

**CHERRY CREEK VISTA PARK AND  
RECREATION DISTRICT**

**Arapahoe County, Colorado**

**FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

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April 25, 2018

## Table of Contents

	<u>Page</u>
<b>INDEPENDENT AUDITOR'S REPORT</b>	I
<b>BASIC FINANCIAL STATEMENTS</b>	
Government-wide financial statements	
Statement of Net Position	1
Statement of Activities	2
Fund Financial Statements	
Balance Sheet – Governmental Funds	3
Statement of Revenues, Expenditures and Changes In Fund Balances (Deficits) – Governmental Funds	4
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Deficits) of Government Funds to the Statement of Activities	5
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	6
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Special Revenue Fund - Fence	7
Statement of Net Position – Proprietary Fund	8
Statement of Revenue, Expenses and Changes in Net Position- Proprietary Fund	9
Statement of Cash Flows – Proprietary Fund	10
Notes to the Financial Statements	11
<b>SUPPLEMENTAL INFORMATION</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Debt Service Fund	24
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Debt Service Fund – Fence Project	25
Schedule of Revenues, Expenditures and Changes in Fund Balance (Deficit) – Budget and Actual – Capital Projects Fund	26
Schedule of Revenues, Expenditures and Changes in Funds Available – Budget and Actual – Enterprise Fund	27
Schedule of Debt Service Requirements to Maturity	28
Five Year Summary of Assessed Valuation, Mill Levy and Property Taxes Collected – Fence Subdistrict	30
Five Year Summary of Assessed Valuation, Mill Levy and Property Taxes Collected - Total District	31

Board of Directors  
Cherry Creek Vista Park and Recreation District  
Arapahoe County, Colorado

### Independent Auditors' Report

We have audited the accompanying financial statements of the governmental activities, the business-type activities and each major fund of the Cherry Creek Vista Park and Recreation District, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 District'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 District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Cherry Creek Vista Park and Recreation District as of December 31, 2017, and the respective changes in financial position, and where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other-Matters***

*Required Supplementary Information*

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Cherry Creek Vista Park and Recreation District's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The supplementary 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Simmons & Wheeler P.C.*

Englewood, CO  
April 4, 2018

## **BASIC FINANCIAL STATEMENTS**

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT**  
**STATEMENT OF NET POSITION**  
December 31, 2017

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and investments - unrestricted	\$ 24,025	\$ -	\$ 24,025
Cash and investments - restricted	657,325	61,241	718,566
Receivable - County treasurer	5,403	-	5,403
Accounts receivable	-	-	-
Property taxes receivable	853,761	-	853,761
Prepaid expenses	10,215	3,475	13,690
Capital assets, not being depreciated	2,149,825	-	2,149,825
Capital assets, net of accumulated depreciation	3,171,879	-	3,171,879
Total assets	<u>6,872,433</u>	<u>64,716</u>	<u>6,937,149</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred loss on bond refunding	114,462	-	114,462
Total deferred outflows of resources	<u>114,462</u>	<u>-</u>	<u>114,462</u>
<b>LIABILITIES</b>			
Accounts payable	30,096	973	31,069
Accrued interest payable	37,585	-	37,585
Bonds payable			
Due within one year	330,000	-	330,000
Due within more than one year	2,459,220	-	2,459,220
Total liabilities	<u>2,856,901</u>	<u>973</u>	<u>2,857,874</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred property taxes	853,761	-	853,761
Total deferred inflows of resources	<u>853,761</u>	<u>-</u>	<u>853,761</u>
<b>NET POSITION</b>			
Net investment in capital assets	2,532,484	-	2,532,484
Restricted:			
Emergency reserves	13,400	-	13,400
Debt Service	519,693	-	519,693
Capital projects	30,360	-	30,360
Unrestricted	180,296	63,743	244,039
Total net position	<u>\$ 3,276,233</u>	<u>\$ 63,743</u>	<u>\$ 3,339,976</u>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT**  
**STATEMENT OF ACTIVITIES**  
Year Ended December 31, 2017

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>		
		<u>Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business- Type Activities</u>	<u>Total</u>
Governmental Activities:						
General government	\$ 686,541	\$ -	\$ 30,443	\$ (656,098)	\$ -	\$ (656,098)
Interest and fiscal charges	117,070	-	-	(117,070)	-	(117,070)
Total governmental activities	<u>\$ 803,611</u>	<u>\$ -</u>	<u>\$ 30,443</u>	<u>(773,168)</u>	<u>-</u>	<u>(773,168)</u>
Business-Type Activities						
Pool enterprise	\$ 203,257	\$ 172,013	\$ -	-	(31,244)	(31,244)
Total business-type activities	<u>\$ 203,257</u>	<u>\$ 172,013</u>	<u>\$ -</u>	<u>-</u>	<u>(31,244)</u>	<u>(31,244)</u>
General revenues:						
Taxes:						
Property taxes				801,754	-	801,754
Specific ownership taxes				68,662	-	68,662
Net investment income				8,943	834	9,777
Other				52,385	1,400	53,785
Transfers in (out)				49	(49)	-
Total general revenues				<u>931,793</u>	<u>2,185</u>	<u>933,978</u>
Change in net position				158,625	(29,059)	129,566
Net position - Beginning of year				3,117,608	92,802	3,210,410
Net position - End of year				<u>\$ 3,276,233</u>	<u>\$ 63,743</u>	<u>\$ 3,339,976</u>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2017**

