

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

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**FINANCIAL STATEMENTS  
AND  
INDEPENDENT AUDITOR'S REPORT**

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**DECEMBER 31, 2017**



**RECEIVED**

Office of the State Auditor

July 30, 2018

**FINANCIAL STATEMENTS - 2017**

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

**2017 BOARD OF DIRECTORS**

Mr. George Fortunato, Chairperson

Ms. Jennifer Noel, Vice-Chairperson

Mr. Jeff LeBleu, Secretary/Treasurer

Mr. Ryan Torsell

Mr. Robby Elam

**ADMINISTRATIVE STAFF**

Mr. Tim Webber, Director

Ms. Linda Gordon, Administrative Assistant



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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Western Rio Blanco Metropolitan Recreation and Park District

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Western Rio Blanco Metropolitan Recreation and Park 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 from 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 Western Rio Blanco Metropolitan Recreation and Park District, as of December 31, 2017, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule - General Fund, schedule of the District's proportionate share of the net pension liability, and schedule of District contribution on pages 3-6 and 42-44 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

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operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Western Rio Blanco Metropolitan Recreation and Park District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparison schedules- Bond and School District Scholastic Activities Funds, schedule of expenditures - General Fund, and graphs have 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 them.

*Calocpa Services, PC*  
Rangely, Colorado  
June 4, 2018

## **MANAGEMENT DISCUSSION AND ANALYSIS**

The discussion and analysis of the Western Rio Blanco Metropolitan Recreation and Park District's (the "District") financial performance provides readers with an overall review of the financial activities of the District for the year ended December 31, 2017. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements to enhance their understanding of the District's financial performance.

### **FINANCIAL HIGHLIGHTS**

- The District's assets and deferred outflows exceeded liabilities and deferred inflows by \$9,441,966 at December 31, 2017.
- Total District's cash and investments decreased by \$416,403 or 12 percent from 2016.
- The December 31, 2017 General Fund balance is \$381,230 less than the previous year. The total fund balance is 163 percent of 2017 General Fund operating expenditures.

### **USING THIS ANNUAL REPORT**

This Annual report consists of a series of financial statements and notes to those statements. These statements are prepared and organized so the reader can understand the District as a financial whole or as an entire operating entity. The statements then proceed to provide an increasingly detailed look at our specific financial conditions.

The Statement of Net Position and Statement of Activities provides information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those assets. The Statement of Activities shows a net (expense) revenue and changes to net position related to each department of the District. Fund financial statements tell how services were financed in the short-term as well as what dollars remain for future spending.

### **OVERVIEW OF THE DISTRICTS FINANCIAL STATEMENTS**

#### **Government-wide Financial Statements**

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances. The Statement of Net Position and Statement of Activities include all assets and liabilities using the accrual basis of accounting similar to the accounting method used by the private sector. The basis for this accounting takes into account all of the year's revenues and expenses regardless of when the cash was received or paid.

These two statements report the District's net position and the changes in those positions. This change in positions is important because it tells the reader whether, for the District as a whole, the financial position of the District has improved or diminished. However, in evaluating the overall position of the District, non-financial information such as changes in the District's tax base and the condition of District capital assets will also need to be evaluated.

In the Statement of Net Position and Statement of Activities, all of the District's activities are reported as Governmental Activities.

## Fund Financial Statements

**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. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**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 on pages 23 through 39 of this report.

**Budgetary Comparisons.** The District adopts an annual appropriated budget for the General, Bond, and School District Scholastic Activities Funds. A budgetary comparison schedule has been provided for the General Fund on page 42, for the Bond Fund on page 47, and for the School District Scholastic Activities Fund on page 48 of this report.

### REPORTING THE DISTRICT AS A WHOLE

**Net Position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position.

The following table provides a summary of the District's net position for 2016 and 2017.

	<u>Governmental Activities</u>	
	<u>2016</u>	<u>2017</u>
<b>Assets</b>		
Current and other assets	\$ 5,485,150	\$ 4,190,250
Capital assets	8,449,274	7,742,758
Total assets	<u>13,934,424</u>	<u>11,933,008</u>
<b>Deferred Outflows</b>	<u>423,194</u>	<u>433,039</u>
<b>Liabilities</b>		
Current and other liabilities	785,516	93,806
Long-term liabilities	38,867	29,725
Net pension liability	<u>1,433,502</u>	<u>1,688,481</u>
Total Liabilities	<u>2,257,885</u>	<u>1,812,012</u>
<b>Deferred Inflows</b>	<u>2,005,421</u>	<u>1,112,069</u>
<b>Net Position</b>		
Net investment in capital assets	7,748,425	7,722,687
Restricted	401,617	364,825
Unrestricted	<u>1,944,270</u>	<u>1,354,454</u>
Total net position	<u>\$ 10,094,312</u>	<u>\$ 9,441,966</u>

A significant portion of the District's position represents unrestricted net position of \$1,354,454 which may be used to meet the ongoing obligations to patrons and creditors.

Another significant portion of the District's net position reflects its investment in capital assets. These assets include land, buildings, and equipment. These capital assets are used to provide services to patrons; consequently, they are not available for future spending.

An additional \$364,825 of the District's net position represents resources that are subject to external restrictions on how they may be used. Included in this category are the TABOR emergency reserve of \$41,582, reserves for compensated absences of \$39,050, restricted for debt service of \$280,062, and restricted for School District scholastic activities of \$4,131.

The following table indicates the changes in net position.

	<b>Governmental Activities</b>	
	2016	2017
<b>Revenues:</b>		
Program revenues:		
Charge for services	\$ 234,135	\$ 242,508
Operating grants and contributions	316,766	195,365
Capital grants and contributions	23,257	21,085
<b>General revenues:</b>		
General property taxes	2,433,585	1,787,769
Specific ownership tax	75,623	72,792
Investment earnings	45,031	38,081
Other	13,072	14,220
<b>Total revenues</b>	<b>3,141,469</b>	<b>2,371,820</b>
<b>Expenses:</b>		
Administration	581,419	636,837
Park Maintenance	479,744	437,468
Building Maintenance	448,969	351,608
Aquatics/Rec Programs	906,749	938,019
Golf Course	405,672	403,408
School Activities	343,102	256,826
<b>Total expenses</b>	<b>3,165,655</b>	<b>3,024,166</b>
Increase (decrease) in net assets	\$ (24,186)	\$ (652,346)

**Governmental Activities.** Governmental activities decreased the District's net position by \$652,346 in 2017. Key elements of this decrease are as follows:

Several revenue sources fund the District. Property tax is the biggest contributor, accounting for 75 percent of gross revenue. This comes from a 4.0 Mill Levy for the General Fund, 2.86 Mill Levy for the Bond Fund, and 0.75 for the School District Scholastic Activities Fund. Total Property taxes were \$1,787,769, down 27 percent from the prior year.

### **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

Information about the District's governmental funds begins on page 13. These funds are accounted for using the modified accrual basis of accounting.

As of December 31, 2017, the total fund balances of the District's governmental funds were \$3,018,654. Approximately 87 percent of this consists of unassigned fund balance, which is available as working capital and for current spending in accordance with the purposes of the District. The remainder of fund balance is reserved to indicate that it is not available for new spending because it is restricted or committed for the following purposes: (1) a state-Constitution mandated emergency reserve (\$41,582); (2) debt service (\$280,062); and (3) School District scholastic activities (\$4,131). The District had Governmental revenues and other financing sources of \$2,371,820 and expenditures of \$2,771,513.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

The District's general fund budget is prepared according to Colorado statutes.

