

**Town of Silverton, Colorado**

**Financial Statements**  
with Independent Auditor's Report

**December 31, 2024**



**HINKLE &  
COMPANY**  
*Strategic* <sup>PC</sup>  
*Business Advisors*

# Town of Silverton, Colorado

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Business Advisors

## Independent Auditor's Report

Honorable Mayor and Members of the Board of Trustees  
Town of Silverton, Colorado  
Silverton, Colorado

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Silverton, Colorado (the Town), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town, as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

The Town's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for one year after the date that the financial statements are issued.

#### Office Locations:

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***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



***Required Supplementary Information***

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

***Other Information***

Management is responsible for the other information included in the Supplementary Information and the local highway finance report, as listed in the table of contents. The other information comprises the Supplementary Information and the local highway finance report but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

*Hick & Company, PC*

Englewood, Colorado  
July 31, 2025



## Management's Discussion and Analysis

This discussion and analysis of the financial performance of the Town of Silverton, Colorado (Town) provides an overview of the Town's financial activities for the fiscal year ended December 31, 2024. Please read it in conjunction with the financial statements.

### FINANCIAL HIGHLIGHTS

- The Town of Silverton had a Net Position of \$6,188,376 at December 31, 2024.
- The Net Position of the Town decreased by \$37,474 (-0.6%) during 2024.
- At December 31, 2024, the Town's governmental funds reported combined ending fund balances of \$1,357,235. This marked a decrease of \$199,861 (-12.8%) from the prior year's ending governmental fund balances due primarily to expenditures in the General Fund exceeding General Fund revenues.
- The General Fund decreased its Fund Balance by \$189,491 (-17.0%) during 2024.
- The Town's Water, Sewer, and Refuse Funds' net positions stayed steady with a slight decrease of \$8,761 (-0.5%) during 2024.

### USING THIS ANNUAL REPORT

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

#### Government-wide financial statements

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

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

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

Both government-wide financial statements distinguish functions of the Town of Silverton that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety (police and fire), public works, culture and recreation, and special events. The business-type activities of the Town include water, sewer, and refuse disposal operations.

#### Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Silverton, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Town can be divided into two categories: Governmental Funds and Proprietary Funds.

**Governmental Funds** -- Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds. The unrestricted balances left at year-end are

available for spending in future years. These funds are reported using the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide detailed short-term views of cash, operations, and basic services provided. Governmental fund statements show the reader whether there are more or fewer financial resources available at the end of a fiscal year that can be spent in the near future to finance government programs and objectives.

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 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 near-term financing decisions. The *Reconciliation of Balance Sheet of the Governmental Funds to the Statement of Net Position* and the *Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities* provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The Town of Silverton maintains five individual governmental funds. Information for these funds is presented by fund name in the *Governmental Fund Balance Sheet* and the *Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances* for the one governmental fund that meets the criteria to be designated as a major fund (General Fund). The Town's non-major funds (Conservation Trust Fund, Molas Lake Park Fund, Cemetery Fund, and Housing Authority Fund) are combined in the Other Governmental Funds column on these statements. Individual fund information for these non-major funds is shown in the *Supplementary Information* section of this report.

**Proprietary Funds** -- The Town's utility services are reported in proprietary funds; they focus on overall economic position rather than year-end fund balances. Enterprise funds are the type of proprietary funds used to account for the Town's Water Fund, Sewer Fund, and Refuse Fund. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements, only in a bit more detail.

### **Notes to the Financial Statements**

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

### **Other information**

Budgetary comparison statements or schedules to demonstrate each fund's compliance with adopted budgets and appropriations are included following the "Notes to Financial Statements" in the Required Supplementary Information section for the General Fund and any major Special Revenue Funds (none in 2024), and in the Supplementary Information section for all other funds. For the year ended December 31, 2024, all funds had budgeted expenditures/expenses.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

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 Silverton, assets exceeded liabilities and deferred inflows of resources by \$6,188,376 at the close of 2024. As shown below, the Town's financial position decreased by \$37,474 (-0.6%) during 2024.

### Town of Silverton's Condensed Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 2,154,512	\$ 2,074,546	\$ 627,093	\$ 438,894	\$ 2,781,605	\$ 2,513,440
Capital assets, net	4,105,871	4,117,149	1,491,962	1,490,611	5,597,833	5,607,760
<b>Total assets</b>	<b>\$ 6,260,383</b>	<b>\$ 6,191,695</b>	<b>\$ 2,119,055</b>	<b>\$ 1,929,505</b>	<b>\$ 8,379,438</b>	<b>\$ 8,121,200</b>
Deferred outflows of resources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Current liabilities	\$ 370,325	\$ 94,764	\$ 138,986	\$ 11,138	\$ 509,311	\$ 105,902
Noncurrent Liabilities	972,146	1,154,572	282,653	212,190	1,254,799	1,366,762
<b>Total liabilities</b>	<b>\$ 1,342,471</b>	<b>\$ 1,249,336</b>	<b>\$ 421,639</b>	<b>\$ 223,328</b>	<b>\$ 1,764,110</b>	<b>\$ 1,472,664</b>
Deferred inflows of resources	\$ 426,952	\$ 422,686	\$ -	\$ -	\$ 426,952	\$ 422,686
Net position:						
Net investment in capital assets	\$ 3,214,841	\$ 3,020,779	\$ 1,209,309	\$ 1,490,611	\$ 4,424,150	\$ 4,511,390
Restricted	558,082	540,957	-	-	558,082	540,957
Committed	81,500	81,500	-	-	81,500	81,500
Unrestricted	636,537	876,437	488,107	215,566	1,124,644	1,092,003
<b>Total net position</b>	<b>\$ 4,490,960</b>	<b>\$ 4,519,673</b>	<b>\$ 1,697,416</b>	<b>\$ 1,706,177</b>	<b>\$ 6,188,376</b>	<b>\$ 6,225,850</b>

Most (71.5%) of the Town's total net position at December 31, 2024 is represented by its investment in capital assets (e.g. land, infrastructure, buildings, machinery, and equipment). The Town uses these capital assets to provide services to residents and businesses; consequently, these assets are not available for future spending.

Approximately 9.0% (\$558,082) of the Town's total net position at the end of 2024 represents resources that are subject to external restrictions on how they may be used. They are fund balance restrictions for Molas Lake Park (\$284,066), state-shared lottery revenues (\$81,005) restricted for parks and certain recreation projects, \$55,011 of cemetery revenues restricted for cemetery expenses, and \$138,000 for emergencies. An additional \$81,500 (1.3%) of net position is committed to future capital projects for Molas Lake Park and other General Fund capital outlays.

The remaining amount of the Town's total net position at the end of 2024 (\$1,124,644) represents 18.2% of total net position and may be used to meet the Town's other ongoing obligations to residents and creditors.

The following chart displays the changes in net position experienced by the Town over the last two fiscal years. An analysis of these changes follows for both its Governmental and Business-type Activities.

Town of Silverton's Condensed Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Program revenues:						
Charges for services	\$ 1,004,777	\$ 305,807	\$ 1,046,652	\$ 914,422	\$ 2,051,429	\$ 1,220,229
Operating grants & contributions	385,273	119,177	15	-	385,288	119,177
Capital grants & contributions	266,329	49,713	41,922	8,326	308,251	58,039
General revenues:						
Sales & use taxes	1,840,350	1,745,346	-	-	1,840,350	1,745,346
Property taxes	454,476	306,347	-	-	454,476	306,347
Franchise taxes	36,869	37,299	-	-	36,869	37,299
Other taxes	31,054	41,815	-	-	31,054	41,815
Licenses & permits	200,952	179,955	56,766	-	257,718	179,955
Fines & Forfeitures	27,595	12,574	-	-	27,595	12,574
Investment income	6,693	5,588	720	-	7,413	5,588
Other general revenues	55,647	846,465	-	-	55,647	846,465
Total revenues	\$ 4,310,015	\$ 3,650,086	\$ 1,146,075	\$ 922,748	\$ 5,456,090	\$ 4,572,834
Program expenses:						
General government	\$ 1,360,774	\$ 1,356,403	\$ -	\$ -	\$ 1,360,774	\$ 1,356,403
Public safety	470,305	491,862	-	-	470,305	491,862
Public works	1,240,474	823,766	-	-	1,240,474	823,766
Culture & recreation	989,478	870,238	-	-	989,478	870,238
Special events	127,341	107,575	-	-	127,341	107,575
Water utility	-	-	509,901	591,574	509,901	591,574
Sewer utility	-	-	407,050	254,965	407,050	254,965
Refuse disposal	-	-	343,885	291,366	343,885	291,366
Interest on long-term debt	44,356	56,874	-	-	44,356	56,874
Total expenses	\$ 4,232,728	\$ 3,706,718	\$ 1,260,836	\$ 1,137,905	\$ 5,493,564	\$ 4,844,623
Transfers In/(Out)	\$ (106,000)	\$ -	\$ 106,000	\$ -	\$ -	\$ -
Increase/(decrease)in net position	\$ (28,713)	\$ (56,632)	\$ (8,761)	\$ (215,157)	\$ (37,474)	\$ (271,789)
Net Position, Beginning	4,519,673	4,576,305	1,706,177	1,921,334	6,225,850	6,497,639
Net Position, Ending	\$ 4,490,960	\$ 4,519,673	\$ 1,697,416	\$ 1,706,177	\$ 6,188,376	\$ 6,225,850

