities	8,046,308	8,111,561	142,069	64,086	8,188,377	8,175,647
Deferred Inflows of Resources	101,612	64,050	-	-	101,612	64,050
Net Position:						
Net Investment in Capital Assets	52,216,856	45,863,329	26,395,123	21,442,855	78,611,979	67,306,184
Restricted	10,078,226	6,547,887	-	-	10,078,226	6,547,887
Unrestricted	11,982,479	10,329,479	15,140,798	16,421,066	27,123,277	26,750,545
Total Net Position	\$ 74,277,561	\$ 62,740,695	\$ 41,535,921	\$ 36,863,921	\$ 115,813,482	\$ 100,604,616

By far the largest portion of the Town of Silverthorne’s net position, 68%, reflects its investment in capital assets (e.g. land, buildings, infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town of Silverthorne uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Silverthorne’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay any debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the Town’s ongoing obligations to citizens and creditors.

The \$41,011,218 of Total Primary Government current and other assets includes \$23,808,459 in cash and investments. This reflects the strong cash balances that the Town of Silverthorne has maintained in 2017, even while completing over \$15.6 million in capital projects. Cash & investments increased by \$3.6 million in 2017 due to an increase in revenues versus expenses. Sales tax and Real Estate Transfer Assessments, and development excise tax made up the majority of the increase. Capital assets increased by \$10,779,430 due primarily to the completion of the Silverthorne Performing Arts Center (SPAC) in April of 2017. The \$5,071,297 in long-term liabilities outstanding consists of lease/purchase agreements and accrued compensated absences. The amount financed for the construction of the SPAC was \$4.5 million. The Lake Dillon Theater Company (LDTA) is helping to fund the construction with \$2.7 million in contributions: \$840,000 in cash contributions were received from the LDTA in 2017 and the remainder is expected in 2018.

At the end of 2017, the Town of Silverthorne is able to report a positive balance of net position for the government as a whole, as well as for its separate Governmental and Business-type Activities. The Governmental Activities unrestricted net position equals 78.7% of total expenses for Governmental Activities in the Statement of Activities for 2017.

During 2017, the Town of Silverthorne's Governmental Activities net position increased by \$11,536,866. This increase can be attributed to numerous sources including: capital contributions and grants of over \$3.6M, transfers in of \$2.25M from the proprietary funds, gain on sale of assets of \$1.1M, increased 5A Housing fund revenues, and increased sales tax revenues over 2016. The net position from Business-Type Activities reflects an increase of \$3,672,000. Capital contributions from the development of the South Maryland Creek Ranch neighborhood of \$5,365,429 and tap fees of \$1,461,471 were offset by transfers to the Capital Improvement Fund of \$2,250,000. These transfers were made to assist with funding the construction of the new Public Works Cottonwood Shop which will house the staff of the Water and Sewer Departments as well as other staff and functions of the Public Works Department.

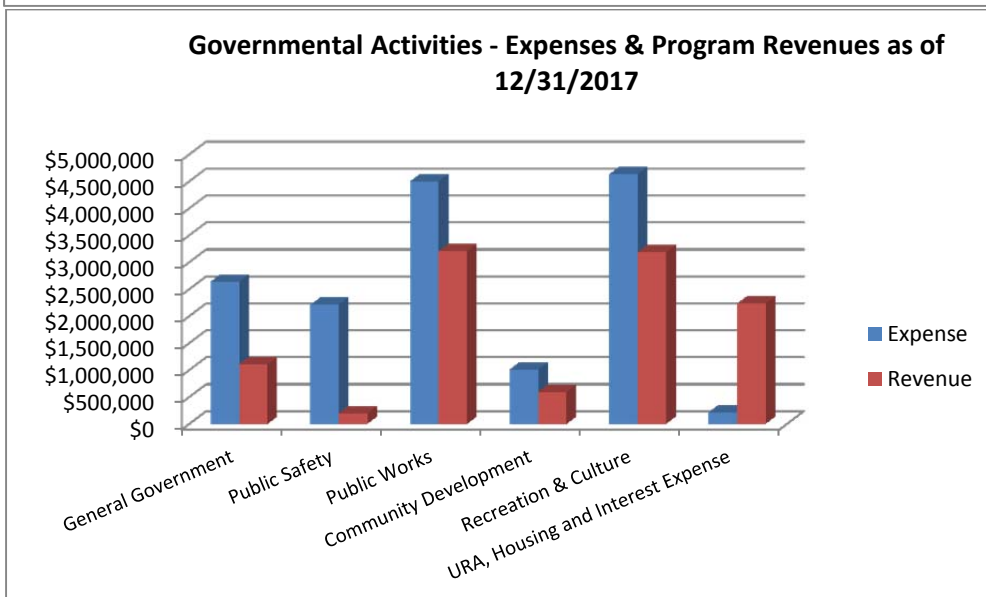
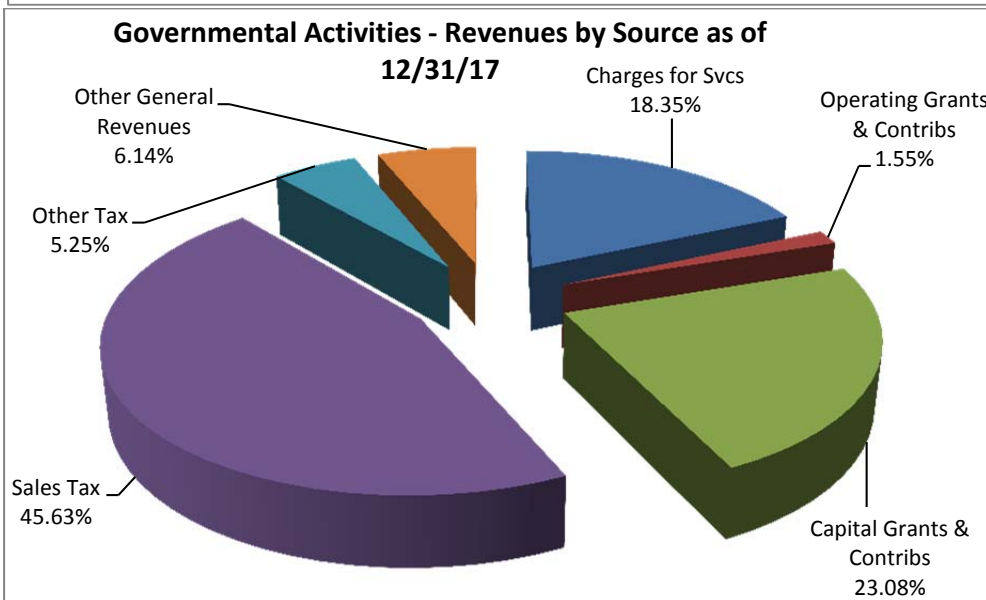
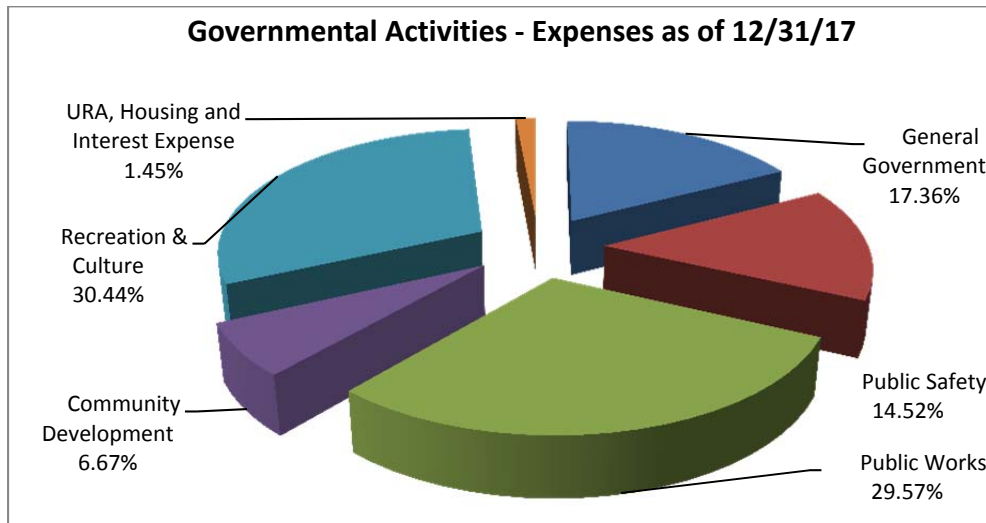
**Changes in Net Position** – Governmental activities increased the Town of Silverthorne's net position by \$11,536,866, reflecting an 18.4% growth to total net position. 2017 had a higher surplus as compared to 2016, by \$8,886,244. The Town is experiencing an increase in revenues but seeing expenses grow as well (\$790,992) in 2017 compared to 2016. The higher surplus in 2017 was due to a number of sources and some of the related revenues are dedicated to projects that are planned or under way. Therefore, we anticipate the Governmental Activities net position to decrease in the coming year.

## TOWN OF SILVERTHORNE'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Program Revenues:						
Charges for Services	\$ 4,497,712	\$ 3,984,017	\$ 2,534,734	\$ 2,495,690	\$ 7,032,446	\$ 6,479,707
Operating Grants & Contributions	380,463	351,748	-	-	380,463	351,748
Capital Grants & Contributions	5,656,864	357,611	6,826,900	1,811,304	12,483,764	2,168,915
General Revenues:						
Sales Taxes	11,184,915	10,724,078	-	-	11,184,915	10,724,078
Other Taxes	1,287,793	1,413,121	-	-	1,287,793	1,413,121
Other General Revenues	1,505,551	255,487	188,103	147,341	1,693,654	402,828
Total Revenues	<u>24,513,298</u>	<u>17,086,062</u>	<u>9,549,737</u>	<u>4,454,335</u>	<u>34,063,035</u>	<u>21,540,397</u>
Program Expenses:						
General Government	2,642,943	2,747,399	-	-	2,642,943	2,747,399
Public Safety	2,211,154	2,031,902	-	-	2,211,154	2,031,902
Public Works	4,502,614	4,468,632	-	-	4,502,614	4,468,632
Community Development	1,015,199	1,057,165	-	-	1,015,199	1,057,165
Recreation & Culture	4,634,365	4,042,014	-	-	4,634,365	4,042,014
Housing	107,832	40,652	-	-	107,832	40,652
Urban Renewal Authority	6,491	800	-	-	6,491	800
Interest on Long Term Debt	105,834	46,876	-	-	105,834	46,876
Water	-	-	1,981,577	1,896,289	1,981,577	1,896,289
Sewer	-	-	1,646,160	1,490,060	1,646,160	1,490,060
Total Expenses	<u>15,226,432</u>	<u>14,435,440</u>	<u>3,627,737</u>	<u>3,386,349</u>	<u>18,854,169</u>	<u>17,821,789</u>
Excess Before Transfers	9,286,866	2,650,622	5,922,000	1,067,986	15,208,866	3,718,608
Transfers	2,250,000	-	(2,250,000)	-	-	-
Change in Net Position	11,536,866	2,650,622	3,672,000	1,067,986	15,208,866	3,718,608
Net Position –Beginning of Yr	<u>62,740,695</u>	<u>60,090,073</u>	<u>37,863,921</u>	<u>36,795,935</u>	<u>100,604,616</u>	<u>96,886,008</u>
Net Position – End of Year	<u>\$ 74,277,561</u>	<u>\$ 62,740,695</u>	<u>\$ 41,535,921</u>	<u>\$ 37,863,921</u>	<u>\$115,813,482</u>	<u>\$100,604,616</u>

**Governmental Activities**

Governmental activities increased the Town of Silverthorne's net position by \$11,536,866. The following are illustrative summaries of Governmental Activities revenues and expenses:



## Governmental Activities Analysis:

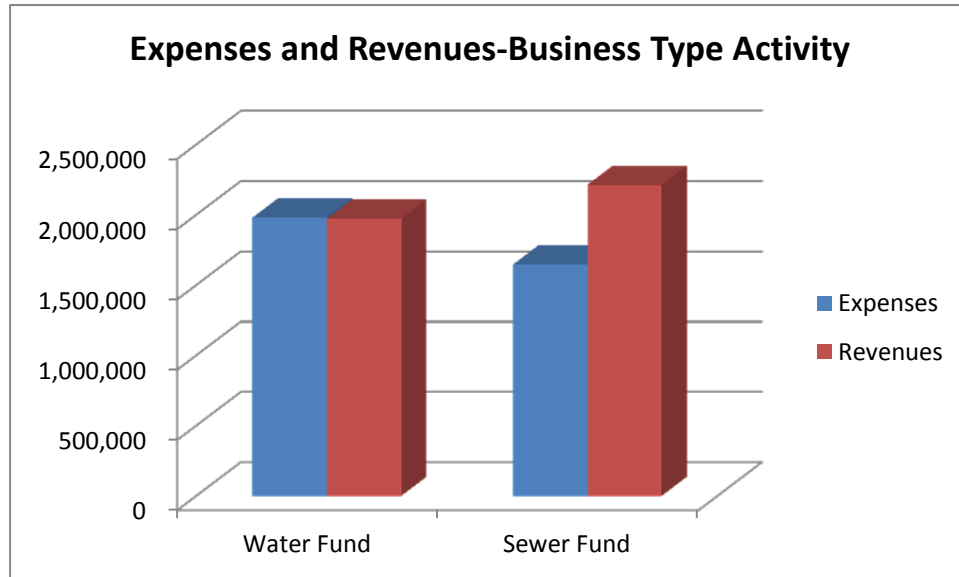
- Sales tax revenues increased by 4.3% (\$460,837) in 2017. All economic indicators are forecasting the national/state/local economies to continue at a slow rate of growth.
- The Town's building-related retail sector increased by 3.69% (\$89,538) over prior year. Lowe's continues to help retain building material sales that were leaving the Summit County area in the past as well as bring additional sales taxes to the Town. We expect the ESTIP agreement with Lowe's to be fulfilled before the end of 2018 which will reduce Administrative expenses as well.
- The consumer retail sales tax category increased by \$146,138 or 5.86% (does not include the Outlets). Revenues from The Outlets at Silverthorne increased slightly (0.99%) by \$23,729. Overall, the Outlets have seen a number of retail stores close which is a trend not limited to Silverthorne. Retailers nationwide are suffering from a decline in sales from brick-and-mortar locations. The Outlets comprise just under 22% of the Town's total sales tax revenues so this trend is very concerning to the Town.
- Building related permits and taxes decreased by \$247,637 or 18.5% in comparison to 2016 (a record year). A large residential development (South Maryland Creek Ranch, a.k.a. Summit Sky Ranch) began construction on many homes in 2016 and the rate of construction has slowed in 2017. However, due to continuing construction in Summit Sky Ranch, numerous other development projects currently under review, and the Town's Smith Ranch workforce housing project which broke ground in 2018, we do expect these revenues to remain strong for the next several years.
- In fiscal year 2017, interest rates began increasing after many years of record lows. The year-over-year increase in interest income was not substantial in dollars (\$63,588), but the percentage increase of 101% was impressive.
- Governmental activities' expenses increased by \$790,992 or 5.5% from 2016. A portion of this increase (\$82.5K) was due to economic development incentives such as the Enhanced Sales Tax Incentive Program (ESTIP) agreements. Greater than expected ESTIP payments were due to higher sales tax receipts. The Town also contributed toward the Operations and Programs of the Lake Dillon Theater Company during their transition to the Silverthorne Performing Arts Center. This support will continue and increase in the coming years as well as Art Board Activities, Programs, and Events. In 2017 these expenditures increased by \$448K.
- The Town added \$13.3 million in depreciable capital assets and saw depreciation expense increase by \$200K.
- During fiscal year 2017, the Town added one full time position (Evidence Technician) to the Public Safety Department upon the recommendation of a strategic plan which was completed in early 2017. In addition, a part-time Human Resources Assistant position was reclassified to  $\frac{3}{4}$  time. Merit increases were offered at up to 5% and wage and benefit expenses increased by 4.9% or \$373K in 2017. The current employment market favors employees and the Town has experienced some turnover. Additionally, the Town is losing long-tenured employees due to the "silver tsunami" of baby boomers reaching retirement age.

## Business-type Activities

Net position in Business-type Activities increased by \$3,672,000. Business type activities include water and sewer service.

In 2017, there was a small rate increase for water and sewer users. Additionally, there were 67 new accounts added, an increase of 3.6%. Revenues from user fees were also up 3.6%. Charges for services made up approximately 27% of program revenues with system development fees and capital contributions making up the other 73%. The capital contributions were especially high in 2017 due to the previously mentioned development, Summit Sky Ranch, infrastructure contribution of \$5,365,429. The remainder of capital contributions were due to tap fees of \$1,461,471 which reflects the ongoing growth of residential construction in the Town.

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



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

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

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

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

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

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

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

	General Fund	Capital Improvement Fund	Urban Renewal Authority Fund	5A Housing Fund	Other Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>						
Prepays	\$ 14,576	\$ -	\$ -	\$ -	\$ -	\$ 14,576
Inventories	15,004	-	-	-	-	15,004
Investment in Joint Venture	-	-	729,362	-	-	729,362
Total Nonspendable	<u>29,580</u>	<u>-</u>	<u>729,362</u>	<u>-</u>	<u>-</u>	<u>758,942</u>
<b>Restricted for:</b>						
Emergencies	632,415	-	-	-	-	632,415
Blue River Improvements	-	-	-	-	272,850	272,850
Parks, Trails & Open Space	-	-	-	-	491,730	491,730
Marketing	-	-	-	-	85,477	85,477
Affordable Housing	-	-	-	2,356,814	-	2,356,814
Capital Improvements	-	4,970,989	(647,087)	-	1,915,038	6,238,940
Total Restricted	<u>632,415</u>	<u>4,970,989</u>	<u>-</u>	<u>2,356,814</u>	<u>2,765,095</u>	<u>10,078,226</u>
Unassigned	<u>11,383,592</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,383,592</u>
<b>Total Fund Balances</b>	<u>\$12,045,587</u>	<u>\$ 4,970,989</u>	<u>\$82,275</u>	<u>\$2,356,814</u>	<u>\$ 2,765,095</u>	<u>\$ 22,220,760</u>

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

As the Town completed the year, its governmental funds reported a combined fund balance of \$22,220,760. Of that balance, \$11,383,592 constitutes spendable fund balance which is available for spending at the government’s discretion, as it relates to a specific use or for emergencies. A portion of the fund balance is not available for new spending because it has already been spent for items such as inventories, and prepaid expenses. The nonspendable fund balance at December 31, 2017 was \$758,942.

The General Fund is the chief operating fund of the Town of Silverthorne. At the end of the current fiscal year, spendable fund balance of the General Fund was \$11,383,592, while the total fund balance increased from 2016 to \$12,045,587. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to fund expenditures. Unassigned fund balance represents 97.7% of total 2017 General Fund expenditures, while total fund balance represents 103.4% of that same amount.

During fiscal year 2017, the fund balance of the Town’s general fund increased by \$883,622. Key factors for 2017 are as follows:

- Revenues were 8.6% (\$1,043,853) higher in 2017 compared to 2016. The largest contributor to the increase was Real Estate Transfer Assessment (RETA) revenue which was \$531,719 greater than in 2016. The other contributors to the increase were tax revenues which were \$381,209 higher than in the prior year. Sales tax makes up the largest portion of tax revenues with the General Fund receiving approximately 70% of total sales tax revenues. In 2017, General Fund sales tax revenues totaled \$7.92 million which was an increase of \$384,916 (5.1%) from 2016.
- Expenditures for 2017 increased by \$762,990 (7.0%) as compared to 2016. Items that contributed to the increase includes: merit increases of up to 3%, Arts Board Events and Initiatives, Operating and Program support for the Lake Dillon Theater Company, and increased ESTIP payments (reflective of larger sales tax revenues). The General Fund also transferred \$700K to the Capital Fund to support the construction of the Public Works Cottonwood Shop Building. Without this transfer, the General Fund balance would have increased by \$1,583,662.