	<u>General</u>	<u>Special Revenue Fund</u>	<u>Debt Service</u>	<u>Debt Service Fence</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>						
Cash and investments - unrestricted	\$ 47,882	\$ 25,571	\$ -	\$ -	\$ (49,428)	\$ 24,025
Cash and investments - restricted	100,000	-	338,951	218,374	-	657,325
Cash with County Treasurers	3,538	1,865	-	-	-	5,403
Accounts receivable	-	-	-	-	-	-
Prepaid expenses	8,358	1,857	-	-	-	10,215
Property tax receivable	387,334	40,704	271,150	154,573	-	853,761
<b>TOTAL ASSETS</b>	<u>\$ 547,112</u>	<u>\$ 69,997</u>	<u>\$ 610,101</u>	<u>\$ 372,947</u>	<u>\$ (49,428)</u>	<u>\$ 1,550,729</u>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Accounts payable	\$ 24,695	\$ 2,296	\$ 29	\$ 18	\$ 3,058	\$ 30,096
Total liabilities	<u>24,695</u>	<u>2,296</u>	<u>29</u>	<u>18</u>	<u>3,058</u>	<u>30,096</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred tax revenues	387,334	40,704	271,150	154,573	-	853,761
Total deferred inflows of resources	<u>387,334</u>	<u>40,704</u>	<u>271,150</u>	<u>154,573</u>	<u>-</u>	<u>853,761</u>
<b>FUND BALANCES</b>						
Nonspendable for prepaid expenses	8,358	1,857	-	-	-	10,215
Restricted for emergencies	11,500	1,900	-	-	-	13,400
Restricted for debt service	-	-	338,922	218,356	-	557,278
Restricted for capital projects	-	-	-	-	30,360	30,360
Assigned for subsequent year's expenditures	28,254	-	-	-	-	28,254
Unassigned	86,971	23,240	-	-	(82,846)	27,365
<b>TOTAL FUND BALANCES</b>	<u>135,083</u>	<u>26,997</u>	<u>338,922</u>	<u>218,356</u>	<u>(52,486)</u>	<u>666,872</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 547,112</u>	<u>\$ 69,997</u>	<u>\$ 610,101</u>	<u>\$ 372,947</u>	<u>\$ (49,428)</u>	

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

Some assets used in governmental activities are not financial resources and, therefore, are not reported in the Balance Sheet - Governmental Funds.

Capital assets, net of accumulated depreciation	<u>5,321,704</u>
	<u>5,321,704</u>

Some liabilities, including bonds payable and accrued interest payable, are not due and payable in the current period and, therefore, are not reported in the Balance Sheet - Governmental Funds.

Accrued interest payable	(37,585)
General obligation refunding bonds payable	(2,770,000)
Bond premium, net of accumulated amortization	(19,220)
Loss on refunding, net of accumulated amortization	114,462
	<u>(2,712,343)</u>

Net position of governmental activities	<u>\$ 3,276,233</u>
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These financial statements should be read only in connection with the accompanying notes to financial statements.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES (DEFICITS) - GOVERNMENTAL FUNDS  
Year Ended December 31, 2017**

	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Debt Service - Fence</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
<b>REVENUES</b>						
Property tax	\$ 330,153	\$ 38,054	\$ 278,153	\$ 155,394	\$ -	\$ 801,754
Specific ownership tax	45,074	23,588	-	-	-	68,662
Conservation Trust proceeds	-	-	-	-	30,443	30,443
Net investment income	2,441	142	3,025	1,950	1,385	8,943
Other	2,385	-	-	-	50,000	52,385
Total revenues	<u>380,053</u>	<u>61,784</u>	<u>281,178</u>	<u>157,344</u>	<u>81,828</u>	<u>962,187</u>
<b>EXPENDITURES</b>						
Current						
Accounting and audit	14,739	1,965	-	-	-	16,704
Legal	8,504	526	-	-	-	9,030
Director's fees	4,200	-	-	-	-	4,200
Management fees	62,534	4,080	-	-	25,809	92,423
Election costs	490	-	-	-	-	490
Insurance and bonds	15,699	3,757	-	-	-	19,456
Office expenses	5,876	572	-	-	38,033	44,481
County Treasurer's fees	4,956	571	4,175	2,333	-	12,035
Landscape maintenance	56,017	18,207	-	-	-	74,224
Other landscape	17,765	27,782	-	-	-	45,547
Utilities	71,257	8,825	-	-	-	80,082
Repair and maintenance	23,969	12,369	-	-	-	36,338
Other	8,896	-	-	-	-	8,896
Capital outlay	-	-	-	-	422,900	422,900
Debt service						
Principal	-	-	190,000	130,000	-	320,000
Interest and fiscal charges	-	-	81,698	19,412	-	101,110
Total expenditures	<u>294,902</u>	<u>78,654</u>	<u>275,873</u>	<u>151,745</u>	<u>486,742</u>	<u>1,287,916</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	85,151	(16,870)	5,305	5,599	(404,914)	(325,729)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	163	25,000	-	-	196,831	221,994
Transfers out	(221,831)	(114)	-	-	-	(221,945)
Total other financing sources (uses)	<u>(221,668)</u>	<u>24,886</u>	<u>-</u>	<u>-</u>	<u>196,831</u>	<u>49</u>
<b>NET CHANGE IN FUND BALANCES</b>	(136,517)	8,016	5,305	5,599	(208,083)	(325,680)
<b>FUND BALANCES - BEGINNING OF YEAR</b>						
	271,600	18,981	333,617	212,757	155,597	992,552
<b>FUND BALANCES (DEFICITS)- END OF YEAR</b>	<u>\$ 135,083</u>	<u>\$ 26,997</u>	<u>\$ 338,922</u>	<u>\$ 218,356</u>	<u>\$ (52,486)</u>	<u>\$ 666,872</u>

