

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

**Financial Statements
December 31, 2017**



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**Evergreen Park and Recreation District
Financial Report
December 31, 2017**

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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, 2017, 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, 2017, and the respective changes in financial position for the year then ended in conformity with U.S generally accepted accounting principles.

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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.
June 6, 2018**

MANAGEMENT'S DISCUSSION AND ANALYSIS

Evergreen Park and Recreation District

Management's Discussion and Analysis

December 31, 2017

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, 2017.

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	
	2017	2016
Assets:		
Current and other assets	\$ 6,211,241	\$ 6,075,109
Capital assets	24,794,104	25,418,862
Total Assets	<u>31,005,345</u>	<u>31,493,971</u>
Liabilities & Deferred Inflows:		
Current liabilities	952,324	876,328
Deferred inflows	3,339,424	3,121,016
Long-term liabilities	8,316,509	9,225,492
Total Liab & Def Inflows	<u>12,608,257</u>	<u>13,222,836</u>
Net Position:		
Net investment in capital assets	16,561,520	16,255,236
Restricted	779,388	729,108
Unrestricted	1,056,180	1,286,791
Total Net Position	<u>\$ 18,397,088</u>	<u>\$ 18,271,135</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 2017, capital assets accounted for 90% 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	
	2017	2016
Revenues:		
Program revenues:		
Charges for services:		
General administration	\$ 78,905	\$ 75,141
Wulf recreation center	370,067	342,011
Buchanan recreation center	788,073	728,979
Lakehouse	687,503	1,050,450
Parks and fields	6,413	14,020
Recreation and other programs	1,725,989	1,718,106
Special event	31,400	25,241
Operating grants & contributions	-	-
Capital grants & contributions	278,763	74,752
General revenues:		
Property taxes	2,977,417	2,980,601
Other taxes	269,537	281,998
Interest and other revenue	106,711	147,027
Total Revenues	7,320,778	7,438,326
Expenses:		
General administration	1,491,897	1,219,786
Wulf recreation center	997,419	1,014,315
Buchanan recreation center	1,362,301	1,204,495
Lakehouse	688,014	645,417
Parks and fields	1,007,981	1,015,339
Recreation and other programs	1,440,271	1,376,685
Special event	31,113	38,257
Interest expense	175,829	251,680
Total Expenses	7,194,825	6,765,974
Change in Net Position	125,953	672,352
Net Position - Beginning	18,271,135	17,598,783
Net Position - Ending	\$ 18,397,088	\$ 18,271,135

Governmental activities: Net position of the governmental activities increased \$125,953 during 2017. 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 decreased \$179,437 during 2017, which is due to expenditures being slightly higher than revenues.

The fund balance of the Debt Service Fund increased \$2,587 during 2017, 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 \$1,930,452. Of this balance, \$144,565 is nonspendable, \$195,000 is restricted for emergencies as required by TABOR, \$440,023 is restricted for conservation trust projects, \$809,334 is committed for capital reserve, and the remaining \$341,530 is unassigned.

Budget variances: No budget amendments were required during 2017. 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 \$624,758, 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 D11 to D13 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, 1521 Bergen Pkwy, Evergreen, CO 80439.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Evergreen Park and Recreation District
Statement of Net Position
December 31, 2017

	Governmental Activities
Assets:	
Cash and cash equivalents - Unrestricted	\$ 2,699,042
Cash restricted for park land escrow	125,923
Receivables, net	35,311
Deposits and prepaid expenses	144,565
Property taxes receivable	3,206,400
Capital assets, net	24,794,104
Total Assets	31,005,345
Liabilities:	
Accounts payable and other liabilities	105,544
Accrued salaries and payroll liabilities	132,637
Park land escrow	125,923
Unredeemed coupon liability	15,992
Accrued interest payable	22,300
Unearned revenue	549,928
Accrued compensated absences:	
Due within one year	27,975
Due in more than one year	55,950
Capital lease:	
Due within one year	51,879
Due in more than one year	55,172
General obligation bonds:	
Due within one year	810,000
Due in more than one year	7,315,533
Total Liabilities	9,268,833
Deferred Inflow of Resources:	
Property taxes	3,206,400
Gain on bond refunding	133,024
Total Deferred Inflow of Resources	3,339,424
Net Position:	
Net investment in capital assets	16,561,520
Restricted for emergencies	195,000
Restricted for conservation trust projects	440,023
Restricted for debt service	144,365
Unrestricted	1,056,180
Total Net Position	\$ 18,397,088

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, 2017

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Capital Grants and Contributions</u>	<u>Net (Expense) Revenue and Change in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Governmental Activities</u>
Functions/Programs:					
Governmental activities:					
General administration	\$ 1,491,897	\$ 78,905	\$ -	\$ -	\$ (1,412,992)
Wulf recreation center	997,419	370,067	-	-	(627,352)
Buchanan recreation center	1,362,301	788,073	-	-	(574,228)
Lakehouse	688,014	687,503	-	-	(511)
Parks and fields	1,007,981	6,413	-	278,763	(722,805)
Recreation and other programs	1,440,271	1,725,989	-	-	285,718
Special event	31,113	31,400	-	-	287
Interest expense	175,829	-	-	-	(175,829)
Total Governmental Activities	<u>7,194,825</u>	<u>3,688,350</u>	<u>-</u>	<u>278,763</u>	<u>(3,227,712)</u>
General Revenues:					
Property taxes					2,977,417
Specific ownership taxes					271,906
Delinquent taxes and interest					(2,369)
Lottery proceeds					112,433
Investment income					10,786
Miscellaneous					11,424
Net gain (loss) on the sale of assets					(27,932)
Total General Revenues					<u>3,353,665</u>
Change in Net Position					125,953
Net Position - Beginning					18,271,135
Net Position - Ending					<u>\$ 18,397,088</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, 2017**

	General Fund	Debt Service Fund	Total Governmental Funds
Assets:			
Cash and cash equivalents - Unrestricted	\$ 2,554,677	\$ 144,365	\$ 2,699,042
Cash restricted for park land escrow	125,923	-	125,923
Accounts receivable	35,311	-	35,311
Property taxes receivable	2,128,528	1,077,872	3,206,400
Prepaid expenses	144,565	-	144,565
Total Assets	4,989,004	1,222,237	6,211,241
Liabilities:			
Accounts payable and other liabilities	105,544	-	105,544
Accrued salaries and payroll liabilities	132,637	-	132,637
Park land escrow	125,923	-	125,923
Unredeemed coupon liability	15,992	-	15,992
Unearned revenue	549,928	-	549,928
Total Liabilities	930,024	-	930,024
Deferred Inflow of Resources:			
Unavailable property tax revenue	2,128,528	1,077,872	3,206,400
Total Deferred Inflow of Resources	2,128,528	1,077,872	3,206,400
Fund Balances:			
Nonspendable	144,565	-	144,565
Restricted for emergencies	195,000	-	195,000
Restricted for conservation trust projects	440,023	-	440,023
Restricted for debt service	-	144,365	144,365
Committed for capital projects	809,334	-	809,334
Unassigned	341,530	-	341,530
Total Fund Balances	\$ 1,930,452	\$ 144,365	2,074,817

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.

24,794,104

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.

(8,471,833)

Net Position of Governmental Activities

\$ 18,397,088

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, 2017

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
Revenues:			
Property and other taxes	\$ 2,173,067	1,073,887	3,246,954
Intergovernmental and donations	391,196	-	391,196
Charges for services:			
Wulf recreation center	370,067	-	370,067
Buchanan recreation center	788,073	-	788,073
Lakehouse	687,503	-	687,503
Parks and fields	6,413	-	6,413
Recreation and other programs	1,725,989	-	1,725,989
Special events and festivals	31,400	-	31,400
Rental income	78,905	-	78,905
Investment income	10,786	-	10,786
Miscellaneous	11,424	-	11,424
Total Revenues	<u>6,274,823</u>	<u>1,073,887</u>	<u>7,348,710</u>
Expenditures:			
General government	1,256,973	-	1,256,973
Wulf recreation center	783,431	-	783,431
Buchanan recreation center	1,045,592	-	1,045,592
Lakehouse	613,301	-	613,301
Parks and fields	656,760	-	656,760
Recreation and other programs	1,433,893	-	1,433,893
Special events	31,113	-	31,113
Capital outlay	601,503	-	601,503
Debt service	54,449	1,071,300	1,125,749
Total Expenditures	<u>6,477,015</u>	<u>1,071,300</u>	<u>7,548,315</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(202,192)</u>	<u>2,587</u>	<u>(199,605)</u>
Other Financing Sources (Uses):			
Gain (loss) on sale of capital assets	22,755	-	22,755
Total Other Financing Sources (Uses)	<u>22,755</u>	<u>-</u>	<u>22,755</u>
Change in Fund Balance	(179,437)	2,587	(176,850)
Fund Balance - Beginning	2,109,889	141,778	2,251,667
Fund Balance - Ending	<u>\$ 1,930,452</u>	<u>144,365</u>	<u>2,074,817</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, 2017**

**Net Change in Fund Balance of
the Governmental Fund** \$ (176,850)

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	(893,671)	
Capital outlay	319,600	(574,071)

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. (50,687)

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	780,000	
Capital lease principal payments	50,350	
Amortization and interest accrual	119,270	949,620

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. (22,059)

Change in Net Position of Governmental Activities \$ 125,953

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, 2017

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, 2017
(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, 2017
(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, Cash Equivalents and Investments

The District pools deposits and investments of all funds. Each fund's share of the pool is readily identified by the District's internal records. Investments are stated at fair market value.

Cash and cash equivalents include demand deposits, certificates of deposit and local governmental investment pools (COLOTRUST).

Certain resources set aside for specific purposes have been classified as restricted assets on the balance sheet.

The District's investment policy permits investments in the following type of obligations which correspond with state statutes:

- FDIC-insured Certificates of Deposit
- Local Government Investment Pools
- Federally Backed Securities
- U.S. Government General Obligation Bonds
- Money Market Instruments

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts. However, no allowance was established at December 31, 2017, 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, 2017 are recorded as prepaid expenses.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2017
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

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.

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

<u>Asset</u>	<u>Years</u>
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.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2017
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

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.

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, 2017.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2017
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

10. Deferred Outflows and Inflows of Resources (continued)

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.

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.

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 assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.” This \$24,794,104 difference is related to property and equipment of \$35,378,975 less accumulated depreciation of \$10,584,871.

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 \$8,471,833 difference are bonds payable of \$8,125,533, capital lease payable of \$107,051, accrued interest payable of \$22,300, accrued compensated absences of \$83,925 and \$133,024 deferred charge on refunding.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2017
(Continued)

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 2017 budget year:

- (1) For the 2017 budget, prior to August 25, 2016, 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, 2016 only once by a single notification to the District.
- (2) On or before October 15, 2016, 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 2017 budget, prior to December 15, 2016, 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 2016 were collected in 2017 and taxes certified in 2017 will be collected in 2018. 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.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2017
(Continued)

III. Stewardship, Compliance, and Accountability (continued)

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, 2017.

The District has restricted a portion of its December 31, 2017 year-end fund balance in the General Fund for emergencies as required under TABOR in the amount of \$195,000, 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 District's checked accounts are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the District's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA. The carrying amount of the District's deposits was \$2,824,965 at December 31, 2017.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Fair Value of Investments

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

- *Level 1*: Quoted prices for identical investments in active markets;
- *Level 2*: Observable inputs other than quoted market prices; and,
- *Level 3*: Unobservable inputs.

At December 31, 2017, the District has the following recurring fair value measurements:

	<u>Total</u>	<u>Fair Value Measurement</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
<u>Investments at Fair Value</u>				
Certificates of deposit	\$ 947,733	-	947,733	-
<u>Investments Measured at Net Asset Value</u>				
Colostrust	\$ 441,953			

The District has the following deposits and investments for all funds, with the following maturities at December 31, 2017:

<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>	\$ 1,309,356	1,309,356	-
Certificates of deposit	<i>Not rated</i>	947,733	947,733	-
Government investment pools	<i>AAAm</i>	441,953	441,953	-
Held by agent	<i>Not rated</i>	125,923	125,923	-
		<u>\$ 2,824,965</u>	<u>\$ 2,824,965</u>	<u>\$ -</u>

Financial Statement Captions:

Cash and cash equivalents - Unrestricted	\$ 2,699,042
Cash and cash equivalents - Restricted	125,923
	<u>\$ 2,824,965</u>

Deposits recorded in the General Fund include \$125,923 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.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

The investment pools represent investments in the Colorado Government Liquid Asset Trust (COLOTRUST) a 2a7-like pool. Pools are not covered by FDIC insurance or PDPA by are rated AAAM. The fair value of the pools is determined by the pools' share price. The District has no regular oversight for pools.

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.

B. Operating Lease

The District has an operating lease for a vehicle. The lease required 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.

C. Capital Assets

Governmental capital asset activity for the year ended December 31, 2017 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	5,979,093	81,180	(71,077)	5,989,196
Buildings and improvements	16,888,023	218,984	(5,900)	17,101,107
Machinery and equipment	1,582,972	19,436	(10,056)	1,592,352
Vehicles	551,636	-	(193,403)	358,233
Total capital assets depreciated	<u>25,001,724</u>	<u>319,600</u>	<u>(280,436)</u>	<u>25,040,888</u>
Less accumulated depreciation for:				
Land improvements	(3,067,866)	(332,916)	66,897	(3,333,885)
Buildings and improvements	(5,406,550)	(431,389)	3,861	(5,834,078)
Machinery and equipment	(1,097,280)	(104,028)	10,056	(1,191,252)
Vehicles	(349,253)	(25,338)	148,935	(225,656)
Total accumulated depreciation	<u>(9,920,949)</u>	<u>(893,671)</u>	<u>229,749</u>	<u>(10,584,871)</u>
Total capital assets depreciated, net	<u>15,080,775</u>	<u>(574,071)</u>	<u>(50,687)</u>	<u>14,456,017</u>
Governmental Activities Capital Assets, Net	<u>\$ 25,418,862</u>	<u>(574,071)</u>	<u>(50,687)</u>	<u>24,794,104</u>

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2017
(Continued)

IV. Detailed Notes on All Funds (continued)

C. Capital Assets (continued)

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

Governmental Activities:

General Government	\$ 86,070
Wulf Center	176,979
Buchanan Center	241,169
Lakehouse	56,538
Parks and Fields	332,915
Total Depreciation Expense - Governmental Activities	\$ 893,671

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%.

2. Schedule of Debt Service Requirements

Bond principal and interest payments due at December 31, 2017 were as follows:

	Principal	Interest	Total
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	920,000	156,600	1,076,600
2023-2025	2,995,000	242,600	3,237,600
Total	\$ 7,320,000	1,319,900	8,639,900

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

**Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2017
(Continued)**

IV. Detailed Notes on All Funds (continued)

D. Long-term Obligations (continued)

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.

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, 2017 were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 51,879	2,571	54,450
2019	49,748	994	50,742
2020	5,424	64	5,488
Total	<u>\$ 107,051</u>	<u>3,629</u>	<u>110,680</u>

Total assets acquired through capital leases outstanding at December 31, 2017 have a gross asset cost of \$323,214 and net book value of \$259,636 at December 31, 2017.

**Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2017
(Continued)**

IV. Detailed Notes on All Funds (continued)

D. Long-term Obligations (continued)

6. Changes in Long-term Obligations

Long-term liability activity for the year ended December 31, 2017 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	8,100,000	-	(780,000)	7,320,000	810,000
2015 Bond Premium	906,225	-	(100,692)	805,533	-
Capital Leases	157,401	-	(50,350)	107,051	51,879
Accrued compensated absences	61,866	42,681	(20,622)	83,925	27,975
Long-term Liabilities	\$ 9,225,492	42,681	(951,664)	8,316,509	889,854

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.

B. Conservation Trust

The District received \$112,433 of Colorado lottery funds during 2017 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.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2017
(Continued)

V. Other Information (continued)

C. Retirement Plans (continued)

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

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 2017, the District recognized \$51,848 of expense under this plan. During 2017, the District had \$3,332 of forfeitures, which were used to offset plan expenses. For 2017, the District's employees' covered payroll was \$1,728,267. The District had no liability to the Plan at December 31, 2017.

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 2017 and had no liability to the 457 Plan at December 31, 2017.

Evergreen Park and Recreation District
Notes to the Financial Statements
December 31, 2017
(Continued)

V. Other Information (continued)

D. Intergovernmental Agreement – Evergreen Metropolitan District

On December 15, 2017, the District entered into an intergovernmental agreement with the Evergreen Metropolitan District (“EMD”) for the use of Buchanan Ponds “(the Ponds)”, Administration of Water rights and cost sharing. The purpose of the agreement is to integrate the Ponds into the EMD water system in order to provide for source and administration of water supply for the Ponds. Per the agreement the District will maintain ownership of the Ponds, but EMD will own the Water Rights. The agreement provides for the District to share in the cost of adjudicating the water rights and installing the necessary measurement devices. The initial capital contribution by the District to EMD will be \$225,000. The District paid \$75,000 of this contribution during the year ended December 31, 2017. The remaining balance will be paid as EMD incurs additional expenses.

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, 2017
(With Comparative Amounts for 2016)

	2017		Final Budget Variance Positive (Negative)	2016
	Original and Final Budget	Actual		Actual
Revenues:				
Property and other taxes	\$ 2,178,734	\$ 2,173,067	\$ (5,667)	\$ 2,190,009
Intergovernmental and donations	390,500	391,196	696	200,987
Charges for services:				
Wulf Recreation Center:				
Daily admissions and facility revenue	223,797	255,918	32,121	227,063
Aquatics programs	112,600	96,453	(16,147)	105,166
Concessions and merchandise	1,758	1,609	(149)	1,874
Program and instruction	7,138	16,087	8,949	7,908
Total Wulf Recreation Center	<u>345,293</u>	<u>370,067</u>	<u>24,774</u>	<u>342,011</u>
Buchanan Recreation Center:				
Daily admissions and facility revenue	604,666	632,007	27,341	586,035
Aquatics programs	50,116	47,656	(2,460)	43,362
Concessions and merchandise	5,652	6,125	473	7,752
Program and instruction	89,875	102,285	12,410	91,830
Total Buchanan Recreation Center	<u>750,309</u>	<u>788,073</u>	<u>37,764</u>	<u>728,979</u>
Lakehouse:				
Facility rentals	356,715	139,500	(217,215)	520,105
Boating rentals and classes	251,939	301,742	49,803	299,458
Skating and hockey revenue	306,330	182,791	(123,539)	196,345
Concessions and merchandise	55,200	63,470	8,270	34,542
Total Lakehouse	<u>970,184</u>	<u>687,503</u>	<u>(282,681)</u>	<u>1,050,450</u>
Parks and Fields	12,849	6,413	(6,436)	14,020
Recreation and other programs:				
Athletic programs	301,043	279,153	(21,890)	295,002
Children programs	669,793	598,823	(70,970)	626,144
Gymnastics programs	337,833	292,912	(44,921)	276,295
Recreation programs	404,600	450,138	45,538	425,376
Special population programs	100,115	104,963	4,848	95,289
Total Recreation and other programs	<u>1,813,384</u>	<u>1,725,989</u>	<u>(87,395)</u>	<u>1,718,106</u>
Special events and festivals	42,500	31,400	(11,100)	25,241
Rental and marketing income	81,016	78,905	(2,111)	75,141
Total Charges for Services	<u>4,015,535</u>	<u>3,688,350</u>	<u>(327,185)</u>	<u>3,953,948</u>
Investment income	24,000	10,786	(13,214)	5,872
Miscellaneous income	12,600	11,424	(1,176)	19,795
Total Revenues	<u>6,621,369</u>	<u>6,274,823</u>	<u>(346,546)</u>	<u>6,370,611</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, 2017
(With Comparative Amounts for 2016)

	2017		Final Budget Variance Positive (Negative)	2016
	Original and Final Budget	Actual		Actual
Expenditures:				
General:				
Payroll	806,506	752,960	53,546	611,536
Repairs and maintenance	8,255	9,908	(1,653)	7,329
Utilities	8,256	7,681	575	8,719
Administrative	65,555	67,671	(2,116)	63,358
County treasurer fees	49,064	44,626	4,438	44,716
Insurance	145,000	152,725	(7,725)	147,416
Professional fees	110,332	163,311	(52,979)	139,537
Other expenses	51,297	58,091	(6,794)	50,751
Total General	1,244,265	1,256,973	(12,708)	1,073,362
Wulf Recreation Center:				
Payroll	545,411	504,048	41,363	489,509
Programs	3,000	1,751	1,249	2,061
Repairs and maintenance	132,695	108,878	23,817	124,282
Utilities	112,580	89,167	23,413	85,382
Administrative	28,100	25,485	2,615	24,638
Other expenses	61,030	54,102	6,928	56,296
Total Wulf Recreation Center	882,816	783,431	99,385	782,168
Buchanan Recreation Center:				
Payroll	655,592	698,916	(43,324)	652,913
Programs	10,780	10,323	457	8,883
Repairs and maintenance	114,747	160,007	(45,260)	129,804
Utilities	127,217	109,507	17,710	113,372
Administrative	20,961	20,408	553	18,704
Other expenses	33,806	46,431	(12,625)	32,562
Total Buchanan Recreation Center	963,103	1,045,592	(82,489)	956,238
Lakehouse:				
Payroll	402,131	436,432	(34,301)	407,184
Programs	15,250	23,042	(7,792)	12,009
Repairs and maintenance	43,582	51,274	(7,692)	65,197
Utilities	31,050	25,546	5,504	26,272
Administrative	22,468	25,515	(3,047)	20,923
Other expenses	46,655	51,492	(4,837)	53,728
Total Lakehouse	561,136	613,301	(52,165)	585,313

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, 2017
(With Comparative Amounts for 2016)

	<u>2017</u>		<u>2016</u>	
	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual</u>
Expenditures (continued):				
Parks and Fields:				
Payroll	484,493	472,039	12,454	405,182
Repairs and maintenance	105,615	104,952	663	112,387
Utilities	50,364	57,740	(7,376)	56,381
Administrative	5,548	4,119	1,429	3,596
Other expenses	23,094	17,910	5,184	16,969
Total Parks and Fields	<u>669,114</u>	<u>656,760</u>	<u>12,354</u>	<u>594,515</u>
Recreation and Other Programs				
Athletic programs	166,259	173,052	(6,793)	165,510
Children's programs	517,203	544,064	(26,861)	530,580
Gymnastics programs	293,715	261,010	32,705	232,105
Recreation programs	324,859	322,900	1,959	323,492
Special populations programs	119,889	132,867	(12,978)	140,472
Total Recreation and other programs	<u>1,421,925</u>	<u>1,433,893</u>	<u>(11,968)</u>	<u>1,392,159</u>
Special Events	27,000	31,113	(4,113)	38,257
Capital Outlay	1,218,543	601,503	617,040	835,220
Debt Service				
Principal	57,373	50,350	7,023	48,867
Interest	-	4,099	(4,099)	5,586
Total Debt Service	<u>57,373</u>	<u>54,449</u>	<u>2,924</u>	<u>54,453</u>
Total Expenditures	<u>7,045,275</u>	<u>6,477,015</u>	<u>568,260</u>	<u>6,311,685</u>
Excess of Revenues Over Expenditures	(423,906)	(202,192)	221,714	58,926
Other Financing Sources (Uses):				
Insurance recovery	-	-	-	2,750
Proceeds from sale of assets	-	22,755	22,755	-
Transfers in	550,966	85,000	(465,966)	-
Transfer (out)	(550,966)	(85,000)	465,966	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>22,755</u>	<u>22,755</u>	<u>2,750</u>
Change in Fund Balance	(423,906)	(179,437)	244,469	61,676
Fund Balance - Beginning		<u>2,109,889</u>		<u>2,048,213</u>
Fund Balance - Ending		<u>\$ 1,930,452</u>		<u>\$ 2,109,889</u>

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, 2017
(With Comparative Amounts for 2016)

	2017		Final Budget Variance Positive (Negative)	2016
	Original and Final Budget	Actual		Actual
Revenues:				
Property tax for debt service	\$ 1,071,500	\$ 1,073,887	\$ 2,387	\$ 1,072,590
Total Revenues	<u>1,071,500</u>	<u>1,073,887</u>	<u>2,387</u>	<u>1,072,590</u>
Expenditures:				
Debt Service:				
Principal	780,000	780,000	-	690,000
Interest	291,000	291,000	-	381,833
Other expenses	500	300	200	-
Total Expenditures	<u>1,071,500</u>	<u>1,071,300</u>	<u>200</u>	<u>1,071,833</u>
Change in Fund Balance	-	2,587	2,587	757
Fund Balance - Beginning		141,778		141,021
Fund Balance - Ending		<u>\$ 144,365</u>		<u>\$ 141,778</u>

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**Evergreen Park and Recreation District
Ad Valorem Property Tax Data
For the Year Ended December 31, 2017**

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
2017/2018	490,387,709	12.1%	4.328	2.198	0.013	6.539

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	2,910,675	97.23%
2016/2017	2,971,364	2,893,085	97.37%
2017/2018 ⁽³⁾	3,206,645	1,271,199	39.64%

(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 February 28, 2018.

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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