The Sales Tax Capital Improvement Fund (C.I.P) has a fund balance of \$4,970,989. The increase in fund balance during 2017 was \$2,826,953 which is primarily due to timing. The Town made transfers of \$4,669,710 into the C.I.P. Fund in 2017. Transfers of \$3.7M from other funds into the Capital Improvement Fund were made for the purpose of financing the construction of the Public Works Cottonwood Shop Building (the project was in progress at the end of 2017). A transfer of \$100K from the Conservation Trust Fund into the C.I.P. Fund was made to partially fund the reconstruction of the Arctic Placer Park. The 5A Housing Fund transferred \$869K to the C.I.P. Fund in order to dedicate the entire Smith Ranch Residential property to workforce housing purposes. The Town expended \$9,614,190 on new capital and asset management projects. The most significant expenditure was for the completion of the Silverthorne Performing Arts Center (SPAC) at \$3,214,985. Expenditures related to the construction of the Cottonwood Shop were \$2.2M. Other priorities included street maintenance (\$628K), replacement of the Nike Bridge (\$479K), fleet replacements (\$548K), debt payments (\$647K), and the reconstruction of Arctic Placer Park (\$238K). In 2017, capital contributions from the Lake Dillon Theater Company of \$840K and the South Maryland Creek Ranch development (a.k.a. Summit Sky Ranch) of \$500K assisted in the financing of the SPAC and Cottonwood Shop, respectively. The Town also sold the building occupied by the U.S. Forest Service to the USFS for \$1.8M. Similar to the General Fund, the primary revenue source for the C.I.P. Fund is sales tax. The Town is able to provide continuing funding for capital and asset management projects because 60% of our sales tax revenue is legally required to be used in the Capital Improvement Fund.

The Town's Urban Renewal Authority (URA) is considered a blended component of the Town as the URA board is the Town Council and the URA is currently dependent on the Town for funding. This fund currently has a balance of \$82,275 and is holding commercial property with a value of \$3,148,429 with an investment in a joint venture of \$729,362. In recent years, an advancement from the General Fund assisted with the purchase of the property and the activities of the fund. Incremental property tax revenues of \$73K were received in 2017. In 2017, the Town assisted with distributing an RFP for development of the block along Highway 9 between 3<sup>rd</sup> and 4<sup>th</sup> Streets. A proposal was accepted by the private owners of this property and the Town is evaluating plans for redevelopment that are anticipated to begin in late 2018. Once completed, the redevelopment will add to the incremental tax revenues in the URA which will be used to assist in the funding of public amenities included in the project.

The 5A Housing Fund accounts for sales tax assessed by the Summit Combined Housing Authority and distributed back to the Town for sales transacted in Silverthorne. Impact fees of \$2 per square foot of new construction which is collected by the Town. The funds are used towards promoting workforce housing in the Town. Due to the successful ballot question in November of 2016 which approved an additional 0.6% in sales tax for workforce housing, the Town received higher 5A housing fund revenues in 2017. This fund is now considered a major fund in the financial statements. The fund balance at the end of 2017 was \$2,356,814 and in 2018, the Town began installing infrastructure for the first phase of construction of the Smith Ranch workforce housing development. When completed, the neighborhood is expected to offer approximately 200 units: a mix of single family, duplexes, and townhomes. The project is phased over 4 years with anticipated completion in 2022. The first phase is expected to be available for sale in the spring of 2019.

Capital project funds (other governmental funds) have a total fund balance of \$2,765,095. The fund balance is considered spendable, but is restricted for expenditures based on past election questions. The capital projects nonmajor fund balance decreased by \$54,495 in 2017 primarily due to transfers to the Capital Fund for major projects. The Conservation Trust Fund transferred \$100K to help fund the reconstruction of Arctic Placer Park, and the Development Excise Tax Fund transferred \$750K to the Capital Improvement Fund to assist with the funding of the Public Works Cottonwood Shop. The projects related to the transfers are consistent with the dedicated purpose of the associated revenues.

**Proprietary funds** – The Town of Silverthorne's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the water and sewer funds at the end of the year amounted to \$15,131,172. The net position for the

proprietary funds increased by \$3,675,188 in 2017. Other factors concerning the finances of these two funds have been addressed in the discussion of the Town's business-type activities.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

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

- Supplemental appropriations approved shortly after the beginning of the year to reflect projects and purchases not completed as expected in 2016.
- Midyear adjustments for increases due to increased staff levels, building and sales tax activity, economic development incentives, unanticipated projects, and expenditure savings.

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

- General Fund
  - Revenues: projected sales tax revenues were greater than budgeted, real estate transfer assessment revenues and building related permit revenues due to construction projects that were uncertain when the original budget was produced.
  - Expenditures: Evidence Technician position added to the Public Safety Department, building inspections fees paid to the County were also greater than originally anticipated due to the robust residential construction taking place, and ESTIP payments were greater than originally budgeted as they go hand-in-hand with sales tax revenues.

The statement of budget to actual for the General Fund can be found on page 55.

### **CAPITAL ASSETS AND DEBT ADMINISTRATION**

#### **Capital Assets**

The Town of Silverthorne's investment in capital assets for its governmental and business-type activities as of December 31, 2017 amounts to \$78,611,979 (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings, vehicles, equipment, roads, bridges, trails, intangibles, water rights and utility system infrastructure. The total net increase in the Town of Silverthorne's investment in capital assets for the current fiscal year was \$11,305,795. The increase was primarily due to the completion of the Silverthorne Performing Arts Center, capital contributions by developers, and the partially completed Cottonwood Shop, offset by the sale of the USFS building.

Major capital assets events during the 2017 fiscal year included the following:

- The completion of the Silverthorne Performing Arts Center: \$3.2M
- Developer contributions, including streets, water, and sewer infrastructure: \$7.0M
- Construction of the Public Works Cottonwood Shop: \$2.2M (in progress at year-end 2017, to be completed in July of 2018).
- Major maintenance of Town streets and bridges at a cost of \$1.1MK.
- Vehicles and heavy equipment including a snow plow - \$548K.
- Sale of US Forest Service building: \$560K
- Annual Depreciation for the Governmental-Type: \$2,998,121 and Business-Type: \$1,106,436.

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2017	2016	2017	2016	2017	2016
Land	\$ 9,524,924	\$ 9,694,924	\$ 3,871	\$ 3,871	\$ 9,528,795	\$ 9,698,795
Projects in Progress	2,824,162	6,523,107	219,680	217,776	3,043,842	6,740,883
Buildings	16,581,127	8,782,587	-	-	16,581,127	8,782,587
Vehicles & Heavy Equipment	2,562,124	2,389,290	-	-	2,562,124	2,389,290
Equipment & Furniture	962,340	1,054,336	384,068	327,424	1,346,408	1,381,760
Infrastructure	20,685,824	19,031,614	-	-	20,685,824	19,031,614
Other Improvements	3,130,182	2,878,071	2,993,812	1,804,341	6,123,994	4,682,412
Water/Sewer Infrastructure	-	-	14,324,730	10,598,078	14,324,730	10,598,078
Intangibles	426,448	516,040	44,710	67,115	471,158	583,155
Water Rights	-	-	8,424,250	8,424,250	8,424,250	8,424,250
Total	<u>\$56,697,130</u>	<u>\$50,869,969</u>	<u>\$26,395,121</u>	<u>\$21,442,855</u>	<u>\$ 83,092,251</u>	<u>\$ 72,312,824</u>

Note E of the financial statements on page 46 provides a summary of the Town's capital assets.

### Long-Term Debt

At the end of the current fiscal year, the Town of Silverthorne government and proprietary/business funds had no bond debt. In 2017, the Town's governmental activities total long-term debt decreased by \$527,714 leaving a balance of \$5,033,741. This consists of a lease purchase of Town Hall to fund construction of the SPAC (\$4,090,000), lease/purchase financing of two snow plow replacements (\$390,274), and compensated absences of \$553,467. For the business-type funds, the total long-term debt increased by \$8,193 and has a balance of \$37,556. The outstanding long term debt is for compensated absences.

Note H of the financial statements on pages 48-49 provides a summary of the Town's long-term debt.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Sales tax revenue accounts for approximately 53% of government fund revenues and continues to be an important and primary revenue source for providing funds for the general operations/maintenance and capital for the Town of Silverthorne.
- The national, state and local economies are projected to continue to see growth in 2018. Silverthorne's sales tax revenue budget projections for 2018 are estimated to be up from 2017 by 2.0%. There are several development projects under review but the Town is typically conservative in revenue estimations and will not budget for increases until the businesses actually open.
- The Town is committed to supporting arts and culture in the community and completed construction of the Silverthorne Performing Arts Center in 2017. The Lake Dillon Theater Company (LDTC) began operating out of its new location in June of 2017 and the Town will be contributing approximately \$327K in 2018 to assist with operations and programming. In 2017, the Town hosted a summer concert series and in 2018, a First Fridays event series has been the focus of the community art displays and gatherings.
- No new positions were budgeted for fiscal year 2018, but the budget includes a provision for merit increases of up to 5%.
- The emphasis on economic development continues in 2018 with funding for business grants, ESTIP programs, art programming and operational support, marketing and advertising. In the 2018 budget cycle, \$30,000 for a Workforce Housing Business Assistance program was budgeted to encourage local businesses to create housing opportunities for their employees.
- The Cottonwood Public Works Shop will be completed in mid-2018.
- The Town has done its best to limit rate increases for 2018. The sewer services quarterly rates increased by 3% and there was a 2% increase to the flat portion of the water rates.
- The Town continues to emphasize asset management by including \$2.2M in the 2018 budget for these purposes. This includes a number of building maintenance items, street maintenance,

reconstruction of the Rainbow Park parking lot and restrooms, and drainage construction/improvement at several parks and trails. These maintenance projects are possible because of the voter approved designation of a portion of sales taxes towards capital assets. Those funds can only be used for maintaining current capital assets and providing new assets.

- Although the Town is in a strong financial position to serve our current population and maintain existing assets, the funds for new projects is very limited. Opportunities for additional revenue sources will be explored in the coming year.

As we continue to add capital and services to our operations, the Town of Silverthorne continues to be in a strong financial position. While this strong financial position is reassuring; the fact remains that annual operational expenditures must be paid for from revenues earned during this same period, not from reserves. In other words, we must live within our means. All these factors were considered in preparing the Town of Silverthorne's budget for the 2018 fiscal year.

### **REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Town of Silverthorne's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town of Silverthorne, Finance Director, PO Box 1309, Silverthorne, Colorado 80498.

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**TOWN OF SILVERTHORNE, COLORADO**

**STATEMENT OF NET POSITION**

December 31, 2017

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash & Investments	\$ 18,766,288	\$ 5,042,171	\$ 23,808,459
Accounts Receivable	1,041,474	590,916	1,632,390
Property Taxes Receivable	101,612	-	101,612
Due from Other Governments	1,481,535	-	1,481,535
Internal Balances	(9,626)	9,626	-
Prepays	14,576	-	14,576
Inventory	15,004	20,267	35,271
Deposits	2,200	-	2,200
Land Held for Resale	3,148,429	-	3,148,429
Investment in Joint Venture	729,362	-	729,362
Restricted Cash & Investments	437,497	-	437,497
NonCurrent Assets:			
Investment in Joint Sewer Authority	-	9,619,887	9,619,887
Capital Assets:			
Nondepreciable Assets	12,349,086	8,647,801	20,996,887
Depreciable Assets, Net	44,348,044	17,747,322	62,095,366
<b>TOTAL ASSETS</b>	<b>82,425,481</b>	<b>41,677,990</b>	<b>124,103,471</b>
<b>LIABILITIES</b>			
Accounts Payable	1,960,403	87,857	2,048,260
Accrued Liabilities	890,628	16,656	907,284
Unearned Revenues	65,590	-	65,590
Accrued Interest Payable	22,436	-	22,436
Claims Payable	73,510	-	73,510
Noncurrent Liabilities:			
Due Within One Year	1,053,840	29,362	1,083,202
Due in More Than One Year	3,979,901	8,194	3,988,095
<b>TOTAL LIABILITIES</b>	<b>8,046,308</b>	<b>142,069</b>	<b>8,188,377</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	101,612	-	101,612
<b>TOTAL DEFERRED INFLOWS</b>	<b>101,612</b>	<b>-</b>	<b>101,612</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	52,216,856	26,395,123	78,611,979
Restricted for:			
Emergency	632,415	-	632,415
Blue River Improvements	272,850	-	272,850
Parks, Trails & Open Space	491,730	-	491,730
Marketing	85,477	-	85,477
Affordable Housing	2,356,814	-	2,356,814
Capital Improvements	6,238,940	-	6,238,940
Unrestricted	11,982,479	15,140,798	27,123,277
<b>TOTAL NET POSITION</b>	<b>\$ 74,277,561</b>	<b>\$ 41,535,921</b>	<b>\$ 115,813,482</b>

## TOWN OF SILVERTHORNE, COLORADO

### STATEMENT OF ACTIVITIES

Year Ended December 31, 2017

Functions/Programs	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions
<b>PRIMARY GOVERNMENT</b>			
Governmental Activities			
General Government	\$ 2,642,943	\$ 1,108,707	\$ -
Public Safety	2,211,154	139,285	62,344
Public Works	4,502,614	84,636	318,119
Community Development	1,015,199	597,868	-
Recreation & Culture	4,634,365	2,303,049	-
Urban Renewal	6,491	-	-
Housing	107,832	264,167	-
Interest on Long-Term Debt	105,834	-	-
	15,226,432	4,497,712	380,463
 Business-Type Activities			
Water	1,981,577	1,150,367	-
Sewer	1,646,160	1,384,367	-
	3,627,737	2,534,734	-
 <b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 18,854,169</b>	<b>\$ 7,032,446</b>	<b>\$ 380,463</b>

#### GENERAL REVENUES

Taxes:

    Sales Taxes

    Lodging Tax

    Franchise Taxes

    Development Excise Tax

    Other Taxes

Grants & Contributions not Restricted to Specific Programs

Investment Income

Gain on Sale of Capital Assets

Miscellaneous

#### TRANSFERS

Total General Revenues and Transfers

Change in Net Position

**NET POSITION, Beginning of Year**

**NET POSITION, End of Year**

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

<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ -	\$ (1,534,236)	\$ -	\$ (1,534,236)
-	(2,009,525)	-	(2,009,525)
2,801,806	(1,298,053)	-	(1,298,053)
-	(417,331)	-	(417,331)
883,544	(1,447,772)	-	(1,447,772)
-	(6,491)	-	(6,491)
1,971,514	2,127,849	-	2,127,849
-	(105,834)	-	(105,834)
<u>5,656,864</u>	<u>(4,691,393)</u>	<u>-</u>	<u>(4,691,393)</u>
1,859,488	-	1,028,278	1,028,278
<u>4,967,412</u>	<u>-</u>	<u>4,705,619</u>	<u>4,705,619</u>
<u>6,826,900</u>	<u>-</u>	<u>5,733,897</u>	<u>5,733,897</u>
<u>\$ 12,483,764</u>	<u>(4,691,393)</u>	<u>5,733,897</u>	<u>1,042,504</u>
	11,184,915	-	11,184,915
	287,181	-	287,181
	278,160	-	278,160
	501,663	-	501,663
	220,789	-	220,789
	88,731	-	88,731
	126,305	44,685	170,990
	1,134,409	-	1,134,409
	156,106	143,418	299,524
	<u>2,250,000</u>	<u>(2,250,000)</u>	<u>-</u>
	<u>16,228,259</u>	<u>(2,061,897)</u>	<u>14,166,362</u>
	11,536,866	3,672,000	15,208,866
	<u>62,740,695</u>	<u>37,863,921</u>	<u>100,604,616</u>
	<u>\$ 74,277,561</u>	<u>\$ 41,535,921</u>	<u>\$ 115,813,482</u>

**TOWN OF SILVERTHORNE, COLORADO**

**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**December 31, 2017**

	<u>General</u>	<u>Sales Tax Capital Improvement</u>	<u>Urban Renewal Authority</u>	<u>5A Housing</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash & Investments	\$ 7,478,041	\$ 6,166,318	\$ 162,642	\$ 1,973,577	\$ 2,732,892	\$ 18,513,470
Accounts Receivable	371,336	592,512	735	19,694	32,203	1,016,480
Property Taxes Receivable	-	-	101,612	-	-	101,612
Due from Other Governments	1,117,067	-	-	364,468	-	1,481,535
Interfund Receivable	3,952,773	-	-	-	-	3,952,773
Prepays	14,576	-	-	-	-	14,576
Inventory	15,004	-	-	-	-	15,004
Deposits	-	-	-	2,200	-	2,200
Land Held for Resale	-	-	3,148,429	-	-	3,148,429
Investment in Joint Venture	-	-	729,362	-	-	729,362
Restricted Cash & Investments	403,921	-	33,576	-	-	437,497
<b>Total Assets</b>	<b>\$ 13,352,718</b>	<b>\$ 6,758,830</b>	<b>\$ 4,176,356</b>	<b>\$ 2,359,939</b>	<b>\$ 2,765,095</b>	<b>\$ 29,412,938</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts Payable	415,389	1,533,664	6,120	3,125	-	1,958,298
Accrued Liabilities	826,152	30,900	33,576	-	-	890,628
Interfund Payable	-	-	3,952,773	-	-	3,952,773
Unearned Revenues	65,590	-	-	-	-	65,590
<b>Total Liabilities</b>	<b>1,307,131</b>	<b>1,564,564</b>	<b>3,992,469</b>	<b>3,125</b>	<b>-</b>	<b>6,867,289</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Grants	-	223,277	-	-	-	223,277
Property Taxes	-	-	101,612	-	-	101,612
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>223,277</b>	<b>101,612</b>	<b>-</b>	<b>-</b>	<b>324,889</b>
<b>FUND BALANCES</b>						
<b>Nonspendable:</b>						
Prepays	14,576	-	-	-	-	14,576
Inventory	15,004	-	-	-	-	15,004
<b>Restricted for:</b>						
Emergency	632,415	-	-	-	-	632,415
Blue River Improvements	-	-	-	-	272,850	272,850
Parks, Trails & Open Space	-	-	-	-	491,730	491,730
Marketing	-	-	-	-	85,477	85,477
Affordable Housing	-	-	-	2,356,814	-	2,356,814
Capital Improvements	-	4,970,989	82,275	-	1,915,038	6,968,302
Unassigned	11,383,592	-	-	-	-	11,383,592
<b>Total Fund Balances</b>	<b>12,045,587</b>	<b>4,970,989</b>	<b>82,275</b>	<b>2,356,814</b>	<b>2,765,095</b>	<b>22,220,760</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 13,352,718</b>	<b>\$ 6,758,830</b>	<b>\$ 4,176,356</b>	<b>\$ 2,359,939</b>	<b>\$ 2,765,095</b>	