These financial statements should be read only in connection with  
the accompanying notes to financial statements.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS) OF  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
Year Ended December 31, 2016**

A reconciliation reflecting the differences between the governmental funds net change in fund balances and change in net position reported for governmental activities in the Statement of Activities as follows:

Net change in fund balances - Total governmental funds	<u>\$ (325,680)</u>
<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 and reported as depreciation expense.</p>	
Capital outlay	422,900
Depreciation	<u>(242,635)</u>
	<u>180,265</u>
<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.</p>	
Change in accrued interest payable	4,544
Amortization of bond premium	4,631
Amortization of loss on bond refunding	<u>(25,135)</u>
	<u>(15,960)</u>
<p>Long-term debt (e.g. bonds, loans) provide 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.</p>	
Principal payments - bonds payable	<u>320,000</u>
	<u>320,000</u>
Change in net position - Governmental activities	<u><u>\$ 158,625</u></u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
GENERAL FUND  
For the Year Ended December 31, 2017**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>				
Property tax	\$ 330,188	\$ 329,173	\$ 330,153	\$ 980
Specific ownership taxes	35,000	44,097	45,074	977
Net investment income	250	2,529	2,441	(88)
Insurance proceeds	-	-	-	-
Other	-	885	2,385	1,500
Total revenues	<u>365,438</u>	<u>376,684</u>	<u>380,053</u>	<u>3,369</u>
<b>EXPENDITURES</b>				
Accounting and audit	18,750	14,835	14,739	96
Legal	17,000	8,922	8,504	418
Director's fees	4,000	3,600	4,200	(600)
Management fees	30,675	30,600	30,600	-
Management fees - special	10,000	30,828	31,934	(1,106)
Election costs	-	-	490	(490)
Insurance and bonds	9,360	15,040	15,699	(659)
Office expenses	3,000	5,729	5,876	(147)
County Treasurer's fees	4,953	4,940	4,956	(16)
Landscape maintenance	56,110	50,472	56,017	(5,545)
Landscape - other	10,000	8,460	16,969	(8,509)
Snowplowing	3,000	3,000	796	2,204
Utilities	70,000	71,183	71,257	(74)
Repair and maintenance	25,000	23,198	23,969	(771)
Stormwater fee	3,000	4,649	3,099	1,550
Trees/plantings/top dress	10,000	-	-	-
Other	2,000	5,417	5,797	(380)
Capital outlay	2,950	2,950	-	2,950
Total expenditures	<u>279,798</u>	<u>283,823</u>	<u>294,902</u>	<u>(11,079)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	85,640	92,861	85,151	(7,710)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	143	163	20
Transfers out	(43,241)	(275,878)	(221,831)	54,047
Total other financing sources (uses)	<u>(43,241)</u>	<u>(275,735)</u>	<u>(221,668)</u>	<u>54,067</u>
<b>NET CHANGE IN FUND BALANCE</b>	42,399	(182,874)	(136,517)	46,357
<b>FUND BALANCE - BEGINNING OF YEAR</b>	151,873	271,600	271,600	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 194,272</u>	<u>\$ 88,726</u>	<u>\$ 135,083</u>	<u>\$ 46,357</u>

These financial statements should be read only in connection with the  
accompanying notes to financial statements.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE FUND - FENCE  
For the Year Ended December 31, 2017**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>REVENUES</b>			
Property tax	\$ 38,059	\$ 38,054	\$ (5)
Specific ownership taxes	20,000	23,588	3,588
Net investment income	50	142	92
Total revenues	<u>58,109</u>	<u>61,784</u>	<u>3,675</u>
<b>EXPENDITURES</b>			
Accounting and audit	2,500	1,965	535
Legal	750	526	224
Management fees	4,090	4,080	10
Insurance	15,650	3,757	11,893
Office expense	400	572	(172)
Landscape maintenance	16,865	17,832	(967)
Other landscape	11,000	21,832	(10,832)
Landscape replacement	-	5,950	(5,950)
Brick wall repair and maintenance	15,000	12,369	2,631
Water expense	10,500	8,825	1,675
Snowplowing	2,500	375	2,125
County Treasurer's fees	571	571	-
Total expenditures	<u>79,826</u>	<u>78,654</u>	<u>1,172</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES</b>	(21,717)	(16,870)	4,847
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	1,241	25,000	23,759
Transfers out	-	(114)	(114)
Total other financing sources (uses)	<u>1,241</u>	<u>24,886</u>	<u>23,645</u>
<b>NET CHANGE IN FUND BALANCE</b>	(20,476)	8,016	28,492
<b>FUND BALANCE - BEGINNING OF YEAR</b>	22,211	18,981	(3,230)
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,735</u>	<u>\$ 26,997</u>	<u>\$ 25,262</u>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
December 31, 2017**

	<u><b>Total Proprietary/ Enterprise Fund</b></u>
<b>ASSETS</b>	
Cash and investments - restricted	\$ 61,241
Prepaid expenses	3,475
Total assets	<u>64,716</u>
 <b>LIABILITIES</b>	
Accounts payable	<u>973</u>
Total liabilities	<u>973</u>
 <b>NET POSITION</b>	
Unrestricted	<u>63,743</u>
Total net position	<u><u>\$ 63,743</u></u>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT**  
**STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUND**  
**Year Ended December 31, 2017**

	<b>Total Proprietary Enterprise Fund</b>
<b>OPERATING REVENUE</b>	
Pool fees	\$ 152,181
Field user fees	19,832
Total operating revenue	172,013
 <b>OPERATING EXPENSES</b>	
Accounting and audit	2,948
Management	6,120
Insurance and bonds	6,275
Legal	1,577
Office expenses	858
Utilities	41,493
Pool expenses	33,685
Pool management fees	90,800
Repairs and maintenance	455
Landscape maintenance	12,514
Miscellaneous	2,566
Total operating expenses	203,257
 <b>LOSS FROM OPERATIONS</b>	 (31,244)
 <b>NONOPERATING REVENUES (EXPENSES)</b>	
Other	1,400
Net investment income	834
Transfers out	(49)
Total nonoperating revenues (expenses)	2,185
 <b>CHANGE IN NET POSITION</b>	 (29,059)
 <b>NET POSITION - BEGINNING OF YEAR</b>	 92,802
<b>NET POSITION - END OF YEAR</b>	<b>\$ 63,743</b>

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
Year Ended December 31, 2017**

	<b>Enterprise Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers	\$ 172,013
Payments to suppliers	(195,237)
Net cash required by operating activities	(23,224)
 <b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Other	1,400
Net cash provided by noncapital financing activities	1,400
 <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Net investment income	834
Transfers to governmental funds	(49)
Net cash required by investing activities	785
 <b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(21,039)
 <b>CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR</b>	82,280
 <b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 61,241
 <b>Reconciliation of operating income (loss) to net cash required by operating activities</b>	
Loss from operations	\$ (31,244)
Decrease in accounts payable	(484)
Increase in prepaid expense	8,504
Net cash required by operating activities	\$ (23,224)

These financial statements should be read only in connection with  
the accompanying notes to the financial statements.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 1 – DEFINITION OF REPORTING ENTITY**

Cherry Creek Vista Park and Recreation District (District), a quasi-municipal corporation was organized in 1979 and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Arapahoe County, Colorado. The District was established to construct and maintain parks and recreation facilities.

On July 19, 2001, the District created the Cherry Creek Vista Park and Recreation District Fence Subarea located within the District for the purpose of constructing and maintaining public fence and landscape improvements. The Subarea is an independent quasi-municipal corporation with all of the rights, privileges and immunities of the District, subject to the service plan of the District and is governed by the Board of Directors of the District. The District has the power to impose different rates of levy for property tax purposes in the different areas. In 2005, the District created the Enterprise Fund to account for pool operations.

The District has no employees and all operations and administrative functions are contracted.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

**Government-wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues, and business-type activities rely to a significant extent on fees and charges for support.

The statement of net position reports all financial and capital resources of the District, the difference between the assets and deferred outflows and liabilities and deferred inflows of the District being reported as net position.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2017**

The statement of activities demonstrates the degree to which the direct and indirect 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.

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

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for capital assets are shown as increases in assets and redemption of bonds and notes are recorded as a reduction in liabilities.

The District has elected to follow Governmental Accounting Standards Board pronouncements in both the government-wide and proprietary fund financial statements.

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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation paid. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

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

The *Special Revenue Fund – Fence Project* is used to account for the financial resources of the fence project and maintenance.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of the governmental funds.

The *Debt Service Fund – Fence Project* accounts for the resources accumulated and payment made for the principal and interest on long-term general obligation debt of the fence project.

The *Capital Projects Fund* is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

The District reports the following major proprietary fund:

The *Enterprise Fund* accounts for the activities related to the pool and other park and recreation functions.

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

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

Supplementary appropriations were approved by the District for the General Fund, Capital Projects Fund, and Enterprise Fund.

**Pooled Cash and Investments**

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each funds' average equity balance in total cash. Investments are carried at fair value.

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April 1 or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected.

**Capital Assets**

Capital assets, which include land, landscape and signage, park improvements and irrigation systems are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable. Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Tennis courts	20 years
Parking lots/fence	40 years
Playground/picnic	30 years
Pool	20 years
Pedestrian bridge/trail	20 years

**Bond Issue Costs and Original Issue Discount/Premium**

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bond issuance costs are expensed in the period incurred.

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

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Fund Equity**

Fund balance for governmental funds are reported in the categories listed below to make the nature and extent of the constraints placed on a government's fund balances more transparent. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance—the amount of fund balance that is not in spendable form (such as inventory or prepaids) or is legally or contractually required to be maintained intact.

Restricted fund balance—the amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Committed fund balance—amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest level action to remove or change the constraint.

Assigned fund balance—amounts the District intends to use for a specific purpose. Intent can be expressed by the District Board of Directors or by an official or body to which the District Board of Directors delegates the authority.

Unassigned fund balance—amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the District Board of Directors has provided otherwise in its commitment or assignment actions.

**NOTE 3 - CASH AND INVESTMENTS**

Cash and investments as of December 31, 2017 are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and investments – unrestricted	\$ 24,025
Cash and investments – restricted	<u>718,566</u>
Total cash and investments	<u>\$ 742,591</u>

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

Cash and investments as of December 31, 2017 consist of the following:

Deposits with financial institutions	(\$ 19,553)
Investments	<u>762,144</u>
Total cash and investments	<u><u>\$ 742,591</u></u>

**Cash Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the 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.

The State Commissioners for banks and financial services are required by Statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2017, the District's cash deposits had a bank balance of \$47,648 and carrying balance of (\$19,553).

**Investments**

The District has not adopted a formal investment policy, however, the District follows state statutes regarding investments.

The District follows Colorado State Statutes which specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

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

**Interest Rate Risk**

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Credit Risk**

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rate by a nationally recognized statistical rating organization.

*COLOTRUST*

At December 31, 2017, the District has invested \$762,144 in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies and instrumentalities, and repurchase agreements collateralized with certain U.S. government agencies or instrumentalities. COLOTRUST PLUS+ may also invest in the highest rated commercial paper. Both the COLOTRUST PRIME and COLOTRUST PLUS+ portfolios are rated AAAM by Standard and Poor's.

**Investment Valuation**

Certain investments are measured at fair value on a recurring basis are categorized within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

However, the investments held by the District are not required to be categorized within the fair value hierarchy. These investments are measured at amortized cost or in certain circumstances the value is calculated using the net asset value (NAV) per share, or its equivalent of the investment. These investments include 2a7-like external investment pools and money market investments such as COLOTRUST.

*COLOTRUST*

COLOTRUST determines the NAV of the shares of each portfolio as of the close of business of each day. The NAV per share of each portfolio is computed by dividing the total value of the securities and other assets of the portfolios, less any liabilities, by the total outstanding shares of the portfolios. Liabilities, which include all expenses and fees of COLOTRUST, are accrued daily. The NAV is calculated at fair value using various inputs in determine value in accordance with FASB guidance. It is the goal of the Trust to maintain a NAV of \$1.00 per share, however changes in interest rates may affect the fair value of the securities held by COLOTRUST and there can be no assurance that the NAV will not vary from \$1.00 per share.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**Restricted Cash and Investments**

At December 31, 2017, the District reports restricted cash and investments in the amount of \$100,000 in the General Fund as designated by the Board of Directors as a Reserve Fund, \$338,951 and \$218,374 held by the Debt Service Fund and Debt Service Fund – Fence for debt service expenditures and \$61,241 held by the Proprietary Fund, as designated by the Board of Directors.

**NOTE 4 - CAPITAL ASSETS**

An analysis of the changes in capital assets for the year ended December 31, 2017 follows:

	<u>Balance at December 31, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance at December 31, 2017</u>
<b>Governmental Activities:</b>				
Capital assets, not being depreciated				
Land/parks	\$ 1,697,373	\$ 343,336	\$ -	\$ 2,040,709
Construction in progress	229,534	414,900	535,318	109,116
Total capital assets not being depreciated	<u>1,926,907</u>	<u>758,236</u>	<u>535,318</u>	<u>2,149,825</u>
Capital assets, being depreciated:				
Tennis courts (6)	572,269	-	-	572,269
Parking lots (3)	95,000	-	-	95,000
Sidewalks at parks	121,809	-	-	121,809
Playgrounds (4)	245,238	191,982	-	437,220
Picnic shelter	20,390	-	-	20,390
Pool	2,462,598	8,000	-	2,470,598
Equipment	12,690	-	-	12,690
Fence	1,950,000	-	-	1,950,000
Pedestrian bridge/trail	533,038	-	-	533,038
Total capital assets, being depreciated	<u>6,013,032</u>	<u>199,982</u>	<u>-</u>	<u>6,213,014</u>
Less accumulated depreciation for:				
Tennis courts (6)	333,637	25,169	-	358,806
Parking lots (3)	87,875	2,375	-	90,250
Sidewalks at parks	38,256	4,061	-	42,317
Playgrounds (4)	106,665	11,374	-	118,039
Picnic shelter	16,316	680	-	16,996
Pool	1,405,183	123,575	-	1,528,758
Equipment	12,690	-	-	12,690
Fence	731,250	48,750	-	780,000
Pedestrian bridge/trail	66,628	26,651	-	93,279
Total accumulated depreciation	<u>2,798,500</u>	<u>242,635</u>	<u>-</u>	<u>3,041,135</u>
Total capital assets, being depreciated, net	<u>3,214,532</u>	<u>(42,653)</u>	<u>-</u>	<u>3,171,879</u>
Governmental activities capital assets, net	<u>\$ 5,141,439</u>	<u>\$ 715,583</u>	<u>\$ 535,318</u>	<u>\$ 5,321,704</u>

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

Depreciation expense is charged to the general government function in the Statement of Activities.

**NOTE 5 – LONG-TERM OBLIGATIONS**

The following is an analysis of the changes in the District's long-term obligations for the year ended December 31, 2017.

<b>Governmental Activities:</b>	<b>Balance December 31, 2016</b>	<b>Additions</b>	<b>Retirements</b>	<b>Balance December 31, 2017</b>	<b>Current Portion</b>
General obligation bonds payable:					
2004 Bonds	\$ 590,000	\$ -	\$ 190,000	\$ 400,000	\$ 195,000
2011 Bonds	2,500,000	-	130,000	2,370,000	135,000
Bond premium	23,851	-	4,631	19,220	-
	<u>\$ 3,733,989</u>	<u>\$ -</u>	<u>\$ 324,631</u>	<u>\$ 2,789,220</u>	<u>\$ 330,000</u>

**General Obligation Bonds**

On March 1, 2004, the District issued \$3,425,000 of General Obligation Improvement Bonds to finance the costs of reconstruction and improvement of park and recreation assets. The bonds bear interest at rates of 3.70% - 5.00% and mature serially in annual installments on August 1 of each year beginning in 2007. Interest will be paid semiannually February 1 and August 1 of each year.

Bonds maturing on or after August 1, 2017 are subject to optional redemption prior to maturity on August 1, 2017 upon payment of par plus accrued interest.

On December 29, 2011, the District issued \$2,985,000 of General Obligation Refunding Bonds, Series 2011, to advance refund and defease \$1,235,000 of the 2002 Bonds and \$1,725,000 of the 2004 Bonds. The bonds bear interest at rates ranging from 2.00% to 3.25%. These bonds mature serially in annual installments on August 1 of each year beginning in 2017. Interest will be paid semiannually on February 1 and August 1 of each year, commencing August 1, 2012.

The defeased 2002 and 2004 Bonds are not considered a liability of the District since sufficient funds were deposited with a trustee and invested in U.S. government securities for the purpose of paying the principal and interest of the defeased bonds when due. The outstanding principal balance of \$1,725,000 was called and paid in full on August 1, 2014.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

The District's long-term obligations will mature as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 330,000	\$ 90,205	\$ 420,205
2019	340,000	78,445	418,445
2020	380,000	65,375	445,375
2021	405,000	53,975	458,975
2022	420,000	40,500	460,500
2023-2024	895,000	42,775	937,775
	<u>\$ 2,770,000</u>	<u>\$ 371,275</u>	<u>\$ 3,141,275</u>

As of December 31, 2017, the District had no authorized but unissued debt.

**NOTE 6- FUND EQUITY**

At December 31, 2017, the District reported the following classifications of fund equity.

**Nonspendable Fund Balance**

The nonspendable fund balance in the General Fund in the amount of \$8,358 and in the Special Revenue Fund in the amount of \$1,857 is comprised of prepaid amounts which are not in spendable form.

**Restricted Fund Balance**

The restricted fund balance in the amount of \$11,500 and \$1,900 in the General Fund and Special Revenue Fund, respectively is comprised of the Emergency Reserves that have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 10).

The restricted fund balances in the Debt Service Fund and Debt Service Fund - Fence in the amounts of \$338,922 and \$218,356, respectively, is to be used exclusively for debt service requirements (see Note 5).

The restricted fund balance in the Capital Projects Fund in the amount of \$30,360 in part represents unspent funding from the State of Colorado – Conservation Trust Fund of \$21,578 and \$11,782 of unspent contributions towards a park project.

**Assigned Fund Balance**

The assigned fund balance in the General Fund in the amount of \$28,254 is comprised of amounts assigned by the Board of Directors by a resolution to eliminate the projected budgetary deficit in the subsequent year's budget.

**Deficit Fund Balance**

The unassigned deficit fund balance in the Capital Projects Fund of \$82,846 is a result of expenditures being incurred on a reimbursement-based grant from Arapahoe County. The deficit is expected to be covered by grant proceeds in 2018.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 7 - NET POSITION**

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2017, the District had net investment in capital assets calculated as follows:

	<b>Governmental Activities</b>
Net investment in capital assets:	
Capital assets, net	\$ 5,321,704
Noncurrent portion of long-term obligations	(2,440,000)
Current portion of long-term obligations	(330,000)
Bond premium (net of accumulated amortization)	(19,220)
Net investment in capital assets	\$ 2,532,484

Restricted net position includes amounts that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2017 as follows:

Restricted:	
Emergencies	\$ 13,400
Debt Service	519,693
Capital projects	30,360
	\$ 563,453

**NOTE 8 – INTERFUND TRANSFERS**

The District had the following interfund transfers during the year ended December 31, 2017:

The following transfers were made to the General Fund which represent interest earned in each respective fund that has been assigned to the General Fund:

Special Revenue Fund	\$ 114
Enterprise Fund	49
	\$ 163

The Capital Projects Fund received a transfer of \$196,831 from the General Fund to assist with the Windermere park project and Vista II Park planning grant.

The Special Revenue Fund received a transfer of \$25,000 from the General Fund to establish a self-insurance reserve for brick wall repairs.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

**NOTE 9 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool) as of December 31, 2017. The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public officials' liability. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**NOTE 10 - TAX, SPENDING AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations that apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

In November 2001, a majority of the District's voters approved the District to increase taxes \$25,000 annually plus the rate of inflation, as necessary to pay the District's operations, maintenance and other expenses. Such taxes are to be levied within the Fence Subarea to be in addition to any other taxes imposed by the District.

