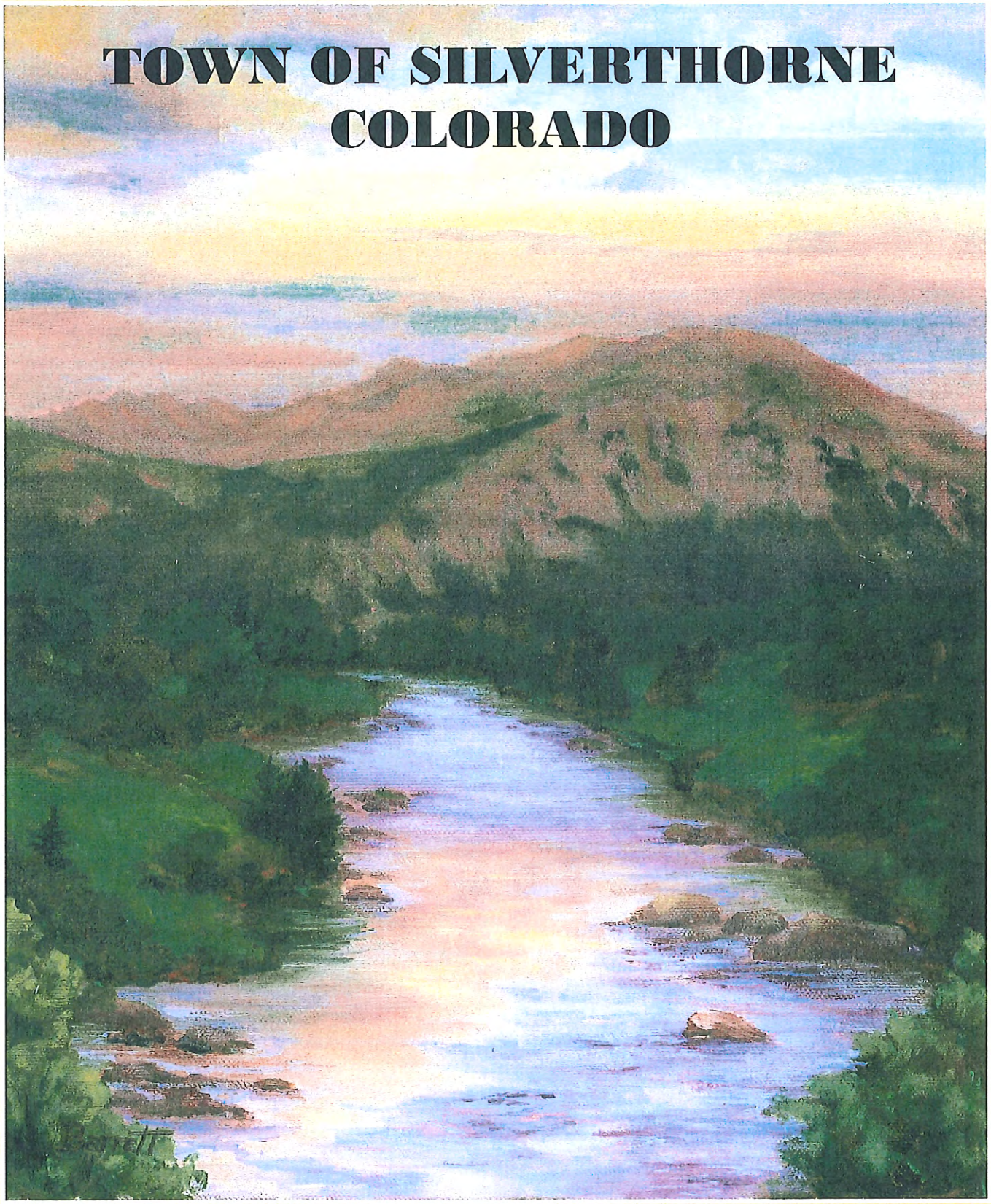
TOWN OF SILVERTHORNE
COLORADO



COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR YEAR ENDED DECEMBER 31, 2010

COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED DECEMBER 31, 2010

Prepared by:
Town of Silverthorne's
General Government Department

TOWN OF SILVERTHORNE, COLORADO

COMPREHENSIVE ANNUAL FINANCIAL REPORT
For Fiscal Year Ended December 31, 2010

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SILVERTHORNE
COLORADO
601 Center Circle • P.O. Box 1309 • Silverthorne, Colorado 80498

May 31, 2011

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

The Town of Silverthorne is pleased to present the comprehensive annual financial report, prepared in accordance with generally accepted accounting principles (GAAP) for the year ended December 31, 2010. The report is submitted as mandated by both local ordinance and state statutes. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the Town government. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds of the Town government. The Town has established an internal control structure designed to ensure accurate financial reporting and to safeguard the assets of the Town. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. All disclosures necessary to enable the reader to gain an understanding of the Town's financial activities have been included.

The Town of Silverthorne's financial statements for the year ended December 31, 2010, have been issued an unqualified ("clean") opinion by Johnson, Holscher & Company, P.C., a firm of licensed certified public accountants. The independent auditor's report is presented as the first component of the financial section of this report.

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

Governmental Structure

Of all the towns in Colorado, few have probably experienced the overwhelming change that Silverthorne has in the short time since its incorporation in 1967. Over the course of its brief existence, the Town has gone from a makeshift construction camp for workers building the Dillon Dam, to a period in which the most the Town had to offer was a convenient refueling stop along Interstate 70, to a full-service, well-balanced community of over 4,000 people.

The Town of Silverthorne is located high in the Colorado Rocky Mountains, approximately 70 miles west of Denver, at an elevation of 8,730 feet. It is situated along the Lower Blue River Valley below peaks of 12,000 and 13,000 feet and is surrounded on two sides by large stands of forest and Wilderness Area. It is considered the gateway to Summit County and Western Colorado. Three major ski resorts are within 10 miles of Silverthorne making Silverthorne a "bedroom community" to the resorts and an attractive area for second homeowners.

The government operates under the council-manager form of government. Policymaking and legislative authority are vested in the Town Council, which consists of a mayor and six-member council. The Town Council is responsible for, among other things, passing ordinances, adopting the budget and hiring the Town Manager. The Town Manager is responsible for carrying out the policies and ordinances of the Town Council and for overseeing the day-to-day operations.
The Town provides a full range of services. These services include police protection, street construction and maintenance, infrastructure, water and sewer services, a recreation center,

General Government (970) 262-7300 Fax (970) 262-7312 Public Safety (970) 262-7320
Community Development (970) 262-7360 Public Works (970) 262-7340 Recreation & Culture (970) 262-7370

recreation activities and cultural events. Wastewater services are provided through a legally separate Joint Sewer Authority, which the Town manages and are therefore reported separately within the Town of Silverthorne's financial statements. Additional information on the Authority can be found in Note H in the notes to the financial statements.

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

In order to accomplish the goals set for 2010, it is important to note the primary goal of the Town Council as described in its Mission Statement:

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

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

Factors Affecting Financial Condition

Local Economy: Fiscal year 2010 saw the continuation of the national/state/local recession which began in 2008 for Silverthorne. Lack-luster sales tax revenues continued through all twelve months in 2010. Minimal to no local construction occurred in 2010 which indicates that local growth is slow at best for the time being.

Silverthorne is home to many commercial businesses that service the community and surrounding areas. The remainder of the economy is tourism related, with 80 (when fully leased) Outlet stores, 36 fast-food/restaurants and 6 hotels. Major industries/employers in 2010 included: Silverthorne Outlet Stores, Xcel Public Utilities, Town of Silverthorne, U.S. Forest Service, Colorado Mountain Express, Target and a combination of lodging, building and restaurant businesses. Many of these businesses, including the Town, laid off or left positions vacant throughout 2010. This is reflected by the County and State unemployment rates for 2009, 6.9% and 8.3% respectively, and for 2010, 7.8% and 8.9%.

Even with the down economy, the Town continues to be financially stable and did not use any general fund balances for 2010 annual operations. Economic history includes: expenditure reductions during fiscal years 2002 – 2004, the opening of the Target store in March of 2003, strong tourism and building industries in 2005 - 2008 and the remodeling of the Outlet Stores. Beginning in 2009 and continuing in 2010, the Town froze salaries, left five positions vacant and had across-the-board reductions to supplies & services. While the Town has had modest to moderate increases in cash throughout the years, it looks toward the future and realizes the need to diversify and increase revenues if it is to continue to grow and remain in healthy financial condition. However, due to conservative reserve policies (6-month of expenditures), the Town is in position to handle the current down economy we continue to experience.

The primary challenge the Town faces currently, and into the future, is its dependency on sales tax revenues. Sales tax revenues comprised 62% of the general fund revenues. The national and local economy began a downturn in the summer of 2001 which continued into 2003. The decline in the

economy was seen in Silverthorne with decreases (5.5%) in sales tax revenues from 2001 to 2002 sales tax collections. Sales tax collections saw moderate increases in 2003 and 2004 as reflected by the 3.8% and 2.7% respective increases. However, 2005 - 2007 finished with significant increases in sales taxes of 10%, 12.5% and 10.7%, respectively. Fiscal years 2008 and 2009 saw sales tax revenues decrease 3% and 12%, respectively. Sales taxes for 2010 were flat showing a small .8% increase. Sales tax trends model the health of our local businesses.

The Outlet stores make up 35% of the Town's total sales tax revenues and are an important contributor to the Town's revenues. The Outlets have been in Silverthorne since the mid-1980s. Over a recent three year period of time (2005-2007), the Outlets did a major exterior remodel and updated their buildings and pedestrian areas. This attracted several new and "highly-sought-after" retail stores and brought a new life to the Outlets. Of course the economy has also had an effect on the Outlets which are now experiencing some store vacancies.

Local skier/snowboarder numbers were down for the 2008/2009 winter season due to the national and state economy being in an official recession. The 2009/2010 winter season saw skier numbers and pass sales increase. Recent reports from Vail Resorts, the owner of two ski resorts in Summit County, note that the 2010/2011 season saw visitor numbers increase by 4%. The effects of these numbers generally are a mirror to the Town's most valuable revenue, sales taxes.

New building permits issued in 2010 were slightly up compared to 2009. While the national housing market was already in a downturn in 2008, Silverthorne residential building growth continued until late 2008, when new construction stopped. In general, this stoppage continued throughout 2010; however there were new residential permits issued in 2010. Building permits revenues are a direct indicator as to building retailer's revenues. Building retail sales tax revenues were lower than 2009 by 21%.

Revenues still out paced operational expenditures in 2010, but this was only due to the Town continuing to react with tight controls of our expenditures. Even with the expenditure controls, the Town continued to address maintenance projects that are now part of a long term asset management program. The pine beetle disease has killed many lodgepole pine trees in the Silverthorne area with most of the death in the surrounding national forest. The Town has had to enforce tree removal programs for both Town-owned property and the property of residents and businesses. Without the removal of the trees the risk of forest fire increases. Silverthorne is surrounded by national forest and open space so being prepared for fire has been an important priority for the community as a whole.

Long-Term Financial Planning: The fund balance in the general fund (80% of annual expenditures) is above the Town's financial policies requirement of 6-months of annual expenditures. This certainly has the Town in a comfortable financial position as we continue to buffer the current economic downturn.

In 2011 the Town will design and construct the next section of the Blue River Trail. The trail is and has been a long-term goal for the Town and is mostly being funded by capital and special revenue funds whose sole purpose is to use these funds towards this type of capital project. Additionally, the Town continues to search for grants and donations opportunities to offset the cost of the trail. The Town is the recipient of a $500,000 grant from Great Outdoors Colorado to be used toward the 2011 trail construction. The Town expects to have the full trail completed by 2015 and to cost the Town approximately $8 million dollars. The completion of the trail will be another asset to the Town that will draw both visitors and residential and commercial development.

The Town has a few large parcels of commercially zoned property still undeveloped. In September of 2010 a Lowes Home Improvement Store was approved for development on a commercial lot located off of I-70. Construction has begun this spring with an estimated store opening in January of 2012. Since our only grocery store left Silverthorne in 1998, it has been a priority to bring another grocery

store to Town. The economy certainly hasn't help in this endeavor. However, it's felt this will eventually happen when more homes are built. The other reason for the desire of a grocery store is to bring diversity to the Town's sales tax base.

The Town has developed a Town Center area located between the Blue River and Hwy 9. The Center currently consists of an enclosed pavilion, which hosts entertainment, arts, weddings, private and community events. A fly fishing shop and an outside public area to encourage gatherings and viewing of the river are also included. The second phase of the Town Center includes two restaurant/office/retail buildings with residential properties above the riverside building. The two pedestrian bridges connect the Center to Phase III of the Outlets. Pedestrian walkways also add to the accessibility to the Center. The Town of Silverthorne does not have a "downtown area" like older communities. A recently conducted "Downtown Colorado" analysis preformed by the Colorado Department of Local Government is a beginning step towards looking at development in our core business area, which includes the Town Center. Town Council is looking to take this analysis to the next level by doing economic and planning analysis on properties in the core area to help direct proper zoning and potentially business districts to encourage development. In essence, balancing the economics with the vision remains a priority of the Town.

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

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

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

Major Initiatives: If there is one thing that can be said about 2010, it is that the Town continued to be faced with many economic challenges due to the economy and its affect on tourism, residential development and diversity of our revenues. Without a town-assessed property tax, there will be no additional revenues to assist paying for Town services and continued maintenance of Town assets. Again we remain dependent on growth in our sales tax base.

Prior to the current economic downturn, local employers struggled to find and retain employees due to lack of affordable housing. The cost of housing in Summit County has grown to be too expensive as compared to wages local workers earn. In 2007, an affordable housing sales tax and an impact fee on any new building was put in place to help raise funds for local governments to be applied towards work force affordable housing. This could include purchasing/developing affordable housing for sale or rent, down payment assistances, current owners renovation and anything that could help provide housing for local employees. In 2008, the Town purchased the 50-acre Smith Ranch parcel which the Town intends to use as a "yet to be determined" affordable housing development. In 2009, the Town

assisted an eight-unit deed restricted project by donating the land for the project. Lack of affordable housing will be an issue into the future and the Town wants to be ready to address this issue when that time arrives. Providing affordable housing opportunities will assist with maintaining our commercial base and keep our community a place where locals can make a home.

Town management and Town Council have and will continue to work hard to analyze the many complex issues, look for ways to save money and still provide services to the public while planning for the future.

Awards and Acknowledgements

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Silverthorne for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2009. The Certificate of Achievement is a prestigious national award; recognized for conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR), whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. Fiscal year 2009 was the fourteenth consecutive year the Town of Silverthorne has received the award. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

The Town also received the GFOA Distinguished Budget Presentation Award for our 2009-2010 Financial Plan. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device.

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

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

Respectfully Submitted,

Kevin Batchelder
Town Manager, Town of Silverthorne

Donna Braun, CPA, National & Co. CPFO
Director of Finance & Administration

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Silverthorne Colorado

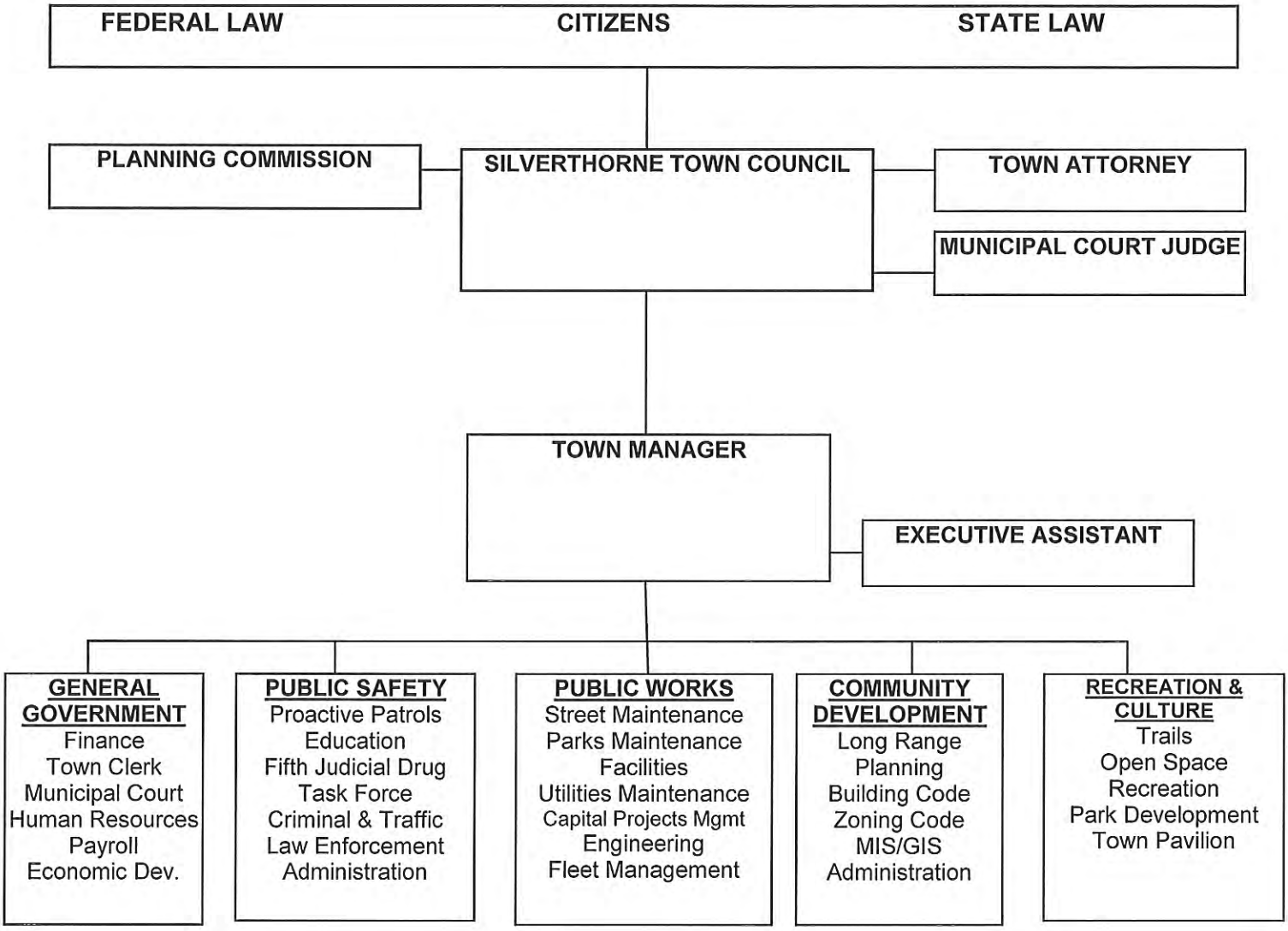
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2009

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

TOWN OF SILVERTHORNE, CO
ORGANIZATIONAL CHART



TOWN OF SILVERTHORNE, COLORADO
LIST OF ELECTED AND ADMINISTRATIVE OFFICIALS
December 31, 2010

Elected Officials

Mayor	Dave Koop
Mayor Pro-tem	Vince Lanuza
Council Members	Dave Anderson
	Bruce Butler
	David Preaus
	Ann-Maria Sandquist
	Darrick Wade

Administrative Officials

Town Manager	Kevin Batchelder
Attorney	Gerald Dahl
Town Clerk	Michele Miller
Administration & Finance Director	Donna Braun
Police Chief	Mark Hanschmidt
Public Works Director	Bill Linfield
Community Development Director	Mark Leidal
Recreation & Culture Director	JoAnne Breigenzer

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Johnson, Holscher & Company, P.C.
Certified Public Accountants

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Silverthorne, Colorado (the Town), as of and for the year ended December 31, 2010, which collectively comprise the basic financial statements of the Town as listed in the table of contents. These financial statements are the responsibility of the Town's management. Our responsibility is to express an opinion on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the basic financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Silverthorne, Colorado, as of December 31, 2010, and the results of its operations and cash flows, where applicable, thereof and the respective budgetary comparison for the major funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis is not a required part of the basic financial statements, but is supplemental information required by accounting principles generally accepted in the United States of America. We have applied limited procedures, consisting principally of inquiries of management, regarding measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Town of Silverthorne's basic financial statements. The accompanying combining and individual fund financial statements and the schedules of revenues, expenditures and changes in fund balance budget & actual and Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying combining and individual fund financial statements, schedules of revenues, expenditures and changes in fund balance budget & actual and Local Highway Finance Report have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly presented in all material respects in relation to the basic financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Johnson, Holscher & Company, P.C.

Centennial, Colorado
April 30, 2011

Member of the American Institute of Certified Public Accountants
Member of the Private Companies Practice Section

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Centennial, CO 80111
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TOWN OF SILVERTHORNE, COLORADO

MANAGEMENT DISCUSSION & ANALYSIS
December 31, 2010

As management of the Town of Silverthorne, we offer readers of the Town of Silverthorne's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2010. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-5 of this report.

FINANCIAL HIGHLIGHTS

- The assets of the Town of Silverthorne exceeded its liabilities at the close of fiscal year 2010 by $81,780,034 (*net assets*). Of this amount, $19,297,301 (*unrestricted net assets*) may be used to meet the Town's ongoing obligations or unforeseen expenses.
- As of the close of fiscal year 2010, the Town of Silverthorne's governmental funds reported a combined ending fund balance of $7,645,760 an increase of $417,233 compared to fiscal year 2009. $7,136,943 of the total is considered unreserved.
- At the end of fiscal year 2010, unreserved fund balance for the general fund was $6,390,162 or 76% of the total general fund expenditures.
- General fund 2010 revenues increased by $94,999 or 1.1% as compared to 2009. Governmental funds general sales tax revenues, which is the Town's primary revenue source, increased by $50,534 or .68% as compared to 2009 results.
- The Town governmental and enterprise funds expended $2,555,078 in capital assets in 2010.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

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

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

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

affordable housing and capital acquisition. The Business-type Activities of the Town of Silverthorne include water and sewer.

The government-wide financial statements can be found on pages 23-25 of this report.

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

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

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

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

The Town adopts an annual appropriated budget for its general and affordable housing funds. A budgetary comparison statement has been provided for the general and affordable housing funds to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 26-28 of this report.

Proprietary Funds – The Town of Silverthorne maintains two types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The Town uses enterprise funds to account for its water and sewer funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally. The Town uses internal service funds to account for compensated absences. Because this service predominantly benefits the Town rather than business-type functions, it has been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water and sewer funds. Both are considered to be major funds of the Town of Silverthorne. The Compensated Absences internal services fund is also presented in the proprietary fund statements.

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

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

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

Notes to Financial Statements – 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 on pages 35-54 of this report.

Supplementary & Other Information – The supplementary and combining statements referred to earlier in connection with major and non-major governmental funds are presented immediately following the required notes to financial statements. Combining and individual fund statements and schedules can be found on pages 59-70.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

Net Assets – As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the Town of Silverthorne, governmental activities assets exceeded liabilities by $48.6 million at the close of fiscal year 2010.

Combined net assets of the Town at December 31, were:

TOWN OF SILVERTHORNE'S NET ASSETS

	Governmental Activities		Business-type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Current and Other Assets	$ 9,171,666	$ 8,310,427	$ 11,951,066	$ 11,600,755	$ 21,122,732	$ 19,911,182
Capital Assets	41,021,442	40,801,129	21,312,175	21,753,271	62,333,617	62,554,400
Total Assets	50,193,108	49,111,556	33,263,241	33,354,026	83,456,349	82,465,582
Long-Term Liabilities	499,046	650,474	24,303	25,883	523,349	676,357
Other Liabilities	1,131,368	695,630	21,598	43,963	1,152,966	739,593
Total Liabilities	1,630,414	1,346,104	45,901	69,846	1,676,315	1,415,950
Net Assets:						
Invested in Capital Assets, Net of Related Debt	40,917,450	40,538,196	21,312,175	21,753,271	62,229,625	62,291,467
Restricted	253,108	252,224	-	-	253,108	252,224
Unrestricted	7,392,136	6,975,032	11,905,165	11,530,909	19,297,301	18,505,941
Total Net Assets	$ 48,562,694	$ 47,765,452	$ 33,217,340	$ 33,284,180	$ 81,780,034	$ 81,049,632

By far the largest portion of the Town of Silverthorne's net assets, 76%, reflects its investment in capital assets (e.g. land, buildings, infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town of Silverthorne uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Silverthorne's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net assets may be used to meet the Town's ongoing obligations to citizens and creditors.

The $21,122,732 of Total Primary Government current and other assets includes $12,328,538 in cash, cash equivalents and investments. This reflects the strong cash balances that the Town of Silverthorne has maintained in 2010, even with completing $2.6 million in capital projects. The $523,349 in long-term liabilities outstanding consists of $418,841 in compensated absences and $104,508 in lease purchases plus related accrued interest. The decrease of $153,008, in long-term liabilities is mostly due to paying

lease payments and not adding additional leases in 2010 as is normal when replacing/adding vehicles/equipment. The increase of $413,373 in other liabilities in 2010 is due in part to: less health insurance claims being paid in 2010 as compared to claims related premiums paid into the self insurance account ($318,917) and an increase to governmental activities accounts payable in the amount of $83,131 mostly caused by the increase use of the purchasing card system as compared to 2009.

At the end of 2010 the Town of Silverthorne is able to report a positive balance of net assets for the government as a whole, as well as for its separate Governmental and Business-type Activities. The net assets - unrestricted for the governmental activities equals 69% of total expenses in the statement of activities for governmental activities for 2010.

During 2010 the Town of Silverthorne's Governmental Activities net assets increased by $797,242. The increase from the Governmental Activities can be attributed mostly from all governmental programs holding expenses to 2009 levels (due to no pay increases and the instability of the economy), very little interest expenses on long-term debt and slight increases in tax related revenues. The net assets from Business Activities show a $66,840 decrease which can be attributed to minimal capital contributions in 2010 (tap fees and contributed infrastructure) which is attributed to less development and operating expenses outpacing operating revenues.

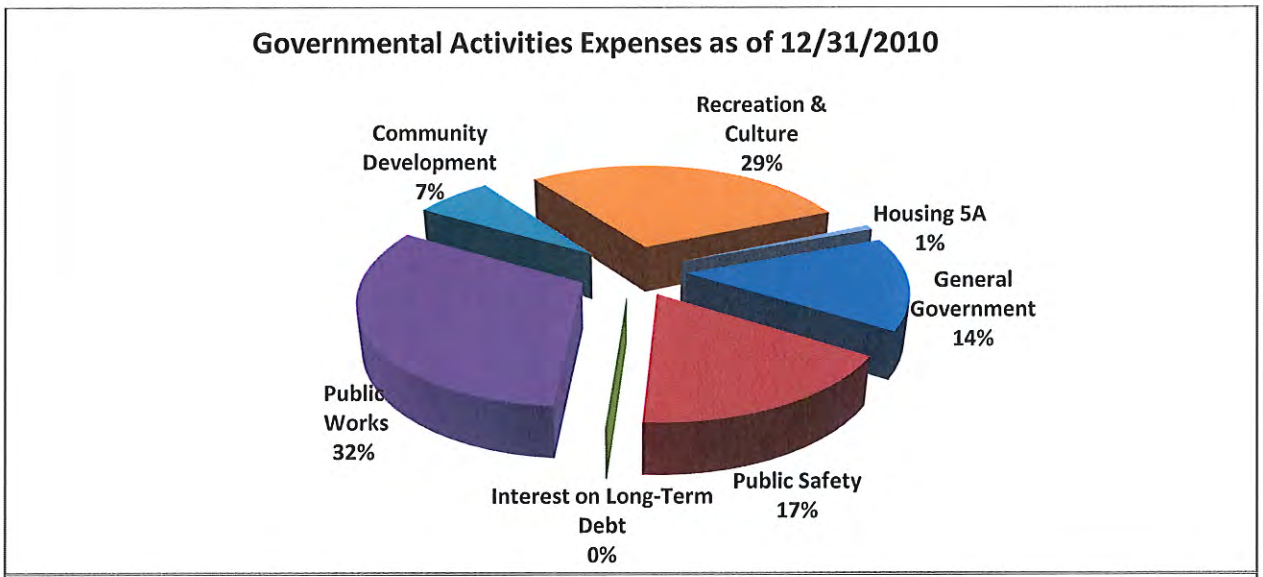
Changes in Net Assets – Governmental activities increased the Town of Silverthorne's net assets by $797,242, reflecting a 1.7% growth to total net assets. This increase shows that the Town had continued to experience growth in 2010 but had a lower surplus as compared to 2009, by $131,546, which again is reflected by the Town controlling expenses and seeing modest revenues increases in 2010.

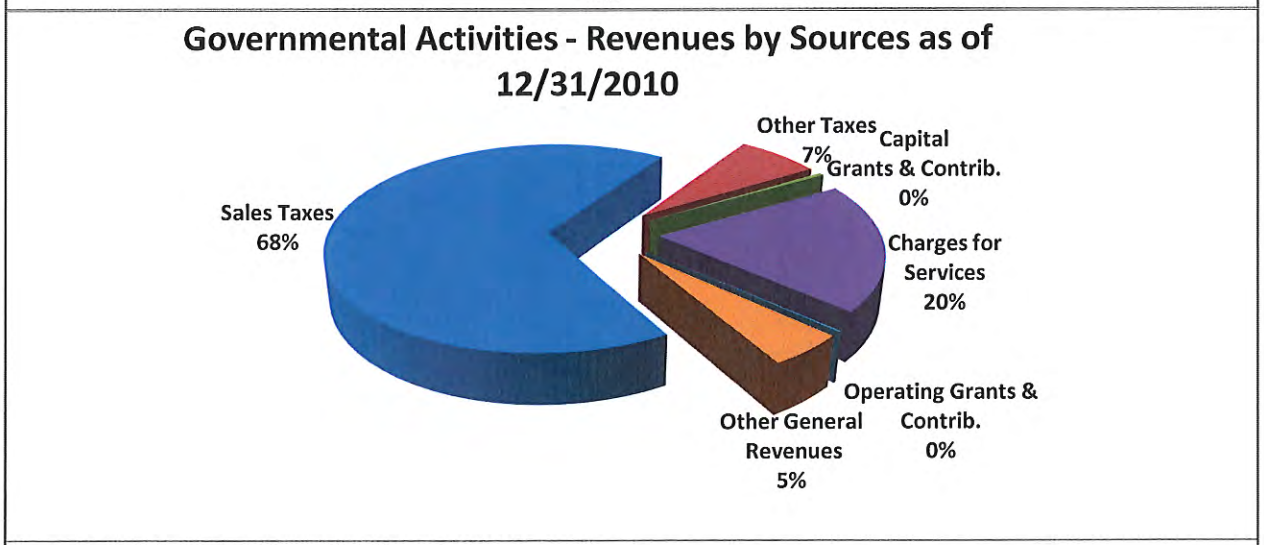
TOWN OF SILVERTHORNE'S CHANGES IN NET ASSETS

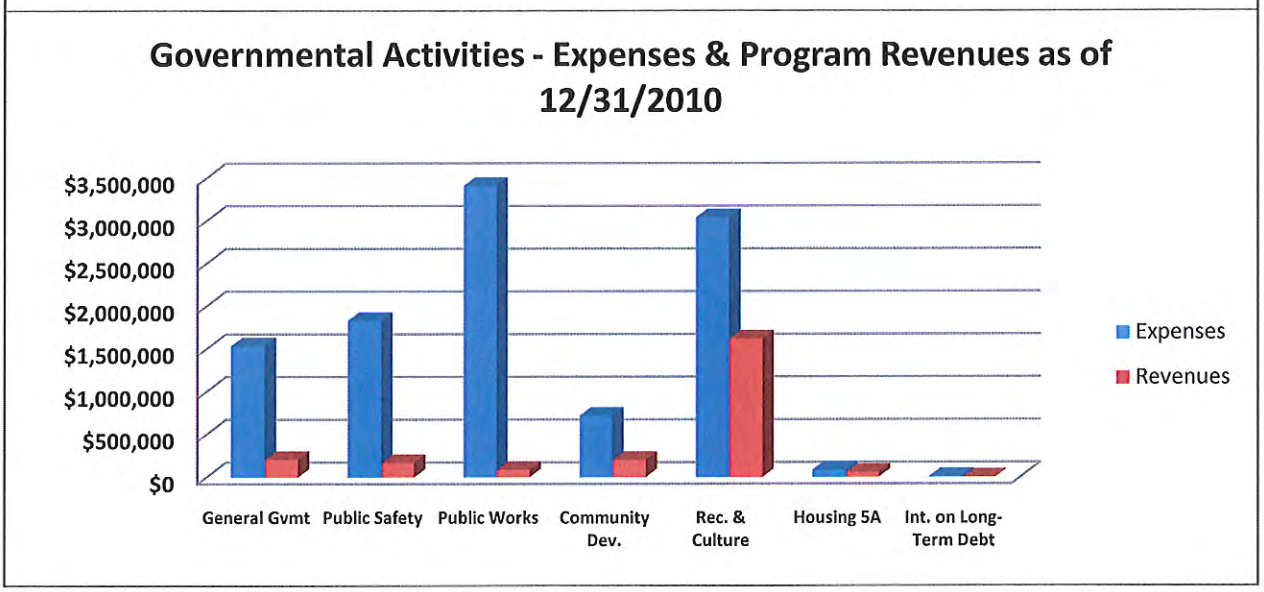
	Governmental Activities		Business-type Activities		Total Primary Government	
Program Revenues:	2010	2009	2010	2009	2010	2009
Charges for Services	$ 2,266,041	$ 2,320,829	$ 2,041,821	$ 1,923,434	$ 4,307,862	$ 4,244,263
Operating Grants & Contributions	21,419	16,511	-	-	21,419	16,511
Capital Grants & Contributions	49,683	936,804	275,185	788,267	324,868	1,725,071
General Revenues:						
Sales Taxes	7,725,567	7,686,394	-	-	7,725,567	7,686,394
Other Taxes	809,404	766,625	-	-	809,404	766,625
Other General Revenues	273,261	278,860	251,411	172,447	524,672	451,307
Total Revenues	11,145,375	12,006,023	2,568,417	2,884,148	13,713,792	14,890,171
Program Expenses:						
General Government	1,536,770	1,605,745	-	-	1,536,770	1,605,745
Public Safety	1,832,321	1,857,556	-	-	1,832,321	1,857,556
Public Works	3,411,665	3,598,113	-	-	3,411,665	3,598,113
Community Development	719,689	745,431	-	-	719,689	745,431
Recreation & Culture	3,038,923	3,089,079	-	-	3,038,923	3,089,079
Affordable Housing 5A	84,104	316,901	-	-	84,104	316,901
Interest on Long-term Debt	7,576	126,502	-	-	7,576	126,502
Water	-	-	1,161,340	1,138,255	1,161,340	1,138,255
Sewer	-	-	1,191,002	1,116,886	1,191,002	1,116,886
Total Expenses	10,631,048	11,339,327	2,352,342	2,255,141	12,983,390	13,594,468
Excess Before Transfers	514,327	666,696	216,075	629,007	730,402	1,295,703
Transfers	282,915	262,092	(282,915)	(262,092)	-	-
Change in Net Assets	797,242	928,788	(66,840)	366,915	730,402	1,295,703
Net Assets – Unadj., Beginning of Yr	47,714,911	46,786,123	26,741,887	26,374,972	74,456,798	73,161,095
Prior Period Adj., GASB 51 Intangibles	50,541	-	6,542,293	-	6,592,834	-
Net Assets, Adj., Beginning of Yr	47,765,452	-	33,284,180	-	81,049,632	-
Net Assets – End of Year	$ 48,562,694	$ 47,714,911	$ 33,217,340	$ 26,741,887	$ 81,780,034	$ 74,456,798

Governmental Activities

Governmental activities increased the Town of Silverthorne's net assets by $797,242. The following are illustrative summaries of Governmental Activities revenues and expenses:







Governmental Activities Analysis:

- Sales tax revenues increased by .5% ($39,173) in 2010. The Town hopes that the flat sales tax type revenues in 2010 are an indication that overall sales tax losses due to the recession have ended and we're starting to see signs that the local economy is recovering. The building retail category continued to experience a **decrease** in sales tax revenues of $196,798 (21%). This is to be expected since the level of building development continues to be very slow to recover. The Outlets saw an increase of $47,859 or 2%. A few new stores were added in 2010, however several stores closed during the year and the Outlets now have an approximate vacancy rate of 16%. The Outlets make up 35% of the Town's total sales tax base. The sales tax category to see the highest increase ($97,105) for 2010 was the consumer retail category. This is due to the enhanced sales tax rebate agreement that the Town had with Target. The Town's $2.3 million obligation was paid in full in March of 2009, two years earlier than contracted. January through the first part March 2010 reflected the increase of retained sales taxes from Target as compared to 2009. The Town was reimbursing Target $350,000 to $400,000 annually.
- Building related permits increased by $20,500 (14%) from 2009. A new residential development, Angler Mountain, began developing multi and single-family high end homes just prior to 2008 and was one of the few residential building projects in Silverthorne. The housing construction slump that had already been affecting the state and national economy began to affect the Town in late 2008 and continued throughout 2010. A few commercial properties were approved in late 2010 which show that commercial properties are positioning themselves into the future.
- Fiscal year 2010 continued to see record level low interest rates, which is reflected in the $33,636 (27%) decrease from 2009. This decrease in investment revenues occurred even with an additional $1M in cash available for investment.
- Governmental expenses decreased by $708,279 or 6.7% from 2009. The majority of this decrease ($232,797) is due to an affordable housing project the Housing 5A fund participated in 2009. Additionally, the Town paid in full the last of the 1998 Excise Tax Revenue Bonds in 2009 which decreased the interest on long-term debt by $118,926. Due to flat revenues, the Town continued no increase funding for supplies and services; pay freezes continued through 2010.
- A prior period adjustment was required due to the implementation of GASB 51 which accounts for intangibles in capital assets. The amount of $50,541 is for a strategic plan and software that had not been accounted as capital assets in prior years.

Business-type Activities

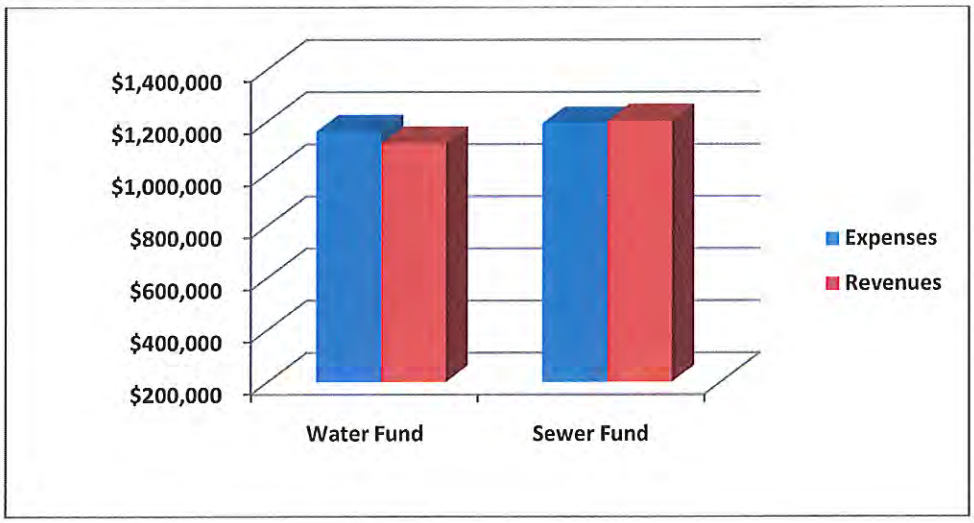
Net assets in Business-type Activities decreased by $66,840. Business type activities include water and sewer service.

There were increases in user rates, ranging up to 3%, for the water and sewer funds in 2010. The flat rate portion of the water fees was left unchanged and the consumption rate portion was increased to encourage water conservation. The net effect to water rate revenues was a minimal increase based on how much water was consumed. The sewer flat rate was increased 3% to address increases in operational costs. Charges for services make up approximately 88% of program revenues with system development fees and capital contributions making up the other 12%. The capital contributions reflect the building/infrastructure growth in the Town; although the Town saw flat growth in new building permits in 2010. It should be noted that users' fee revenues grew slightly (.8%) due to additional homes being added on the Town system.

A prior period adjustment was required due to the implementation of GASB 51 which accounts for intangibles in capital assets. The amount of $6,542,293 is the estimated historic costs of water rights that had not been accounted as capital assets in prior years.

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

Expenses & Program Revenues – Business-Type Activities



FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

Governmental Funds – The focus on the Town of Silverthorne's governmental funds is to provide information on short-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As the Town completed the year, its governmental funds reported a combined fund balance of $7,645,760. Of that balance, $7,136,943 constitutes unreserved fund balance which is available for spending at the government's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed for items such as 1) an encumbrance of $234,835 for committed projects, 2) inventories and prepaid expenditures of $20,874, 3) a state constitution mandated emergency reserve of $253,108.

The general fund is the chief operating fund of the Town of Silverthorne. At the end of the current fiscal year, unreserved fund balance of the general fund was $6,390,162, while the total fund balance increased from 2009 to $6,765,979. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to fund expenditures. Unreserved fund balance represents 76% of total 2010 general fund expenditures, while total fund balance represents 80% of that same amount.

The fund balance of the Town's general fund increased by $122,222 during the 2010 fiscal year. Key factors for 2010 are as follows:

- Revenues were 1.1% ($94,989) higher for 2010 compared to 2009. The largest increase in revenues includes $117,174 in taxes. As mentioned earlier sales tax revenues saw a slight increase in 2010. The general fund receives approximately 70% of total sales tax revenues. For 2010, general fund sales taxes totaled $5.29 million and were up $86,079 (1.65%) from 2009. General fund sales taxes were as high as $6.03 million in 2007 so the Town still is feeling the effects of loss revenues. These decreases, since 2007, are the results of the continued nation, state and local economic woes.

- Initially the Town planned on fiscal year 2010 expenditures to grow 2% from projected 2009. The 2010 general fund revenues became known, and apparent savings in expenditures were found. These expenditure reductions included wages, not filling five full-time vacant positions and across the board supply & service reductions, including staff training. Accomplishing these reductions was helped by lower utility and fuel rates. Fortunately, most Town services have remained in tack. In prior years the Town had made great efforts removing trees killed by the pine beetle and noxious weed spraying. While expenses in those continued in 2010, the amount needed was less than prior years due to addressing the issues early. Overall, 2010 expenditures only saw a small increase, $29,457 (.35%) from 2009.

The capital improvement fund has a total unrestricted fund balance of $480,806. The net decrease in fund balance during the current year was $91,314. The Town expended $2,364,545 on capital and asset management projects. Major street/trail expenditures continue to be a priority for the Town with $818,000 being spent on reconstruction projects and $1.6 million spent on numerous asset management projects. Debt service is paid from this fund with $167,273 expended in 2010. Like the general fund, the major revenue source for the capital improvement fund is sales tax revenues. The Town is able to continue to provide funding for capital and asset projects because a portion of our sales tax revenues is legally required to be used in the capital improvement fund.

The special revenue Housing 5A fund did not have much activity in 2010. Due to the slow housing market the Town has chosen to wait on any affordable housing development until the market dictates a need. The 5A fund did reimbursed back $220,000 in advancements from 2008 that were used to purchase a portion of the 50 acre Smith Ranch parcel to be developed, sometime in the future, into an affordable housing development. A $2 million advancement from the development excise tax and sewer fund was needed in order make this purchase possible. The Housing 5A fund saw an increase to its fund balance of $196,209 in 2010. This fund currently has a deficit fund balance of $1,469,126 due to the advancement. The payback of the advancement is scheduled over the next five years. This fund's revenue sources sunset in 2016.

Special revenue funds (other governmental funds) have a total fund balance of $1,790,101. None of the fund balance is considered reserved, but is designated for expenditures based on past election questions. The special revenue fund balance increased by $190,116 in 2010 due to minimal activity in capital outlay. Funds will be used in the future when projects are needed.

Proprietary funds – The Town of Silverthorne's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the water and sewer funds at the end of the year amounted to $11,905,165. The net assets for all proprietary funds were decreased by $66,840 in 2010. Other factors concerning the finances of these two funds have been addressed in the discussion of the Town's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

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

- Supplemental appropriations approved shortly after the beginning of the year to reflect projects and purchases not completed as expected in 2009.
- Midyear adjustments for decreases due to the economy, unanticipated projects, and expenditure savings.

Differences between the original budget and the amended budget were minor. Sales tax and recreation center user fee revenues were amended to account for decreases to revenues due to the economy as

compared to the original budget. Based on the revenue reductions, expenditures also were reduced. Additionally, the Town Council chose to begin the design work on the reconstruction of Wilderness Road, pay cash instead of financing heavy equipment and vehicles and contribute to the revolving Summit Housing loan program. However, even with these adjustments, actual expenditures for the general fund were $225,454 below final budget amounts and resources available for appropriation were $91,002 below the final budgeted. The same results (under budget on revenues and expenditures) were seen for all government funds.

The statement of budget to actual for the General Fund can be found on page 29.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The Town of Silverthorne's investment in capital assets for its governmental and business-type activities as of December 31, 2010 amounts to $62,333,617 (net of accumulated depreciation). This investment in capital assets includes land, buildings, vehicles, parks & recreation, equipment, roads, bridges, trails, intangibles and utility system infrastructure. The total net decrease in the Town of Silverthorne's investment in capital assets for the current fiscal year was $220,783. The reason for the decrease was mostly due to the fact that business–type annual depreciation out-paced any additional capital assets to the business-type funds by $441,096.

Major capital assets events during the 2010 fiscal year included the following:

- The contribution of $70,322 in water/sewer infrastructure from developers for Angler Mountain filing 1 & 2.
- Major maintenance of Town streets & trails at a cost of $701,953.
- Replacing the Rainbow Park playground equipment at a cost of $245,159.
- Replacing the Recreation Center Slide at a cost of $145,586.
- The replacement of heavy equipment and vehicles for $525,410.
- Asset management projects throughout the Town at a cost of $393,715.
- GASB 51 – Accounting & Financial Reporting for Intangible Assets required the Town to make prior year adjustment in the amounts of $50,541 and $6,542,293 for the Governmental and Business-type Activities due to water rights, master plans and software not being booked in prior years. An additional $401,899 in intangibles were either added in 2010 or transferred from an already existing capital asset category.

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2010	2009	2010	2009	2010	2009
Land/Projects in Progress	$ 9,884,953	$ 9,753,660	$ 436,867	$ 357,100	$ 10,321,820	$ 10,110,760
Buildings	9,326,136	9,480,771	-	-	9,326,136	9,480,771
Vehicles & Heavy Equipment	1,943,829	1,801,401	-	-	1,943,829	1,801,401
Parks & Recreation	1,840,634	1,662,921	-	-	1,840,634	1,662,921
Equipment & Furniture	307,930	373,897	335,454	319,513	643,384	693,410
Infrastructure	16,347,812	16,493,451	-	-	16,347,812	16,493,451
Other Improvements	1,139,554	1,184,487	55,303	161,560	1,194,857	1,346,047
Water/Sewer Infrastructure	-	-	12,134,725	13,661,085	12,134,725	13,661,085
Intangibles	230,594	50,541	95,813	-	326,407	50,541
Water Rights	-	-	7,254,013	7,254,013	7,254,013	7,254,013
Total	$ 41,021,442	$40,801,129	$21,312,175	$21,753,271	$ 62,333,617	$ 62,554,400

Note G of the financial statements on page 47 provides a summary of the Town's capital assets.

Long-Term Debt
At the end of the current fiscal year, the Town of Silverthorne government and proprietary funds had no bonded debt outstanding. The last of the bonded debt, $1,845,000, was backed by the full faith and credit of the Town but secured by 60% of the Town's 2% sales tax revenues and was paid in full by the end of 2009. For 2010, the Town of Silverthorne's total long-term debt decreased by $160,214 and has a balance of $104,508. The outstanding debts are lease purchase agreements and related accrued interest.

Note J of the financial statements on page 50 provides a summary of the Town's long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Sales tax revenues account for approximately 65% of government fund revenues and are an important source for providing funds for the general operations/maintenance and capital for the Town of Silverthorne.
- The national, state and local economies are projected to continue with little to no growth through 2011. Silverthorne's sales tax revenue projections for 2010 are estimated to be slightly up from 2010 by 3%. The majority of the increase is due to seeing minor growth in the consumer retail and utility vendors. The Town also expects to see the building material sector to start rebounding.
- The Town added no new full-time positions in 2011 and still has five positions vacant. The expenditure budget remains conservative with pay freezes still in place throughout 2011. The Town budgeted for a 0% increase to health insurance rates with no changes to the health plan. This is due to the self-funded insurance account having a sizable surplus at the end of 2010. All expenditure reductions from 2010 were left in place for 2011.
- The Town continues with a strong emphasis on asset management by adding $3.2 million to the 2011 budget for projects. This includes the reconstruction of Wilderness Rd, replacing three piece of heavy equipment and Recreation Center updates. This is possible because of the voter approved designation of sales tax funds towards capital assets, meaning those funds can only be used for maintaining current capital assets and providing new assets.
- Another section of the north trail system will be constructed in the fall of 2011 at an estimated cost of $1.6 million.
- The water fund will continue to plan and construct the expansion of the Old Dillon Reservoir. Construction is budgeted at $600,000. This is an intergovernmental project which will add surface water to the Town.
- The Town has done its best to limit any rate increases for 2011. No rate increases for water and a 5% increase for sewer services.

Even as we continue with a questionable economy, the Town of Silverthorne continues to be in a strong financial position. General fund reserves are at levels as required in the Town's financial policies (equal to six months of operations expenditures). While this strong financial position is reassuring; the fact remains that annual operation expenditures must be paid for from revenues earned during this same period, not from reserves. In other words, we must live within our means.

All these factors were considered in preparing the Town of Silverthorne's budget for the 2011 fiscal year.

REQUESTS FOR INFORMATION

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

TOWN OF SILVERTHORNE, COLORADO

STATEMENT OF NET ASSETS

December 31, 2010

	Primary Governmental		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash & Cash Equivalents	$ 3,492,363	$ 1,785,726	$ 5,278,089
Investments	4,652,257	2,398,192	7,050,449
Accounts Receivable	820,500	477,275	1,297,775
Due from Other Governments	799,074	-	799,074
Internal Balances	(752,500)	752,500	-
Inventory	11,013	26,762	37,775
Deposits & Prepaids	9,861	489	10,350
Restricted Cash & Cash Equivalents	139,098	-	139,098
Investment in Joint Sewer Authority	-	6,510,122	6,510,122
Capital Assets:			
Non-depreciable Assets	9,884,953	7,690,880	17,575,833
Depreciable Assets, Net	31,136,489	13,621,295	44,757,784
TOTAL ASSETS	50,193,108	33,263,241	83,456,349
LIABILITIES			
Accounts Payable	245,446	21,582	267,028
Accrued Liabilities	837,772	16	837,788
Unearned Revenues	48,150	-	48,150
Noncurrent Liabilities:			
Due Within One Year	387,930	22,786	410,716
Due in More Than One Year	111,116	1,517	112,633
TOTAL LIABILITIES	1,630,414	45,901	1,676,315
NET ASSETS			
Invested in Capital Assets Net of Related Debt	40,917,450	21,312,175	62,229,625
Restricted for:			
Emergency	253,108	-	253,108
Unrestricted	7,392,136	11,905,165	19,297,301
TOTAL NET ASSETS	$ 48,562,694	$ 33,217,340	$ 81,780,034

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

TOWN OF SILVERTHORNE, COLORADO

STATEMENT OF ACTIVITIES

Year Ended December 31, 2010

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	$ 1,536,770	$ 205,876	$ -	$ -
Public Safety	1,832,321	143,689	21,419	5,000
Public Works	3,411,665	76,318	-	8,000
Community Development	719,689	200,217	-	-
Recreation & Culture	3,038,923	1,583,607	-	36,683
Housing 5A	84,104	56,334	-	-
Interest on Long-Term Debt	7,576	-	-	-
Total Governmental Activities	10,631,048	2,266,041	21,419	49,683
Business-Type Activities				
Water	1,161,340	963,413	-	151,580
Sewer	1,191,002	1,078,408	-	123,605
Total Business-Type Activities	2,352,342	2,041,821	-	275,185
TOTAL PRIMARY GOVERNMENT	$ 12,983,390	$ 4,307,862	$ 21,419	$ 324,868
GENERAL REVENUES				
Taxes:				
Sales Taxes				
Lodging Tax				
Franchise Taxes				
Development Excise Tax				
Highway Users Tax				
Other Taxes				
Investment Income				
Miscellaneous				
Transfers				
Total General Revenues & Transfers				
Change in Net Assets				
NET ASSETS, Unadjusted Beginning of Year				
Prior Period Adjustment, GASB 51 Intangibles				
NET ASSETS, Adjusted Beginning of Year				
NET ASSETS, End of Year				

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

Net (Expense) Revenues and Changes in Net Assets		
Governmental Activities	Business-Type Activites	Total
$ (1,330,894)	$ -	$ (1,330,894)
(1,662,213)	-	(1,662,213)
(3,327,347)	-	(3,327,347)
(519,472)	-	(519,472)
(1,418,633)	-	(1,418,633)
(27,770)	-	(27,770)
(7,576)	-	(7,576)
(8,293,905)	-	(8,293,905)
-	(46,347)	(46,347)
-	11,011	11,011
-	(35,336)	(35,336)
(8,293,905)	(35,336)	(8,329,241)
7,725,567	-	7,725,567
120,602	-	120,602
231,610	-	231,610
96,986	-	96,986
211,757	-	211,757
148,449	-	148,449
91,096	36,005	127,101
182,165	215,406	397,571
282,915	(282,915)	-
9,091,147	(31,504)	9,059,643
797,242	(66,840)	730,402
47,714,911	26,741,887	74,456,798
50,541	6,542,293	6,592,834
47,765,452	33,284,180	81,049,632
$ 48,562,694	$ 33,217,340	$ 81,780,034

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

TOWN OF SILVERTHORNE, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2010

	General	Capital Improvement	Housing 5A Fund	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash & Cash Equivalents	$ 2,846,657	$ 176,602	$ 126	$ 468,978	$ 3,492,363
Investments	3,785,325	237,108	169	629,656	4,652,258
Accounts Receivable	529,189	274,049	-	17,261	820,499
Due from Other Governments	763,495	-	35,579	-	799,074
Due from Other Funds	-	-	-	752,500	752,500
Inventory	11,013	-	-	-	11,013
Deposits & Prepaids	9,861	-	-	-	9,861
Restricted Cash & Cash Equivalents	139,098	-	-	-	139,098
Total Assets	$ 8,084,638	$ 687,759	$ 35,874	$ 1,868,395	$ 10,676,666
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	194,778	40,688	-	9,980	245,446
Due to Other Funds	394,538	-	1,505,000	-	1,899,538
Accrued Liabilities	681,193	88,265	-	68,314	837,772
Unearned Revenues	48,150	-	-	-	48,150
Total Liabilities	1,318,659	128,953	1,505,000	78,294	3,030,906
FUND BALANCES					
Reserved For:					
Encumbrances	101,835	78,000	-	55,000	234,835
Inventory & Prepaids	20,874	-	-	-	20,874
Emergencies	253,108	-	-	-	253,108
Unreserved, reported in:					
General Fund	6,390,162	-	-	-	6,390,162
Capital Improvement Fund	-	480,806	-	-	480,806
Special Revenue Funds	-	-	(1,469,126)	1,735,101	265,975
Total Fund Balances	6,765,979	558,806	(1,469,126)	1,790,101	7,645,760
Total Liabilities & Fund Balances	$ 8,084,638	$ 687,759	$ 35,874	$ 1,868,395	

Amounts reported for governmental activities in the Statement of Net Assets are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	41,021,442
Long-term liabilities including bonds payable, accrued interest and capital leases are not due and payable in the current period and therefore are not reported in the funds.	(104,508)
Net Assets of Governmental Activities	$ 48,562,694

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

TOWN OF SILVERTHORNE, COLORADO

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

Year Ended December 31, 2010

	Governmental Funds				
	General	Capital Improvement	Housing 5A Fund	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 5,884,093	$ 2,210,312	$ 222,978	$ 217,588	$ 8,534,971
Intergovernmental	-	-	-	36,683	36,683
Licenses, Permits & Fees	267,951	-	56,334	-	324,285
Charges for Services	1,910,868	-	-	-	1,910,868
Fines & Forfeitures	124,666	-	-	-	124,666
Interest	49,107	34,035	1,001	6,953	91,096
Grants	21,419	5,000	-	8,000	34,419
Miscellaneous	18,133	54,282	-	-	72,415
Total Revenues	8,276,237	2,303,629	280,313	269,224	11,129,403
EXPENDITURES					
Current:					
General Government	1,430,842	-	-	-	1,430,842
Public Safety	1,758,679	-	-	-	1,758,679
Public Works	2,067,316	-	-	-	2,067,316
Community Development	641,036	-	-	-	641,036
Recreation & Culture	2,539,057	-	-	13,029	2,552,086
Affordable Housing 5A	-	-	84,104	-	84,104
Capital Outlay	-	2,364,545	-	66,079	2,430,624
Debt Service:					
Principal	-	158,942	-	-	158,942
Interest & Fiscal Charges	-	8,331	-	-	8,331
Total Expenditures	8,436,930	2,531,818	84,104	79,108	11,131,960
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(160,693)	(228,189)	196,209	190,116	(2,557)
OTHER FINANCING SOURCES					
Sales of General Capital Assets	-	136,875	-	-	136,875
Transfer In	282,915	-	-	-	282,915
Total Other Financing Sources (Uses)	282,915	136,875	-	-	419,790
Net Change in Fund Balances	122,222	(91,314)	196,209	190,116	417,233
Fund Balance, Beginning of Year	6,643,757	650,120	(1,665,335)	1,599,985	7,228,527
Fund Balance, End of Year	$ 6,765,979	$ 558,806	$ (1,469,126)	$ 1,790,101	$ 7,645,760

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

TOWN OF SILVERTHORNE, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUND TYPES TO THE STATEMENT OF ACTIVITIES

Year Ended December 31, 2010

NET CHANGES IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS	$	417,233
Amounts reported for Governmental Activites in the Statement of Activities (page 24) are different because:		
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expenses. This is the amount by which depreciation exceeded capital outlays in the current period.		400,468
The net effect of various miscellaneous transactions involving capital assets (i.e. sales, trade-ins and donations) is to increase net assets.		(180,156)
Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term debt liabilities in the Statement of Net Assets. Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. These include capital lease proceeds, bond & capital payments.		158,942
Some Governmental Fund expenditures reflect payments related to prior periods (i.e. claims & judgments, accrued interest and amortizations). Such amounts should not be included in the Statement of Activities.		755
Changes in net assets of governmental activities (page 25)	$	797,242

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

TOWN OF SILVERTHORNE, COLORADO

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL

Year Ended December 31, 2010

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget
REVENUES				
Taxes	$ 6,134,572	$ 5,962,072	$ 5,884,093	$ (77,979)
Licenses & Permits	217,833	217,833	267,951	50,118
Charges for Services	1,982,227	1,964,227	1,910,868	(53,359)
Fines & Forfeitures	145,000	145,000	124,666	(20,334)
Interest	121,107	51,107	49,107	(2,000)
Grants	-	7,000	21,419	14,419
Miscellaneous	27,000	20,000	18,133	(1,867)
Total Revenues	8,627,739	8,367,239	8,276,237	(91,002)
EXPENDITURES				
Current				
General Government	1,463,185	1,452,038	1,430,842	21,196
Public Safety	1,866,527	1,796,883	1,758,679	38,204
Public Works	2,204,832	2,130,681	2,067,316	63,365
Community Development	728,121	679,529	641,036	38,493
Culture & Recreation	2,743,397	2,603,253	2,539,057	64,196
Attrition	(110,000)	-	-	-
Total Expenditures	8,896,062	8,662,384	8,436,930	225,454
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(268,323)	(295,145)	(160,693)	134,452
OTHER FINANCING SOURCES (USES)				
Transfer In	274,695	274,695	282,915	8,220
Transfer Out	-	(150,000)	-	150,000
Total Other Financing Sources (Uses)	274,695	124,695	282,915	158,220
Net Change in Fund Balances	6,372	(170,450)	122,222	292,672
Fund Balance, Beginning of Year	6,643,757	6,643,757	6,643,757	-
Fund Balance, End of Year	$ 6,650,129	$ 6,473,307	$ 6,765,979	$ 292,672

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

TOWN OF SILVERTHORNE, COLORADO

HOUSING 5A SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final
	Original	Final	Amounts	Budget
REVENUES				
Taxes	$ 235,107	$ 235,107	$ 222,978	$ (12,129)
Licenses, Permits & Fees	50,000	50,000	56,334	6,334
Interest	2,122	2,122	1,001	(1,121)
Total Revenues	287,229	287,229	280,313	(6,916)
EXPENDITURES				
Professional Services	45,991	53,191	44,104	9,087
Housing Permits/Fees/Loan Programs	-	40,000	40,000	-
Total Expenditures	45,991	93,191	84,104	9,087
Excess of Revenues Over Expenditures	241,238	194,038	196,209	2,171
Fund Balance, Beginning of Year	(1,665,335)	(1,665,335)	(1,665,335)	-
Fund Balance, End of Year	$ (1,424,097)	$ (1,471,297)	$ (1,469,126)	$ 2,171

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

TOWN OF SILVERTHORNE, COLORADO

STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
December 31, 2010

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water Fund	Sewer Fund	Totals	
ASSETS				
Current Assets:				
Cash & Cash Equivalents	$ 844,271	$ 941,455	$ 1,785,726	$ -
Investments	1,139,644	1,258,548	2,398,192	-
Accounts Receivable	197,937	279,338	477,275	-
Inventory	24,748	2,014	26,762	-
Deposits & Prepaids	489	-	489	-
Due from Other Funds	-	112,500	112,500	394,538
Investment in Joint Sewer Authority	-	6,510,122	6,510,122	-
Total Current Assets	2,207,089	9,103,977	11,311,066	394,538
Noncurrent Assets:				
Due from Other Funds	-	640,000	640,000	-
Capital Assets:				
Non-depreciable Assets	7,628,821	62,059	7,690,880	-
Depreciable Assets, Net	9,432,886	4,188,409	13,621,295	-
Total Noncurrent Assets	17,061,707	4,890,468	21,952,175	-
TOTAL ASSETS	19,268,796	13,994,445	33,263,241	394,538
LIABILITIES				
Current Liabilities:				
Accounts Payable	20,754	828	21,582	298,985
Compensated Absences	22,786	-	22,786	-
Accrued Liabilities	16	-	16	-
Noncurrent Liabilities:				
Compensated Absences	1,517	-	1,517	95,553
TOTAL LIABILITIES	45,073	828	45,901	394,538
NET ASSETS				
Invested in Capital Assets	17,061,707	4,250,468	21,312,175	-
Unrestricted	2,162,016	9,743,149	11,905,165	-
TOTAL NET ASSETS	$ 19,223,723	$ 13,993,617	$ 33,217,340	$ -

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

TOWN OF SILVERTHORNE, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS - PROPRIETARY FUNDS

Year Ended December 31, 2010

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water Fund	Sewer Fund	Total	
OPERATING REVENUES				
Users Fees	$ 958,533	$ 1,073,528	$ 2,032,061	$ -
Charges for Services	4,880	4,880	9,760	-
Miscellaneous	-	-	-	-
Total Operating Revenues	963,413	1,078,408	2,041,821	-
OPERATING EXPENSES				
Operations	438,621	62,563	501,184	-
Maintenance	107,734	51,931	159,665	-
Contractual Services	43,210	829,274	872,484	-
Depreciation & Amortization	571,775	247,234	819,009	-
Total Operating Expenses	1,161,340	1,191,002	2,352,342	-
Net Operating Income	(197,927)	(112,594)	(310,521)	-
NON-OPERATING REVENUES/EXPENSES				
Interest Revenue	17,279	18,726	36,005	-
Equity Income in Joint Sewer Authority Investment	-	215,406	215,406	-
Total Non-operating Revenues	17,279	234,132	251,411	-
Income Before Transfers & Contributions	(180,648)	121,538	(59,110)	-
Transfer out to General Fund	(163,938)	(118,977)	(282,915)	-
Capital Contributions	151,580	123,605	275,185	-
Changes in Net Assets	(193,006)	126,166	(66,840)	-
NET ASSETS, Unadjusted Beginning of Year	12,874,436	13,867,451	26,741,887	-
Prior Period Adjustment, Water Rights	6,542,293	-	6,542,293	-
NET ASSETS, Adjusted Beginning of Year	19,416,729	13,867,451	33,284,180	-
NET ASSETS, End of Year	$ 19,223,723	$ 13,993,617	$ 33,217,340	$ -

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

TOWN OF SILVERTHORNE, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2010

	Business-Type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Water Fund	Sewer Fund	Totals	
Cash Flows From Operating Activities				
Cash Received From Customers/Users	$ 956,143	$ 1,067,576	$ 2,023,719	$ 442,318
Cash Paid to Suppliers	(332,721)	(894,566)	(1,227,287)	-
Cash Paid to Employees	(288,559)	(48,986)	(337,545)	(442,318)
Net Cash Provided By Operating Activities	334,863	124,024	458,887	-
Cash Flows from Noncapital Financing Activities				
Advancement from Housing 5A Fund	-	110,000	110,000	-
Transfer to General Fund	(163,938)	(118,977)	(282,915)	-
Net Cash Provided (Used) in Noncapital Financing Activities	(163,938)	(8,977)	(172,915)	-
Cash Flows from Capital & Related Financing Activities				
Acquisition of Capital Assets	(244,955)	(62,636)	(307,591)	-
Tap Fees	112,230	92,633	204,863	-
Net Cash Flows Provided (Used) by Capital & Related Financing Activities	(132,725)	29,997	(102,728)	-
Cash Flows from Investing Activities				
Proceeds from Sales & Maturities of Investments	2,174,053	2,330,729	4,504,782	-
Purchase of Investments	(1,875,750)	(2,070,950)	(3,946,700)	-
Interest Received on Investments	17,280	18,726	36,006	-
Net Cash Used by Investing Activities	315,583	278,505	594,088	-
NET DECREASE IN CASH AND CASH EQUIVALENTS	353,783	423,549	777,332	-
Cash & Cash Equivalents, Beginning of Year	490,488	517,906	1,008,394	-
Cash & Cash Equivalents, End of Year	$ 844,271	$ 941,455	$ 1,785,726	$ -
RECONCILIATION OF OPERATING INCOME (LOSS)TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating Income (Loss)	$ (197,927)	$ (112,594)	$ (310,521)	$ -
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation & Amortization	571,775	247,234	819,009	-
Changes to Assets & Liabilities:				
Accounts Receivable	(7,270)	(10,832)	(18,102)	-
Inventory	(8,432)	(68)	(8,500)	-
Deposits & Prepaids	947	-	947	-
Due from Other Funds	-	-	-	(8,268)
Accounts Payable	(22,666)	284	(22,382)	-
Accrued Liabilities	16	-	16	-
Compensated Absences	(1,580)	-	(1,580)	8,268
Total Adjustments	532,790	236,618	769,408	-
Net Cash Provided By Operating Activities	$ 334,863	$ 124,024	$ 458,887	$ -
Non-cash Investing, Capital & Financing Activities				
Contributed Infrastructure from Developers	$ 39,350	$ 30,972	$ 70,322	$ -

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

TOWN OF SILVERTHORNE, COLORADO

STATEMENT OF ASSETS & LIABILITIES - AGENCY FUND

December 31, 2010

		Joint Sewer Authority
ASSETS		
CURRENT ASSETS		
Cash & Cash Equivalents	$	1,649,891
Investments		2,216,042
Total Current Assets	$	3,865,933
LIABILITIES		
LIABILITIES		
Funds Held for Authority	$	3,865,933
Total Liabilities	$	3,865,933

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

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

The following is a summary of the more significant policies:

1. Financial Reporting Entity

In accordance with Governmental Accounting Standards Board releases, the Town has considered the possibility of inclusion of other entities in its reporting entity.

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

No entities were identified that could be included in the Town's reporting entity, as the Town was not financially accountable for other entities.

2. Government-wide & Fund Financial Statements

The government-wide financial statements (e.g., the statement of net assets and the statement of activities and the statement of changes in net assets) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type* activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or 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 revenue*.

Separate financial statements are provided for governmental, proprietary and fiduciary funds, and are included in the basic financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Measurement Focus & Basis of Accounting

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

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

Franchise fees, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenue of the current fiscal period. Sales and lodging taxes collected and held by vendors at year end on behalf of the Town are also recognized as revenue if collected within 30 days after year end. Expenditure-driven grants are recognized as revenue when qualifying expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the Town.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Financial Statement Presentation

The Town uses funds to report on its financial position, the results of its operations and cash flows. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

The Town reports the following major funds:

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

In 2010 the Town had the following Governmental Funds:

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

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

Special Revenue Funds:
Lottery Conservation Trust Fund – This fund is used to account for the Town's share of lottery funds distributed by the State of Colorado. Funds are to be used for parks, trails, recreation and open space.
Lodging Tax Fund – This fund is used to account for the 2% tax on lodging sales. Funds are to be split and expended 85% to parks, trails & open space capital and 15% for marketing.
Development Excise Tax Fund – This fund is used to account for the $2 per square foot charged on new residential construction. Funds are to be used for growth related operations and capital expenditures.
Housing 5A Fund - This fund is used to account for the .125% sales tax that is assessed by the Summit Housing Authority and distributed back to the Town of Silverthorne for sales that took place in Silverthorne. Funds are to be used to pay for annual Authority fees and housing related expenses. Additionally, an Impact Fee is assessed on new building based on square footage. Proceeds from the impact fee are to be used for capital type housing projects.

Proprietary Funds
In 2010 the Town had the following Proprietary Funds:

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

Internal Service Fund:
Compensated Absences Fund – This fund is used to account for the Town's governmental compensated absences earned and used during the fiscal year.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Funds (continued)

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The Town has elected not to follow subsequent private-sector guidance.

Internal Service Funds account for services provided to other departments, funds or agencies of the Town, on a cost reimbursement basis.

Fiduciary Funds

In 2010 the Town had the following Fiduciary Fund:

Agency Fund:

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

Agency and Trust Funds generally are used to account for assets that the government holds on behalf of others as their agent. These funds are custodial in nature and do not have spending or financial flow measurement focus. Agency funds are not included in the government wide financial statements.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's water and sewer functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

NOTE B – ASSETS, LIABILITIES & NET ASSETS OR EQUITY

1. Cash & Investments

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

Town Investment Policies and Colorado State statutes authorize the Town to invest in U.S. government securities, U.S. government mortgage-backed securities, repurchase agreements, bonds and other obligations of states and their subdivisions, corporate bonds and other authorized investments. In the disclosure of custodial credit risk (Note E - Investments), U.S. Agency Securities includes mortgage-backed securities and agency bonds and notes.

Investments are stated at fair value. Earnings on investments are recognized when earned and include realized and unrealized gains on investments. All investments are in compliance with state statutes governing investments.

2. Receivables & Payables

Interfund receivables and payables arise from goods provided or services rendered. These transactions are recorded by all funds affected in the period in which the transactions are executed.

3. Property Taxes

In April of 1994 the Town had a ballot question that included the phrase "...and reduce the Town of Silverthorne ad valorem property tax to zero." The voters of Silverthorne approved this reduction in property taxes when the ballot question was approved, and therefore, the Town no longer collects property taxes. Property tax revenues currently are not recognized.

4. Inventory & Prepaid Items

Inventories are merchandise inventories intended for sale to the public. Inventories are valued at cost using the first in/first out (FIFO) method. The cost of governmental fund-type inventories is recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

5. Restricted Cash & Investments

Restricted cash and cash equivalents of $139,098 are reported in the General Fund. These funds represent escrowed monies held from developers pending satisfactory completion of various construction projects within the Town.

NOTE B – ASSETS, LIABILITIES & NET ASSETS OR EQUITY (CONTINUED)

6. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with a cost of more than $5,000 and an estimated useful life in excess of one year. Capital assets are valued at historical or estimated historical costs. Donated or contributed assets are recorded at their estimated fair market value on the date received.

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

Assets are depreciated using the straight-line method. Depreciation expense is reflected as an operating expense in the government-wide statement of activities.

Estimated useful lives for asset types are as follows:

Asset	Years
Buildings and improvements	15-40
Equipment and vehicles	5-15
Infrastructure	7-50
Parks and recreation	5-25
Reservoir, plants and lines	15-60

7. Compensated Absences

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

Compensation time is earned when a full time employee works over 40 hours in a week. The time is figured at time and half for each hour worked over 40 hours. The Town's personnel policies state that "an employee may not work over 80 hours of compensation time in a year and they may not accrue more than 80 hours on the records at any time."

Accumulated personal and compensation time is available to employees due to services employees have already provided to the Town. No liability should be reported in the governmental funds in connection with compensated absences until they are paid or, in the case of separation payments for unused leave, due for payment (i.e., at separation). The Town elects to advance fund its personal and compensation time as it is earned by employees. Therefore compensated absences are accounted for as an internal service fund.

In the government-wide statements, compensated absences are accounted for as a noncurrent liability. The following summarizes the changes in the Town's Compensated Absences activity for the year ended December 31, 2010:

	Balance 12/31/09	Additions	Retirement	Balance 12/31/10	Due within One Year
Governmental Activities	$ 386,270	$450,586	$ (442,318)	$ 394,538	$ 298,985
Business type Activities	$ 25,883	$ 29,217	$ (30,797)	$ 24,303	$ 22,786

NOTE B – ASSETS, LIABILITIES & NET ASSETS OR EQUITY (CONTINUED)

8. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the 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, as well as issuance costs, are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. Currently, the Town has no outstanding bonds and related long-term liabilities

9. Reservations of Fund Equity

In the fund financial statements, governmental funds report reservation of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

10. Reclassifications

Certain accounts in prior years financial statements have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

New Applicable Standards
GASB has issued Statement No. 51, Accounting & Financial Reporting for Intangible Assets. This statement became effective for periods beginning after June 15, 2009 and so is included in the December 31, 2010 statements. GASB has also issued Statement No. 54, Fund Balance Reporting & Governmental Fund Type Definitions. GASB 54 becomes effective for periods beginning after June 15, 2010. The Town is currently evaluating GASB 54 and the effect on future financial statements.

11. Statement of Cash Flows

For purposes of the statement of cash flows, the Town considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

NOTE C – RECONCILIATION OF GOVERNMENT-WIDE & FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between *fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets.* The principal element of that difference is the capital assets of $60,242,487 less depreciation of $19,221,045 for a net adjustment of $41,021,442 which are not reported in the funds. Another element of that reconciliation explains that "long-term liabilities, including accrued interest and capital leases that are not due and payable in the current period and therefore are not reported in the funds." The details of the $104,508 difference are as follows:

Capital Lease Payable	$ 103,991
Add: Accrued interest	517
Net Adjustment to reduce fund balance – total governmental funds to arrive at net assets – governmental activities	$ 104,508

NOTE C – RECONCILIATION OF GOVERNMENT-WIDE & FUND FINANCIAL STATEMENTS (CONTINUED)

2. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Governmental-Wide Statement of Activities

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *net changes in fund balances – total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this $400,468 difference are as follows:

Capital Outlay	$ 2,247,487
Depreciation Expenses	(1,847,019)
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities	$ 400,468

Another element of that reconciliation states that "The net effect of various miscellaneous transactions involving capital assets is to decrease net assets." The details of this $180,156 difference are as follows:

Net cost of the Capital Asset sold	$ (180,156)
Contribution of Capital Assets	-
Net adjustments to increase net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities.	$ (180,156)

Another element of that reconciliation states that "Repayment of debt principal is an expenditure in the Governmental Funds, but the repayment reduces long-term debt liabilities in the Statement of Net Assets. Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets." The details of this $158,942 difference are as follows:

Principal Repayments:	
Capital Leases	$ 158,942
Net adjustment to increase net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities.	$ 158,942

NOTE C – RECONCILIATION OF GOVERNMENT-WIDE & FUND FINANCIAL STATEMENTS (CONTINUED)

Another element of that reconciliation states that "Some Governmental Fund expenditures reflect payments related to prior periods. Such amounts should not be included in the Statement of Activities." The detail of this $755 difference is as follows:

Accrued Interest	$ 755
Net adjustment to decrease net changes in fund balances – total governmental funds to arrive at changes in net assets of governmental activities.	$ 755

NOTE D - BUDGETS & BUDGETARY ACCOUNTING & CONTROL

Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for the proprietary funds and fiduciary fund are adopted on a basis consistent with GAAP except that the budgeted expenditures also include capital outlay and bond principal payments and exclude depreciation and equity gain/loss in joint ventures. Council legally adopts all governmental, proprietary and fiduciary fund budgets. All annual appropriations lapse at the end of the fiscal year.

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

The appropriated budget is prepared by fund, department, programs and categories. The Manager may approve transfer of budget between departments within a fund. Departments may request the Manager's approval to transfer budget between categories and programs within a department. The Manager will review requests to ensure compliance with the goals and objectives of the annual budget as approved by the Council. Transfers of appropriation between funds require the approval of Council. The legal level of budgetary control is the fund level. Council can amend the approved budget during the year as long as no determined savings exist which can be used instead.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrances accounting – under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation – is utilized in all funds. Encumbrances outstanding at year–end lapse and do not constitute expenditures or liabilities because the commitments will be re-appropriated during the subsequent year.

NOTE D - BUDGETS & BUDGETARY ACCOUNTING & CONTROL (CONTINUED)

Throughout 2010, the Town Council revised the Budget through Ordinance #2010-03 and #2010-09 by adjusting revenue budgets and appropriations in most budgeted funds. Original and revised budgets are as follows:

Funds	Original Budget Appropriation	Budget As Amended	Budgeted Expenditures	Actual Expenditures	Variance Favorable (Unfavorable)
General Fund	$ 8,902,434	$ 8,641,934	$ 8,812,384	$ 8,436,930	$ 375,454
Sales Tax Capital Improvement Fund	2,396,039	2,631,039	2,759,966	2,531,818	228,148
Lodging Tax Fund	116,319	116,319	221,396	40,015	181,381
Conservation Trust Fund	41,624	41,624	41,624	36,697	4,927
Development Excise Tax Fund	112,743	112,743	12,500	2,396	10,104
Housing 5A Fund	287,229	287,229	93,191	84,104	9,087
Water Fund	1,022,455	1,022,455	1,825,444	998,458	826,986
Sewer Fund	1,213,269	1,213,269	1,162,543	1,125,381	37,162
Joint Sewer Authority	2,185,126	2,185,126	3,003,497	2,345,228	658,269
Total	$16,277,238	$16,251,738	$17,932,545	$15,601,027	$ 2,331,518

The following explains the difference of GAAP to budget for proprietary funds:

Proprietary Funds	Water Fund	Sewer Fund
2010 GAAP Operating Expenses	$ 1,161,340	$ 1,191,002
Plus: Capital Outlay	244,955	62,636
Transfer Out to General Fund	163,938	118,977
Less: Depreciation Expense	(571,775)	(247,234)
2010 Non-GAAP Operating Expenses	$ 998,458	$ 1,125,381

Deficit Fund Equity – The Housing 5A Fund has a deficit fund balance of $1,469,126 as of December 31, 2010. In 2008 the Fund purchased land for $2.7M that will be used for a "yet-to-be" determined affordable housing project. The Fund was able to purchase the property due to $2M in advancements from the Development Excise Tax and Sewer Fund. The advancements will be paid back over a seven year period of time as revenues are retained in the Housing 5A Fund.

NOTE E - DEPOSITS & INVESTMENTS

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

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

The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools, and are the co-agents for release of the collateralized assets.

NOTE E –DEPOSITS AND INVESTMENTS (Continued)

The Town of Silverthorne is governed by the deposit and investment limitations of state law. The deposits and investments held at December 31, 2010, and reported at fair value, are shown below.

Type	Weighted Average Maturity (Years)	S & P Rate	Fair Value
Deposits:			
Demand Deposits			$ 129,752
Government Pools			5,285,035
Cash on Hand			2,400
			$ 5,417,187
Investments:			
Certificate of Deposit	.824		$ 7,050,449
Portfolio weighted average to maturity	.824		$ 7,050,449
Total Deposits & Investments			$12,467,636
Reconciliation to Statement of Net Assets			
Current:			
Cash & Cash Equivalents			$ 5,278,089
Restricted Cash & Cash Equivalents			139,098
Investments			7,050,449
			$12,467,636

Custodial Credit Risk – Deposits in financial institutions, reported as cash, cash equivalents, and investments had a balance of $12,467,636 as of December 31, 2010, which was fully insured by depository insurance or secured with collateral held by the Town of Silverthorne's agent in its name. All investments, evidenced by individual securities, are registered in the name of Town of Silverthorne.

Investment Interest Rate Risk – The Town has no formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising for increasing interest rates. The Town's general policy is to buy and hold investments to maturity. The Town's investment portfolio will be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the Town's investment risk constraints and the cash flow characteristics of the portfolio.

Investment Credit Risk – The Town has a formal investment policy that limits its investment choices. The investment choices are within the limitations of state laws and include:

- Direct obligations of the US government, its agencies and instrumentalities to which the full faith and credit of the US government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged;
- Certificates of deposits or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions;
- With certain limitations, commercial paper, government pools and money market funds regulated by the Securities and Exchange Commission (SEC).

NOTE E –DEPOSITS & INVESTMENTS (Continued)

Concentration of Investment Credit Risk – The Town places limits on the amount it may invest in any one issuer. The Town's investment policy limits concentration depending on the investment instruments. At a maximum the policy allows no more than 50% of the portfolio in any single issuer.

At December 31, 2010, the Town had invested a carrying amount of $5,285,035 in Governmental Pools (Pools) from the Colorado Government Liquid Asset Trust (COLOTRUST) and Colorado Surplus) Asset Fund Trust (CSAFE). The Pools are an investment vehicle established by state statute for local government entities to pool surplus assets. The trusts are similar to money market funds, with each share valued at $1.00. Designated custodial banks provided safekeeping depository services, and substantially all securities owned by the Pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investment as owned by the Pools. Investments consist of U.S. Treasury and U.S. Agency securities and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. These investments are not categorized since the underlying securities cannot be determined.

NOTE F – RECEIVABLES & DUE FROM OTHER GOVERNMENTS

Receivables and Due from Other Governments as of year-end 2010 for the Town's individual major funds and non-major funds in the aggregate are as follows.

	General Fund	Capital Improvement Fund	Lodging Tax Fund	Develop. Excise Tax Fund	Housing 5A Fund	Water Fund	Sewer Fund
Receivables/Due from Governments:							
Interest	$ 9,656	$ 605	$ 682	$ 924	$ -	$ 3,415	$ 3,210
Taxes	986,784	267,254	15,655	-	35,579	-	-
Grants/Contributions	-	-	-	-	-	-	-
Accounts	19,749	6,190	-	-	-	194,217	276,128
Employees/COBRA	276,495	-	-	-	-	305	-
Total Receivables & Due From Other Governments	$ 1,292,684	$ 274,049	$ 16,337	$ 924	$ 35,579	$ 197,937	$ 279,338

The Town does not have an allowance for uncollectible accounts as past history has not proven the need for an allowance.

NOTE G – CAPITAL ASSETS

The following is a summary of changes in the capital assets for the year ended December 31, 2010:

Governmental Activities	Balance December 31, 2009	Additions & Adjustments	Disposals & Adjustments	Balance December 31, 2010
Capital assets, not being depreciated:				
Land	$ 9,661,330	$ -	$ -	$ 9,661,330
Projects in Progress	92,330	163,960	(32,667)	223,623
Total capital assets not being depreciated	9,753,660	163,960	(32,667)	9,884,953
Capital assets, being depreciated:				
Buildings	14,627,767	349,010	(41,495)	14,935,282
Vehicles & Heavy Equipment	2,990,390	525,410	(344,028)	3,171,772
Parks & Recreation	3,324,450	320,279	(29,941)	3,614,788
Equipment & Furniture	861,561	16,370	(124,039)	753,892
Infrastructure	25,032,662	701,953	-	25,734,615
Intangibles	50,541	270,224	-	320,765
Other Improvements	1,785,838	86,483	(45,901)	1,826,420
Total capital assets being depreciated	48,673,209	2,269,729	(585,404)	50,357,534
Less accumulated depreciation:				
Buildings	(5,146,996)	(466,833)	4,683	(5,609,146)
Vehicles & Heavy Equipment	(1,188,989)	(211,467)	172,513	(1,227,943)
Parks & Recreation	(1,661,529)	(135,412)	22,787	(1,774,154)
Equipment & Furniture	(487,664)	(61,437)	103,139	(445,962)
Infrastructure	(8,539,211)	(847,592)	-	(9,386,803)
Intangibles	-	(90,171)	-	(90,171)
Other Improvements	(601,351)	(93,530)	8,015	(686,866)
Total accumulated depreciation	(17,625,740)	(1,906,442)	311,137	(19,221,045)
Total capital assets, being depreciated, net	31,047,469	363,287	(274,267)	31,136,489
Governmental activities capital assets, net	$ 40,801,129	$ 527,247	$ (306,934)	$ 41,021,442

Business - Type Activities	Balance December 31, 2009	Additions & Adjustments	Disposals & Adjustments	Balance December 31, 2010
Capital assets, not being depreciated:				
Land	$ 3,871	$ -	$ -	$ 3,871
Projects in Progress	353,229	131,163	(51,396)	432,996
Water Rights	7,254,013	-	-	7,254,013
Total capital assets, not being depreciated	7,611,113	131,163	(51,396)	7,690,880
Capital assets, being depreciated:				
Water Tanks	2,272,867	-	-	2,272,867
Lines	15,435,099	230,079	-	15,665,178
Wells	2,725,732	-	-	2,725,732
Machinery & Equipment	585,165	61,678	-	646,843
Intangibles	-	131,675	-	131,675
Other Improvements	194,333	-	(125,285)	69,048
Total capital assets, being depreciated	21,213,196	423,432	(125,285)	21,511,343
Less accumulated depreciation:				
Water Tanks	(688,005)	(56,780)	-	(744,785)
Lines	(4,880,838)	(582,064)	-	(5,462,902)
Wells	(1,203,770)	(117,595)	-	(1,321,365)
Machinery & Equipment	(265,652)	(45,737)	-	(311,389)
Intangibles	-	(35,862)	-	(35,862)
Other Improvements	(32,773)	(2,762)	21,790	(13,745)
Total accumulated depreciation	(7,071,038)	(840,800)	21,790	(7,890,048)
Total capital assets, being depreciated, net	14,142,158	(417,368)	(103,495)	13,621,295
Business-type activities capital assets, net	$ 21,753,271	$ (286,205)	$ (154,891)	$ 21,312,175

NOTE G – CAPITAL ASSETS (CONTINUED)

Intangibles assets were added in 2010 to comply with Governmental Accounting Standards Board Statement 51. The Town did not account for the recreation strategic plan and additional accounting software in recent prior years. Governmental activities net assets at December 31, 2009 have been restated as follows:

	Capital Assets	Net Assets
Balance, December 31, 2009, as Originally Stated	$ 40,750,588	$ 47,714,911
Adjustment, Intangibles	50,541	50,541
Balance, December 31, 2009, as Restated	$ 40,801,129	$ 47,765,452

Intangibles assets were added in 2010 to comply with Governmental Accounting Standards Board Statement 51. The Town did not account for the complete water right portfolio from prior years. Business-Type activities net assets at December 31, 2009 have been restated as follows:

	Capital Assets	Net Assets
Balance, December 31, 2009, as Originally Stated	$ 15,210,978	$ 26,741,887
Adjustment, Water Rights	6,542,293	6,542,293
Balance, December 31, 2009, as Restated	$ 21,753,271	$ 33,284,180

Other prior year intangibles had already been accounted for under other capital asset categories and were reclassified by adjustment during 2010.

Depreciation expense was charged to functions as follows:

Governmental Activities:	
General Government	$ 64,762
Public Safety	73,146
Public Works	1,235,894
Community Development	44,504
Recreation & Culture	428,713
Total Governmental Activities Depreciation Expenses	$1,847,019
Business-Type Activities:	
Water Fund	$ 571,775
Sewer Fund	247,234
Total Business-Type Activities Depreciation Expenses	$ 819,009

NOTE H - INVESTMENT IN SILVERTHORNE/DILLON JOINT SEWER AUTHORITY

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

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

NOTE H - INVESTMENT IN SILVERTHORNE/DILLON JOINT SEWER AUTHORITY (CONTINUED)

The Town records its investments in the Authority, and its share of operating costs in the sewer fund. The investment is accounted for under the equity method in accordance with generally accepted government accounting standards. The Town had an investment in the Authority at December 31, 2010, the date of the most recent audited financial statements, of $6,510,122 which represents a 57.74% share in the joint venture. At December 31, 2010, the Town was responsible for 41.74% of the Authority's operating expenses.

The following is a summary of the Authority's financial information for the years ended December 31, based on audited financial statements:

	December 31, 2010	December 31, 2009
Total Assets	$ 11,396,357	$ 11,092,709
Total Liabilities	$ 121,467	$ 190,880
Total Net Assets	11,274,890	10,901,829
Total Liabilities & Net Assets	$ 11,396,357	$ 11,092,709
Total Operating Revenue	$ 2,154,378	$ 3,116,738
Total Operating Expenditures	(1,817,036)	(1,817,653)
Non-Operating Income	35,719	(1,090,559)
Net Income	$ 373,061	$ 208,526

Based on the 2010 audited results, the Town's equity in the income of the Authority was $ 215,406.

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

NOTE I – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

The interfund balances as of December 31, 2010, are as follows:

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General Fund	Compensated Absences Internal Service	$394,538

Transfers in/out to other funds consists of the following:

Fund	Transfer In	Transfer Out
General Fund	$ 282,915	$ -
Water Fund	-	163,938
Sewer Fund	-	118,977
Total	$ 282,915	$ 282,915

In the general fund financial statements, total "transfers in" of $282,915 are due to the 15%/10% of water/sewer revenues that are transferred to the general fund to cover services and general goodwill provided to the water/sewer funds. The amount of the transfers from the water and sewer funds, while based as a percentage, are approximately what those would have costs the utility funds for the services (payroll, billing, management etc..) provided by the general fund.

NOTE I – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (CONTINUED)

Advances to/from other funds:

Payable Fund	Receivable Fund	Amount
Housing 5A Fund	Development Excise Tax Fund	$110,000
Housing 5A Fund	Sewer Fund	110,000
		$220,000

The amounts payable to the development excise tax and sewer fund relate to advancements made to the Housing 5A Fund to purchase the Smith Ranch parcel in order to use the land for a future affordable housing development. The Housing 5A Fund is budgeted to pay $112,500 to $175,000 per year to the Development Excise Tax and the Sewer Fund each over the next five years.

NOTE J - LONG-TERM DEBT

Governmental Activities:

The following summarizes the changes in the Town's long-term liability activity for the year ended December 31, 2010:

	Balance 12/31/09	Additions	Retirement	Balance 12/31/10	Due Within One Year
Accrued Interest	$ 1,272	$ 517	$ (1,272)	$ 517	$ 517
Capital Leases	262,933	-	(158,942)	103,991	88,428
Total	$ 264,205	$ 517	$ (160,214)	$ 104,508	$ 88,945

1. Capital Lease Obligations

In 2008, the Town entered into a three year lease agreement for a plow blade, two passenger vehicles, Ford pickup, a lift, a sand V-box and a large print copier for Community Development.

In 2007, the Town entered into two leases; one a three year lease agreement financing for a water carrying truck, a Ford pick-up truck for Public Works, a Dodge van for the recreation center and copier machine for the recreation center. The second lease is a five year lease for a snow blower.

In 2006, the Town entered into a five year lease for a backhoe and a plow truck.

These lease agreements qualify as capital leases for accounting purposes and therefore, have been recorded at the present value of the future minimum lease payments.

The assets acquired through capital leases as of 12/31/10 are as follows:

Leased Capital Assets	Amount
2006 CAT Backhoe & International Plow	269,128
2007 Snow Blower	142,450
2008 2 – Passenger Vehicles & Pickup	63,962
2008 Plow Blade	37,950
2008 Lift	22,926
2008 Large Scale Printer/Copier	18,347
2008 V Box Sander	19,815
Total	$ 574,578

NOTE J - LONG-TERM DEBT (CONTINUED)

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2010 were:

Year Ending December 31,	Minimum Lease Payment	Interest	Present Value of Minimum Lease Payments
2011	91,047	2,619	88,428
2012	15,879	316	15,563
Total	$ 106,926	$ 2,935	$ 103,991

NOTE K - PENSION PLANS

ICMA Deferred Compensation Plan

The Town offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all full time, ¾ time and elected/appointed Town officials, permits them to defer up to the lesser of 25% or $16,500 of their salary until future years. The Town is not required to provide a matching contribution for full time employees however the Town matches elected/appointed official's contributions. The deferred compensation is not available until termination, retirement, death, or unforeseeable emergency. The plan is administered by ICMA Retirement Corporation.

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

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

The covered payroll for the plan was $4,524,362. The Town's total payroll for the same period was $4,958,504. Total contributions by the Town for the year ended December 31, 2010 were $475,058. Total contributions by the employees for the year ended December 31, 2010 were $339,328.

NOTE L - COLORADO CONTRABAND FORFEITURE ACT

The Town's police department has entered into a program with other law enforcement agencies in the Colorado Fifth Judicial District whereby most assets acquired under the Colorado Contraband Forfeiture Act are turned over to the District to be used for authorized purposes to benefit all agencies within the District. At December 31, 2010 the Town had $1,903 in seizure funds, which the police department is using for rewards for information leading to solving police cases. Expenditures of the funds are subject to the same internal controls and audit procedures as all other Town expenditures.

NOTE M - RISK MANAGEMENT

Colorado Intergovernmental Risk Sharing Agency (CIRSA)

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

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

It is the intent of CIRSA to create an entity in perpetuity, which will administer and use funds contributed by members to defend and indemnify, in accordance with the Bylaws, any member of

CIRSA against stated liability or loss, to the limit of the financial resources of CIRSA. All income and assets of CIRSA are dedicated to the exclusive benefit of its members.

The deductible amount paid by the Town of each incident in 2010 was $5,000; there is no change in coverage from past years. Maximum coverage is as follows:

	Per Claim	Per Occurrence
Property	$ 500,000	$ 500,000
Liability	1,000,000	1,000,000
Crime	150,000	150,000
Police Professionals	1,000,000	1,000,000
Errors and Omissions	1,000,000	1,000,000

Colorado statute provides municipalities with immunity from liability in excess of $600,000 per occurrence. Additional coverage of up to $5 million is provided for certain federal claims not subject to the Colorado Immunity Act. In addition, the Town carries excess coverage of $501 million for Property, and $500,000 for crime coverage. Silverthorne's Town Council approves Silverthorne's continued membership in CIRSA via their annual review of the Town's budget for the various departments and funds.

The Board of Directors, who is elected by the membership for two-year terms, governs CIRSA. All actions of the membership require a 2/3 majority vote of all members present at a meeting. CIRSA is a separate legal entity and the Town does not approve budgets nor does it have ability to significantly affect the operations of the unit.

NOTE M - RISK MANAGEMENT (CONTINUED)

Below is a summary of financial condition of CIRSA as of December 31, the date of the most recent audited financial statements:

	2010	2009
Assets	$ 77,743,315	$ 77,038,970
Liabilities	$ 41,754,371	$ 37,353,198
Total Net Assets	35,988,944	39,685,772
Total Liabilities & Net Assets	$ 77,743,315	$ 77,038,970
Revenues	$ 21,127,182	$ 21,683,444
Expenses	(22,210,672)	(18,215,999)
Excess of Revenues over Expenses	$(1,083,490)	$ 3,467,445

The Town of Silverthorne's respective share of CIRSA's members' fund balances was $438,355 at December 31, 2010. All settlements to date have been well under the maximum coverage allowed.

As of January 1, 2008, the Town's workers compensation insurance is provided by a fully covered private insurance carrier. Prior to this date the Town's workers compensation insurance was provided by CIRSA.

Group Insurance - Health, Dental & Short Term Disability
In January of 2001, the Town changed insurance plans for health, dental and short-term disability for employees and their dependents. Under the program, the Town provides health insurance coverage for each employee up to $65,000 and aggregate losses for all employees up to $2,000,000. The Town purchases commercial insurance for claims in excess of coverage provided by the Town and for all other risk of loss.

For the Town's dental and short-term disability program, the Town provides coverage equal to the coverage that was provided by the private insurance industry. The coverage has a low risk to the Town. There is no excess coverage insurance for these plans. The dental insurance allows a $1,000 cap per person per year. The short-term disability insurance covers a maximum of 12 weeks of 60% of weekly salary with a maximum of $750 per week.

All Town departments participate in the group insurance and make payments to the General Fund liability accounts based on prior claims experience in amounts needed to pay current year claims and to establish a reserve for catastrophic losses. The claims liability account had a balance of $474,506 as of December 31, 2010. This balance does not include possible claims that a liability has been incurred at the date of the financial statements or the amount of the loss that can be reasonably estimated.

The following summarizes the self-funded insurance liability account for the year ending December 31,:

	2010	2009
Self-Funded Insurance Liability, Beginning of yr	$ 155,590	$ 293,953
Premiums Paid	846,359	696,029
Claim Payments less Reinsurance	(527,443)	(834,392)
Self-Funded Insurance Liability, End of yr	$ 474,506	$ 155,590

NOTE N – CONTINGENT LIABILITIES

The Town has one active lawsuit as of the end of 2010. The outcome of this lawsuit is not currently known. In the opinion of the Town's counsel the case will most likely be dismissed due to lack of standing. Even if the case were to go to trial, the matter will not have a material adverse effect on the financial condition of the Town.

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

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

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

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

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

For 2010, The Town was required to reserve 3% of its fiscal year spending as "emergency reserves." The TABOR emergency reserve of $253,108 has been recorded as reserved net assets in the General Fund and Governmental Fund.

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

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NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

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

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

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

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TOWN OF SILVERTHORNE, COLORADO

COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
December 31, 2010

	Special Revenue Funds			Total Other Governmental Funds
	Conservation Trust Fund	Lodging Tax Fund	Develop. Ex. Tax Fund	
ASSETS				
Cash & Cash Equivalents	$ -	$ 199,145	$ 269,833	$ 468,978
Investments	-	267,374	362,282	629,656
Accounts Receivable	-	16,337	924	17,261
Due From Other Funds	-	-	752,500	752,500
Total Assets	$ -	$ 482,856	$ 1,385,539	$ 1,868,395
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	$ -	$ 9,980	$ -	$ 9,980
Accrued Liabilities	-	68,314	-	68,314
Total Liabilities	-	78,294	-	78,294
FUND BALANCES				
Fund Balance:				
Reserved For:				
Encumbrances	-	55,000	-	55,000
Unreserved	-	349,562	1,385,539	1,735,101
Total Fund Balances	-	404,562	1,385,539	1,790,101
Total Liabilities & Fund Balances	$ -	$ 482,856	$ 1,385,539	$ 1,868,395

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - OTHER GOVERNMENTAL FUNDS

Year Ended December 31, 2010

	Special Revenue Funds			Total Other Governmental Funds
	Conservation Trust Fund	Lodging Tax Fund	Develop. Ex. Tax Fund	
REVENUES				
Taxes	$ -	$ 120,602	$ 96,986	$ 217,588
Intergovernmental	36,683	-	-	36,683
Grants/Miscellaneous	-	8,000	-	8,000
Interest	14	2,916	4,023	6,953
Total Revenues	36,697	131,518	101,009	269,224
EXPENDITURES				
Capital Outlay	36,697	26,986	2,396	66,079
Recreation & Culture - Marketing	-	13,029	-	13,029
Total Expenditures	36,697	40,015	2,396	79,108
Excess of Revenues Over Expenditures	-	91,503	98,613	190,116
OTHER FINANCING SOURCES (USES)				
Transfer (to)/from other Funds	-	-	-	-
Net Change in Fund Balance	-	91,503	98,613	190,116
Fund Balance, Beginning of Year	-	313,059	1,286,926	1,599,985
Fund Balance, End of Year	$ -	$ 404,562	$ 1,385,539	$ 1,790,101

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

Year Ended December 31, 2010

	Budgeted Amounts		Actual	Variance with Final
	Original	Final	Amounts	Budget
REVENUES				
Taxes	$ 2,247,105	$ 2,247,105	$ 2,210,312	$ (36,793)
Interest	10,493	31,493	34,035	2,542
Grants	-	13,000	5,000	(8,000)
Miscellaneous	61,441	61,441	54,282	(7,159)
Total Revenues	2,319,039	2,353,039	2,303,629	(49,410)
EXPENDITURES				
Capital Outlay	2,088,406	2,592,693	2,364,545	228,148
Debt Services:				
Principal	158,942	158,942	158,942	-
Interest & Fiscal Charges	8,331	8,331	8,331	-
Total Expenditures	2,255,679	2,759,966	2,531,818	228,148
Excess (Deficiency) of Revenues Over Expenditures	63,360	(406,927)	(228,189)	178,738
OTHER FINANCING SOURCES				
Sales of General Capital Assets	77,000	128,000	136,875	8,875
Transfer From General Fund	-	150,000	-	(150,000)
Total Other Financing Sources	77,000	278,000	136,875	(141,125)
Net Change in Fund Balance	140,360	(128,927)	(91,314)	37,612
Fund Balance, Beginning of Year	650,120	650,120	650,120	-
Fund Balance, End of Year	$ 790,480	$ 521,193	$ 558,806	$ 37,612

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

CONSERVATION TRUST SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

Year Ended December 31, 2010

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Intergovernmental	$ 41,624	$ 36,683	$ (4,941)
Interest	-	14	14
Total Revenues	41,624	36,697	(4,927)
EXPENDITURES			
Capital Outlay	41,624	36,697	4,927
Total Expenditures	41,624	36,697	4,927
Excess of Revenues Over Expenditures	-	-	-
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	$ -	$ -	$ -

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

LODGING TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

Year Ended December 31, 2010

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Taxes	$ 110,626	$ 120,602	$ 9,976
Grants & Miscellaneous	-	8,000	8,000
Interest	5,693	2,916	(2,777)
Total Revenues	116,319	131,518	15,199
EXPENDITURES			
Capital Outlay	206,396	26,986	179,410
Recreation & Culture - Marketing	15,000	13,029	1,971
Total Expenditures	221,396	40,015	181,381
Excess of Revenues Over Expenditures	(105,077)	91,503	196,580
Fund Balance, Beginning of Year	313,059	313,059	-
Fund Balance, End of Year	$ 207,982	$ 404,562	$ 196,580

See the accompanying Independent Auditors' Report.

TOWN OF SILVERTHORNE, COLORADO

DEVELOPMENT EXCISE TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL

Year Ended December 31, 2010

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
REVENUES			
Taxes	$ 105,000	$ 96,986	$ (8,014)
Interest	7,743	4,023	(3,720)
Total Revenues	112,743	101,009	(11,734)
EXPENDITURES			
Capital Outlay	12,500	2,396	10,104
Total Expenditures	12,500	2,396	10,104
Excess of Revenues Over Expenditures	100,243	98,613	(1,630)
Fund Balance, Beginning of Year	1,286,926	1,286,926	-
Fund Balance, End of Year	$ 1,387,169	$ 1,385,539	$ (1,630)

See the accompanying Independent Auditors' Report.

Agency Fund

Agency funds are used to account for assets held by the government as an agent for individuals, private organizations, other governments and/or other funds.

Joint Sewer Authority - This fund is used to account for the management of funds for the Silverthorne/Dillon Joint Sewer Authority which was formed to construct and operate a sewage treatment facility for five local Towns and Districts including the Town of Silverthorne.

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TOWN OF SILVERTHORNE, COLORADO

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUND

Year Ended December 31, 2010

	Balance January 1, 2010	Increases	Decreases	Balance December 31, 2010
Joint Sewer Authority				
ASSETS				
Cash and Cash Equivalents	$ 1,038,177	$ 3,026,355	$ (2,414,641)	$ 1,649,891
Investments	3,043,293	3,646,275	(4,473,526)	2,216,042
Total Assets	$ 4,081,470	$ 6,672,630	$ (6,888,167)	$ 3,865,933
LIABILITIES				
Funds Held for Others	$ 4,081,470	$ 6,672,630	$ (6,888,167)	$ 3,865,933
Total Liabilities	$ 4,081,470	$ 6,672,630	$ (6,888,167)	$ 3,865,933

See the accompanying Independent Auditors' Report.

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

LOCAL HIGHWAY FINANCE REPORT	City or County: SILVERTHORNE YEAR ENDING : December 2010
This Information From The Records Of (example - City of _ or County of _) TOWN OF SILVERTHORNE	Prepared By: T McArthur Phone: 970-262-7301

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	2,549,499
4. Miscellaneous local receipts (from page 2)	214,171
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	2,763,670
B. Private Contributions	
C. Receipts from State government (from page 2)	238,149
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	3,001,819

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	734,192
2. Maintenance:	1,015,168
3. Road and street services:	
a. Traffic control operations	51,655
b. Snow and ice removal	240,287
c. Other	
d. Total (a. through c.)	291,942
4. General administration & miscellaneous	274,635
5. Highway law enforcement and safety	527,409
6. Total (1 through 5)	2,843,346
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	8,073
b. Redemption	150,400
c. Total (a. + b.)	158,473
3. Total (1.c + 2.c)	158,473
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	3,001,819

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	0			0
1. Bonds (Refunding Portion)				
B. Notes (Total)	251,197		150,400	100,797

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
0	3,001,819	3,001,819		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2010

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalities	91,769
1. Sales Taxes	2,474,548	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	120,902
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	74,951	g. Other Misc. Receipts	1,500
6. Total (1. through 5.)	2,549,499	h. Other	
c. Total (a. + b.)	2,549,499	i. Total (a. through h.)	214,171
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	211,757	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	26,392	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	26,392	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	238,149	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs		11,811	11,811
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		635,797	635,797
(4). System Enhancement & Operation		86,584	86,584
(5). Total Construction (1) + (2) + (3) + (4)	0	722,381	722,381
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	734,192	734,192
			(Carry forward to page 1)

Notes and Comments:

FORM FHWA-536 (Rev.1-05) PREVIOUS EDITIONS OBSOLETE

TOWN OF SILVERTHORNE, COLORADO

STATISTICAL SECTION
(Unaudited)

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

Contents	Schedules	Pages
Financial Trends These tables contain trend information that may assist the reader in assessing the Town's current financial performance by placing it in historical perspective.	1-8	72-79
Revenue Capacity These tables contain information that may assist the reader in assessing the viability of the Town's most significant "own-source" revenues.	9-14	80-85
Debt Capacity These tables present information that may assist the reader in analyzing the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.	15-18	86-89
Demographic and Economic Information These tables offer economic and demographic indicators that are commonly used for financial analysis and depict the Town's present and ongoing financial status.	19-21	90-92
Operating Information These tables contain service and infrastructure indicators that represent how the information in the Town's financial statements relates to the services the Town provides and the activities it performs.	22-23	93-94

Source:

Unless otherwise noted, the information in these tables is derived from the annual financial reports for the relevant year. The Town implemented GASB Statement No. 34 in calendar year 2002, therefore tables presenting government-wide financial data include only the years 2002-present.

Schedule 1

Town of Silverthorne, Colorado
Government-wide Net Assets by Category
Last Nine Fiscal Years
(modified accrual basis of accounting)

Source	2002 (1)	2003	2004	2005 (2)	2006	2007	2008	2009 (4)	2010
Governmental Activities									
Invested in Capital Assets, Net of Related Debt	$11,035,900	$13,034,885	$13,249,443	$23,871,148	$21,157,048	$30,551,010	$37,724,350	$ 40,538,196	$ 40,917,450
Restricted	1,353,661	1,332,329	1,314,910	916,688	743,056	765,449	780,551	252,224	253,108
Unrestricted	8,219,322	8,841,141	9,683,670	8,662,117	15,622,291	11,699,883	8,281,222	6,975,032	7,392,136
Subtotal Governmental Activities Net Assets	20,608,883	23,208,355	24,248,023	33,449,953	37,522,395	43,016,342	46,786,123	47,765,452	48,562,694
Business-type Activities									
Invested in Capital Assets (3)	17,077,694	17,166,955	17,290,192	11,047,259	10,988,647	13,834,516	14,840,210	21,753,271	21,312,175
Restricted	-	-	-	-	-	-	-	-	-
Unrestricted	8,776,225	9,752,788	10,100,696	11,123,035	11,985,937	11,416,846	11,534,762	11,530,909	11,905,165
Subtotal Business-type Activities	25,853,919	26,919,743	27,390,888	22,170,294	22,974,584	25,251,362	26,374,972	33,284,180	33,217,340
Primary Government									
Invested in Capital Assets, Net of Related Debt	28,113,594	30,201,840	30,539,635	34,918,407	32,145,695	44,385,526	52,564,560	62,291,467	62,229,625
Restricted	1,353,661	1,332,329	1,314,910	916,688	743,056	765,449	780,551	252,224	253,108
Unrestricted	16,995,547	18,593,929	19,784,366	19,785,152	27,608,228	23,116,729	19,815,984	18,505,941	19,297,301
Total Primary Government Net Assets	$46,462,802	$50,128,098	$51,638,911	$55,620,247	$60,496,979	$68,267,704	$73,161,095	$ 81,049,632	$ 81,780,034

(1) The year of GASB 34 implementation.
(2) Fiscal year 2005 includes the Pavilion Enterprise Fund closure of $6,601,489 to the General Fund.
(3) There is no capital related debt for business-type activities.
(4) Prior Year Adjustments due to GASB 51 adding intangibles capital assets from prior years

Town of Silverthorne, Colorado
Changes in Net Assets - Governmental Activities
Last Nine Fiscal Years
(modified accrual basis of accounting)

Source	2002 (1)	2003	2004	2005 (2)	2006	2007	2008	2009	2010
Expenses:									
General Government	1,180,289	1,200,089	$1,195,066	$1,220,157	$1,328,306	$1,405,667	$1,469,486	$ 1,605,745	$ 1,536,770
Public Safety	1,775,598	1,748,117	1,640,205	1,728,498	1,886,232	1,841,689	1,947,374	1,857,556	1,832,321
Public Works	3,175,612	2,516,778	2,738,467	2,822,074	2,942,747	3,053,768	3,378,759	3,598,113	3,411,665
Community Development	707,406	640,302	616,439	665,785	738,851	814,718	805,313	745,431	719,689
Recreation & Culture	1,779,417	1,778,049	1,868,467	2,523,010	2,682,592	2,912,284	3,054,899	3,089,079	3,038,923
Housing 5A	-	-	-	-	-	39,713	77,764	316,901	84,104
Interest on Long-Term Debt	535,342	504,432	478,517	337,529	240,015	229,425	162,916	126,502	7,576
Total Expenses	9,153,664	8,387,767	8,537,161	9,297,053	9,818,743	10,297,264	10,896,511	11,339,327	10,631,048
Program Revenues:									
Charges for Services									
General Government	108,623	120,212	131,621	146,421	153,354	169,744	182,069	257,581	205,876
Public Safety	86,534	83,482	82,054	136,320	104,384	115,227	143,199	158,075	143,689
Public Works	63,568	68,303	66,124	68,547	72,733	71,279	83,963	76,876	76,318
Community Development	303,409	254,986	298,747	504,012	404,569	449,551	412,551	169,820	200,217
Recreation & Culture	1,068,380	1,088,756	1,118,114	1,402,465	1,515,738	1,638,050	1,620,801	1,617,781	1,583,607
Housing 5A	-	-	-	-	-	-	209,408	40,696	56,334
Operating Grants & Contributions	340,791	272,519	266,923	310,299	57,324	7,773	18,179	16,511	21,419
Capital Grants & Contributions	247,490	2,028,174	249,270	663,921	1,788,089	2,517,121	1,307,592	936,804	49,683
Total Program Revenues	2,218,795	3,916,432	2,212,853	3,231,985	4,096,191	4,968,745	3,977,762	3,274,144	2,337,143
Net (Expense)/Revenue	(6,934,869)	(4,471,335)	(6,324,308)	(6,065,068)	(5,722,552)	(5,328,519)	(6,918,749)	(8,065,183)	(8,293,905)
General Revenues & Transfers:									
Taxes:									
Sales Taxes for General Purpose	4,291,469	4,375,938	4,487,364	4,901,082	5,505,476	6,029,697	5,917,576	5,206,198	5,292,277
Sales Taxes for Capital & Debt	1,700,238	1,840,677	1,897,958	2,118,292	2,393,680	2,714,907	2,832,969	2,480,196	2,433,290
Lodging Tax	110,470	103,026	95,664	101,817	122,571	135,088	146,041	113,629	120,602
Franchise Taxes	139,364	171,634	174,999	193,884	211,959	204,669	241,047	213,636	231,610
Development Excise Tax	263,709	276,026	350,785	615,538	402,059	381,781	311,944	92,276	96,986
Other Taxes	53,247	47,767	61,669	47,131	336,234	332,663	328,836	347,084	360,206
Investment Income	171,895	122,159	153,795	219,867	443,509	571,350	361,769	124,732	91,096
Miscellaneous	47,814	44,377	47,702	100,580	48,404	102,500	229,937	154,128	182,165
Gains on Sales of Capital Assets	33,078	-	-	-	-	-	-	-	-
Transfers	266,784	89,203	94,040	6,968,807	331,102	349,811	318,411	262,092	282,915
Total General Revenues & Transfers	7,078,068	7,070,807	7,363,976	15,266,998	9,794,994	10,822,466	10,688,530	8,993,971	9,091,147
Changes in Net Assets	$ 143,199	$2,599,472	$1,039,668	$9,201,930	$4,072,442	$5,493,947	$3,769,781	$ 928,788	$ 797,242

(1) The year of GASB 34 implementation.
(2) Fiscal year 2005 includes the Pavilion Fund closure of $6,601,489 to the General Fund.

Schedule 3

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

Source	2002 (1)	2003	2004	2005 (2)	2006	2007	2008	2009	2010
Expenses:									
Water	$ 723,630	$ 761,421	$ 810,246	$ 1,068,559	$ 942,428	$1,101,207	$ 1,129,095	$ 1,138,255	$ 1,161,340
Sewer	800,928	844,120	905,982	968,266	1,022,839	1,035,722	1,062,344	1,116,886	1,191,002
Pavilion	442,086	471,428	466,800	-	-	-	-	-	-
Total Expenses	1,966,644	2,076,969	2,183,028	2,036,825	1,965,267	2,136,929	2,191,439	2,255,141	2,352,342
Program Revenues:									
Charges for Services									
Water	840,015	814,082	809,921	844,505	853,448	850,636	899,740	893,157	963,413
Sewer	874,561	928,516	964,372	996,302	1,027,270	973,371	1,010,619	1,030,277	1,078,408
Pavilion	124,881	148,137	166,618	-	-	-	-	-	-
Capital Grants & Contributions	1,789,125	1,063,961	446,731	1,487,220	616,320	2,265,718	1,321,018	788,267	275,185
Total Program Revenues	3,628,582	2,954,696	2,387,642	3,328,027	2,497,038	4,089,725	3,231,377	2,711,701	2,317,006
Net (Expense)/Revenue	1,661,938	877,727	204,614	1,291,202	531,771	1,952,796	1,039,938	456,560	(35,336)
General Revenues & Transfers:									
Investment Income	68,920	53,061	80,957	125,072	274,474	324,704	159,173	52,044	36,005
Miscellaneous	234,073	224,239	279,614	331,940	329,146	349,089	242,910	120,403	215,406
Transfers	(266,784)	(89,203)	(94,040)	(6,968,807)	(331,102)	(349,811)	(318,411)	(262,092)	(282,915)
Total General Revenues & Transfers	36,209	188,097	266,531	(6,511,795)	272,518	323,982	83,672	(89,645)	(31,504)
Changes in Net Assets	$1,698,147	$1,065,824	$ 471,145	$(5,220,593)	$ 804,289	$2,276,778	$1,123,610	$ 366,915	$ (66,840)

(1) The year of GASB 34 implementation.
(2) Fiscal year 2005 includes the Pavilion Fund closure of $6,601,489 to the General Fund.

Schedule 4

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

Source	2002 (1)	2003	2004	2005 (2)	2006	2007	2008	2009	2010
Operating Revenues:									
Users Fees	$1,791,405	$1,845,201	$1,892,280	$1,812,234	$1,846,356	$1,813,100	$1,898,765	$1,907,084	$2,032,061
Charges for Services	48,052	45,534	48,631	28,573	34,362	10,907	11,594	16,350	9,760
Total Operating Revenues	1,839,457	1,890,735	1,940,911	1,840,807	1,880,718	1,824,007	1,910,359	1,923,434	2,041,821
Operating Expenses:									
Operations	469,744	514,040	555,568	370,789	423,211	457,614	498,024	479,666	501,184
Maintenance	252,014	238,277	229,429	261,193	160,378	146,354	123,411	89,422	159,665
Contractual Services	665,812	699,623	745,615	854,473	813,238	899,027	852,785	864,837	872,484
Depreciation and Amortization	579,074	625,029	652,416	550,370	568,440	631,585	717,219	821,216	819,009
Total Operating Expenses	1,966,644	2,076,969	2,183,028	2,036,825	1,965,267	2,134,580	2,191,439	2,255,141	2,352,342
Operating Income/(Loss)	(127,187)	(186,234)	(242,117)	(196,018)	(84,549)	(310,573)	(281,080)	(331,707)	(310,521)
Non-Operating Revenues/Expenses:									
Interest Revenue	68,920	53,061	80,957	125,072	274,474	324,704	159,173	52,044	36,005
Loss on Disposal of Capital Assets	-	-	-	-	-	(2,349)	-	-	-
Equity Income on Joint Sewer Authority Investment	234,073	224,239	279,614	331,940	329,146	349,089	242,910	120,403	215,406
Total Non-Operating Revenues	302,993	277,300	360,571	457,012	603,620	671,444	402,083	172,447	251,411
Income Before Transfers & Capital Contributions	175,806	91,066	118,454	260,994	519,071	360,871	121,003	(159,260)	(59,110)
Transfer out to General Fund	(266,784)	(89,203)	(94,040)	(6,968,807)	(331,102)	(349,811)	(318,411)	(262,092)	(282,915)
Capital Contributions	1,789,125	1,063,961	446,731	1,487,220	616,320	2,265,718	1,321,018	788,267	275,185
Changes in Net Assets	$1,698,147	$1,065,824	$471,145	($5,220,593)	$804,289	$2,276,778	$1,123,610	$366,915	($66,840)

(1) The year of GASB 34 implementation.
(2) Fiscal year 2005 includes the Pavilion Fund closure of $6,601,489 to the General Fund.

Schedule 5

Town of Silverthorne, Colorado
Changes in Net Assets - Total
Last Nine Fiscal Years
(modified accrual basis of accounting)

Source	2002 (1)	2003	2004	2005 (2)	2006	2007	2008	2009	2010
Expenses:									
Governmental Activities	$9,153,664	$8,387,767	$8,537,161	$9,297,053	$9,818,743	$10,297,264	$10,896,511	$11,339,327	$10,631,048
Business-type Activities	1,966,644	2,076,969	2,183,028	2,036,825	1,965,267	2,136,929	2,191,439	2,255,141	2,352,342
Total Expenses	11,120,308	10,464,736	10,720,189	11,333,878	11,784,010	12,434,193	13,087,950	13,594,468	12,983,390
Program Revenues:									
Governmental Activities	2,329,265	4,019,458	2,308,518	3,231,985	4,096,191	4,968,745	3,977,762	3,274,144	2,337,143
Business-type Activities	3,628,582	2,954,696	2,387,642	3,328,027	2,497,038	4,089,725	3,231,377	2,711,701	2,317,006
Total Program Revenues	5,957,847	6,974,154	4,696,160	6,560,012	6,593,229	9,058,470	7,209,139	5,985,845	4,654,149
Net (Expense)/Revenue	(5,162,461)	(3,490,582)	(6,024,029)	(4,773,866)	(5,190,781)	(3,375,723)	(5,878,811)	(7,608,623)	(8,329,241)
General Revenues & Transfers:									
Governmental Activities	6,967,598	6,967,781	7,268,311	15,266,998	9,794,994	10,822,466	10,688,530	8,993,971	9,091,147
Business-type Activities	36,209	188,097	266,531	(6,511,795)	272,518	323,982	83,672	(89,645)	(31,504)
Total General Revenues & Transfers	7,003,807	7,155,878	7,534,842	8,755,203	10,067,512	11,146,448	10,772,202	8,904,326	9,059,643
Changes in Net Assets	$1,841,346	$3,665,296	$1,510,813	$3,981,337	$4,876,731	$ 7,770,725	$ 4,893,391	$ 1,295,703	$ 730,402

(1) The year of GASB 34 implementation.
(2) Fiscal year 2005 includes the Pavilion Enterprise Fund closure of $6,601,489 to the General Fund.

Schedule 6

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

Source	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Fund										
Reserved	$ 3,440,854	$ 359,789	$ 298,474	$ 288,056	$ 422,507	$ 262,404	$ 299,264	$ 324,789	$ 319,430	$ 375,817
Unreserved	3,883,441	5,990,004	6,363,437	6,817,651	5,724,207	7,060,565	8,111,460	6,762,288	6,324,327	6,390,162
Subtotal General Fund	7,324,295	6,349,793	6,661,911	7,105,707	6,146,714	7,322,969	8,410,724	7,087,077	6,643,757	6,765,979
General Fund Percentage Change	-1.1%	-13.3%	4.9%	6.6%	-13.4%	19.1%	14.9%	-15.7%	-6.3%	1.8%
All Other Governmental Funds										
Reserved	2,076,248	1,046,000	1,046,000	1,067,857	632,777	800,976	626,976	511,991	-	133,000
Unreserved										
Capital Improvement Fund	262,895	1,421,790	1,613,664	1,522,995	861,092	972,607	1,111,808	1,112,962	650,120	480,806
Conservation Trust Fund	71,854	84,956	-	13,573	-	-	-	-		
Lodging Tax Fund	230,809	330,617	234,534	349,185	376,503	28,862	168,463	306,072	313,059	349,562
Excise Tax Fund	360,959	280,567	561,670	886,867	1,522,971	1,426,594	1,653,759	1,840,154	1,286,926	1,385,539
Housing 5A Fund	-	-	-	-	-	-	464,920	(1,839,441)	(1,665,335)	(1,469,126)
Subtotal All Other Governmental Funds	3,002,765	3,163,930	3,455,868	3,840,477	3,393,343	3,229,039	4,025,926	1,931,738	584,771	879,781
Total Governmental Funds										
Reserved	5,517,102	1,405,789	1,344,474	1,355,913	1,055,284	1,063,380	926,240	836,780	319,430	508,817
Unreserved	4,809,958	8,107,934	8,773,305	9,590,271	8,484,773	9,488,628	11,510,410	8,182,035	6,909,097	7,136,943
Total Governmental Funds	$ 10,327,060	$ 9,513,723	$ 10,117,779	$ 10,946,184	$9,540,057	$ 10,552,008	$ 12,436,650	$ 9,018,815	$ 7,228,527	$ 7,645,760
All Governmental Funds Percentage Change	-7.7%	-7.8%	6.3%	8.1%	-12.8%	10.6%	17.8%	-27.5%	-19.8%	5.8%

Schedule 7

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

Source	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total Revenues	$ 9,961,011	$ 8,996,999	$ 9,799,401	$ 9,398,596	$ 11,239,910	$ 13,457,434	$ 13,806,106	$ 13,265,758	$ 11,497,637	$ 11,129,403
Total Expenditures	11,547,288	10,255,371	9,544,303	9,068,450	13,457,071	13,239,399	12,532,906	17,190,402	13,579,019	11,131,960
Excess (Deficiency of Revenues Over (Under) Expenditures	(1,586,277)	(1,258,372)	255,098	330,146	(2,217,161)	218,035	1,273,200	(3,924,644)	(2,081,382)	(2,557)
Other Financing Sources (Uses)										
Capital Leases	740,505	506,543	182,738	353,719	193,325	384,972	237,326	166,000	-	-
Sales of General Capital Assets	161,950	49,078	77,017	50,500	36,803	77,842	24,305	22,398	29,003	136,875
Claims and Judgment	-	(377,371)	-	-	64,880	-	-	-	-	-
Fund Closure of Pavilion Fund to General Fund	-	-	-	-	148,708	-	-	-	-	-
Transfer In	874,149	1,112,500	286,703	418,040	2,567,318	496,102	649,811	2,378,411	762,092	282,915
Transfer Out	(1,062,191)	(845,715)	(197,500)	(324,000)	(2,200,000)	(165,000)	(300,000)	(2,060,000)	(500,000)	-
Total Other Financing Sources	714,413	445,035	348,958	498,259	811,034	793,916	611,442	506,809	291,095	419,790
Net Change in Fund Balances	$ (871,864)	$ (813,337)	$ 604,056	$ 828,405	$ (1,406,127)	$ 1,011,951	$ 1,884,642	$ (3,417,835)	$ (1,790,287)	$ 417,233

Schedule 8

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

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
General Government	$ 1,128,179	$ 1,091,066	$ 1,129,510	$ 1,122,206	$ 1,143,685	$ 1,244,030	$ 1,316,409	$ 1,394,565	$ 1,374,550	$ 1,430,842
Public Safety	1,586,392	1,688,083	1,724,376	1,612,507	1,691,899	1,737,911	1,808,163	1,914,928	1,778,406	1,758,679
Public Works	1,872,713	1,811,206	1,615,325	1,583,648	1,711,576	1,775,885	2,057,478	2,252,885	1,989,880	2,067,316
Community Development	542,224	559,451	503,334	493,107	553,298	638,500	756,543	743,026	682,488	641,036
Recreation and Culture	1,550,113	1,595,141	1,561,493	1,643,871	2,154,316	2,284,185	2,496,865	2,660,391	2,593,163	2,552,086
Housing 5A	-	-	-	-	-	-	39,713	103,361	103,791	84,104
Total Current	6,679,621	6,744,947	6,534,038	6,455,339	7,254,774	7,680,511	8,475,171	9,069,156	8,522,278	8,534,063
% Change from Prior Year	4.1%	1.0%	-3.1%	-1.2%	12.4%	5.9%	10.3%	7.0%	-6.0%	0.1%
Capital Outlay	3,432,882	2,003,609	1,683,041	1,198,863	1,464,100	4,759,662	3,208,983	5,502,862	2,910,833	2,430,624
% Change from Prior Year	-3.5%	-71.3%	-19.0%	-40.4%	18.1%	69.2%	-48.3%	41.7%	-89.0%	-19.8%
Debt Service										
Principal	866,069	968,811	819,279	931,947	4,383,029	560,744	620,620	2,437,571	2,034,669	158,942
Interest and Fiscal Charges	568,716	538,004	507,945	482,301	355,168	238,482	228,132	180,813	111,239	8,331
Total Debt Service	1,434,785	1,506,815	1,327,224	1,414,248	4,738,197	799,226	848,752	2,618,384	2,145,908	167,273
% Change from Prior Year	9.3%	5.0%	-11.9%	6.6%	235.0%	-83.1%	6.2%	208.5%	-18.0%	-1182.9%
Total Expenditures	$ 11,547,288	$ 10,255,371	$ 9,544,303	$ 9,068,450	$ 13,457,071	$ 13,239,399	$ 12,532,906	$ 17,190,402	$ 13,579,019	$ 11,131,960
% Change from Prior Year	2.3%	-12.6%	-7.5%	-5.2%	32.6%	-1.6%	-5.6%	27.1%	-26.6%	-22.0%
Debt Service as a Percentage of Noncapital Expenditures (1)	17.7%	18.3%	16.9%	17.1%	40.1%	8.7%	8.9%	22.2%	19.0%	1.9%

(1) Debt service amount includes financial charges.

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

Amounts

Revenue Source	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Taxes	$ 7,337,754	$6,829,294	$ 7,073,515	$ 7,333,121	$ 8,241,007	$ 8,971,978	$ 9,798,805	$ 9,778,413	$ 8,453,020	$ 8,534,971
Intergovernmental	142,973	71,286	32,999	32,603	33,990	42,012	292,353	40,368	38,498	36,683
Licenses, Permits & Fees	393,676	325,972	305,737	354,805	551,889	442,241	486,642	674,307	289,014	324,285
Charges for Services	1,337,595	1,337,395	1,369,517	1,390,657	1,609,322	1,716,864	1,895,858	2,012,446	1,926,913	1,910,868
Fines and Forfeitures	81,536	85,604	84,407	78,080	129,063	98,018	99,555	99,243	137,646	124,666
Interest	390,497	171,895	122,160	153,795	219,868	443,509	571,351	361,769	124,733	91,096
Grants	-	-	687,585	39,062	438,880	1,700,752	606,555	218,179	416,511	34,419
Miscellaneous	276,980	175,553	123,481	16,473	15,891	42,060	54,987	81,033	111,302	72,415
Total Revenues	$ 9,961,011	$8,996,999	$ 9,799,401	$ 9,398,596	$11,239,910	$ 13,457,434	$ 13,806,106	$ 13,265,758	$ 11,497,637	$ 11,129,403
% change from prior year	0.7%	-9.7%	8.9%	-4.1%	20.0%	19.7%	2.6%	-3.9%	-13.3%	-3.3%

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

Percentage of Total

Taxes	73.7%	75.9%	72.2%	78.0%	73.3%	66.7%	71.0%	73.7%	73.5%	76.7%
Intergovernmental	1.4%	0.8%	0.3%	0.3%	0.3%	0.3%	2.1%	0.3%	0.3%	0.3%
Licenses, Permits & Fees	4.0%	3.6%	3.1%	3.8%	4.9%	3.3%	3.5%	5.1%	2.5%	2.9%
Charges for Services	13.4%	14.9%	14.0%	14.8%	14.3%	12.8%	13.7%	15.2%	16.8%	17.2%
Fines	0.8%	1.0%	0.9%	0.8%	1.1%	0.7%	0.7%	0.7%	1.2%	1.1%
Interest	3.9%	1.9%	1.2%	1.6%	2.0%	3.3%	4.1%	2.7%	1.1%	0.8%
Grants	0.0%	0.0%	7.0%	0.4%	3.9%	12.6%	4.4%	1.6%	3.6%	0.3%
Miscellaneous	2.8%	2.0%	1.3%	0.2%	0.1%	0.3%	0.4%	0.6%	1.0%	0.7%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Schedule 10

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

Source	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues:										
Taxes	$ 7,337,754	$ 6,829,294	$ 7,073,515	$ 7,333,121	$ 8,241,007	$ 8,971,978	$ 9,798,805	$ 9,778,413	$ 8,453,020	$ 8,534,971
Intergovernmental	142,973	71,286	32,999	32,603	33,990	42,012	292,353	40,368	38,498	36,683
Licenses and Permits	393,676	325,972	305,737	354,805	551,889	442,241	486,642	674,307	289,014	324,285
Charges for Services	1,337,595	1,337,395	1,369,517	1,390,657	1,609,322	1,716,864	1,895,858	2,012,446	1,926,913	1,910,868
Fines and Forfeitures	81,536	85,604	84,407	78,080	129,063	98,018	99,555	99,243	137,646	124,666
Interest	390,497	171,895	122,160	153,795	219,868	443,509	571,351	361,769	124,733	91,096
Grants	-	-	687,585	39,062	438,880	1,700,752	606,555	218,179	416,511	34,419
Miscellaneous	276,980	175,553	123,481	16,473	15,891	42,060	54,987	81,033	111,302	72,415
Total Revenues	$ 9,961,011	$ 8,996,999	$ 9,799,401	$ 9,398,596	$ 11,239,910	$ 13,457,434	$ 13,806,106	$ 13,265,758	$ 11,497,637	$ 11,129,403
Expenditures:										
General Government	1,128,179	1,091,066	1,129,510	1,122,206	1,143,685	1,244,030	1,316,409	1,394,565	1,374,550	1,430,842
Public Safety	1,586,392	1,688,083	1,724,376	1,612,507	1,691,899	1,737,911	1,808,163	1,914,928	1,778,406	1,758,679
Public Works	1,872,713	1,811,206	1,615,325	1,583,648	1,711,576	1,775,885	2,057,478	2,252,885	1,989,880	2,067,316
Community Development	542,224	559,451	503,334	493,107	553,298	638,500	756,543	743,026	682,488	641,036
Recreation and Culture	1,550,113	1,595,141	1,561,493	1,643,871	2,154,316	2,284,185	2,496,865	2,660,391	2,593,163	2,552,086
Housing 5A	-	-	-	-	-	-	39,713	103,361	103,791	84,104
Capital Outlay	3,432,882	2,003,609	1,683,041	1,198,863	1,464,100	4,759,662	3,208,983	5,502,862	2,910,833	2,430,624
Debt Service:										
Principal	866,069	968,811	819,279	931,947	4,383,029	560,744	620,620	2,437,571	2,034,669	158,942
Interest and Fiscal Charges	568,716	538,004	507,945	482,301	355,168	238,482	228,132	180,813	111,239	8,331
Total Expenditures	11,547,288	10,255,371	9,544,303	9,068,450	13,457,071	13,239,399	12,532,906	17,190,402	13,579,019	11,131,960
Excess (Deficiency of Revenues Over (Under) Expenditures	(1,586,277)	(1,258,372)	255,098	330,146	(2,217,161)	218,035	1,273,200	(3,924,644)	(2,081,382)	(2,557)
Other Financing Sources (Uses)										
Capital Leases	740,505	506,543	182,738	353,719	193,325	384,972	237,326	166,000	-	-
Sales of General Capital Assets	161,950	49,078	77,017	50,500	36,803	77,842	24,305	22,398	29,003	136,875
Claims and Judgment	-	(377,371)	-	-	64,880	-	-	-	-	-
Fund Closure of Pavilion Fund to General Fund	-	-	-	-	148,708	-	-	-	-	-
Transfer In	874,149	1,112,500	286,703	418,040	2,567,318	496,102	649,811	2,378,411	762,092	282,915
Transfer Out	(1,062,191)	(845,715)	(197,500)	(324,000)	(2,200,000)	(165,000)	(300,000)	(2,060,000)	(500,000)	-
Total Other Financing Sources (Uses)	714,413	445,035	348,958	498,259	811,034	793,916	611,442	506,809	291,095	419,790
Net Change in Fund Balances	$ (871,864)	$ (813,337)	$ 604,056	$ 828,405	$ (1,406,127)	$ 1,011,951	$ 1,884,642	$ (3,417,835)	$ (1,790,287)	$ 417,233

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

Revenue Source	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Sales Tax	$6,362,660	$5,991,706	$6,216,615	$6,385,322	$ 7,019,374	$7,899,156	$8,491,553	$8,476,687	$7,452,055	$7,502,589
Housing 5A Tax	-	-	-	-	-	-	253,051	273,858	234,339	222,978
Lodging Tax	103,888	110,470	103,026	95,664	101,817	122,571	135,088	146,041	113,629	120,602
Dev. Excise Tax	417,484	263,710	276,026	350,785	615,538	402,059	381,781	311,944	92,276	96,986
Property Tax (1)	-	-	-	-	-	-	-	-	-	-
Franchise Tax	144,505	139,363	171,634	174,999	193,884	211,959	204,669	241,047	213,636	231,610
Highway User Tax	167,444	181,994	169,826	173,450	166,990	191,059	185,077	177,240	188,653	211,757
Cigarette Tax	54,903	52,977	47,035	61,053	47,131	50,984	51,194	49,426	44,674	40,805
Road & Bridge Tax	61,802	64,585	60,994	66,032	67,990	64,848	66,757	72,702	73,862	74,951
Miscellaneous Tax	25,068	24,490	28,359	25,816	28,283	29,342	29,635	29,468	39,896	32,693
Total Revenues	$7,337,754	$6,829,293	$7,073,515	$7,333,121	$ 8,241,007	$8,971,978	$9,798,805	$9,778,413	$8,453,020	$8,534,971
% change from prior year	5.2%	-6.9%	3.6%	3.7%	12.4%	8.9%	9.2%	-0.2%	-13.6%	9.7%

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

Source: Town of Silverthorne Sales Tax Reports

Schedule 12

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

	2002	2003	2004	2005	2006	2007	2008	2009	2010
Summit County Government:									
General Fund	5.420	5.347	5.416	5.311	5.250	4.625	4.704	5.004	4.240
Road & Bridge Fund	1.120	1.127	1.141	1.082	1.079	0.943	0.932	0.813	0.814
Social Services Fund	0.263	0.221	0.163	0.154	0.189	0.211	0.158	0.103	0.103
Library Fund	0.689	0.797	0.772	0.732	0.761	0.646	0.644	0.563	0.548
Capital Expenditures	2.085	2.156	2.148	2.251	2.035	2.360	2.362	3.033	2.991
Legacy Fund	0.000	0.000	0.000	0.000	0.196	0.288	0.253	0.289	0.336
Open Space (2)	2.128	2.140	2.128	2.018	2.001	1.630	1.611	0.000	0.000
2010 Fund	0.376	0.378	0.376	0.356	0.353	0.288	0.284	2.297	3.063
Early Childhood Care & Learning	0.000	0.000	0.000	0.500	0.500	0.500	0.500	0.500	0.500
Total	12.081	12.166	12.144	12.404	12.364	11.491	11.448	12.602	12.595
Summit School District RE-1:									
General Fund	13.916	14.447	14.027	13.387	13.377	13.271	13.320	12.832	13.923
Bond Redemption Fund	4.701	4.720	6.032	5.740	5.691	4.663	4.653	3.886	3.582
Special Building & Technology Fund	7.620	7.620	3.352	3.370	3.370	3.671	3.396	3.396	0.000
Kindergarten Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.438	0.451	0.403
Transportation Fund	0.317	0.429	0.421	0.413	0.410	0.485	0.484	0.371	0.456
Total	26.554	27.216	23.832	22.910	22.848	22.090	22.291	20.936	18.364
Junior College:									
Colorado Mountain College	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997
Special Districts:									
Colorado River Water Conservation District	0.255	0.255	0.252	0.230	0.221	0.191	0.198	0.166	0.188
Eagles Nest Metropolitan District (3)	17.000	17.000	17.000	17.000	17.000	15.030	15.014	15.076	15.028
Lake Dillon Fire Protection District	8.280	8.345	8.345	8.289	8.311	8.275	8.286	8.295	8.279
Middle Park Water Conservancy District	0.078	0.078	0.078	0.075	0.075	0.062	0.062	0.056	0.056
Silverthorne Fire Protection District (Bond only)	0.100	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total	25.713	25.678	25.675	25.594	25.607	23.558	23.560	23.593	23.551
Total Mill Levies	**68.345**	**69.057**	**65.648**	**64.905**	**64.816**	**61.136**	**61.296**	**61.128**	**58.507**