Amounts reported for governmental activities in the  
Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	56,697,130
Long-term assets are not available to pay current year expenditures and, therefore, are deferred in governmental funds. This amount represents grants not available as current financial resources.	223,277
An Internal Service Fund is used by management to charge the costs of certain activities to individual funds, such as self funded insurance. A portion of the assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	192,571
Long-term liabilities, including lease payable, accrued interest and compensated absences, are not due and payable in the current period, and therefore are not reported in the funds.	(5,056,177)
<b>Total Net Position of Governmental Activities</b>	<b>\$ 74,277,561</b>

TOWN OF SILVERTHORNE, COLORADO

**STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
Year Ended December 31, 2017

	General	Sales Tax Capital Improvement	Urban Renewal Authority	5A Housing	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Taxes	\$ 8,350,114	\$ 3,260,874	\$ 72,876	\$ -	\$ 788,844	\$ 12,472,708
Intergovernmental	406,850	-	-	1,971,514	43,544	2,421,908
Licenses, Permits & Fees	694,262	-	-	249,924	-	944,186
Charges for Services	3,458,712	-	-	14,243	-	3,472,955
Fines & Forfeitures	81,354	-	-	-	-	81,354
Interest	63,355	26,700	976	11,452	20,985	123,468
Grants/Donations	62,344	1,340,000	-	-	-	1,402,344
Miscellaneous	111,578	50,000	-	-	-	161,578
Total Revenues	<u>13,228,569</u>	<u>4,677,574</u>	<u>73,852</u>	<u>2,247,133</u>	<u>853,373</u>	<u>21,080,501</u>
<b>EXPENDITURES</b>						
Current:						
General Government	2,478,850	-	-	-	49,634	2,528,484
Public Safety	2,095,430	-	-	-	-	2,095,430
Public Works	2,486,495	-	-	-	-	2,486,495
Community Development	925,400	-	-	-	-	925,400
Recreation & Culture	3,658,772	-	-	-	-	3,658,772
Urban Renewal	-	-	6,491	-	-	6,491
Housing	-	-	-	107,832	-	107,832
Capital Outlay	-	7,796,428	-	-	8,234	7,804,662
Debt Service:						
Principal	-	526,366	-	-	-	526,366
Interest & Fiscal Charges	-	120,854	-	-	-	120,854
Total Expenditures	<u>11,644,947</u>	<u>8,443,648</u>	<u>6,491</u>	<u>107,832</u>	<u>57,868</u>	<u>20,260,786</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>1,583,622</u>	<u>(3,766,074)</u>	<u>67,361</u>	<u>2,139,301</u>	<u>795,505</u>	<u>819,715</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Sale of Capital Assets	-	1,923,317	-	-	-	1,923,317
Transfer In	-	4,669,710	-	-	-	4,669,710
Transfer Out	(700,000)	-	-	(869,710)	(850,000)	(2,419,710)
Total Other Financing Sources (Uses)	<u>(700,000)</u>	<u>6,593,027</u>	<u>-</u>	<u>(869,710)</u>	<u>(850,000)</u>	<u>4,173,317</u>
Net Change in Fund Balances	883,622	2,826,953	67,361	1,269,591	(54,495)	4,993,032
<b>Fund Balances, Beginning of Year</b>	<u>11,161,965</u>	<u>2,144,036</u>	<u>14,914</u>	<u>1,087,223</u>	<u>2,819,590</u>	<u>17,227,728</u>
<b>Fund Balances, End of Year</b>	<u>\$ 12,045,587</u>	<u>\$ 4,970,989</u>	<u>\$ 82,275</u>	<u>\$ 2,356,814</u>	<u>\$ 2,765,095</u>	<u>\$ 22,220,760</u>

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

TOWN OF SILVERTHORNE, COLORADO

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES**  
Year Ended December 31, 2017

Amounts reported for Governmental Activities in the Statement of Activities are different because:

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	\$	4,993,032
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay \$7,535,661 and contributions by developers \$2,078,529, exceeds the disposal/sale of capital assets (\$788,908) and depreciation expense (\$2,998,120) in the current period.		5,827,161
Revenues that do not provide current financial resources are deferred in the governmental fund financial statements but are recognized in the government-wide financial statements. This amount represents the change in deferred grant revenues.		223,277
The repayment of long-term debt principal is an expenditure in governmental funds, but the repayment reduces long term liabilities in the statements of net position and does not effect the statement of activities. This reconciling item reflects principal payments on the capital lease.		526,366
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This amount represents the change in accrued compensated absences \$1,348 and in accrued interest payable \$15,020		16,368
An Internal Service Fund is used by management to charge the costs of certain activities to individual funds, such as self-funded insurance. A portion of the activities of the internal service fund is reported with governmental activities in the statement of activities.		<u>(49,338)</u>
Change in Net Position of Governmental Activities	\$	<u>11,536,866</u>

**TOWN OF SILVERTHORNE, COLORADO**

**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**December 31, 2017**

	<b>Business-Type Activities - Enterprise Funds</b>			<b>Governmental Activities - Internal Service Fund</b>
	<b>Water Fund</b>	<b>Sewer Fund</b>	<b>Totals</b>	
<b>ASSETS</b>				
Current Assets:				
Cash & Investments	\$ 2,302,692	\$ 2,739,479	\$ 5,042,171	\$ 252,818
Accounts Receivable	230,785	360,131	590,916	24,994
Inventory	20,267	-	20,267	-
Total Current Assets	2,553,744	3,099,610	5,653,354	277,812
Noncurrent Assets:				
Investment in Joint Sewer Authority	-	9,619,887	9,619,887	-
Capital Assets:				
Nondepreciable Assets	8,566,760	81,041	8,647,801	-
Depreciable Assets, Net	9,913,213	7,834,109	17,747,322	-
Total Noncurrent Assets	18,479,973	17,535,037	36,015,010	-
<b>TOTAL ASSETS</b>	<b>21,033,717</b>	<b>20,634,647</b>	<b>41,668,364</b>	<b>277,812</b>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	86,011	1,846	87,857	2,105
Accrued Liabilities	16,656	-	16,656	-
Claims Payable	-	-	-	73,510
Compensated Absences	29,362	-	29,362	-
Total Current Liabilities	132,029	1,846	133,875	75,615
Noncurrent Liabilities:				
Compensated Absences	8,194	-	8,194	-
<b>TOTAL LIABILITIES</b>	<b>140,223</b>	<b>1,846</b>	<b>142,069</b>	<b>75,615</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	18,479,973	7,915,150	26,395,123	-
Unrestricted	2,413,521	12,717,651	15,131,172	202,197
<b>TOTAL NET POSITION</b>	<b>\$ 20,893,494</b>	<b>\$ 20,632,801</b>	<b>41,526,295</b>	<b>\$ 202,197</b>

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

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

9,626

Total Net Position of Business-Type Activities

\$ 41,535,921

TOWN OF SILVERTHORNE, COLORADO

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

Year Ended December 31, 2017

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental Activities - Internal Service Fund</u>
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>	
<b>OPERATING REVENUES</b>				
User Fees	\$ 1,138,141	\$ 1,378,867	\$ 2,517,008	\$ -
Charges for Services	12,226	5,500	17,726	668,850
Miscellaneous	-	-	-	316
Total Operating Revenues	<u>1,150,367</u>	<u>1,384,367</u>	<u>2,534,734</u>	<u>669,166</u>
<b>OPERATING EXPENSES</b>				
Operations	895,769	301,908	1,197,677	-
Maintenance	318,997	96,887	415,884	-
Contractual Services	36,101	520,233	556,334	-
Claims & Wellness	-	-	-	723,941
Miscellaneous	-	-	-	588
Depreciation	<u>727,522</u>	<u>378,914</u>	<u>1,106,436</u>	<u>-</u>
Total Operating Expenses	<u>1,978,389</u>	<u>1,297,942</u>	<u>3,276,331</u>	<u>724,529</u>
Net Operating Income (Loss)	<u>(828,022)</u>	<u>86,425</u>	<u>(741,597)</u>	<u>(55,363)</u>
<b>NONOPERATING REVENUES/(EXPENSES)</b>				
Interest Revenue	17,049	27,636	44,685	2,837
Equity Gain in Joint Sewer Authority	-	143,418	143,418	-
AMP Fees paid to Joint Sewer Authority (JSA)	-	(348,218)	(348,218)	-
Total Nonoperating Revenues (Expenses)	<u>17,049</u>	<u>(177,164)</u>	<u>(160,115)</u>	<u>2,837</u>
Income (Loss) Before Transfers and Contributions	(810,973)	(90,739)	(901,712)	(52,526)
Transfer to Capital Improvement Fund	(750,000)	(1,500,000)	(2,250,000)	-
Capital Contributions-Tap Fees	803,836	657,635	1,461,471	-
Capital Contributions-Developer	<u>1,055,652</u>	<u>4,309,777</u>	<u>5,365,429</u>	<u>-</u>
Change in Net Position	298,515	3,376,673	3,675,188	(52,526)
<b>NET POSITION, Beginning of Year</b>	<u>20,594,979</u>	<u>17,256,128</u>	<u>37,851,107</u>	<u>254,723</u>
<b>NET POSITION, End of Year</b>	\$ <u><u>20,893,494</u></u>	\$ <u><u>20,632,801</u></u>	\$ 41,526,295	\$ <u><u>202,197</u></u>

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

Change in Net Position of Proprietary Funds \$ 3,675,188

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

(3,188)

Change in Net Position of Business-Type Activities \$ 3,672,000

TOWN OF SILVERTHORNE, COLORADO

**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**

Year Ended December 31, 2017

	<u>Business-Type Activities - Enterprise Funds</u>			<u>Governmental</u>
	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Totals</u>	<u>Activities - Internal Service Fund</u>
<b>Cash Flows From Operating Activities</b>				
Cash Received from Customers/Users	\$ 1,143,144	\$ 1,371,077	\$ 2,514,221	\$ 774,596
Cash Paid to Suppliers	(755,944)	(849,776)	(1,605,720)	(775,011)
Cash Paid to Employees	(407,731)	(71,952)	(479,683)	-
Net Cash Provided (Used) by Operating Activities	(20,531)	449,349	428,818	(415)
<b>Cash Flows from Capital &amp; Related Financing Activities</b>				
Acquisition of Capital Assets	(151,608)	(541,668)	(693,276)	-
Contribution to Public Works Shop	(750,000)	(1,500,000)	(2,250,000)	-
Investment in Joint Sewer Authority	-	(138,895)	(138,895)	-
AMP Fees paid to Joint Sewer Authority (JSA)	-	(348,218)	(348,218)	-
Tap Fees	803,836	657,635	1,461,471	-
Net Cash Provided (Used) by Capital & Related Financing Activities	(97,772)	(1,871,146)	(1,968,918)	-
<b>Cash Flows from Investing Activities</b>				
Interest Received	17,049	27,636	44,685	2,837
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	(101,254)	(1,394,161)	(1,495,415)	2,422
<b>Cash &amp; Cash Equivalents, Beginning of Year</b>	2,403,946	4,133,640	6,537,586	250,396
<b>Cash &amp; Cash Equivalents, End of Year</b>	\$ 2,302,692	\$ 2,739,479	\$ 5,042,171	\$ 252,818
<b>RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>				
Net Operating Income (Loss)	\$ (828,022)	\$ 86,425	\$ (741,597)	\$ (55,363)
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	727,522	378,914	1,106,436	-
Changes to Assets & Liabilities:				
Accounts Receivable	(7,223)	(13,290)	(20,513)	105,430
Inventory	6,510	-	6,510	-
Accounts Payable	71,128	(2,700)	68,428	(3,278)
Accrued Liabilities	1,361	-	1,361	-
Claims Payable	-	-	-	(47,204)
Compensated Absences	8,193	-	8,193	-
Total Adjustments	807,491	362,924	1,170,415	54,948
Net Cash Provided (Used) by Operating Activities	\$ (20,531)	\$ 449,349	\$ 428,818	\$ (415)
<b>Non-cash Capital Activities</b>				
Contributed Infrastructure from Developers	\$ 1,055,652	\$ 4,309,777	\$ 5,365,429	\$ -

TOWN OF SILVERTHORNE, COLORADO

**STATEMENT OF ASSETS AND LIABILITIES - AGENCY FUND**

December 31, 2017

	<b><u>Joint Sewer Authority</u></b>
<b>ASSETS</b>	
CURRENT ASSETS	
Cash & Investments	\$ <u>7,343,809</u>
Total Current Assets	\$ <u><u>7,343,809</u></u>
<b>LIABILITIES</b>	
LIABILITIES	
Funds Held for Authority	\$ <u>7,343,809</u>
Total Liabilities	\$ <u><u>7,343,809</u></u>

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

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

The following is a summary of the more significant policies:

**1. Financial Reporting Entity**

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

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

**2. Government-wide & Fund Financial Statements**

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

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

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

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

**3. Measurement Focus & Basis of Accounting**

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims, judgments and compensated absences, are recorded only when payment is due.

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

**4. Financial Statement Presentation**

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

**Governmental Funds**

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

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

In 2017, the Town had the following major Governmental Funds:

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

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

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

*5A Housing Fund* – This fund used to account for impact fees collected by the Town and sales tax assessed by the Summit Combined Housing Authority and distributed back to the Town for sales transacted in Silverthorne. The funds are used towards promoting workforce housing in the Town.

***Proprietary Funds***

In 2017, the Town had the following major Proprietary Funds:

Enterprise Funds:

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

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

Additionally, the Town reports the following fund types:

***Internal Service Fund***

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

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

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017

**NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

***Fiduciary Funds***

In 2017, the Town had the following Fiduciary Fund:

Agency Fund:

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

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

**1. Cash & Investments**

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

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

**2. Receivables**

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

**3. Property Taxes Receivable**

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

**4. Inventory & Prepaids**

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

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

**5. Deposits & Land Held for Resale**

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

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

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017

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

**6. Restricted Cash & Investments**

Restricted cash and investments of \$437,497, are reported in the General and URA Funds. These funds represent escrowed monies held from developers pending satisfactory completion of various construction projects within the Town and for the Blue River Real Estate Company, LLC that the URA is an equal partner with Craig Realty.

**7. Capital Assets**

Capital assets, which include land, building and improvements, other improvements, intangibles, equipment and furniture, vehicles and heavy equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds in the financial statements. Capital assets are defined by the Town as assets with a cost of \$5,000 or more and an estimated useful life in excess of one year. Capital assets are valued at historical or estimated historical costs. Donated or contributed assets are recorded at their acquisition value on the date received.

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

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

Estimated useful lives for asset types are as follows:

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

**8. Unearned Revenues**

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

**9. Deferred Inflows of Resources**

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes earned but levied for a subsequent year. Grant revenues not available as current financial resources are deferred in the governmental fund financial statements.

**10. Compensated Absences**

Employees accrue personal leave time which may be used in place of traditional sick and vacation time. Personal leave accrues to employees based on a sliding scale up to a maximum of 560 hours, and may be carried over to subsequent periods. Upon termination in good standing, employees are compensated for 100% of unused personal time.

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017

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

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

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

**11. Long-term Obligations**

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

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

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

**12. Net Position/Fund Balances**

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

- Nonspendable Fund Balance – Amounts that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. Examples are items that are not expected to be converted to cash including inventories and prepaids.
- Restricted Fund Balance – Amounts that are restricted for specific purposes. The spending constraints placed on the use of fund balance amounts are externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation that are legally enforceable.
- Committed Fund Balance – Amounts that can only be used for specific purposes pursuant to constraints imposed by the Town Council by ordinance. The committed amounts cannot be used for any other purpose until Town Council removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.
- Assigned Fund Balance – Amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by Town Council through policy or resolution, or Council can delegate the authority. Council has granted, through resolution, the Town Manager or the Manager's Designee, the authority to designate the assigned fund balance for each fund based on the intended use of such resources.

**TOWN OF SILVERTHORNE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

- Unassigned Fund Balance – The remaining fund balance of the general fund after amounts are set aside for other classifications. Negative fund balances of other funds are also included in this category.

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

**NOTE C – DEPOSITS & INVESTMENTS**

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

The Town's deposits are entirely covered by federal depository insurance (FDIC) or by collateral held under Colorado's Public Deposit Protection Act (PDPA). The PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by State regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. At December 31, 2017, the Town had bank deposits of \$2,295,541 collateralized with securities held by the financial institution's agent but not in the Town's name.

At the end of 2017, the Town held deposits and investments with the following maturities:

	<u>S&amp;P Rating</u>	<u>Carrying Amounts</u>	<u>Maturities</u>	
			<u>Less than one year</u>	<u>Less than five years</u>
<b>Deposits:</b>				
Cash on Hand	Not Rated	\$4,210	\$4,210	
Bank Deposits	Not Rated	1,679,292	1,679,292	
Certificates of Deposit	Not Rated	1,047,101	1,047,101	
<b>Investments</b>				
United States Treasuries	NA	3,977,040	2,243,945	1,733,095
US Agencies	AA+	7,985,248	4,735,273	3,249,975
Money Market Fund	Aaa	44,090	44,090	
Investment Pools	AAAm	16,852,784	16,852,784	
		<u>\$31,589,765</u>	<u>26,606,695</u>	<u>4,983,070</u>

**Reconciliation to the Financial Statements**

Cash & Investments	\$23,808,459
Restricted Cash & Investments	437,497
Fiduciary Fund Cash & Investments	<u>7,343,809</u>
	<u>\$31,589,765</u>

**TOWN OF SILVERTHORNE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE C - DEPOSITS & INVESTMENTS (CONTINUED)**

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

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

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

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

At December 31, 2017, the Town had the following fair value measurements:

<b>Investments measured at Fair Value:</b>	<b>Total</b>	<b>Fair Value Measurements Using</b>		
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
U.S. Instrumentalities	11,962,288		11,962,288	
Total	<u>\$11,962,288</u>		<u>\$11,962,288</u>	
<b>Investments Measured at Net Asset Value:</b>				
Colotrust	8,766,579			
CSAFE	8,086,205			
Money Market Funds	44,090			
Total	<u>\$16,896,874</u>			

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

*Interest Rate Risk* – State statutes generally limit investments to an original maturity of no more than five years. The Town has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Town’s general policy is to buy and hold investments to maturity. The Town’s investment portfolio is designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the Town’s investment risk constraints and the cash flow characteristics of the portfolio.

*Concentration of Credit Risk* – The Town places limits on the amount it may invest in any one issuer. The Town’s investment policy limits concentration depending on the investment instruments. At a maximum, the policy allows no more than 50% of the portfolio in any single issuer. Additionally, the Town’s investment policy recommends the Town diversify use of investment instruments to avoid incurring unreasonable risk in over investing in one specific instrument or in one institution. The Town’s investment policy recommends that “no more than 25% of the portfolio deposited in any single bank or savings and loan. No more than 50% of the portfolio in PDPA collateralized deposits.” At December 31, 2017, the Town’s investments in the Federal National Mortgage Association, Federal

**TOWN OF SILVERTHORNE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE C - DEPOSITS & INVESTMENTS (CONTINUED)**

Home Loan Mortgage Corporation, Federal Home Loan Bank, and Federal Farm Credit Banks Funding Corporation represented 6%, 7%, 7% and 8%, respectively, of total investments.

At December 31, 2017, the Town had invested \$16,852,784 in Local Governmental Investment Pools (Pools) from the Colorado Local Government Liquid Asset Trust (COLOTRUST) and Colorado Surplus Asset Fund Trust (CSAFE). The Pools are investment vehicles established by State statute for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the Pools. The Pools operate in conformity with the Securities and Exchange Commission's Rule 2a-7, as promulgated under the Investment Company Act of 1940, as amended with each share equal in value to \$1. Investments of COLOTRUST and CSAFE are limited to those allowed by State statute. A designated custodial bank provides safekeeping and depository services, and substantially all securities owned by the Pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investment owned by the participating government.