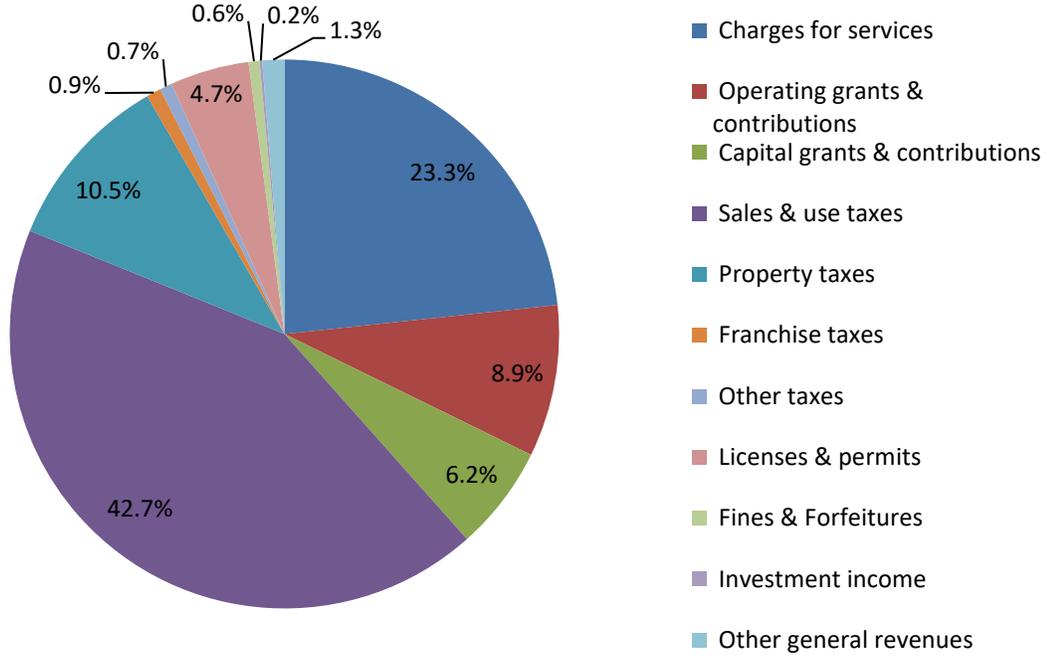
**Governmental Activities**

The Town's Governmental Activities stayed relatively constant from 2023 to 2024 with decreased net position of \$28,713 (-0.6%). Key areas of change among revenues and expenses were as follows:

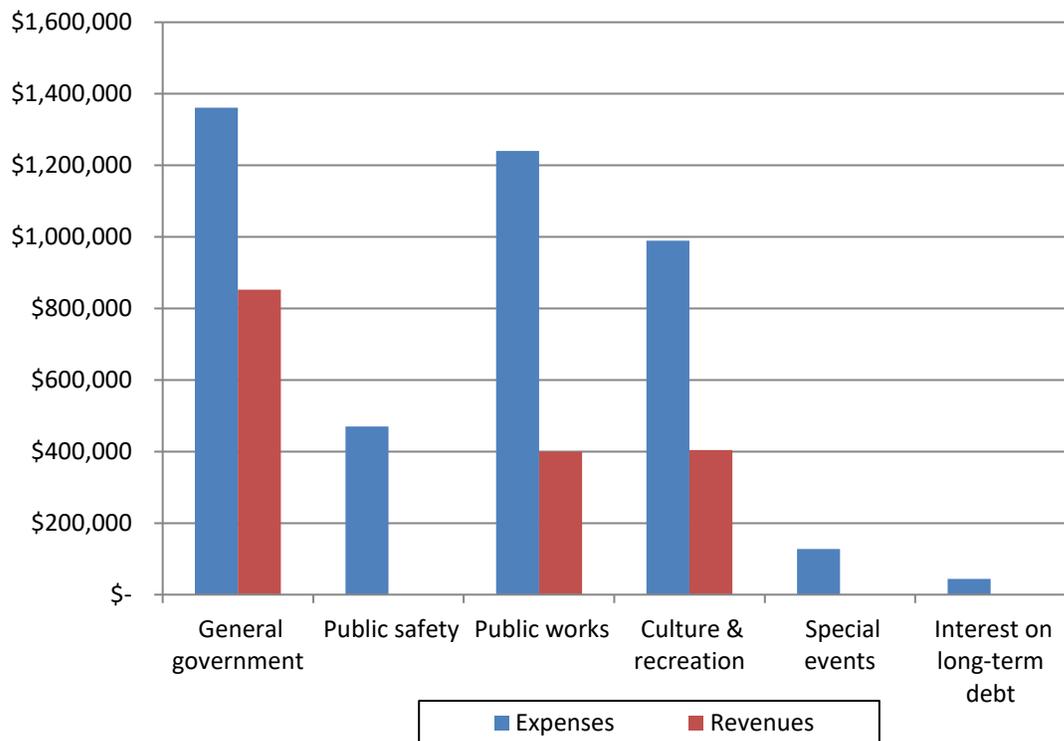
- Operating and capital grants and contributions increased by \$482,712 in 2024.
- Public Works expenses increased by \$416,708 in 2024.

The following two charts illustrate the Governmental Activities revenues and expenses. As in most municipalities, the expenses of governmental activities are not fully supported through program revenues but are largely financed through taxes.

### Revenues by Source - Governmental Activities



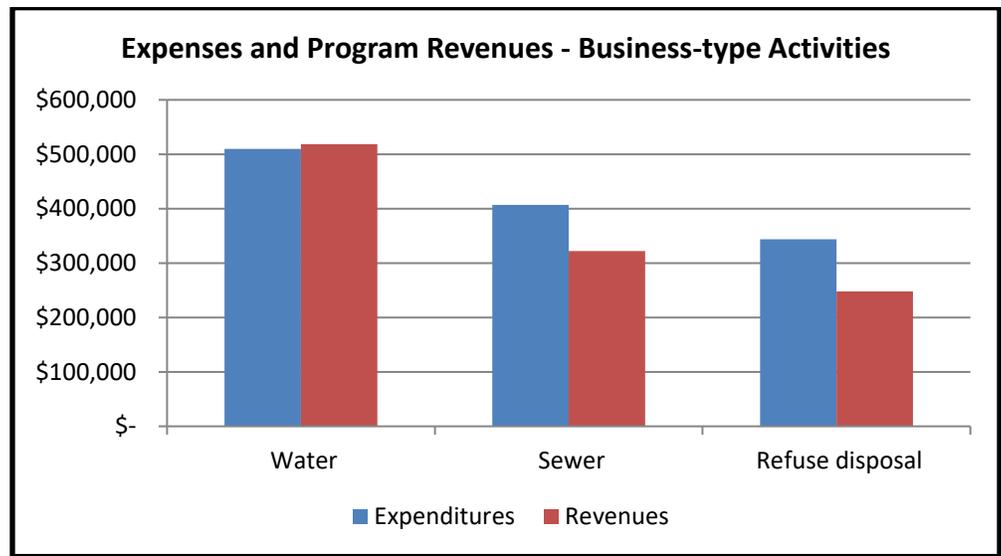
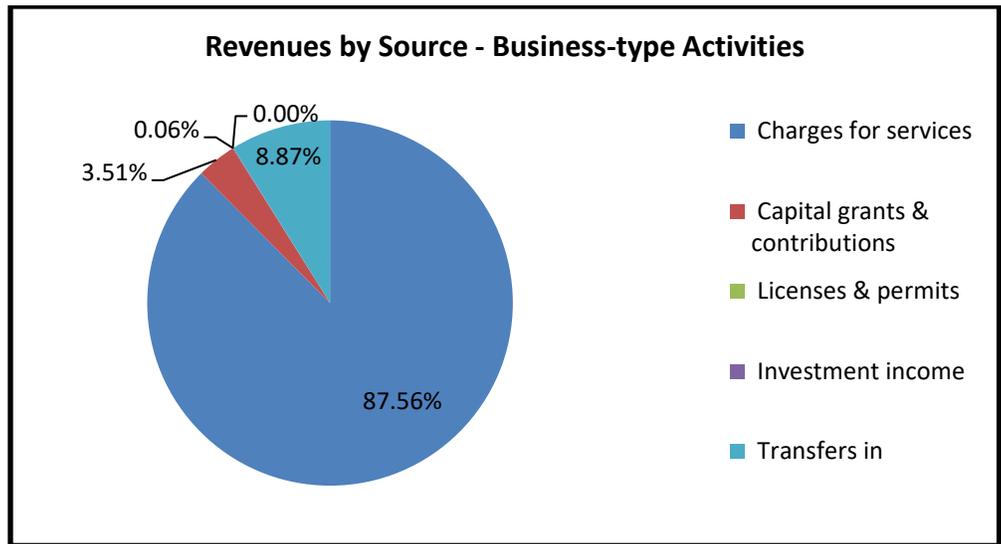
### Expenses and Program Revenues - Governmental Activities



**Business-type Activities**

Business-type Activities stayed fairly constant in 2024 with a decrease in net position of \$8,761 (-0.5%) from 2023. The 2024 decrease was primarily due to operating losses in the Sewer Fund and Refuse Fund totaling \$163,886. These operating losses were offset by operating income in the Water Fund, capital contributions in the Water and Sewer Funds, and a \$106,000 transfer to the Refuse Fund from the General Fund.