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

Source: Summit County Assessor's Office

Schedule 13

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

	2001	2002	2003	2004	2005	2006	2007(1)	2008(2)	2009(3)	2010(4)
Water Rates:										
Monthly	$ 12.95	$ 13.34	$ 13.34	$ 13.34	$ 13.34	$ 13.74	$ 15.00	$ 15.00	$ 12.17	$ 12.17
Per 1,000 Gallons	1.88	1.94	1.98	1.98	1.98	1.98	1.00	1.00	1.30	1.35
Tap Fee	4,200	4,400	4,600	4,800	5,000	5,200	5,400	5,800	6,000	6,200
Sewer Rates:										
Monthly	$ 27.54	$ 28.37	$ 29.22	$ 30.10	$ 30.10	$ 30.10	$ 27.83	$ 27.83	$ 27.83	$ 28.67
Tap Fee	4,200	4,400	4,600	4,800	5,000	5,200	5,400	5,400	5,400	5,400

(1) The Town instituted a tiered water rate commencing in 2007. The rate is $1.00 for 0 - 5,000 gallons used, $2.00 for 5,001-10,000 gallons used, $3.00 for 10,001-16,666 gallons used and $4.00 for 16,667 and above.
(2) The Town changed the tiered water rates for 2008. The rates are $1.00 for 0-15,000 gallons used, $2.00 for 15,001-30,000 gallons used, $3.00 for 30,001-50,000 gallons used and $4.00 for 50,001 and above.
(3) The Town changed the tiered water rates for 2009. The rates are $1.30 for 0-15,000 gallons used, $2.60 for 15,001-30,000 gallons used, $3.90 for 30,001-50,000 gallons used and $5.50 for 50,001 and above.
(4) The Town changed the tiered water rates for 2010. The rates are $1.35 for 0-15,000 gallons used, $2.70 for 15,001-30,000 gallons used, $4.00 for 30,001-50,000 gallons used and $5.65 for 50,001 and above.

Source: Town of Silverthorne Water Department

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

Retail Category	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Auto	$ 667,235	$ 655,787	$ 632,762	$ 602,400	$ 578,537	$ 590,555	$ 630,615	$ 695,540	$ 422,279	$ 499,463
Building	1,066,967	935,279	935,205	968,499	1,045,206	1,235,386	1,402,298	1,368,016	932,906	736,108
Consumer	749,150	715,283	1,300,262	1,371,738	1,453,477	1,531,309	1,739,658	1,626,089	1,749,557	1,846,662
Outlet Stores	2,212,571	2,032,253	1,740,770	1,847,703	2,288,733	2,736,923	2,968,227	2,806,060	2,591,069	2,638,928
Food/Liquor	1,111,445	1,102,391	1,051,711	1,075,406	1,094,804	1,182,601	1,276,947	1,255,496	1,148,404	1,145,697
Lodging	216,564	226,126	211,614	197,016	216,182	244,383	266,450	286,675	224,013	243,031
Services	338,728	324,587	344,291	322,560	342,465	377,998	460,410	438,810	383,827	392,701
Total	$6,362,660	$5,991,706	$6,216,615	$6,385,322	$7,019,404	$7,899,155	$8,744,605	$8,476,686	$7,452,055	$7,502,590

Percentage of Total

Auto	10.49%	10.94%	10.18%	9.43%	8.24%	7.48%	7.21%	8.21%	5.67%	6.66%
Building	16.77%	15.61%	15.04%	15.17%	14.89%	15.64%	16.04%	16.14%	12.52%	9.81%
Consumer	11.77%	11.94%	20.92%	21.48%	20.71%	19.39%	19.89%	19.18%	23.48%	24.61%
Outlet Stores	34.77%	33.92%	28.00%	28.94%	32.61%	34.65%	33.94%	33.10%	34.77%	35.17%
Food/Liquor	17.47%	18.40%	16.92%	16.84%	15.60%	14.97%	14.60%	14.81%	15.41%	15.27%
Lodging	3.40%	3.77%	3.40%	3.09%	3.08%	3.09%	3.05%	3.38%	3.01%	3.24%
Services	5.32%	5.42%	5.54%	5.05%	4.88%	4.79%	5.27%	5.18%	5.15%	5.23%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Source: Town of Silverthorne Sales Tax Reports

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Assessed valuations:										
Assessed value	$109,860,860	$113,033,030	$117,965,730	$119,326,850	$120,357,050	$123,742,000	$154,922,390	$159,036,460	$185,244,790	$186,258,380
Legal debt margin:										
Debt limitation - 3 percent of assessed value (1)	3,295,826	3,390,991	3,538,972	3,579,806	3,610,712	3,712,260	4,647,672	4,771,094	5,557,344	5,587,751
Debt applicable to limitation:										
Total bonded debt	10,250,000	9,720,000	9,160,000	8,580,000	4,585,000	4,295,000	3,995,000	1,845,000	-	-
Less: Special assessment bonds	-	-	-	-	-	-	-	-	-	-
Revenue bonds	(10,250,000)	(9,720,000)	(9,160,000)	(8,580,000)	(4,585,000)	(4,295,000)	(3,995,000)	(1,845,000)	-	-
Debt exempt by law from legal debt margin (Water Bonds)	-	-	-	-	-	-	-	-	-	-
	(10,250,000)	(9,720,000)	(9,160,000)	(8,580,000)	(4,585,000)	(4,295,000)	(3,995,000)	(1,845,000)	-	-
Total debt applicable to limitation	-	-	-	-	-	-	-	-	-	-
Legal debt margin	$ 3,295,826	$ 3,390,991	$ 3,538,972	$ 3,579,806	$ 3,610,712	$ 3,712,260	$ 4,647,672	$ 4,771,094	$ 5,557,344	$ 5,587,751

(1) Colorado State Statue limits the total amount of General Obligation debt to three percent (3%) of the jurisdictions actual property value.

Town of Silverthorne, Colorado
Revenue Bond Coverage
Water and Sewer Fund
Last Ten Fiscal Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gross Revenues (1)	$ 2,040,023	$ 2,013,365	$ 2,019,166	$ 2,113,626	$ 1,965,879	$ 2,155,192	$ 2,148,711	$ 2,069,532	$ 2,043,837	$ 2,041,821
Operating Expenses (2)	1,162,033	1,080,323	1,111,344	1,194,644	1,486,455	1,396,826	1,502,995	1,474,220	1,433,925	1,533,333
Net Revenue Available for Debt Service	877,990	933,042	907,822	918,982	479,424	758,366	645,716	595,312	609,912	508,488
Debt Service Requirement (3)										
Principal	-	-	-	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Coverage	-	-	-	-	-	-	-	-	-	-

(1) Total revenues (including interest) exclusive of tap fees.
(2) Total operating expenses exclusive of depreciation and amortization, and bond interest.

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Gross Revenues (1)	11,737,615	$ 10,665,120	$ 10,345,859	$ 10,220,855	$ 14,250,944	$ 14,416,350	$ 14,717,548	$ 15,832,567	$ 12,288,732	$ 11,549,193
Operating Expenses (2)	10,150,573	11,478,457	9,741,803	9,392,450	15,657,071	13,404,399	12,832,906	19,250,402	14,079,019	11,131,960
Net Revenue Available for Debt Service	1,587,042	(813,337)	604,056	828,405	(1,406,127)	1,011,951	1,884,642	(3,417,835)	(1,790,287)	417,233
Debt Service Requirement										
Principal	505,000	530,000	560,000	580,000	610,000	290,000	300,000	325,000	-	-
Interest	526,032	500,248	474,455	448,755	421,389	214,570	201,808	187,976	-	-
Total	1,031,032	1,030,248	1,034,455	1,028,755	1,031,389	504,570	501,808	512,976	-	-
Coverage	1.54	(0.79)	0.58	0.81	(1.36)	2.01	3.76	(6.66)	-	-

(1) Includes general, special revenue and capital improvement funds.
(2) Includes transfers in/out from/to all . Excludes capital expenditures from Parkway & Pavilion Fund.

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

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Population (1) (2)	3,625	3,707	3,789	3,856	3,831	3,937	4,068	4,163	4,263	4,313
Assessed Value	$ 109,860,860	$ 113,033,030	$ 117,965,730	$ 119,326,850	$ 120,357,050	$ 123,742,000	$ 154,922,390	$ 159,036,460	$ 185,244,790	$ 186,258,380
Governmental Activities										
General Obligation Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Revenue Bonds	$ 10,250,000	$ 9,720,000	$ 9,160,000	$ 8,580,000	$ 4,585,000	$ 4,295,000	$ 3,995,000	$ 1,845,000	$ -	$ -
Capital Leases	$ 744,983	$ 812,714	$ 736,173	$ 737,945	$ 543,241	$ 657,468	$ 574,174	$ 452,603	$ 262,933	$ 103,991
Business-Type Activities										
General Obligation Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Revenue Bonds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Capital Leases	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Primary Government	$ 10,994,983	$ 10,532,714	$ 9,896,173	$ 9,317,945	$ 5,128,241	$ 4,952,468	$ 4,569,174	$ 2,297,603	$ 262,933	$ 103,991
Percentage of Personal Income (3)	8.72%	8.22%	7.66%	6.51%	3.42%	2.87%	2.49%	1.21%	0.15%	0.06%
Per Capita (4)	$ 3,033	$ 2,841	$ 2,612	$ 2,416	$ 1,339	$ 1,258	$ 1,123	$ 552	$ 62	$ 24

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

Town of Silverthorne, Colorado
Computation of Overlapping Bonded Debt
General Obligation Bonds
December 31, 2010

Overlapping Entity (1)	2010 Value	Outstanding General Obligation Debt	Net Outstanding General Obligation Debt Chargeable to Properties within the Town	
			Percent	Amount
Eagle's Nest Metropolitan District	$ 66,350,450	$ 6,475,000	100%	$ 6,475,000
Summit County School District RE-1	1,926,570,520	54,130,000	9.6	5,196,480
			Total	$ 11,671,480

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

(1) The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the entities taxable assessed value that is within the Town's boundaries and dividing it by their total taxable assessed value.

Town of Silverthorne, Colorado
Demographics Statistics
Last Ten Fiscal Years

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Silverthorne Population (1) (4) (5)	3,625	3,707	3,789	3,856	3,831	3,937	4,068	4,163	4,263	4,313
County Population (1) (3) (4) (5)	24,715	24,966	25,313	25,177	25,287	25,745	26,234	26,724	27,239	27,994
Personal Income (2) (3) (4) (5)	859,983	863,093	862,882	935,234	990,875	1,128,272	1,182,809	1,215,100	1,138,281	1,166,397
Per Capita Income (2) (3) (4) (5)	34,796	34,571	34,088	37,146	39,185	43,825	45,087	45,468	41,789	42,822
Median Family Income (1) (2) (3) (4) (5)	67,556	66,780	67,473	70,720	78,400	80,752	84,741	81,300	85,100	87,200
Silverthorne School Enrollment (6)	238	212	225	280	275	307	315	336	330	338
Unemployment Rate (1) (2) (3) (4) (5)	2.7%	4.3%	4.7%	3.3%	4.1%	3.2%	2.7%	3.8%	6.9%	7.8%

(1) Annual government census (2000), DOLA (Department of Local Affairs) and Community Development.
(2) Statistics available for Summit County only.
(3) Colorado Department of Local Affairs or Bureau of Economic Analysis (BEA).
(4) 2010 is an estimate based on historical data.
(5) Prior year numbers that were based on estimates may have changed due to actual numbers becoming available.
(6) RE-1 School District

Town of Silverthorne, Colorado
Employer Statistics
Last Four Fiscal Years

	2010			2009			2008			2007		
Employer	Employees (1)	Rank	Percentage (2) of Total County Employment	Employees (1)	Rank	Percentage (2) of Total County Employment	Employees (1)	Rank	Percentage (2) of Total County Employment	Employees (1)	Rank	Percentage (2) of Total County Employment
Outlets at Silverthorne	605	1	2.98%	400	1	1.97%	400	1	1.97%	360	1	1.87%
Town of Silverthorne	193	2	0.95%	187	2	0.92%	157	4	0.77%	167	3	0.87%
Target Stores	117	3	0.58%	117	3	0.58%	117	5	0.58%	135	5	0.70%
Neils Lunceford	106	4	0.52%	110	4	0.54%	190	3	0.94%	140	4	0.73%
Colorado Mountain Express	100	5	0.49%	100	5	0.49%	250	2	1.23%	250	2	1.30%
United Parcel Service	85	6	0.42%	82	6	0.40%	82	6	0.40%	76	6	0.39%
Old Chicago Restaurant	60	7	0.30%	60	7	0.30%	60	8	0.30%	50	9	0.26%
Xcel Energy	47	8	0.23%	43	8	0.21%	48	10	0.24%	47	10	0.24%
Raven Golf Club @ 3 Peaks	40	9	0.20%	40	9	0.20%	65	7	0.32%	65	8	0.34%
Wendy's	35	10	0.17%	32	13	0.16%	40	12	0.20%	38	13	0.20%
Village Inn Restaurant	32	11	0.16%	28	14	0.14%	31	14	0.15%	35	14	0.18%
Hudson Auto Source	30	12	0.15%	32	12	0.16%	40	11	0.20%	42	12	0.22%
Summit Ford, Inc	29	13	0.14%	27	15	0.13%	29	15	0.14%	26	15	0.13%
Bighorn Materials, Inc	28	14	0.14%	35	11	0.17%	55	9	0.27%	70	7	0.36%
Vista Auto Group	22	15	0.11%	38	10	0.19%	38	13	0.19%	42	11	0.22%
Total	1,529		7.54%	1,331		6.57%	1,602		7.90%	1,543		8.00%

As of the 2010 CAFR report the Town only has information through 2007.
(1) Includes part-time and seasonal employees, if any.
(2) Based on County employment number.

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

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

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Administrative Services:										
Council Meetings	23	22	22	22	22	22	23	23	22	22
Newsletters	3	3	12	4	6	6	6	6	4	6
Business Licenses	866	864	915	934	890	1,007	1,005	1,067	1,179	1,134
Elections	1	2	1	1	-	1	-	1	1	1
Public Safety:										
Physical Arrests	403	366	375	278	334	290	347	533	498	498
Parking Violations	171	65	75	74	110	100	114	251	294	143
Traffic Violations	429	590	779	740	1,031	1,112	1,265	1,265	1,203	1,151
Calls for Service	17,456	16,416	16,922	14,481	16,263	7,933	15,205	9,501	8,982	7,314
Public Works:										
Street Resurfacing (miles)	n/a	n/a	n/a	n/a	n/a	1.95	5.17	4.18	4.55	3.68
Miles of Streets to Plow	24.05	25.49	25.49	25.49	26.08	26.08	26.08	28.08	28.39	28.39
Miles of Sidewalks to Maintain	11	14	14	14	14	14	14.5	17.75	18.32	18.32
Community Development (1):										
Building Permits Issued	102	112	82	90	125	87	151	92	65	72
CO's Issued	70	25	64	44	42	61	38	56	78	35
Computers	71	74	88	90	90	93	105	113	115	131
Users	94	94	95	95	97	100	120	121	107	109
Applications	19	22	23	23	24	25	25	27	27	33
Recreation & Culture:										
Annual Visitors	197,458	206,020	201,179	201,817	201,003	211,744	242,010	259,922	250,369	248,433
Daily Admissions	38,763	37,619	38,049	38,500	33,500	35,640	35,700	34,000	33,384	33,071
Free Fitness Classes	1,676	1,658	1,708	1,600	1,678	1,565	1,538	1,593	1,593	1,623
Pavilion Wedding Rentals	n/a	n/a	24	25	30	36	50	51	34	53
Pavilion Non-Wedding Rentals	n/a	n/a	56	67	75	38	74	95	80	119
Water & Sewer:										
Water EQR's	2528.47	2591.01	2652.92	2682.65	2767.41	2818.22	2980.35	3053.25	3053.25	3148.76
Service Connections	1,278	1,278	1,354	1,394	1,439	1,518	1,518	1,602	1,643	1,660
Average Daily Consumption in Gallons	660,000	640,000	620,000	690,000	720,000	700,000	760,000	691,500	750,000	643,000
Sewer EQR's	2520.60	2583.14	2647.41	2696.04	2767.94	2809.35	2971.48	3042.08	3095.98	3095.98
Service Connections	1,257	1,257	1,335	1,371	1,416	1,475	1,517	1,574	1,600	1,625

(1) Includes Management Information Systems

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

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

Function	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Public Safety:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	10	10	10	10	9	9	9	9	9	9
Public Works:										
Miles of Streets	24.05	25.49	25.49	25.49	26.08	26.08	26.08	28.08	28.39	28.39
Miles of Sidewalks	11	14	14	14	14	14	14.5	17.75	18.32	18.32
Traffic Lights	7	8	8	8	8	8	8	8	8	8
Recreation & Culture:										
Park/Open Space Acreage	70.65	70.65	70.65	70.65	70.65	72.18	72.18	72.18	72.18	72.18
Parks	3	3	3	3	3	4	4	4	4	4
Swimming Pools	4	4	4	4	4	4	4	4	4	4
Tennis Courts	4	4	4	4	4	4	4	4	4	4
Skateboard Parks	1	1	1	1	1	1	1	1	1	1
Volleyball Courts	-	1	1	1	4	4	4	4	4	4
Pavilion (Community Center)	1	1	1	1	1	1	1	1	1	1
Water & Sewer:										
Miles of Water Mains	40.95	40.95	40.95	42.50	45.50	46.50	46.50	46.50	50.18	50.28
Fire Hydrants	n/a	349	357	361	369	369	376	388	405	407
Miles of Sewers	18.50	18.50	18.50	26.25	28.25	28.25	28.25	28.25	32.78	32.88
Manholes	n/a	719	731	735	748	748	759	789	870	873

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

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

Schedule 23

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

Function/Program	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Elected/Appointed	8	8	8	8	8	8	8	8	8	8
Total Elected/Appointed	8	8	8	8	8	8	8	8	8	8
Administrative Services	8	9	8	8	8	9	9	10	10	10
Public Safety	23	23	21	20	21	21	21	20	18	18
Public Works	21	21	20	19	19	20	20	20	21	21
Water and Sewer	3	4	4	4	4	4	4	4	4	4
Community Development	8	8	8	7	8	8	8	8	7	6
Recreation and Culture (1)	17	18	18	16	17	19	19	19	19	19
Pavilion	2	2	3	3	3	3	3	4	4	4
Total Full-Time Employees	83	85	82	77	80	84	84	85	82	81

(1) Includes three 3/4 time employees.

Source: Town of Silverthorne Biennial Financial Plan