**NOTE D – RECEIVABLES & DUE FROM OTHER GOVERNMENTS**

Receivables and Due from Other Governments, as of December 31, 2017, for the Town's individual major funds and non-major funds in the aggregate, are as follows.

	General Fund	Sales Tax Capital Improvement Fund	Urban Renewal Authority Fund	5A Housing	Nonmajor Funds	Water Fund	Sewer Fund
Receivables:							
Taxes	\$ 312,266	\$ 362,953	\$ -	\$ -	\$ 32,203	\$ -	\$ -
Accounts	59,070	229,559	735	19,694	-	230,785	360,131
<b>Total Receivables</b>	<b><u>\$ 371,336</u></b>	<b><u>\$ 592,512</u></b>	<b><u>\$ 735</u></b>	<b><u>\$ 19,694</u></b>	<b><u>\$ 32,203</u></b>	<b><u>\$ 230,785</u></b>	<b><u>\$ 360,131</u></b>
Due from Other Governments							
County	\$ 3,034	\$ -	\$101,612	\$ -	\$ -	\$ -	\$ -
Local Authority	-	-	-	364,468	-	-	-
State	1,114,033	-	-	-	-	-	-
<b>Total Other Governments</b>	<b><u>\$1,117,067</u></b>	<b><u>\$ -</u></b>	<b><u>\$101,612</u></b>	<b><u>\$364,468</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>	<b><u>\$ -</u></b>

**TOWN OF SILVERTHORNE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE E – CAPITAL ASSETS**

The following is a summary of changes in capital assets for the year ended December 31, 2017.

<b><u>Governmental Activities</u></b>	Balance December 31, 2016	Additions	Disposals	Balance December 31, 2017
Capital assets, not being depreciated:				
Land	\$ 9,694,924	\$ -	\$ (170,000)	\$ 9,524,924
Projects in Progress	6,523,107	2,341,214	(6,040,159)	2,824,162
Total capital assets not being depreciated	<u>16,218,031</u>	<u>2,341,214</u>	<u>(6,210,159)</u>	<u>12,349,086</u>
Capital assets, being depreciated:				
Buildings and Improvements	17,414,778	9,093,755	(1,224,981)	25,283,552
Vehicles & Heavy Equipment	4,015,820	538,824	(281,518)	4,273,126
Equipment & Furniture	2,116,109	121,502	(84,690)	2,152,921
Infrastructure	35,443,240	2,984,090	-	38,427,330
Intangibles	902,637	-	-	902,637
Other Improvements	<u>6,809,336</u>	<u>574,964</u>	-	<u>7,384,300</u>
Total capital assets being depreciated	<u>66,701,920</u>	<u>13,313,135</u>	<u>(1,591,189)</u>	<u>78,423,866</u>
Less accumulated depreciation:				
Buildings and Improvements	(8,632,191)	(735,262)	665,028	(8,702,425)
Vehicles & Heavy Equipment	(1,626,530)	(307,035)	222,563	(1,711,002)
Equipment & Furniture	(1,061,773)	(213,498)	84,690	(1,190,581)
Infrastructure	(16,411,626)	(1,329,880)	-	(17,741,506)
Intangibles	(386,597)	(89,592)	-	(476,189)
Other Improvements	<u>(3,931,265)</u>	<u>(322,854)</u>	-	<u>(4,254,119)</u>
Total accumulated depreciation	<u>(32,049,982)</u>	<u>(2,998,121)</u>	<u>972,281</u>	<u>(34,075,822)</u>
Total capital assets, being depreciated, net	<u>34,651,938</u>	<u>10,315,014</u>	<u>(618,908)</u>	<u>44,348,044</u>
Governmental activities capital assets, net	<u>\$ 50,869,969</u>	<u>\$12,656,228</u>	<u>\$ (6,829,067)</u>	<u>\$ 56,697,130</u>
<b><u>Business - Type Activities</u></b>	Balance December 31, 2016	Additions	Disposals	Balance December 31, 2017
Capital assets, not being depreciated:				
Land	\$ 3,871	\$ -	\$ -	\$ 3,871
Projects in Progress	217,776	6,711	(4,807)	219,680
Water Rights	8,424,250	-	-	8,424,250
Total capital assets, not being depreciated	<u>8,645,897</u>	<u>6,711</u>	<u>(4,807)</u>	<u>8,647,801</u>
Capital assets, being depreciated:				
Water Tanks	2,272,867	-	-	2,272,867
Lines	17,569,831	4,637,907	-	22,207,738
Wells	2,984,191	30,955	-	3,015,146
Machinery & Equipment	681,135	111,047	-	792,182
Intangibles	219,106	-	-	219,106
Other Improvements	<u>2,044,563</u>	<u>1,276,892</u>	-	<u>3,321,455</u>
Total capital assets, being depreciated	<u>25,771,693</u>	<u>6,056,801</u>	<u>-</u>	<u>31,828,494</u>
Less accumulated depreciation:				
Water Tanks	(1,085,469)	(56,781)	-	(1,142,250)
Lines	(9,203,331)	(755,131)	-	(9,958,463)
Wells	(1,940,011)	(130,297)	-	(2,070,308)
Machinery & Equipment	(353,711)	(54,401)	-	(408,112)
Intangibles	(151,991)	(22,404)	-	(174,395)
Other Improvements	<u>(240,222)</u>	<u>(87,422)</u>	-	<u>(327,644)</u>
Total accumulated depreciation	<u>(12,974,735)</u>	<u>(1,106,436)</u>	<u>-</u>	<u>(14,081,172)</u>
Total capital assets, being depreciated, net	<u>12,796,958</u>	<u>4,950,365</u>	<u>-</u>	<u>17,747,322</u>
Business-type activities capital assets, net	<u>\$ 21,442,855</u>	<u>\$4,957,075</u>	<u>\$ (4,807)</u>	<u>\$ 26,395,123</u>

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017

**NOTE E – CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged to functions as follows:

Governmental Activities:

General Government	\$ 104,643
Public Safety	76,869
Public Works	1,945,556
Community Development	62,889
Recreation & Culture	<u>808,164</u>
Total Governmental Activities Depreciation Expenses	<u>\$2,998,121</u>

**NOTE F - INVESTMENT IN JOINT VENTURES**

**Joint Sewer Authority**

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

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

The Town records its investments in the JSA and its share of operating costs in the Sewer Fund. The investment is accounted for under the equity method. The Town had an investment in the JSA at December 31, 2017, the date of the most recent audited financial statements, of \$9,619,887. The Town represents a 67.17% share in the joint venture. At December 31, 2017, the Town was responsible for 40.6% of the JSA's operating expenses.

Based on the 2017 audited results, the Town's equity in the JSA increased by \$282,312.

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

**Urban Renewal Authority Joint Venture**

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

All revenues and expenses are to be equally shared. Equal payments are to be made to the LLC when needed. The URA had an investment in the partnership as of December 31, 2017, of \$729,362. The URA represents a 50% share in the joint venture. At December 31, 2017, the URA was responsible for 50% of the partnerships operating expenses.

**TOWN OF SILVERTHORNE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE G – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

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

**Interfunds:**

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

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

Transfers between funds during the year ended December 31, 2017, were as follows:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
Sales Tax Capital Improvement Fund	\$ 4,669,710	\$ -
Water Fund	-	750,000
Sewer Fund	-	1,500,000
General Fund	-	700,000
Development Excise Fund	-	750,000
Housing 5A Fund	-	869,710
Conservation Trust Fund	-	100,000
<b>Total Transfers</b>	<b><u>\$ 4,669,710</u></b>	<b><u>\$ 4,669,710</u></b>

The transfers from the Water, Sewer, General, and Development Excise Funds were to assist with the construction of the Cottonwood Public Works Shop which is needed due to growth in the Town. The Conservation Trust Fund transferred \$100,000 to the Sales Tax Capital Improvement Fund to assist with the construction of the Arctic Placer Park. The 5A Housing Fund transferred \$869,710 to the Sales Tax Capital Improvement Fund to fully dedicate the residential portion of the Smith Ranch property to workforce housing.

**NOTE H - LONG-TERM DEBT**

**Governmental & Business Activities:**

The following summarizes the changes in the Town's long-term liabilities for the year ended December 31, 2017:

	<u>Balance</u> <u>12/31/16</u>	<u>Additions</u>	<u>Retirement</u>	<u>Balance</u> <u>12/31/17</u>	<u>Due Within</u> <u>One Year</u>
<b>Governmental Activities:</b>					
Capital Leases	\$5,006,640	\$ -	\$ (526,366)	\$ 4,480,274	\$ 539,210
Compensated Absences – Gov.	554,815	604,596	(605,944)	553,467	514,630
<b>Total Governmental</b>	<b><u>\$5,561,455</u></b>	<b><u>\$ 604,596</u></b>	<b><u>\$(1,132,310)</u></b>	<b><u>\$ 5,033,741</u></b>	<b><u>\$ 1,053,840</u></b>
<b>Business-Type Activities:</b>					
Compensated Absences – Bus.	<u>\$ 29,363</u>	<u>\$ 54,180</u>	<u>\$ (45,987)</u>	<u>\$ 37,556</u>	<u>\$ 29,362</u>

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

**TOWN OF SILVERTHORNE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE H - LONG-TERM DEBT (CONTINUED)**

**Capital Lease Obligations:**

In 2016, the Town entered into a ten year lease-purchase agreement for \$4,500,000 on the Town Hall building in order to provide funding for the construction of the Silverthorne Performing Arts Center. Semiannual payments (including interest) of approximately \$250,000 are due on June 1<sup>st</sup> and December 1<sup>st</sup> starting on June 1, 2017. The interest rate on this financing is 1.92%.

In 2016, the Town entered into a lease purchase agreement for \$417,416 to purchase two additional plow trucks and attachments. Both of these vehicles have a useful life of ten years and in 2017, \$36,746 was included in depreciation expense and the prior year accumulated depreciation was \$18,373. The interest rate on this financing is 1.96%. Semiannual payments of \$44,015 are due on the 15<sup>th</sup> of February and August each year beginning on August 15, 2016.

In 2014, The Town entered into a lease purchase agreement for \$180,000 to purchase a John Deere front loader and related accessories. The front loader has an estimated useful life of ten years. This year, \$17,670 was included in depreciation expense and the prior year accumulated depreciation was \$41,805. The equipment is used by the Town's Public Works department. The amount financed was \$180,000 at an interest rate of 3.5%. Semi-annual payments are \$19,778 which include interest. Payments are due on July 1<sup>st</sup> and January 1<sup>st</sup> and began on July 1, 2015.

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

<b>Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2018	539,210	84,887	624,097
2019	547,129	73,904	621,033
2020	540,348	62,699	603,047
2021	488,587	52,268	540,855
2022	455,000	43,248	498,248
2023-2026	<u>1,910,000</u>	<u>83,712</u>	<u>1,993,712</u>
<b>Total</b>	<b><u>\$ 4,480,274</u></b>	<b><u>\$ 400,718</u></b>	<b><u>\$ 4,880,992</u></b>

**NOTE I - PENSION PLANS**

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

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

Total contributions by the Town for the year ended December 31, 2017, were \$613,292. Total contributions by the employees for the year ended December 31, 2017, were \$438,222.

**TOWN OF SILVERTHORNE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE J - COLORADO CONTRABAND FORFEITURE ACT**

The Town's police department has entered into a program with other law enforcement agencies in the Colorado Fifth Judicial District, whereby most assets acquired under the Colorado Contraband Forfeiture Act are turned over to the District to be used for authorized purposes to benefit all agencies within the District. At December 31, 2017, the Town had \$3,382 in seizure funds, which the police department is using for rewards for information leading to solving police cases.

**NOTE K - RISK MANAGEMENT**

**Colorado Intergovernmental Risk Sharing Agency (CIRSA)**

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

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

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

The deductible amount paid by the Town for each incident in 2017 was \$5,000; there is no change in coverage from past years. CIRSA is a separate legal entity and the Town does not approve budgets nor does it have the ability to significantly affect the operations of CIRSA.

**Group Insurance - Health & Short Term Disability**

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

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

All Town departments participate in the group insurance and make payments to the Health & Short-term Disability Claims Internal Service Fund based on prior claims experience in amounts needed to pay current year claims and to establish a reserve for catastrophic losses. The Fund has a net position of \$202,197 as of December 31, 2017.

TOWN OF SILVERTHORNE, COLORADO

NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017

**NOTE K - RISK MANAGEMENT (CONTINUED)**

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

	2016	2017
Claims Payable, Beginning of Year	\$ 69,778	\$ 120,714
Claims and Changes in Provisions	1,041,941	701,075
Claim Payments	<u>(991,005)</u>	<u>(748,279)</u>
Claims Payable, End of Year	<u>\$ 120,714</u>	<u>\$ 73,510</u>

**NOTE L- CONTINGENCIES AND COMMITMENTS**

**Litigation**

The Town had no active lawsuits as of the end of 2017.

**Economic Development Agreements**

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

The uses eligible for the shared enhanced sales taxes shall be strictly limited to those which are public or public-related in nature. Some examples are improvements to streets, sidewalks, drainage facilities, demolition and site restoration for redevelopment, landscaping, decorative structures, enhanced architectural features, public transportation improvements, installation of utility lines and any other improvements of a similar nature which are specifically approved by the Town Council. Public or public-related purposes also include redevelopment of existing properties, occupancy of existing vacant space and expansion or creation of jobs in the Town. There are currently six active agreements as of December 31, 2017: Lowes, Murdoch's, Baker's Brewery, Starbucks, Hampton Inn and Sauce on the Blue. The gross dollar amount by which the Town's sales tax revenues were decreased during 2017 was \$601,174.

**Lease Agreement**

The Town constructed a new performing arts facility using debt proceeds and contributions from the Lake Dillon Theater Company (the "Theater Company"). In June of 2017, the Town entered into a lease agreement with the Theater Company to use the facility for theater performances and educational programs through December 31, 2037, with two additional five-year renewal options. However, the Town retains ownership of the facility. Monthly rent of \$1,800 is required by the agreement, in addition to \$1 per ticket sold. The lease agreement is reported in the financial statements as an operating lease, with revenues recorded as lease payments are received.

**TOWN OF SILVERTHORNE, COLORADO**

**NOTES TO THE FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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

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

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

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

On November 3, 2009, an election question was approved by the Citizens of Silverthorne. The election question asked the citizens for the Town to continue beyond December 31, 2013, to retain the ability to collect and expend the full revenues generated without any increase in any tax rate and expenditures and revenues on debt service, municipal operations and capital projects without the limitation of the Amendment. The basis of this question was to take the 1994 election question and continue to be exempt from TABOR as it relates to revenue limits indefinitely.

For 2017, The Town was required to reserve 3% of its fiscal year spending as "emergency reserves." The TABOR emergency reserve of \$632,415 has been recorded as restricted fund balance in the General Fund.

# **Required Supplementary Information**

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**TOWN OF SILVERTHORNE, COLORADO**

**GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE**

Year Ended December 31, 2017

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Taxes	\$ 8,159,037	\$ 8,390,841	\$ 8,350,114	\$ (40,727)
Intergovernmental	420,853	420,853	406,850	(14,003)
Licenses, Permits & Fees	458,928	608,928	694,262	85,334
Charges for Services	2,882,302	3,012,302	3,458,712	446,410
Fines & Forfeitures	100,000	100,000	81,354	(18,646)
Interest	12,000	12,000	63,355	51,355
Grants/Donations	51,093	51,093	62,344	11,251
Miscellaneous	26,000	51,000	111,578	60,578
	<u>12,110,213</u>	<u>12,647,017</u>	<u>13,228,569</u>	<u>581,552</u>
<b>Total Revenues</b>				
	<u>12,110,213</u>	<u>12,647,017</u>	<u>13,228,569</u>	<u>581,552</u>
<b>EXPENDITURES</b>				
<b>Current</b>				
General Government	2,495,585	2,724,199	2,478,850	245,349
Public Safety	2,017,248	2,106,396	2,095,430	10,966
Public Works	2,887,804	2,895,804	2,486,495	409,309
Community Development	899,552	994,552	925,400	69,152
Recreation & Culture	3,674,510	3,744,510	3,658,772	85,738
	<u>11,974,698</u>	<u>12,465,460</u>	<u>11,644,947</u>	<u>820,513</u>
<b>Total Expenditures</b>				
	<u>11,974,698</u>	<u>12,465,460</u>	<u>11,644,947</u>	<u>820,513</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	135,515	181,557	1,583,622	1,402,065
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer Out	<u>(700,000)</u>	<u>(700,000)</u>	<u>(700,000)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(564,485)	(518,443)	883,622	1,402,065
<b>Fund Balance, Beginning of Year</b>	<u>7,169,359</u>	<u>11,161,972</u>	<u>11,161,965</u>	<u>(7)</u>
<b>Fund Balance, End of Year</b>	<u>\$ 6,604,874</u>	<u>\$ 10,643,529</u>	<u>\$ 12,045,587</u>	<u>\$ 1,402,058</u>

See the accompanying Independent Auditors' Report.

**TOWN OF SILVERTHORNE, COLORADO**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
DECEMBER 31, 2017**

**NOTE 1 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

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

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

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

# **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

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## **Capital Project Funds**

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

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

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

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

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

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

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

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TOWN OF SILVERTHORNE, COLORADO

**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**

December 31, 2017

	Capital Project Funds			Total Other Governmental Funds
	Conservation Trust	Lodging Tax	Development Excise Tax	
<b>ASSETS</b>				
Cash & Investments	\$ 28,568	\$ 789,286	\$ 1,915,038	\$ 2,732,892
Accounts Receivable	-	32,203	-	32,203
Total Assets	<u>\$ 28,568</u>	<u>\$ 821,489</u>	<u>\$ 1,915,038</u>	<u>\$ 2,765,095</u>
<b>FUND BALANCES</b>				
Restricted For:				
Blue River Improvements	\$ -	\$ 272,850	\$ -	\$ 272,850
Parks, Trails & Open Space	28,568	463,162	-	491,730
Marketing	-	85,477	-	85,477
Capital Improvements	-	-	1,915,038	1,915,038
Total Fund Balances	<u>28,568</u>	<u>821,489</u>	<u>1,915,038</u>	<u>2,765,095</u>
Total Liabilities & Fund Balances	<u>\$ 28,568</u>	<u>\$ 821,489</u>	<u>\$ 1,915,038</u>	<u>\$ 2,765,095</u>

**TOWN OF SILVERTHORNE, COLORADO**

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

Year Ended December 31, 2017

	<b>Capital Project Funds</b>			<b>Total Other Governmental Funds</b>
	<b>Conservation Trust</b>	<b>Lodging Tax</b>	<b>Development Excise Tax</b>	
<b>REVENUES</b>				
Taxes	\$ -	\$ 287,181	\$ 501,663	\$ 788,844
Intergovernmental	43,544	-	-	43,544
Interest	322	5,403	15,260	20,985
<b>Total Revenues</b>	<b>43,866</b>	<b>292,584</b>	<b>516,923</b>	<b>853,373</b>
<b>EXPENDITURES</b>				
Current:				
General Government - Marketing	-	49,634	-	49,634
Capital Outlay	-	8,234	-	8,234
<b>Total Expenditures</b>	<b>-</b>	<b>57,868</b>	<b>-</b>	<b>57,868</b>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	43,866	234,716	516,923	795,505
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer Out	(100,000)	-	(750,000)	(850,000)
<b>Net Change in Fund Balance</b>	<b>(56,134)</b>	<b>234,716</b>	<b>(233,077)</b>	<b>(54,495)</b>
<b>Fund Balances, Beginning of Year</b>	<b>84,702</b>	<b>586,773</b>	<b>2,148,115</b>	<b>2,819,590</b>
<b>Fund Balances, End of Year</b>	<b>\$ 28,568</b>	<b>\$ 821,489</b>	<b>\$ 1,915,038</b>	<b>\$ 2,765,095</b>

See the accompanying Independent Auditors' Report.