### **2017 General Fund Budget**

	<b>Original Budget</b>	<b>Amend- ments</b>	<b>Final Budget</b>	<b>Actual</b>
Beginning Fund Balance	\$ 2,950,007	\$ -	\$ 2,905,007	\$ 3,115,691
Revenue and other financing sources	1,558,862	-	1,558,862	1,397,265
Expenditures and other financing uses	<u>(2,333,277)</u>	-	<u>(2,333,277)</u>	<u>(1,778,495)</u>
Ending Fund Balance	<u>\$ 2,175,592</u>	<u>\$ -</u>	<u>\$ 2,175,592</u>	<u>\$ 2,734,461</u>

Actual revenues and other financing sources were less than budget by \$161,597. General property taxes collected were \$193,151 less than budgeted.

Budget expenditures and other financing uses exceeded actual by \$554,782. General government operating expenditures were actually \$949,822, but were budgeted to be \$1,196,781, a \$246,959 difference.

## **CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets.** The District's investment in capital assets for its governmental type activities as of December 31, 2017 totaled \$7,722,687 (net of accumulated depreciation and related debt). This investment includes all land, buildings, and equipment. The total decrease in investment in capital assets for the current year was \$25,738 or less than 1 percent.

Major capital asset events during the current fiscal year include the purchase of a new boiler for \$18,253 and mower for \$14,680. Also, 7 golf carts were sold.

The District uses the straight-line depreciation method under GASB 34 for its capital assets, except for land which is not depreciated.

The District has no infrastructure assets.

**Long-term Debt.** During the year ended December 31, 2017, the District has a lease for golf carts. The balance at year end for the lease was \$20,071.

Additional information on the District's debt can be found in Note 6.

## **ECONOMIC FACTORS AND OTHER MATTERS**

**Other Matters.** The following factors are expected to have a significant effect on the District's financial position and results of operations and were taken into account in developing the 2018 budget:

- A decrease in anticipated general property tax collection for 2018.

## **REQUESTS 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 District's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the District, 611 Stanolind Avenue, Rangely, Colorado 81648.

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## **FINANCIAL STATEMENTS**

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**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

STATEMENT OF NET POSITION  
December 31, 2017

ASSETS

Cash and cash equivalents	\$ 61,107
Investments	2,933,797
Property taxes receivable	1,106,756
Interest receivable	4,997
Other receivables	8,977
Prepaid expenses	74,616
Capital assets, nondepreciable	674,853
Capital assets, net of accumulated depreciation	<u>7,067,905</u>
TOTAL ASSETS	<u>11,933,008</u>

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows related to pension	<u>433,039</u>
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>433,039</u>

LIABILITIES

Accounts payable	33,903
Accrued expenses	30,507
Noncurrent liabilities	
Due within one year	29,396
Due in more than one year	29,725
Net pension liability	<u>1,688,481</u>
TOTAL LIABILITIES	<u>1,812,012</u>

DEFERRED INFLOWS OF RESOURCES

Unearned property tax revenue	1,106,756
Prepaid passes	430
Deferred inflows related to pension	<u>4,883</u>
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>1,112,069</u>

NET POSITION

Net investment in capital assets	7,722,687
Restricted for compensated absences	39,050
Restricted for Tabor emergencies	41,582
Restricted for Debt service	280,062
Restricted for School District Scholastic Activities	4,131
Unrestricted	<u>1,354,454</u>
TOTAL NET POSITION	<u>\$ 9,441,966</u>

The accompanying "Notes to Financial Statements" are an integral part of the statement.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2017

	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
Administration	\$ 636,837	\$ -	\$ -	\$ -
Park Maintenance	437,468	10,695	-	21,085
Building Maintenance	351,608	-	-	-
Aquatics/Rec Programs	938,019	129,444	-	-
Golf Course	403,408	102,369	-	-
School Activities	256,826	-	195,365	-
	<u>                  </u>	<u>                  </u>	<u>                  </u>	<u>                  </u>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<u>\$ 3,024,166</u>	<u>\$ 242,508</u>	<u>\$ 195,365</u>	<u>\$ 21,085</u>

**GENERAL REVENUES**

General property taxes  
Specific ownership tax  
Investment earnings  
Gain on sale of assets  
Other income

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION - BEGINNING OF YEAR

NET POSITION - END OF YEAR

Net (Expense)  
Revenue and  
Changes in  
Net Position

Governmental  
Activities

\$ (636,837)  
(405,688)  
(351,608)  
(808,575)  
(301,039)  
(61,461)

(2,565,208)

1,787,769  
72,792  
38,081  
11,200  
3,020

1,912,862

(652,346)

10,094,312

\$ 9,441,966

The accompanying "Notes to Financial Statements" are an integral part of the statement.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

BALANCE SHEET  
GOVERNMENTAL FUND  
December 31, 2017

	General Fund	Bond Fund	School District Scholastic Activities Fund
<b>ASSETS</b>			
Cash and cash equivalents	\$ 59,011	\$ 2,096	\$ -
Investments	2,652,940	278,566	2,291
Property taxes receivable	932,005	-	174,751
Interest receivable	4,997	-	-
Other receivables	8,977	-	-
Prepaid expenses	74,616	-	-
Due from (to) other fund	(1,240)	(600)	1,840
	<b>\$ 3,731,306</b>	<b>\$ 280,062</b>	<b>\$ 178,882</b>
<b>LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts payable	\$ 33,903	\$ -	\$ -
Accrued expenses	30,507	-	-
	<b>64,410</b>	-	-
<b>DEFERRED INFLOWS</b>			
Unearned property tax revenue	932,005	-	174,751
Prepaid passes	430	-	-
	<b>932,435</b>	-	<b>174,751</b>
<b>FUND BALANCES</b>			
Fund balances:			
Nonspendable for			
Prepaid expenses	74,616	-	-
Restricted for			
Labor emergencies	41,582	-	-
Debt service	-	280,062	-
School District Scholastic Activities	-	-	4,131
Unassigned	2,618,263	-	-
	<b>2,734,461</b>	<b>280,062</b>	<b>4,131</b>
	<b>\$ 3,731,306</b>	<b>\$ 280,062</b>	<b>\$ 178,882</b>

Total

\$ 61,107  
2,933,797  
1,106,756  
4,997  
8,977  
74,616  
-

\$ 4,190,250

\$ 33,903  
30,507

64,410

1,106,756  
430

1,107,186

74,616

41,582  
280,062  
4,131  
2,618,263

3,018,654

\$ 4,190,250

The accompanying "Notes to Financial Statements" are an integral part of the statement.

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**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

RECONCILIATION OF GOVERNMENTAL FUND BALANCE TO  
NET POSITION OF GOVERNMENTAL ACTIVITIES  
December 31, 2017

TOTAL GOVERNMENTAL FUND BALANCE		\$ 3,018,654
<b><i>Amounts reported for governmental activities in the statement of net position are different because:</i></b>		
Capital assets used in governmental activities are not financial resources and therefore not reported in the funds.		7,742,758
Long-term liabilities, such as compensated absences, net pension liability, and bonds payable, are not due and payable in the current period and therefore are not included in the funds.		
Compensated absences payable	(39,050)	
Capital leases payable	(20,071)	
Net pension liability	<u>(1,688,481)</u>	
Total long-term liabilities		(1,747,602)
Deferred outflows and inflows of resources related to pension are applicable to future periods and, therefore, are not reported in the funds.		
Deferred outflows of resources related to pension	433,039	
Deferred inflows of resources related to pension	<u>(4,883)</u>	
Net deferred outflows (inflows)		<u>428,156</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES		<u><u>\$ 9,441,966</u></u>

The accompanying "Notes to Financial Statements" are an integral part of the statement.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
For the Year Ended December 31, 2017

	<u>General Fund</u>	<u>Bond Fund</u>	<u>School District Scholastic Activities Fund</u>
<b>REVENUES</b>			
General property taxes	\$ 1,043,261	\$ 744,508	\$ 195,365
Specific ownership tax	45,989	26,803	-
Charges for services	228,159	-	-
Intergovernmental revenue	16,953	-	-
Investment income			
Net increase (decrease) in fair value of investments	(4,910)	-	-
Interest	35,112	7,180	699
Other income	21,501	-	-
	<u>1,386,065</u>	<u>778,491</u>	<u>196,064</u>
<b>TOTAL REVENUES</b>			
<b>EXPENDITURES</b>			
Current operating			
General government	949,822	37,556	9,779
Culture and recreation	731,799	-	247,047
Capital outlay	74,885	-	-
Debt Service			
Principal	20,887	670,000	-
Interest	1,102	28,636	-
	<u>1,778,495</u>	<u>736,192</u>	<u>256,826</u>
<b>TOTAL EXPENDITURES</b>			
<b>EXCESS OF OPERATING REVENUES OVER (UNDER) OPERATING EXPENDITURES</b>	<u>(392,430)</u>	<u>42,299</u>	<u>(60,762)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Sale of capital assets	11,200	-	-
	<u>11,200</u>	<u>-</u>	<u>-</u>
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>			
<b>EXCESS OF REVENUES OVER (UNDER) EXPEND- ITURES AND OTHER FINANCING SOURCES (USES)</b>	<u>(381,230)</u>	<u>42,299</u>	<u>(60,762)</u>
<b>FUND BALANCE - BEGINNING OF YEAR</b>	<u>3,115,691</u>	<u>237,763</u>	<u>64,893</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 2,734,461</u>	<u>\$ 280,062</u>	<u>\$ 4,131</u>

<u>Total</u>
\$ 1,983,134
72,792
228,159
16,953
(4,910)
42,991
21,501
<u>2,360,620</u>
997,157
978,846
74,885
690,887
29,738
<u>2,771,513</u>
<u>(410,893)</u>
<u>11,200</u>
<u>11,200</u>
(399,693)
<u>3,418,347</u>
<u>\$ 3,018,654</u>

The accompanying "Notes to Financial Statements" are an integral part of the statement.

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**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

RECONCILIATION OF THE CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2017

NET CHANGE IN FUND BALANCE - TOTAL GOVERNMENTAL FUNDS \$ (399,693)

***Amounts reported for governmental activities in the  
statement of activities are different because:***

Governmental funds do not report amortization of bond premiums/  
discounts. However, in the statement of activities, the  
amortization is allocated over the life of the bond. (20,540)

Governmental funds report capital outlays as expenditures.  
However, in the statement of activities, the costs of those  
assets is allocated over their estimated useful lives as  
depreciation expense. This is the amount by which  
depreciation exceeded capital outlay in the current period.

Capital outlay	74,885	
Current year depreciation	<u>(781,401)</u>	
TOTAL		(706,516)

Governmental funds report premiums on bonds at the time the bonds  
are issued. However, in the statement of activities, the premium  
is amortized over the length of the bond. This amount is the  
current year amortization. 10,431

Some expenses reported in the statement of activities, such  
as compensated absences, do not require the use of  
current financial resources and therefore are not reported  
as expenditures in governmental funds.

Compensated absences (1,457)

Payment of principal on a capital lease is an expenditure in  
the governmental funds, but the payment reduces the  
capital lease payable in the statement of net assets.

Bonds Payable		670,000
Capital lease payable		20,887

Governmental funds report District pension contributions as expenditures.  
However, in the statement of activities, the cost of pension  
benefits earned net of employee contributions is reported as pension  
expense. (225,458)

CHANGE IN NET POSITION \$ (652,346)

The accompanying "Notes to Financial Statements" are an integral part of the statement.

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## **NOTES TO FINANCIAL STATEMENTS**

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of Western Rio Blanco Metropolitan Recreation and Park District (the District) conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies consistently used in the preparation of the financial statements.

**A. Reporting Entity**

An elected five member Board of Directors governs the District. No additional separate government units, agencies, or nonprofit corporations are included in the financial statements of the District as component units. Component units are legally separate entities for which the District is financially accountable. Financial accountability is defined as the ability to appoint a voting majority of the organization's governing body and either (1) the District's ability to impose its will over the organization or (2) the potential that the organization will provide a financial benefit to, or impose a financial burden on the District.

The District's major operations are the recreation center, golf course and maintenance of parks.

**B. Government-wide and fund financial statements**

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately for business-type activities, which rely to a significant extent on fees and charges for support.

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

**C. 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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Governmental funds 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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**Governmental Funds**

**General Fund**

The General Fund is the District's general operating fund and is used to account for all financial transactions except those required to be accounted for in another fund. The major revenue sources are local property taxes and charges for services. Expenditures include all costs associated with the daily operations of the District. This is reported as a major fund.

**School District Scholastic Activities Fund**

The School District Scholastic Activities Fund is used to account for the collection and distribution of a .750 mill levy voted to help support the Rangely School District's sports/extracurricular activities. This is reported as a major fund.

**Bond Fund**

The Bond Fund is used to account for the payment of the bond principal and interest. The major revenue sources are local property taxes. This is reported as a major fund.

When committed, assigned, or unassigned funds are available for use, it is the government's policy to use committed amounts first, then assigned amounts, and then unassigned amounts as they are needed.

**D. Budgets and Budgetary Accounting**

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to the first Board meeting in October, the Director submits to the Board of Directors a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain the taxpayers' comments.
3. Prior to December 15, the budget is legally enacted through passage of a resolution.
4. Formal budgetary integration is employed as a management control device during the year.
5. Budgets are adopted for the General Fund. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
6. Appropriations lapse at the end of each calendar year.
7. The District's directors may authorize supplemental appropriations during the year. No supplemental appropriations were made during the year ended December 31, 2017.

**E. Use of Estimates**

The preparation of the governmental funds financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

**F. Capital Assets and Infrastructure**

Capital assets, which include property, plant and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$500 and an estimated life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at their estimated market value at the date of donation. The District does not have infrastructure.

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

Property, plant, and equipment of the primary government is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Maintenance and office equipment	3-20
Parks and outdoor improvements	5-30
Recreation building and improvements	5-40
Golf Course improvements	3-10

**G. Compensated Absences**

Vacation and sick leave are earned based upon the employee's position and tenure with the District. At termination, employees with one year or more service are paid remaining accumulated vacation. Upon termination, the maximum amount paid is one year's accrual. Employees who have accumulated at least 90 days of sick leave and who leave employment in good standing are eligible for payment of a part of the accumulated sick leave (maximum of one-third).

