

**Evergreen Park and Recreation District
Evergreen, Colorado**

**Financial Statements
December 31, 2016**

**Evergreen Park and Recreation District
Financial Report
December 31, 2016**

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MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

CHAPEL SQUARE, BLDG C
245 CHAPEL PLACE, SUITE 300
P.O. Box 5850, AVON, CO 81620

WEB SITE: WWW.MCMAHANCPA.COM
MAIN OFFICE: (970) 845-8800
FACSIMILE: (970) 845-8108
E-MAIL: MCMAHAN@MCMAHANCPA.COM

INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Evergreen Park and Recreation District**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Evergreen Park and Recreation District (the "District"), as of and for the year ended December 31, 2016, which collectively comprise the District's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Evergreen Park and Recreation District as of December 31, 2016, and the respective changes in financial position for the year then ended in conformity with U.S. generally accepted accounting principles.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
DANIEL R. CUDAHY, CPA, CGMA

AVON: (970) 845-8800
ASPEN: (970) 544-3996
FRISCO: (970) 668-3481

Other Matters

U.S. generally accepted accounting principles require that Management's Discussion and Analysis in Section B be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Management's Discussion and Analysis in Section B in accordance with U.S. generally accepted auditing standards, 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.

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by U.S. generally accepted accounting principles. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The budgetary comparison schedule and statistical table found in Section F are presented for purposes of additional analysis and are not a required part of the basic financial statements. The budgetary comparison schedule found in Section F is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The statistical schedule has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.
August 18, 2017**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Evergreen Park and Recreation District

Management's Discussion and Analysis

December 31, 2016

As management of the Evergreen Park and Recreation District ("District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2016.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

The Statement of Net Position presents information on all the District's assets, liabilities, and deferred inflows, 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 District is improving or deteriorating.

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

The government-wide financial statements can be found on pages C1 and C2 of this report.

Fund financial statements: A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District reports two governmental funds, the General Fund and Debt Service Fund.

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 near-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 near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The governmental funds provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Overview of the Financial Statements (continued)

Governmental funds (continued): The District adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund on pages E1 – E3 of this report to demonstrate compliance with this budget.

Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found starting on page D1 of this report.

Government-wide Financial Analysis

Evergreen Park and Recreation District's Net Position

	Governmental Activities	
	2016	2015
Assets:		
Current and other assets	\$ 6,075,109	\$ 6,121,107
Capital assets	25,418,862	25,728,097
Total Assets	<u>31,493,971</u>	<u>31,849,204</u>
Liabilities & Deferred Inflows:		
Current liabilities	876,328	975,450
Deferred inflows	3,121,016	3,159,786
Long-term liabilities	9,225,492	10,115,185
Total Liab & Def Inflows	<u>13,222,836</u>	<u>14,250,421</u>
Net Position:		
Net investment in capital assets	16,255,236	15,724,912
Restricted	729,108	784,602
Unrestricted	1,286,791	1,089,269
Total Net Position	<u>\$ 18,271,135</u>	<u>\$ 17,598,783</u>

The largest portion of the District's net position is reflected as net investment in capital assets (i.e. land, buildings, machinery, and equipment, net of related debt). At the end of 2016, capital assets accounted for 89% of the total net position. The District uses capital assets to provide services to its citizens. Accordingly, these assets are not an available source for payment of future spending. The district also has a portion of its net position restricted for use in the event of an emergency and for future parks and recreation projects.

**Evergreen Park and Recreation District's
Change in Net Position**

	Governmental Activities	
	2016	2015
Revenues:		
Program revenues:		
Charges for services:		
General administration	\$ 75,141	\$ 65,226
Wulf recreation center	342,011	367,528
Buchanan recreation center	728,979	737,356
Lakehouse	1,050,450	1,067,787
Parks and fields	14,020	15,267
Recreation and other programs	1,718,106	1,719,721
Special event	25,241	45,593
Capital grants & contributions	74,752	404,438
General revenues:		
Property taxes	2,980,601	2,915,790
Other taxes	281,998	252,672
Interest and other revenue	147,027	171,922
Total Revenues	7,438,326	7,763,300
Expenses:		
General administration	1,219,786	1,429,018
Wulf recreation center	1,014,315	1,104,538
Buchanan recreation center	1,204,495	1,247,658
Lakehouse	645,417	643,187
Parks and fields	1,015,339	910,708
Recreation and other programs	1,376,685	1,318,618
Special event	38,257	37,014
Interest expense	251,680	222,422
Total Expenses	6,765,974	6,913,163
Change in Net Position	672,352	850,137
Net Position - Beginning	17,598,783	16,748,646
Net Position - Ending	\$ 18,271,135	\$ 17,598,783

Governmental activities: Net position of the governmental activities increased \$672,352 during 2016. This increase is largely due to using property taxes collected to make scheduled payments on long-term debt.

Financial Analysis of the District's Funds

As mentioned early, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

The fund balance of the General Fund increased \$61,676 during 2016, which is primarily due increased capital grants and increased charges for services.

The fund balance of the Debt Service Fund increased \$757 during 2016, due tax collections being slightly higher than the required bond payments.