**TOWN OF SILVERTHORNE, COLORADO**

**CONSERVATION TRUST FUND**  
**BUDGETARY COMPARISON SCHEDULE**

Year Ended December 31, 2017

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Intergovernmental	\$ 42,000	\$ 42,000	\$ 43,544	\$ 1,544
Interest	20	20	322	302
Total Revenues	<u>42,020</u>	<u>42,020</u>	<u>43,866</u>	<u>1,846</u>
<b>EXPENDITURES</b>				
Capital Outlay	<u>120,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>120,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess/(Deficiency) of Revenues Over Expenditures	(77,980)	42,020	43,866	1,846
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer Out	<u>-</u>	<u>(120,000)</u>	<u>(100,000)</u>	<u>20,000</u>
Net Change in Fund Balance	162,020	(77,980)	(56,134)	21,846
<b>Fund Balance, Beginning of Year</b>	<u>78,627</u>	<u>84,702</u>	<u>84,702</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u><u>\$ 240,647</u></u>	<u><u>\$ 6,722</u></u>	<u><u>\$ 28,568</u></u>	<u><u>\$ 21,846</u></u>

See the accompanying Independent Auditors' Report.

**TOWN OF SILVERTHORNE, COLORADO**

**LODGING TAX FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
 Year Ended December 31, 2017

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Taxes	\$ 262,263	\$ 262,263	\$ 287,181	\$ 24,918
Interest	600	600	5,403	4,803
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	262,863	262,863	292,584	29,721
	<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES</b>				
General Government - Marketing	50,000	50,000	49,634	366
Capital Outlay	40,000	40,000	8,234	31,766
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	90,000	90,000	57,868	32,132
	<hr/>	<hr/>	<hr/>	<hr/>
Net Change in Fund Balance	172,863	172,863	234,716	61,853
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund Balance, Beginning of Year</b>	603,763	586,773	586,773	-
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Fund Balance, End of Year</b>	\$ <u>776,626</u>	\$ <u>759,636</u>	\$ <u>821,489</u>	\$ <u>61,853</u>

See the accompanying Independent Auditors' Report.

**TOWN OF SILVERTHORNE, COLORADO**

**DEVELOPMENT EXCISE TAX FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
 Year Ended December 31, 2017

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>				
Taxes	\$ 250,000	\$ 450,000	\$ 501,663	\$ 51,663
Interest	2,100	2,100	15,260	13,160
Total Revenues	252,100	452,100	516,923	64,823
<b>EXPENDITURES</b>				
Capital Outlay	10,000	10,000	-	10,000
Total Expenditures	10,000	10,000	-	10,000
Excess of Revenues Over Expenditures	242,100	442,100	516,923	74,823
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer Out	(750,000)	(750,000)	(750,000)	-
Total Other Financing Sources (Uses)	(750,000)	(750,000)	(750,000)	-
Net Change in Fund Balance	(507,900)	(307,900)	(233,077)	74,823
<b>Fund Balance, Beginning of Year</b>	2,121,693	2,148,115	2,148,115	-
<b>Fund Balance, End of Year</b>	\$ 1,613,793	\$ 1,840,215	\$ 1,915,038	\$ 74,823

See the accompanying Independent Auditors' Report.

**TOWN OF SILVERTHORNE, COLORADO**

**5A HOUSING FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
 Year Ended December 31, 2017

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Intergovernmental	\$ 314,067	\$ 1,714,067	\$ 1,971,514	\$ 257,447
Licenses, Permits & Fees	150,000	150,000	249,924	99,924
Charges for Services	25,000	25,000	14,243	(10,757)
Interest	500	500	11,452	10,952
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	489,567	1,889,567	2,247,133	357,566
<b>EXPENDITURES</b>				
Housing Administrative Fees	46,000	46,000	43,223	2,777
Capital Outlay	-	1,508,750	35,390	1,473,360
Housing Programs	485,000	485,000	29,219	455,781
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	531,000	2,039,750	107,832	1,931,918
Excess (Deficiency) of Revenues Over Expenditures	(41,433)	(150,183)	2,139,301	2,289,484
<b>OTHER FINANCING (USES)</b>				
Payment to Capital Fund-Smith Ranch Land	-	(869,710)	(869,710)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net Change in Fund Balance,	(41,433)	(1,019,893)	1,269,591	2,289,484
<b>Fund Balance, Beginning of Year</b>	<hr/>	<hr/>	<hr/>	<hr/>
	1,079,639	1,087,223	1,087,223	-
<b>Fund Balance, End of Year</b>	<hr/>	<hr/>	<hr/>	<hr/>
	\$ 1,038,206	\$ 67,330	\$ 2,356,814	\$ 2,289,484

See the accompanying Independent Auditors' Report.

**TOWN OF SILVERTHORNE, COLORADO**

**SALES TAX CAPITAL IMPROVEMENT FUND**  
**BUDGETARY COMPARISON SCHEDULE**

Year Ended December 31, 2017

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>				
Taxes	\$ 3,194,466	\$ 3,290,300	\$ 3,260,874	\$ (29,426)
Contributions	1,340,000	500,000	1,390,000	890,000
Interest	2,100	2,100	26,700	24,600
Total Revenues	4,536,566	3,792,400	4,677,574	885,174
<b>EXPENDITURES</b>				
Capital Outlay	10,494,366	8,088,309	7,796,428	291,881
Debt Services:				
Principal	635,998	526,366	526,366	-
Interest & Fiscal Charges	120,851	120,851	120,854	(3)
Total Expenditures	11,251,215	8,735,526	8,443,648	291,878
Excess (Deficiency) of Revenues Over Expenditures	(6,714,649)	(4,943,126)	(3,766,074)	1,177,052
<b>OTHER FINANCING SOURCES</b>				
Sale of Capital Assets	1,834,000	1,834,000	1,923,317	89,317
Transfers In	3,800,000	4,669,710	4,669,710	-
Total Other Financing Sources	5,634,000	6,503,710	6,593,027	89,317
Net Change in Fund Balance	(1,080,649)	1,560,584	2,826,953	1,266,369
<b>Fund Balance, Beginning of Year</b>	2,595,121	2,144,036	2,144,036	-
<b>Fund Balance, End of Year</b>	\$ 1,514,472	\$ 3,704,620	\$ 4,970,989	\$ 1,266,369

See the accompanying Independent Auditors' Report.

**TOWN OF SILVERTHORNE, COLORADO**

**URBAN RENEWAL AUTHORITY FUND**  
**BUDGETARY COMPARISON SCHEDULE**

Year Ended December 31, 2017

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Taxes	\$ 64,050	\$ 64,050	\$ 72,876	\$ 8,826
Interest	-	-	976	976
 Total Revenues	<u>64,050</u>	<u>64,050</u>	<u>73,852</u>	<u>9,802</u>
 <b>EXPENDITURES</b>				
Urban Renewal	<u>20,000</u>	<u>20,000</u>	<u>6,491</u>	<u>13,509</u>
 Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>6,491</u>	<u>13,509</u>
 Net Change in Fund Balance	44,050	44,050	67,361	23,311
 <b>Fund Balance, Beginning of Year</b>	<u>77,966</u>	<u>14,914</u>	<u>14,914</u>	<u>-</u>
 <b>Fund Balance, End of Year</b>	<u>\$ 122,016</u>	<u>\$ 58,964</u>	<u>\$ 82,275</u>	<u>\$ 23,311</u>

See the accompanying Independent Auditors' Report.

## **Enterprise Funds**

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

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

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

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**TOWN OF SILVERTHORNE, COLORADO**

**WATER FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
 Year Ended December 31, 2017

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>				
User Fees	\$ 1,083,838	\$ 1,083,838	\$ 1,138,141	\$ 54,303
Charges for Services	4,200	4,200	12,226	8,026
Tap Fees	427,350	600,000	803,836	203,836
Interest	5,000	5,000	17,049	12,049
Total Revenues	1,520,388	1,693,038	1,971,252	278,214
<b>EXPENSES</b>				
Operations	830,678	830,678	895,769	(65,091)
Maintenance	311,500	331,500	318,997	12,503
Contractual Services	56,890	56,890	36,101	20,789
Capital Outlay	143,750	183,950	151,608	32,342
Total Expenses	1,342,818	1,403,018	1,402,475	543
Excess of Revenues				
<b>OTHER FINANCING USES</b>				
Transfer to Capital Improvement Fund	750,000	750,000	750,000	-
<b>Change in Net Position, Budgetary Basis</b>	<b>\$ (572,430)</b>	<b>\$ (459,980)</b>	<b>(181,223)</b>	<b>\$ 278,757</b>
<b>ADJUSTMENTS TO GAAP BASIS</b>				
Capital Outlay			151,608	
Depreciation Expense			(727,522)	
Contributed Capital from Developers			1,055,652	
<b>Change in Net Position, GAAP Basis</b>			<b>\$ 298,515</b>	

See the accompanying Independent Auditors' Report.

**TOWN OF SILVERTHORNE, COLORADO**

**SEWER FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
 Year Ended December 31, 2017

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget</b>
<b>REVENUES</b>				
User Fees	\$ 1,360,175	\$ 1,360,175	\$ 1,378,867	\$ 18,692
Charges for Services	5,400	5,400	5,500	100
Tap Fees	350,000	500,000	657,635	157,635
Interest	4,500	4,500	27,636	23,136
	<u>1,720,075</u>	<u>1,870,075</u>	<u>2,069,638</u>	<u>199,563</u>
<b>Total Revenues</b>				
<b>EXPENSES</b>				
Operations	287,303	287,303	301,908	(14,605)
Maintenance	135,000	135,000	96,887	38,113
Contractual Services	1,029,498	1,029,498	868,451	161,047
Capital Outlay	37,500	562,500	541,668	20,832
	<u>1,489,301</u>	<u>2,014,301</u>	<u>1,808,914</u>	<u>205,387</u>
<b>Total Expenses</b>				
Excess of Revenues				
<b>OTHER FINANCING USES</b>				
Transfer to Capital Improvements Fund	1,500,000	1,500,000	1,500,000	-
	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>
<b>Change in Net Position, Budgetary Basis</b>				
	<u>\$ (1,269,226)</u>	<u>\$ (1,644,226)</u>	(1,239,276)	<u>\$ 404,950</u>
<b>ADJUSTMENTS TO GAAP BASIS</b>				
Capital Outlay			541,668	
Depreciation Expense			(378,914)	
Contributed Capital from Developers			4,309,777	
Equity Gain in Joint Sewer Authority Investment			143,418	
			<u>5,015,949</u>	
<b>Change in Net Position, GAAP Basis</b>				
			<u>\$ 3,376,673</u>	

See the accompanying Independent Auditors' Report.

## **Internal Service Funds**

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

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

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**TOWN OF SILVERTHORNE, COLORADO**

**HEALTH & SHORT-TERM DISABILITY CLAIMS FUND**  
**BUDGETARY COMPARISON SCHEDULE**

Year Ended December 31, 2017

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>				
Charges for Services	\$ 714,000	\$ 714,000	\$ 668,850	\$ (45,150)
Interest	200	200	2,837	2,637
Miscellaneous	1,000	1,000	316	(684)
Total Revenues	<u>715,200</u>	<u>715,200</u>	<u>672,003</u>	<u>(43,197)</u>
<b>EXPENSES</b>				
Claims	659,372	774,372	701,075	73,297
Wellness Program	23,500	23,500	22,866	634
Miscellaneous	10,000	10,000	588	9,412
Total Expenses	<u>692,872</u>	<u>807,872</u>	<u>724,529</u>	<u>83,343</u>
<b>Change in Net Position</b>	22,328	(92,672)	(52,526)	40,146
<b>Net Position, Beginning of Year</b>	<u>278,107</u>	<u>254,723</u>	<u>254,723</u>	<u>-</u>
<b>Net Position, End of Year</b>	<u>\$ 300,435</u>	<u>\$ 162,051</u>	<u>\$ 202,197</u>	<u>\$ 40,146</u>

See the accompanying Independent Auditors' Report.

**TOWN OF SILVERTHORNE, COLORADO**

**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**AGENCY FUND**

Year Ended December 31, 2017

	<u>Balance</u> <u>January 1, 2017</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>December 31, 2017</u>
<b>Joint Sewer Authority</b>				
<b>ASSETS</b>				
Cash and Investments	\$ <u>6,526,645</u>	\$ <u>2,521,260</u>	\$ <u>(1,704,096)</u>	\$ <u>7,343,809</u>
Total Assets	\$ <u><u>6,526,645</u></u>	\$ <u><u>2,521,260</u></u>	\$ <u><u>(1,704,096)</u></u>	\$ <u><u>7,343,809</u></u>
<b>LIABILITIES</b>				
Funds Held for Authority	\$ <u>6,526,645</u>	\$ <u>2,521,260</u>	\$ <u>(1,704,096)</u>	\$ <u>7,343,809</u>
Total Liabilities	\$ <u><u>6,526,645</u></u>	\$ <u><u>2,521,260</u></u>	\$ <u><u>(1,704,096)</u></u>	\$ <u><u>7,343,809</u></u>

See the accompanying Independent Auditors' Report.

**TOWN OF SILVERTHORNE, COLORADO**

**STATISTICAL SECTION**

*(Unaudited)*

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

<b>Contents</b>	<b>Schedules</b>	<b>Pages</b>
<b>Financial Trends</b> These tables contain trend information that may assist the reader in assessing the Town's current financial performance by placing it in historical perspective.	1-8	78-87
<b>Revenue Capacity</b> These tables contain information that may assist the reader in assessing the viability of the Town's most significant "own-source" revenues.	9-15	88-92
<b>Debt Capacity</b> These tables present information that may assist the reader in analyzing the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.	16-19	93-96
<b>Demographic and Economic Information</b> These tables offer economic and demographic indicators that are commonly used for financial analysis and depict the Town's present and ongoing financial status.	20-22	97-98
<b>Operating Information</b> These tables contain service and infrastructure indicators that represent how the information in the Town's financial statements relates to the services the Town provides and the activities it performs.	23-24	99-101

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

Source	2008	2009 (3)	2010	2011	2012	2013	2014	2015	2016	2017
<b>Governmental Activities</b>										
Net Investment in Capital Assets	\$ 37,724,350	\$ 40,538,196	\$ 40,917,450	\$ 41,837,491	\$ 43,533,197	\$ 46,177,806	\$ 45,104,372	\$ 45,798,581	\$ 45,863,329	\$ 52,216,856
Restricted	780,551	252,224	253,108	-	-	-	-	-	-	-
Restricted for: (1)										
Emergency	-	-	-	258,084	266,008	421,023	434,517	467,218	510,785	632,415
Trail Easements	-	-	-	-	-	386,461	-	-	-	-
Blue River Improvements	-	-	-	-	68,314	68,323	268,379	268,853	270,361	272,850
Parks, Trails & Open Space	-	-	-	157,948	81,448	61,325	23,620	90,929	309,921	491,730
Marketing	-	-	-	40,625	44,331	42,994	48,997	84,934	91,193	85,477
Affordable Housing	-	-	-	-	-	-	34,441	529,059	1,087,223	2,356,814
Capital Improvements	-	-	-	2,128,797	3,148,262	2,070,935	2,446,972	2,188,396	4,278,404	6,238,940
Unrestricted	8,281,222	6,975,032	7,392,136	5,445,153	5,919,695	6,727,071	9,471,179	10,662,103	10,329,479	11,982,479
<b>Subtotal Governmental Activities</b>										
<b>Net Position</b>	<u>46,786,123</u>	<u>47,765,452</u>	<u>48,562,694</u>	<u>49,868,098</u>	<u>53,061,255</u>	<u>55,955,938</u>	<u>57,832,477</u>	<u>60,090,073</u>	<u>62,740,695</u>	<u>74,277,561</u>
<b>Business-type Activities</b>										
Net Investment in Capital Assets (2)	14,840,210	21,753,271	21,312,175	20,957,378	20,831,886	22,425,901	22,920,439	22,303,504	21,442,855	26,395,123
Unrestricted	11,534,762	11,530,909	11,905,165	12,190,736	12,082,221	13,122,888	13,099,229	14,492,431	16,421,066	15,140,798
<b>Subtotal Business-type Activities</b>	<u>26,374,972</u>	<u>33,284,180</u>	<u>33,217,340</u>	<u>33,148,114</u>	<u>32,914,107</u>	<u>35,548,789</u>	<u>36,019,668</u>	<u>36,795,935</u>	<u>37,863,921</u>	<u>41,535,921</u>
<b>Primary Government</b>										
Net Investment in Capital Assets	52,564,560	62,291,467	62,229,625	62,794,869	64,365,083	68,603,707	68,024,811	68,102,085	67,306,184	78,611,979
Restricted	780,551	252,224	253,108	-	-	-	-	-	-	-
Restricted for: (1)										
Emergency	-	-	-	258,084	266,008	421,023	434,517	467,218	510,785	632,415
Trail Easements	-	-	-	-	-	386,461	-	-	-	-
Blue River Improvements	-	-	-	-	68,314	68,323	268,379	268,853	270,361	272,850
Parks, Trails & Open Space	-	-	-	157,948	81,448	61,325	23,620	90,929	309,921	491,730
Marketing	-	-	-	40,625	44,331	42,994	48,997	84,934	91,193	85,477
Affordable Housing	-	-	-	-	-	-	34,441	529,059	1,087,223	2,356,814
Capital Improvements	-	-	-	2,128,797	3,148,262	2,070,935	2,446,972	2,188,396	4,278,404	6,238,940
Unrestricted	19,815,984	18,505,941	19,297,301	17,635,889	18,001,916	19,849,959	22,570,408	25,154,534	26,750,545	27,123,277
<b>Total Primary Government</b>										
<b>Net Position</b>	<u>\$ 73,161,095</u>	<u>\$ 81,049,632</u>	<u>\$ 81,780,034</u>	<u>\$ 83,016,212</u>	<u>\$ 85,975,362</u>	<u>\$ 91,504,727</u>	<u>\$ 93,852,145</u>	<u>\$ 96,886,008</u>	<u>\$ 100,604,616</u>	<u>\$ 115,813,482</u>

