



TOWN OF SILVERTHORNE, COLORADO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For Fiscal Year Ended December 31, 2021



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ANNUAL COMPREHENSIVE FINANCIAL REPORT For Fiscal Year Ended December 31, 2021

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INTRODUCTORY SECTION



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

August 31, 2022

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 Annual Comprehensive Financial Report (ACFR), prepared in accordance with generally accepted accounting principles (GAAP), for the year ended December 31, 2021. 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 from loss, theft, misuse, and to allow for the compiling of sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. 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, 2021, have been issued an unmodified ("clean") opinion by Hinkle & Company, PC, a firm of licensed certified public accountants. The independent auditor's report is presented as the first component of the financial section of this report.

Generally accepted accounting principles require 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.

Overview and Governmental Structure

Few other towns in Colorado 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 convenient refueling stop along Interstate 70, to a full-service, well-balanced community of approximately 5,300 people.

The Town of Silverthorne is located high in the Colorado Rocky Mountains, approximately 70 miles west of Denver, at an elevation of 8,730 feet. It is situated along the Lower Blue River Valley below peaks of 12,000 and 13,000 feet and is surrounded on two sides by large stands of forest and wilderness areas. Due to its proximity to the Interstate and four major ski areas, Silverthorne is

considered the gateway to Summit County and Western Colorado. As such, The Town is an attractive location for second homeowners and remote workers, especially during the Coronavirus pandemic.

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, appointment boards and commissions, and hiring the Town Attorney, Municipal Judge and 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 and for appointing department heads. The Council and Mayor are elected on a non-partisan basis. Council members serve four-year staggered terms, with three Council members elected every two years. The Mayor's term is four years. All Council positions are elected on a Town-wide basis.

The Town has approximately 107 full-time equivalent employees through which the Town provides a full range of services. These services include Public Safety (Police); Public Works Services such as street and park maintenance and construction; Community Development (building and planning department); financial management; water, sewer, and stormwater management utility services; Recreational and Cultural opportunities through the Silverthorne Recreation Center, the Silverthorne Pavilion and the Silverthorne Performing Arts Center (SPAC). The Town provides operational support for the Lake Dillon Theater Company (LDTC) which produces musical and artistic presentations from local and internationally acclaimed actors and entertainers at the SPAC. The LDTC also provides childcare in the form of summer theater camp and after-school programs. Wastewater services are provided through a legally separate Joint Sewer Authority, which the Town manages and is reported separately within the Town of Silverthorne's financial statements. Additional information on the Authority can be found in Note F in the notes to the financial statements. Fire protection services, public schools, trash, recycling, and medical services are provided to Town residents by a variety of public and private entities.

In order to evaluate progress against the goals set, it is important to note the primary goal of the Town Council as described in its Mission Statement, which was updated in 2019:

Silverthorne is about possibility. We provide our team, community, businesses and visitors a foundation to realize their potential.

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

Financial Management and Factors Affecting Financial Condition

2021 financials reflect a large increase in the net position of the Town. The governmental activity revenues increased by 14.0% or \$2,243,694. This increase was due to many factors such as increased sales and lodging tax collections created by the pent-up demand following the 2020 travel restrictions tied to COVID. The Town's sales taxes grew by 20% or \$2,588,398 and lodging taxes grew by 61.4% or \$213,787 over 2020 collections. Continued residential and commercial development contributed to the increase in fund balances as well. The Community Development Department collected record-breaking revenues in the areas of building permits and inspection fees, Development Excise Tax, and Real Estate Transfer Assessments (RETA). Building permit and inspection revenues were up 34% from 2020 or by \$376,139. Development Excise Tax is \$2/square foot charged on new development to help

offset the costs related to growth. In 2021, collections of Development Excise Tax hit an all-time high of \$897,921, which was 30% higher than 2020. RETA is 1% of the gross consideration (purchase price) of residences in specific developments. As the Town does not assess a property tax, RETA is requested on all new developments to help pay for services such as Public Safety, street plowing and maintenance, parks and recreational facilities, etc. provided by the Town. RETA collections in 2021 also hit an all-time high of \$1,355,445 which was 10% higher than 2020. Despite the positive contribution of the above-mentioned revenues, the ongoing challenge the Town faces is dependency on sales tax revenues. The Town does not assess a property tax to generate revenues as the residents/constituents of the Town have repeatedly eschewed this as a potential revenue stream. However, as a tourist destination, visitors to the Town contribute tremendously to sales tax revenues.

Business Activity revenues increased by \$1,869,837 or 27.7%. The majority of the increase was due to tap fees related to residential development but the addition of the Stormwater Management fund and related charges for these services contributed to the increase in Business Activity revenues as well.

Overall, the Town's government-wide net position increased by 8.1% from 2020. Complete information about the Town's overall financial condition and changes in net position can be found in the Management's Discussion and Analysis.

From a financial management standpoint, the Town has implemented strong controls, both in the areas of internal controls and budgetary controls. The Town's reliance on consumption-based tax revenues for ongoing operations requires that we recognize that a downturn in the local retail or real estate economy will result in a decrease in revenues to support operations. These controls create an environment that permits the Town to adapt to changes in revenue forecasts, modifying spending plans accordingly.

The Finance Director oversees a set of Town-wide internal controls that provide reasonable assurance that activity conducted by and between Town departments is managed in a way that results in complete, accurate and timely accounting for all financial transactions. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived; and the valuation of costs and benefits requires estimates and judgments by management. As part of the internal control structure, monthly financial reports are prepared and presented to Council which document the condition of each of the Town's funds and departments.

The objectives of the Town's budgetary controls are twofold: to ensure compliance with legal provisions in the annual appropriated budget approved by the Town Council and to provide funding allocations to Town departments sufficient to permit them to effectively and efficiently deliver services to their customers, the citizens and visitors to Silverthorne.

Activities in the General Fund, special revenue funds, capital projects fund, business-type funds and internal service fund are included in the annually appropriated budget ordinance. Appropriations for all funds lapse at year-end and the Town Council is required to adopt a final budget by no later than thirty (30) days prior to the beginning of the fiscal year. The level of budgetary control (that is, the level at which expenditures may not legally exceed appropriations) is established at the individual Fund level. The annual budget serves as the foundation for the Town of Silverthorne's financial planning and control and is prepared by fund, function (e.g. Public Works), and department (e.g. Streets). Department Directors may transfer resources within a department. Transfers between departments require the Town Manager's approval. Transfers between funds and adjustments to the budget may be conducted during the fiscal year with Town Council approval via ordinance. Primary responsibility for fiscal analysis of the budget to actual cash flows and overall fiscal standing rests with the operating departments.

Per the Town's Financial Policies, the Town maintains financial reserves "to pay for needs caused by unforeseen emergencies which may include revenue shortages." This contingency can assist the Town in maintaining current service levels, but utilizing these funds is not interpreted as a long-term solution. In general, the Town Council does not consider the use of reserves for day-to-day operations. Funds for planned equipment purchases, operating maintenance, and capital projects can accumulate in a fund's balance and then be utilized for one-time expenditures as defined by the fund. Therefore, it is not unusual to see years where capital expenditures are greater than annual revenues.

Factors Affecting Financial Condition

Local Economy: The Town of Silverthorne is where "Art Meets Adventure!" As the year-round heart of Summit County – delivering convenient highway access to a thriving arts and culture scene, statuesque peaks, bold rivers with renowned fishing holes, and surrounded by hundreds of miles of wilderness, tourism is a significant economic driver. However, the Town is home to residents and business owners united by their love of the mountain lifestyle and the opportunity to build a future unlike any other in the region. It is this energy that attracts second homeowners and their guests each year.

The Town is in the midst of a renaissance, creating a downtown district full of adventure, recreational and cultural opportunities. During the past year, Silverthorne has enjoyed grand openings of both a new sustainably-built boutique hotel and high-end luxury hotel supported by a new parking structure. In addition, several new restaurants and a unique indoor food hall opened for business. Downtown development continues and will include more commercial ventures such as a hotel, numerous residential offerings, and a Town-owned art-specific facility named the "Art Spot." While existing big-box businesses such as Target, Lowes and Murdoch's generate a great deal of the sales tax revenues of the Town, the additional businesses will contribute to the Town's success by diversifying the tax base and services available.

Economic Conditions and Outlook: The Town's revenues had been trending upward consistently since the 2009 recession. That growth streak lasted until March of 2020, when the COVID-19 pandemic brought the entire U.S. economy to a halt. Due to the shutdown and capacity restrictions imposed by the State and County Health Departments, Silverthorne experienced significant, short-term decreases in sales tax revenue and a great deal of uncertainty. However, the Town weathered the COVID storm and continues to be financially sound. Decreases in sales tax revenues were temporary and both 2020 and 2021 financial results reflect continued growth in this area. As most of the Town's services are considered essential, we are grateful to the staff that persevered through the crisis to continue taking care of the community's needs.

An unexpected outcome of the pandemic was growth in the real estate industry. During 2021, the town experienced a significant volume of real estate transactions and development applications. With the possibility of remote work, many people moved to the mountains and away from heavily populated, urbanized areas. The opportunity to rent second homes on a short-term basis also made real estate an attractive investment opportunity. Unfortunately, this has driven up the cost of housing for residents which makes it more challenging to live here and work in for local businesses. Many service industry employees who moved away during the pandemic have not been able to return as rent and housing prices have skyrocketed.

The primary challenge the Silverthorne government faces in both the short- and long-term continues to be a dependence on sales tax revenues. In 2021, sales tax revenues comprised approximately 60% of General Fund revenues. Sales tax revenues can be volatile and susceptible to forces outside the direct control of Town government. Silverthorne has consistently focused on developing strategies to address the issue and in April of 2022, placed a tax increase on the ballot to increase the Lodging Tax rate from 2% to 6%. The increase in Lodging Tax was approved by 75% of the voters and goes into effect July 1 of 2022.

New Facilities and Programs: By focusing on economic development and coordinating with builders and developers, redevelopment of a full block of the Town Core began in 2019. “4th Street Crossing” offers an Indigo Hotel, parking structure, residential/retail units, and The Bluebird Market Hall which encompasses a variety of restaurants and events. Construction began in 2019 but was paused in the spring of 2020 due to COVID. Both the market hall and hotel opened in December of 2021 and are complemented by new sidewalks and on-street parking which adds walkability and vitality in the Town Core. The 4th Street Crossing development has increased interest in redevelopment opportunities on adjacent properties and the block to the north is currently being redeveloped as “4th North” with live/work units, an additional hotel, and another parking structure.

A new childcare facility is planned in cooperation with Summit County. The County’s increased property tax ballot initiative, 1A, passed in November of 2018 and is dedicated to funding for wildfire prevention, mental health services, recycling/waste diversion, County infrastructure and improvements, and early childhood care and learning. The County will contribute 1A funds to the construction of the childcare center and the Town will donate the land on which the daycare will be located as well as up to \$500K in annual operational and scholarship funds.

The Town purchased a decommissioned fire station in the heart of Town with the intention of controlling the use of the location and facility. A dedicated space for art events and programs was proposed and the planned opening of the “Art Spot” is expected in late 2022.

The Town has also been working to provide the community with affordable workforce housing. A 2016 Summit County ballot measure dedicates a sales tax of 0.725% (5A Funds) to develop workforce housing. These revenues have been used by the Town to develop 240 units of ownership housing on the Smith Ranch property and the “for purchase,” single-family home portion of the project will be complete in the next year. The Town is currently coordinating with developers on a workforce housing rental product (apartments) on the commercial portion of the property which is anticipated to break ground in 2023.

Long-Term Financial Planning: The spendable fund balance in the General Fund is 143.0% of 2021 expenditures which places the Town in a solid financial position. Financial plans for each Town fund assume conservative but reasonable growth rates for revenues, based on historical experience and current economic conditions. Additionally, pragmatic expenditure estimates that account for upward pressure on costs for materials and services as well as increasing wage and benefit costs are projected five to ten years into the future. The combination of these projections for revenues and expenditures are projected five years into the future and these conservative budget forecasts are in place to ensure sufficient reserves in case of an adverse shift in the economy. Please see the Management Discussion and Analysis for more complete information on the Town’s multi-year financial planning process.

In the upcoming years, the Town will expand facilities and staff to accommodate our growing community. The impacts of additional programs and projects have long-term effects for which the Town plans to fund with the growing revenue streams from RETA and Lodging tax. Updates to the Comprehensive Plan; Recreation and Culture Strategic Plan; and Parks, Trails and Open Space Master plan were all completed in the 2021 fiscal year. These documents will help provide direction for the path the Town envisions for its future.

Looking Forward

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

and visitors to our stores and hotels. With growth in population, we hope to attract additional retail development, including a grocery store.

The Town is committed to economic development through various tools, including the Urban Renewal Authority (URA). The Town through the URA has agreements with developers to build public improvements (additional curb/gutter, sidewalks, on street parking and a parking structure) that will be partially funded by incremental property, sales, and lodging tax revenues generated by redevelopment. Other initiatives include reviewing sections of our commercial districts, strategic acquisitions of property, and activating the use of tax incentive programs such as the Enhanced Sales Tax Incentive Program (ESTIP) and Tax Increment Financing (TIF). In 2022, we estimate URA incremental tax revenues will be over \$500K, which will increase as further redevelopment takes place. We continue to pursue opportunities to make the best use of our commercial districts.

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

Awards and Acknowledgements

Awards: The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town of Silverthorne for its Annual Comprehensive Financial Report for the fiscal year ended December 31, 2020. 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, whose contents conform to program standards. The annual report 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 2020 was the twenty-sixth 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 for consideration.

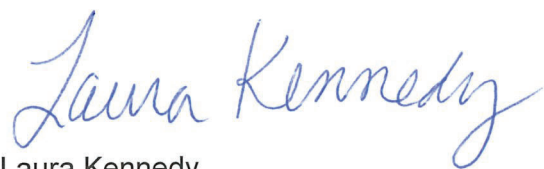
The Town also received the GFOA Distinguished Budget Presentation Award for our 2021-2022 Financial Plan. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communication device. The 2023-2024 biannual budget will be submitted for consideration for this prestigious award.

Acknowledgments: The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance & Administration Department. We would also like to express our appreciation for the cooperation of the other Town departments, which provided assistance and support. Finally, we acknowledge the Mayor and Town Council, who have consistently supported the Town's goal of excellence in all aspects of financial management. Their continuing interest and support is greatly appreciated.

Respectfully Submitted,



Ryan Hyland
Town Manager, Town of Silverthorne



Laura Kennedy
Director of Finance & Administration



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Silverthorne
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

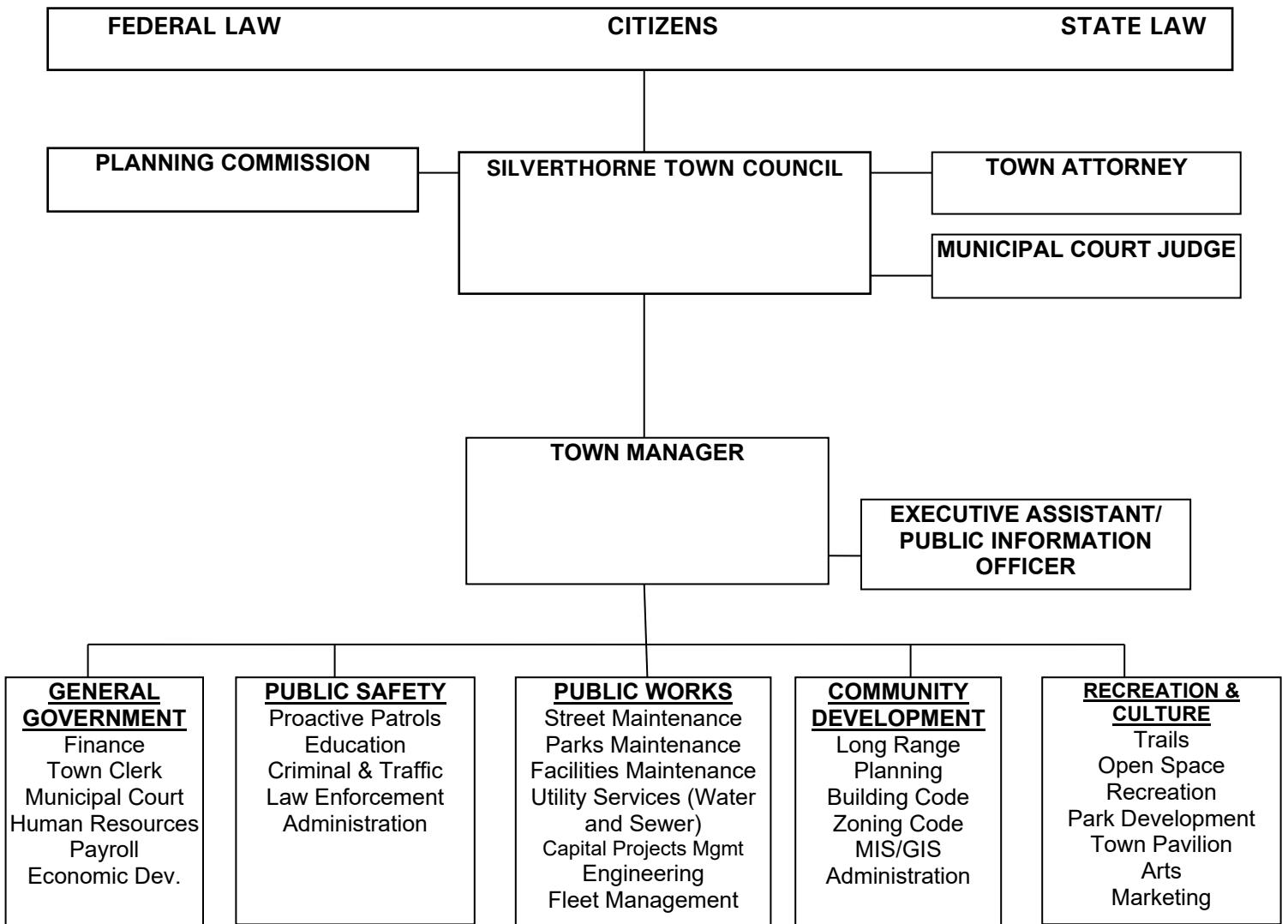
Christopher P. Morrill

Executive Director/CEO



SILVERTHORNE COLORADO

TOWN OF SILVERTHORNE, CO ORGANIZATIONAL CHART





TOWN OF SILVERTHORNE, COLORADO
LIST OF ELECTED AND ADMINISTRATIVE OFFICIALS
December 31, 2021

Elected Officials

Mayor	Ann-Marie Sandquist
Mayor Pro-tem	Kevin McDonald
Council Members	Kelly Baldwin
	Derrick Fowler
	Amy Manka
	Tanya Shattuck
	Michael Spry

Administrative Officials

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



BALANCE

We strive to balance the needs and well-being of, and make a positive impact for, our people and the environment.



FUN

We laugh often, play hard and revel in our work.



INTEGRITY

We are committed to fulfilling our mission and are guided by our values.



SILVERTHORNE

IS ABOUT POSSIBILITY

We provide our team, community, businesses and visitors a foundation to realize their potential.



PIONEERING SPIRIT

We transform possibilities into realities with courage, creativity and purpose.



TEAMWORK

We succeed together. We operate with mutual respect, collaborate across boundaries and departments, and support each other.



ZEAL

We've got heart. Our enthusiasm is contagious, passion is palpable and spirit is tenacious. 15

FINANCIAL SECTION



**HINKLE &
COMPANY**
Strategic PC
Business Advisors

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, discretely presented component units, and the aggregate remaining fund information of the Town of Silverthorne as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Town of Silverthorne, as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Silverthorne, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and Government Auditing Standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Silverthorne's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

Required Supplementary Information

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



Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Silverthorne’s basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information listed in the table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises introductory section, other information, statistical section, and local highway finance report listed but does not include the basic financial statements and our auditor’s report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Hick & Company, PC

Englewood, Colorado
August 30, 2022



TOWN OF SILVERTHORNE, COLORADO
MANAGEMENT DISCUSSION & ANALYSIS
December 31, 2021

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, 2021. 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 6-11 of this report.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

On March 11, 2020 the World Health Organization declared Coronavirus-19 a pandemic effecting the entire globe. At that time, the impacts to the Town of Silverthorne were unknown, as they were throughout the country. The Town took steps to protect staff and to establish relief programs for both local businesses and residents to assist them in dealing with the extreme economic impacts that resulted from public health restrictions. The Town also invested in recovery efforts, established programs to promote local businesses, tightened its own spending, deferred capital projects, and continually evaluated its financial position. As a result of these steps and the resiliency of the Town's local businesses, the Town weathered the pandemic much better than originally anticipated, as illustrated in these financial statements.

Government-wide Financial Statements

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

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

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

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

The government-wide financial statements can be found on pages 32-33 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 eight individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General, Sales Tax Capital Improvement, Urban Renewal Authority, and 5A Housing fund. These four funds are considered to be major funds. The other four funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining and individual fund statements and schedules* elsewhere in this report.