Governmental funds financial statements record only the current portion of compensated absences.

**NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

- A. There are certain differences between the governmental fund balance sheet and the government-wide statement of net position. A reconciliation of the differences can be found on page 16 of the financial statements.
- B. There are certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities. A reconciliation of the differences can be found on page 20 of the financial statements.

**NOTE 3 - CASH AND INVESTMENTS**

The District's bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the Authority's custodial banks under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral included municipal bonds, U.S. government securities, mortgage, and deeds of trust.

State statutes authorize the Authority to invest in obligations of the U.S. Treasury and U.S. agencies, obligation of the State of Colorado or of any county, school, authority, and certain town and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 3 - CASH AND INVESTMENTS, Continued**

The District's investment policy is not more restrictive than State statutes. The District's investments are concentrated in local government investment pools, U.S. government and agency securities, and bank CDs.

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair value arising from increasing interest rates.

Investments for the District are reported at market value. Investments held are as follows:

December 31, 2017	Fair Value	Cost
U.S. Government Securities, rated AA+ by Standard and Poor's	\$ 679,799	\$ 690,001
COLOTRUST	1,006,095	1,006,095
Money Market	95,143	95,143
Negotiable Certificates of Deposit	1,131,689	1,134,971
Total	\$ 2,912,726	\$ 2,926,210

The District has invested \$1,006,095 in the Colorado Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. COLOTRUST operated similarly to a money market fund and each share is equal in value to \$1.00. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. At December 31, 2017 the District's investment in the COLOTRUST was rated AAAm by Standard & Poor's.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. The District does not have a policy to address interest rate risk.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The District does not have a policy to limit credit risk.

The District's investment policy seeks to maximize diversification opportunities to reduce overall portfolio risk while generating growth of asset value. The District placed no limit on the amount that may be invested with one issuer.

Custodial credit risk is the risk that in the event of financial institutional failure, the District's investments may not be returned to it. The District does not have a policy for custodial credit risk.

Foreign current risk is the risk that changes in foreign exchange rates will adversely affect the fair value of an investment. The District does not have a specific policy related to foreign currency risk.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 3 - CASH AND INVESTMENTS, Continued**

A summary of cash and investments on the balance sheet is as follows:

Cash and Cash Equivalents	
Cash on hand	\$ 700
Cash on hand, County Treasurer	5,577
Cash deposits	<u>54,830</u>
 Total Cash and Cash Equivalents	 <u>61,107</u>
Investments	
U.S. Government Securities	679,799
Negotiable - Certificates of Deposit	<u>1,131,689</u>
 Sub-Total	 1,811,488
 Money Market	 95,143
Certificates of Deposit	100,000
Colotrust - General Fund	646,309
Colotrust - School District Scholastic Activities Fund	2,291
Colotrust - Bond Fund	<u>278,566</u>
 Total Investments	 <u>2,933,797</u>
 Total Cash, Cash Equivalents and Investments	 <u>\$2,994,904</u>

**NOTE 4 - PROPERTY TAX**

Property taxes for 2017, collectible in 2018, were levied by the County Commissioners on December 15, 2017. Property taxes attached as an enforceable lien on January 1, 2018, are due in total April 30, 2018, or in equal installments February 28, 2018, and June 15, 2018, at the option of the taxpayer. The County Treasurer remits taxes collected to the District by the 10th day of the month following collection.

Property taxes for 2017, collectible in 2018, are shown as property taxes receivable and unearned revenue on the balance sheet in the amount of the assessed taxes less estimated uncollectible amounts.

	<u>Assessed Valuation</u>	<u>Mill Levy</u>	<u>Estimated Percent Collectible</u>	<u>Taxes Receivable</u>	<u>Unearned Revenue</u>
General Fund	\$233,001,250	4.000	100.00%	\$ 932,005	\$ 932,005
School District Scholastics Activities Fund	\$233,001,250	0.750	100.00%	\$ 174,751	\$ 174,751

**Revenue Recognized in 2017**

Local property taxes levied for 2016 and collected in 2017 are recognized as revenue in these financial statements as shown below:

	<u>Assessed Valuation</u>	<u>Mill Levy</u>	<u>Amount of Taxes</u>		<u>Percent Collected</u>
			<u>Levied</u>	<u>Collected</u>	
General Fund	\$260,297,310	4.000	\$ 1,041,189	\$ 1,040,247	99.91%
Bond Fund	\$260,297,310	2.860	\$ 744,450	\$ 743,777	99.91%
School District Fund	\$260,297,310	0.750	\$ 195,233	\$ 195,046	99.90%

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 5 – CAPITAL ASSETS**

A summary of changes in capital assets during 2017 follows:

	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 674,853	\$ -	\$ -	\$ 674,853
Total capital assets, not being depreciated	674,853	-	-	674,853
Capital assets, being depreciated:				
Recreation building	10,212,229	19,249	-	10,231,478
Parks/outdoor improvements	2,946,776	35,057	-	2,981,833
Equipment	1,037,060	12,568	-	1,049,628
Golf course improvements	2,137,254	8,011	(23,786)	2,121,479
Total capital assets being depreciated	16,333,319	74,885	(23,786)	16,384,418
Less accumulated depreciation				
Recreation building	(4,727,921)	(461,911)	-	(5,189,832)
Parks/outdoor improvements	(1,296,586)	(191,347)	-	(1,487,933)
Equipment	(760,205)	(66,331)	-	(826,536)
Golf course improvements	(1,774,186)	(61,812)	23,786	(1,812,212)
Total accumulated depreciation	(8,558,898)	(781,401)	23,786	(9,316,513)
Total capital assets, being depreciated, net	7,774,421	(706,516)	-	7,067,905
Governmental activities capital assets, net	\$ 8,449,274	\$ (706,516)	\$ -	\$ 7,742,758

Depreciation expense was charged to function/programs of the primary government as follows:

Governmental activities:	
General government	
Administration	\$ 3,565
Park maintenance	193,716
Building maintenance	3,791
Aquatics/Rec programs	518,517
Golf course	61,812
	61,812
Total depreciation expense – governmental activities	\$ 781,401

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 6 - LONG-TERM DEBT**

The following is a summary of changes in long-term debt:

	Balance January 1, 2017	Additions	Reductions	Balance December 31, 2017	Due Within One Year
Governmental activities:					
Compensated absences	\$ 37,593	\$ 2,576	\$ 1,119	\$ 39,050	\$ 19,525
Capital lease	29,625	434	9,988	20,071	10,200
Capital lease	9,893	107	10,000	-	-
Capital lease	1,440	22	1,462	-	-
Bond Payable	670,000	-	670,000	-	-
Unamortized Premium	10,431	-	10,431	-	-
Governmental activities					
Long-term liabilities	<u>\$ 758,982</u>	<u>\$ 3,139</u>	<u>\$ 703,000</u>	<u>\$ 59,121</u>	<u>\$ 29,725</u>

**Capital Leases Payable**

On October 15, 2013 the District entered into a lease purchase agreement for the acquisition of 9 golf carts with Yamaha Motor Corporation, USA with a capitalized cost of \$38,133. The carts were delivered in the year 2014 and payments began in May of 2014. The lease term ended October 15, 2017 with the final lease payment. There is no subsequent payment at the end of the lease term for purchase of the equipment. The lease required six monthly payments beginning in May and ending in October for the years 2014, 2015, 2016 and 2017. A total of 24 payments of \$1,683 will be made with an imputed interest rate of 3.400%. The lease payments are made through the general fund. The lease was paid in full in 2017.