Financial Analysis of the District's Funds (Continued)

As of the end of the current fiscal year, the District's general fund reported an ending fund balance of \$2,109,889. Of this balance, \$142,895 is nonspendable, \$192,000 is restricted for emergencies as required by TABOR, \$395,330 is restricted for conservation trust projects, \$794,231 is committed for capital reserve, \$49,737 is assigned for capital projects and the remaining \$535,696 is unassigned.

Budget variances: No budget amendments were required during 2016. The largest variances were caused by budgeted facility closures being delayed to subsequent years and lower than anticipated capital outlay. Details of variances by department can be seen on page E1 – E3 of this report for the General Fund and page F1 for the Debt Service Fund.

Capital assets: The District's capital assets decreased by \$309,235, largely as a result of depreciation expense being greater than capital additions. Additional information as well as a detailed classification of the District's net capital assets can be found in the Notes to the Financial Statements on pages D10 of this report.

Long-term debts: The District continued to make scheduled payments on all of its long-term debts. Details of the District's long term obligations are contained on pages D10 to D12 of this report.

Request for Information

This financial report is designed to provide a general overview of the District'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 Financial Controller, Evergreen Park and Recreation District, PO Box 520, Evergreen, CO 80437.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

**Evergreen Park and Recreation District
Statement of Net Position
December 31, 2016**

	Governmental Activities
Assets:	
Cash and cash equivalents - Unrestricted	\$ 2,668,263
Cash restricted for park land escrow	251,726
Receivables, net	40,861
Deposits and prepaid expenses	142,895
Property taxes receivable	2,971,364
Capital assets, net	25,418,862
Total Assets	31,493,971
Liabilities:	
Accounts payable and other liabilities	81,199
Accrued salaries and payroll liabilities	109,028
Park land escrow	251,726
Unredeemed coupon liability	31,983
Accrued interest payable	24,250
Unearned revenue	378,142
Accrued compensated absences:	
Due within one year	20,622
Due in more than one year	41,244
Capital lease:	
Due within one year	50,350
Due in more than one year	107,051
General obligation bonds:	
Due within one year	780,000
Due in more than one year	8,226,225
Total Liabilities	10,101,820
Deferred Inflow of Resources:	
Property taxes	2,971,364
Gain on bond refunding	149,652
Total Deferred Inflow of Resources	3,121,016
Net Position:	
Net investment in capital assets	16,255,236
Restricted for emergencies	192,000
Restricted for conservation trust projects	395,330
Restricted for debt service	141,778
Unrestricted	1,286,791
Total Net Position	\$ 18,271,135

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

Evergreen Park and Recreation District
Statement of Activities
For the Year Ended December 31, 2016

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Change in Net Position</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
Functions/Programs:					
Governmental activities:					
General administration	\$ 1,219,786	\$ 75,141	\$ -	\$ -	\$ (1,144,645)
Wulf recreation center	1,014,315	342,011	-	-	(672,304)
Buchanan recreation center	1,204,495	728,979	-	-	(475,516)
Lakehouse	645,417	1,050,450	-	-	405,033
Parks and fields	1,015,339	14,020	-	74,752	(926,567)
Recreation and other programs	1,376,685	1,718,106	-	-	341,421
Special event	38,257	25,241	-	-	(13,016)
Interest expense	251,680	-	-	-	(251,680)
Total Governmental Activities	<u>6,765,974</u>	<u>3,953,948</u>	<u>-</u>	<u>74,752</u>	<u>(2,737,274)</u>
General Revenues:					
Property taxes					2,980,601
Specific ownership taxes					281,529
Delinquent taxes and interest					469
Lottery proceeds					126,235
Investment income					5,872
Miscellaneous					22,545
Net gain (loss) on the sale of assets					(7,625)
Total General Revenues					<u>3,409,626</u>
Change in Net Position					672,352
Net Position - Beginning					17,598,783
Net Position - Ending					<u>\$ 18,271,135</u>

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

FUND FINANCIAL STATEMENTS

**Evergreen Park and Recreation District
Balance Sheet
Governmental Funds
December 31, 2016**

	General Fund	Debt Service Fund	Total Governmental Funds
Assets:			
Cash and cash equivalents - Unrestricted	\$ 2,526,574	\$ 141,689	\$ 2,668,263
Cash restricted for park land escrow	251,726	-	251,726
Accounts receivable	40,772	89	40,861
Property taxes receivable	1,899,660	1,071,704	2,971,364
Prepaid expenses	142,895	-	142,895
Total Assets	4,861,627	1,213,482	6,075,109
Liabilities:			
Accounts payable and other liabilities	81,199	-	81,199
Accrued salaries and payroll liabilities	109,028	-	109,028
Park land escrow	251,726	-	251,726
Unredeemed coupon liability	31,983	-	31,983
Unearned revenue	378,142	-	378,142
Total Liabilities	852,078	-	852,078
Deferred Inflow of Resources:			
Unavailable property tax revenue	1,899,660	1,071,704	2,971,364
Total Deferred Inflow of Resources	1,899,660	1,071,704	2,971,364
Fund Balances:			
Nonspendable	142,895	-	142,895
Restricted for emergencies	192,000	-	192,000
Restricted for conservation trust projects	395,330	-	395,330
Restricted for debt service	-	141,778	141,778
Committed for capital projects	794,231	-	794,231
Assigned for capital projects	49,737	-	49,737
Unassigned	535,696	-	535,696
Total Fund Balances	\$ 2,109,889	\$ 141,778	2,251,667

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

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported in the funds.

25,418,862

Long-term liabilities and debt-related deferred inflows, including accrued compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.

(9,399,394)

Net Position of Governmental Activities

\$ 18,271,135

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

Evergreen Park and Recreation District
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2016

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Revenues:			
Property and other taxes	\$ 2,190,009	1,072,590	3,262,599
Intergovernmental and donations	200,987	-	200,987
Charges for services:			
Wulf recreation center	342,011	-	342,011
Buchanan recreation center	728,979	-	728,979
Lakehouse	1,050,450	-	1,050,450
Parks and fields	14,020	-	14,020
Recreation and other programs	1,718,106	-	1,718,106
Special events and festivals	25,241	-	25,241
Rental income	75,141	-	75,141
Investment income	5,872	-	5,872
Miscellaneous	19,795	-	19,795
Total Revenues	<u>6,370,611</u>	<u>1,072,590</u>	<u>7,443,201</u>
Expenditures:			
General government	1,073,362	-	1,073,362
Wulf recreation center	782,168	-	782,168
Buchanan recreation center	956,238	-	956,238
Lakehouse	585,313	-	585,313
Parks and fields	594,515	-	594,515
Recreation and other programs	1,392,159	-	1,392,159
Special events	38,257	-	38,257
Capital outlay	889,673	-	889,673
Debt service	-	1,071,833	1,071,833
Total Expenditures	<u>6,311,685</u>	<u>1,071,833</u>	<u>7,383,518</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>58,926</u>	<u>757</u>	<u>59,683</u>
Other Financing Sources (Uses):			
Insurance recoveries	2,750	-	2,750
Total Other Financing Sources (Uses)	<u>2,750</u>	<u>-</u>	<u>2,750</u>
Change in Fund Balance	61,676	757	62,433
Fund Balance - Beginning	2,048,213	141,021	2,189,234
Fund Balance - Ending	<u>\$ 2,109,889</u>	<u>141,778</u>	<u>2,251,667</u>

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

**Evergreen Park and Recreation District
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of the Governmental Funds
To the Statement of Activities
For the Year Ended December 31, 2016**

**Net Change in Fund Balance of
the Governmental Fund** \$ 62,433

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

Governmental funds report capital outlays as expenditures. However,
in the Statement of Activities, the cost of those assets is allocated over
their estimated useful lives as depreciation expense. This is the amount
by which current year depreciation was exceeded by capital outlay.

Depreciation expense	(895,729)	
Capital outlay	594,119	(301,610)

A loss on disposal of assets decreases net assets, but has no effect
on current financial resources. This is the amount of net book value of
capital assets disposed of. (7,625)

The issuance of long-term debt (e.g., bonds, notes, and leases) provides current
financial resources to governmental funds, while the repayment of the principal
of long-term debt consumes the current financial resources of governmental
funds. Neither transaction, however, has any effect on net position.

Bond principal payments	690,000	
Capital lease principal payments	48,867	
Amortization and interest accrual	130,153	869,020

Compensated absences do not require the use of current financial resources and
therefore, are not reported as expenditures in the fund. This represents the
change in compensated absences during the year. 50,134

Change in Net Position of Governmental Activities \$ 672,352

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

NOTES TO THE FINANCIAL STATEMENTS

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016

I. Summary of Significant Accounting Policies

The Evergreen Park and Recreation District (the "District") is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to provide recreational facilities and services within its boundaries. The District is located in Evergreen, Colorado.

The financial statements of the District have been prepared in conformity with U.S. generally accepted accounting principles ("GAAP") as applied to government units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies established by GAAP used by the District are discussed below.

A. Reporting Entity

The reporting entity consists of (a) the primary government; i.e., the District, and (b) organizations for which the District is financially accountable. The District is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the District. Consideration is also given to other organizations which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the District. Organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

The District has no component units, and it is not a component unit of any other entity.

B. Government-wide and Fund Financial Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type.

1. Government-wide Financial Statements

Government-wide financial statements report on information of all activities of the District. All of the District's functions and activities are classified as governmental activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's governmental functions. The governmental functions are also supported by general government revenues (property and specific ownership taxes, investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the governmental function. Operating grants and contributions include operating-specific and discretionary (either operating or capital) grants while the capital grants and contributions column reflects capital-specific grants and contributions received.

The government-wide focus is on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016
(Continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, deferred inflows, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

The District reports the following major governmental funds:

The *General Fund* accounts for all financial resources not required to be accounted for in another fund. All of the District's functions and activities are accounted for in the General Fund.

The *Debt Service Fund* accounts for all financial resources restricted for bonded debt service.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

Governmental activities in the government-wide financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016
(Continued)

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

3. Financial Statement Presentation

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

D. Financial Statement Accounts

1. Cash and Cash Equivalents

Cash and cash equivalents are defined as deposits that can be withdrawn at any time without notice or penalty and investments with original maturities of three months or less.

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts. However, no allowance was established at December 31, 2016, as the District considered all receivables to be collectible.

3. Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by the governmental entities until the subsequent year. In accordance with GAAP, the assessed but uncollected property taxes have been recorded as a receivable and as unavailable revenue.

4. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2016 are recorded as prepaid expenses.

5. Capital Assets

Capital assets, which include land, land improvements, buildings, equipment and vehicles, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial cost of \$2,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts

5. Capital Assets (continued)

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Asset	Years
Land Improvements	10 - 40
Buildings	15 - 20
Machinery and Equipment	5 - 20
Vehicles	5 - 15

6. Unredeemed Coupon Liability

The District participated in incentive program arrangements for services provided at the Lake Center during 2012 and 2013. The program offered discounts on services provided with the purchase of a coupon voucher and redeemed during the discount period. The District recognizes a liability for unredeemed coupons at the end of the year.

7. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation benefits. All vacation pay is accrued when incurred in the government-wide financial statements.

8. Long-term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

9. Fund Balance

The District classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is the Board of Directors.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts

9. Fund Balance (continued)

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the Board of Directors or its management designee.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The District uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the District first uses committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The District does not have a formal minimum fund balance policy. However, the District's budget includes a calculation of targeted reserve positions and management calculates targets and reports them annually to Board of Directors.

10. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for "deferred outflows of resources." Deferred outflows of resources represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any items that qualify for reporting in this category at December 31, 2016.

In addition to liabilities, the statement of net position will sometimes report a separate section for "deferred inflows of resources." Deferred inflows of resources represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resource (revenue) until that time. The District has two types of items which qualify for reporting in this category. Accordingly, the first item, unavailable property tax revenue, is deferred and recognized as an inflow of resource in the period that the amounts become available and earned. The second item, gain on refunding, is deferred and recognized as an inflow over the life of the refunding bonds.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016
(Continued)

I. Summary of Significant Accounting Policies (continued)

E. Other Significant Policies

1. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires the District's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

2. Reclassification

Certain prior year balances have been reclassified to conform to the current year financial statement presentation.

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of certain differences between the governmental funds Balance Sheet and the government-wide Statement of Net Position

The governmental funds Balance Sheet includes reconciliation between *fund balance – governmental funds* and *net position of governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains "Capital sets used in governmental activities are not financial resources and, therefore, are not reported in the funds." This \$25,418,862 difference is related to property and equipment of \$35,339,811 less accumulated depreciation of \$9,920,949.

Another element of the reconciliations explains "Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds." The details of the \$9,399,394 difference are bonds payable of \$9,006,225, capital lease payable of \$157,401, accrued interest payable of \$24,250, accrued compensated absences of \$61,866 and \$149,652 deferred charge on refunding.

III. Stewardship, Compliance, and Accountability

A. Budgets and Budgetary Accounting

Annually the District's Board of Directors formally adopts a budget with appropriations by fund for the ensuing year pursuant to the Colorado Local Budget Law. The budget for the governmental fund is adopted on a basis consistent with U.S. GAAP.

As required by Colorado statutes, the District follows required timetables in preparing, approving, and enacting its budget for the ensuing year. The following is a summary of the budget calendar for the 2016 budget year:

- (1) For the 2016 budget, prior to August 25, 2015, the County Assessor sent to the District a certified assessed valuation of all taxable property within the District's boundaries. The County Assessor may change the assessed valuation on or before December 10, 2015 only once by a single notification to the District.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016
(Continued)

III. Stewardship, Compliance, and Accountability (continued)

A. Budgets and Budgetary Accounting (continued)

- (2) On or before October 15, 2015, the District's accountant submitted to the District's Board of Directors a recommended budget which detailed the necessary property taxes needed along with other available revenues to meet the District's operating requirements.
- (3) For the 2016 budget, prior to December 15, 2015, the District computed and certified to the County Commissioners a rate of a levy that derived the necessary property taxes as computed in the proposed budget.
- (4) After a required publication of "Notice of Proposed Budget" and a public hearing, the District adopted the proposed budget and an appropriating resolution, which legally appropriated expenditures for the upcoming year.
- (5) After adoption of the budget resolution, the District may make the following changes: (a) it may transfer appropriated monies between funds or between spending agencies within a fund, as determined by the original appropriation level; (b) it may approve supplemental appropriations to the extent of revenues in excess of the estimated in the budget; (c) it may approve emergency appropriations; and (d) it may approve the reduction of appropriations for which originally estimated revenues are insufficient.
- (6) All appropriations lapse at a year-end.

Taxes levied in one year are collected in the succeeding year. Thus taxes certified in 2015 were collected in 2016 and taxes certified in 2016 will be collected in 2017. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (no later than April 30th) or two equal installments (not later than February 28th and June 15th) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 15th.

B. TABOR Amendment - Revenue and Spending Limitation Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service) for the fiscal year ended December 31, 2016.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016
(Continued)

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment - Revenue and Spending Limitation Amendment (continued)

The District has restricted a portion of its December 31, 2016 year-end fund balance in the General Fund for emergencies as required under TABOR in the amount of \$192,000, which is the approximate required reserve.

In November 1998, the voters of the District approved a referendum that authorizes the District to collect, retain or expend all revenues and other funds received from any source regardless of the limitations imposed by TABOR. The referendum applies only the excess revenues and leaves all other provisions of TABOR unchanged.

The District's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

IV. Detailed Notes on All Funds

A. Deposits and Investments

The Colorado Public Deposit Protection Act ("PDPA") requires that all units of local government deposit cash in eligible public depositories; eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits.

Colorado statutes specify instruments that local governments may invest, and include:

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

Interest Rate Risk. The District limits its investments to savings accounts and investment pools (explained below) where each share is equal to one dollar and the District avoids interest rate risk.

Credit Risk. State law and District policy limit investments to those authorized by State statutes including U.S. Agencies and 2a7-like pools. The District's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk. The District invests most funds in 2a7-like pools and thus avoids a concentration of credit risk.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Investment Pools

The District has invested \$397,142 in the Colorado Local Government Liquid Asset Trust ("COLOTRUST"), an investment vehicle established for local government entities in Colorado to pool surplus funds. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal functions of COLOTRUST. Substantially all securities owned by COLOTRUST 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 COLOTRUST. The District does not categorize its participation in COLOTRUST because the investment is not evidenced by securities specifically identifiable to the District.

Deposits and Investments

Deposits recorded in the General Fund include \$251,726 of Jefferson County Deposit Accounts for Park Purposes. These funds have been set aside for the District but the District has not requested distribution of these funds. These funds have been recorded as unearned revenue as the funds are not available until the District requests the funds and distribution is approved by the County.

<u>Type</u>	<u>Rating</u>	<u>Carrying Amount</u>	<u>Maturities</u>	
			<u>Less Than One Year</u>	<u>Less Than Five Years</u>
Checking and savings	<i>Not rated</i>	\$ 1,328,972	1,328,972	-
Certificates of deposit	<i>Not rated</i>	942,149	622,830	319,319
Government investment pools	<i>AAAm</i>	397,142	397,142	-
Held by agent	<i>Not rated</i>	251,726	251,726	-
		<u>\$ 2,919,989</u>	<u>\$ 2,600,670</u>	<u>\$ 319,319</u>

Financial Statement Captions:

Cash and cash equivalents - Unrestricted	\$ 2,668,263
Cash and cash equivalents - Restricted	251,726
	<u>\$ 2,919,989</u>

B. Operating Lease

The District has an operating lease for a vehicle. The lease requires monthly payments of \$1,189 through April 2017. The District must appropriate funds for the payment of the lease annually or the equipment must be returned.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

C. Capital Assets

Governmental capital asset activity for the year ended December 31, 2016 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets not depreciated:				
Land	\$ 10,297,345	-	-	10,297,345
Art	40,742	-	-	40,742
Total capital assets not depreciated	<u>10,338,087</u>	<u>-</u>	<u>-</u>	<u>10,338,087</u>
Capital assets depreciated:				
Land improvements	5,714,819	290,978	(26,704)	5,979,093
Buildings and improvements	16,610,080	277,943	-	16,888,023
Machinery and equipment	1,575,386	7,586	-	1,582,972
Vehicles	534,024	17,612	-	551,636
Total capital assets depreciated	<u>24,434,309</u>	<u>594,119</u>	<u>(26,704)</u>	<u>25,001,724</u>
Less accumulated depreciation for:				
Land improvements	(2,760,638)	(326,307)	19,079	(3,067,866)
Buildings and improvements	(4,987,955)	(418,595)	-	(5,406,550)
Machinery and equipment	(971,662)	(125,618)	-	(1,097,280)
Vehicles	(324,044)	(25,209)	-	(349,253)
Total accumulated depreciation	<u>(9,044,299)</u>	<u>(895,729)</u>	<u>19,079</u>	<u>(9,920,949)</u>
Total capital assets depreciated, net	<u>15,390,010</u>	<u>(301,610)</u>	<u>(7,625)</u>	<u>15,080,775</u>
Governmental Activities Capital Assets, Net	<u>\$ 25,728,097</u>	<u>(301,610)</u>	<u>(7,625)</u>	<u>25,418,862</u>

Depreciation expense was charged to functions of the District as follows:

Governmental Activities:	
General Government	\$ 93,145
Wulf Center	169,095
Buchanan Center	249,615
Lakehouse	57,568
Parks and Fields	326,306
Total Depreciation Expense - Governmental Activities	<u>\$ 895,729</u>

D. Long-term Obligations

1. General Obligation Refunding Bonds - Series 2015

On September 10, 2015, the District issued General Obligation Refunding Bonds, Series 2015, in the principal amount of \$8,790,000. The proceeds of the Bonds, which amounted to \$9,796,917 and included an original issue premium of \$1,006,917, were used to refund certain of the District's outstanding General Obligation Refunding and Improvement Bonds, Series 2005 and pay the costs of issuing the Bonds. The District realized present value savings of approximately \$970,000 from this refunding. The bonds mature annually through 2025. Interest is payable June 1 and December 1 at rates varying from 4.25% to 5%.

**Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016
(Continued)**

IV. Detailed Notes on All Funds (continued)

D. Long-term Obligations (continued)

2. Schedule of Debt Service Requirements

Bond principal and interest payments due at December 31, 2016 were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 780,000	291,000	1,071,000
2018	810,000	267,600	1,077,600
2019	850,000	243,300	1,093,300
2020	860,000	217,800	1,077,800
2021	885,000	192,000	1,077,000
2022-2025	3,915,000	399,200	4,314,200
Total	<u>\$ 8,100,000</u>	<u>1,610,900</u>	<u>9,710,900</u>

At December 31, 2016 the District had no authorized but unissued debt.

3. Compensated Absences

The District's employees receive 40 hours paid time off after the first year of employment. After one, three and ten years of employment, the employees receive 80, 120 and 160 hours per year respectively. Employees may accumulate up to 150% of their annual accrual rate. No additional vacation time may be accrued until time is taken and the total accrual drops below the maximum amount. Unused vacation time is paid out upon termination.

Employees are granted sick leave absences on a pro rata basis over time of employment. The sick leave does not vest and is not payable upon termination of employment.

The estimated liability for accrued leave is recorded in the governmental activities column in the government-wide financial statements.

4. Capital Lease

During 2012 the District entered into a capital lease for the acquisition and installation of energy efficiency and water conservation equipment at various District facilities. The lease requires monthly payments of \$3,623 through November 2019. The interest rate on the lease is 2.66% annually.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016
(Continued)

IV. Detailed Notes on All Funds (continued)

D. Long-term Obligations (continued)

5. Capital Leases (continued)

During 2015 the District entered into a capital lease for the acquisition of a shuttle van. The lease requires monthly payments of \$915 through June 2020. The interest rate on the lease is 4.06% annually.

Lease principal and interest payments due at December 31, 2016 were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 50,350	4,100	54,450
2018	51,879	2,571	54,450
2019	49,748	994	50,742
2020	5,424	64	5,488
Total	<u>\$ 157,401</u>	<u>7,729</u>	<u>165,130</u>

Total assets acquired through capital leases outstanding at December 31, 2016 have a gross asset cost of \$323,214 and net book value of \$274,342 at December 31, 2016.

6. Changes in Long-term Obligations

Long-term liability activity for the year ended December 31, 2016 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
2015 G.O. Refunding Bonds	\$ 8,790,000	-	(690,000)	8,100,000	780,000
2015 Bond Premium	1,006,917	-	(100,692)	906,225	-
Capital Leases	206,268	-	(48,867)	157,401	50,350
Accrued compensated absences	112,000	(12,801)	(37,333)	61,866	20,622
Long-term Liabilities	<u>\$ 10,115,185</u>	<u>(12,801)</u>	<u>(876,892)</u>	<u>9,225,492</u>	<u>850,972</u>

V. Other Information

A. Risk Management

The District is exposed to various risks of loss related to workers compensation; general liability, unemployment, torts, theft of, damage to, and destruction of assets; and errors and omissions. In addition, the District is exposed in the ordinary course of business to the risk of injury to persons attending or operating its recreational facilities and events. The District has acquired commercial coverage for these risks and claims, if any, are not expected to exceed the commercial insurance coverage.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016
(Continued)

V. Other Information (continued)

B. Conservation Trust

The District received \$126,235 of Colorado lottery funds during 2016 based upon a formula considering population within the District. The funds are restricted under the State Conservation Trust Fund statutes to acquisition, development and maintenance of parks and recreation facilities. This revenue and the related expenditures are accounted for in the General Fund.

C. Retirement Plans

1. Defined Contribution Pension Plan – Section 401(a)

The District is a member of Colorado County Officials & Employees Retirement Association (“CCOERA”). COERA was established to provide retirement benefits to employees of Colorado local governments. As a member, the District participates in the CCOERA retirement plan created in accordance with Internal Revenue Code Section 401(a) (the “401(a) Plan”), which is a defined contribution pension plan.

Employees who work at least 1,850 hours per year are eligible to participate upon the first day of the month following the date of hire. All participating employees are required to make a mandatory contribution to the plan equal to 3% of gross payroll. The District is required to match the 3% employee contribution. Employee contributions to the plan are vested 100% upon contribution. Employer contributions are vested 25% after 1 year of services, plus 25% for each year of service completed thereafter. Employees are fully vested after 4 years of service. The District is neither the trustee nor the administrator for the 401(a) Plan. The seven-member governing board of CCOERA makes all necessary rules and is responsible for administration of the funds in the 401(a) Plan. Benefits payable at retirement, death, termination, or other unforeseen circumstance are based on the accumulated account balance of each employee. Upon termination of service with the District, any unvested amounts will be forfeited and may be used to pay plan expenses or District required employer contributions to the 401(a) Plan.

For 2016, the District recognized \$47,218 of expense under this plan. During 2016, the District had \$108 of forfeitures, which were used to offset plan expenses. For 2016, the District's employees' covered payroll was \$1,573,933. The District had no liability to the Plan at December 31, 2016.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2016
(Continued)

V. Other Information (continued)

C. Retirement Plans (continued)

2. Deferred Compensation Plan – Section 457

The District also participates in the CCOERA retirement plan created in accordance with Internal Revenue Code Section 457 (the “457 Plan”), which is a defined contribution plan. The plan permits employees to defer a portion of their salary until future years. All contributions to the 457 Plan and all income attributable to those amounts, property are to be held in trust for the exclusive benefit of the plan participants and their beneficiaries. Plan investment purchases are determined by the plan participant and therefore, the plan’s investment concentration varies between participants. The District has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The District is neither the trustee nor the administrator for the plan. The seven-member governing board of CCOERA makes all necessary rules and is responsible for administration of the funds in the 401(a) Plan. Benefits payable at retirement, death, termination, or other unforeseen circumstance are based on the accumulated account balance of each employee.

The District did not recognize any pension expense related to this 457 Plan during 2016 and had no liability to the 457 Plan at December 31, 2016.

REQUIRED SUPPLEMENTARY INFORMATION

Evergreen Park and Recreation District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2016
(With Comparative Amounts for 2015)

	2016		Final Budget Variance Positive (Negative)	2015
	Original and Final Budget	Actual		Actual
Revenues:				
Property and other taxes	\$ 2,171,526	\$ 2,190,009	\$ 18,483	\$ 2,002,146
Intergovernmental and donations	258,450	200,987	(57,463)	578,357
Charges for services:				
Wulf Recreation Center:				
Daily admissions and facility revenue	218,953	227,063	8,110	256,111
Aquatics programs	107,050	105,166	(1,884)	105,734
Concessions and merchandise	2,040	1,874	(166)	5,595
Program and instruction	4,500	7,908	3,408	90
Total Wulf Recreation Center	<u>332,543</u>	<u>342,011</u>	<u>9,468</u>	<u>367,530</u>
Buchanan Recreation Center:				
Daily admissions and facility revenue	577,344	586,035	8,691	496,172
Aquatics programs	46,769	43,362	(3,407)	46,884
Concessions and merchandise	5,652	7,752	2,100	11,896
Program and instruction	101,268	91,830	(9,438)	102,897
Total Buchanan Recreation Center	<u>731,033</u>	<u>728,979</u>	<u>(2,054)</u>	<u>657,849</u>
Lakehouse:				
Facility rentals	311,370	520,105	208,735	561,370
Boating rentals and classes	228,756	299,458	70,702	207,383
Skating and hockey revenue	310,027	196,345	(113,682)	281,953
Concessions and merchandise	56,872	34,542	(22,330)	21,036
Total Lakehouse	<u>907,025</u>	<u>1,050,450</u>	<u>143,425</u>	<u>1,071,742</u>
Parks and Fields	11,649	14,020	2,371	16,375
Recreation and other programs:				
Athletic programs	298,742	295,002	(3,740)	302,291
Children programs	597,728	626,144	28,416	615,721
Gymnastics programs	287,360	276,295	(11,065)	268,919
Recreation programs	392,317	425,376	33,059	443,412
Special population programs	97,124	95,289	(1,835)	116,812
Total Recreation and other programs	<u>1,673,271</u>	<u>1,718,106</u>	<u>44,835</u>	<u>1,747,155</u>
Special events and festivals	41,000	25,241	(15,759)	40,363
Rental and marketing income	78,260	75,141	(3,119)	67,242
Total Charges for Services	<u>3,774,781</u>	<u>3,953,948</u>	<u>179,167</u>	<u>3,968,256</u>
Investment income	5,100	5,872	772	6,246
Miscellaneous income	2,100	19,795	17,695	30,871
Total Revenues	<u>6,211,957</u>	<u>6,370,611</u>	<u>158,654</u>	<u>6,585,876</u>

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

Evergreen Park and Recreation District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2016
(With Comparative Amounts for 2015)

	2016		Final Budget Variance Positive (Negative)	2015
	Original and Final Budget	Actual		Actual
Expenditures:				
General:				
Payroll	651,973	611,536	40,437	558,622
Repairs and maintenance	5,276	7,329	(2,053)	49,023
Utilities	8,560	8,719	(159)	5,564
Administrative	61,567	63,358	(1,791)	58,556
County treasurer fees	49,064	44,716	4,348	43,879
Insurance	164,150	147,416	16,734	154,111
Professional fees	123,903	139,537	(15,634)	116,663
Other expenses	153,533	50,751	102,782	56,661
Total General	1,218,026	1,073,362	144,664	1,043,079
Wulf Recreation Center:				
Payroll	516,658	489,509	27,149	350,493
Programs	3,150	2,061	1,089	60,123
Repairs and maintenance	125,371	124,282	1,089	162,548
Utilities	116,299	85,382	30,917	-
Administrative	28,724	24,638	4,086	23,151
Other expenses	80,419	56,296	24,123	176,479
Total Wulf Recreation Center	870,621	782,168	88,453	772,794
Buchanan Recreation Center:				
Payroll	654,338	652,913	1,425	724,120
Programs	10,870	8,883	1,987	8,046
Repairs and maintenance	111,909	129,804	(17,895)	113,982
Utilities	135,913	113,372	22,541	-
Administrative	21,474	18,704	2,770	39,344
Other expenses	6,475	32,562	(26,087)	131,728
Total Buchanan Recreation Center	940,979	956,238	(15,259)	1,017,220
Lakehouse:				
Payroll	403,202	407,184	(3,982)	381,852
Programs	17,500	12,009	5,491	19,469
Repairs and maintenance	32,887	65,197	(32,310)	43,169
Utilities	30,597	26,272	4,325	20,116
Administrative	21,498	20,923	575	21,045
Other expenses	42,901	53,728	(10,827)	38,702
Total Lakehouse	548,585	585,313	(36,728)	524,353

The accompanying notes are an integral part of these financial statements

Evergreen Park and Recreation District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund
For the Year Ended December 31, 2016
(With Comparative Amounts for 2015)

	2016		2015	
	Original and Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Expenditures (continued):				
Parks and Fields:				
Payroll	455,234	405,182	50,052	393,151
Repairs and maintenance	98,081	112,387	(14,306)	113,894
Utilities	50,568	56,381	(5,813)	40,874
Administrative	5,090	3,596	1,494	3,015
Other expenses	7,494	16,969	(9,475)	3,945
Total Parks and Fields	616,467	594,515	21,952	554,879
Recreation and Other Programs				
Athletic programs	183,966	165,510	18,456	191,282
Children's programs	479,116	530,580	(51,464)	475,218
Gymnastics programs	259,766	232,105	27,661	200,147
Recreation programs	335,843	323,492	12,351	137,723
Special populations programs	120,385	140,472	(20,087)	128,939
Total Recreation and other programs	1,379,076	1,392,159	(13,083)	1,133,309
Special Events	34,442	38,257	(3,815)	34,007
Capital Outlay	1,157,079	889,673	267,406	875,392
Total Expenditures	6,765,275	6,311,685	453,590	5,955,033
Excess of Revenues Over Expenditures	(553,318)	58,926	612,244	630,843
Other Financing Sources (Uses):				
Insurance recovery	-	2,750	2,750	15,603
Total Other Financing Sources (Uses)	-	2,750	2,750	15,603
Change in Fund Balance	(553,318)	61,676	614,994	646,446
Fund Balance - Beginning	2,048,213	2,048,213	-	1,401,767
Fund Balance - Ending	\$ 1,494,895	\$ 2,109,889	\$ 614,994	\$ 2,048,213

The accompanying notes are an integral part of these financial statements

SUPPLEMENTARY INFORMATION

Evergreen Park and Recreation District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Debt Service Fund
For the Year Ended December 31, 2016
(With Comparative Amounts for 2015)

	2016		Final Budget Variance Positive (Negative)	2015
	Final Budget	Actual		Actual
Revenues:				
Property tax for debt service	\$ 1,071,833	\$ 1,072,590	\$ 757	\$ 1,166,316
Total Revenues	<u>1,071,833</u>	<u>1,072,590</u>	<u>757</u>	<u>1,166,316</u>
Expenditures:				
Debt Service:				
Principal	690,000	690,000	-	720,000
Interest	381,833	381,833	-	258,506
Other expenses	-	-	-	168,435
Total Expenditures	<u>1,071,833</u>	<u>1,071,833</u>	<u>-</u>	<u>1,146,941</u>
Excess of Revenues Over Expenditures	-	757	757	19,375
Other Financing Sources (Uses):				
Proceeds from debt issuance	-	-	-	8,790,000
Premium on debt issuance	-	-	-	1,006,917
Payment to refunding escrow	-	-	-	(9,667,506)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>129,411</u>
Change in Fund Balance	-	757	757	148,786
Fund Balance - Beginning	141,021	141,021	-	(7,765)
Fund Balance - Ending	<u>\$ 141,021</u>	<u>\$ 141,778</u>	<u>\$ 757</u>	<u>\$ 141,021</u>

The accompanying notes are an integral part of these financial statements

**Evergreen Park and Recreation District
Ad Valorem Property Tax Data
For the Year Ended December 31, 2016**

The following tables set forth a history of ad valorem property tax levies and tax collections for the District.

History of Assessed Valuations and Mill Levies for the District

Levy/ Collection Year	Assessed Valuation	Percent Change	General Fund Levy	Debt Service Levy	Special Abatement Levy	Total Mill Levy
2011/2012	416,242,632	-8.1%	4.328	2.880	0.048	7.256
2012/2013	412,866,832	-0.8%	4.328	2.901	0.042	7.271
2013/2014	397,643,902	-3.7%	4.328	3.018	0.039	7.385
2014/2015	396,029,090	-0.4%	4.328	3.032	0.028	7.388
2015/2016	441,389,899	11.5%	4.328	2.428	0.026	6.782
2016/2017	437,608,907	-0.9%	4.328	2.449	0.013	6.790

Source: State of Colorado, Department of Local Affairs, Division of Property Taxation, Annual Reports, 2011-2016.

Property Tax Collections for the District

Levy/ Collection Year	Property Taxes Levied ⁽¹⁾	Current Tax Collections ⁽²⁾	Collection Rate
2010/2011	3,171,143	3,155,890	99.52%
2011/2012	3,020,257	2,991,590	99.05%
2012/2013	3,001,955	2,986,406	99.48%
2013/2014	2,936,600	2,922,633	99.52%
2014/2015	2,925,863	2,918,208	99.74%
2015/2016	2,993,506	2,890,867	96.57%
2016/2017 ⁽³⁾	2,971,364	2,052,470	69.07%

(1) Levies do not reflect abatements or other adjustments.

(2) The Jefferson County Treasurer's collection fees have not been deducted from these amounts, nor do they include delinquent tax collections or interest collected on current taxes.

(3) Collections distributed through June 30, 2017.

Sources: State of Colorado, Department of Local Affairs, Division of Property Taxation, Annual Reports, 2010-2016; and Jefferson County Treasurer's Office.

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