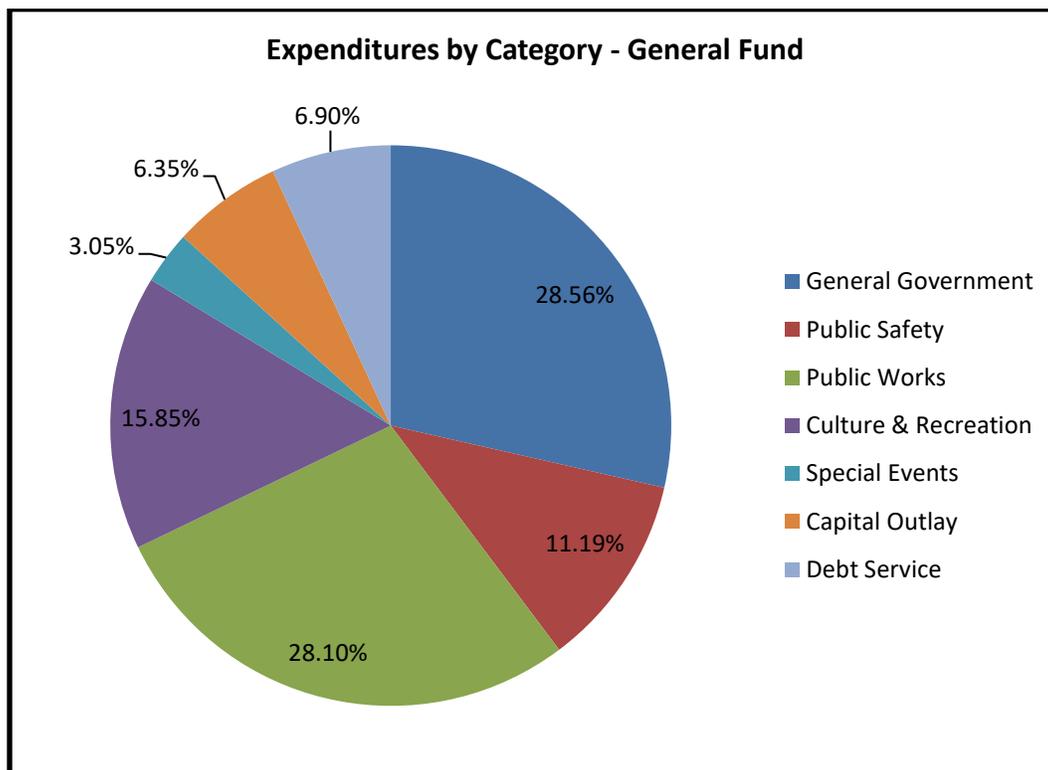
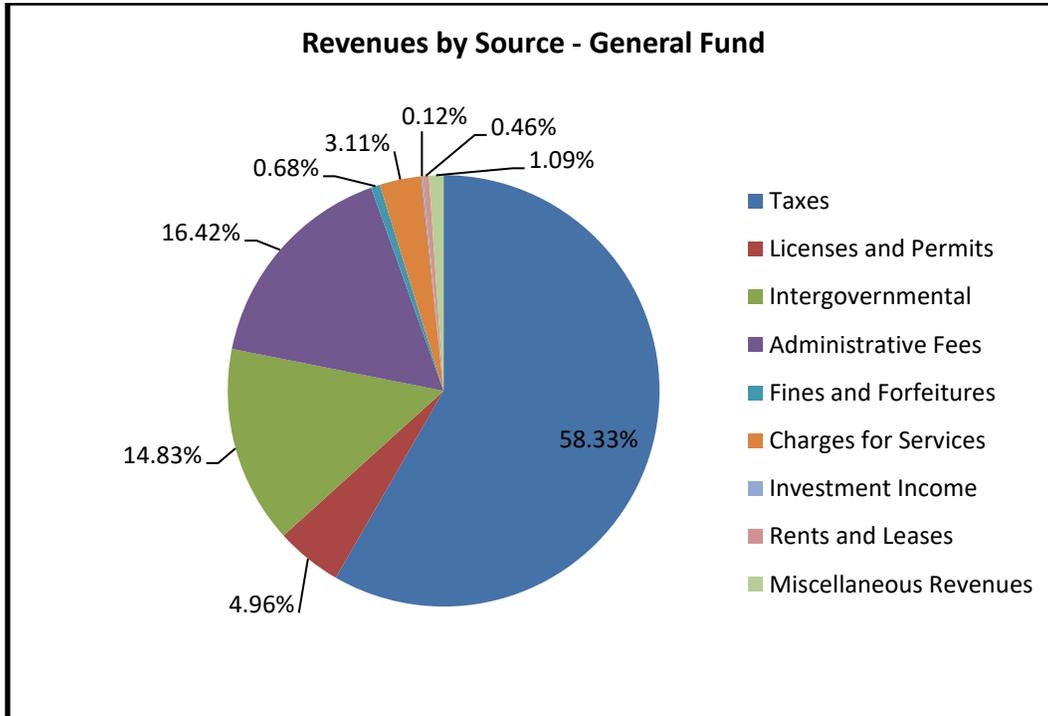
The following two charts illustrate the Business-type Activities revenues and expenses for 2024.



**THE TOWN'S FUNDS**

As noted earlier, the Town of Silverton uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Governmental Funds utilize the modified accrual basis of accounting, and the balances of the spendable resources (unrestricted fund balance) in each fund are shown at year end. The Town's major funds are discussed below.

**General Fund.** The General Fund is the chief operating fund of the Town of Silverton. It accounts for all the general services provided by the Town. At the end of 2024, the fund balance of the General Fund totaled \$926,648. This was a \$189,491 (-17.0%) decrease from 2023. Revenues in 2024 of \$4,050,485 were outpaced by expenditures totaling \$4,175,226. The fund also transferred \$106,000 to the Refuse Fund. The following two tables illustrate General Fund revenues and expenditures during 2024.



*Water Fund.* At December 31, 2024 the net position of the Water Fund was \$1,225,169. This was an increase of \$37,540 (3.2%) from 2023. The fund had net operating income of \$10,780 in 2024 as charges for services exceeded expenses. Plant investment fees and tap fees totaling \$26,760 were also received for future system capacity and improvements.

*Sewer Fund.* At December 31, 2024 the net position of the Sewer Fund was \$495,140. This was a decrease of \$55,907 (-10.1%) from 2023. The fund had an operating loss of \$67,477 and capital contributions of \$32,183 for future system capacity and improvements.

*Refuse Fund.* At December 31, 2024 the net position of the Refuse Fund was -\$22,908. This was an improvement of \$9,591 (29.5%) from 2023 due to a transfer of \$106,000 from the General Fund. The fund had an operating loss of \$96,409 as expenses exceeded charges for services. The fund received "Bear Aware" contributions from the community totaling \$6,000.

## **CAPITAL ASSETS AND DEBT ADMINISTRATION**

*Capital Assets.* At December 31, 2024 the Town had invested in a range of capital assets including land, buildings and improvements, vehicles, machinery and equipment, ski lifts, and parks. Note 4 provides a summary of changes in capital assets during 2024. These included the completion of deck improvements at Kendall Mountain Park, Perimeter Trail planning, beginning of the More Housing Now project, the acquisition of a dump truck, and sewer collection system improvements.

*Debt Administration.* The Town's long-term debt primarily consists of loans and capital leases. At the end of 2024, the governmental activities had balances of \$891,030 owed on a note payable for a dump truck, and capital leases for road and snow equipment, a copier, and a park facility. Compensated absences are also recorded. See Note 5 for more detailed information.

In business-type activities at December 31, 2024, the Town owed \$203,703 on a 2018 loan from the Colorado Water Resources and Power Development Authority for utility system improvements, and \$78,950 on a line of credit for sewer improvements. The line of credit will be repaid with USDA Bond proceeds when the project is complete. See Note 5 for more detailed information.

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

The Town's 2025 Budget anticipates that the General Fund balance will continue to improve to build up reserves. The business-type funds' budgets reflect approved rate increases for the Water and Sewer Fund, and changes to the billing calculation method for the Refuse Fund. A transfer from the General Fund to the Refuse Fund is budgeted to address the negative net position of the Refuse Fund at December 31, 2024. New Federal trade policies and economic strategies have been introduced in 2025. Although designed to help improve the long-term economy, short-term impacts include reductions in federal grants to states and municipalities. The full economic impact of these policies on the Town's 2025 and future budgets has yet to be determined.

## **REQUESTS FOR INFORMATION**

This financial report is designed to provide the Town of Silverton's residents, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the funds it receives and the assets it maintains. If you have questions about this report, or should you desire additional financial information, contact the Town's management at Town of Silverton, 1360 Greene Street, Silverton, CO 81433 or call Town Hall at (970) 387-5522.

## **Basic Financial Statements**

**Town of Silverton, Colorado**  
**Statement of Net Position**  
**December 31, 2024**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and Cash Equivalents	\$ 1,397,803	\$ 236,231	\$ 1,634,034
Property Taxes Receivable	426,952	-	426,952
Accounts Receivable	305,571	271,440	577,011
Other Receivables	4,318	-	4,318
Inventory	-	119,422	119,422
Prepaid Expenses	19,868	-	19,868
Capital Assets,			
<i>Not being depreciated</i>	724,813	98,183	822,996
<i>Being depreciated, net</i>	<u>3,381,058</u>	<u>1,393,779</u>	<u>4,774,837</u>
 Total Assets	 <u>6,260,383</u>	 <u>2,119,055</u>	 <u>8,379,438</u>
<b>Liabilities</b>			
Accounts Payable	323,205	138,986	462,191
Accrued Salaries and Benefits	47,120	-	47,120
Noncurrent Liabilities			
Due Within One Year	208,517	8,488	217,005
Due in More Than One Year	<u>763,629</u>	<u>274,165</u>	<u>1,037,794</u>
 Total Liabilities	 <u>1,342,471</u>	 <u>421,639</u>	 <u>1,764,110</u>
<b>Deferred Inflows of Resources</b>			
Deferred Property Taxes	<u>426,952</u>	<u>-</u>	<u>426,952</u>
<b>Net Position</b>			
Net Investment in Capital Assets	3,214,841	1,209,309	4,424,150
Restricted for:			
Emergencies	138,000	-	138,000
Other Purposes	420,082	-	420,082
Committed for Future Outlays	81,500	-	81,500
 Unrestricted, unreserved	 <u>636,537</u>	 <u>488,107</u>	 <u>1,124,644</u>
 Total Net Position	 <u>\$ 4,490,960</u>	 <u>\$ 1,697,416</u>	 <u>\$ 6,188,376</u>

**Town of Silverton, Colorado**  
**Statement of Activities**  
For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		Total 2024
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	
<b>Primary Government</b>							
<b>Governmental Activities</b>							
General Government	\$ 1,360,774	\$ 688,086	\$ 131,589	\$ 33,116	\$ (507,983)	\$ -	\$ (507,983)
Public Safety	470,305	-	-	-	(470,305)	-	(470,305)
Public Works	1,240,474	-	195,608	203,821	(841,045)	-	(841,045)
Culture and Recreation	989,478	316,691	58,076	29,392	(585,319)	-	(585,319)
Special Events	127,341	-	-	-	(127,341)	-	(127,341)
Interest on Long-Term Debt	44,356	-	-	-	(44,356)	-	(44,356)
Total Governmental Activities	<u>4,232,728</u>	<u>1,004,777</u>	<u>385,273</u>	<u>266,329</u>	<u>(2,576,349)</u>	<u>-</u>	<u>(2,576,349)</u>
<b>Business-Type Activities</b>							
Water	509,901	491,758	-	26,760	-	8,617	8,617
Sewer	407,050	307,105	-	15,162	-	(84,783)	(84,783)
Refuse	343,885	247,789	15	-	-	(96,081)	(96,081)
Total Business-Type Activities	<u>1,260,836</u>	<u>1,046,652</u>	<u>15</u>	<u>41,922</u>	<u>-</u>	<u>(172,247)</u>	<u>(172,247)</u>
Total Primary Government	<u>\$ 5,493,564</u>	<u>\$ 2,051,429</u>	<u>\$ 385,288</u>	<u>\$ 308,251</u>	<u>(2,576,349)</u>	<u>(172,247)</u>	<u>(2,748,596)</u>
<b>General Revenues</b>							
Sales and Use Taxes					1,840,350	-	1,840,350
Property Taxes					454,476	-	454,476
Franchise Taxes					36,869	-	36,869
Other Taxes					31,054	-	31,054
Intergovernmental Revenue not Restricted to Specific Purposes					11,591	-	11,591
License and Permits					200,952	56,766	257,718
Fines and Forfeitures					27,595	-	27,595
Investment Income					6,693	720	7,413
Miscellaneous					44,056	-	44,056
<b>Transfers</b>					<u>(106,000)</u>	<u>106,000</u>	<u>-</u>
Total General Revenues and Transfers					<u>2,547,636</u>	<u>163,486</u>	<u>2,711,122</u>
Change in Net Position					<u>(28,713)</u>	<u>(8,761)</u>	<u>(37,474)</u>
<b>Net Position, Beginning of Year</b>					<u>4,519,673</u>	<u>1,706,177</u>	<u>6,225,850</u>
<b>Net Position, End of Year</b>					<u>\$ 4,490,960</u>	<u>\$ 1,697,416</u>	<u>\$ 6,188,376</u>