On January 14, 2014 the District entered into a lease purchase agreement for the acquisition of 1 golf cart with Yamaha Motor Corporation, USA with a capitalized cost of \$5,415. The cart was delivered in the year 2014 and payments began in May of 2014. The lease term ended October 15, 2017 with the final lease payment. There is no subsequent payment at the end of the lease term for purchase of the equipment. The lease required six monthly payments beginning in May and ending in October for the years 2014, 2015, 2016 and 2017. A total of 24 payments of \$247 will be made with an imputed interest rate of 4.560%. The lease payments are made through the general fund. The lease was paid in full in 2017.

On October 15, 2015 the District entered into a lease purchase agreement for the acquisition of 9 golf carts with Yamaha Motor Corporation, USA with a capitalized cost of \$38,660. The carts were delivered in the year 2016 and payments began in May of 2016. The lease term ends October 15, 2019 with the final lease payment. There is no subsequent payment at the end of the lease term for purchase of the equipment. The lease requires six monthly payments beginning in May and ending in October for the years 2016, 2017, 2018 and 2019. A total of 24 payments of \$1,735 will be made with an imputed interest rate of 3.400%. The lease payments are made through the general fund.

**Bond Payable**

In December 2007 the District issued \$5,500,000 of General Obligation Bonds, Series 2006 held by American National Bank in Denver, Colorado. The Bonds bear interest at an average rate of 4.00% for 2009 through 2012 and 5.00% for 2008 and 2013 through 2017 and interest payments are payable June 1 and December 1 annually through 2017; principal payments of \$460,000 to \$670,000 are due December 1 annually through 2017. The registered coupons were paid in full on December 21, 2008 and yield 3.120%. The general property tax revenues collectible under the District's mill levy have been assigned as collateral for these bonds and payment is made through the debt service fund. The bond was paid off in 2017.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 7 - DEFINED BENEFIT PENSION PLAN**

**Summary of Significant Accounting Policies**

*Pensions.* The Western Rio Blanco Metropolitan Recreation and Park District participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pensions liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**General Information about the Pension Plan**

*Plan description.* Eligible employees of the Western Rio Blanco Metropolitan Recreation and Park District are provided with pensions through the Local Government Division Trust Fund (LGDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Benefits provided.* PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 7 - DEFINED BENEFIT PENSION PLAN, Continued**

**General Information about the Pension Plan, continued**

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the LGDTF.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

*Contributions.* Eligible employees and Western Rio Blanco Metropolitan Recreation and Park District are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* Eligible employees are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

	Rate
Employer Contribution Rate <sup>1</sup>	10.00%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) <sup>1</sup>	(1.02)%
Amount Apportioned to the LGDTF <sup>1</sup>	8.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 <sup>1</sup>	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 <sup>1</sup>	1.50%
<b>Total Employer Contribution Rate to the LGDTF<sup>1</sup></b>	<b>12.68%</b>

<sup>1</sup>Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Western Rio Blanco Metropolitan Recreation and Park District is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from Western Rio Blanco Metropolitan Recreation and Park District were \$89,555 for the year ended December 31, 2017.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 7 - DEFINED BENEFIT PENSION PLAN, Continued**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2017, the Western Rio Blanco Metropolitan Recreation and Park District reported a liability of \$1,688,481 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015. Standard update procedures were used to roll forward the total pension liability to December 31, 2016. The Western Rio Blanco Metropolitan Recreation and Park District proportion of the net pension liability was based on Western Rio Blanco Metropolitan Recreation and Park District contributions to the LGDTF for the calendar year 2016 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2016, the Western Rio Blanco Metropolitan Recreation and Park District proportion was 0.125041 percent, which was a decrease of 0.00509 percent from its proportion measured as of December 31, 2015.

For the year ended December 31, 2017, the Western Rio Blanco Metropolitan Recreation and Park District recognized pension expense of \$225,458. At December 31, 2017, the Western Rio Blanco Metropolitan Recreation and Park District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	30,047	-
Changes of assumptions or other inputs	119,767	4,883
Net difference between projected and actual earnings on pension plan investments	202,779	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	(9,109)	-
Contributions subsequent to the measurement date	89,555	-
<b>Total</b>	<b>433,039</b>	<b>4,883</b>

\$89,555 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended December 31:</b>	
2018	192,412
2019	87,441
2020	56,820
2021	1,928
2022	-
Thereafter	-

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 7 - DEFINED BENEFIT PENSION PLAN, Continued**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, continued**

*Actuarial assumptions.* The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.80 percent
Real wage growth	1.10 percent
Wage inflation	3.90 percent
Salary increases, including wage inflation	3.90 - 10.85 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.50 percent
Discount rate	7.50 percent
Post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Based on the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic assumption were adopted by PERA's Board on November 18, 2016 and effective as of December 31, 2016. These revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2015 to December 31, 2016:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 - 10.45 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Mortality rates used in the December 31, 2015 valuation were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year, and Females set back 2 years. Active member mortality was based upon the same mortality rates but adjusted to 55 percent of the base rate for males and 40 percent of the base rate for females. For disabled retirees, the RP-2000 Disability Mortality Table (set back 2 years for males and set back 2 years for females) was assumed.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2011, adopted by PERA's Board on November 13, 2012, and an economic assumption study, adopted by PERA's Board on November 15, 2013 and January 17, 2014.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 7 - DEFINED BENEFIT PENSION PLAN, Continued**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, continued**

As a result of the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic actuarial assumptions including withdrawal rates, retirement rates for early reduced and unreduced retirement, disability rates, administrative expense load, and pre- and post-retirement and disability mortality rates were adopted by PERA's Board on November 18, 2016 to more closely reflect PERA's actual experience. As the revised economic and demographic assumptions are effective as of the measurement date, December 31, 2016, these revised assumptions were reflected in the total pension liability roll-forward procedures.

Healthy mortality assumptions for active members reflect the RP-214 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriated margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Health Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates of ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was changed to reflect 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentation to PERA's Board on October 28, 2016. As a result of the October 28, 2016 actuarial assumptions workshop and the November 18, 2016 PERA Board meeting, the economic assumptions changed, effective December 31, 2016, as follows:

- Investment rate of return assumption decreased from 7.50 percent per year, compounded annually, net of investment expenses to 7.25 percent per year, compounded annually, net of investment expenses.
- Price inflation assumption decreased from 2.80 percent per year to 2.40 percent per year.
- Real rate of investment return assumption increased from 4.70 percent per year, net of investment expense, to 4.85 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.90 percent per year to 3.50 percent per year.

Several factors were considered in evaluating the long-term rate of return assumptions for the LGDTF, including long-term historical data, estimates inherent in current market data, and long-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 7 - DEFINED BENEFIT PENSION PLAN, Continued**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, continued**

As of November 18, 2016 adoption of the current long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>30 Year Expected Geometric Real Rate of Return</b>
U.S. Equity - Large Cap	21.20%	4.30%
U.S. Equity - Small Cap	7.42%	4.80%
Non U.S. Equity - Developed	18.55%	5.20%
Non U.S. Equity - Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non US Fixed Income - Developed	1.84%	0.60%
Emerging Market Bonds	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

*Discount rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above in addition, the following methods and assumptions were used in the projection of cash flows:

- Updated economic and demographic actuarial assumptions adopted by PERA's Board on November 18, 2016.
- Total covered payroll for the initial projection year consist of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.50%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service cost for future plan members.
- Employee contributions were assumed to be made at rates equal to the fixed statutory rates specified in law, including current and future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 7 - DEFINED BENEFIT PENSION PLAN, Continued**

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, continued**

- The AIR balance was excluded from the initial fiduciary net position, as, per statute. AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriated. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plans fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payment and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the LGDTF's fiduciary net position was projected to be available to make all projected future benefit payment of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate, and therefore, the discount rate is 7.25 percent.

As of the prior measurement date, the long-term expected rate of return of 7.50 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination did not use the municipal bond index rate, and therefore, the discount rate was 7.50 percent, 0.25 percent higher compared to the current measurement date.

*Sensitivity of the Western Rio Blanco Metropolitan Recreation and Park District proportionate share of the net pension liability to changes in the discount rate.* The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	2,489,587	1,688,481	1,025,077

*Pension plan fiduciary net position.* Detailed information about the LGDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**NOTE 8 – DEFINED CONTRIBUTION PENSION PLANS**

Voluntary Investment Program

*Plan Description* – Employees of the Western Rio Blanco Metropolitan Recreation and Park District that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program, and Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended. Assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report for the Program. That report can be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 8 – DEFINED CONTRIBUTION PENSION PLANS, Continued**

*Funding Policy* – The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contribution and investment earnings. For the year ended December 31, 2017, the program members contributed \$16,200.

**NOTE 9 – POSTEMPLOYMENT HEALTHCARE BENEFITS**

Health Care Trust Fund

*Plan Description* - The Western Rio Blanco Metropolitan Recreation and Park District contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF benefit provides a health care premium subsidy and health care programs (Known as PERACare) to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the C.R.S., as amended, establishes the HCTF and sets forth a framework that grants authority to the PERA Board to contract, self-insure and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of health care subsidies. PERA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the HCTF. That report may be obtained at [www.copera.org/investments/pera-financial-reports](http://www.copera.org/investments/pera-financial-reports).

*Funding Policy* - The Western Rio Blanco Metropolitan Recreation and Park District is required to contribute at a rate of 1.02 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the Western Rio Blanco Metropolitan Recreation and Park District are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contribution to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending December 31, 2015, 2016, and 2017 the District's employer contributions to the HCTF were \$7,538, \$7,733, and \$7,204, respectively, equal to their required contributions for each year.

**NOTE 10 - CONTINGENCIES**

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, which apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, voter approval for any increase in mill levy or tax rates, new taxes, or creation of multi-year debt. Revenue in excess of the fiscal year spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue. The amendment also requires that reserves be established for declared emergencies, with 3% of fiscal year spending required.

In 1997, the registered voters of the Western Rio Blanco Metropolitan Recreation and Park District voted to allow the District to collect, retain and expand all revenues and other funds collected in 1997 and each subsequent years thereafter, for general operations expenses without limiting in any year the amount of the other revenues that may be collected and expended by the District in excess of the limits of Article X, Section 20 of the Colorado Constitution.

The District has no authorized but unissued debt subject to the amendment's limitations. Based on fiscal year spending for 2017, \$41,582 of the year-end fund balance in the General Fund has been reserved for emergencies.

The District's management believes it is in compliance with the 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.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 11 - RISK MANAGEMENT**

The District is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District is a member of Colorado Special Districts Property and Liability Insurance Pool, which was established by Special District Association of Colorado in 1988. In July, 2002, the District's Board authorized participation in the pool. Prior to this, commercial insurance was purchased to cover these areas.

The purpose of Colorado Special Districts Property and Liability Insurance Pool is to provide special districts with general liability, auto/property liability, and public officials' liability insurance coverage as an alternative to the traditional insurance market.

The District will recognize an expenditure for the amount paid to Colorado Special Districts Property and Liability Insurance Pool annually for these coverages. This District paid approximately \$46,056 to Colorado Special Districts Property and Liability Insurance Pool in 2017. There have been no significant reductions in insurance coverage in the current year and settlement amounts, if any, have not exceeded insurance coverage for any of the three preceding years.

**NOTE 12 - COMMITTED FUND BALANCE**

Beginning with the fiscal year 2010, the District implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a governments' fund balances more transparent. The following classifications describe the relative strength of the spending constraints placed and the purposes for which resources can be used:

- Nonspendable fund balance – amounts that are not in a spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provision or by enabling legislation.
- Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.
- Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.
- Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

The board establishes (and modifies or rescinds) fund balance commitments as action items in board meetings. A fund balance commitment is further indicated in the budget document as a designation or commitment on the fund. Assigned fund balance is established by the board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure of which any could be used.

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

NOTES TO FINANCIAL STATEMENTS  
December 31, 2017

**NOTE 13 – INTERFUND BALANCES AND TRANSFERS**

Interfund receivable and payable balances as of December 31, 2017, are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Bond	\$ 600
School District	General	1,840

**NOTE 14 – REPORTING FOR PENSION**

Beginning in 2015, financial reporting information pertaining to the District participation in Public Employees' Retirement Association of Colorado (PERA) is prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition of Contributions Made Subsequent to the Measurement Date*.

**NOTE 15 – SUBSEQUENT EVENT**

The District has evaluated subsequent events through June 4, 2018, the date at which the financial statements were available to be issued, and determined that no subsequent events have occurred that require disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION**

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**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
For the Year Ended December 31, 2017

	General Fund			Variance from final budget
	Budget		Actual	
	Original	Final		
<b>REVENUES</b>				
General property taxes	\$ 1,236,412	\$ 1,236,412	\$ 1,043,261	\$ (193,151)
Specific ownership tax	40,000	40,000	45,989	5,989
Charge for services	221,950	221,950	228,159	6,209
Intergovernmental revenue	17,500	17,500	16,953	(547)
Investment income				
Net increase (decrease) in fair value of investments	-	-	(4,910)	(4,910)
Interest	25,000	25,000	35,112	10,112
Other income	18,000	18,000	21,501	3,501
<b>TOTAL REVENUES</b>	<u>1,558,862</u>	<u>1,558,862</u>	<u>1,386,065</u>	<u>(172,797)</u>
<b>EXPENDITURES</b>				
Current operating				
General government	1,198,001	1,196,781	949,822	246,959
Culture and recreation	804,012	805,232	731,799	73,433
Capital outlay	98,455	98,455	74,885	23,570
Debt Service				
Principal	19,992	19,992	20,887	(895)
Interest	17,594	17,594	1,102	16,492
<b>TOTAL EXPENDITURES</b>	<u>2,138,054</u>	<u>2,138,054</u>	<u>1,778,495</u>	<u>359,559</u>
<b>EXCESS OF OPERATING REVENUES OVER (UNDER ) OPERATING EXPENDITURES</b>	<u>(579,192)</u>	<u>(579,192)</u>	<u>(392,430)</u>	<u>186,762</u>
<b>OTHER FINANCING SOURCES</b>				
Transfers in (out)	(195,223)	(195,223)	-	195,223
Sale of capital assets	-	-	11,200	11,200
<b>TOTAL OTHER FINANCING SOURCES</b>	<u>(195,223)</u>	<u>(195,223)</u>	<u>11,200</u>	<u>206,423</u>
<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	<u>\$ (774,415)</u>	<u>\$ (774,415)</u>	<u>(381,230)</u>	<u>\$ 393,185</u>
<b>FUND BALANCE - BEGINNING OF YEAR</b>			<u>3,115,691</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 2,734,461</u>	

See the accompanying independent auditors' report

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PERA PENSION PLAN  
Last 10 Fiscal Years

Year Ended*	Proportion of the Net Pension Liability (Asset)	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Member Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as Percentage of Total Pension Liability
12/31/2014	0.123%	\$ 1,008,351	\$ 653,726	154%	81.8%
12/31/2015	0.122%	1,094,221	668,948	164%	80.7%
12/31/2016	0.130%	1,433,502	739,045	194%	76.9%
12/31/2017	0.125%	1,688,481	757,905	223%	73.6%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

\* The data provided in the schedule is based as of the measurement date of PERA's net pension liability, which is as of the calendar year end that occurred before the District's fiscal year end.

See the accompanying independent auditors' report

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
PERA PENSION PLAN  
Last 10 Fiscal Years**

<u>FY Ending December 31</u>	<u>Statutorily Required Contributions</u>	<u>Actual Employer Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a % of Covered Payroll</u>
2013	\$ 82,892	\$ 82,892	\$ -	\$ 653,726	12.68%
2014	84,823	84,823	-	668,948	12.68%
2015	93,711	93,711	-	739,045	12.68%
2016	96,127	96,127	-	758,102	12.68%
2017	89,555	89,555	-	706,267	12.68%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

See the accompanying independent auditors' report

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## **SUPPLEMENTARY INFORMATION**

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

BUDGETARY COMPARISON SCHEDULE  
BOND FUND

For the Year Ended December 31, 2017

	Bond Fund			Variance from final budget
	Budget		Actual	
	Original	Final		
<b>REVENUES</b>				
General property taxes	\$ 744,450	\$ 744,450	\$ 744,508	\$ 58
Specific ownership tax	17,500	17,500	26,803	9,303
Interest\other	300	300	7,180	6,880
<b>TOTAL REVENUES</b>	<u>762,250</u>	<u>762,250</u>	<u>778,491</u>	<u>16,241</u>
<b>EXPENDITURES</b>				
General government	37,797	37,797	37,556	241
Debt Service				
Principal	670,000	670,000	670,000	-
Interest	38,280	38,280	28,636	9,644
<b>TOTAL EXPENDITURES</b>	<u>746,077</u>	<u>746,077</u>	<u>736,192</u>	<u>9,885</u>
<b>EXCESS REVENUES     OVER (UNDER)     EXPENDITURES</b>	<u>\$ 16,173</u>	<u>\$ 16,173</u>	42,299	<u>\$ 26,126</u>
<b>FUND BALANCE - BEGINNING OF YEAR</b>			<u>237,763</u>	
<b>FUND BALANCE - END OF YEAR</b>			<u>\$ 280,062</u>	

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

BUDGETARY COMPARISON SCHEDULE  
SCHOOL DISTRICT SCHOLASTIC ACTIVITIES FUND  
For the Year Ended December 31, 2017

	School District Scholastic Activities Fund			Variance from final budget
	Budget		Actual	
	Original	Final		
REVENUES				
General property taxes	\$ 195,223	\$ 195,223	\$ 195,365	\$ 142
Interest	-	-	699	699
TOTAL REVENUES	<u>195,223</u>	<u>195,223</u>	<u>196,064</u>	<u>841</u>
EXPENDITURES				
General government	9,761	9,761	9,779	(18)
School activities	303,400	303,400	247,047	56,353
TOTAL EXPENDITURES	<u>313,161</u>	<u>313,161</u>	<u>256,826</u>	<u>56,335</u>
EXCESS REVENUES OVER (UNDER) EXPENDITURES	<u>\$ (117,938)</u>	<u>\$ (117,938)</u>	(60,762)	<u>\$ 57,176</u>
FUND BALANCE - BEGINNING OF YEAR			<u>64,893</u>	
FUND BALANCE - END OF YEAR			<u>\$ 4,131</u>	

**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

SCHEDULE OF EXPENDITURES - GENERAL FUND  
For the Year Ended December 31, 2017  
with comparative total amounts for the year ended December 31, 2016

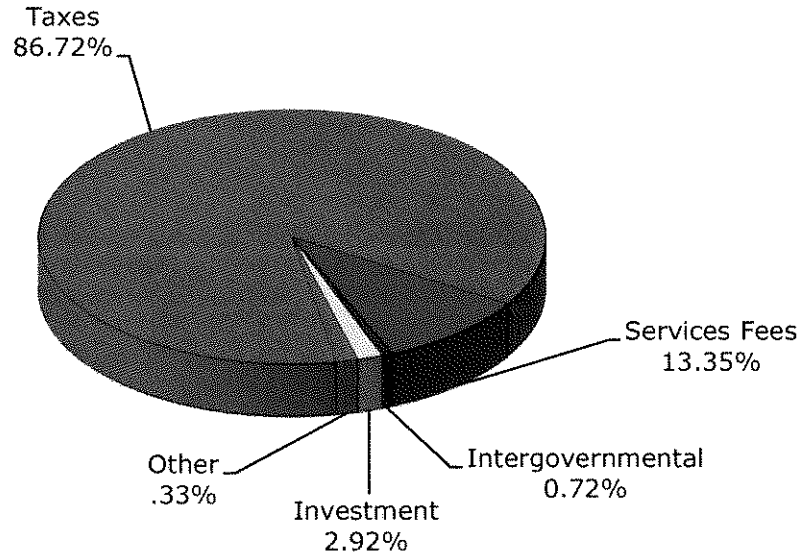
	General Government		
	Admini- stration	Park Maintenance	Building Maintenance
<b>COMPENSATION</b>			
Salaries	\$ 127,541	\$ 97,209	\$ 132,663
Payroll taxes/pension	42,925	13,244	18,203
<b>TOTAL COMPENSATION</b>	<b>170,466</b>	<b>110,453</b>	<b>150,866</b>
<b>OTHER</b>			
Utilities	-	13,077	89,383
Contract services	4,024	34,239	9,866
Insurance	88,463	31,685	53,438
Supplies	11,936	5,550	7,571
Capital outlay	-	35,056	-
Principal	-	-	-
Interest	-	-	-
Professional services	10,848	-	-
Maintenance and repairs	3,333	18,880	27,804
Water	-	19,076	-
County treasurer's fees	52,153	-	-
Fuel and lubrication	2,898	4,901	-
Telephone	5,437	-	-
Travel	8,552	651	-
Advertising	1,799	-	-
Fees, dues and subscriptions	9,840	-	-
Small tools and equipment	-	1,365	1,268
<b>TOTAL EXPENSES</b>	<b>\$ 369,749</b>	<b>\$ 274,933</b>	<b>\$ 340,196</b>
<b>PERCENTAGE OF TOTAL</b>	<b>20.79%</b>	<b>15.46%</b>	<b>19.13%</b>

Culture and Recreation		2017		2016	
Aquatics/Rec Programs	Golf	Amount	Percent	Amount	Percent
\$ 221,485	\$ 123,808	\$ 702,706	39.51%	\$ 762,229	34.86%
30,777	16,596	121,745	6.85%	131,817	6.03%
252,262	140,404	824,451	46.36%	894,046	40.89%
-	28,353	130,813	7.36%	132,390	6.06%
11,932	5,021	65,082	3.66%	60,119	2.75%
39,495	30,124	243,205	13.67%	263,438	12.05%
88,644	82,004	195,705	11.00%	200,740	9.18%
31,818	8,011	74,885	4.21%	326,489	14.93%
-	20,887	20,887	1.17%	19,992	0.91%
-	1,102	1,102	0.06%	1,997	0.09%
-	-	10,848	0.61%	11,099	0.51%
104	28,137	78,258	4.40%	111,302	5.09%
-	-	19,076	1.07%	16,452	0.75%
-	-	52,153	2.93%	84,512	3.87%
-	6,700	14,499	0.82%	15,970	0.73%
198	3,020	8,655	0.49%	7,429	0.34%
1,503	1,310	12,016	0.68%	10,163	0.46%
5,119	750	7,668	0.43%	6,542	0.30%
789	1,215	11,844	0.67%	13,676	0.63%
274	4,441	7,348	0.41%	10,044	0.46%
<u>\$ 432,138</u>	<u>\$ 361,479</u>	<u>\$ 1,778,495</u>		<u>\$ 2,186,400</u>	
<u>24.30%</u>	<u>20.32%</u>		<u>100.00%</u>		<u>100.00%</u>

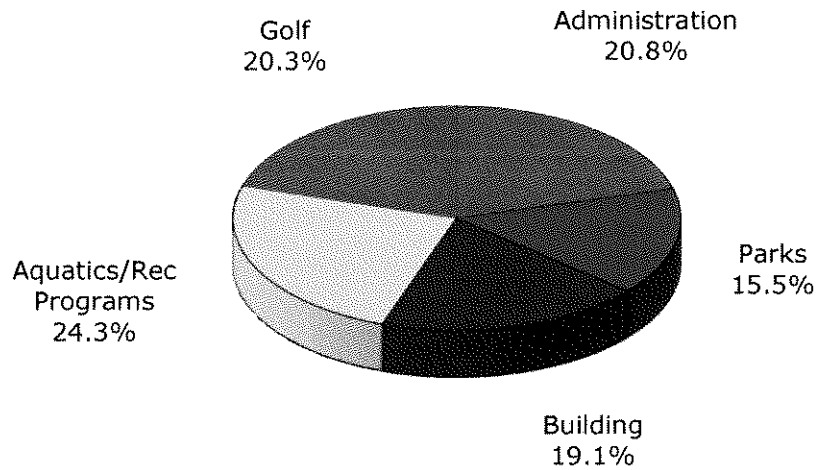
**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

**GRAPH I - GOVERNMENTAL FUNDS REVENUES AND EXPENDITURES**  
For the Year Ended December 31, 2017

**REVENUES**

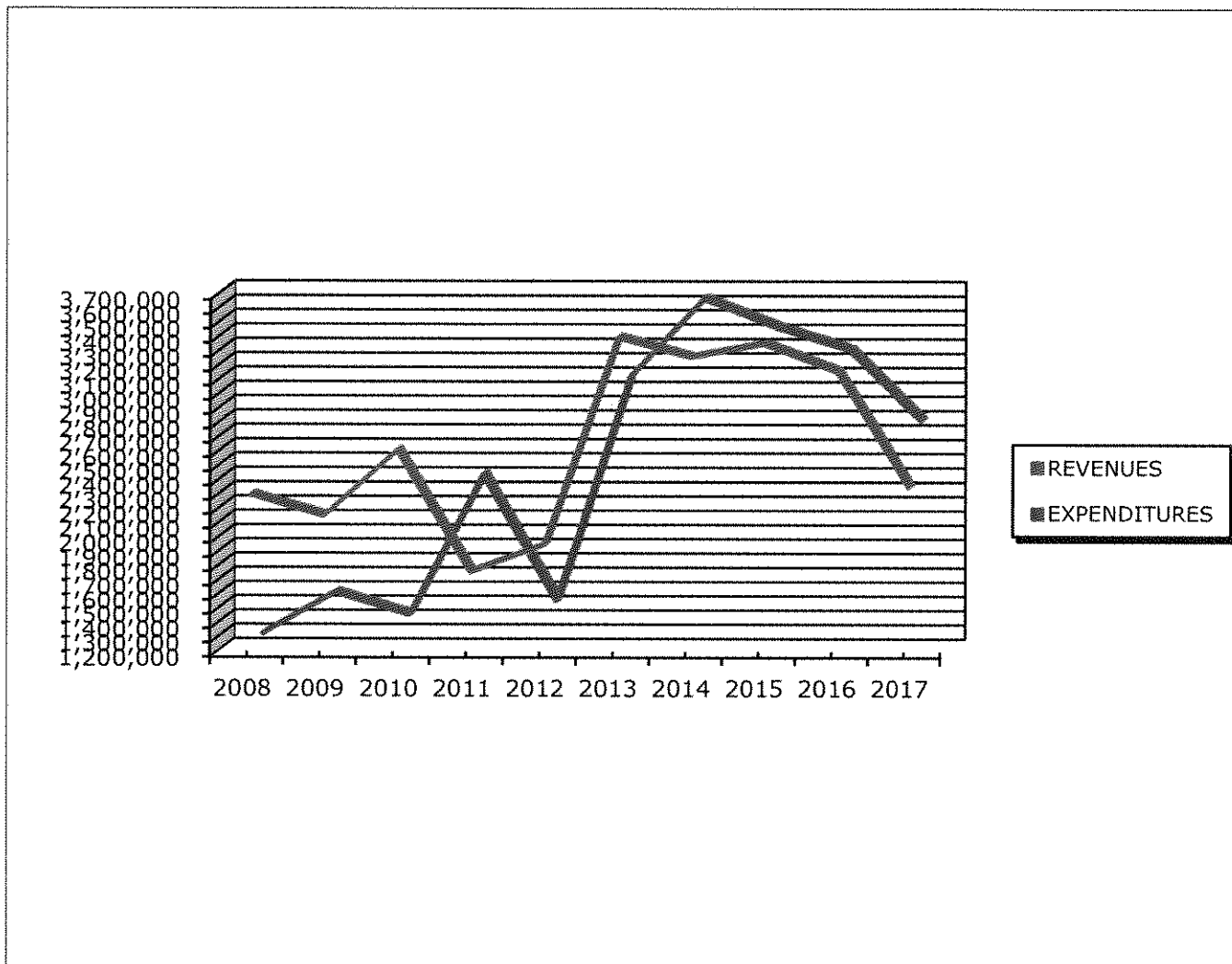


**EXPENDITURES**



**WESTERN RIO BLANCO METROPOLITAN  
RECREATION AND PARK DISTRICT**

**GRAPH II - GOVERNMENTAL FUNDS REVENUES AND EXPENDITURES  
For the Years Ended December 31, 2008 - 2017**



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