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

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

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

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

Source	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses:</b>										
General Government	\$ 1,469,486	\$ 1,605,745	\$ 1,536,770	\$ 1,670,910	\$ 1,872,746	\$ 2,241,236	\$ 1,935,134	\$ 2,312,724	\$ 2,747,399	\$ 2,642,943
Public Safety	1,947,374	1,857,556	1,832,321	1,740,615	1,837,454	1,890,569	1,928,658	1,888,198	2,031,902	2,211,154
Public Works	3,378,759	3,598,113	3,411,665	3,489,925	3,726,877	3,956,584	4,538,704	4,315,694	4,468,632	4,502,614
Community Development	805,313	745,431	719,689	780,753	746,989	844,004	917,763	925,638	1,057,165	1,015,199
Recreation & Culture	3,054,899	3,089,079	3,038,923	3,049,233	3,241,437	3,214,835	3,419,012	3,897,197	4,042,014	4,634,365
Urban Renewal	-	-	-	-	-	25,386	30,967	2,298	800	6,491
Housing	77,764	316,901	84,104	42,821	37,444	61,489	44,081	32,575	40,652	107,832
Interest on Long-Term Debt	162,916	126,502	7,576	2,417	-	-	-	3,167	46,876	105,834
<b>Total Expenses</b>	<b>10,896,511</b>	<b>11,339,327</b>	<b>10,631,048</b>	<b>10,776,674</b>	<b>11,462,947</b>	<b>12,234,103</b>	<b>12,814,319</b>	<b>13,377,491</b>	<b>14,435,440</b>	<b>15,226,432</b>
<b>Program Revenues:</b>										
Charges for Services										
General Government	182,069	257,581	205,876	243,697	334,442	354,339	431,398	587,756	632,652	1,108,707
Public Safety	143,199	158,075	143,689	139,631	133,987	175,426	156,672	167,225	129,639	139,285
Public Works	83,963	76,876	76,318	78,318	102,056	80,150	78,765	79,487	81,037	84,636
Community Development	412,551	169,820	200,217	219,989	151,940	408,477	345,634	438,838	681,801	597,868
Recreation & Culture	1,620,801	1,617,781	1,583,607	1,692,136	1,708,500	1,848,633	1,890,066	2,067,382	2,175,423	2,303,049
Housing	-	-	-	-	-	130,757	216,458	232,560	283,466	264,167
Operating Grants & Contributions	292,037	250,850	252,062	452,588	421,313	473,856	489,073	416,907	351,748	380,463
Capital Grants & Contributions	1,517,000	977,500	106,017	318,192	2,537,671	1,320,774	266,083	288,657	357,611	5,656,864
<b>Total Program Revenues</b>	<b>4,251,620</b>	<b>3,508,483</b>	<b>2,567,786</b>	<b>3,144,551</b>	<b>5,389,909</b>	<b>4,792,412</b>	<b>3,874,149</b>	<b>4,278,812</b>	<b>4,693,376</b>	<b>10,535,039</b>
<b>Net (Expenses)/Revenues</b>	<b>(6,644,891)</b>	<b>(7,830,844)</b>	<b>(8,063,262)</b>	<b>(7,632,123)</b>	<b>(6,073,038)</b>	<b>(7,441,691)</b>	<b>(8,940,170)</b>	<b>(9,098,679)</b>	<b>(9,742,064)</b>	<b>(4,691,393)</b>
<b>General Revenues &amp; Transfers:</b>										
Taxes:										
Sales Taxes for General Purpose	5,917,576	5,206,198	5,292,277	5,430,076	5,717,520	6,319,207	6,649,243	7,164,905	7,539,125	7,924,041
Sales Taxes for Capital & Debt	2,559,111	2,245,857	2,202,647	2,321,097	2,443,476	2,664,399	2,779,772	3,008,841	3,184,953	3,260,874
Lodging Tax	146,041	113,629	120,602	128,803	126,856	141,420	160,594	187,720	266,832	287,181
Franchise Taxes	241,047	213,636	231,610	233,638	227,469	258,518	274,436	280,925	270,551	278,160
Development Excise Tax	311,944	92,276	96,986	105,958	129,080	409,336	231,332	350,438	663,574	501,663
Other Taxes	-	-	-	-	-	-	136,301	153,612	212,164	220,789
Grants & Contributions not Restricted	328,836	347,084	360,206	150,967	49,288	54,361	103,539	97,353	95,743	88,731
Investment Income	361,769	124,732	91,096	47,392	42,473	24,124	20,204	20,294	62,718	126,305
Gain on Sales of Capital Assets	-	-	-	-	22,339	18,281	199,799	42,625	62,287	1,134,409
Miscellaneous	229,937	154,128	182,165	177,218	204,454	37,353	261,489	49,562	34,739	156,106
Transfers	318,411	262,092	282,915	342,378	303,240	409,375	-	-	-	2,250,000
<b>Total General Revenues &amp; Transfers</b>	<b>10,414,672</b>	<b>8,759,632</b>	<b>8,860,504</b>	<b>8,937,527</b>	<b>9,266,195</b>	<b>10,336,374</b>	<b>10,816,709</b>	<b>11,356,275</b>	<b>12,392,686</b>	<b>16,228,259</b>
<b>Change in Net Position</b>	<b>\$ 3,769,781</b>	<b>\$ 928,788</b>	<b>\$ 797,242</b>	<b>\$ 1,305,404</b>	<b>\$ 3,193,157</b>	<b>\$ 2,894,683</b>	<b>\$ 1,876,539</b>	<b>\$ 2,257,596</b>	<b>\$ 2,650,622</b>	<b>\$ 11,536,866</b>

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

Source	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses:</b>										
Water	\$ 1,129,095	\$ 1,138,255	\$ 1,161,340	\$ 1,143,688	\$ 1,354,773	\$ 1,307,263	\$ 1,611,244	\$ 1,763,394	\$ 1,896,289	\$ 1,981,577
Sewer	1,062,344	1,116,886	1,191,002	1,423,734	1,247,906	1,236,203	1,366,990	1,307,929	1,490,060	1,646,160
<b>Total Expenses</b>	<b>2,191,439</b>	<b>2,255,141</b>	<b>2,352,342</b>	<b>2,567,422</b>	<b>2,602,679</b>	<b>2,543,466</b>	<b>2,978,234</b>	<b>3,071,323</b>	<b>3,386,349</b>	<b>3,627,737</b>
<b>Program Revenues:</b>										
Charges for Services										
Water	899,740	893,157	963,413	935,373	947,202	909,877	950,644	1,038,816	1,166,615	1,150,367
Sewer	1,010,619	1,030,277	1,078,408	1,138,130	1,149,668	1,167,496	1,224,868	1,269,538	1,329,075	1,384,367
Capital Grants & Contributions	1,321,018	788,267	275,185	741,708	517,458	3,356,775	951,489	1,019,012	1,811,304	6,826,900
<b>Total Program Revenues</b>	<b>3,231,377</b>	<b>2,711,701</b>	<b>2,317,006</b>	<b>2,815,211</b>	<b>2,614,328</b>	<b>5,434,148</b>	<b>3,127,001</b>	<b>3,327,366</b>	<b>4,306,994</b>	<b>9,361,634</b>
<b>Net (Expenses)/Revenues</b>	<b>1,039,938</b>	<b>456,560</b>	<b>(35,336)</b>	<b>247,789</b>	<b>11,649</b>	<b>2,890,682</b>	<b>148,767</b>	<b>256,043</b>	<b>920,645</b>	<b>5,733,897</b>
<b>General Revenues &amp; Transfers:</b>										
Investment Income	159,173	52,044	36,005	25,363	23,217	14,310	12,289	10,145	27,820	44,685
Gain on Sale of Capital Assets	-	-	-	-	-	15,042	9,108	8,000	-	-
Miscellaneous	242,910	120,403	215,406	-	34,367	124,023	300,715	502,079	119,521	143,418
Transfers	(318,411)	(262,092)	(282,915)	(342,378)	(303,240)	(409,375)	-	-	-	(2,250,000)
<b>Total General Revenues &amp; Transfers</b>	<b>83,672</b>	<b>(89,645)</b>	<b>(31,504)</b>	<b>(317,015)</b>	<b>(245,656)</b>	<b>(256,000)</b>	<b>322,112</b>	<b>520,224</b>	<b>147,341</b>	<b>(2,061,897)</b>
<b>Change in Net Position</b>	<b>\$ 1,123,610</b>	<b>\$ 366,915</b>	<b>\$ (66,840)</b>	<b>\$ (69,226)</b>	<b>\$ (234,007)</b>	<b>\$ 2,634,682</b>	<b>\$ 470,879</b>	<b>\$ 776,267</b>	<b>\$ 1,067,986</b>	<b>\$ 3,672,000</b>

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

Source	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Operating Revenues:</b>										
Users Fees	\$1,898,765	\$1,907,084	\$2,032,061	\$2,061,699	\$2,088,388	\$2,068,686	\$2,157,860	\$2,295,516	\$2,429,279	\$2,517,008
Charges for Services	11,594	16,350	9,760	11,804	8,482	8,687	17,652	12,838	66,411	17,726
Total Operating Revenues	1,910,359	1,923,434	2,041,821	2,073,503	2,096,870	2,077,373	2,175,512	2,308,354	\$2,495,690	\$2,534,734
<b>Operating Expenses:</b>										
Operations	498,024	479,666	501,184	518,748	530,359	562,240	944,393	1,015,303	1,211,639	1,197,677
Maintenance	123,411	89,422	159,665	199,856	359,048	236,744	341,765	424,514	344,196	415,884
Contractual Services	852,785	864,837	872,484	857,304	882,193	866,492	754,592	676,369	511,766	556,334
Depreciation and Amortization	717,219	821,216	819,009	954,880	817,881	875,017	939,766	962,926	980,658	1,106,436
Total Operating Expenses	2,191,439	2,255,141	2,352,342	2,530,788	2,589,481	2,540,493	2,980,516	3,079,112	3,048,259	3,276,331
Operating Income (Loss)	(281,080)	(331,707)	(310,521)	(457,285)	(492,611)	(463,120)	(805,004)	(770,758)	(552,569)	(741,597)
<b>Non-Operating Revenues/(Expenses):</b>										
Interest Revenue	159,173	52,044	36,005	25,363	23,217	14,310	12,289	10,145	27,820	44,685
Gain/(Loss) on Disposal of Capital Assets	-	-	-	(11,371)	(7,917)	15,042	9,108	8,000	-	-
Equity Income in Joint Sewer Authority Investment	242,910	120,403	215,406	(40,639)	34,367	124,023	300,715	502,079	119,521	143,418
AMP Fees to JSA (1)	-	-	-	-	-	-	-	-	(333,711)	(348,218)
Total Non-Operating Revenues/(Expenses)	402,083	172,447	251,411	(26,647)	49,667	153,375	322,112	520,224	(186,370)	(160,115)
Income (Loss) Before Transfers & Capital Contributions	121,003	(159,260)	(59,110)	(483,932)	(442,944)	(309,745)	(482,892)	(250,534)	(738,939)	(901,712)
Transfer out to General Fund	(318,411)	(262,092)	(282,915)	(342,378)	(303,240)	(409,375)	-	-	-	-
Transfer out to Capital Improvement Fund	-	-	-	-	-	-	-	-	-	(2,250,000)
Tap Fees & Capital Contributions	1,321,018	788,267	275,185	741,708	517,458	3,356,775	951,489	1,019,012	-	6,826,900
Change in Net Position	<u>\$1,123,610</u>	<u>\$366,915</u>	<u>(\$66,840)</u>	<u>(\$84,602)</u>	<u>(\$228,726)</u>	<u>\$2,637,655</u>	<u>\$468,597</u>	<u>\$768,478</u>	<u>(738,939)</u>	<u>3,675,188</u>

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

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

Source	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses:</b>										
Governmental Activities	\$ 10,896,511	\$ 11,339,327	\$ 10,631,048	\$ 10,776,674	\$ 11,462,947	\$ 12,234,103	\$ 12,814,319	\$ 13,377,491	\$ 14,435,440	\$ 15,226,432
Business-type Activities	2,191,439	2,255,141	2,352,342	2,567,422	2,602,679	2,543,466	2,978,234	3,071,323	3,386,349	3,627,737
<b>Total Expenses</b>	<b>13,087,950</b>	<b>13,594,468</b>	<b>12,983,390</b>	<b>13,344,096</b>	<b>14,065,626</b>	<b>14,777,569</b>	<b>15,792,553</b>	<b>16,448,814</b>	<b>17,821,789</b>	<b>18,854,169</b>
<b>Program Revenues:</b>										
Governmental Activities	3,977,762	3,274,144	2,337,143	2,916,688	5,389,909	4,792,412	3,874,149	4,278,812	4,693,376	10,535,039
Business-type Activities	3,231,377	2,711,701	2,317,006	2,815,211	2,614,328	5,434,148	3,127,001	3,327,366	4,306,994	9,361,634
<b>Total Program Revenues</b>	<b>7,209,139</b>	<b>5,985,845</b>	<b>4,654,149</b>	<b>5,731,899</b>	<b>8,004,237</b>	<b>10,226,560</b>	<b>7,001,150</b>	<b>7,606,178</b>	<b>9,000,370</b>	<b>19,896,673</b>
<b>Net (Expense)/Revenue</b>	<b>(5,878,811)</b>	<b>(7,608,623)</b>	<b>(8,329,241)</b>	<b>(7,612,197)</b>	<b>(6,061,389)</b>	<b>(4,551,009)</b>	<b>(8,791,403)</b>	<b>(8,842,636)</b>	<b>(8,821,419)</b>	<b>1,042,504</b>
<b>General Revenues &amp; Transfers:</b>										
Governmental Activities	10,688,530	8,993,971	9,091,147	9,165,390	9,266,195	10,336,374	10,816,709	11,356,275	12,392,686	16,228,259
Business-type Activities	83,672	(89,645)	(31,504)	(317,015)	(245,656)	(256,000)	322,112	520,224	147,341	(2,061,897)
<b>Total General Revenues &amp; Transfers</b>	<b>10,772,202</b>	<b>8,904,326</b>	<b>9,059,643</b>	<b>8,848,375</b>	<b>9,020,539</b>	<b>10,080,374</b>	<b>11,138,821</b>	<b>11,876,499</b>	<b>12,540,027</b>	<b>14,166,362</b>
<b>Change in Net Position</b>	<b>\$ 4,893,391</b>	<b>\$ 1,295,703</b>	<b>\$ 730,402</b>	<b>\$ 1,236,178</b>	<b>\$ 2,959,150</b>	<b>\$ 5,529,365</b>	<b>\$ 2,347,418</b>	<b>\$ 3,033,863</b>	<b>\$ 3,718,608</b>	<b>\$ 15,208,866</b>

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

Source	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Fund</b>										
Nonspendable:										
Inventory & Prepaids	\$ -	\$ -	\$ -	\$ 32,087	\$ 23,823	\$ 27,880	\$ 119,697	\$ 17,744	\$ 26,860	\$ 29,580
Restricted	324,789	319,430	375,817	-	-	-	-	-	-	-
Restricted For: (1)										
Emergency	-	-	-	258,084	266,008	421,023	434,517	467,218	510,785	632,415
Blue River Improvements	-	-	-	-	-	-	-	-	-	-
Parks, Trails & Open Space	-	-	-	-	-	-	-	-	-	-
Marketing	-	-	-	-	-	-	-	-	-	-
Capital Improvements	-	-	-	-	-	-	-	-	-	-
Unrestricted	6,494,675	6,056,714	6,122,549	-	-	-	-	-	-	-
Unassigned	-	-	-	5,857,715	6,157,776	6,741,760	9,236,295	10,874,244	10,624,320	11,383,592
<b>Subtotal General Fund</b>	<b>6,819,464</b>	<b>6,376,144</b>	<b>6,498,366</b>	<b>6,147,886</b>	<b>6,447,607</b>	<b>7,190,663</b>	<b>9,790,509</b>	<b>11,359,206</b>	<b>11,161,965</b>	<b>12,045,587</b>
<b>General Fund Percentage Change</b>	<b>-16.3%</b>	<b>-6.5%</b>	<b>1.9%</b>	<b>-5.4%</b>	<b>4.9%</b>	<b>11.5%</b>	<b>36.2%</b>	<b>16.0%</b>	<b>-1.7%</b>	<b>7.9%</b>
<b>All Other Governmental Funds</b>										
Nonspendable:										
Inventory, Prepaids, Resale Land & Joint Inv.	\$ -	\$ -	\$ -	\$ -	\$ 4,618	\$ 3,148,429	\$ 3,877,791	\$ 3,891,234	\$ 3,891,538	\$ 729,362
Restricted	511,991	-	133,000	-	-	-	-	-	-	-
Restricted, reported in: (1)										
Capital Improvement Fund	1,112,962	650,120	480,806	635,566	1,579,978	853,207	1,251,744	668,040	2,130,289	4,970,989
Conservation Trust Fund	-	-	-	-	39,103	-	-	38,607	84,702	28,568
Lodging Tax Fund	306,072	313,059	349,562	198,573	154,990	559,103	340,996	406,109	586,773	821,489
Excise Tax Fund	1,840,154	1,286,926	1,385,539	1,493,231	1,568,284	1,217,728	1,195,228	1,520,356	2,148,115	1,915,038
5A Housing Fund	(1,839,441)	(1,665,335)	(1,469,126)	(1,002,422)	(737,424)	(410,255)	34,441	529,059	1,087,223	\$ 2,356,814
Urban Renewal Authority	-	-	-	-	-	(3,187,665)	(3,947,994)	(3,917,592)	(3,862,877)	(647,087)
<b>Subtotal All Other Governmental Funds</b>	<b>1,931,738</b>	<b>584,771</b>	<b>879,781</b>	<b>1,324,948</b>	<b>2,609,549</b>	<b>2,180,547</b>	<b>2,752,206</b>	<b>3,135,813</b>	<b>6,065,763</b>	<b>10,175,173</b>
<b>Total Governmental Funds</b>										
Nonspendable	-	-	-	32,087	28,441	3,176,309	3,997,488	3,908,978	3,918,398	758,942
Restricted	836,780	319,430	508,817	2,585,454	3,608,363	3,051,061	3,256,926	3,629,389	6,547,887	10,725,313
Unassigned	7,914,422	6,641,484	6,869,330	5,857,715	6,157,776	3,554,095	5,288,301	6,956,652	6,761,443	10,736,505
<b>Total Governmental Funds</b>	<b>\$ 8,751,202</b>	<b>\$ 6,960,914</b>	<b>\$ 7,378,147</b>	<b>\$ 8,475,256</b>	<b>\$ 9,794,580</b>	<b>\$ 9,781,465</b>	<b>\$ 12,542,715</b>	<b>\$ 14,495,019</b>	<b>\$ 17,227,728</b>	<b>\$ 22,220,760</b>
<b>All Governmental Funds Percentage Change</b>	<b>-28.1%</b>	<b>-20.5%</b>	<b>6.0%</b>	<b>14.9%</b>	<b>15.6%</b>	<b>-0.1%</b>	<b>28.2%</b>	<b>15.6%</b>	<b>18.9%</b>	<b>29.0%</b>

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

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

Source	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Total Revenues</b>	\$ 13,265,758	\$ 11,497,637	\$ 11,129,403	\$ 12,182,568	\$ 12,168,761	\$ 14,034,091	\$ 14,483,903	\$ 15,573,926	\$ 17,026,165	\$ 21,080,501
<b>Total Expenditures</b>	17,190,402	13,579,019	11,131,960	12,140,869	11,087,961	14,229,117	12,980,312	13,708,038	19,308,290	20,260,786
<b>Excess (Deficiency of Revenues Over (Under) Expenditures</b>	(3,924,644)	(2,081,382)	(2,557)	41,699	1,080,800	(195,026)	1,503,591	1,865,888	(2,282,125)	819,715
<b>Other Financing Sources (Uses)</b>										
Capital Lease	166,000	-	-	-	-	-	180,000	-	4,917,416	-
Sale of Capital Assets	22,398	29,003	136,875	185,116	200,282	99,705	1,220,301	86,416	97,418	1,923,317
Loan Repayment	-	-	-	-	-	-	267,613	-	-	-
Transfers In	2,378,411	762,092	282,915	942,378	303,240	1,934,375	450,000	360,000	1,500,000	4,669,710
Transfers Out	(2,060,000)	(500,000)	-	(1,074,506)	-	(1,525,000)	(450,000)	(360,000)	(1,500,000)	(2,419,710)
<b>Total Other (Uses) Financing Sources</b>	506,809	291,095	419,790	52,988	503,522	509,080	1,667,914	86,416	5,014,834	4,173,317
<b>Net Change in Fund Balances</b>	\$ (3,417,835)	\$ (1,790,287)	\$ 417,233	\$ 94,687	\$ 1,584,322	\$ 314,054	\$ 3,171,505	\$ 1,952,304	\$ 2,732,709	\$ 4,993,032

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

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Current:</b>										
General Government	\$ 1,394,565	\$ 1,374,550	\$ 1,430,842	\$ 1,606,449	\$ 1,775,620	\$ 2,113,352	\$ 1,786,908	\$ 2,006,008	\$ 2,561,322	\$ 2,528,484
Public Safety	1,914,928	1,778,406	1,758,679	1,696,797	1,726,112	1,777,197	1,827,667	1,718,693	1,945,172	2,095,430
Public Works	2,252,885	1,989,880	2,067,316	2,062,359	2,126,862	2,120,051	2,086,824	2,061,593	2,339,892	2,486,495
Community Development	743,026	682,488	641,036	695,909	676,672	750,395	844,267	758,949	953,271	925,400
Recreation and Culture	2,660,391	2,593,163	2,552,086	2,566,259	2,577,156	2,666,719	2,781,363	2,973,466	3,116,542	3,658,772
Urban Renewal	-	-	-	-	-	39,236	30,967	2,298	800	6,491
5A Housing	103,361	103,791	84,104	42,821	37,444	61,489	44,081	32,575	40,652	107,832
<b>Total Current Expenditures</b>	<b>9,069,156</b>	<b>8,522,278</b>	<b>8,534,063</b>	<b>8,670,594</b>	<b>8,919,866</b>	<b>9,528,439</b>	<b>9,402,077</b>	<b>9,553,582</b>	<b>10,957,650</b>	<b>11,808,904</b>
<b>% Change from Prior Year</b>	<b>7.0%</b>	<b>-6.0%</b>	<b>0.1%</b>	<b>1.6%</b>	<b>2.9%</b>	<b>6.8%</b>	<b>-1.3%</b>	<b>1.6%</b>	<b>14.7%</b>	<b>7.8%</b>
<b>Capital Outlay</b>	<b>5,502,862</b>	<b>2,910,833</b>	<b>2,430,624</b>	<b>3,379,228</b>	<b>2,152,216</b>	<b>4,700,678</b>	<b>3,578,235</b>	<b>4,134,661</b>	<b>8,217,572</b>	<b>7,804,662</b>
<b>% Change from Prior Year</b>	<b>71.5%</b>	<b>-47.1%</b>	<b>-16.5%</b>	<b>39.0%</b>	<b>-36.3%</b>	<b>118.4%</b>	<b>-23.9%</b>	<b>15.6%</b>	<b>98.7%</b>	<b>-5.0%</b>
<b>Debt Service</b>										
Principal	2,437,571	2,034,669	158,942	88,428	15,564	-	-	16,628	74,148	526,366
Interest and Fiscal Charges	180,813	111,239	8,331	2,619	315	-	-	3,167	58,920	120,854
<b>Total Debt Service</b>	<b>2,618,384</b>	<b>2,145,908</b>	<b>167,273</b>	<b>91,047</b>	<b>15,879</b>	<b>-</b>	<b>-</b>	<b>19,795</b>	<b>133,068</b>	<b>647,220</b>
<b>% Change from Prior Year</b>	<b>208.5%</b>	<b>-18.0%</b>	<b>-92.2%</b>	<b>-45.6%</b>	<b>-82.6%</b>	<b>-100.0%</b>	<b>0.0%</b>	<b>100.0%</b>	<b>572.2%</b>	<b>386.4%</b>
<b>Total Expenditures</b>	<b>\$ 17,190,402</b>	<b>\$ 13,579,019</b>	<b>\$ 11,131,960</b>	<b>\$ 12,140,869</b>	<b>\$ 11,087,961</b>	<b>\$ 14,229,117</b>	<b>\$ 12,980,312</b>	<b>\$ 13,708,038</b>	<b>\$ 19,308,290</b>	<b>\$ 20,260,786</b>
<b>% Change from Prior Year</b>	<b>37.2%</b>	<b>-21.0%</b>	<b>-18.0%</b>	<b>9.1%</b>	<b>-8.7%</b>	<b>28.3%</b>	<b>-8.8%</b>	<b>5.6%</b>	<b>40.9%</b>	<b>4.9%</b>
<b>Debt Service as a Percentage of Noncapital Expenditures (1)</b>	<b>22.4%</b>	<b>20.1%</b>	<b>1.9%</b>	<b>1.0%</b>	<b>0.2%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.2%</b>	<b>1.2%</b>	<b>5.2%</b>

(1) Debt service amount includes financial charges.

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

Revenue Source	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Taxes	\$ 9,601,173	\$ 8,264,367	\$ 8,323,214	\$ 8,598,402	\$ 8,782,052	\$ 9,792,880	\$ 10,231,678	\$ 11,146,441	\$ 12,137,199	\$ 12,472,708
Intergovernmental	217,608	227,151	248,440	245,999	487,782	646,936	711,647	737,858	765,326	2,421,908
Licenses, Permits & Fees	674,307	289,014	324,285	570,985	291,456	618,974	658,735	769,227	1,047,002	944,186
Charges for Services	2,012,446	1,926,913	1,910,868	2,460,431	2,114,406	2,254,078	2,356,781	2,690,962	2,865,641	3,472,955
Fines and Forfeitures	99,243	137,646	124,666	118,523	83,922	124,730	102,943	110,966	71,374	81,354
Interest	361,769	124,733	91,096	47,390	42,473	24,124	20,204	20,294	60,536	123,468
Grants/Donations	218,179	416,511	34,419	16,025	158,315	519,648	147,047	65,059	37,557	1,402,344
Miscellaneous	81,033	111,302	72,415	124,813	208,355	52,721	254,868	33,119	41,530	161,578
<b>Total Revenues</b>	<b>\$ 13,265,758</b>	<b>\$ 11,497,637</b>	<b>\$ 11,129,403</b>	<b>\$ 12,182,568</b>	<b>\$ 12,168,761</b>	<b>\$ 14,034,091</b>	<b>\$ 14,483,903</b>	<b>\$ 15,573,926</b>	<b>\$ 17,026,165</b>	<b>\$ 21,080,501</b>
% change from prior year	<u>-3.9%</u>	<u>-13.3%</u>	<u>-3.2%</u>	<u>9.5%</u>	<u>-0.1%</u>	<u>15.3%</u>	<u>3.2%</u>	<u>7.5%</u>	<u>9.3%</u>	<u>23.8%</u>

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

Taxes	72.4%	71.9%	74.8%	70.6%	72.2%	69.8%	70.6%	71.6%	71.3%	59.2%
Intergovernmental	1.6%	2.0%	2.2%	2.0%	4.0%	4.6%	4.9%	4.7%	4.5%	11.5%
Licenses, Permits & Fees	5.1%	2.5%	2.9%	4.7%	2.4%	4.4%	4.5%	4.9%	6.1%	4.5%
Charges for Services	15.2%	16.8%	17.2%	20.2%	17.4%	16.1%	16.3%	17.3%	16.8%	16.5%
Fines	0.7%	1.2%	1.1%	1.0%	0.7%	0.9%	0.7%	0.7%	0.4%	0.4%
Interest	2.7%	1.1%	0.8%	0.4%	0.3%	0.2%	0.1%	0.1%	0.4%	0.6%
Grants	1.6%	3.6%	0.3%	0.1%	1.3%	3.7%	1.0%	0.4%	0.2%	6.7%
Miscellaneous	0.6%	1.0%	0.7%	1.0%	1.7%	0.4%	1.8%	0.2%	0.2%	0.8%
<b>Total Revenues</b>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

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

Schedule 10

Source	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues:</b>										
Taxes	\$ 9,601,173	\$ 8,264,367	\$ 8,323,214	\$ 8,598,402	\$ 8,782,052	\$ 9,792,880	\$ 10,231,678	\$ 11,146,441	\$ 12,137,199	\$ 12,472,708
Intergovernmental	217,608	227,151	248,440	245,999	487,782	646,936	711,647	737,858	765,326	2,421,908
Licenses, Permits & Fees	674,307	289,014	324,285	570,985	291,456	618,974	658,735	769,227	1,047,002	944,186
Charges for Services	2,012,446	1,926,913	1,910,868	2,460,431	2,114,406	2,254,078	2,356,781	2,690,962	2,865,641	3,472,955
Fines & Forfeitures	99,243	137,646	124,666	118,523	83,922	124,730	102,943	110,966	71,374	81,354
Interest	361,769	124,733	91,096	47,390	42,473	24,124	20,204	20,294	60,536	123,468
Grants/Donations	218,179	416,511	34,419	16,025	158,315	519,648	147,047	65,059	37,557	1,402,344
Miscellaneous	81,033	111,302	72,415	124,813	208,355	52,721	254,868	33,119	41,530	161,578
<b>Total Revenues</b>	<b>\$ 13,265,758</b>	<b>\$ 11,497,637</b>	<b>\$ 11,129,403</b>	<b>\$ 12,182,568</b>	<b>\$ 12,168,761</b>	<b>\$ 14,034,091</b>	<b>\$ 14,483,903</b>	<b>\$ 15,573,926</b>	<b>\$ 17,026,165</b>	<b>\$ 21,080,501</b>
<b>Expenditures:</b>										
General Government	1,394,565	1,374,550	1,430,842	1,606,449	1,775,620	2,113,352	1,786,908	2,006,008	2,561,322	2,528,484
Public Safety	1,914,928	1,778,406	1,758,679	1,696,797	1,726,112	1,777,197	1,827,667	1,718,693	1,945,172	2,095,430
Public Works	2,252,885	1,989,880	2,067,316	2,062,359	2,126,862	2,120,051	2,086,824	2,061,593	2,339,892	2,486,495
Community Development	743,026	682,488	641,036	695,909	676,672	750,395	844,267	758,949	953,271	925,400
Recreation & Culture	2,660,391	2,593,163	2,552,086	2,566,259	2,577,156	2,666,719	2,781,363	2,973,466	3,116,542	3,658,772
Urban Renewal	-	-	-	-	-	39,236	30,967	2,298	800	6,491
Housing	103,361	103,791	84,104	42,821	37,444	61,489	44,081	32,575	40,652	107,832
Capital Outlay	5,502,862	2,910,833	2,430,624	3,379,228	2,152,216	4,700,678	3,578,235	4,134,661	8,217,572	7,804,662
Debt Service:										
Principal	2,437,571	2,034,669	158,942	88,428	15,564	-	-	16,628	74,148	526,366
Interest & Fiscal Charges	180,813	111,239	8,331	2,619	315	-	-	3,167	58,920	120,854
<b>Total Expenditures</b>	<b>17,190,402</b>	<b>13,579,019</b>	<b>11,131,960</b>	<b>12,140,869</b>	<b>11,087,961</b>	<b>14,229,117</b>	<b>12,980,312</b>	<b>13,708,038</b>	<b>19,308,290</b>	<b>20,260,786</b>
<b>Excess (Deficiency of Revenues Over (Under) Expenditures</b>	<b>(3,924,644)</b>	<b>(2,081,382)</b>	<b>(2,557)</b>	<b>41,699</b>	<b>1,080,800</b>	<b>(195,026)</b>	<b>1,503,591</b>	<b>1,865,888</b>	<b>(2,282,125)</b>	<b>819,715</b>
<b>Other Financing Sources (Uses)</b>										
Capital Leases	166,000	-	-	-	-	-	180,000	-	4,917,416	-
Sales of Capital Assets	22,398	29,003	136,875	185,116	200,282	99,705	1,220,301	86,416	97,418	1,923,317
Loan Repayment	-	-	-	-	-	-	267,613	-	-	-
Transfer In	2,378,411	762,092	282,915	942,378	303,240	1,934,375	450,000	360,000	1,500,000	4,669,710
Transfer Out	(2,060,000)	(500,000)	-	(1,074,506)	-	(1,525,000)	(450,000)	(360,000)	(1,500,000)	(2,419,710)
<b>Total Other Financing Sources (Uses)</b>	<b>506,809</b>	<b>291,095</b>	<b>419,790</b>	<b>52,988</b>	<b>503,522</b>	<b>509,080</b>	<b>1,667,914</b>	<b>86,416</b>	<b>5,014,834</b>	<b>4,173,317</b>
<b>Net Change in Fund Balances</b>	<b>\$ (3,417,835)</b>	<b>\$ (1,790,287)</b>	<b>\$ 417,233</b>	<b>\$ 94,687</b>	<b>\$ 1,584,322</b>	<b>\$ 314,054</b>	<b>\$ 3,171,505</b>	<b>\$ 1,952,304</b>	<b>\$ 2,732,709</b>	<b>\$ 4,993,032</b>

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

Revenue Source	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Sales Tax	\$ 8,476,687	\$ 7,452,055	\$ 7,502,589	\$ 7,751,173	\$ 8,160,996	\$ 8,983,606	\$ 9,429,015	\$ 10,173,746	\$ 10,724,078	\$ 11,184,915
5A Housing Tax	273,858	234,339	222,978	227,863	243,209	257,693	272,148	294,155	311,720	1,971,514
Lodging Tax	146,041	113,629	120,602	128,803	126,856	141,420	160,594	187,720	266,832	287,181
Dev. Excise Tax	311,944	92,276	96,986	105,958	129,080	409,336	231,332	350,438	663,574	501,663
Other Taxes	-	-	-	-	-	-	136,301	153,612	212,164	220,789
Franchise Tax	241,047	213,636	231,610	233,638	227,469	258,518	274,436	280,925	270,551	278,160
Cigarette Tax	49,426	44,674	40,805	37,544	35,963	35,661	77,259	81,379	84,647	78,515
Road & Bridge Tax	72,702	73,862	74,951	75,733	62,672	63,487	62,235	62,240	66,562	68,064
Miscellaneous Tax	29,468	39,896	32,693	37,690	39,015	46,420	54,313	44,582	40,338	39,494
<b>Total Revenues (2)</b>	<u>\$ 9,601,173</u>	<u>\$ 8,264,367</u>	<u>\$ 8,323,214</u>	<u>\$ 8,598,402</u>	<u>\$ 9,025,260</u>	<u>\$ 10,196,141</u>	<u>\$ 10,697,633</u>	<u>\$ 11,628,797</u>	<u>\$ 12,640,466</u>	<u>\$ 14,630,295</u>
% change from prior year	<u>-0.1%</u>	<u>-13.9%</u>	<u>0.7%</u>	<u>3.3%</u>	<u>5.0%</u>	<u>13.0%</u>	<u>4.9%</u>	<u>8.7%</u>	<u>8.7%</u>	<u>15.7%</u>

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

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

Source: Town of Silverthorne Sales Tax Reports

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Summit County Government:</b>										
General Fund	4.704	5.004	4.240	5.204	5.260	5.158	4.939	4.833	5.630	5.622
Road & Bridge Fund	0.932	0.813	0.814	0.814	0.814	0.814	0.814	0.814	0.814	0.814
Social Services Fund	0.158	0.103	0.103	0.234	0.203	0.130	0.256	0.231	0.229	0.257
Library Fund	0.644	0.563	0.548	0.662	0.665	0.768	0.865	0.895	0.889	0.830
Capital Expenditures	2.362	3.033	2.991	1.898	1.899	1.920	1.913	2.000	1.424	1.424
Legacy Fund	0.253	0.289	0.336	0.421	0.421	0.437	0.433	0.346	0.912	0.851
Open Space (2)	1.611	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
2010 Fund	0.284	2.297	3.063	3.063	3.062	3.062	3.062	3.062	2.297	2.297
Early Childhood Care & Learning	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Safety First Fund (3)	0.000	0.000	0.000	0.000	0.000	0.000	2.391	2.391	2.391	2.391
<b>Total</b>	<b>11.448</b>	<b>12.602</b>	<b>12.595</b>	<b>12.796</b>	<b>12.824</b>	<b>12.789</b>	<b>15.173</b>	<b>15.072</b>	<b>15.086</b>	<b>14.986</b>
<b>Summit School District RE-1:</b>										
General Fund	13.320	12.832	13.923	14.635	14.677	14.708	14.670	14.273	14.278	13.993
Bond Redemption Fund	4.653	3.886	3.582	4.492	4.331	4.421	4.350	4.350	4.921	4.611
Special Building & Technology Fund	3.396	3.396	0.000	0.000	0.000	0.000	0.000	0.000	1.000	1.000
Kindergarten Fund	0.438	0.451	0.403	0.524	0.472	0.573	0.548	0.485	0.445	0.473
Transportation Fund	0.484	0.371	0.456	0.551	0.551	0.573	0.567	0.510	0.507	0.448
<b>Total</b>	<b>22.291</b>	<b>20.936</b>	<b>18.364</b>	<b>20.202</b>	<b>20.031</b>	<b>20.275</b>	<b>20.135</b>	<b>19.618</b>	<b>21.151</b>	<b>20.525</b>
<b>College:</b>										
Colorado Mountain College	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997
<b>Special Districts:</b>										
Colorado River Water Conservation District	0.198	0.166	0.188	0.228	0.242	0.254	0.253	0.243	0.253	0.254
Eagles Nest Metropolitan District (4)	15.014	15.076	15.028	15.022	15.157	15.007	15.023	15.000	15.020	15.052
Lake Dillon Fire Protection District	8.286	8.295	8.279	8.284	9.021	9.014	9.016	9.026	9.023	9.003
South Maryland Creek Metropolitan District (5)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	17.000	63.016
Middle Park Water Conservancy District	0.062	0.056	0.056	0.056	0.056	0.056	0.056	0.055	0.055	0.055
<b>Total</b>	<b>23.560</b>	<b>23.593</b>	<b>23.551</b>	<b>23.590</b>	<b>24.476</b>	<b>24.331</b>	<b>24.348</b>	<b>24.324</b>	<b>41.351</b>	<b>87.380</b>
<b>Total Mill Levies</b>	<b>61.296</b>	<b>61.128</b>	<b>58.507</b>	<b>60.585</b>	<b>61.328</b>	<b>61.392</b>	<b>63.653</b>	<b>63.011</b>	<b>81.585</b>	<b>126.888</b>

(1) The Town does not have a property tax.  
 (2) Combined into "2010 Fund" in 2009, which also includes Workforce Housing, Wildfire Mitigation and Energy Efficiency in Public Buildings.  
 (3) Ambulance, Communications Center, Water Protection  
 (4) Applies only to properties in the Eagles Nest subdivision.  
 (5) Applies only to properties in the Summit Sky Ranch subdivision.

Source: Summit County Assessor's Office

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

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	<u>2008 (1)</u>	<u>2009 (2)</u>	<u>2010 (3)</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015 (4)</u>	<u>2016</u>	<u>2017</u>
<b>Water Rates:</b>										
Monthly	\$ 15.00	\$ 12.17	\$ 12.17	\$ 12.17	\$ 12.17	\$ 12.35	\$ 12.97	\$ 13.62	\$ 14.03	\$ 14.73
Per 1,000 Gallons	1.00	1.30	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35
Tap Fee	5,800	6,000	6,200	6,400	6,600	6,800	7,000	7,200	7,400	7,600
<b>Sewer Rates:</b>										
Monthly	\$ 27.83	\$ 27.83	\$ 28.67	\$ 30.10	\$ 30.10	\$ 30.10	\$ 30.70	\$ 32.32	\$ 31.94	\$ 32.58
Tap Fee	5,400	5,400	5,400	5,600	5,600	5,600	5,600	5,800	6,000	6,200

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

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

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

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

Source: Town of Silverthorne Water Department

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

Retail Category	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Auto	\$ 17,388,500	\$ 10,556,975	\$ 12,486,575	\$ 13,789,575	\$ 15,346,050	\$ 17,123,900	\$ 18,917,050	\$ 20,326,400	\$ 21,861,150	\$ 20,490,150
Building	34,200,400	23,322,650	18,402,700	18,648,475	22,187,050	39,211,700	43,404,225	53,153,800	60,703,850	62,939,600
Consumer	40,652,225	43,738,925	46,166,550	47,315,975	47,794,275	48,112,700	55,871,150	60,464,050	62,327,775	66,006,075
Outlet Stores	70,151,500	64,776,725	65,973,200	66,877,150	72,092,075	69,416,475	65,353,625	62,875,750	59,651,900	60,245,125
Food/Liquor	31,387,400	28,710,100	28,642,425	30,182,775	30,362,725	31,384,500	32,953,750	35,895,675	39,181,275	40,620,425
Lodging	7,166,875	5,600,325	6,075,775	6,521,850	6,335,825	6,944,400	7,960,825	9,235,800	13,263,950	15,749,250
Services	10,970,250	9,595,675	9,817,525	10,443,525	9,906,900	12,396,475	11,264,750	12,392,175	11,112,025	13,572,400
<b>Total</b>	<b>\$211,917,150</b>	<b>\$186,301,375</b>	<b>\$187,564,750</b>	<b>\$193,779,325</b>	<b>\$204,024,900</b>	<b>\$224,590,150</b>	<b>\$235,725,375</b>	<b>\$254,343,650</b>	<b>\$268,101,925</b>	<b>\$279,623,025</b>

Auto	8.21%	5.67%	6.66%	7.12%	7.52%	7.62%	8.03%	7.99%	8.15%	7.33%
Building	16.14%	12.52%	9.81%	9.62%	10.87%	17.46%	18.41%	20.90%	22.64%	22.51%
Consumer	19.18%	23.48%	24.61%	24.42%	23.43%	21.42%	23.70%	23.77%	23.25%	23.61%
Outlet Stores	33.10%	34.77%	35.17%	34.51%	35.33%	30.91%	27.72%	24.72%	22.25%	21.55%
Food/Liquor	14.81%	15.41%	15.27%	15.58%	14.88%	13.97%	13.98%	14.11%	14.61%	14.53%
Lodging	3.38%	3.01%	3.24%	3.37%	3.11%	3.09%	3.38%	3.63%	4.95%	5.63%
Services	5.18%	5.15%	5.23%	5.39%	4.86%	5.52%	4.78%	4.87%	4.14%	4.85%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Prior year numbers have been restated to reflect sales by category, rather than revenue by category.  
Source: Town of Silverthorne Sales Tax Reports

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

Sales Tax Remittance Rankings	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
1	Target	Target	Target	Target	Target	Target	Target	Target	Lowe's	Lowe's
2	Bighorn	Xcel Energy	Xcel Energy	Xcel Energy	Lowe's	Lowe's	Lowe's	Lowe's	Target	Target
3	Xcel Energy	Bighorn	Nike	Nike	Nike	Xcel Energy	Xcel Energy	Nike	Nike	Nike
4	Polo	Polo	Polo	Polo	Xcel Energy	Nike	Nike	Xcel Energy	Murdoch's	Xcel Energy
5	Coach	Nike	Bighorn	Mountain Sports	Coach	Polo	Murdoch's	Murdoch's	Xcel Energy	Murdoch's
6	Vista Auto	Coach	Coach	Coach	Polo	Coach	Vista Motors	Vista Motors	Vista Motors	Columbia
7	Nike	Mountain Sports	Mountain Sports	Bighorn	Mountain Sports	Mountain Sports	Mountain Sports	Mountain Sports	Columbia	Ferguson
8	Mountain Sports	Banana Republic	Banana Republic	Columbia	Banana Republic	Vista Motors	Columbia	Columbia	George T Sanders	George T Sanders
9	Banana Republic	Ferguson	Office Max	Banana Republic	Vista Motors	Banana Republic	Polo	Under Armour	Summit Ford	Vista Motors
10	Office Max	Office Max	J Crew	Vista Motors	Columbia	Columbia	Under Armour	Summit Ford	Mountain Sports	Hampton Inn

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Actual valuations</b>	<u>\$ 1,170,597,590</u>	<u>\$ 1,408,620,530</u>	<u>\$ 1,433,569,430</u>	<u>\$ 1,183,778,620</u>	<u>\$ 1,192,029,740</u>	<u>\$ 1,162,235,780</u>	<u>\$ 1,178,975,000</u>	<u>\$ 1,294,410,010</u>	<u>\$ 1,335,504,580</u>	<u>\$ 1,611,458,220</u>
Legal debt margin:										
Debt limitation - 3 percent of actual value (1)	35,117,928	42,258,616	43,007,083	35,513,359	35,760,892	34,867,073	35,369,250	38,832,300	40,065,137	48,343,747
Debt applicable to limitation:										
Total bonded debt	1,845,000	-	-	-	-	-	-	-	-	-
Less: Special assessment bonds	-	-	-	-	-	-	-	-	-	-
Revenue bonds	(1,845,000)	-	-	-	-	-	-	-	-	-
Debt exempt by law from legal debt margin (Water Bonds)	-	-	-	-	-	-	-	-	-	-
Total exempt debt	(1,845,000)	-	-	-	-	-	-	-	-	-
Total debt applicable to limitation	-	-	-	-	-	-	-	-	-	-
<b>Legal debt margin</b>	<u>\$ 35,117,928</u>	<u>\$ 42,258,616</u>	<u>\$ 43,007,083</u>	<u>\$ 35,513,359</u>	<u>\$ 35,760,892</u>	<u>\$ 34,867,073</u>	<u>\$ 35,369,250</u>	<u>\$ 38,832,300</u>	<u>\$ 40,065,137</u>	<u>\$ 48,343,747</u>

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

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

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Gross Revenues (1)	\$ 2,069,532	\$ 2,043,837	\$ 2,041,821	\$ 2,073,503	\$ 2,096,870	\$ 2,077,373	\$ 2,175,512	\$ 2,308,354	\$ 2,495,690	\$ 2,534,734
Operating Expenses (2)	1,474,220	1,433,925	1,533,333	1,575,908	1,702,243	1,665,476	2,040,750	2,116,186	2,067,601	2,169,895
Net Revenue Available for Debt Service	595,312	609,912	508,488	497,595	394,627	411,897	134,762	192,168	428,089	364,839

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

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

Schedule 17

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Gross Revenues (1)	\$ 15,832,567	\$ 12,288,732	\$ 11,549,193	\$ 12,235,556	\$ 12,672,283	\$ 14,543,171	\$ 16,151,817	\$ 15,660,342	\$ 22,040,999	\$ 21,080,501
Operating Expenses (2)	19,250,402	14,079,019	11,131,960	12,140,869	11,087,961	13,870,078	12,980,312	13,708,038	19,308,290	20,260,786
Net Revenue Available for Debt Service	(3,417,835)	(1,790,287)	417,233	94,687	1,584,322	673,093	3,171,505	1,952,304	2,732,709	819,715
Debt Service Requirement										
Principal	325,000	-	-	-	-	-	-	-	-	-
Interest	187,976	-	-	-	-	-	-	-	-	-
Total	\$ 512,976	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Coverage</b>	(6.66)	-	-	-	-	-	-	-	-	-

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

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

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

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Population (1) (2) (3)	4,163	3,863	3,887	3,896	3,916	4,010	4,116	4,239	4,392	4,636
Assessed Value	\$ 159,036,460	\$ 185,244,790	\$ 186,258,380	\$ 154,970,690	\$ 155,852,340	\$ 152,981,040	\$ 152,959,220	\$ 165,029,720	\$ 168,688,520	\$ 189,697,090
<b>Governmental Activities</b>										
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Bonds	\$ 1,845,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Leases	\$ 452,603	\$ 262,933	\$ 103,991	\$ 15,879	\$ -	\$ -	\$ 180,000	\$ 163,372	\$ 5,006,640	\$ 4,480,274
<b>Business-Type Activities</b>										
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Primary Government</b>	<b>\$ 2,297,603</b>	<b>\$ 262,933</b>	<b>\$ 103,991</b>	<b>\$ 15,879</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 180,000</b>	<b>\$ 163,372</b>	<b>\$ 5,006,640</b>	<b>\$ 4,480,274</b>
Percentage of Personal Income (2) (4)	1.21%	0.16%	0.06%	0.01%	0.00%	0.00%	0.08%	0.07%	2.00%	1.66%
Per Capita (2) (5)	\$ 552	\$ 68	\$ 27	\$ 4	\$ -	\$ -	\$ 44	\$ 39	\$ 1,140	\$ 966

- (1) Annual government censuses and Summit County/Community Development department.  
(2) Prior year numbers that were based on estimates may have changed due to actual numbers becoming available.  
(3) Current year is an estimate based on historical data.  
(4) Percentage of per capita income from schedule 19.  
(5) Represents per capita of Silverthorne population.

Town of Silverthorne, Colorado  
Direct and Overlapping Governmental Activities Debt  
December 31, 2017

Overlapping Entity	2017 Value	Debt Outstanding	Net Outstanding Debt Chargeable to Properties within the Town	
			Percent	Amount
Eagle's Nest Metropolitan District	\$ 64,780,630	\$ 1,415,000	100.0	\$ 1,415,000
Summit County School District RE-1	1,862,888,520	90,050,000	10.0	<u>9,005,000</u>
		Total Overlapping Debt		10,420,000
		Town of Silverthorne Direct Debt		4,480,274
		Total Direct & Overlapping Debt		<u><u>\$ 14,900,274</u></u>

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

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

Town of Silverthorne, Colorado  
Demographics Statistics  
Last Ten Fiscal Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Silverthorne Population (1) (4) (5)	4,163	3,863	3,887	3,896	3,916	4,010	4,116	4,239	4,392	4,636
County Population (1) (3) (4) (5)	26,724	27,783	28,073	28,144	28,294	28,637	28,975	30,257	30,374	31,582
Personal Income (2) (3) (4) (5) (6)	1,215,100	1,138,281	1,210,044	1,286,331	1,296,192	1,414,380	1,490,350	1,590,203	1,773,425	1,844,362
Per Capita Income (2) (3) (4) (5)	45,468	41,789	43,090	44,431	46,220	49,287	52,393	54,615	56,909	58,386
Median Family Income (1) (2) (3) (4) (5)	81,300	85,100	87,200	89,351	93,729	92,979	90,800	96,883	100,758	104,789
Silverthorne School Enrollment (7)	336	330	338	342	307	307	320	364	340	290
Unemployment Rate (1) (2) (3) (4) (5)	3.8%	6.9%	7.8%	7.5%	7.1%	4.4%	3.2%	1.6%	1.9%	1.9%

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

(2) Statistics available for Summit County only.

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

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

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

(6) In thousands

(7) RE-1 School District

Town of Silverthorne, Colorado  
Principal Employers  
Fiscal Year 2017

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

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

(2) Based on County employment number of 21,598.

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

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

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

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Administrative Services:</b>										
Council Meetings	23	22	22	22	22	22	22	22	22	22
Newsletters	6	4	6	6	6	4	2	-	-	4
Business Licenses	1,067	1,179	1,134	1,130	1,156	1,204	1,241	1,301	1,339	1,461
Elections	1	1	1	-	2	1	-	-	1	1
<b>Public Safety: (1)</b>										
Physical Arrests	288	212	180	172	144	208	189	176	198	210
Parking Violations	404	443	314	237	342	260	160	161	269	358
Traffic Violations	2,501	2,366	2,341	2,082	1,839	2,760	1,727	1,781	1,537	2,445
Calls for Service	7,575	6,840	6,498	5,991	5,848	7,032	6,053	6,134	6,364	7,949
<b>Public Works:</b>										
Street Resurfacing (miles)	4.18	4.55	3.68	3.68	3.68	0.50	0.00	7.55	3.58	4.23
Miles of Streets to Plow	28	28	28	28	28	29	32	32	32	34
Miles of Sidewalks/Trails to Maintain	18	24	24	24	24	25	26	26	26	28
<b>Community Development: (2)</b>										
Building Permits Issued	92	65	72	59	52	47	81	107	157	150
CO's Issued	56	78	35	8	23	20	30	32	32	67
Computers	113	115	115	115	115	115	115	117	118	118
Users	121	107	109	110	110	110	115	120	121	121
Applications	27	27	33	33	33	35	34	34	34	36
<b>Recreation &amp; Culture:</b>										
<b>Recreation Center:</b>										
Annual Visitors	259,922	250,369	248,433	242,593	265,137	265,399	258,469	279,074	287,023	278,590
Daily Admissions	34,000	33,384	33,071	39,013	31,247	32,602	31,632	33,435	33,284	35,404
Free Fitness Classes	1,593	1,593	1,623	1,619	1,542	1,683	1,520	1,533	1,540	1,460
<b>Pavilion: (3)</b>										
Wedding Rentals	51	34	53	48	50	80	91	104	107	-
Non-Wedding Rentals	95	80	119	114	64	69	66	70	56	-
Town Usage	-	-	-	-	-	-	-	-	-	38
Rentals Usage	-	-	-	-	-	-	-	-	-	142
Programs Usage	-	-	-	-	-	-	-	-	-	97
Granted Usage	-	-	-	-	-	-	-	-	-	20
<b>Performing Arts Center: (4)</b>										
Total Theatre & Music Performances	-	-	-	-	-	-	-	-	-	128
Total Tickets Sold	-	-	-	-	-	-	-	-	-	7,868
Youth Participating in Programs	-	-	-	-	-	-	-	-	-	152
First Time Ticket Buyers	-	-	-	-	-	-	-	-	-	506
<b>Water &amp; Sewer:</b>										
Water EQR's	3,053	3,053	3,148	3,164	3,217	3,243	3,346	3,434	3,481	3,625
Service Connections	1,602	1,643	1,660	1,671	1,687	1,707	1,756	1,819	1,838	1,896
Average Daily Consumption in Gallons	691,500	750,000	643,000	628,000	607,000	727,000	619,745	577,800	594,300	590,581
Sewer EQR's	3,042	3,096	3,149	3,161	3,210	3,238	3,339	3,431	3,475	3,625
Service Connections	1,574	1,600	1,625	1,635	1,654	1,675	1,719	1,758	1,806	1,883

(1) Prior year numbers have been restated.

(2) Includes Management Information Systems

(3) The Pavilion purchased new software that allows for more detailed information on types of events. However, the information is not available for years prior to 2017.

(4) The Performing Arts Center opened in 2017.

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

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

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Public Safety:</b>										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	9	9	9	9	9	9	9	9	9	9
<b>Public Works:</b>										
Miles of Streets	28.08	28.39	28.39	28.39	28.39	29.03	31.54	31.71	31.71	34.11
Miles of Sidewalks/Trails	17.75	23.95	23.95	24.35	24.35	24.66	26.18	26.18	26.18	26.28
Traffic Lights	8	8	8	10	10	10	11	11	11	11
<b>Recreation &amp; Culture:</b>										
Park/Open Space Acreage	72.18	72.18	72.18	72.18	73.54	82.81	82.81	82.81	82.81	82.81
Parks	4	4	4	4	7	7	7	7	7	7
Swimming Pools	4	4	4	4	4	4	4	4	4	4
Tennis Courts	4	4	4	4	4	4	4	4	4	4
Skateboard Parks	1	1	1	1	1	1	1	1	1	1
Volleyball Courts	4	4	4	4	4	4	4	4	4	4
Pavilion (Community Center)	1	1	1	1	1	1	1	1	1	1
Performing Arts Center	-	-	-	-	-	-	-	-	-	1
<b>Water &amp; Sewer:</b>										
Miles of Water Mains	46.50	50.18	50.28	45.44	45.60	46.08	48.24	50.21	50.21	54.90
Fire Hydrants	388	405	407	390	399	416	442	435	435	476
Miles of Sewers	28.25	32.78	32.88	31.61	31.61	32.68	32.38	33.89	33.89	39.90
Manholes	789	870	873	894	933	960	1020	1023	1023	1146

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

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

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

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Elected/Appointed	8	8	8	8	8	8	8	8	8	8
<b>Total Elected/Appointed</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>
Administrative Services (1)	10	10	10	10	10	10	10	11	11	12
Public Safety	20	18	18	18	18	19	19	18	18	19
Public Works (2)	20	20	20	20	20	20	21	21	23	23
Water and Sewer	4	4	4	4	4	4	4	5	5	5
Community Development	8	7	6	6	6	6	6	6	7	7
Recreation and Culture (3)	19	19	19	19	19	19	19	21	21	21
Pavilion	4	4	4	4	4	4	4	5	5	5
<b>Total Full-Time Employees</b>	<b>85</b>	<b>82</b>	<b>81</b>	<b>81</b>	<b>81</b>	<b>82</b>	<b>83</b>	<b>87</b>	<b>90</b>	<b>92</b>

(1) Includes one 3/4 time employee.

(2) 2009 and 2010 numbers were decreased.

(3) Includes three 3/4 time employees.

Source: Town of Silverthorne Biennial Financial Plan

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

**LOCAL HIGHWAY FINANCE REPORT**

City or County:  
Town of Silverthorne

YEAR ENDING :  
12/31/2017

This Information From The Records Of (example - City of \_ or County of \_):  
Town of Silverthorne

Prepared By: T McArthur  
Phone: 970-262-7300

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

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

**II. RECEIPTS FOR ROAD AND STREET PURPOSES**

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	2,329,716
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	904,459
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	50,269
2. General fund appropriations	2,269,794	b. Snow and ice removal	174,562
3. Other local imposts (from page 2)	68,064	c. Other	-
4. Miscellaneous local receipts (from page 2)	105,070	d. Total (a. through c.)	224,831
5. Transfers from toll facilities		4. General administration & miscellaneous	257,970
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	620,304
a. Bonds - Original Issues		6. Total (1 through 5)	4,337,280
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	2,442,928	b. Redemption	
<b>B. Private Contributions</b>	1,771,885	c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	250,055	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	11,222
<b>E. Total receipts (A.7 + B + C + D)</b>	4,464,868	b. Redemption	116,366
		c. Total (a. + b.)	127,588
		3. Total (1.c + 2.c)	127,588
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	4,464,868

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>				0
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>				0

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		4,464,868	4,464,868		(0)

Notes and Comments:

<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE: Colorado
	YEAR ENDING (mm/yy): 12/31/2017

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

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	54,236
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	46,734
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	68,064	g. Other Misc. Receipts	4,100
6. Total (1. through 5.)	68,064	h. Other	
c. Total (a. + b.)	68,064	i. Total (a. through h.)	105,070
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	220,777	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	29,278	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	29,278	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	250,055	3. Total (1. + 2.g)	
			(Carry forward to page 1)

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

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs		69,109	69,109
b. Engineering Costs		0	0
c. Construction:			
(1). New Facilities		1,771,885	1,771,885
(2). Capacity Improvements		0	0
(3). System Preservation		462,944	462,944
(4). System Enhancement & Operation		25,778	25,778
(5). Total Construction (1) + (2) + (3) + (4)	0	2,260,607	2,260,607
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	2,329,716	2,329,716
			(Carry forward to page 1)

**Notes and Comments:**

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