**Town of Silverton, Colorado**  
 Balance Sheet  
 Governmental Funds  
 December 31, 2024

	General	Other Governmental Funds	Total
<b>Assets</b>			
Cash and Investments	\$ 945,348	\$ 452,455	\$ 1,397,803
Property Taxes Receivable	426,952	-	426,952
Accounts Receivable	286,233	19,338	305,571
Due From Other Funds	23,504	-	23,504
Other Receivables	4,318	-	4,318
Prepaid Expenses	19,868	-	19,868
 Total Assets	 \$ 1,706,223	 \$ 471,793	 \$ 2,178,016
<b>Liabilities</b>			
Accounts Payable	\$ 305,503	\$ 17,702	\$ 323,205
Due to Other Funds	-	23,504	23,504
Accrued Salaries and Benefits	47,120	-	47,120
 Total Liabilities	 352,623	 41,206	 393,829
<b>Deferred Inflows of Resources</b>			
Property Taxes	426,952	-	426,952
<b>Fund Balance</b>			
Restricted for			
Emergencies	138,000	-	138,000
Other Purposes	-	420,082	420,082
Committed for Future Capital Outlays	51,500	30,000	81,500
Unrestricted, Unassigned	737,148	(19,495)	717,653
 Total Fund Balance	 926,648	 430,587	 1,357,235
 Total Liabilities, Deferred Inflows of Resources, and Fund Balance	 \$ 1,706,223	 \$ 471,793	 \$ 2,178,016

**Town of Silverton, Colorado**  
 Reconciliation of the Balance Sheet of the Governmental Funds  
 to the Statement of Net Position  
 December 31, 2024

**Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:**

Total Fund Balance of Governmental Funds	\$	1,357,235
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds.		4,105,871
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds.		
Note Payable		(41,250)
Leases Payable		(849,780)
Accrued Compensated Absences		<u>(81,116)</u>
Total Net Position of Governmental Activities	\$	<u><u>4,490,960</u></u>

**Town of Silverton, Colorado**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended December 31, 2024**

	General	Other Governmental Funds	Total
<b>Revenues</b>			
Taxes	\$ 2,362,749	\$ -	\$ 2,362,749
Licenses and Permits	200,952	-	200,952
Intergovernmental	600,529	62,664	663,193
Administrative Fees	665,278	-	665,278
Fines and Forfeitures	27,595	-	27,595
Charges for Services	126,070	194,971	321,041
Investment Income	4,798	-	4,798
Rents and Leases	18,458	-	18,458
Miscellaneous	44,056	1,895	45,951
	<u>4,050,485</u>	<u>259,530</u>	<u>4,310,015</u>
<b>Total Revenues</b>			
	<u>4,050,485</u>	<u>259,530</u>	<u>4,310,015</u>
<b>Expenditures</b>			
Current			
General Government	1,192,400	62,308	1,254,708
Public Safety	467,237	-	467,237
Public Works	1,173,285	-	1,173,285
Culture and Recreation	661,758	192,262	854,020
Special Events	127,341	-	127,341
Capital Outlay	265,076	15,330	280,406
Debt Service			
Principal	243,773	-	243,773
Interest and Fiscal Charges	44,356	-	44,356
	<u>4,175,226</u>	<u>269,900</u>	<u>4,445,126</u>
<b>Total Expenditures</b>			
	<u>4,175,226</u>	<u>269,900</u>	<u>4,445,126</u>
<b>Excess Revenues Over (Under) Expenditures</b>	<u>(124,741)</u>	<u>(10,370)</u>	<u>(135,111)</u>
<b>Other Financing Sources (Uses)</b>			
Debt Proceeds	41,250	-	41,250
Transfers Out	(106,000)	-	(106,000)
	<u>(64,750)</u>	<u>-</u>	<u>(64,750)</u>
<b>Other Financing Sources (Uses)</b>			
	<u>(64,750)</u>	<u>-</u>	<u>(64,750)</u>
<b>Net Change in Fund Balance</b>	(189,491)	(10,370)	(199,861)
<b>Fund Balance, Beginning of Year</b>	<u>1,116,139</u>	<u>440,957</u>	<u>1,557,096</u>
<b>Fund Balance, End of Year</b>	<u>\$ 926,648</u>	<u>\$ 430,587</u>	<u>\$ 1,357,235</u>

**Town of Silverton, Colorado**  
 Reconciliation of the Statement of Revenues, Expenditures and Changes in  
 Fund Balance of Governmental Funds to the Statement of Activities  
 For the Year Ended December 31, 2024

**Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:**

Net Change in Fund Balance of Governmental Funds	\$	(199,861)
<p>Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.</p>		
Capital Outlays		280,406
Depreciation Expense		(291,684)
Disposals		-
<p>Repayments of long-term liabilities are expenditures in governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.</p>		
Principal Payments on Long-Term Debt		246,592
Issuance of Note Payable		(41,250)
Change in Accrued Compensated Absences		<u>(22,916)</u>
Change in Net Position of Governmental Activities	\$	<u><u>(28,713)</u></u>

**Town of Silverton, Colorado**  
**Statement of Net Position**  
**Proprietary Funds**  
**December 31, 2024**

	Water Fund	Sewer Fund	Refuse Fund	Total
<b>Assets</b>				
<i>Current Assets</i>				
Cash and Cash Equivalents	\$ 83,858	\$ 152,373	\$ -	\$ 236,231
Accounts Receivable	111,453	89,505	70,482	271,440
Due from Other Funds	78,319	-	-	78,319
Inventory	112,147	7,275	-	119,422
Total Current Assets	<u>385,777</u>	<u>249,153</u>	<u>70,482</u>	<u>705,412</u>
<i>Noncurrent Assets</i>				
Capital Assets, Not Being Depreciated	-	98,183	-	98,183
Capital Assets, Net of Accumulated Depreciation	1,049,726	344,053	-	1,393,779
Total Noncurrent Assets	<u>1,049,726</u>	<u>442,236</u>	<u>-</u>	<u>1,491,962</u>
Total Assets	<u>1,435,503</u>	<u>691,389</u>	<u>70,482</u>	<u>2,197,374</u>
<b>Liabilities</b>				
<i>Current Liabilities</i>				
Accounts Payable	6,631	117,299	15,056	138,986
Due to Other Funds	-	-	78,319	78,319
Note Payable, Current Portion	8,488	-	-	8,488
Total Current Liabilities	<u>15,119</u>	<u>117,299</u>	<u>93,375</u>	<u>225,793</u>
<i>Noncurrent Liabilities</i>				
Note Payable	195,215	78,950	-	274,165
Total Noncurrent Liabilities	<u>195,215</u>	<u>78,950</u>	<u>-</u>	<u>274,165</u>
Total Liabilities	<u>210,334</u>	<u>196,249</u>	<u>93,375</u>	<u>499,958</u>
<b>Net Position</b>				
Net Investment in Capital Assets	846,023	363,286	-	1,209,309
Unrestricted	379,146	131,854	(22,893)	488,107
Total Net Position	<u>\$ 1,225,169</u>	<u>\$ 495,140</u>	<u>\$ (22,893)</u>	<u>\$ 1,697,416</u>

**Town of Silverton, Colorado**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended December 31, 2024**

	Water Fund	Sewer Fund	Refuse Fund	Total
<b>Operating Revenues</b>				
Charges for Services	\$ 520,708	\$ 318,960	\$ 247,789	\$ 1,087,457
Miscellaneous	(27)	-	(313)	(340)
<b>Total Operating Revenues</b>	<u>520,681</u>	<u>318,960</u>	<u>247,476</u>	<u>1,087,117</u>
<b>Operating Expenses</b>				
Administrative and General	369,643	218,663	-	588,306
Operations and Maintenance	81,688	124,048	26,825	232,561
Contracted Services	-	-	317,060	317,060
Depreciation	58,570	43,726	-	102,296
<b>Total Operating Expenses</b>	<u>509,901</u>	<u>386,437</u>	<u>343,885</u>	<u>1,240,223</u>
<b>Net Operating Income (Loss)</b>	<u>10,780</u>	<u>(67,477)</u>	<u>(96,409)</u>	<u>(153,106)</u>
<b>Non-Operating Revenues (Expenses)</b>				
Interest Expense	-	(613)	-	(613)
Cost of Debt Issuance	-	(20,000)	-	(20,000)
<b>Net Income (Loss) Before Contributed Capital</b>	<u>10,780</u>	<u>(88,090)</u>	<u>(96,409)</u>	<u>(173,719)</u>
<b>Contributed Capital and Transfers</b>				
Capital Grants	-	-	-	-
Capital Contributions	26,760	32,183	-	58,943
Transfers	-	-	106,000	106,000
<b>Total Capital Contributions and Transfers</b>	<u>26,760</u>	<u>32,183</u>	<u>106,000</u>	<u>164,943</u>
<b>Change in Net Position</b>	<u>37,540</u>	<u>(55,907)</u>	<u>9,591</u>	<u>(8,776)</u>
<b>Net Position, Beginning of Year</b>	<u>1,187,629</u>	<u>551,047</u>	<u>(32,499)</u>	<u>1,706,177</u>
<b>Net Position, End of Year</b>	<u>\$ 1,225,169</u>	<u>\$ 495,140</u>	<u>\$ (22,908)</u>	<u>\$ 1,697,401</u>