On May 6, 2014, a majority of the District's voters approved the District to increase taxes by \$114,286 in 2014 and by whatever amount of revenue is generated annually in 2014 and every year thereafter, through an increase in the District's operations and maintenance mill levy of 1.8 mills for a maximum mill levy for operations and maintenance not to exceed 4.273 mills. The maximum mill levy of 4.273 may be adjusted up or down to account for legislative or constitutional changes in the method or percentage for calculating District assessed values. In addition, the District shall be authorized to collect, retain and expend for public purposes the full amount received by the District from state and local grants and any other revenue sources other than assessments, notwithstanding

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2017**

any spending, revenue raising or other limits in Article X, Section 20 of the Colorado Constitution or Section 29-1-301, Colorado Revised Statutes.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

**NOTE 11 – ARAPAHOE COUNTY GRANT**

During 2016, the District was awarded a project grant from Arapahoe County Open Space in the amount of \$304,000. The District is using the grant for improvements to the Windemere Park along the Cottonwood Creek Trail Corridor. As of December 31, 2017, the District had completed the project. \$76,000 of the grant proceeds are expected to be received in 2018 after approval of the final grant reports submitted by the District.

This information is an integral part of the accompanying financial statements.

**SUPPLEMENTAL INFORMATION**

**CHERRY CREEK VISTA 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, 2017**

	Original and Final Budgeted Amounts	Actual	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Property tax	\$ 278,183	\$ 278,153	\$ (30)
Net investment income	1,000	3,025	2,025
Total revenues	<u>279,183</u>	<u>281,178</u>	<u>1,995</u>
<b>EXPENDITURES</b>			
Bond principal	190,000	190,000	-
Bond interest	81,698	81,698	-
Debt service fees	500	-	500
County Treasurer's fees	4,173	4,175	(2)
Administration	-	-	-
Contingency	2,000	-	2,000
Total expenditures	<u>278,371</u>	<u>275,873</u>	<u>2,498</u>
<b>NET CHANGE IN FUND BALANCE</b>	812	5,305	4,493
<b>FUND BALANCE - BEGINNING OF YEAR</b>	333,207	333,617	410
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 334,019</u>	<u>\$ 338,922</u>	<u>\$ 4,903</u>

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL  
DEBT SERVICE FUND - FENCE PROJECT  
For the Year Ended December 31, 2017**

	<b>Original and Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>REVENUES</b>			
Property tax	\$ 155,413	\$ 155,394	\$ (19)
Net investment income	1,000	1,950	950
Total revenues	<u>156,413</u>	<u>157,344</u>	<u>931</u>
<b>EXPENDITURES</b>			
Bond principal	130,000	130,000	-
Bond interest	19,412	19,412	-
Debt service fees	200	-	200
County Treasurer's fees	2,331	2,333	(2)
Contingency	2,000	-	2,000
Total expenditures	<u>153,943</u>	<u>151,745</u>	<u>2,198</u>
<b>NET CHANGE IN FUND BALANCE</b>	2,470	5,599	3,129
<b>FUND BALANCE - BEGINNING OF YEAR</b>	211,954	212,757	803
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 214,424</u>	<u>\$ 218,356</u>	<u>\$ 3,932</u>

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE (DEFICIT) - BUDGET AND ACTUAL  
CAPITAL PROJECTS FUND  
For the Year Ended December 31, 2017**

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
<b>REVENUES</b>				
Conservation Trust Fund	\$ 35,000	\$ 30,000	\$ 30,443	\$ 443
Net investment income	100	1,600	1,385	(215)
Windermere Park project grant	-	76,000	-	(76,000)
Vista II Park project grant	300,000	-	-	-
Vista II Park planning grant - HOA contribution	50,000	50,000	50,000	-
Total revenues	<u>385,100</u>	<u>157,600</u>	<u>81,828</u>	<u>(75,772)</u>
<b>EXPENDITURES</b>				
Current				
Management - Special	17,000	30,000	25,809	4,191
Conservation trust expenditures	-	50,000	46,034	3,966
Capital Outlay				
Windermere Park - project grant	-	358,000	358,053	(53)
Vista II Park - project	375,000	50,000	56,846	(6,846)
Total expenditures	<u>392,000</u>	<u>488,000</u>	<u>486,742</u>	<u>1,258</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	(6,900)	(330,400)	(404,914)	(74,514)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	42,000	249,828	196,831	(52,997)
Total other financing sources (uses)	<u>42,000</u>	<u>249,828</u>	<u>196,831</u>	<u>(52,997)</u>
<b>NET CHANGE IN FUND BALANCE</b>	35,100	(80,572)	(208,083)	(127,511)
<b>FUND BALANCE - BEGINNING OF YEAR</b>	79,946	155,597	155,597	-
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<u>\$ 115,046</u>	<u>\$ 75,025</u>	<u>\$ (52,486)</u>	<u>\$ (127,511)</u>

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUNDS AVAILABLE - BUDGET AND ACTUAL  
ENTERPRISE FUND  
For the Year Ended December 31, 2017**