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

The basic governmental fund financial statements can be found on pages 35-38 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, sewer and stormwater management funds. *Internal service funds* are an accounting device used to accumulate and allocate costs internally. The Town uses an internal service fund to account for health & short-term disability insurance claims. Because these services predominantly benefit the Town rather than business-type functions, they have been primarily included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water, sewer and stormwater management funds. All are considered to be major funds of the Town of Silverthorne. The health & short-term disability insurance claims internal service fund is also presented in the proprietary fund statements.

The basic proprietary fund financial statements can be found on pages 39-42 of this report.

Fiduciary Funds – The Town of Silverthorne maintains one fiduciary fund, the Joint Sewer Authority, which is a custodial fund. It is used to account for situations where the Town’s role is purely custodial. Custodial 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 custodial 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 43-44.

Notes to Financial Statements & Required Supplementary Information – The notes and required supplementary information provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes and required supplementary information to the financial statements can be found on pages 45-69 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 72-86.

FINANCIAL ANALYSIS OF THE TOWN AS A WHOLE

Net Position – As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the Town of Silverthorne, total primary governmental activities assets and deferred outflows exceeded liabilities and deferred inflows by \$157,311,045 (net position). Of this amount, \$44,977,332 (unrestricted net position) may be used to meet the Town’s ongoing obligations or unforeseen expenses.

The following schedule shows the Town’s net position for 2021 and 2020.

	TOWN OF SILVERTHORNE’S NET POSITION					
	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$ 41,230,603	\$ 31,458,212	\$ 25,895,597	\$ 21,379,707	\$ 67,126,200	\$ 52,837,919
Capital Assets	65,480,338	66,634,316	32,710,417	32,394,541	98,190,755	99,028,857
Total Assets	106,710,941	98,092,528	58,606,014	53,774,248	165,316,955	151,866,776
Long-Term Liabilities	3,047,936	3,519,874	56,523	62,898	3,104,459	3,582,772
Other Liabilities	4,449,628	2,415,598	104,148	76,022	4,553,776	2,491,620
Total Liabilities	7,497,564	5,935,472	160,671	138,920	7,658,235	6,074,392
Deferred Inflows of Resources	347,675	238,073	-	-	347,675	238,073
Net Position:						
Net Investment in Capital Assets	63,115,338	63,780,728	32,710,417	32,394,541	95,825,755	96,175,269
Restricted	16,507,958	12,612,019	-	-	16,507,958	12,612,019
Unrestricted	19,242,406	15,526,236	25,734,926	21,240,787	44,977,332	36,767,023
Total Net Position	\$ 98,865,702	\$ 91,918,983	\$ 58,445,343	\$ 53,635,328	\$ 157,311,045	\$ 145,554,311

By far the largest portion of the Town of Silverthorne’s net position, 60%, reflects its investment in capital assets (e.g. land, buildings, infrastructure), less any related debt used to acquire those assets that is still outstanding. The Town of Silverthorne uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Silverthorne’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay any debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the Town’s ongoing obligations to citizens and creditors.

The \$67,126,200 of Total Primary Government current and other assets includes \$44,498,060 in cash and investments. This reflects the strong cash balances that the Town of Silverthorne has maintained in 2021,

even while weathering the pandemic. Cash & investments increased by \$12.1 million in 2021 due to the resilient local economy and robust construction and development and real estate activity in the area. Most capital projects were postponed due to the pandemic, however capital assets increased by \$5,104,843 due primarily to remodel of the Town Hall front desk area, fleet purchases, and upsizing utility lines in downtown development areas. The \$3,104,459 in long-term liabilities outstanding consists of lease/purchase agreements and accrued compensated absences.

At the end of 2021, the Town of Silverthorne is able to report a positive balance of net position for the government as a whole, as well as for its separate Governmental and Business-type Activities. The Governmental Activities unrestricted net position equals 91.1% of total expenses for Governmental Activities in the Statement of Activities for 2021.

During 2021, the Town of Silverthorne's Governmental Activities net position increased by \$6,946,719. This increase can be attributed to numerous sources including: Sales tax, Real Estate Transfer Assessments, Estate Lot Impact Fees and charges for services (especially building permits). A Coronavirus Relief Fund grant of \$615,556 also contributed to the increase. The net position from Business-Type Activities reflects an increase of \$4,810,015. Tap fees of \$3,667,319 and capital contributions from developers of \$1,500,500 contributed to this increase.

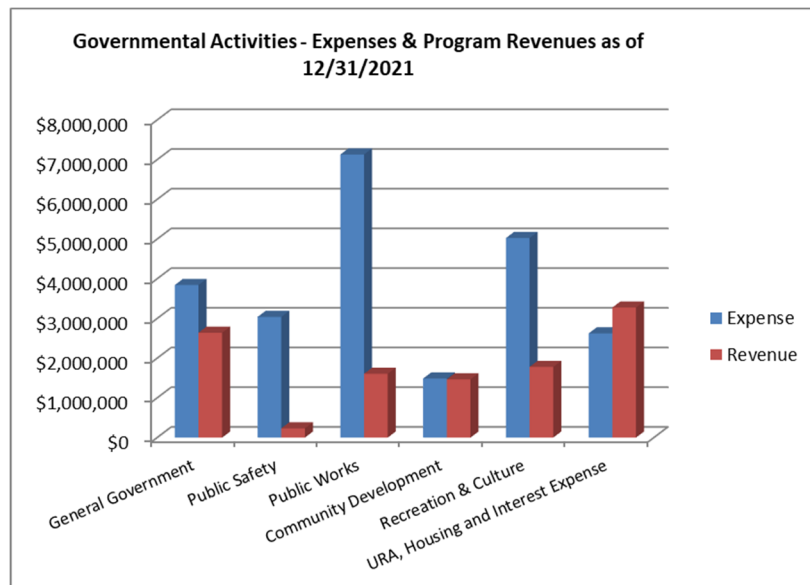
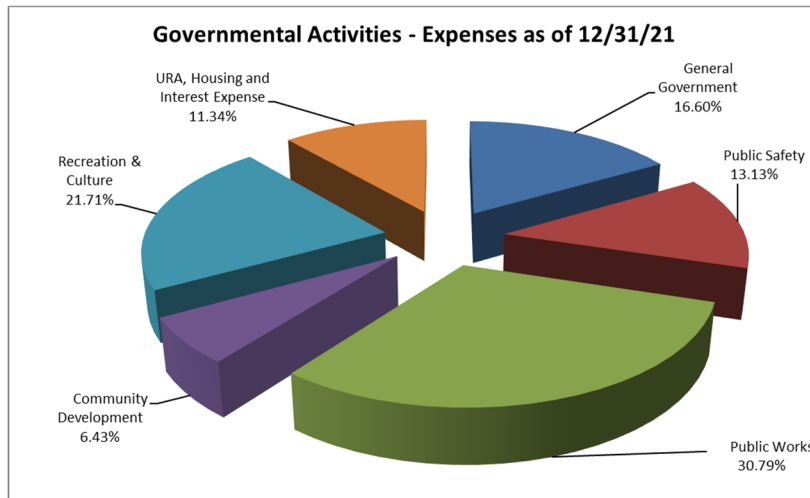
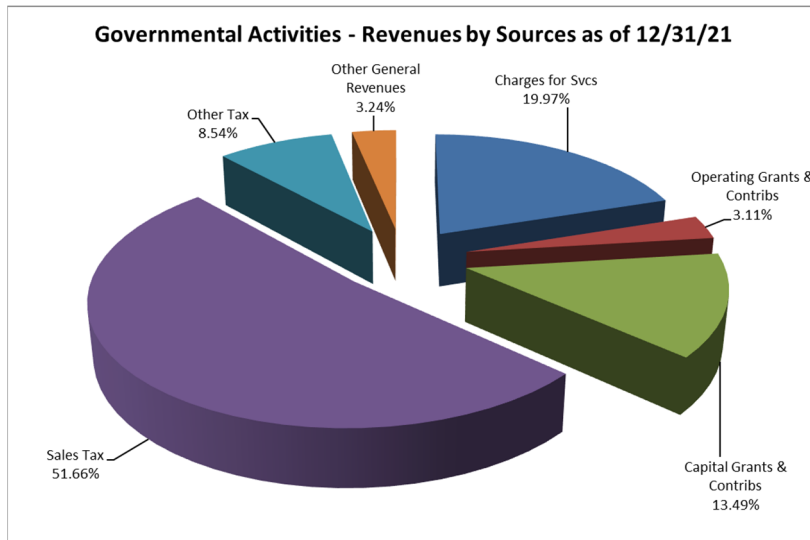
Changes in Net Position – Governmental activities increased the Town of Silverthorne's net position by \$6,946,719 reflecting a 7.6% growth in total net position. 2021 had an increased surplus as compared to 2020, by \$3,015,069. The Town experienced a 25.5% increase in revenues and a 9.8% increase in expenses. The increase in both revenues and expenses was primarily due to a full year of operations at the Recreation Center after the 2020 Covid-19 closures.

TOWN OF SILVERTHORNE'S CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Program Revenues:						
Charges for Services	\$ 6,010,919	\$ 4,786,854	\$ 3,455,463	\$ 3,141,027	\$ 9,466,382	\$ 7,927,881
Operating Grants & Contributions	936,693	710,743	-	-	936,693	710,743
Capital Grants & Contributions	4,060,177	2,682,177	5,167,819	3,612,418	9,227,996	6,294,595
General Revenues:						
Sales Taxes	15,551,854	12,963,456	-	-	15,551,854	12,963,456
Other Taxes	2,570,325	1,879,750	-	-	2,570,325	1,879,750
Other General Revenues	99,880	1,135,159	1,219,580	178,429	1,319,460	1,313,589
Total Revenues	<u>29,229,848</u>	<u>24,158,139</u>	<u>9,842,862</u>	<u>6,931,874</u>	<u>39,02,710</u>	<u>31,090,014</u>
Program Expenses:						
General Government	3,406,257	3,544,926	-	-	3,406,257	3,544,926
Public Safety	2,602,903	2,751,141	-	-	2,602,903	2,751,141
Public Works	7,131,578	6,052,632	-	-	7,131,578	6,052,632
Community Development	1,489,036	1,410,894	-	-	1,489,036	1,410,894
Recreation & Culture	5,027,320	4,353,866	-	-	5,027,320	4,353,866
Housing	2,494,768	1,533,653	-	-	2,494,768	1,533,653
Urban Renewal Authority	80,004	523,447	-	-	80,004	523,447
Interest on Long Term Debt	51,263	55,930	-	-	51,263	55,930
Water	-	-	2,589,769	2,478,665	2,589,769	2,478,665
Sewer	-	-	2,361,175	2,169,767	2,361,175	2,169,767
Stormwater Management	-	-	81,903	-	81,903	-
Total Expenses	<u>22,283,129</u>	<u>20,226,489</u>	<u>5,032,847</u>	<u>4,648,432</u>	<u>27,315,976</u>	<u>24,874,921</u>
Change in Net Position	6,946,719	3,931,650	4,810,015	2,283,442	11,756,734	6,215,092
Net Position –Beginning of Yr	<u>91,918,983</u>	<u>87,987,333</u>	<u>53,635,328</u>	<u>51,351,886</u>	<u>145,554,311</u>	<u>139,339,219</u>
Net Position – End of Year	<u>\$ 98,865,702</u>	<u>\$ 91,918,983</u>	<u>\$ 58,445,343</u>	<u>\$ 53,635,328</u>	<u>\$157,311,045</u>	<u>\$145,554,311</u>

Governmental Activities

Governmental activities increased the Town of Silverthorne's net position by \$6,946,719. The following are illustrative summaries of Governmental Activities revenues and expenses:



Governmental Activities Analysis:

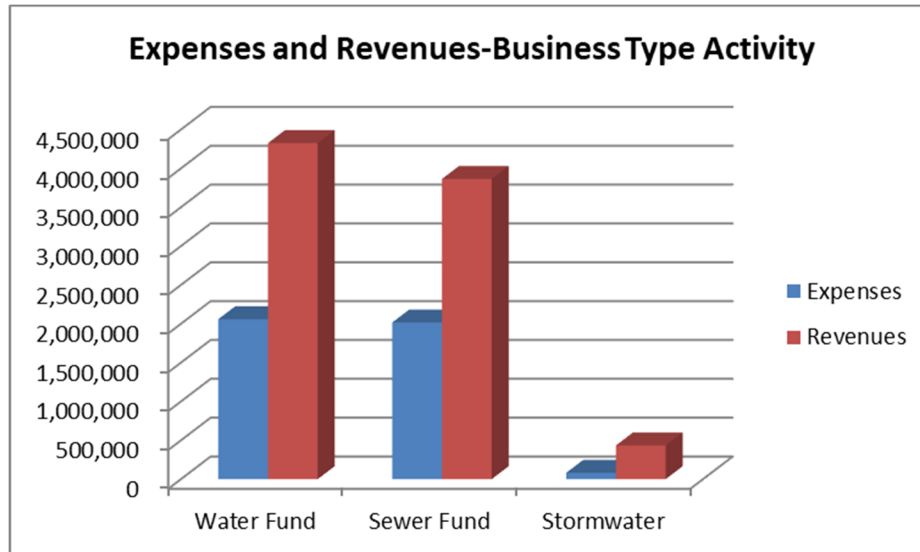
- Sales tax revenues increased by 20.0% (\$2,588,398) in 2021. Due to the Coronavirus pandemic, all economic indicators were forecasting the national/state/local economies would be negatively impacted. However, although local businesses were periodically restricted, they adopted new business models and rebounded once health orders were relaxed.
- The Town's building-related retail sector is the most significant sector at 26.5% of total sales tax. In 2021, it increased by 7.9% or \$303,042 over prior year.
- The consumer retail sales tax category is the second largest contributor to Town sales tax at 22.6%. Sales tax from this category increased by \$766,032 or 27.9% (does not include the Outlets at Silverthorne). Revenues from The Outlets at Silverthorne increased, by 12.6% or \$224,728. Overall, the Outlets have seen a number of retail stores close which is a trend not limited to Silverthorne. Even prior to the pandemic, brick and mortar retailers nationwide are suffering from a decline in sales. The Outlets comprise approximately 13.0% of the Town's total sales tax revenues down from 25% in 2015. The Online Sales category is beginning to offset some of the declines due to the Supreme Court decision on Wayfair vs. South Dakota. The Town experienced increased sales tax revenues from online sales due to the shop-from-home effect of the pandemic. Although it is still only 6.2% of total sales tax revenues, the Online Sales category increased by 30.6% or \$227,458 in 2021 over 2020.
- Building related permits and taxes increased by \$581,525 or 32.6% in comparison to 2020. A number of residential developments (Summit Blue, South Maryland Creek Ranch, a.k.a. Summit Sky Ranch, Smith Ranch, Blue River Flats, River West, 4th Street Crossing) are under construction.
- In fiscal year 2021, investment income decreased from prior year by \$310,312 or 99.8% due to falling interest rates.
- Governmental activities' expenses increased by \$2,056,640 or 10.2% from 2020. This was primarily due to increased spending across all departments after a year of 2020 Covid-19 closures.
- The Town's depreciable capital assets decreased by \$746,584 and depreciation expense increased by \$154K.
- Wage and benefit expenses increased by 8.9% or \$784K from 2020. The re-opening of operations after Covid-19 related shutdowns contributed to this increase, primarily with regards to part-time positions in the Recreation and Culture Department (Pavilion and Recreation Center).

Business-type Activities

Net position in Business-type Activities increased by \$4,810,015. Business type activities include water, sewer service, and stormwater management services.

In 2021, there was a small rate increase for water and sewer users. Additionally, there were 131 new accounts added, an increase of 5.9%. Revenues from user fees were up 12%. Charges for services made up approximately 40% of program revenues with system development fees and capital contributions making up the other 60%. The capital contributions included infrastructure contributions of approximately \$1,500,500. The remainder of capital contributions were due to tap fees of \$3,667,319 which reflect the ongoing residential and commercial development in the Town. The stormwater management fund is in the preliminary stages of weighing revenues generated against annual expenditures. As these activities were previously included in the General Fund and not specifically tracked, fees and rates will change as we identify ongoing operational expenditures and capital requirements.

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



FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

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

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

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

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

	General Fund	Capital Improvement Fund	Urban Renewal Authority Fund	5A Housing Fund	Other Governmental Funds	Total Governmental Funds
Nonspendable:						
Prepays	\$ 247,242	\$ -	\$ -	\$ -	\$ -	\$ 247,242
Inventories	<u>21,435</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,435</u>
Total Nonspendable	<u>268,677</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>268,677</u>
Restricted for:						
Emergencies	875,418	-	-	-	-	875,418
Parks, Trails & Open Space	-	-	-	-	1,701,206	1,701,206
Affordable Housing	-	-	-	3,525,988	-	3,525,988
Health and Welfare	-	-	-	-	1,071,182	1,071,182
Capital Improvements	-	<u>4,863,275</u>	<u>492,372</u>	<u>-</u>	<u>3,978,517</u>	<u>9,334,164</u>
Total Restricted	<u>875,418</u>	<u>4,863,275</u>	<u>492,372</u>	<u>3,525,988</u>	<u>6,750,905</u>	<u>16,507,958</u>
Unassigned	<u>19,584,821</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,584,821</u>
Total Fund Balances	<u>\$20,728,916</u>	<u>\$ 4,863,275</u>	<u>492,372</u>	<u>\$3,525,988</u>	<u>\$ 6,750,905</u>	<u>\$36,361,456</u>

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

As the Town completed the year, its governmental funds reported a combined fund balance of \$36,361,456. Of that balance, \$19,584,821 constitutes spendable fund balance which is available for spending at the government’s discretion, as it relates to a specific use or for emergencies. A portion of the fund balance is not available for new spending because it has already been spent for items such as inventories, and prepaid expenses. The nonspendable fund balance at December 31, 2021 was \$268,677.

The General Fund is the chief operating fund of the Town of Silverthorne. At the end of the current fiscal year, spendable fund balance of the General Fund was \$19,584,821, while the total fund balance increased from 2020 to \$20,728,916. As a measure of the General Fund’s liquidity, it may be useful to compare both unassigned fund balance and total fund balance to fund expenditures. Unassigned fund balance was \$19,584,821 or 143.0% of the total general fund expenditures, while total fund balance represents 151.4% of that same amount.

During fiscal year 2021, the fund balance of the Town’s General Fund increased by \$3,929,050. Key factors for 2021 are as follows:

- Revenues were 17.2% or \$2,693,032 greater in 2021 compared to 2020. The primary contributor to the increase was tax revenues, which increased by \$1,990,515 year over year.
- Sales tax makes up the largest portion of tax revenues with the General Fund receiving approximately 60% of total revenues from sales tax. In 2021, General Fund sales tax revenues totaled \$11.1 million which was an increase of \$1,897,857 (20.7%) from 2020.
- Expenditures for 2021 increased by \$401,926. Wage and benefit expenses increased by 8.9% or \$784K from 2021. The increase in wage and benefit expenditures was offset by a \$1,013K decrease in Covid-19 related expenditures.

The Sales Tax Capital Improvement Fund (C.I.P) has a fund balance of \$4,863,275. The increase in fund balance during 2021 was \$1,450,185 and was primarily due to deferring capital projects. The Town expended \$2,667,149 on new capital and asset management projects. Some of the most significant expenditures were a remodel and security improvements to the Town Hall front desk and administrative area (\$981k), fleet replacements (\$646K), and street maintenance (\$895K). In addition, debt payments of \$540,866 were paid out of this fund. Due to the uncertainty created by the global pandemic, the Town deferred a number of capital and asset management projects. Similar to the General Fund, the primary revenue source for the C.I.P. Fund is sales tax. The Town is able to provide continuing funding for capital

and asset management projects because 60% of the Town's assessed sales tax of 2% is legally required to be used in the Capital Improvement Fund.

The Town's Urban Renewal Authority (URA) is considered a blended component of the Town as the URA board is the Town Council and the URA is currently dependent on the Town for funding. This fund currently has a balance of \$492,372 and is holding commercial property with a value of \$3,148,429 with an investment in a joint venture of \$775,853. In recent years, an advancement from the General Fund assisted with the purchase of the property and the activities of the fund. Incremental property tax revenues of \$510,125 were received in 2021. In 2018, the Town assisted with distributing an RFP for development of the block along Highway 9 between 3rd and 4th Streets. A proposal was accepted by the private owners of this property and redevelopment is now taking place. Once completed, this redevelopment, known as Fourth Street Crossing, will add to incremental property, sales, and lodging tax revenues in the URA which will be used to assist in the funding of public amenities included in the project such as a parking structure and transit center.

The 5A Housing Fund accounts for sales tax assessed by the Summit Combined Housing Authority and distributed back to the Town for sales transacted in Silverthorne. Impact fees of \$2 per square foot of new construction are also collected by the Town. The funds are used towards promoting workforce housing in the Town. Due to the successful ballot question in November of 2016 which approved an additional 0.6% in sales tax for workforce housing, the Town began receiving increased 5A housing fund revenues in 2017. The fund balance at the end of 2021 was \$3,525,988. The Town began installing infrastructure for the first phase of construction of the Smith Ranch workforce housing development in 2018 and the first units were sold in 2019. When completed, the neighborhood is expected to offer approximately 200 units: a mix of single family, duplexes, and townhomes. The project was delayed slightly by the coronavirus pandemic, but we anticipate the final phase to be completed in 2023.

Capital project funds (other governmental funds) have a total fund balance of \$6,750,905. The fund balance is considered spendable but is restricted for expenditures based on past election questions. The capital projects nonmajor fund balance increased by \$1,111,545 in 2021 primarily due to tax collections in the Development Excise Fund of \$897,921.

Proprietary funds – The Town of Silverthorne's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the water, sewer and stormwater management funds at the end of the year amounted to \$25,732,687. The net position for the proprietary funds increased by \$4,815,491 in 2021. Other factors concerning the finances of these three 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 three 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 2020 (roll forwards).
- Midyear adjustments for expected impacts of re-opening after the coronavirus pandemic such as increasing sales tax revenues, Recreation and Culture facility revenues, and planned expenditures such as merit increases.

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

- General Fund
 - Revenues: increase sales tax revenue budget by 25% (\$1,199,449); increase real estate transfer assessments budget by 100% (\$499,996);
 - Expenditures: increase wages and benefits budget by \$772,828; increase budget for civic participation by \$160,000; and increase the budget for software support fees by \$75,000 and nonprofit grants \$510,000.

- Transfers: increase transfer to Nicotine Fund of \$772,587.

The statement of budget to actual for the General Fund can be found on page 68.

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, 2021 amounts to \$98,190,755 (net of accumulated depreciation and related debt). This investment in capital assets includes land, buildings, vehicles, equipment, roads, bridges, trails, intangibles, water rights and utility system infrastructure. The total net decrease in the Town of Silverthorne's investment in capital assets for the current fiscal year was \$838,102. The decrease was primarily due to depreciation exceeding the capital investments in the current year.

Major capital assets events during the 2021 fiscal year included the following:

- Remodel and added security of Town Hall front desk and administrative areas: \$980,813
- Maintenance of Town streets and bridges: \$894,649.
- Fleet purchases and replacements of lightweight vehicles and heavy equipment: \$646,010.
- Developer contributions, including streets, water, and sewer infrastructure: \$2,595,227
- Annual Depreciation for the Governmental-Type: \$4,296,300 and Business-Type: \$1,564,832.

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

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Land	\$ 9,524,924	\$ 9,524,924	\$ 3,871	\$ 3,871	\$ 9,528,795	\$ 9,528,795
Projects in Progress	3,726,456	4,133,850	61,633	41,580	3,788,089	4,175,430
Buildings	20,744,135	20,804,397	3,479,334	3,574,658	24,223,469	24,379,055
Vehicles & Heavy Equipment	3,409,400	3,274,844	-	-	3,409,400	3,274,844
Equipment & Furniture	973,304	904,064	363,594	369,210	1,336,898	1,273,274
Infrastructure	19,421,421	19,987,121	-	-	19,421,421	19,987,121
Other Improvements	7,031,100	7,091,649	2,651,214	2,718,150	9,682,314	9,809,799
Water/Sewer Infrastructure	-	-	17,704,503	17,221,747	17,704,503	17,221,747
Intangibles	649,598	913,467	22,018	41,075	671,616	954,542
Water Rights	-	-	8,424,250	8,424,250	8,424,250	8,424,250
Total	<u>\$65,480,338</u>	<u>\$66,634,316</u>	<u>\$32,710,417</u>	<u>\$32,394,541</u>	<u>\$ 98,190,755</u>	<u>\$ 99,028,857</u>

Note 5 of the financial statements on page 57 provides a summary of the Town's capital assets.

Long-Term Debt

At the end of the current fiscal year, the Town of Silverthorne government and proprietary/business funds had no bond debt. In 2021, the Town's governmental activities total long-term debt decreased by \$471,938 leaving a balance of \$3,047,936. This consists of a lease purchase of Town Hall to fund construction of the SPAC \$2,365,000 and compensated absences of \$682,936. For the business-type funds, the total long-term debt decreased by \$6,375 and has a balance of \$56,523. The outstanding long-term debt is for compensated absences.

Note 8 of the financial statements on pages 61-62 provides a summary of the Town's long-term debt.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Sales tax revenue accounts for approximately 65% of government fund revenues and continues to be an important and primary revenue source for providing funds for the general operations/maintenance and capital for the Town of Silverthorne.
- The COVID-19 pandemic had caused a great deal of uncertainty for 2021. The 2021 budget was based on 2020 actuals. However, as visitors continue to flock to the area, sales tax revenues have exceeded prior years every month so far. The outcome of the public health crisis continues to be unknown as vaccines are distributed and the coronavirus mutates.
- The Town is committed to supporting arts and culture in the community. The Lake Dillon Theater Company (LDTC) began operating out of the new Silverthorne Performing Arts Center (SPAC) in June of 2017 and the Town budgeted \$339K in contributions in 2022 to assist with operations and programming.
- No new positions were budgeted for fiscal year 2022 and it has proven difficult to fill open positions and to find part-time and seasonal staff. As the financial situation of the Town has remained robust, positions will be restructured and starting pay will be increased to try to attract more candidates.
- Timing of construction of the Smith Ranch workforce housing development was reconsidered to break down the phases into smaller filings. The Smith Ranch development is now expected to be complete by 2023. The Town's portion of infrastructure is installed, and the Town will subsidize the cost of the completed homes at the time of closing.
- We continue to emphasize economic development in 2022 with funding for business grants, ESTIP programs, Workforce Housing Business Assistance programs, art programming and operational support, marketing and advertising. Construction in the Fourth Street Crossing development continues with the opening of the parking structure and the Market Hall and Indigo Hotel nearing completion. The Fourth Street Crossing live/work units are under construction and every unit has been sold.
- The Town has done its best to limit rate increases for 2022. The sewer services quarterly rates increased by 5% and there was a 5% increase to the flat portion of the water rates.
- Deferred capital projects have been reinstated and asset management is again a priority. There is \$8.0M in the 2022 budget for these purposes. This includes a number of building maintenance items, recreation and fleet equipment replacements, park improvement projects, street maintenance, a new traffic signal, and downtown improvements such as sidewalks and pedestrian crossings.

Due to prudent fiscal management, the Town of Silverthorne is in a strong financial position to weather the current economic and public health crisis. Although we have a fund balance and reserves that will help weather future downturns, in the long term it is only sustainable to pay annual operational expenditures from current revenues. In other words, we must strive to live within our means. Continued development creates the need for more and additional services which cannot be supported without an increasing and diversified revenue base. In the future, decreased service levels may be necessary if revenues deteriorate or cannot keep pace with the growth of the Town. All these factors were considered in preparing and revising the Town of Silverthorne's budget for the 2022 fiscal year.

REQUESTS FOR INFORMATION

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

GOVERNMENT WIDE FINANCIAL STATEMENTS

Town of Silverthorne
Statement of Net Position
December 31, 2021

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash & Investments	\$ 30,219,292	\$ 14,278,768	\$ 44,498,060
Accounts Receivable	1,288,624	851,466	2,140,090
Property Taxes Receivable	347,675	-	347,675
Due from Other Governments	2,272,012	-	2,272,012
Internal Balances	(2,239)	2,239	-
Prepays	247,242	7,872	255,114
Inventory	21,435	46,636	68,071
Land Held for Resale	3,148,429	-	3,148,429
Investment in Joint Venture	775,853	-	775,853
Restricted Cash & Investments	2,912,280	-	2,912,280
Investment in Joint Sewer Authority	-	10,708,616	10,708,616
Capital Assets:			
Nondepreciable Assets	13,251,380	8,489,754	21,741,134
Depreciable Assets, Net	52,228,958	24,220,663	76,449,621
Total Assets	106,710,941	58,606,014	165,316,955
Liabilities			
Accounts Payable	947,668	95,694	1,043,362
Accrued Liabilities	3,200,241	8,454	3,208,695
Unearned Revenues	27,024	-	27,024
Accrued Interest Payable	3,784	-	3,784
Claims Payable	270,911	-	270,911
Noncurrent Liabilities:			
Due Within One Year	501,640	-	501,640
Due in More Than One Year	2,546,296	56,523	2,602,819
Total Liabilities	7,497,564	160,671	7,658,235
Deferred Inflows of Resources			
Property Taxes	347,675	-	347,675
Total Deferred Inflows of Resources	347,675	-	347,675
Net Position			
Net Investment in Capital Assets	63,115,338	32,710,417	95,825,755
Restricted for:			
Emergency	875,418	-	875,418
Parks, Trails & Open Space	1,701,206	-	1,701,206
Affordable Housing	3,525,988	-	3,525,988
Health and Welfare	1,071,182	-	1,071,182
Capital Improvements	9,334,164	-	9,334,164
Unrestricted	19,242,406	25,734,926	44,977,332
Total Net Position	\$ 98,865,702	\$ 58,445,343	\$ 157,311,045

See Notes to the Financial Statements.

Town of Silverthorne
Statement of Activities
For the Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
<i>Governmental Activities</i>							
General Government	\$ 3,406,257	\$ 2,026,090	\$ 615,556	\$ -	\$ (764,611)	\$ -	\$ (764,611)
Public Safety	2,602,903	232,612	500	-	(2,369,791)	-	(2,369,791)
Public Works	7,131,578	160,383	320,637	1,126,289	(5,524,269)	-	(5,524,269)
Community Development	1,489,036	1,468,091	-	-	(20,945)	-	(20,945)
Recreation & Culture	5,027,320	1,721,304	-	59,112	(3,246,904)	-	(3,246,904)
Urban Renewal	80,004	-	-	-	(80,004)	-	(80,004)
Housing	2,494,768	402,439	-	2,874,776	782,447	-	782,447
Interest on Long-Term Debt	51,263	-	-	-	(51,263)	-	(51,263)
Total Governmental Activities	<u>22,283,129</u>	<u>6,010,919</u>	<u>936,693</u>	<u>4,060,177</u>	<u>(11,275,340)</u>	<u>-</u>	<u>(11,275,340)</u>
<i>Business-Type Activities</i>							
Water	2,589,769	1,507,055	-	2,818,115	-	1,735,401	1,735,401
Sewer	2,361,175	1,828,295	-	2,035,643	-	1,502,763	1,502,763
Stormwater	81,903	120,113	-	314,061	-	352,271	352,271
Total Business-Type Activities	<u>5,032,847</u>	<u>3,455,463</u>	<u>-</u>	<u>5,167,819</u>	<u>-</u>	<u>3,590,435</u>	<u>3,590,435</u>
Total Primary Government	<u>\$ 27,315,976</u>	<u>\$ 9,466,382</u>	<u>\$ 936,693</u>	<u>\$ 9,227,996</u>	<u>(11,275,340)</u>	<u>3,590,435</u>	<u>(7,684,905)</u>
General Revenues							
Taxes:							
Sales Taxes					15,551,854	-	15,551,854
Lodging Tax					561,887	-	561,887
Franchise Taxes					334,076	-	334,076
Development Excise Tax					897,921	-	897,921
Other Taxes					776,441	-	776,441
Grants & Contributions not Restricted to Specific Programs							
					1,040,961	-	1,040,961
Net Investment Income					5,468	(4,847)	621
Gain on Sale of Capital Assets					114,000	-	114,000
Miscellaneous					98,842	65,036	163,878
Transfers					<u>(1,159,391)</u>	<u>1,159,391</u>	<u>-</u>
Total General Revenues and Transfers					<u>18,222,059</u>	<u>1,219,580</u>	<u>19,441,639</u>
Change in Net Position					6,946,719	4,810,015	11,756,734
Net Position, Beginning of Year					<u>91,918,983</u>	<u>53,635,328</u>	<u>145,554,311</u>
Net Position, End of Year					<u>\$ 98,865,702</u>	<u>\$ 58,445,343</u>	<u>\$ 157,311,045</u>

See Notes to the Financial Statements.

FUND FINANCIAL STATEMENTS

Town of Silverthorne
Balance Sheet
Governmental Funds
For the Year Ended December 31, 2021

	General	Sales Tax Capital Improvement	Urban Renewal Authority	5A Housing	Other Governmental Funds	Total Governmental Funds
Assets						
Cash & Investments	\$ 15,161,582	\$ 4,664,944	\$ 525,149	\$ 2,950,531	\$ 6,643,407	\$ 29,945,613
Accounts Receivable	478,688	531,638	76,710	45,692	76,165	1,208,893
Property Taxes Receivable	-	-	347,675	-	-	347,675
Due from Other Governments	1,594,356	-	-	529,890	147,766	2,272,012
Interfund Receivable	3,952,773	-	-	-	-	3,952,773
Prepays	247,242	-	-	-	-	247,242
Inventory	21,435	-	-	-	-	21,435
Land Held for Resale	-	-	3,148,429	-	-	3,148,429
Investment in Joint Venture	-	-	775,853	-	-	775,853
Restricted Cash & Investments	2,905,430	-	6,850	-	-	2,912,280
Total Assets	\$ 24,361,506	\$ 5,196,582	\$ 4,880,666	\$ 3,526,113	\$ 6,867,338	\$ 44,832,205
Liabilities						
Accounts Payable	\$ 412,175	\$ 333,307	\$ 80,996	\$ 125	\$ 116,433	\$ 943,036
Accrued Liabilities	3,193,391	-	6,850	-	-	3,200,241
Interfund Payable	-	-	3,952,773	-	-	3,952,773
Unearned Revenues	27,024	-	-	-	-	27,024
Total Liabilities	3,632,590	333,307	4,040,619	125	116,433	8,123,074
Deferred Inflows of Resources						
Property Taxes	-	-	347,675	-	-	347,675
Total Deferred Inflows of Resources	-	-	347,675	-	-	347,675
Fund Balances						
Nonspendable:						
Prepays	247,242	-	-	-	-	247,242
Inventory	21,435	-	-	-	-	21,435
Restricted for:						
Emergency	875,418	-	-	-	-	875,418
Parks, Trails & Open Space	-	-	-	-	1,701,206	1,701,206
Affordable Housing	-	-	-	3,525,988	-	3,525,988
Health and Welfare	-	-	-	-	1,071,182	1,071,182
Capital Improvements	-	4,863,275	492,372	-	3,978,517	9,334,164
Unassigned	19,584,821	-	-	-	-	19,584,821
Total Fund Balances	20,728,916	4,863,275	492,372	3,525,988	6,750,905	36,361,456
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 24,361,506	\$ 5,196,582	\$ 4,880,666	\$ 3,526,113	\$ 6,867,338	44,832,205

See Notes to the Financial Statements.

Town of Silverthorne
 Balance Sheet
 Reconciliation of the Governmental Balance Sheet of Governmental Funds
 to the Statement of Net Position
 December 31, 2021

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

Total Fund Balances of Governmental Funds	36,361,456
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	65,480,338
An Internal Service Fund is used by management to charge the costs of certain activities to individual funds, such as self funded insurance. A portion of the assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	75,628
Long-term liabilities, including lease payable, accrued interest and compensated absences, are not due and payable in the current period, and therefore are not reported in the funds.	<u>(3,051,720)</u>
Total Net Position of Governmental Activities	<u>\$ 98,865,702</u>

Town of Silverthorne
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2021

	General	Sales Tax Capital Improvement	Urban Renewal Authority	5A Housing	Other Governmental Funds	Total Governmental Funds
Revenues						
Taxes	\$ 11,674,167	\$ 4,478,079	\$ 510,125	\$ 2,874,776	\$ 1,459,808	\$ 20,996,955
Intergovernmental	442,168	-	-	-	978,542	1,420,710
Licenses, Permits & Fees	1,668,474	-	-	402,439	-	2,070,913
Charges for Services	3,481,376	496	-	-	-	3,481,872
Fines & Forfeitures	60,761	-	-	-	-	60,761
Net Investment Income (Loss)	8,039	(1,316)	(313)	1,154	(1,994)	5,570
Grants/Donations	500	31,562	-	-	-	32,062
Miscellaneous	1,058,725	35,399	-	17,647	-	1,111,771
Total Revenues	<u>18,394,210</u>	<u>4,544,220</u>	<u>509,812</u>	<u>3,296,016</u>	<u>2,436,356</u>	<u>29,180,614</u>
Expenditures						
Current:						
General Government	2,547,976	-	-	-	664,521	3,212,497
Public Safety	2,411,056	-	-	-	-	2,411,056
Public Works	3,313,583	-	-	-	250,607	3,564,190
Community Development	1,398,342	-	-	-	-	1,398,342
Recreation & Culture	4,021,616	-	-	-	-	4,021,616
Urban Renewal	-	-	80,004	-	-	80,004
Housing	-	-	-	2,494,768	-	2,494,768
Capital Outlay	-	2,667,149	-	48,878	22,879	2,738,906
Debt Service:						
Principal	-	488,588	-	-	-	488,588
Interest & Fiscal Charges	-	52,298	-	-	-	52,298
Total Expenditures	<u>13,692,573</u>	<u>3,208,035</u>	<u>80,004</u>	<u>2,543,646</u>	<u>938,007</u>	<u>20,462,265</u>
Revenues Over (Under) Expenditures	<u>4,701,637</u>	<u>1,336,185</u>	<u>429,808</u>	<u>752,370</u>	<u>1,498,349</u>	<u>8,718,349</u>
Other Financing Sources (Uses)						
Sales of Capital Assets	-	114,000	-	-	-	114,000
Transfers In	-	-	-	-	772,587	772,587
Transfers Out	(772,587)	-	-	-	(1,159,391)	(1,931,978)
Total Other Financing Sources (Uses)	<u>(772,587)</u>	<u>114,000</u>	<u>-</u>	<u>-</u>	<u>(386,804)</u>	<u>(1,045,391)</u>
Net Change in Fund Balances	3,929,050	1,450,185	429,808	752,370	1,111,545	7,672,958
Fund Balances, Beginning of Year	<u>16,799,866</u>	<u>3,413,090</u>	<u>62,564</u>	<u>2,773,618</u>	<u>5,639,360</u>	<u>28,688,498</u>
Fund Balances, End of Year	<u>\$ 20,728,916</u>	<u>\$ 4,863,275</u>	<u>\$ 492,372</u>	<u>\$ 3,525,988</u>	<u>\$ 6,750,905</u>	<u>\$ 36,361,456</u>

See Notes to the Financial Statements.

Town of Silverthorne
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances - Governmental Funds
to the Statement of Activities
For the Year Ended December 31, 2021

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

Net Change in Fund Balances of Governmental Funds	\$ 7,672,958
<p>Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.</p>	
Depreciation expense	(4,296,300)
Capital Outlay	2,129,408
Developer Contributions	1,094,727
Disposal of Capital Assets	(81,813)
<p>The repayment of long-term debt principal is an expenditure in governmental funds, but the repayment reduces long term liabilities in the statements of net position and does not affect the statement of activities. This reconciling item reflects principal payments on the capital lease.</p>	
	488,588
<p>Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. This amount represents the following:</p>	
Accrued Compensated Absences	(16,650)
Accrued Interest Payable	1,035
<p>An Internal Service Fund is used by management to charge the costs of certain activities to individual funds, such as self-funded insurance. A portion of the activities of the internal service fund is reported with governmental activities in the statement of activities.</p>	
	<u>(45,234)</u>
Change in Net Position of Governmental Activities	\$ <u><u>6,946,719</u></u>

Town of Silverthorne
Statement of Net Position
Proprietary Funds
December 31, 2021

	Business-Type Activities - Enterprise Funds				Governmental
				Stormwater	Activities -
	Water Fund	Sewer Fund	Fund	Totals	Internal
					Service Fund
Assets					
<i>Current Assets</i>					
Cash & Investments	\$ 5,921,751	\$ 7,192,265	\$ 1,164,752	14,278,768	\$ 283,392
Accounts Receivable	348,751	468,626	30,231	847,608	70,018
Due from Other Governments	3,858	-	-	3,858	-
Prepays	7,872	-	-	7,872	-
Inventory	46,636	-	-	46,636	-
Total Current Assets	<u>6,328,868</u>	<u>7,660,891</u>	<u>1,194,983</u>	<u>15,184,742</u>	<u>353,410</u>
<i>Noncurrent Assets</i>					
Investment in Joint Sewer Authority	-	10,708,616	-	10,708,616	-
<i>Capital Assets:</i>					
Nondepreciable Assets	8,428,122	61,632	-	8,489,754	-
Depreciable Assets, Net	14,459,611	9,445,072	315,980	24,220,663	-
Total Noncurrent Assets	<u>22,887,733</u>	<u>20,215,320</u>	<u>315,980</u>	<u>43,419,033</u>	<u>-</u>
Total Assets	<u>29,216,601</u>	<u>27,876,211</u>	<u>1,510,963</u>	<u>58,603,775</u>	<u>353,410</u>
Liabilities					
<i>Current Liabilities</i>					
Accounts Payable	73,048	22,646	-	95,694	4,632
Accrued Liabilities	8,454	-	-	8,454	-
Claims Payable	-	-	-	-	270,911
Compensated Absences	-	-	-	-	-
Total Current Liabilities	<u>81,502</u>	<u>22,646</u>	<u>-</u>	<u>104,148</u>	<u>275,543</u>
<i>Noncurrent Liabilities</i>					
Compensated Absences	<u>56,523</u>	<u>-</u>	<u>-</u>	<u>56,523</u>	<u>-</u>
Total Liabilities	<u>138,025</u>	<u>22,646</u>	<u>-</u>	<u>160,671</u>	<u>275,543</u>
Net Position					
Net Investment in Capital Assets	22,887,733	9,506,704	315,980	32,710,417	-
Unrestricted	6,190,843	18,346,861	1,194,983	25,732,687	77,867
Total Net Position	<u>\$ 29,078,576</u>	<u>\$ 27,853,565</u>	<u>\$ 1,510,963</u>	58,443,104	<u>\$ 77,867</u>

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

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

2,239

Total Net Position of Business-Type Activities

\$ 58,445,343

See Notes to the Financial Statements.

Town of Silverthorne
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Fund
	Stormwater			Total	
	Water Fund	Sewer Fund	Fund		
Operating Revenues					
User Fees	\$ 1,491,725	\$ 1,828,295	\$ 120,113	\$ 3,440,133	\$ 1,140,774
Charges for Services	15,330	-	-	15,330	-
Miscellaneous	5,000	-	-	5,000	32,101
Total Operating Revenues	<u>1,512,055</u>	<u>1,828,295</u>	<u>120,113</u>	<u>3,460,463</u>	<u>1,172,875</u>
Operating Expenses					
Operations	1,333,600	584,914	50,000	1,968,514	-
Maintenance	180,743	2,976	-	183,719	-
Contractual Services	101,834	771,381	23,278	896,493	-
Claims & Wellness	-	-	-	-	1,223,481
Miscellaneous	-	-	-	-	-
Depreciation	970,854	585,353	8,625	1,564,832	-
Total Operating Expenses	<u>2,587,031</u>	<u>1,944,624</u>	<u>81,903</u>	<u>4,613,558</u>	<u>1,223,481</u>
Net Operating Income (Loss)	<u>(1,074,976)</u>	<u>(116,329)</u>	<u>38,210</u>	<u>(1,153,095)</u>	<u>(50,606)</u>
Nonoperating Revenues (Expenses)					
Interest Revenue	(1,940)	(2,208)	(699)	(4,847)	(102)
Equity Gain in Joint Sewer Authority	-	60,036	-	60,036	-
AMP Fees paid to Joint Sewer Authority (JSA)	-	(413,813)	-	(413,813)	-
Total Nonoperating Revenues (Expenses)	<u>(1,940)</u>	<u>(355,985)</u>	<u>(699)</u>	<u>(358,624)</u>	<u>(102)</u>
Income (Loss) Before Transfers and Contributions	<u>(1,076,916)</u>	<u>(472,314)</u>	<u>37,511</u>	<u>(1,511,719)</u>	<u>(50,708)</u>
Capital Contributions and Transfers					
Capital Contributions-Tap Fees	1,966,417	1,654,290	46,612	3,667,319	-
Capital Contributions-Developers	851,698	381,353	267,449	1,500,500	-
Transfers In	-	-	1,159,391	1,159,391	-
Change in Net Position	<u>1,741,199</u>	<u>1,563,329</u>	<u>1,510,963</u>	<u>4,815,491</u>	<u>(50,708)</u>
Net Position, Beginning of Year	<u>27,337,377</u>	<u>26,290,236</u>	<u>-</u>	<u>53,627,613</u>	<u>128,575</u>
Net Position, End of Year	<u>\$ 29,078,576</u>	<u>\$ 27,853,565</u>	<u>1,510,963</u>	<u>\$ 58,443,104</u>	<u>\$ 77,867</u>

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

Change in Net Position of Proprietary Funds	\$ 4,815,491
An Internal Service Fund is used by management to charge the costs of health claims to individual funds. A portion of the activities of the Internal Service Fund is reported with business-type activities in the Statement of Activities.	<u>(5,476)</u>
Change in Net Position of Business-Type Activities	<u>\$ 4,810,015</u>

See Notes to the Financial Statements.

Town of Silverthorne
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021

	Business-Type Activities - Enterprise Funds				Governmental
				Stormwater	Activities -
	Water Fund	Sewer Fund	Fund	Totals	Internal Service Fund
Cash Flows From Operating Activities					
Cash Received from Customers/Users	\$ 1,510,135	\$ 1,791,342	\$ 89,882	\$ 3,391,359	\$ 30,672
Cash Received from					
Interfund Services Provided	-	-	-	-	1,294,910
Cash Paid to Suppliers	(1,127,514)	(1,255,481)	(73,278)	(2,456,273)	(1,223,481)
Cash Paid for Interfund Services Used	(2,510)	-	-	(2,510)	-
Cash Paid to Employees	(504,275)	(90,873)	-	(595,148)	-
Net Cash Provided (Used) by Operating Activities	<u>(124,164)</u>	<u>444,988</u>	<u>16,604</u>	<u>337,428</u>	<u>102,101</u>
Cash Flows from Noncapital Financing Activities					
Payments from Other Funds	-	-	1,159,391	1,159,391	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>1,159,391</u>	<u>1,159,391</u>	<u>-</u>
Cash Flows from Capital & Related Financing Activities					
Acquisition of Capital Assets	(229,578)	(93,474)	(57,156)	(380,208)	-
Investment in Joint Sewer Authority	-	(95,930)	-	(95,930)	-
AMP Fees paid to Joint Sewer Authority (JSA)	-	(413,813)	-	(413,813)	-
Tap Fees	1,966,417	1,654,290	46,612	3,667,319	-
Net Cash Provided (Used) by Capital & Related Financing Activities	<u>1,736,839</u>	<u>1,051,073</u>	<u>(10,544)</u>	<u>2,777,368</u>	<u>-</u>
Cash Flows from Investing Activities					
Interest Received	(1,940)	(2,208)	(699)	(4,847)	(102)
Net Cash Provided (Used) by Investing Activities	<u>(1,940)</u>	<u>(2,208)</u>	<u>(699)</u>	<u>(4,847)</u>	<u>(102)</u>
Net Change in Cash and Cash Equivalents	1,610,735	1,493,853	1,164,752	4,269,340	101,999
Cash & Cash Equivalents, Beginning of Year	<u>4,311,016</u>	<u>5,698,412</u>	<u>-</u>	<u>10,009,428</u>	<u>181,393</u>
Cash & Cash Equivalents, End of Year	<u>\$ 5,921,751</u>	<u>\$ 7,192,265</u>	<u>\$ 1,164,752</u>	<u>\$ 14,278,768</u>	<u>\$ 283,392</u>

(Continued)

See Notes to the Financial Statements.

Town of Silverthorne
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021
(Continued)

	Business-Type Activities - Enterprise Funds				Governmental
	Stormwater			Totals	Activities -
	Water Fund	Sewer Fund	Fund		Internal
					Service Fund
Reconciliation of Net Operating Income (Loss) to Net Cash Provided by (Used In) Operating Activities					
Net Operating Income (Loss)	\$ (1,074,976)	\$ (116,329)	\$ 38,210	\$ (1,153,095)	\$ (50,606)
Adjustments to Reconcile Net Operating Income Adjustments t(Loss) to Net Cash Provided by (Used In) Operating Activities:					
Depreciation	970,854	585,353	8,625	1,564,832	-
Changes to Assets & Liabilities:					
Accounts Receivable	(1,920)	(36,953)	(30,231)	(69,104)	(5,811)
Prepays	(6,497)	-	-	(6,497)	-
Inventory	(20,459)	-	-	(20,459)	-
Accounts Payable	12,929	12,917	-	25,846	4,382
Accrued Liabilities	2,280	-	-	2,280	-
Claims Payable	-	-	-	-	154,136
Compensated Absences	(6,375)	-	-	(6,375)	-
Total Adjustments	<u>950,812</u>	<u>561,317</u>	<u>(21,606)</u>	<u>1,490,523</u>	<u>152,707</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (124,164)</u>	<u>\$ 444,988</u>	<u>\$ 16,604</u>	<u>\$ 337,428</u>	<u>\$ 102,101</u>
Non-cash Capital Activities					
Contributed Infrastructure from Developers	<u>\$ 851,698</u>	<u>\$ 381,353</u>	<u>\$ 267,449</u>	<u>\$ 1,500,500</u>	<u>\$ -</u>

See Notes to the Financial Statements.

Town of Silverthorne
 Statement of Fiduciary Net Position
 Fiduciary Funds
 December 31, 2021

	Joint Sewer Authority
Assets	
<i>Current Assets</i>	
Cash & Investments	\$ <u>9,238,576</u>
Total Current Assets	<u>9,238,576</u>
Net Position	
Restricted for:	
Other Governments	<u>9,238,576</u>
Total Net Position	\$ <u><u>9,238,576</u></u>

See Notes to the Financial Statements

Town of Silverthorne
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended December 31, 2021

	<u>Joint Sewer Authority</u>
Additions	
User Fees	\$ 2,897,670
Other Additions	87,138
Investment Income	<u>(2,684)</u>
 Total Additions	 <u>2,982,124</u>
 Deductions	
Operational Expenses	<u>1,657,190</u>
 Total Deductions	 <u>1,657,190</u>
 Net Increase in Fiduciary Net Position	 1,324,934
 Net Position, <i>Beginning of year</i>	 <u>7,913,642</u>
 Net Position, <i>End of year</i>	 <u>\$ 9,238,576</u>

See Accompanying Independent Auditor's Report.

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies

The Town of Silverthorne (the Town) 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 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:

Financial Reporting Entity

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

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

Government-Wide & Fund Financial Statements

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

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

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

Government-Wide & Fund Financial Statements (Continued)

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

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

Measurement Focus & Basis of Accounting

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

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

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

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

Financial Statement Presentation

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

Governmental Funds

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

In 2021, the Town had the following major Governmental Funds:

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

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

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

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

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

Nicotine Tax Special Revenue Fund – This fund is used to account for nicotine tax assessed by Summit County and distributed back to the Town for sales transacted in Silverthorne. The nicotine tax funds are specifically designated for public health, education, and other nicotine cessation purposes.

Proprietary Funds

In 2021, the Town had the following major Proprietary 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.

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

Additionally, the Town reports the following fund types:

Internal Service Fund

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

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

Fiduciary Funds

In 2021, the Town had the following Fiduciary Fund:

Custodial Fund

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

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 2: **Assets, Liabilities & Net Position or Fund Balance**

Cash & Investments

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

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

Receivables

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

Property Taxes Receivable

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

Inventory & Prepaids

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

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

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 2: Assets, Liabilities & Net Position or Fund Balance (Continued)

Deposits & Land Held for Resale

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

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

Restricted Cash & Investments

Restricted cash and investments of \$2,912,280, are reported in the General and URA Funds. These funds represent escrowed monies held from pending satisfactory completion of various construction projects within the Town and for the Blue River Real Estate Company, LLC that the URA is an equal partner with Craig Realty.

Capital Assets

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

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

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

Estimated useful lives for asset types are as follows:

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

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 2: Assets, Liabilities & Net Position or Fund Balance (Continued)

Unearned Revenues

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

Deferred Inflows and Outflows of Resources

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

Compensated Absences

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

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

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

Long-Term Obligations

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

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

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

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 2: Assets, Liabilities & Net Position or Fund Balance (Continued)

Net Position/Fund Balances

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

- Nonspendable Fund Balance – Amounts that cannot be spent because they are either not in spendable form, or legally or contractually required to be maintained intact. Examples are items that are not expected to be converted to cash including inventories and prepaids.

Net Position/Fund Balances (Continued)

- Restricted Fund Balance – Amounts that are restricted for specific purposes. The spending constraints placed on the use of fund balance amounts are externally imposed by creditors, grantors, contributors, laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation that are legally enforceable.
- Committed Fund Balance – Amounts that can only be used for specific purposes pursuant to constraints imposed by the Town Council by ordinance. The committed amounts cannot be used for any other purpose until Town Council removes or changes the specified use by taking the same type of formal action it employed to previously commit those amounts.
- Assigned Fund Balance – Amounts that are constrained by the Town's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by Town Council through policy or resolution, or Council can delegate the authority. Council has granted, through resolution, the Town Manager or the Manager's Designee, the authority to designate the assigned fund balance for each fund based on the intended use of such resources.
- Unassigned Fund Balance – The remaining fund balance of the General Fund after amounts are set aside for other classifications. Negative fund balances of other funds are also included in this category.

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

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 2: Assets, Liabilities & Net Position or Fund Balance (Continued)

Subsequent Events

We have evaluated subsequent events through August 30, 2022, the date the financial statements were available to be issued.

Note 3: Deposits & Investments

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

The Town's deposits are entirely covered by federal depository insurance (FDIC) or by collateral held under Colorado's Public Deposit Protection Act (PDPA). The PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by State regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. At December 31, 2021, the Town had bank deposits of \$6,487,521 collateralized with securities held by the financial institution's agent but not in the Town's name.

At the end of 2021, the Town held deposits and investments with the following maturities:

	<u>S&P Rating</u>	<u>Carrying Amounts</u>	<u>Less Than One Year</u>	<u>Less Than Five Years</u>
Deposits:				
Cash on Hand	Not Rated	\$ 5,210	\$ 5,210	\$ -
Bank Deposits	Not Rated	6,613,573	6,613,573	-
Investments				
United States Treasuries	N/A	14,014,788	5,014,630	9,000,158
United States Agencies	AA+	2,648,786	1,155,711	1,493,075
Money Market Fund	Aaa	39,050	39,050	-
Investment Pools	AAAm	33,327,509	33,327,509	-
		<u>\$ 56,648,916</u>	<u>\$ 46,155,683</u>	<u>\$ 10,493,233</u>
Reconciliation to the Financial Statements:				
Cash & Investments		\$ 44,498,060		
Restricted Cash & Investments		2,912,280		
Fiduciary Fund Cash & Investments		<u>9,238,576</u>		
		<u>\$ 56,648,916</u>		

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 3: Deposits & Investments (Continued)

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

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

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

- Level 1: Quoted prices for identical investments in active markets
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and,
- Level 3: Unobservable inputs

At December 31, 2021, the Town had the following fair value measurements:

	<u>Total</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments measured at Fair Value:				
U.S. Instrumentalities	\$ 16,663,574	\$ 16,663,574	\$ -	\$ -
 Investments measured at Net Asset Value				
Colotrust	\$ 16,495,586			
CSAFE	16,831,923			
Money Market Funds	39,050			
	<u>\$ 33,366,559</u>			

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

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 3: Deposits & Investments (Continued)

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

Concentration of Credit Risk – The Town places limits on the amount it may invest in any one issuer. The Town’s investment policy limits concentration depending on the investment instruments. At a maximum, the policy allows no more than 50% of the portfolio in any single issuer. Additionally, the Town’s investment policy recommends the Town diversify use of investment instruments to avoid incurring unreasonable risk in over investing in one specific instrument or in one institution. The Town’s investment policy recommends that “no more than 25% of the portfolio deposited in any single bank or savings and loan. No more than 50% of the portfolio in PDPA collateralized deposits.” At December 31, 2021, the Town’s investments in the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Home Loan Bank, and Federal Farm Credit Banks Funding Corporation represented 1.60%, 2.09%, 0.51% and 1.10%, respectively, of total investments.

At December 31, 2021, the Town had invested \$33,327,509 in Local Governmental Investment Pools (Pools) from the Colorado Local Government Liquid Asset Trust (COLOTRUST) and Colorado Surplus Asset Fund Trust (CSAFE). The Pools are investment vehicles established by State statute for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the Pools.

Colotrust – Colotrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool’s share price multiplied by the number of shares held. The government-investor does not “look through” the pool to report a pro rata share of the pool’s investments, receivables and payables. This investment is valued using the NAV per share (or its equivalent) of the investments.

Colotrust is an investment vehicle established by state statute for local entities in Colorado to pool surplus funds for investment purposes and are registered with the State Securities Commissioner. The pools operate similarly to money market funds and each share is equal in value to \$1.00. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. 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 investments owned by the participating governments. Investments of the pools consist of US Treasury bills, notes, and note strips, commercial paper allowed by state statute and repurchase agreements collateralized by US Treasury securities and or US Instrumentalities. Colotrust is rated AAAM by Standard and Poor’s. Information regarding Colotrust’s financial statements is available at their website www.colotrust.com.

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 3: Deposits & Investments (Continued)

CSAFE – CSAFE is considered to be a 2a7-like investment and is valued at amortized cost. The 2a7-like investments do not have any unfunded commitments, redemption restrictions or redemption notice periods. The 2a7-like investments conform to Colorado Statutes CRS 24-75-601 et. Seq. and therefore invests primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, highly rated corporate bonds, Colorado Depositories collateralized at 102% of market value investments will conform to its Permitted Investments and will meet Standard & Poor’s investment guidelines to achieve a AAAM rating, the highest attainable rating for a Local Government Investment Pool. Information regarding CSAFE’s financial statements is available at the website www.csafe.org.

Note 4: Receivables & Due From Other Governments

Receivables and Due from Other Governments, as of December 31, 2021, for the Town’s individual major funds and non-major funds in the aggregate, are as follows.

	General Fund	Sales Tax Capital Improvements Fund	Urban Renewal Authority Fund	5A Housing Fund	Nonmajor Fund	Water Fund	Sewer Fund	Stormwater Fund
Receivables:								
Taxes	\$ 353,611	\$ 531,638	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts	<u>125,077</u>	<u> </u>	<u>76,710</u>	<u>45,692</u>	<u>76,165</u>	<u>348,751</u>	<u>468,626</u>	<u>30,231</u>
Total Receivables	<u>\$ 478,688</u>	<u>\$ 531,638</u>	<u>\$ 76,710</u>	<u>\$ 45,692</u>	<u>\$ 76,165</u>	<u>\$ 348,751</u>	<u>\$ 468,626</u>	<u>\$ 30,231</u>
Due from Other Governments								
County	\$ 4,050	\$ -	\$ -	\$ -	\$ 147,766	\$ -	\$ -	\$ -
Local Authority	3,858	-	-	529,890	-	3,858	-	-
State of Colorado	<u>1,586,448</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Other Governments	<u>\$ 1,594,356</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 529,890</u>	<u>\$ 147,766</u>	<u>\$ 3,858</u>	<u>\$ -</u>	<u>\$ -</u>

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 5: Capital Assets

The following is a summary of changes in capital assets for the year ended December 31, 2021.

	Balance 12/31/20	Additions	Disposals	Balance 12/31/21
<u>Governmental Activities</u>				
Capital assets, not being depreciated:				
Land	\$ 9,524,924	\$ -	\$ -	\$ 9,524,924
Projects in Progress	4,133,850	130,004	(537,398)	3,726,456
Total capital assets not being depreciated	<u>13,658,774</u>	<u>130,004</u>	<u>(537,398)</u>	<u>13,251,380</u>
Capital assets, being depreciated:				
Buildings and Improvements	32,396,215	1,001,063	-	33,397,278
Vehicles & Heavy Equipment	5,479,393	646,010	(292,291)	5,833,112
Equipment & Furniture	2,707,303	318,041	-	3,025,344
Infrastructure	41,995,583	894,649	-	42,890,232
Intangibles	1,787,883	641,609	-	2,429,492
Other Improvements	13,183,328	130,157	-	13,313,485
Total capital assets being depreciated	<u>97,549,705</u>	<u>3,631,529</u>	<u>(292,291)</u>	<u>100,888,943</u>
Less accumulated depreciation:				
Buildings and Improvements	(11,591,818)	(1,061,325)	-	(12,653,143)
Vehicles & Heavy Equipment	(2,204,549)	(429,641)	210,478	(2,423,712)
Equipment & Furniture	(1,803,239)	(248,801)	-	(2,052,040)
Infrastructure	(22,008,462)	(1,460,349)	-	(23,468,811)
Intangibles	(874,416)	(905,478)	-	(1,779,894)
Other Improvements	(6,091,679)	(190,706)	-	(6,282,385)
Total accumulated depreciation	<u>(44,574,163)</u>	<u>(4,296,300)</u>	<u>210,478</u>	<u>(48,659,985)</u>
Total capital assets, being depreciated, net	<u>52,975,542</u>	<u>(664,771)</u>	<u>(81,813)</u>	<u>52,228,958</u>
Governmental activities capital assets, net	<u>\$ 66,634,316</u>	<u>\$ (534,767)</u>	<u>\$ (619,211)</u>	<u>\$ 65,480,338</u>

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 5: Capital Assets (Continued)

	Balance 12/31/2020	Additions	Disposals	Balance 12/31/2021
<u>Business-Type Activities</u>				
Capital assets, not being depreciated:				
Land	\$ 3,871	\$ -	\$ -	\$ 3,871
Projects in Progress	41,580	20,053	-	61,633
Water Rights	8,424,250	-	-	8,424,250
Total capital assets not being depreciated	<u>8,469,701</u>	<u>20,053</u>	<u>-</u>	<u>8,489,754</u>
Capital assets, being depreciated:				
Buildings and Improvements	3,812,968	-	-	3,812,968
Water Tanks	4,121,205	50,483	-	4,171,688
Lines	25,806,726	1,687,923	-	27,494,649
Wells	3,985,906	-	-	3,985,906
Machinery & Equipment	963,742	71,156	-	1,034,898
Intangibles	281,403	-	-	281,403
Other Improvements	3,387,228	51,093	-	3,438,321
Total capital assets being depreciated	<u>42,359,178</u>	<u>1,860,655</u>	<u>-</u>	<u>44,219,833</u>
Less accumulated depreciation:				
Buildings and Improvements	(238,310)	(95,324)	-	(333,634)
Water Tanks	(1,427,717)	(103,356)	-	(1,531,073)
Lines	(12,709,783)	(1,008,244)	-	(13,718,027)
Wells	(2,554,590)	(144,050)	-	(2,698,640)
Machinery & Equipment	(594,532)	(76,772)	-	(671,304)
Intangibles	(240,328)	(19,057)	-	(259,385)
Other Improvements	(669,078)	(118,029)	-	(787,107)
Total accumulated depreciation	<u>(18,434,338)</u>	<u>(1,564,832)</u>	<u>-</u>	<u>(19,999,170)</u>
Total capital assets, being depreciated, net	<u>23,924,840</u>	<u>295,823</u>	<u>-</u>	<u>24,220,663</u>
Business-type activities capital assets, net	<u>\$ 32,394,541</u>	<u>\$ 315,876</u>	<u>\$ -</u>	<u>\$ 32,710,417</u>

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 5: Capital Assets (Continued)

Depreciation expense was charged to functions as follows:

Governmental Activities	
General Government	\$ 153,472
Public Safety	101,540
Public Works	2,974,009
Community Development	81,129
Recreation & Culture	<u>986,150</u>
 Total Governmental Activities Depreciation Expense	 \$ <u>4,296,300</u>

Note 6: Investment in Joint Ventures

Joint Sewer Authority

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

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

The Town records its investments in the JSA and its share of operating costs in the Sewer Fund. The investment is accounted for under the equity method. The Town had an investment in the JSA at December 31, 2021, the date of the most recent audited financial statements, of \$10,708,616. The Town represents a 67.17% share in the joint venture. At December 31, 2021, the Town was responsible for 42.7% of the JSA's operating expenses.

Based on the 2021 audited results, the Town's equity in the JSA increased by \$155,966.

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

Urban Renewal Authority Joint Venture

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

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 6: Investment in Joint Ventures (Continued)

Urban Renewal Authority Joint Venture (Continued)

All revenues and expenses are to be equally shared. Equal payments are to be made to the LLC when needed. The URA had an investment in the partnership as of December 31, 2021, of \$775,853. The URA represents a 50% share in the joint venture. At December 31, 2021, the URA was responsible for 50% of the partnerships operating expenses.

Note 7: Interfund Receivables, Payables and Transfers

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

Interfunds

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

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

There were no transfers between funds during the year ended December 31, 2021.

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 8: Long-Term Debt

Governmental & Business Activities

The following summarizes the changes in the Town's long-term liabilities for the year ended December 31, 2021:

	Balance 12/31/20	Additions	Retirements	Balance 12/31/21	Due Within One Year
Governmental Activities					
Capital Leases	\$ 2,853,588	\$ -	\$ (488,588)	\$ 2,365,000	\$ 455,000
Compensated Absences	666,286	759,932	(743,282)	682,936	46,640
Total Governmental Activities:	<u>\$ 3,519,874</u>	<u>\$ 759,932</u>	<u>\$ (1,231,870)</u>	<u>\$ 3,047,936</u>	<u>\$ 501,640</u>
Business-Type Activities					
Compensated Absences	<u>\$ 62,898</u>	<u>\$ 51,679</u>	<u>\$ (58,054)</u>	<u>\$ 56,523</u>	<u>\$ -</u>

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

Capital Lease Obligations

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

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 8: Long-Term Debt (Continued)

Capital Lease Obligations (Continued)

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 455,000	\$ 43,248	\$ 498,248
2023	460,000	34,464	494,464
2024	470,000	25,584	495,584
2025	485,000	16,512	501,512
2026	495,000	7,152	502,152
	<u>\$ 2,365,000</u>	<u>\$ 126,960</u>	<u>\$ 2,491,960</u>

Note 9: Pension Plans

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

All full-time and $\frac{3}{4}$ 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 100% immediately. Each participant is required to contribute 7.5% of earnings for the plan year as a condition of participation in the plan. The Town Council has the authority to make changes to the plan as to the contributions and vesting rights as long as the changes are within the laws as set by the Federal Government.

Total contributions by the Town for the year ended December 31, 2021, were \$746,910. Total contributions by the employees for the year ended December 31, 2021, were \$533,508.

Note 10: 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, 2021, the Town had \$3,382 in seizure funds, which the police department is using for rewards for information leading to solving police cases.

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 11: Risk Management

Colorado Intergovernmental Risk Sharing Agency (CIRSA)

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

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

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

The deductible amount paid by the Town for each incident in 2021 was \$5,000; there is no change in coverage from past years. CIRSA is a separate legal entity and the Town does not approve budgets nor does it have the ability to significantly affect the operations of CIRSA.

Group Insurance - Health & Short Term Disability

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

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

All Town departments participate in the group insurance and make payments to the Health & Short-term Disability Claims Internal Service Fund based on prior claims experience in amounts needed to pay current year claims and to establish a reserve for catastrophic losses. The Fund has a net position of \$77,867 as of December 31, 2021.

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 11: Risk Management (Continued)

Group Insurance - Health & Short Term Disability (Continued)

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

	2021	2020
Claims Payable, <i>Beginning of Year</i>	\$ 284,919	\$ 120,392
Claims and Changes in Provisions	1,209,473	1,234,524
Claims Payments	(1,223,481)	(1,069,997)
Claims Payable, <i>End of Year</i>	\$ 270,911	\$ 284,919

Note 12: Contingencies and Commitments

Litigation

During the normal course of business, the Town incurs claims and other assertions against it from various agencies and individuals. The Town and legal counsel intend to vigorously defend such claims. In the opinion of the Town's management, such claims would not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the Town at December 31, 2021.

Economic Development Agreements

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

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 12: Contingencies and Commitments (Continued)

Economic Development Agreements (Continued)

The uses eligible for the shared enhanced sales taxes shall be strictly limited to those which are public or public-related in nature. Some examples are improvements to streets, sidewalks, drainage facilities, demolition and site restoration for redevelopment, landscaping, decorative structures, enhanced architectural features, public transportation improvements, installation of utility lines and any other improvements of a similar nature which are specifically approved by the

Town Council Public or public-related purposes also include redevelopment of existing properties, occupancy of existing vacant space and expansion or creation of jobs in the Town. There were three active agreements as of December 31, 2021: Angry James' Brewery, Baker's Brewery and Treeline Craft Kitchen. The gross dollar amount by which the Town's sales tax revenues were decreased during 2021 was \$184,449

Lease Agreement

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

Note 13: Taxpayer Bill of Rights (TABOR) and the Amendment One Election Question

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

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

On April 5, 1994 an election question was approved by the Citizens of the Town. 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.

Town of Silverthorne
Notes to the Financial Statements
December 31, 2021

Note 13: Taxpayer Bill of Rights (TABOR) and the Amendment One Election Question (Continued)

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

For 2021, The Town was required to reserve 3% of its fiscal year spending as “emergency reserves.” The TABOR emergency reserve of \$875,418 has been recorded as restricted fund balance in the General Fund.

REQUIRED SUPPLEMENTARY INFORMATION

Town of Silverthorne
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 8,437,253	\$ 10,436,702	\$ 11,674,167	\$ 1,237,465
Intergovernmental	973,014	348,013	442,168	94,155
Licenses, Permits & Fees	636,004	636,004	1,668,474	1,032,470
Charges for Services	2,014,475	2,514,471	3,481,376	966,905
Fines & Forfeitures	65,001	65,001	60,761	(4,240)
Net Investment Income (Loss)	80,001	80,001	8,039	(71,962)
Grants/Donations	1,092	1,092	500	(592)
Miscellaneous	111,004	726,560	1,058,725	332,165
Total Revenues	<u>12,317,844</u>	<u>14,807,844</u>	<u>18,394,210</u>	<u>3,586,366</u>
Expenditures				
Current				
General Government	2,765,890	2,882,213	2,547,976	334,237
Public Safety	2,823,205	2,977,556	2,848,874	128,682
Public Works	2,980,701	3,209,132	2,875,765	333,367
Community Development	998,989	1,033,488	1,398,342	(364,854)
Recreation & Culture	3,980,987	4,312,383	4,021,616	290,767
Total Expenditures	<u>13,549,772</u>	<u>14,414,772</u>	<u>13,692,573</u>	<u>722,199</u>
Excess Revenue Over (Under) Expenditures	(1,231,928)	393,072	4,701,637	4,308,565
Other Financing Sources (Uses)				
Transfer Out	-	(772,587)	(772,587)	-
Net Change in Fund Balance	(1,231,928)	(379,515)	3,929,050	4,308,565
Fund Balance, Beginning of Year	<u>8,457,565</u>	<u>10,619,361</u>	<u>16,799,866</u>	<u>6,180,505</u>
Fund Balance, End of Year	<u>\$ 7,225,637</u>	<u>\$ 10,239,846</u>	<u>\$ 20,728,916</u>	<u>\$ 10,489,070</u>

See Accompanying Independent Auditor's Report.

Town of Silverthorne
Notes to Required Supplementary Information
December 31, 2021

Note 1: Stewardship, Compliance and Accountability

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

During the year, the Town Council meets with each department to approve policy, identify goals and performance measures. It is the department's responsibility to prepare an annual budget to implement the policies 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, scheduled 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 with a fund. Departments may request the Manager's approval to transfer budget items between categories and programs within a department. The Manager will review requests to ensure compliance with the goals and objectives of the annual budget as approved by the Council. Transfers of appropriation between funds require the approval of Council. The legal level of budgetary control is the fund level. Council can amend the approved budget during the year.

**COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES**

NON-MAJOR GOVERNMENTAL FUNDS

Capital Project Funds

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

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

Urban Renewal Authority Fund – This fund is used to account for all financial activities related to the URA. Funds are to be used for the revitalization of the Town's commercial areas and downtown core.

5A Housing Fund – This fund is used to account for impact fees collected by the Town and sales tax accessed by the Summit Combined Housing Authority. Funds are used towards promoting workforce housing in the Town.

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

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

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

Non-Major Special Revenue Funds

Non-Major special revenue funds are used to account for financial resources that have been collected and must be used for a specific project.

Nicotine Tax Fund - This fund is used to account for nicotine tax collections that are specifically designated for public health, education, and other nicotine cessation purposes.

Town of Silverthorne
Combining Balance Sheets
Nonmajor Governmental Funds
December 31, 2021

	Capital Project Funds			Nicotine Tax	Total Other Governmental Funds
	Conservation Trust	Lodging Tax	Development Excise Tax		
Assets					
Cash & Investments	\$ 239,572	\$ 1,385,469	\$ 3,978,517	\$ 1,039,849	\$ 6,643,407
Accounts Receivable	-	76,165	-	-	76,165
Due from Other Governments	-	-	-	147,766	147,766
Total Assets	\$ 239,572	\$ 1,461,634	\$ 3,978,517	1,187,615	\$ 6,867,338
Liabilities					
Accounts Payable	-	-	-	116,433	116,433
Total Liabilities	-	-	-	116,433	116,433
Fund Balances					
Restricted For:					
Parks, Trails & Open Space	\$ 239,572	\$ 1,461,634	-	-	\$ 1,701,206
Health and Welfare	-	-	-	1,071,182	1,071,182
Capital Improvements	-	-	3,978,517	-	3,978,517
Total Fund Balances	239,572	1,461,634	3,978,517	1,071,182	6,750,905
Total Liabilities & Fund Balances	\$ 239,572	\$ 1,461,634	\$ 3,978,517	\$ 1,187,615	\$ 6,867,338

See Accompanying Independent Auditor's Report.

Town of Silverthorne
Combining Statement of Revenues, Expenditures and
Changes in Fund Balances - Nonmajor Governmental Funds
For the Year Ended December 31, 2021

	Capital Project Funds			Nicotine Tax	Total Other Governmental Funds
	Conservation Trust	Lodging Tax	Development Excise Tax		
Revenues					
Taxes	\$ -	\$ 561,887	\$ 897,921	\$ -	\$ 1,459,808
Intergovernmental	59,112	-	-	919,430	978,542
Interest	(133)	(116)	(1,482)	(263)	(1,994)
Total Revenues	<u>58,979</u>	<u>561,771</u>	<u>896,439</u>	<u>919,167</u>	<u>2,436,356</u>
Expenditures					
Current:					
General Government	-	43,949	-	620,572	664,521
Public Works	-	-	250,607	-	250,607
Capital Outlay	-	22,879	-	-	22,879
Total Expenditures	<u>-</u>	<u>66,828</u>	<u>250,607</u>	<u>620,572</u>	<u>938,007</u>
Excess of Revenues Over (Under) Expenditures	58,979	494,943	645,832	298,595	1,498,349
Other Financing Sources (Uses)					
Transfers In	-	-	-	772,587	772,587
Transfers Out	-	(1,159,391)	-	-	(1,159,391)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(1,159,391)</u>	<u>-</u>	<u>772,587</u>	<u>(386,804)</u>
Net Change in Fund Balance	58,979	(664,448)	645,832	1,071,182	1,111,545
Fund Balances, Beginning of Year	<u>180,593</u>	<u>2,126,082</u>	<u>3,332,685</u>	<u>-</u>	<u>5,639,360</u>
Fund Balances, End of Year	<u>\$ 239,572</u>	<u>\$ 1,461,634</u>	<u>\$ 3,978,517</u>	<u>\$ 1,071,182</u>	<u>\$ 6,750,905</u>

See Accompanying Independent Auditor's Report.

Town of Silverthorne
Sales Tax Capital Improvement Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenue				
Taxes	\$ 3,406,172	\$ 4,011,172	\$ 4,478,079	\$ 466,907
Charges for Services	-	-	496	496
Grants/Donations	159,720	59,720	31,562	(28,158)
Net Investment Income (Loss)	5,000	50,000	(1,316)	(51,316)
Miscellaneous	-	-	35,399	35,399
	<u>3,570,892</u>	<u>4,120,892</u>	<u>4,544,220</u>	<u>423,328</u>
Total Revenues				
Expenditures				
Public Works	-	-	-	-
Capital Outlay	4,043,799	4,042,799	2,667,149	1,375,650
Debt Services:				
Principal	488,588	488,488	488,614	(126)
Interest & Fiscal Charges	52,267	52,267	52,272	(5)
	<u>4,584,654</u>	<u>4,583,554</u>	<u>3,208,035</u>	<u>1,375,519</u>
Total Expenditures				
Excess Revenues Over (Under) Expenditures	<u>(1,013,762)</u>	<u>(462,662)</u>	<u>1,336,185</u>	<u>1,798,847</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	-	-	114,000	114,000
Transfers In	1,430,000	-	-	-
	<u>1,430,000</u>	<u>-</u>	<u>114,000</u>	<u>114,000</u>
Total Other Financing Sources				
Net Change in Fund Balance	416,238	(462,662)	1,450,185	1,912,847
Fund Balance, Beginning of Year	<u>1,553,911</u>	<u>1,003,951</u>	<u>3,413,090</u>	<u>2,409,139</u>
Fund Balance, End of Year	<u>\$ 1,970,149</u>	<u>\$ 541,289</u>	<u>\$ 4,863,275</u>	<u>\$ 4,321,986</u>

See Accompanying Independent Auditor's Report.

Town of Silverthorne
Urban Renewal Authority Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 249,999	\$ 249,999	\$ 510,125	\$ 260,126
Interest	<u>65,000</u>	<u>65,000</u>	<u>(313)</u>	<u>(65,313)</u>
Total Revenues	<u>314,999</u>	<u>314,999</u>	<u>509,812</u>	<u>194,813</u>
Expenditures				
Urban Renewal	<u>64,999</u>	<u>64,999</u>	<u>80,004</u>	<u>(15,005)</u>
Total Expenditures	<u>64,999</u>	<u>64,999</u>	<u>80,004</u>	<u>(15,005)</u>
Net Change in Fund Balance	250,000	250,000	429,808	179,808
Fund Balance, Beginning of Year	<u>345,698</u>	<u>15,774</u>	<u>62,564</u>	<u>46,790</u>
Fund Balance, End of Year	<u>\$ 595,698</u>	<u>\$ 265,774</u>	<u>\$ 492,372</u>	<u>\$ 226,598</u>

Town of Silverthorne
5A Housing Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues				
Intergovernmental	\$ 1,994,727	\$ 2,294,726	\$ 2,874,776	\$ 580,050
Licenses, Permits & Fees	200,000	200,000	402,439	202,439
Miscellaneous	-	-	17,647	17,647
Net Investment Income (Loss)	<u>20,000</u>	<u>20,000</u>	<u>1,154</u>	<u>(18,846)</u>
 Total Revenues	 <u>2,214,727</u>	 <u>2,514,726</u>	 <u>3,296,016</u>	 <u>781,290</u>
Expenditures				
Housing Administrative Fees	54,998	54,998	82,442	(27,444)
Capital Outlay	-	285,000	48,878	236,122
Housing Programs	<u>1,667,032</u>	<u>2,252,032</u>	<u>2,412,326</u>	<u>(160,294)</u>
 Total Expenditures	 <u>1,722,030</u>	 <u>2,592,030</u>	 <u>2,543,646</u>	 <u>48,384</u>
 Net Change in Fund Balance	 492,697	 (77,304)	 752,370	 829,674
 Fund Balance, Beginning of Year	 <u>701,271</u>	 <u>499,244</u>	 <u>2,773,618</u>	 <u>2,274,374</u>
 Fund Balance, End of Year	 <u>\$ 1,193,968</u>	 <u>\$ 421,940</u>	 <u>\$ 3,525,988</u>	 <u>\$ 3,104,048</u>

See Accompanying Independent Auditor's Report.

Town of Silverthorne
Conservation Trust Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues				
Intergovernmental	\$ 42,840	\$ 42,840	\$ 59,112	\$ 16,272
Interest	204	204	(133)	(337)
	<u>43,044</u>	<u>43,044</u>	<u>58,979</u>	<u>15,935</u>
Total Revenues				
	<u>43,044</u>	<u>43,044</u>	<u>58,979</u>	<u>15,935</u>
Excess of Revenues Over (Under) Expenditures	43,044	43,044	58,979	15,935
Other Financing Sources (Uses)				
Transfers Out	<u>(210,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(166,956)	43,044	58,979	15,935
Fund Balance, Beginning of Year	<u>168,545</u>	<u>171,956</u>	<u>180,593</u>	<u>8,637</u>
Fund Balance, End of Year	<u>\$ 1,589</u>	<u>\$ 215,000</u>	<u>\$ 239,572</u>	<u>\$ 24,572</u>

See Accompanying Independent Auditor's Report.

Town of Silverthorne
Lodging Tax Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 327,582	\$ 327,582	\$ 561,887	\$ 234,305
Interest	<u>20,000</u>	<u>20,000</u>	<u>(116)</u>	<u>(20,116)</u>
Total Revenues	<u>347,582</u>	<u>347,582</u>	<u>561,771</u>	<u>214,189</u>
Expenditures				
General Government - Marketing	50,000	50,000	43,949	6,051
Capital Outlay	<u>23,001</u>	<u>23,001</u>	<u>22,879</u>	<u>122</u>
Total Expenditures	<u>73,001</u>	<u>73,001</u>	<u>66,828</u>	<u>6,173</u>
Excess Revenue Over (Under) Expenditures	274,581	274,581	494,943	220,362
Other Financing Sources (Uses)				
Transfers Out	<u>(1,159,391)</u>	<u>(1,159,391)</u>	<u>(1,159,391)</u>	<u>-</u>
Other Financing Sources (Uses)	<u>(1,159,391)</u>	<u>(1,159,391)</u>	<u>(1,159,391)</u>	<u>-</u>
Net Change in Fund Balance	(884,810)	(884,810)	(664,448)	220,362
Fund Balance, Beginning of Year	<u>1,936,250</u>	<u>2,059,616</u>	<u>2,126,082</u>	<u>66,466</u>
Fund Balance, End of Year	<u>\$ 1,051,440</u>	<u>\$ 1,174,806</u>	<u>\$ 1,461,634</u>	<u>\$ 286,828</u>

See Accompanying Independent Auditor's Report.

Town of Silverthorne
Development Excise Tax Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Taxes	\$ 350,000	\$ 350,000	\$ 897,921	\$ 547,921
Interest	11,999	11,999	(1,482)	(13,481)
Total Revenues	<u>361,999</u>	<u>361,999</u>	<u>896,439</u>	<u>534,440</u>
Expenditures				
Public Works	218,999	258,999	250,607	8,392
Total Expenditures	<u>218,999</u>	<u>258,999</u>	<u>250,607</u>	<u>8,392</u>
Excess Revenue Over (Under) Expenditures	<u>143,000</u>	<u>103,000</u>	<u>645,832</u>	<u>542,832</u>
Other Financing Sources (Uses)				
Transfers Out	(1,220,000)	-	-	-
Other Financing Sources (Uses)	<u>(1,220,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(1,077,000)	103,000	645,832	542,832
Fund Balance, Beginning of Year	<u>2,589,086</u>	<u>3,008,662</u>	<u>3,332,685</u>	<u>324,023</u>
Fund Balance, End of Year	<u>\$ 1,512,086</u>	<u>\$ 3,111,662</u>	<u>\$ 3,978,517</u>	<u>\$ 866,855</u>

See Accompanying Independent Auditor's Report.

Town of Silverthorne
Nicotine Tax Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Original & Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Intragovernmental	\$ 600,000	\$ 919,430	\$ 319,430
Interest	<u>-</u>	<u>(263)</u>	<u>(263)</u>
Total Revenues	<u>600,000</u>	<u>919,167</u>	<u>319,167</u>
Expenditures			
General Government	<u>750,000</u>	<u>620,572</u>	<u>(129,428)</u>
Total Expenditures	<u>750,000</u>	<u>620,572</u>	<u>(129,428)</u>
Excess Revenue Over (Under)			
Expenditures	<u>(150,000)</u>	<u>298,595</u>	<u>448,595</u>
Other Financing Sources (Uses)			
Transfers In	<u>772,587</u>	<u>772,587</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>772,587</u>	<u>772,587</u>	<u>-</u>
Net Change in Fund Balance	622,587	1,071,182	448,595
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 622,587</u>	<u>\$ 1,071,182</u>	<u>\$ 448,595</u>

See Accompanying Independent Auditor's Report.

Enterprise Funds

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

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

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

Stormwater Fund - This fund is used to account for the provision of stormwater service for the Town.

Town of Silverthorne
Water Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
User Fees	\$ 1,339,000	\$ 1,339,000	\$ 1,491,725	\$ 152,725
Charges for Services	112,491	112,491	20,330	(92,161)
Tap Fees	800,000	800,000	1,966,417	1,166,417
Interest	<u>9,692</u>	<u>9,692</u>	<u>(1,940)</u>	<u>(11,632)</u>
Total Revenues	<u>2,261,183</u>	<u>2,261,183</u>	<u>3,476,532</u>	<u>1,215,349</u>
Expenditures				
Operations	1,291,130	1,291,130	1,333,600	(42,470)
Maintenance	320,505	395,506	180,743	214,763
Contractual Services	37,820	83,820	101,834	(18,014)
Capital Outlay	<u>738,500</u>	<u>844,500</u>	<u>229,571</u>	<u>614,929</u>
Total Expenses	<u>2,387,955</u>	<u>2,614,956</u>	<u>1,845,748</u>	<u>769,208</u>
Change in Net Position, Budgetary Basis	<u>\$ (126,772)</u>	<u>\$ (353,773)</u>	1,630,784	<u>\$ 1,984,557</u>
Adjustments to GAAP Basis				
Capital Outlay			229,571	
Depreciation Expense			(970,854)	
Contributed Capital from Developers			<u>851,698</u>	
Change in Net Position, GAAP Basis			<u>\$ 1,741,199</u>	

See Accompanying Independent Auditor's Report.

Town of Silverthorne
Sewer Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
User Fees	\$ 1,677,143	\$ 1,677,143	\$ 1,828,295	\$ 151,152
Charges for Services	1,000	1,000	-	(1,000)
Tap Fees	650,000	650,000	1,654,290	1,004,290
Interest	40,000	40,000	(2,208)	(42,208)
	<u>2,368,143</u>	<u>2,368,143</u>	<u>3,480,377</u>	<u>1,112,234</u>
Expenditures				
Operations	573,750	573,750	584,914	(11,164)
Maintenance	65,000	65,000	2,976	62,024
Contractual Services	1,023,864	1,023,864	1,185,194	(161,330)
Capital Outlay	25,000	25,000	93,476	(68,476)
	<u>1,687,614</u>	<u>1,687,614</u>	<u>1,866,560</u>	<u>(178,946)</u>
Change in Net Position, Budgetary Basis	<u>\$ 680,529</u>	<u>\$ 680,529</u>	1,613,817	<u>\$ 933,288</u>
Adjustments to GAAP Basis				
Capital Outlay			93,476	
Depreciation Expense			(585,353)	
Contributed Capital from Developers			381,353	
Equity Gain in Joint Sewer Authority Investment			<u>60,036</u>	
Change in Net Position, GAAP Basis			<u>\$ 1,563,329</u>	

See Accompanying Independent Auditor's Report.

Town of Silverthorne
Stormwater Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
User Fees	\$ 122,676	\$ 122,676	\$ 120,113	\$ (2,563)
Charges for Services	50,004	50,004	46,612	(3,392)
Interest	11,004	11,044	(699)	(11,743)
	<u>183,684</u>	<u>183,724</u>	<u>166,026</u>	<u>(17,698)</u>
Expenditures				
Operations	24,996	24,996	50,000	(25,004)
Maintenance	30,000	5,004	0	5,004
Contractual Services	24,996	24,996	23,278	1,718
Capital Outlay	99,996	99,996	57,156	42,840
	<u>179,988</u>	<u>154,992</u>	<u>130,434</u>	<u>24,558</u>
Excess Revenues Over (Under)				
Expenditures	<u>3,696</u>	<u>28,732</u>	<u>35,592</u>	<u>6,860</u>
Other Financing Sources (Uses)				
Transfers In	<u>1,159,391</u>	<u>1,159,391</u>	<u>1,159,391</u>	<u>-</u>
	<u>1,159,391</u>	<u>1,159,391</u>	<u>1,159,391</u>	<u>-</u>
Change in Net Position, Budgetary Basis				
	<u>\$ 1,163,087</u>	<u>\$ 1,188,123</u>	1,194,983	<u>\$ 6,860</u>
Adjustments to GAAP Basis				
Capital Outlay			57,156	
Depreciation Expense			(8,625)	
Contributed Capital from Developers			<u>267,449</u>	
Change in Net Position, GAAP Basis				
			<u>\$ 1,510,963</u>	

See Accompanying Independent Auditor's Report.

Internal Service Funds

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

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

Town of Silverthorne
Health & Short-term Disability Claims Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Charges for Services	\$ 1,511,908	\$ 1,511,908	\$ 1,140,774	\$ (371,134)
Interest	1,004	1,004	(102)	(1,106)
Miscellaneous	-	-	32,101	32,101
	<u>1,512,912</u>	<u>1,512,912</u>	<u>1,172,773</u>	<u>(340,139)</u>
Expenditures				
Claims & Wellness Program	1,201,258	1,201,258	1,222,845	(21,587)
Miscellaneous	500	500	636	(136)
	<u>1,201,758</u>	<u>1,201,758</u>	<u>1,223,481</u>	<u>(21,723)</u>
Change in Net Position	311,154	311,154	(50,708)	(361,862)
Net Position, Beginning of Year	<u>212,610</u>	<u>449,906</u>	<u>128,575</u>	<u>(321,331)</u>
Net Position, End of Year	<u>\$ 523,764</u>	<u>\$ 761,060</u>	<u>\$ 77,867</u>	<u>\$ (683,193)</u>

See Accompanying Independent Auditor's Report.

STATISTICAL SECTION

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	89-96
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	97-102
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.	15-17	103-105
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.	18-19	106-107
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.	20-22	108-110

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

Source	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net Investment in Capital Assets	\$ 43,533,197	\$ 46,177,806	\$ 45,104,372	\$ 45,798,581	\$ 45,863,329	\$ 52,216,856	\$ 57,761,700	\$ 64,539,566	\$ 63,780,728	\$ 62,432,402
Restricted for: (1)										
Emergency	266,008	421,023	434,517	467,218	510,785	632,415	655,261	715,107	723,387	875,418
Trail Easements	-	386,461	-	-	-	-	-	-	-	-
Blue River Improvements	68,314	68,323	268,379	268,853	270,361	272,850	1,208,970	1,213,372	1,225,315	-
Parks, Trails & Open Space	81,448	61,325	23,620	90,929	309,921	491,730	809,585	657,343	975,226	1,701,206
Marketing	44,331	42,994	48,997	84,934	91,193	85,477	85,966	98,256	106,134	-
Affordable Housing	-	-	34,441	529,059	1,087,223	2,356,814	1,715,468	1,535,848	2,773,618	3,525,988
Capital Improvements	3,148,262	2,070,935	2,446,972	2,188,396	4,278,404	6,968,302	4,810,003	5,845,593	6,808,339	9,334,164
Unrestricted	5,919,695	6,727,071	9,471,179	10,662,103	10,329,479	11,253,117	11,662,617	13,382,248	15,526,236	20,996,524
Subtotal Governmental Activities	53,061,255	55,955,938	57,832,477	60,090,073	62,740,695	74,277,561	78,709,570	87,987,333	91,918,983	98,865,702
Net Position	53,061,255	55,955,938	57,832,477	60,090,073	62,740,695	74,277,561	78,709,570	87,987,333	91,918,983	98,865,702
Business-type Activities										
Net Investment in Capital Assets (2)	20,831,886	22,425,901	22,920,439	22,303,504	21,442,855	26,395,123	32,527,905	32,759,242	32,394,541	32,710,417
Unrestricted	12,082,221	13,122,888	13,099,229	14,492,431	16,421,066	15,140,798	16,022,236	18,592,644	21,240,787	25,734,926
Subtotal Business-type Activities	32,914,107	35,548,789	36,019,668	36,795,935	37,863,921	41,535,921	48,550,141	51,351,886	53,635,328	58,445,343
Primary Government										
Net Investment in Capital Assets	64,365,083	68,603,707	68,024,811	68,102,085	67,306,184	78,611,979	90,289,605	97,298,808	96,175,269	95,825,755
Restricted for: (1)										
Emergency	266,008	421,023	434,517	467,218	510,785	632,415	655,261	715,107	723,387	875,418
Trail Easements	-	386,461	-	-	-	-	-	-	-	-
Blue River Improvements	68,314	68,323	268,379	268,853	270,361	272,850	1,208,970	1,213,372	1,225,315	-
Parks, Trails & Open Space	81,448	61,325	23,620	90,929	309,921	491,730	809,585	657,343	975,226	1,701,206
Marketing	44,331	42,994	48,997	84,934	91,193	85,477	85,966	98,256	106,134	-
Affordable Housing	-	-	34,441	529,059	1,087,223	2,356,814	1,715,468	1,535,848	2,773,618	3,525,988
Health and Welfare	-	-	-	-	-	-	-	-	-	1,071,182
Capital Improvements	3,148,262	2,070,935	2,446,972	2,188,396	4,278,404	6,968,302	4,810,003	5,845,593	6,808,339	9,334,164
Unrestricted	18,001,916	19,849,959	22,570,408	25,154,534	26,750,545	26,393,915	27,684,853	31,974,892	36,767,023	44,977,332
Total Primary Government	\$ 85,975,362	\$ 91,504,727	\$ 93,852,145	\$ 96,886,008	\$ 100,604,616	\$ 115,813,482	\$ 127,259,711	\$ 139,339,219	\$ 145,554,311	\$ 157,311,045
Net Position	\$ 85,975,362	\$ 91,504,727	\$ 93,852,145	\$ 96,886,008	\$ 100,604,616	\$ 115,813,482	\$ 127,259,711	\$ 139,339,219	\$ 145,554,311	\$ 157,311,045

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

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

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

Source	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
General Government	\$ 1,872,746	\$ 2,241,236	\$ 1,935,134	\$ 2,312,724	\$ 2,747,399	\$ 2,642,943	\$ 2,559,056	\$ 2,518,771	\$ 3,544,926	\$ 3,844,075
Public Safety	1,837,454	1,890,569	1,928,658	1,888,198	2,031,902	2,211,154	2,289,344	2,826,860	2,751,141	3,040,721
Public Works	3,726,877	3,956,584	4,538,704	4,315,694	4,468,632	4,502,614	4,923,284	5,762,932	6,052,632	7,131,578
Community Development	746,989	844,004	917,763	925,638	1,057,165	1,015,199	1,057,047	1,325,116	1,410,894	1,489,036
Recreation & Culture	3,241,437	3,214,835	3,419,012	3,897,197	4,042,014	4,634,365	4,986,296	5,542,825	4,353,866	5,027,320
Urban Renewal	-	25,386	30,967	2,298	800	6,491	33,916	73,609	523,447	80,004
Housing	37,444	61,489	44,081	32,575	40,652	107,832	107,922	2,716,179	1,533,653	2,494,768
Interest on Long-Term Debt	-	-	-	3,167	46,876	105,834	71,526	70,633	55,930	51,263
Total Expenses	11,462,947	12,234,103	12,814,319	13,377,491	14,435,440	15,226,432	16,028,390	20,836,924	20,226,488	23,158,765
Program Revenues:										
Charges for Services										
General Government	334,442	354,339	431,398	587,756	632,652	1,108,707	845,017	1,205,961	1,970,022	2,026,090
Public Safety	133,987	175,426	156,672	167,225	129,639	139,285	116,819	133,083	114,631	232,612
Public Works	102,056	80,150	78,765	79,487	81,037	84,636	90,097	217,738	298,525	160,383
Community Development	151,940	408,477	345,634	438,838	681,801	597,868	677,882	1,139,050	1,091,951	1,468,091
Recreation & Culture	1,708,500	1,848,633	1,890,066	2,067,382	2,175,423	2,303,049	2,400,381	2,541,083	767,429	1,721,304
Housing	-	130,757	216,458	232,560	283,466	264,167	267,525	540,767	544,296	402,439
Operating Grants & Contributions	421,313	473,856	489,073	416,907	351,748	380,463	469,152	373,639	710,743	936,693
Capital Grants & Contributions	2,537,671	1,320,774	266,083	288,657	357,611	5,656,864	3,257,943	8,773,310	2,682,177	4,060,177
Total Program Revenues	5,389,909	4,792,412	3,874,149	4,278,812	4,693,376	10,535,039	8,124,816	14,924,630	8,179,773	11,007,789
Net (Expenses)/Revenues	(6,073,038)	(7,441,691)	(8,940,170)	(9,098,679)	(9,742,064)	(4,691,393)	(7,903,574)	(5,912,294)	(12,046,715)	(12,150,976)
General Revenues & Transfers:										
Taxes:										
Sales Taxes for General Purpose	5,717,520	6,319,207	6,649,243	7,164,905	7,539,125	7,924,041	8,200,398	8,901,510	9,175,918	11,073,775
Sales Taxes for Capital & Debt	2,443,476	2,664,399	2,779,772	3,008,841	3,184,953	3,260,874	3,448,369	3,784,635	3,787,538	4,478,079
Lodging Tax	126,856	141,420	160,594	187,720	266,832	287,181	320,265	363,982	348,100	561,887
Franchise Taxes	227,469	258,518	274,436	280,925	270,551	278,160	282,765	293,173	292,600	334,076
Development Excise Tax	129,080	409,336	231,332	350,438	663,574	501,663	599,174	824,054	692,536	897,921
Other Taxes	-	-	136,301	153,612	212,164	220,789	262,183	360,672	546,514	776,441
Grants & Contributions not Restricted	49,288	54,361	103,539	97,353	95,743	88,731	94,090	107,327	880,196	1,040,961
Investment Income	42,473	24,124	20,204	20,294	62,718	126,305	324,205	432,443	227,929	5,468
Gain on Sales of Capital Assets	22,339	18,281	199,799	42,625	62,287	1,134,409	55,273	41,915	(78,150)	114,000
Miscellaneous	204,454	37,353	261,489	49,562	34,739	156,106	998,861	80,346	105,184	98,842
Transfers	303,240	409,375	-	-	-	2,250,000	(2,250,000)	-	-	(283,755)
Total General Revenues & Transfers	9,266,195	10,336,374	10,816,709	11,356,275	12,392,686	16,228,259	12,335,583	15,190,057	15,978,365	19,097,695
Change in Net Position	\$ 3,193,157	\$ 2,894,683	\$ 1,876,539	\$ 2,257,596	\$ 2,650,622	\$ 11,536,866	\$ 4,432,009	\$ 9,277,763	\$ 3,931,650	\$ 6,946,719

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

Source	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Water	\$ 1,354,773	\$ 1,307,263	\$ 1,611,244	\$ 1,763,394	\$ 1,896,289	\$ 1,981,577	\$ 2,025,905	\$ 2,307,721	\$ 2,478,665	\$ 2,589,769
Sewer	1,247,906	1,236,203	1,366,990	1,307,929	1,490,060	1,646,160	1,864,471	2,050,302	2,169,767	2,361,175
Stormwater Management	-	-	-	-	-	-	-	-	-	81,903
Total Expenses	2,602,679	2,543,466	2,978,234	3,071,323	3,386,349	3,627,737	3,890,376	4,358,023	4,648,432	5,032,847
Program Revenues:										
Charges for Services										
Water	947,202	909,877	950,644	1,038,816	1,166,615	1,150,367	1,356,463	1,292,809	1,403,395	1,507,055
Sewer	1,149,668	1,167,496	1,224,868	1,269,538	1,329,075	1,384,367	1,905,113	1,580,867	1,737,632	1,828,295
Stormwater Management	-	-	-	-	-	-	-	-	-	120,113
Capital Grants & Contributions	517,458	3,356,775	951,489	1,019,012	1,811,304	6,826,900	5,159,389	3,938,270	3,612,418	5,167,819
Total Program Revenues	2,614,328	5,434,148	3,127,001	3,327,366	4,306,994	9,361,634	8,420,965	6,811,946	6,753,445	8,623,282
Net (Expenses)/Revenues	11,649	2,890,682	148,767	256,043	920,645	5,733,897	4,530,589	2,453,923	2,105,013	3,590,435
General Revenues & Transfers:										
Investment Income	23,217	14,310	12,289	10,145	27,820	44,685	89,483	152,780	83,004	(4,847)
Gain on Sale of Capital Assets	-	15,042	9,108	8,000	-	-	-	20,200	-	-
Miscellaneous	34,367	124,023	300,715	502,079	119,521	143,418	144,148	174,842	95,425	65,036
Transfers	(303,240)	(409,375)	-	-	-	(2,250,000)	2,250,000	-	-	1,159,391
Total General Revenues & Transfers	(245,656)	(256,000)	322,112	520,224	147,341	(2,061,897)	2,483,631	347,822	178,429	1,219,580
Change in Net Position	\$ (234,007)	\$ 2,634,682	\$ 470,879	\$ 776,267	\$ 1,067,986	\$ 3,672,000	\$ 7,014,220	\$ 2,801,745	\$ 2,283,442	\$ 4,810,015

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

Source	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Operating Revenues:										
Users Fees	\$2,088,388	\$2,068,686	\$2,157,860	\$2,295,516	\$2,429,279	\$2,517,008	\$2,817,807	\$2,866,901	\$3,060,365	\$3,440,133
Charges for Services	8,482	8,687	17,652	12,838	66,411	17,726	6,489	6,775	32,977	15,330
Miscellaneous	-	-	-	-	-	-	-	-	-	5,000
Total Operating Revenues	2,096,870	2,077,373	2,175,512	2,308,354	2,495,690	2,534,734	\$2,824,296	\$2,873,676	\$3,093,342	\$3,460,463
Operating Expenses:										
Operations	530,359	562,240	944,393	1,015,303	1,211,639	1,197,677	1,379,576	1,611,832	1,763,709	1,968,514
Maintenance	359,048	236,744	341,765	424,514	344,196	415,884	261,793	238,040	268,529	183,719
Contractual Services	882,193	866,492	754,592	676,369	511,766	556,334	540,151	620,889	688,404	896,493
Depreciation and Amortization	817,881	875,017	939,766	962,926	980,658	1,106,436	1,359,972	1,499,549	1,522,845	1,564,832
Total Operating Expenses	2,589,481	2,540,493	2,980,516	3,079,112	3,048,259	3,276,331	3,541,492	3,970,310	4,243,487	4,613,558
Operating Income (Loss)	(492,611)	(463,120)	(805,004)	(770,758)	(552,569)	(741,597)	(717,196)	(1,096,634)	(1,150,145)	(1,153,095)
Non-Operating Revenues/(Expenses):										
Interest Revenue	23,217	14,310	12,289	10,145	27,820	44,685	89,483	152,780	83,004	(4,847)
Gain/(Loss) on Disposal of Capital Assets	(7,917)	15,042	9,108	8,000	-	-	-	20,200	-	-
Opportunity Fees	-	-	-	-	-	-	437,280	-	47,685	-
Equity Income in Joint Sewer Authority Investment	34,367	124,023	300,715	502,079	119,521	143,418	144,148	174,842	95,425	60,036
AMP Fees to JSA (1)	-	-	-	-	(333,711)	(348,218)	(363,355)	(379,123)	(396,153)	(413,813)
Total Non-Operating Revenues/(Expenses)	49,667	153,375	322,112	520,224	(186,370)	(160,115)	307,556	(31,301)	(170,039)	(358,624)
Income (Loss) Before Transfers & Capital Contributions	(442,944)	(309,745)	(482,892)	(250,534)	(738,939)	(901,712)	(409,640)	(1,127,935)	(1,320,184)	(1,511,719)
Transfer out to General Fund	(303,240)	(409,375)	-	-	-	-	-	-	-	-
Transfer out to Capital Improvement Fund	-	-	-	-	-	(2,250,000)	-	-	-	-
Transfers in from Lodging Tax Fund	-	-	-	-	-	-	-	-	-	1,159,391
Transfers in from Capital Improvement Fund	-	-	-	-	-	-	2,250,000	-	-	-
Tap Fees & Capital Contributions	517,458	3,356,775	951,489	1,019,012	-	6,826,900	5,159,389	3,938,270	3,612,418	5,167,819
Change in Net Position	(228,726)	\$2,637,655	\$468,597	\$768,478	(738,939)	3,675,188	6,999,749	2,810,335	2,292,234	4,815,491

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

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

Source	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses:										
Governmental Activities	\$ 11,462,947	\$ 12,234,103	\$ 12,814,319	\$ 13,377,491	\$ 14,435,440	\$ 15,226,432	\$ 16,028,390	\$ 20,836,925	\$ 20,226,489	\$ 22,283,129
Business-type Activities	2,602,679	2,543,466	2,978,234	3,071,323	3,386,349	3,627,737	3,890,376	4,358,023	4,648,432	5,032,847
Total Expenses	14,065,626	14,777,569	15,792,553	16,448,814	17,821,789	18,854,169	19,918,766	25,194,948	24,874,921	27,315,976
Program Revenues:										
Governmental Activities	5,389,909	4,792,412	3,874,149	4,278,812	4,693,376	10,535,039	8,124,816	14,924,631	8,179,774	11,007,789
Business-type Activities	2,614,328	5,434,148	3,127,001	3,327,366	4,306,994	9,361,634	8,420,965	6,811,946	6,753,445	8,623,282
Total Program Revenues	8,004,237	10,226,560	7,001,150	7,606,178	9,000,370	19,896,673	16,545,781	21,736,577	14,933,219	19,631,071
Net (Expense)/Revenue	(6,061,389)	(4,551,009)	(8,791,403)	(8,842,636)	(8,821,419)	1,042,504	(3,372,985)	(3,458,371)	(9,941,702)	(7,684,905)
General Revenues & Transfers:										
Governmental Activities	9,266,195	10,336,374	10,816,709	11,356,275	12,392,686	16,228,259	12,335,583	15,190,057	15,978,365	19,097,695
Business-type Activities	(245,656)	(256,000)	322,112	520,224	147,341	(2,061,897)	2,483,631	347,822	178,429	343,944
Total General Revenues & Transfers	9,020,539	10,080,374	11,138,821	11,876,499	12,540,027	14,166,362	14,819,214	15,537,879	16,156,794	19,441,639
Change in Net Position	\$ 2,959,150	\$ 5,529,365	\$ 2,347,418	\$ 3,033,863	\$ 3,718,608	\$ 15,208,866	\$ 11,446,229	\$ 12,079,508	\$ 6,215,092	\$ 11,756,734

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

Source	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable:										
Inventory & Prepays	\$ 23,823	\$ 27,880	\$ 119,697	\$ 17,744	\$ 26,860	\$ 29,580	\$ 47,811	\$ 45,793	\$ 40,259	\$ 268,677
Restricted For: (1)										
Emergency	266,008	421,023	434,517	467,218	510,785	632,415	655,261	715,107	723,387	875,418
Unassigned	6,157,776	6,741,760	9,236,295	10,874,244	10,624,320	11,383,592	11,714,304	13,628,435	16,036,220	19,584,821
Subtotal General Fund	6,447,607	7,190,663	9,790,509	11,359,206	11,161,965	12,045,587	12,417,376	14,389,335	16,799,866	20,728,916
General Fund Percentage Change	4.9%	11.5%	36.2%	16.0%	-1.7%	7.9%	3.1%	15.9%	16.8%	23.4%
All Other Governmental Funds										
Nonspendable:										
Inventory, Prepays, Resale Land & Joint Inv.	\$ 4,618	\$ 3,148,429	\$ 3,877,791	\$ 3,891,234	\$ 3,891,538	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted, reported in: (1)										
Capital Improvement Fund	1,579,978	853,207	1,251,744	668,040	2,130,289	4,970,989	2,865,260	2,982,160	3,413,090	4,863,275
Conservation Trust Fund	39,103	-	-	38,607	84,702	28,568	74,241	129,758	180,593	239,572
Lodging Tax Fund	154,990	559,103	340,996	406,109	586,773	821,489	2,030,280	1,839,213	2,126,082	1,461,634
Excise Tax Fund	1,568,284	1,217,728	1,195,228	1,520,356	2,148,115	1,915,038	1,794,050	2,612,663	3,332,685	3,978,517
Nictotine Tax Fund	-	-	-	-	-	-	-	-	-	1,071,182
5A Housing Fund	(737,424)	(410,255)	34,441	529,059	1,087,223	2,356,814	1,715,468	1,535,848	2,773,618	3,525,988
Urban Renewal Authority	-	(3,187,665)	(3,947,994)	(3,917,592)	(3,862,877)	82,275	150,693	250,770	62,564	492,372
Subtotal All Other Governmental Funds	2,609,549	2,180,547	2,752,206	3,135,813	6,065,763	10,175,173	8,629,992	9,350,412	11,888,632	15,632,540
Total Governmental Funds										
Nonspendable	28,441	3,176,309	3,997,488	3,908,978	3,918,398	29,580	47,811	45,793	40,259	268,677
Restricted	3,608,363	3,051,061	3,256,926	3,629,389	6,547,887	10,725,313	9,285,253	10,065,519	12,612,019	16,507,958
Unassigned	6,157,776	3,554,095	5,288,301	6,956,652	6,761,443	11,465,867	11,714,304	13,628,435	16,036,220	19,584,821
Total Governmental Funds	\$ 9,794,580	\$ 9,781,465	\$ 12,542,715	\$ 14,495,019	\$ 17,227,728	\$ 22,220,760	\$ 21,047,368	\$ 23,739,747	\$ 28,688,498	\$ 36,361,456
All Governmental Funds Percentage Change	15.6%	-0.1%	28.2%	15.6%	18.9%	29.0%	-5.3%	12.8%	20.8%	26.7%

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

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

Source	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total Revenues	\$ 12,168,761	\$ 14,034,091	\$ 14,483,903	\$ 15,573,926	\$ 17,026,165	\$ 21,080,501	\$ 21,842,020	\$ 23,836,899	\$ 24,112,895	\$ 29,180,614
Total Expenditures	11,087,961	14,229,117	12,980,312	13,708,038	19,308,290	20,260,786	21,797,046	21,346,307	19,229,991	20,462,265
Excess (Deficiency of Revenues Over (Under) Expenditures	1,080,800	(195,026)	1,503,591	1,865,888	(2,282,125)	819,715	44,974	2,490,592	4,882,904	8,718,349
Other Financing Sources (Uses)										
Capital Lease	-	-	180,000	-	4,917,416	-	-	-	-	-
Sale of Capital Assets	200,282	99,705	1,220,301	86,416	97,418	1,923,317	99,520	127,989	65,847	114,000
Colorado River Compact Agreement Distrib.	-	-	-	-	-	-	932,114	73,798	-	-
Loan Repayment	-	-	267,613	-	-	-	-	-	-	-
Transfers In	303,240	1,934,375	450,000	360,000	1,500,000	4,669,710	1,650,000	521,512	-	772,587
Transfers Out	-	(1,525,000)	(450,000)	(360,000)	(1,500,000)	(2,419,710)	(3,900,000)	(521,512)	-	(1,931,978)
Total Other (Uses) Financing Sources	503,522	509,080	1,667,914	86,416	5,014,834	4,173,317	(1,218,366)	201,787	65,847	(1,045,391)
Net Change in Fund Balances	\$ 1,584,322	\$ 314,054	\$ 3,171,505	\$ 1,952,304	\$ 2,732,709	\$ 4,993,032	\$ (1,173,392)	\$ 2,692,379	\$ 4,948,751	\$ 7,672,958

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

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Current:										
General Government	\$ 1,775,620	\$ 2,113,352	\$ 1,786,908	\$ 2,006,008	\$ 2,561,322	\$ 2,528,484	\$ 2,432,557	\$ 2,360,631	\$ 3,320,903	\$ 3,212,497
Public Safety	1,726,112	1,777,197	1,827,667	1,718,693	1,945,172	2,095,430	2,265,578	2,684,785	2,609,445	2,411,056
Public Works	2,126,862	2,120,051	2,086,824	2,061,593	2,339,892	2,486,495	2,703,731	2,954,123	2,859,851	3,564,190
Community Development	676,672	750,395	844,267	758,949	953,271	925,400	969,397	1,196,819	1,251,578	1,398,342
Recreation and Culture	2,577,156	2,666,719	2,781,363	2,973,466	3,116,542	3,658,772	3,958,584	4,271,088	3,294,173	4,021,616
Urban Renewal	-	39,236	30,967	2,298	800	6,491	33,916	73,609	523,447	80,004
5A Housing	37,444	61,489	44,081	32,575	40,652	107,832	68,995	2,716,179	1,404,640	2,494,768
Total Current Expenditures	8,919,866	9,528,439	9,402,077	9,553,582	10,957,650	11,808,904	12,432,758	16,257,234	15,264,037	17,182,473
% Change from Prior Year	2.9%	6.8%	-1.3%	1.6%	14.7%	7.8%	5.3%	30.8%	-6.1%	12.6%
Capital Outlay (1)	2,152,216	4,700,678	3,578,235	4,134,661	8,217,572	7,804,662	8,244,050	3,986,803	2,858,475	2,129,408
% Change from Prior Year	-36.3%	118.4%	-23.9%	15.6%	98.7%	-5.0%	5.6%	-51.6%	-15.6%	-18.6%
Debt Service										
Principal	15,564	-	-	16,628	74,148	526,366	539,210	547,129	540,347	488,614
Interest and Fiscal Charges	315	-	-	3,167	58,920	120,854	84,892	73,908	62,702	52,272
Total Debt Service	15,879	-	-	19,795	133,068	647,220	624,102	621,037	603,049	540,886
% Change from Prior Year	-82.6%	-100.0%	0.0%	100.0%	572.2%	386.4%	-3.6%	-0.5%	-2.9%	-10.3%
Total Expenditures	\$ 11,087,961	\$ 14,229,117	\$ 12,980,312	\$ 13,708,038	\$ 19,308,290	\$ 20,260,786	\$ 21,300,910	\$ 20,865,074	\$ 18,725,561	\$ 19,852,767
% Change from Prior Year	-8.7%	28.3%	-8.8%	5.6%	40.9%	4.9%	5.1%	-2.0%	-7.8%	11.0%
Debt Service as a Percentage of Noncapital Expenditures (2)	0.2%	0.0%	0.0%	0.2%	1.2%	5.2%	4.8%	3.7%	3.7%	2.7%

(1) Since 2018, Capital Outlay is from the Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.

(2) Debt service amount includes financial charges.

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

Revenue Source	2012	2013	2014	2015	2016	2017 (2)	2018	2019	2020	2021
Taxes	\$ 8,782,052	\$ 9,792,880	\$ 10,231,678	\$ 11,146,441	\$ 12,137,199	\$ 12,472,708	\$ 13,113,153	\$ 14,528,026	\$ 14,843,206	\$ 20,996,955
Intergovernmental	487,782	646,936	711,647	737,858	765,326	2,421,908	2,571,054	2,741,421	3,575,397	1,420,710
Licenses, Permits & Fees	291,456	618,974	658,735	769,227	1,047,002	944,186	1,044,648	1,831,504	1,785,753	2,070,913
Charges for Services	2,114,406	2,254,078	2,356,781	2,690,962	2,865,641	3,472,955	3,255,539	3,630,137	2,387,802	3,481,872
Fines and Forfeitures	83,922	124,730	102,943	110,966	71,374	81,354	61,074	67,820	44,678	60,761
Interest	42,473	24,124	20,204	20,294	60,536	123,468	323,084	423,368	226,150	5,570
Grants/Donations	158,315	519,648	147,047	65,059	37,557	1,402,344	1,383,785	286,050	159,479	32,062
Miscellaneous	208,355	52,721	254,868	33,119	41,530	161,578	89,683	328,573	1,090,430	1,111,771
Total Revenues	\$ 12,168,761	\$ 14,034,091	\$ 14,483,903	\$ 15,573,926	\$ 17,026,165	\$ 21,080,501	\$ 21,842,020	\$ 23,836,899	\$ 24,112,895	\$ 29,180,614
% change from prior year	-0.1%	15.3%	3.2%	7.5%	9.3%	23.8%	3.6%	9.1%	1.2%	21.0%

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

(2) Intergovernmental revenue increased as a result of a ballot measure to increase County sales tax by 0.6% for Workforce housing which is shared with Silverthorne for projects in Town.

Taxes	72.2%	69.8%	70.6%	71.6%	71.3%	59.2%	60.0%	60.9%	61.6%	72.0%
Intergovernmental	4.0%	4.6%	4.9%	4.7%	4.5%	11.5%	11.8%	11.5%	14.8%	4.9%
Licenses, Permits & Fees	2.4%	4.4%	4.5%	4.9%	6.1%	4.5%	4.8%	7.7%	7.4%	7.1%
Charges for Services	17.4%	16.1%	16.3%	17.3%	16.8%	16.5%	14.9%	15.2%	9.9%	11.9%
Fines	0.7%	0.9%	0.7%	0.7%	0.4%	0.4%	0.3%	0.3%	0.2%	0.2%
Interest	0.3%	0.2%	0.1%	0.1%	0.4%	0.6%	1.5%	1.8%	0.9%	0.0%
Grants	1.3%	3.7%	1.0%	0.4%	0.2%	6.7%	6.3%	1.2%	0.7%	0.1%
Miscellaneous	1.7%	0.4%	1.8%	0.2%	0.2%	0.8%	0.4%	1.4%	4.5%	3.8%
Total Revenues	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

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

Source	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Taxes	\$ 8,782,052	\$ 9,792,880	\$ 10,231,678	\$ 11,146,441	\$ 12,137,199	\$ 12,472,708	\$ 13,113,153	\$ 14,528,026	\$ 14,843,206	\$ 20,996,955
Intergovernmental	487,782	646,936	711,647	737,858	765,326	2,421,908	2,571,054	2,741,421	3,575,397	1,420,710
Licenses, Permits & Fees	291,456	618,974	658,735	769,227	1,047,002	944,186	1,044,648	1,831,504	1,785,753	2,070,710
Charges for Services	2,114,406	2,254,078	2,356,781	2,690,962	2,865,641	3,472,955	3,255,539	3,630,137	2,387,802	3,481,872
Fines & Forfeitures	83,922	124,730	102,943	110,966	71,374	81,354	61,074	67,820	44,678	60,761
Interest	42,473	24,124	20,204	20,294	60,536	123,468	323,084	423,368	226,150	5,570
Grants/Donations	158,315	519,648	147,047	65,059	37,557	1,402,344	1,383,785	286,050	159,479	32,062
Miscellaneous	208,355	52,721	254,868	33,119	41,530	161,578	89,683	328,573	1,090,430	1,111,771
Total Revenues	\$ 12,168,761	\$ 14,034,091	\$ 14,483,903	\$ 15,573,926	\$ 17,026,165	\$ 21,080,501	\$ 21,842,020	\$ 23,836,899	\$ 24,112,895	\$ 29,180,411
Expenditures:										
General Government	1,775,620	2,113,352	1,786,908	2,006,008	2,561,322	2,528,484	2,432,557	2,360,631	3,320,903	3,212,497
Public Safety	1,726,112	1,777,197	1,827,667	1,718,693	1,945,172	2,095,430	2,265,578	2,684,785	2,609,445	2,411,056
Public Works	2,126,862	2,120,051	2,086,824	2,061,593	2,339,892	2,486,495	2,703,731	2,954,123	2,859,851	3,564,190
Community Development	676,672	750,395	844,267	758,949	953,271	925,400	969,397	1,196,819	1,251,578	1,398,342
Recreation & Culture	2,577,156	2,666,719	2,781,363	2,973,466	3,116,542	3,658,772	3,958,584	4,271,088	3,294,173	4,021,616
Urban Renewal	-	39,236	30,967	2,298	800	6,491	33,916	73,609	523,447	80,004
Housing	37,444	61,489	44,081	32,575	40,652	107,832	68,995	2,716,179	1,404,640	2,494,768
Capital Outlay	2,152,216	4,700,678	3,578,235	4,134,661	8,217,572	7,804,662	8,740,186	4,468,036	3,362,905	2,738,906
Debt Service:										
Principal	15,564	-	-	16,628	74,148	526,366	539,210	547,129	540,347	488,614
Interest & Fiscal Charges	315	-	-	3,167	58,920	120,854	84,892	73,908	62,702	52,272
Total Expenditures	11,087,961	14,229,117	12,980,312	13,708,038	19,308,290	20,260,786	21,797,046	21,346,307	19,229,991	20,462,265
Excess (Deficiency of Revenues Over (Under) Expenditures	1,080,800	(195,026)	1,503,591	1,865,888	(2,282,125)	819,715	44,974	2,490,592	4,882,904	8,718,146
Other Financing Sources (Uses)										
Capital Leases	-	-	180,000	-	4,917,416	-	-	-	-	-
Sales of Capital Assets	200,282	99,705	1,220,301	86,416	97,418	1,923,317	99,520	127,989	65,847	114,000
Colorado River Compact Agreement Distrib.	-	-	-	-	-	-	932,114	73,798	-	-
Loan Repayment	-	-	267,613	-	-	-	-	-	-	-
Transfer In	303,240	1,934,375	450,000	360,000	1,500,000	4,669,710	1,650,000	-	-	772,587
Transfer Out	-	(1,525,000)	(450,000)	(360,000)	(1,500,000)	(2,419,710)	(3,900,000)	-	-	(1,931,978)
Total Other Financing Sources (Uses)	503,522	509,080	1,667,914	86,416	5,014,834	4,173,317	(1,218,366)	201,787	65,847	(1,045,391)
Net Change in Fund Balances	\$ 1,584,322	\$ 314,054	\$ 3,171,505	\$ 1,952,304	\$ 2,732,709	\$ 4,993,032	\$ (1,173,392)	\$ 2,692,379	\$ 4,948,751	\$ 7,672,755

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

Revenue Source	2012	2013	2014	2015	2016	2017 (2)	2018	2019	2020	2021
Sales Tax	\$ 8,160,996	\$ 8,983,606	\$ 9,429,015	\$ 10,173,746	\$ 10,724,078	\$ 11,184,915	\$ 11,812,861	\$ 12,686,145	\$ 12,963,456	\$ 15,551,854
5A Housing Tax	243,209	257,693	272,148	294,155	311,720	1,971,514	2,056,408	2,216,366	2,344,228	2,874,776
Lodging Tax	126,856	141,420	160,594	187,720	266,832	287,181	320,265	363,981	348,099	561,887
Dev. Excise Tax	129,080	409,336	231,332	350,438	663,574	501,663	599,174	824,054	692,536	897,921
Other Taxes	-	-	136,301	153,612	212,164	220,789	98,089	166,520	103,004	270,379
Franchise Tax	227,469	258,518	274,436	280,925	270,551	278,160	282,765	293,173	292,600	334,076
Cigarette Tax	35,963	35,661	77,259	81,379	84,647	78,515	83,043	89,307	875,150	115,189
Road & Bridge Tax	62,672	63,487	62,235	62,240	66,562	68,064	76,405	79,201	91,737	93,401
Miscellaneous Tax	39,015	46,420	54,313	44,582	40,338	39,494	38,130	45,245	38,493	30,637
Total Revenues	<u>\$ 9,025,260</u>	<u>\$ 10,196,141</u>	<u>\$ 10,697,633</u>	<u>\$ 11,628,797</u>	<u>\$ 12,640,466</u>	<u>\$ 14,630,295</u>	<u>\$ 15,367,140</u>	<u>\$ 16,763,992</u>	<u>\$ 17,749,303</u>	<u>\$ 20,730,120</u>
% change from prior year	<u>5.0%</u>	<u>13.0%</u>	<u>4.9%</u>	<u>8.7%</u>	<u>8.7%</u>	<u>15.7%</u>	<u>5.0%</u>	<u>9.1%</u>	<u>5.9%</u>	<u>16.8%</u>

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

(2) 5A Housing tax increased as a result of a ballot measure to increase sales tax by 0.6% for the purpose of constructing Workforce housing.

Source: Town of Silverthorne Sales Tax Reports

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Summit County Government:										
General Fund	5.260	5.158	4.939	4.833	5.630	5.622	5.703	5.310	5.458	5.374
Road & Bridge Fund	0.814	0.814	0.814	0.814	0.814	0.814	0.814	0.814	0.814	0.814
Social Services Fund	0.203	0.130	0.256	0.231	0.229	0.257	0.254	0.156	0.155	0.143
Library Fund	0.665	0.768	0.865	0.895	0.889	0.830	0.767	0.645	0.598	0.653
Capital Expenditures	1.899	1.920	1.913	2.000	1.424	1.424	1.424	1.808	2.034	2.057
Legacy Fund	0.421	0.437	0.433	0.346	0.912	0.851	0.841	0.707	0.704	0.649
2010 Fund (2)	3.062	3.062	3.062	3.062	2.297	2.297	2.297	2.297	2.297	2.297
Early Childhood Care & Learning	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Safety First Fund (3)	0.000	0.000	2.391	2.391	2.391	2.391	2.391	2.391	2.391	2.391
Strong Future - 2018 1A (4)	0.000	0.000	0.000	0.000	0.000	0.000	4.652	4.652	4.652	4.652
Total	12.824	12.789	15.173	15.072	15.086	14.986	19.643	19.280	19.603	19.530
Summit School District RE-1:										
General Fund	14.677	14.708	14.670	14.273	14.278	13.993	13.971	13.867	12.970	10.666
Tax Credit	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-2.304	0.000
Override	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3.169	3.056
Abatement	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.134	0.000
Bond Redemption Fund	4.331	4.421	4.350	4.350	4.921	4.611	4.550	3.832	3.823	3.753
Special Building & Technology Fund	0.000	0.000	0.000	0.000	1.000	1.000	1.000	1.000	1.000	1.000
Kindergarten Fund	0.472	0.573	0.548	0.485	0.445	0.473	0.429	0.000	0.000	0.000
Transportation Fund	0.551	0.573	0.567	0.510	0.507	0.448	0.467	0.393	0.391	0.360
Total	20.031	20.275	20.135	19.618	21.151	20.525	20.417	19.092	19.183	18.835
College:										
Colorado Mountain College	3.997	3.997	3.997	3.997	3.997	3.997	3.997	4.013	4.013	4.013
Special Districts:										
Colorado River Water Conservation District	0.242	0.254	0.253	0.243	0.253	0.254	0.256	0.235	0.502	0.501
Eagles Nest Metropolitan District (5)	15.157	15.007	15.023	15.000	15.020	15.052	3.757	0.000	0.000	0.000
Lake Dillon Fire Protection District/Summit Fire and EMS (9)	9.021	9.014	9.016	9.026	9.023	9.003	9.007	9.055	9.094	13.099
South Maryland Creek Metropolitan District (6)	0.000	0.000	0.000	0.000	17.000	63.016	63.016	63.456	63.456	63.456
Fourth Street Crossing Metro District (7)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	66.000
Fourth Street Crossing Business District (8)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	16.000
Middle Park Water Conservancy District	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
	0.056	0.056	0.056	0.055	0.055	0.055	0.055	0.048	0.048	0.046
Total	24.476	24.331	24.348	24.324	41.351	87.380	76.091	72.794	73.100	159.102
Total Mill Levies	61.328	61.392	63.653	63.011	81.585	126.888	120.148	115.179	115.899	201.480

(1) The Town does not have a property tax.
 (2) Combined into "2010 Fund" in 2009, includes Workforce Housing, Wildfire Mitigation and Energy Efficiency in Public Buildings.
 (3) Ambulance, Communications Center, Water Protection
 (4) Mental Health, Early Childhood, Recycling, Wildfire, Public Facilities
 (5) Applies only to properties in the Eagles Nest subdivision. Metro District dissolved in 2019.
 (6) Applies only to properties in the Summit Sky Ranch subdivision./South Maryland Creek Ranch District
 (7) Applies only to properties in the Fourth Street Crossing Metro District
 (8) Applies only to properties in the Fourth Street Crossing Business District
 (9) Lake Dillon Fire combined with Summit Fire and EMS in 2021
 Source: Summit County Assessor's Office

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

	2012	2013	2014	2015 (2)	2016	2017	2018	2019	2020	2021
Water Rates:										
Monthly	\$ 12.17	\$ 12.35	\$ 12.97	\$ 13.62	\$ 14.03	\$ 14.73	\$ 15.46	\$ 16.24	\$ 17.05	\$ 17.90
Per 1,000 Gallons	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35	1.35
Tap Fee	6,600	6,800	7,000	7,200	7,400	7,600	7,800	8,000	8,200	8,400
Sewer Rates:										
Monthly	\$ 30.10	\$ 30.10	\$ 30.70	\$ 32.32	\$ 31.94	\$ 32.58	\$ 33.23	\$ 34.89	\$ 35.94	\$ 37.02
Tap Fee	5,600	5,600	5,600	5,800	6,000	6,200	6,400	6,600	6,800	7,000
Stormwater Management Rates:										
Monthly	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3.33

(1) 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.

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

Source: Town of Silverthorne Water Department

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

Retail Category	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Auto	\$ 15,346,050	\$ 17,123,900	\$ 18,917,050	\$ 20,326,400	\$ 21,861,150	\$ 20,490,150	\$ 20,237,075	\$ 19,823,960	\$ 18,529,625	\$ 22,040,411
Building	22,187,050	39,211,700	43,404,225	53,153,800	60,703,850	62,939,600	68,974,825	84,976,056	95,396,100	103,133,173
Consumer	47,794,275	48,112,700	55,871,150	60,464,050	62,327,775	66,006,075	62,614,550	61,984,037	68,575,800	87,770,267
Online Retail	-	-	-	-	-	-	-	10,266,158	18,572,686	24,446,807
Outlet Stores	72,092,075	69,416,475	65,353,625	62,875,750	59,651,900	60,245,125	59,368,200	54,634,418	44,725,950	50,537,732
Food/Liquor	30,362,725	31,384,500	32,953,750	35,895,675	39,181,275	40,620,425	44,982,425	49,876,980	42,650,725	52,348,293
Lodging	6,335,825	6,944,400	7,960,825	9,235,800	13,263,950	15,749,250	18,139,500	20,000,132	17,270,325	28,825,899
Services	9,906,900	12,396,475	11,264,750	12,392,175	11,112,025	13,572,400	17,587,075	15,592,443	18,365,175	19,693,753
Total	\$204,024,900	\$224,590,150	\$235,725,375	\$254,343,650	\$268,101,925	\$279,623,025	\$ 291,903,650	\$ 317,154,182	\$ 324,086,386	\$ 388,796,334

Auto	7.52%	7.62%	8.03%	7.99%	8.15%	7.33%	6.93%	6.25%	5.72%	5.67%
Building	10.87%	17.46%	18.41%	20.90%	22.64%	22.51%	23.63%	26.79%	29.44%	26.53%
Consumer	23.43%	21.42%	23.70%	23.77%	23.25%	23.61%	21.45%	19.54%	21.16%	22.57%
Online Retail	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.24%	5.73%	6.29%
Outlet Stores	35.33%	30.91%	27.72%	24.72%	22.25%	21.55%	20.34%	17.23%	13.80%	13.00%
Food/Liquor	14.88%	13.97%	13.98%	14.11%	14.61%	14.53%	15.41%	15.73%	13.16%	13.46%
Lodging	3.11%	3.09%	3.38%	3.63%	4.95%	5.63%	6.21%	6.31%	5.33%	7.41%
Services	4.86%	5.52%	4.78%	4.87%	4.14%	4.85%	6.02%	4.92%	5.67%	5.07%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Prior year numbers have been restated to reflect sales by category, rather than revenue by category, and to add in online sales back to 2019.
 Source: Town of Silverthorne Sales Tax Reports

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Actual valuations	<u>\$ 1,192,029,740</u>	<u>\$ 1,162,235,780</u>	<u>\$ 1,178,975,000</u>	<u>\$ 1,294,410,010</u>	<u>\$ 1,335,504,580</u>	<u>\$ 1,611,458,220</u>	<u>\$ 1,700,843,560</u>	<u>\$ 2,066,481,870</u>	<u>\$ 2,162,435,590</u>	<u>\$ 2,550,546,950</u>
Legal debt margin:										
Debt limitation - 3 percent of actual value (1)	35,760,892	34,867,073	35,369,250	38,832,300	40,065,137	48,343,747	51,025,307	61,994,456	64,873,068	76,516,409
Debt applicable to limitation:										
Total bonded debt	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 35,760,892</u>	<u>\$ 34,867,073</u>	<u>\$ 35,369,250</u>	<u>\$ 38,832,300</u>	<u>\$ 40,065,137</u>	<u>\$ 48,343,747</u>	<u>\$ 51,025,307</u>	<u>\$ 61,994,456</u>	<u>\$ 64,873,068</u>	<u>\$ 76,516,409</u>

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

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

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

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Population (1) (2) (3)	3,916	4,010	4,116	4,239	4,392	4,639	4,718	4,798	4,880	5,322
Assessed Value	\$ 155,852,340	\$ 152,981,040	\$ 152,959,220	\$ 165,029,720	\$ 168,688,520	\$ 189,697,090	\$ 193,976,610	\$ 232,079,780	\$ 234,671,340	\$ 270,069,760
Governmental Activities Capital Leases	\$ -	\$ -	\$ 180,000	\$ 163,372	\$ 5,006,640	\$ 4,480,274	\$ 3,941,064	\$ 3,393,936	\$ 2,853,588	\$ 2,365,000
Percentage of Personal Income (2) (4)	0.00%	0.00%	0.08%	0.07%	2.00%	1.65%	1.41%	1.17%	0.95%	0.71%
Per Capita (2) (5)	\$ -	\$ -	\$ 44	\$ 39	\$ 1,140	\$ 966	\$ 835	\$ 707	\$ 585	\$ 444

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

Town of Silverthorne, Colorado
Direct and Overlapping Governmental Activities Debt
December 31, 2020

Overlapping Entity	2021 Value	Debt Outstanding	Net Outstanding Debt Chargeable to Properties within the Town	
			Percent	Amount
Fourth St. Crossing Metro. Dist.	\$ 482,970	\$ 19,745,000	100.0	\$ 19,745,000
South Maryland Creek Ranch District	17,130,870	14,705,000	100.0	14,705,000
Summit County School District RE-1	2,441,567,490	67,825,000	10.0	6,782,500
		Total Overlapping Debt		41,232,500
		Town of Silverthorne Direct Debt		2,365,000
		Total Direct & Overlapping Debt		<u>\$ 43,597,500</u>

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

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

Town of Silverthorne, Colorado
Demographics Statistics
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Silverthorne Population (1) (4) (5)	3,916	4,010	4,116	4,239	4,392	4,639	4,718	4,798	4,880	5,322
County Population (1) (3) (4) (5)	28,294	28,637	28,975	30,257	30,374	31,582	32,119	32,665	33,220	33,785
Personal Income (2) (3) (4) (5) (6)	1,296,192	1,414,380	1,490,350	1,590,203	1,773,425	1,844,362	1,918,136	1,994,862	2,074,656	2,157,643
Per Capita Income (2) (3) (4) (5)	46,220	49,287	52,393	54,615	56,909	58,386	59,379	60,388	61,415	62,459
Median Family Income (1) (2) (3) (4) (5)	93,729	92,979	90,800	96,883	100,758	104,789	108,980	113,339	117,873	122,588
Silverthorne School Enrollment (7)	307	307	320	364	340	290	306	312	307	296
Unemployment Rate (1) (2) (3) (4) (5)	7.1%	4.4%	3.2%	1.6%	1.9%	1.9%	2.0%	2.0%	2.0%	2.0%

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

Town of Silverthorne, Colorado
Principal Employers
Fiscal Year 2021

Employer	Employee # Range (1)	Percentage (2) of Total County Employment
Outlets at Silverthorne	100-249	0.5 - 1.1%
Town of Silverthorne	100-249	0.5 - 1.1%
Lowe's	100-249	0.5 - 1.1%
Target Stores	100-249	0.5 - 1.1%
Weston Landscape and Design	100-249	0.5 - 1.1%
Public Service Company of Colorado	100-249	0.5 - 1.1%
Epic Mountain Express	50-99	0.2 - 0.5%
United Parcel Service	50-99	0.2 - 0.5%
McDonald's	50-99	0.2 - 0.5%
Murdoch's	1-49	.005 - 0.2%

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

(2) Based on County employment number of 21,936.

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

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

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

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Administrative Services:										
Council Meetings	22	22	22	22	22	22	22	22	25	23
Newsletters	6	4	2	-	-	4	3	9	118	137
Business Licenses	1,156	1,204	1,241	1,301	1,339	1,461	1,559	1,633	1,795	1,734
Elections	2	1	-	-	1	1	-	-	-	-
Public Safety:										
Physical Arrests	144	208	189	176	198	210	205	231	165	167
Parking Violations	342	260	160	161	269	358	513	429	371	625
Traffic Violations	1,839	2,760	1,727	1,781	1,537	2,445	1,584	2,033	746	862
Calls for Service	5,848	7,032	6,053	6,134	6,364	7,949	7,269	9,504	7,249	7,474
Public Works:										
Street Resurfacing (miles)	3.68	0.50	0.00	7.55	3.58	4.23	4.08	0.00	3.00	0.00
Miles of Streets to Plow	28	29	32	32	32	34	34	34	34	34
Miles of Sidewalks/Trails to Maintain	24	25	26	26	26	28	28	28	28	28
Community Development: (1)										
Building Permits Issued	52	47	81	107	157	150	169	219	204	202
CO's Issued	23	20	30	32	32	67	69	139	161	164
Computers	115	115	115	117	118	118	120	131	141	157
Users	110	110	115	120	121	121	129	121	102	123
Applications	33	35	34	34	34	36	36	32	32	36
Recreation & Culture:										
Recreation Center:										
Annual Visitors	265,137	265,399	258,469	279,074	287,023	278,590	296,346	275,100	98,000	151,185
Daily Admissions	31,247	32,602	31,632	33,435	33,284	35,404	34,233	34,569	8,722	17,902
Free Fitness Classes	1,542	1,683	1,520	1,533	1,540	1,460	1,494	1,523	451	902
Pavilion: (2)										
Wedding Rentals	50	80	91	104	107	100	90	102	15	65
Non-Wedding Rentals	64	69	66	70	56	44	63	59	13	32
Town Usage	-	-	-	-	-	37	47	45	18	44
Rentals Usage	-	-	-	-	-	144	122	161	28	97
Programs Usage	-	-	-	-	-	94	80	66	25	28
Granted Usage	-	-	-	-	-	26	28	25	32	20
Performing Arts Center: (3)										
Total Theatre & Music Performances	-	-	-	-	-	128	152	151	10	50
Total Tickets Sold	-	-	-	-	-	7,868	8,930	11,095	-	3,244
Youth Participating in Programs	-	-	-	-	-	152	157	255	162	272
First Time Ticket Buyers	-	-	-	-	-	506	812	1,890	-	249
Water & Sewer:										
Water EQR's	3,217	3,243	3,346	3,434	3,481	3,625	3,704	3,864	4,009	4,220
Service Connections	1,687	1,707	1,756	1,819	1,838	1,896	1,974	2,084	2,201	2,331
Average Daily Consumption										
in Gallons	607,000	727,000	619,745	577,800	594,300	590,581	707,469	528,709	665,177	669,796
Sewer EQR's	3,210	3,238	3,339	3,431	3,475	3,625	3,702	3,865	4,004	4,221
Service Connections	1,654	1,675	1,719	1,758	1,806	1,883	1,945	2,062	2,178	2,290

(1) Includes Management Information Systems

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

(3) The Performing Arts Center opened in 2017.

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

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	9	9	9	9	9	9	9	9	16	17
Public Works:										
Miles of Streets	28.39	29.03	31.54	31.71	31.71	34.11	31.76	32.38	32.38	32.38
Miles of Sidewalks/Trails	24.35	24.66	26.18	26.18	26.18	26.28	26.28	28	28	28
Traffic Lights	10	10	11	11	11	11	11	11	11	11
Recreation & Culture:										
Park/Open Space Acreage	73.54	82.81	82.81	82.81	82.81	82.81	82.81	102.81	102.81	102.81
Parks	7	7	7	7	7	7	7	8	8	8
Swimming Pools	4	4	4	4	4	4	4	4	4	4
Tennis Courts	4	4	4	4	4	4	4	4	4	4
Skateboard Parks	1	1	1	1	1	1	1	1	1	1
Volleyball Courts	4	4	4	4	4	4	4	4	4	4
Pavilion (Community Center)	1	1	1	1	1	1	1	1	1	1
Performing Arts Center	-	-	-	-	-	1	1	1	1	1
Water & Sewer:										
Miles of Water Mains	45.60	46.08	48.24	50.21	50.21	54.90	56.60	57.27	57.67	69.27
Fire Hydrants	399	416	442	435	435	476	492	497	518	543
Miles of Sewers	31.61	32.68	32.38	33.89	33.89	39.90	40.89	42.00	42.60	43.32
Manholes	933	960	1020	1023	1023	1146	1184	1220	1233	1254

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

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

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

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Elected/Appointed	8	8	8	8	8	8	8	8	8	8
Total Elected/Appointed	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>	<u>8</u>
Administrative Services (1)	10	10	10	11	11	12	13	13	13	14
Public Safety	18	19	19	18	18	19	20	22	22	21
Public Works (2)	20	20	21	21	23	23	24	26	28	26
Water and Sewer	4	4	4	5	5	5	5	5	5	5
Community Development	6	6	6	6	7	7	6	6	6	8
Recreation and Culture (3)	19	19	19	21	21	21	20	21	21	20
Pavilion	<u>4</u>	<u>4</u>	<u>4</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>3</u>	<u>6</u>
Total Full-Time Employees	<u>81</u>	<u>82</u>	<u>83</u>	<u>87</u>	<u>90</u>	<u>92</u>	<u>93</u>	<u>98</u>	<u>98</u>	<u>100</u>

(1) Includes one 3/4 time employee.

(2) 2009 and 2010 numbers were decreased.

(3) Includes five 3/4 time employees.

Source: Town of Silverthorne Biennial Financial Plan

COMPLIANCE SECTION

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

LOCAL HIGHWAY FINANCE REPORT

City or County:
Town of Silverthorne
YEAR ENDING :
Dec-21

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

Prepared By: Lisa Hunter
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

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	1,217,649
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	808,189
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	44,497
2. General fund appropriations	2,020,127	b. Snow and ice removal	140,137
3. Other local imposts (from page 2)	93,401	c. Other	
4. Miscellaneous local receipts (from page 2)	119,549	d. Total (a. through c.)	184,634
5. Transfers from toll facilities		4. General administration & miscellaneous	305,599
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	854,512
a. Bonds - Original Issues		6. Total (1 through 5)	3,370,583
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	-	a. Interest	
7. Total (1 through 6)	2,233,076	b. Redemption	
B. Private Contributions	954,317	c. Total (a. + b.)	-
C. Receipts from State government (from page 2)	227,236	2. Notes:	
D. Receipts from Federal Government (from page 2)	-	a. Interest	432
E. Total receipts (A.7 + B + C + D)	3,414,629	b. Redemption	43,614
		c. Total (a. + b.)	44,046
		3. Total (1.c + 2.c)	44,046
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	3,414,629

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		3,414,629	3,414,629		-

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
44531

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 & Penalties	40,507
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	57,000
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	93,401	g. Other Misc. Receipts	22,042
6. Total (1. through 5.)	93,401	h. Other	
c. Total (a. + b.)	93,401	i. Total (a. through h.)	119,549
	(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	202,941	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	24,295	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.)	24,295	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	227,236	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			0
c. Construction:			
(1). New Facilities		954,317	954,317
(2). Capacity Improvements			0
(3). System Preservation		247,070	247,070
(4). System Enhancement & Operation		16,263	16,263
(5). Total Construction (1) + (2) + (3) + (4)	0	1,217,649	1,217,649
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	1,217,649	1,217,649
			(Carry forward to page 1)

Notes and Comments:

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