**Town of Silverton, Colorado**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended December 31, 2024**

	Water Fund	Sewer Fund	Refuse Fund	Total
<b>Cash Flows From Operating Activities</b>				
Cash Received from Customers	\$ 509,933	\$ 300,919	\$ 235,512	\$ 1,046,364
Cash Received from Others	(27)	-	(313)	(340)
Cash Paid to Suppliers	(93,037)	(18,726)	(305,151)	(416,914)
Cash Paid to Employees	(357,366)	(211,703)	(23,678)	(592,747)
Net Cash Provided by (Used In) Operating Activities	59,503	70,490	(93,630)	36,363
<b>Cash Flows From Capital and Related Financing Activities</b>				
Acquisition and Construction of Capital Assets	-	(103,648)	-	(103,648)
Grants Received	-	-	-	-
Tap Fees	26,760	32,183	-	58,943
Transfers Between Funds	(78,319)	-	93,615	15,296
Debt Principal Payments	(8,487)	-	-	(8,487)
Debt Interest Payments	-	78,337	-	78,337
Cost of Debt Issuance	-	(20,000)	-	(20,000)
Net Cash Used by (Used In) Capital and Related Financing Activities	(60,046)	(13,128)	93,615	20,441
<b>Net Change in Cash and Cash Equivalents</b>	(543)	57,362	(15)	56,804
<b>Cash and Cash Equivalents, Beginning of Year</b>	84,401	95,011	-	179,412
<b>Cash and Cash Equivalents, End of Year</b>	\$ 83,858	\$ 152,373	\$ (15)	\$ 236,216
<b>Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities:</b>				
Net Operating Income	\$ 10,780	\$ (67,477)	\$ (96,409)	\$ (153,106)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities				
Depreciation Expense	58,571	43,726	-	102,297
Changes in Assets and Liabilities Related to Operations				
Accounts Receivable	(10,776)	(18,041)	(12,277)	(41,094)
Inventories	708	(290)	-	418
Accounts Payable	220	112,572	15,056	127,848
Net Cash Provided by Operating Activities	\$ 59,503	\$ 70,490	\$ (93,630)	\$ 36,363

See Notes to the Financial Statements.

# Town of Silverton, Colorado

## Notes to Financial Statements

December 31, 2024

### **Note 1: Summary of Significant Accounting Policies**

Town of Silverton, Colorado (the Town) was organized under Colorado State Statutes in 1876. The Town operates under the direction of an elected Board of Trustees and Mayor, and provides for public safety (law enforcement and fire), highways and streets, water and sanitation, culture and recreation, public improvements, planning and zoning, and general administrative services. In addition, the Town has negotiated agreements with San Juan County (the County) for providing law enforcement in the Town and for providing refuse removal and other services to the County.

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

#### **Reporting Entity**

In accordance with governmental accounting standards, the Town has considered the possibility of inclusion of additional entities in its basic financial statements.

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

Based on the application of these criteria, the Town does not include additional organizations in its reporting entity.

On January 1, 2012, the Silverton - San Juan Fire Authority (the Authority) was created in accordance with Colorado State Statutes. Through December 31, 2011, the County paid for fire expenditures, with the Town reimbursing the County for 50% of those costs. Beginning in 2012, both the County and the Town make quarterly payments to the Authority based upon the annual budget approved by the Authority. The Town exercises no control over the Authority, and thus the Authority is not a component unit of the Town.

#### **Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. 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.

# Town of Silverton, Colorado

## Notes to Financial Statements

December 31, 2024

### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Government-wide and Fund Financial Statements** (Continued)

The statement of net position reports all financial, capital and debt resources of the Town. The difference between assets, liabilities and deferred inflows of the Town is net position.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segments 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.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

#### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

# Town of Silverton, Colorado

Notes to Financial Statements

December 31, 2024

## Note 1: Summary of Significant Accounting Policies (Continued)

### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

(Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating 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. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as they are needed.

In the fund financial statements, the Town reports the following major governmental fund:

*General Fund* - the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.

The Town also reports the following major proprietary funds:

*Water Fund* - accounts for the financial activities associated with the provision of water services.

*Sewer Fund* - accounts for the financial activities associated with the sanitation services.

*Refuse Fund* - accounts for the financial activities associated with providing trash and refuse services.

The Town reports the following non-major governmental funds:

*Conservation Trust Fund* - accounts for the revenues from the State's Conservation Trust Fund to be spent for maintenance and services of Town parks and recreation areas.

*Molas Lake Park Fund* - accounts for operations, maintenance and construction of Molas Lake campgrounds and dams.

*Cemetery Fund* - accounts for maintenance costs of the community cemetery.

*Housing Authority Fund* - a blended component unit of the Town that accounts for the operations, maintenance and construction of the Town's housing.

### **Cash and Investments**

Cash equivalents include investments with original maturities of three months or less. Investments are recorded at fair value.

# Town of Silverton, Colorado

## Notes to Financial Statements

December 31, 2024

### Note 1: Summary of Significant Accounting Policies (Continued)

#### **Capital Assets**

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property and equipment of the Town is depreciated using the straight-line method over the following estimated useful lives:

Building and Improvements	10 - 50 years
Infrastructure	15 - 25 years
Water and Sewer Systems	40 - 50 years
Furniture and Equipment	5 - 15 years
Vehicles	7 - 10 years

#### **Compensated Absences**

These compensated absences are recognized as current salary costs when earned in the proprietary fund types and when due in the governmental fund types. A liability has been recorded in the government-wide financial statements for the accrued compensated absences.

#### **Long-Term Obligations**

In the government-wide financial statements, and proprietary fund type in the 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 fund type statement of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

# Town of Silverton, Colorado

## Notes to Financial Statements

December 31, 2024

### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Fund Balance Classification**

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent.

The classifications used in the governmental fund financial statements are as follows:

**Nonspendable** - This classification includes amounts that are not in spendable form (such as inventory or prepaid expenses) or are required to be maintained intact.

**Restricted** - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Town has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. In addition, the Town has classified the fund balance in the Conservation Trust Fund as restricted because their use is restricted by State Statute.

**Committed** - This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees. These amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Town's committed resources are presented in the governmental fund balance sheet as of December 31, 2024.

**Unassigned** - This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Town would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned.

# Town of Silverton, Colorado

## Notes to Financial Statements

December 31, 2024

### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Net Position**

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted. Net investment in capital assets is intended to reflect the portion of net position, which is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost. Restricted net position is liquid assets, which have third party limitations on their use. Unrestricted net position represents assets that do not have any third-party limitations on their use.

#### **Property Taxes**

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

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

#### **Subsequent Events**

The Town has evaluated subsequent events through July 31, 2025, the date the financial statements were available to be issued.

### **Note 2: Stewardship, Compliance and Accountability**

#### **Budgets and Budgetary Accounting**

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- In October, the Town staff submits to the Town Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 15, the budget is legally enacted through passage of an ordinance.
- The Town Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Council.

# Town of Silverton, Colorado

## Notes to Financial Statements

December 31, 2024

### Note 2: Stewardship, Compliance and Accountability (Continued)

#### Budgets and Budgetary Accounting (Continued)

- Budgets are legally adopted for all funds of the Town. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparison presented for the Enterprise Fund is presented on a non-GAAP budgetary basis. Capital outlay and debt payments are budgeted as expenditures and depreciation is not budgeted.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Town Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

### Note 3: Cash and Investments

A summary of deposits and investments as of December 31, 2024 follows:

Petty Cash	\$	800
Cash Deposits		1,047,539
Investments		<u>585,695</u>
Total	\$	<u><u>1,634,034</u></u>

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of Federal Deposit Insurance Corporation (FDIC) levels must be collateralized by eligible collateral as determined by the PDPA. The FDIC insures depositors' accounts up to \$250,000 for each financial institution. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group.

The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2024, the Town had deposits with financial institutions with a carrying amount of \$1,047,539. The bank balances with the financial institutions totaling \$1,039,039 of which \$304,895 were covered by the FDIC and \$734,144 were collateralized with securities held by the financial institution's agent but not in the Town's name.

#### Investments

The Town does not have a formal investment policy; however, the Town follows state statutes regarding investments. The Town generally limits its concentration risk of investments to Local Government Investment Pools, obligations of the United States and certain U.S. government agency securities, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the Town is not subject to concentration of risk for investments that are in the possession of another party.

## Town of Silverton, Colorado

### Notes to Financial Statements

December 31, 2024

#### Note 3: Cash and Investments (Continued)

##### Investments (Continued)

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Trustees. Such actions are generally associated with a debt service reserve or sinking fund requirements.

State statutes specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following.

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

Local Government Investment Pool - At December 31, 2024, the Town had \$75,000 (fair value) invested in COLOTRUST, an investment vehicle established by the State for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating COLOTRUST. COLOTRUST operates similar to money market funds and each share is equal to \$1.00. COLOTRUST is rated AAAM by Standard and Poor's. Investments are limited to those allowed by State Statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

The Town has invested \$510,695 in a series of Certificates of Deposits (CD) ranging from \$50,000 to \$100,000. All CDs have an original maturity of 3 years maturing on March 25, 2025.

Interest Rate Risk - State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years. The Town does not have a policy for managing credit risk or interest rate risk.