	<b>Original Budgeted Amounts</b>	<b>Final Budgeted Amounts</b>	<b>Actual</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>REVENUES</b>				
Pool fees	\$ 170,000	\$ 150,990	\$ 152,181	\$ 1,191
Field user fees	22,000	19,833	19,832	(1)
Contributions	-	-	-	-
Net investment income	200	687	834	147
Other	100	900	1,400	500
Total revenues	<u>192,300</u>	<u>172,410</u>	<u>174,247</u>	<u>1,837</u>
<b>EXPENDITURES</b>				
Tennis expenses				
Tennis maintenance	500	5,949	3,966	1,983
Tennis key purchases	500	500	-	500
Pool maintenance				
Chemicals and supplies	16,800	15,243	15,039	204
Pool complex maintenance	15,000	18,192	14,078	4,114
Pool-membership	3,000	3,852	2,568	1,284
Swim team expense	2,000	2,000	2,000	-
Utilities				
Gas and electric	22,000	15,520	14,930	590
Telephone	1,200	734	982	(248)
Water expense	24,000	30,441	25,581	4,860
Administration				
Accounting and audit	3,750	3,284	2,948	336
District management	6,135	6,120	6,120	-
Insurance	3,900	6,275	6,275	-
Legal	2,250	1,644	1,577	67
Office expenses	600	762	858	(96)
Repairs and maintenance	-	-	455	(455)
Landscape maintenance - contract	11,844	12,850	12,514	336
Pool management fees	90,800	90,800	90,800	-
Other	1,000	3,054	2,566	488
Pool furniture and fixtures	10,000	-	-	-
Contingency	-	5,000	-	5,000
Total expenditures	<u>215,279</u>	<u>222,220</u>	<u>203,257</u>	<u>18,963</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	(22,979)	(49,810)	(29,010)	20,800
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	-	(49)	(49)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(49)</u>	<u>(49)</u>
<b>NET CHANGE IN FUNDS AVAILABLE</b>	(22,979)	(49,810)	(29,059)	20,751
<b>FUNDS AVAILABLE - BEGINNING OF YEAR</b>	87,978	92,802	92,802	-
<b>FUNDS AVAILABLE - END OF YEAR</b>	<u>\$ 64,999</u>	<u>\$ 42,992</u>	<u>\$ 63,743</u>	<u>\$ 20,751</u>

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
 SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
 December 31, 2017**

**\$2,985,000 General Obligation Refunding  
 Bonds, Series 2011  
 Dated December 29, 2011  
 Interest Rate 2.00% - 3.25%  
 Principal Due August 1  
 Interest Due February 1 and August 1**

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 135,000	\$ 72,800	\$ 207,800
2019	135,000	69,425	204,425
2020	380,000	65,375	445,375
2021	405,000	53,975	458,975
2022	420,000	40,500	460,500
2023	440,000	27,987	467,987
2024	455,000	14,788	469,788
	<u>\$ 2,370,000</u>	<u>\$ 344,850</u>	<u>\$ 2,714,850</u>

**\$3,425,000 General Obligation Improvement**  
**Bonds, Series 2004**  
**Dated March 1, 2004**  
**Interest Rate 3.70% - 5.00%**  
**Principal Due August 1**  
**Interest Due February 1 and August 1**

			<b>Totals</b>		
<b>Principal</b>	<b>Interest</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
\$ 195,000	\$ 17,405	\$ 212,405	\$ 330,000	\$ 90,205	\$ 420,205
205,000	9,020	214,020	340,000	78,445	418,445
-	-	-	380,000	65,375	445,375
-	-	-	405,000	53,975	458,975
-	-	-	420,000	40,500	460,500
-	-	-	440,000	27,987	467,987
-	-	-	455,000	14,788	469,788
<u>\$ 400,000</u>	<u>\$ 26,425</u>	<u>\$ 426,425</u>	<u>\$ 2,770,000</u>	<u>\$ 371,275</u>	<u>\$ 3,141,275</u>

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
 FIVE YEAR SUMMARY OF ASSESSED VALUATION , MILL LEVY  
 AND PROPERTY TAXES COLLECTED  
 FENCE SUBDISTRICT  
 December 31, 2017**

<u>Year Ended December 31,</u>	<u>Prior Year Assessed Valuation for Current Year Property Tax Levy</u>	<u>Mills Levied</u>	<u>Property Taxes</u>		<u>Percentage Collected to Levied</u>
			<u>Levied</u>	<u>Collected</u>	
2013	\$ 54,185,080	3.148	\$ 170,575	\$ 170,541	100.0%
2014	\$ 56,431,290	3.445	\$ 194,406	\$ 194,405	100.0%
2015	\$ 56,447,190	3.459	\$ 195,251	\$ 196,223	100.5%
2016	\$ 69,030,904	2.853	\$ 196,945	\$ 196,909	100.0%
2017	\$ 69,072,568	2.801	\$ 193,472	\$ 193,448	100.0%
Estimated for year ending December 31, 2018	\$ 73,606,389	2.653	\$ 195,277		

**NOTE:** Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurers do not permit identification of specific year of levy.

**CHERRY CREEK VISTA PARK AND RECREATION DISTRICT  
 FIVE YEAR SUMMARY OF ASSESSED VALUATION , MILL LEVY  
 AND PROPERTY TAXES COLLECTED  
 TOTAL DISTRICT  
 December 31, 2017**

<u>Year Ended December 31,</u>	<u>Prior Year Assessed Valuation for Current Year Property Tax Levy</u>	<u>Mills Levied</u>	<u>Property Taxes</u>		<u>Percentage Collected to Levied</u>
			<u>Levied</u>	<u>Collected</u>	
2013	\$ 61,021,390	6.911	\$ 421,719	\$ 421,644	100.0%
2014	\$ 63,492,620	6.948	\$ 441,147	\$ 441,145	100.0%
2015	\$ 63,478,933	8.767	\$ 556,519	\$ 556,449	100.0%
2016	\$ 77,332,064	7.873	\$ 608,835	\$ 608,735	100.0%
2017	\$ 77,273,163	7.873	\$ 608,371	\$ 608,306	100.0%
Estimated for year ending December 31, 2018	\$ 82,166,735	8.014	\$ 658,484		

**NOTE:** Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurers do not permit identification of specific year of levy.