**Town of Silverton, Colorado**  
Notes to Financial Statements  
December 31, 2024

**Note 4: Capital Assets**

Capital assets activity for the year ended December 31, 2024 is summarized below:

	Balance 12/31/23	Additions	Transfers	Deletions	Balance 12/31/24
<b>Governmental Activities</b>					
<i>Capital Assets, Not Being Depreciated</i>					
Land	\$ 676,218	\$ -	\$ -	\$ -	\$ 676,218
Construction in Progress	-	48,595	-	-	48,595
<b>Total Capital Assets, Not Being Depreciated</b>	<b>676,218</b>	<b>48,595</b>	<b>-</b>	<b>-</b>	<b>724,813</b>
<i>Capital Assets, Being Depreciated</i>					
Buildings and Improvements	8,784,775	176,398	-	-	8,961,173
Furniture	112,330	-	-	-	112,330
Machinery and Equipment	1,147,760	55,413	-	-	1,203,173
Vehicles	102,760	-	-	-	102,760
<b>Total Capital Assets, Being Depreciated</b>	<b>10,147,625</b>	<b>231,811</b>	<b>-</b>	<b>-</b>	<b>10,379,436</b>
<i>Less Accumulated Depreciation</i>					
Buildings and Improvements	(6,081,041)	(235,149)	-	-	(6,316,190)
Furniture and Equipment	(112,330)	-	-	-	(112,330)
Machinery and Equipment	(424,902)	(52,950)	-	-	(477,852)
Vehicles	(88,421)	(3,585)	-	-	(92,006)
<b>Total Accumulated Depreciation</b>	<b>(6,706,694)</b>	<b>(291,684)</b>	<b>-</b>	<b>-</b>	<b>(6,998,378)</b>
<b>Total Capital Assets, Being Depreciated, net</b>	<b>3,440,931</b>	<b>(59,873)</b>	<b>-</b>	<b>-</b>	<b>3,381,058</b>
<b>Governmental Activities Capital Assets, net</b>	<b>\$ 4,117,149</b>	<b>\$ (11,278)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,105,871</b>

Depreciation expense was charged to functions/programs of the Town as follows:

<b>Governmental Activities</b>	
General Government	\$ 85,969
Public Safety	3,068
Public Works	67,189
Culture and Recreation	135,336
Cemetery	122
<b>Total</b>	<b>\$ 291,684</b>

**Town of Silverton, Colorado**  
Notes to Financial Statements  
December 31, 2024

**Note 4: Capital Assets** (Continued)

Capital assets Business-Type activity for the year ended December 31, 2024 is summarized below:

<b>Business-Type Activities</b>	Balance 12/31/23	Additions	Deletions	Balance 12/31/24
<b>Capital Assets, <i>Not Being Depreciated</i></b>				
Land	\$ 670	\$ -	\$ -	\$ 670
Construction in Progress	-	97,513	-	97,513
<b>Total Capital Assets, <i>Not Being Depreciated</i></b>	<b>670</b>	<b>97,513</b>	<b>-</b>	<b>98,183</b>
<b>Capital Assets, <i>Being Depreciated</i></b>				
Buildings and Improvements	3,504,537	-	-	3,504,537
Furniture	-	-	-	-
Machinery and Equipment	494,993	6,134	-	501,127
Vehicles	-	-	-	-
<b>Total Capital Assets, <i>Being Depreciated</i></b>	<b>3,999,530</b>	<b>6,134</b>	<b>-</b>	<b>4,005,664</b>
<b>Total Capital Assets</b>	<b>4,000,200</b>	<b>103,647</b>	<b>-</b>	<b>4,103,847</b>
<b>Less: Accumulated depreciation</b>				
Buildings and Improvements	(2,218,711)	(70,763)	-	(2,289,474)
Furniture	-	-	-	-
Machinery and Equipment	(290,878)	(31,533)	-	(322,411)
<b>Business-Type Activities Capital Assets, <i>net</i></b>	<b>\$ 1,490,611</b>	<b>\$ 1,351</b>	<b>\$ -</b>	<b>\$ 1,491,962</b>

Depreciation expense was charged to functions/programs of the Town as follows:

<b>Business-Type Activities</b>	
Water	\$ 56,353
Sewer	43,726
Refuse	2,217
<b>Total</b>	<b>\$ 102,296</b>

**Town of Silverton, Colorado**  
Notes to Financial Statements  
December 31, 2024

**Note 5: Long-Term Debt**

**Governmental Activities**

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2024.

<b>Governmental Activities</b>	Balance 12/31/23	Additions	Deletions	Balance 12/31/24	Due Within One Year
Capital leases					
PB Snow Groomer	\$ 21,229	\$ -	\$ (10,929)	\$ 10,300	\$ 10,300
Cat Motor Grader	208,125	-	(29,370)	178,755	30,325
Cat Wheel Loader #1	108,183	-	(22,604)	85,579	85,579
Cat Wheel Loader #2	100,393	-	(100,393)	-	-
Caterpillar Snow Plow	13,551	-	(12,477)	1,074	1,074
Columbine Park Facility	635,000	-	(68,000)	567,000	71,000
Canon Copier	9,891	-	(2,819)	7,072	2,944
Note Payable					
2006 Dump Truck	-	41,250	-	41,250	7,295
	<u>1,096,372</u>	<u>41,250</u>	<u>(246,592)</u>	<u>891,030</u>	<u>208,517</u>
Compensated Absences	<u>58,202</u>	<u>22,914</u>	<u>-</u>	<u>81,116</u>	<u>8,112</u>
Total	<u>\$ 1,154,574</u>	<u>\$ 64,164</u>	<u>\$ (246,592)</u>	<u>\$ 972,146</u>	<u>\$ 216,629</u>

Accrued Compensated Absences are being paid from resources generated by the General Fund.

**Leases Financing Agreements**

The Town has entered into several lease financing agreements to purchase vehicles and equipment which will be paid from revenues of the General Fund. These leases financing agreements require interest to be paid ranging from 3.0% to 4.35%. These leases mature in varying years through 2031. Total governmental assets capitalized under lease financing agreements at December 31, 2024 is \$1,938,191 with accumulated amortization of \$442,140.

Following is a schedule of the future minimum payments required under the outstanding capital lease obligations at December 31, 2024:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 201,222	\$ 33,666	\$ 234,888
2026	108,385	26,519	134,904
2027	195,173	18,368	213,541
2028	81,000	15,008	96,008
2029-2031	<u>\$264,000</u>	<u>23,316</u>	<u>287,316</u>
Total	<u>\$ 849,780</u>	<u>\$ 116,877</u>	<u>\$ 966,657</u>

**Town of Silverton, Colorado**  
Notes to Financial Statements  
December 31, 2024

**Note 5: Long-Term Debt** (Continued)

**Governmental Activities** (Continued)

**Note Payable**

The Town obtained a note payable for \$41,250 during the year ended 2024 for purposes of financing a 2006 Dump Truck. The loan requires annual payments of \$9,826 and carries interest at 6.12% with the final payment due February 12, 2029. The loan is secured by the truck purchased.

Year Ended December 31,	Principal	Interest	Total
2025	\$ 7,295	\$ 2,531	\$ 9,826
2026	7,748	2,078	9,826
2027	8,223	1,603	9,826
2028	8,726	1,100	9,826
2029-2031	9,258	568	9,826
<b>Total</b>	<b>\$ 41,250</b>	<b>\$ 7,880</b>	<b>\$ 49,130</b>

**Business-Type Activities**

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2024.

Business-Type Activities	Balance 12/31/23	Additions	Deletions	Balance 12/31/24	Due Within One Year
CWRPDA Loan	\$ 212,190	\$ -	\$ (8,487)	\$ 203,703	\$ 8,488
Note Payable	-	78,950	-	78,950	-
<b>Total</b>	<b>\$ 212,190</b>	<b>\$ 78,950</b>	<b>\$ (8,487)</b>	<b>\$ 282,653</b>	<b>\$ 8,488</b>

**CWRPDA Loan**

The Town obtained a loan from the Colorado Water Resources and Power Development Authority (CWRPDA) Drinking Water Revolving Fund - Disadvantaged Communities on May 21, 2018. The proceeds of the loan were used to make water treatment plant improvements, site upgrades and undergo the rehabilitation of an existing water storage tank. The loan agreement requires 60 semi-annual installments of \$5,305 paid by the Water Fund. On January 22, 2019, CWRPDA forgave \$62,770 of the principal outstanding, leaving an outstanding loan principal of \$251,082 as of January 22, 2019.

**Town of Silverton, Colorado**  
Notes to Financial Statements  
December 31, 2024

**Note 5: Long-Term Debt (Continued)**

**Business-Type Activities** (Continued)

**CWRPDA Loan** (Continued)

The annual requirements to service this loan as of December 31, 2024 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 8,488	\$ -	\$ 8,488
2026	8,488	-	8,488
2027	8,488	-	8,488
2028	8,488	-	8,488
2029	8,487	-	8,488
2030-2034	42,438	-	42,438
2035-2039	42,438	-	42,438
2040-2044	42,438	-	42,438
2045-2048	33,950	-	33,950
	<u>203,703</u>	<u>-</u>	<u>203,704</u>
Total	\$ <u>203,703</u>	\$ <u>-</u>	\$ <u>203,704</u>

**Note Payable**

The Town obtained a line-of-credit type loan from CoBank that serves as the bridge loan to receiving the USDA loan when the project is completed. As of December 31, 2024, the Town had drawn \$78,950 on the bridge loan. Its interest rate is 1.45% above the daily simple Secured Overnight Financing Rate (SOFR).

**Note 6: Retirement Commitments**

**Deferred Compensation Plan**

The Town offers its employees a deferred compensation plan through an agent multiemployer public retirement system, the Colorado County Officials and Employees Retirement Association, which is a defined contribution plan. The plan is available to all Town employees and requires that employees contribute 3% of their annual compensation. The Town matches employee contributions up to 3% of eligible salary and this contribution is fully vested after 10 years of service. During the year ended December 31, 2024, the Town contributions were \$36,466 equal to the required contribution.

**Note 7: Public Entity Risk Pool**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

## Town of Silverton, Colorado

### Notes to Financial Statements

December 31, 2024

#### **Note 7: Public Entity Risk Pool (Continued)**

The purposes of CIRSA are to provide members with defined liability, property, and workers compensation coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

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

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity, and the Town does not approve budgets, nor does it have the ability to significantly affect the operations of the entity.

#### **Note 8: Commitments and Contingencies**

##### **Litigation**

The Town is not involved in any pending and threatened litigation as of December 31, 2024.

##### **TABOR Amendment**

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. In November 1996, voters within the Town approved the collection, retention, and expenditure of all the revenues generated by the Town in 1996 and subsequent years through 2019, notwithstanding the provisions of the Amendment. No such election took place during 2020 to continue this provision, but revenues for 2020 remained in compliance with TABOR limitations.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2024, the emergency reserve of \$138,000 was recorded in the General Fund.

## Town of Silverton, Colorado

### Notes to Financial Statements

December 31, 2024

#### Note 9: Intergovernmental Agreements

##### San Juan County

The Town shares various municipal services with the County. The Town and County approve annual agreements to reimburse costs (less any funding received from grants or contracts) paid by the opposite entity. The actual agreements are included in the Town's annual budget document. The Town makes monthly payments to the County for 1/12 of the budgeted costs; actual final audited costs are calculated in the ensuing year, with an additional amount either paid to or received from the County.

The following table summarizes these transactions:

Service	Direct Cost Paid by Town of Silverton	Direct Cost Paid by San Juan County	% Split
Ambulance		X	50%
Fire Protection		X	50%
Fire Truck / Ambulance Insurance for vehicles titled by each entity	X	X	50%
Land Use Planning	X	X	NA
Building Inspector	X		50%
Code Enforcement	X		50%
Carriage House Operations, Maintenance, Insurance	X		50%
Law Enforcement (Sheriff)		X	40% / 60%

##### Silverton - San Juan Fire and Rescue Authority

The Town entered into an intergovernmental agreement with the County to share the cost of fire protection services. The Town's contribution to the Silverton - San Juan Fire and Rescue Authority in 2024 was \$34,758.

The Town makes contributions to the Statewide defined benefit plan entitled Silverton San Juan Volunteer Fire Department Pension Fund, administered by the Fire and Police Protection Association of Colorado (FPPA). FPPA administers the plan and manages the benefits under the plan which is a cost-sharing, multiple-employer defined benefit pension plan. The statewide defined benefit plan provides benefits for members. The Town makes contributions based upon Town established benefits and funding requirements in accordance with an actuarial study obtained by FPPA. Plan members do not make contributions. The Town's net contributions to the FPPA plan for 2024 was \$15,000. Additional contributions are received from the State of Colorado and the County.

## **Required Supplementary Information**

**Town of Silverton, Colorado**  
**Budgetary Comparison Schedule**  
**General Fund**  
**For the Year Ended December 31, 2024**

	Original	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Taxes				
Property Taxes	\$ 422,686	\$ 422,686	\$ 454,476	\$ 31,790
Specific Ownership Taxes	23,041	23,041	31,054	8,013
General Sales Taxes	1,600,000	1,600,000	1,840,350	240,350
Franchise Taxes	29,353	29,353	36,869	7,516
Penalties, Interest and Delinquent Taxes	1,899	1,899	-	(1,899)
<b>Total Taxes</b>	<u>2,076,979</u>	<u>2,076,979</u>	<u>2,362,749</u>	<u>285,770</u>
Licenses and Permits				
Liquor Licenses	4,750	4,750	5,549	799
Professional and Business Licenses	26,000	26,000	17,400	(8,600)
Lodging and Vacation Rental Fees	85,570	85,570	102,307	16,737
Building Permits	50,000	50,000	68,604	18,604
Other Permits	425	425	7,092	6,667
<b>Total Licenses and Permits</b>	<u>166,745</u>	<u>166,745</u>	<u>200,952</u>	<u>34,207</u>
Intergovernmental				
Additional Motor Vehicle Registration	4,923	4,923	20,602	15,679
Road and Bridge	5,430	5,430	7,183	1,753
Highway Users	38,583	38,583	45,420	6,837
Grant	553,892	553,892	515,733	(38,159)
Other Intergovernmental	22,712	22,712	11,591	(11,121)
<b>Total Intergovernmental</b>	<u>625,540</u>	<u>625,540</u>	<u>600,529</u>	<u>(25,011)</u>
Fine and Forfeits				
	<u>9,000</u>	<u>9,000</u>	<u>27,595</u>	<u>18,595</u>
Other Revenues				
Earnings on Investments	3,000	3,000	4,798	1,798
Administrative Fees	670,010	670,010	665,278	(4,732)
Contributions and Donations	500	500	-	(500)
Other Miscellaneous	25,128	25,128	44,056	18,928
Charges for Service	49,652	49,652	126,070	76,418
Rents and Leases	14,189	14,189	18,458	4,269
<b>Total Other Revenue</b>	<u>762,479</u>	<u>762,479</u>	<u>858,660</u>	<u>96,181</u>
<b>Total Revenues</b>	<u>3,640,743</u>	<u>3,640,743</u>	<u>4,050,485</u>	<u>409,742</u>

(Continued)

**Town of Silverton, Colorado**  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended December 31, 2024  
 (Continued)

	Original	Final Budget	Actual	Variance Positive (Negative)
<b>Expenditures</b>				
<b>Current</b>				
<b>General Government</b>				
Town Board	\$ 92,694	\$ 92,694	\$ 83,150	\$ 9,544
Municipal Court	12,615	12,615	9,995	2,620
Town Administrator	148,432	148,432	145,844	2,588
Partner Organizations	47,164	47,164	31,164	16,000
Town Clerk / Treasurer	191,019	191,019	190,610	409
Elections	5,451	5,451	2,965	2,486
Financial Administration	18,000	18,000	26,467	(8,467)
Legal Services	40,000	40,000	34,758	5,242
Planning Director	257,480	257,480	263,113	(5,633)
General Government Operations	171,535	171,535	226,060	(54,525)
Town Hall	63,044	63,044	48,776	14,268
Grants	-	-	129,498	(129,498)
Total General Government	<u>1,047,434</u>	<u>1,047,434</u>	<u>1,192,400</u>	<u>(144,966)</u>
<b>Public Safety</b>				
Law Enforcement	309,271	309,271	305,336	3,935
Fire Protection	54,750	54,750	54,750	-
Building Inspector	111,139	111,139	107,151	3,988
Total Public Safety	<u>475,160</u>	<u>475,160</u>	<u>467,237</u>	<u>7,923</u>
<b>Public Works</b>				
Public Works Personnel	610,750	610,750	579,388	31,362
Street Maintenance	329,956	329,956	275,953	54,003
Grants	544,800	544,800	298,115	246,685
Carriage House	16,250	16,250	19,829	(3,579)
Total Public Works	<u>1,501,756</u>	<u>1,501,756</u>	<u>1,173,285</u>	<u>328,471</u>
<b>Culture and Recreation</b>				
Recreation	320,697	320,697	270,464	50,233
Park Administration	76,700	76,700	81,863	(5,163)
Kendall Mountain Park	81,380	81,380	74,607	6,773
Library	146,424	146,424	139,463	6,961
Visitor's Center Operations	77,290	77,290	71,368	5,922
Senior Center	12,900	12,900	20,993	(8,093)
Grants	-	-	3,000	(3,000)
Total Culture and Recreation	<u>715,391</u>	<u>715,391</u>	<u>661,758</u>	<u>53,633</u>
<b>Special Events</b>				
Personnel	91,573	91,573	81,255	10,318
Other Operating	44,100	44,100	41,633	2,467
Event Expense	8,200	8,200	4,453	3,747
Total Special Events	<u>143,873</u>	<u>143,873</u>	<u>127,341</u>	<u>16,532</u>

(Continued)

See Accompanying Independent Auditor's Report.

**Town of Silverton, Colorado**  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended December 31, 2024  
 (Continued)

	Original	Final Budget	Actual	Variance Positive (Negative)
<b>Expenditures</b> (Continued)				
Capital Outlay	\$ 175,000	\$ 175,000	\$ 265,076	\$ (90,076)
Debt Service				
Principle	210,278	210,278	243,773	(33,495)
Interest	-	-	44,356	(44,356)
	210,278	210,278	288,129	(77,851)
Reserve Funding	25,000	25,000	-	(25,000)
<b>Total Expenditures</b>	4,293,892	4,293,892	4,175,226	330,259
<b>Excess Revenues Over (Under) Expenditures</b>	(653,149)	(653,149)	(124,741)	528,408
<b>Other Financing Sources (Uses)</b>				
Proceeds from Note Payable	-	-	41,250	-
Transfers In	130,000	130,000	130,000	-
Transfers Out	(236,100)	(236,100)	(236,000)	100
<b>Net Change in Fund Balance</b>	(759,249)	(759,249)	(189,491)	569,758
<b>Fund Balance, Beginning of Year</b>	1,282,553	1,282,553	1,116,139	(166,414)
<b>Fund Balance, End of Year</b>	\$ 523,304	\$ 523,304	\$ 926,648	\$ 403,344

**Town of Silverton, Colorado**  
Notes to Required Supplementary Information  
December 31, 2024

**Note 1: Stewardship, Compliance, and Accountability**

**Budgets**

Budgets are legally adopted for all funds of the Town. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the proprietary fund are presented on a non-GAAP budgetary basis, whereby capital outlay and debt principal are budgeted as expenditures.

The Town follows these procedures to establish the budgetary information reflected in the financial statements:

- Management submits to the Town Board a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Board.
- All appropriations lapse at year end.

## **Supplementary Information**

**Town of Silverton, Colorado**  
Combining Balance Sheet  
Nonmajor Governmental Funds  
December 31, 2024

	Conservation Trust Fund	Molas Lake Park Fund	Cemetery Fund	Housing Authority Fund	Total
<b>Assets</b>					
Cash and Investments	\$ 81,005	\$ 316,439	\$ 55,011	\$ -	\$ 452,455
Accounts Receivable	-	-	-	19,338	19,338
<b>Total Assets</b>	<b><u>\$ 81,005</u></b>	<b><u>\$ 316,439</u></b>	<b><u>\$ 55,011</u></b>	<b><u>\$ 19,338</u></b>	<b><u>\$ 471,793</u></b>
<b>Liabilities</b>					
Accounts Payable	\$ -	\$ 2,373	\$ -	\$ 15,329	\$ 17,702
Due to Other Funds	-	-	-	23,504	23,504
<b>Total Liabilities</b>	<b><u>-</u></b>	<b><u>2,373</u></b>	<b><u>-</u></b>	<b><u>38,833</u></b>	<b><u>41,206</u></b>
<b>Fund Balance</b>					
Restricted	81,005	284,066	55,011	-	420,082
Committed for Future Capital Outlay	-	30,000	-	-	30,000
Unrestricted	-	-	-	(19,495)	(19,495)
<b>Total Fund Balance</b>	<b><u>81,005</u></b>	<b><u>314,066</u></b>	<b><u>55,011</u></b>	<b><u>(19,495)</u></b>	<b><u>430,587</u></b>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 81,005</u></b>	<b><u>\$ 316,439</u></b>	<b><u>\$ 55,011</u></b>	<b><u>\$ 19,338</u></b>	<b><u>\$ 471,793</u></b>

**Town of Silverton, Colorado**  
Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Year Ended December 31, 2024

	Conservation Trust Fund	Molas Lake Park Fund	Cemetery Fund	Housing Authority Fund	Total
<b>Revenues</b>					
Intergovernmental	\$ 8,698	\$ -	\$ -	\$ 53,966	\$ 62,664
Charges for Services	-	190,621	4,350	-	194,971
Other Revenue	36	1,630	229	-	1,895
<b>Total Revenues</b>	<u>8,734</u>	<u>192,251</u>	<u>4,579</u>	<u>53,966</u>	<u>259,530</u>
<b>Expenditures</b>					
General Government	-	-	4,177	58,131	62,308
Culture and Recreation	-	192,262	-	-	192,262
Capital Outlay	-	-	-	15,330	15,330
<b>Total Expenditures</b>	<u>-</u>	<u>192,262</u>	<u>4,177</u>	<u>73,461</u>	<u>269,900</u>
<b>Net Change in Fund Balance</b>	8,734	(11)	402	(19,495)	(10,370)
<b>Fund Balance, Beginning of Year</b>	<u>72,271</u>	<u>314,077</u>	<u>54,609</u>	<u>-</u>	<u>440,957</u>
<b>Fund Balance, End of Year</b>	<u>\$ 81,005</u>	<u>\$ 314,066</u>	<u>\$ 55,011</u>	<u>\$ (19,495)</u>	<u>\$ 430,587</u>

**Town of Silverton, Colorado**  
 Budgetary Comparison Schedule  
 Conservation Trust Fund  
 For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Intergovernmental Revenue	\$ 7,156	\$ 7,156	\$ 8,698	\$ 1,542
Investment Income	21	21	36	15
<b>Total Revenues</b>	<u>7,177</u>	<u>7,177</u>	<u>8,734</u>	<u>1,557</u>
<b>Expenditures</b>				
Capital Improvement	29,667	29,667	-	(29,667)
<b>Total Expenditures</b>	<u>29,667</u>	<u>29,667</u>	<u>-</u>	<u>(29,667)</u>
<b>Net Change in Fund Balance</b>	(22,490)	(22,490)	8,734	1,557
<b>Fund Balance, Beginning of Year</b>	<u>70,252</u>	<u>70,252</u>	<u>72,271</u>	<u>2,019</u>
<b>Fund Balance, End of Year</b>	<u>\$ 47,762</u>	<u>\$ 47,762</u>	<u>\$ 81,005</u>	<u>\$ 3,576</u>

**Town of Silverton, Colorado**  
 Budgetary Comparison Schedule  
 Molas Lake Park Fund  
 For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance <i>Positive (Negative)</i>
<b>Revenues</b>				
Charges for Services	\$ 200,500	\$ 200,500	\$ 190,621	\$ (9,879)
	-	-	1,630	1,630
Total Revenues	200,500	200,500	192,251	(9,879)
<b>Expenditures</b>				
Culture and Recreation	199,503	199,503	192,262	7,241
Total Expenditures	199,503	199,503	192,262	7,241
<b>Net Change in Fund Balance</b>	997	997	(11)	(1,008)
<b>Fund Balance, Beginning of Year</b>	336,304	336,304	314,077	(22,227)
<b>Fund Balance, End of Year</b>	\$ 337,301	\$ 337,301	\$ 314,066	\$ (23,235)

**Town of Silverton, Colorado**  
 Budgetary Comparison Schedule  
 Cemetery Fund  
 For the Year Ended December 31, 2024

	Final Budget	Original Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Charges for Services	\$ 5,000	\$ 5,000	\$ 4,579	\$ (421)
Total Revenues	<u>5,000</u>	<u>5,000</u>	<u>4,579</u>	<u>(421)</u>
<b>Expenditures</b>				
General Government	<u>20,000</u>	<u>20,000</u>	<u>4,177</u>	<u>15,823</u>
Total Expenditures	<u>20,000</u>	<u>20,000</u>	<u>4,177</u>	<u>15,823</u>
<b>Net Change in Fund Balance</b>	(15,000)	(15,000)	402	15,402
<b>Fund Balance, Beginning of Year</b>	<u>54,609</u>	<u>54,609</u>	<u>54,609</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ 39,609</u>	<u>\$ 39,609</u>	<u>\$ 55,011</u>	<u>\$ 15,402</u>

**Town of Silverton, Colorado**  
 Budgetary Comparison Schedule  
 Housing Authority Fund  
 For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ -	\$ -	\$ 53,966	\$ 53,966
Total Revenues	<u>-</u>	<u>-</u>	<u>53,966</u>	<u>53,966</u>
<b>Expenditures</b>				
General Government	-	58,131	58,131	-
Capital Outlay	<u>-</u>	<u>15,330</u>	<u>15,330</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>73,461</u>	<u>73,461</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	-	(73,461)	(19,495)	53,966
<b>Fund Balance, Beginning of Year</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund Balance, End of Year</b>	<u>\$ -</u>	<u>\$ (73,461)</u>	<u>\$ (19,495)</u>	<u>\$ 53,966</u>

**Town of Silverton, Colorado**  
**Budgetary Comparison Schedule**  
**Water Fund**  
For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Charges For Services	\$ 450,240	\$ 450,240	\$ 520,168	\$ 69,928
Tap Fees	-	-	-	-
Grant Revenue	112,000	112,000	-	(112,000)
Other Revenue	200	200	513	313
Total Revenue	<u>562,440</u>	<u>562,440</u>	<u>520,681</u>	<u>(41,759)</u>
<b>Expenses</b>				
Administration and General	375,691	375,691	369,643	6,048
Distribution	173,500	173,500	45,360	128,140
Treatment	42,415	42,415	31,771	10,644
Source/Supply Transmission	25,000	25,000	4,557	20,443
Grant Expenditures	112,000	112,000	-	112,000
Capital Outlay	-	-	-	-
Total Expenses	<u>728,606</u>	<u>728,606</u>	<u>451,331</u>	<u>277,275</u>
<b>Net Operating Income</b>	<u>(166,166)</u>	<u>(166,166)</u>	<u>69,350</u>	<u>235,516</u>
<b>Nonoperating Revenues (Expenses)</b>				
Debt Service				
Principal Payments	(8,488)	(8,488)	(8,488)	-
Interest Payments	(8,575)	(8,575)	-	8,575
Total Nonoperating Revenues (Expenses)	<u>(17,063)</u>	<u>(17,063)</u>	<u>(8,488)</u>	<u>8,575</u>
<b>Net Income (Loss) Before Contributed Capital</b>	(183,229)	(183,229)	60,862	244,091
<b>Contributed Capital</b>				
Infrastructure Upgrade	<u>85,833</u>	<u>85,833</u>	<u>26,760</u>	<u>(59,073)</u>
<b>Change in Net Position, Budgetary Basis</b>	<u>\$ (97,396)</u>	<u>\$ (97,396)</u>	87,622	<u>\$ 185,018</u>
<b>Reconciliation to GAAP Basis</b>				
Capital Outlay			-	
Debt Service Principal			8,488	
Depreciation			<u>(58,570)</u>	
<b>Change in Net Position, GAAP Basis</b>			<u>\$ 37,540</u>	

**Town of Silverton, Colorado**  
 Budgetary Comparison Schedule  
 Sewer Fund  
 For the Year Ended December 31, 2024

	Original Budget	Original and Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Charges For Services	\$ 265,531	\$ 265,531	\$ 318,467	\$ 52,936
Tap Fees	-	-	-	-
Grant Revenue	75,000	75,000	-	(75,000)
Proceeds from Note Payable	-	-	78,950	78,950
Miscellaneous Revenue	-	-	493	493
Total Revenue	340,531	340,531	397,910	57,379
<b>Expenses</b>				
Administration and General	221,203	218,663	218,663	-
Treatment Plant	86,716	51,048	51,048	-
Sanitary Sewer Maintenance	82,292	73,000	73,000	-
Capital Outlay	-	103,647	103,647	-
Debt Service				
Interest Expense	-	613	613	-
Cost of Debt Issuance	-	20,000	20,000	-
Total Expenses	390,211	466,971	466,971	-
<b>Net Operating Income</b>	(49,680)	(126,440)	(69,061)	57,379
<b>Net Income (Loss) Before Contributed Capital</b>	(49,680)	(126,440)	(69,061)	57,379
<b>Contributed Capital</b>				
Infrastructure Upgrade	80,039	80,039	32,183	(47,856)
<b>Change in Net Position, Budgetary Basis</b>	\$ 30,359	\$ (46,401)	(36,878)	\$ 9,523
<b>Reconciliation to GAAP Basis</b>				
Capital Outlay			103,647	
Proceeds from Note Payable			(78,950)	
Depreciation			(43,726)	
<b>Change in Net Position, GAAP Basis</b>			\$ (55,907)	

**Town of Silverton, Colorado**  
 Budgetary Comparison Schedule  
 Refuse Fund  
 For the Year Ended December 31, 2024

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Charges For Services	\$ 210,979	\$ 210,979	\$ 247,789	\$ 36,810
Other Revenue	6,000	6,000	(313)	(6,313)
Transfer In	106,000	106,000	106,000	-
Total Revenue	322,979	322,979	353,476	30,497
<b>Expenses</b>				
Operations and Maintenance	25,678	26,825	26,825	-
Contracted Services	275,643	317,060	317,060	-
Total Expenses	301,321	343,885	343,885	-
<i>Budgetary Basis</i>	\$ 21,658	\$ (20,906)	9,591	\$ 30,497
<b>Reconciliation to GAAP Basis</b>				
None			-	
<b>Change in Net Position, GAAP Basis</b>			\$ 9,591	

## **Compliance Section**

## **State Compliance**

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: Town of Silverton
		YEAR ENDING : December 31, 2024
This Information From The Records Of (example - City of _ or County of Town of Silverton, Colorado)		Prepared By: Lorraine Trotter, Professional Mgmt Solution Phone: 303-910-9197

**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				

<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES</b>	<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES</b>
--	--

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)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	379,710
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	15,989
2. General fund appropriations	732,166	b. Snow and ice removal	227,885
3. Other local imposts (from page 2)	37,278	c. Other	0
4. Miscellaneous local receipts (from page 2)	29,259	d. Total (a. through c.)	243,874
5. Transfers from toll facilities		4. General administration & miscellaneous	57,939
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	183,202
a. Bonds - Original Issues		6. Total (1 through 5)	864,725
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)	798,703	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	66,022	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	864,725	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		<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>	
			864,725

**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
	0	864,725	864,725		0

**Notes and Comments:**

<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE: Colorado
	YEAR ENDING (mm/yy): December 31, 2024

**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	22,076
1. Sales Taxes	0	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	3,621	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	33,657	g. Other Misc. Receipts	
6. Total (1. through 5.)	37,278	h. Other County Road & Bridge	7,183
c. Total (a. + b.)	37,278	i. Total (a. through h.)	29,259
	(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	45,420	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	20,602	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	20,602	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	66,022	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			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)			0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)			0
			(Carry forward to page 1)

Notes and Comments: