

FOOTHILLS PARK & RECREATION DISTRICT
Jefferson County, Colorado

FINANCIAL STATEMENTS
December 31, 2015

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JOHN CUTLER & ASSOCIATES

Board of Directors
Foothills Park and Recreation District
Jefferson County, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and each major fund of the Foothills Park and Recreation District, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements of the District, 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 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 expression an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluation 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 business-type activities and each major fund of the Foothills Park and Recreation District, as of December 31, 2015, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 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 Foothills Park and Recreation District's basic financial statements. The supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 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 supplementary information are fairly stated in all material respects in relation to the financial statements as a whole.

John Cutler & Associates, LLC

June 2, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Foothills Park & Recreation District's ("the District") annual financial report presents our analysis of the District's financial performance during the fiscal year ended December 31, 2015. Comparative total data for the prior year has been presented in the accompanying management discussion and analysis and financial statements in order to provide an understanding of changes in the District's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented. Please read the management's discussion and analysis in conjunction with the financial statements and notes to the financial statements.

FINANCIAL HIGHLIGHTS

- ◆ In November, 2015, the District completed the sale of \$11,055,000 Certificate of Participation Bonds, Series 2015. Proceeds from the sale of the bonds were used to refund the District's Certificate of Participation Bonds, Series 2006, and to pay the cost of issuance of the bond. In addition, the District extracted \$3.0 million in additional principal to fund future capital improvements.
- ◆ The District's cash and cash equivalents and total investments increased \$3.2 million to \$13.8 million primarily due to net proceeds received under the 2015 COP transaction.
- ◆ The District's net position (total assets plus deferred outflows of resources minus total liabilities and deferred inflows of resources) increased \$2.2 million. At December 31, 2015, the net position unrestricted balance was \$9.4 million.
- ◆ In 2015, the District launched a capital improvement project at Clement Park. The first phase of the project will replace a major portion of the aging irrigation system at the park. The project is partially funded by a Jefferson County Open Space grant and will continue into 2016.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts:

- ◆ Management's Discussion and Analysis
- ◆ Financial Statements
- ◆ Supplementary Information

The financial statements also include notes that explain in more detail some of the information in the financial statements.

REQUIRED FINANCIAL STATEMENTS

The financial statements of the District use accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities.

Statement of Net Position

The Statement of Net Position provides information about the District's investments in resources and obligations. It also provides the basis for evaluating the capital structure of the District and assessing the short and long-term debt of the District.

Statement of Revenues, Expenses, and Changes in Net Position

This statement measures the results of the District's operation over the past year and can be used to determine the percentage of the District's costs that are recovered through its user fees as well as other expenditures and revenues.

Statement of Cash Flows

The primary purpose of this statement is to provide information about the District's cash receipts and payments during the reporting period. This statement reports cash receipts, cash payments, and net changes in cash resulting from operating, investing, and financing activities. It also provides answers to such questions regarding the source of cash, usage of cash, and the change in cash balance during the reporting period.

FINANCIAL ANALYSIS OF THE DISTRICT

The Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position report information about the District's activities in a way that can help answer the question about the District's finances. The District's Net Position is another source to determine the financial health or financial position of the District. Over time, increases in the District's net position are an indicator that the District's financial health is improving. However, one should also consider other non-financial factors such as changes in economic conditions, population growth, or changes in governmental legislation.

A summary of the District’s Statements of Net Position as of December 31, 2015 and 2014 is presented below:

	Net Position			
	2015	2014	2014 to 2015	
			\$ Change	% Change
Current and Other Assets	\$ 22,798,251	\$ 18,619,149	\$ 4,179,102	22.45%
Capital Assets	69,120,668	69,669,873	(549,205)	-0.79%
Total Assets	<u>91,918,919</u>	<u>88,289,022</u>	<u>3,629,897</u>	<u>4.11%</u>
Deferred Outflows of Resources	987,978	1,164,165	(176,187)	-15.13%
Current Liabilities	4,588,831	4,252,221	336,610	7.92%
Non-Current Liabilities	28,620,799	28,456,821	163,978	0.58%
Total Liabilities	<u>33,209,630</u>	<u>32,709,042</u>	<u>500,588</u>	<u>1.53%</u>
Deferred Inflows of Resources	7,637,397	6,865,867	771,530	11.24%
Net Invested in Capital Assets	42,002,357	39,785,709	2,216,648	5.57%
Emergency Reserves	629,000	589,000	40,000	6.79%
Unrestricted Amounts	9,428,513	9,503,569	(75,056)	-0.79%
Total Net Position	<u>\$ 52,059,870</u>	<u>\$ 49,878,278</u>	<u>\$ 2,181,592</u>	<u>4.37%</u>

As can be seen from the chart above, Total Net Position increased \$2,181,592, or 4.37% in 2015. Emergency Reserves reflects amounts restricted for TABOR reserves. The Board of Directors of the District (“the Board”) established a general reserve fund in an amount equal to 9% of the District’s annual operating budget which includes the TABOR reserves. The Board has not restricted or committed any of these unrestricted funds for any specific purpose except for cash flow, emergency and other purposes as determined by the Board. At December 31, 2015, the District had a general reserve fund of \$1,888,000, which includes the TABOR reserves of \$629,000.

While the Statement of Net Position shows the change in financial position, the Statement of Revenues, Expenses, and Changes in Net Position provides answers as to the nature and source of these changes.

As part of our analysis, we provide a summary of the District’s Statement of Revenues, Expenses and Changes in Net Position as presented below:

Statement of Revenues, Expenses and Changes in Net Position

	2014 to 2015			
	2015	2014	\$ Change	% Change
Operating Revenues Fees and Charges	\$ 14,328,948	\$ 14,118,367	\$ 210,581	1.49%
Operating Expenditures	(18,702,064)	(18,210,571)	(491,493)	2.70%
Net Loss From Operations	(4,373,116)	(4,092,204)	(280,912)	6.86%
Non-Operating Revenues (Expenditures)				
Property and Specific Ownership Taxes	7,414,990	7,372,506	42,484	0.58%
Conservation Trust	450,289	448,217	2,072	0.46%
Grants and Contributions	613,385	330,882	282,503	85.38%
Grants and Contributions Expenditures	(68,675)	(115,122)	46,447	-40.35%
Facilities & Equipment Repair and Replacements	(626,017)	(680,947)	54,930	-8.07%
Interest Expense	(1,055,460)	(1,171,894)	116,434	-9.94%
Gain on Sale of Capital Assets	49,707	17,631	32,076	181.93%
Gain on Sale of Assets	48,040	1,122,443	(1,074,403)	-95.72%
Insurance Proceeds	14,238	17,325	(3,087)	-17.82%
Other Income	82,578	69,125	13,453	19.46%
Other Expenditures	(368,367)	(105,680)	(262,687)	248.57%
Total Non-Operating Revenues	6,554,708	7,304,486	(749,778)	-10.26%
Change in Net Position	2,181,592	3,212,282	(1,030,690)	-32.09%
Net Position, Beginning of Year	49,878,278	46,665,996	3,212,282	6.88%
Net Position, End of Year	<u>\$ 52,059,870</u>	<u>\$ 49,878,278</u>	<u>\$ 2,181,592</u>	<u>4.37%</u>

Comparison of Revenue and Expenses – 2015 to 2014

Operating Revenues derived from Fees and Charges for Services were \$14,328,948 in 2015 compared to \$14,118,367 in 2014, an increase of \$210,581. Most of the District's programs experienced growth in 2015. Children's Programs, Recreation Programs and our Ice Arena had the most significant increases of \$125,005, \$92,484 and \$62,856 respectively, resulting from increased participation in a wide variety of programs in 2015. These increases were partially offset by a \$48,781 decrease in operating revenues from Golf and a decrease in operating revenues from Parks and Regional Parks of \$30,348. Golf operating revenues were negatively impacted by higher levels of rain in the spring of 2015 and we had lower revenue from park rentals during 2015.

Operating Expenses in 2015 were \$18,702,064 compared to \$18,210,571 in 2014, an increase of \$491,493, or 2.7%. Operating Expenses increased due to general inflationary trends in all major operating centers, with the exception of Aquatics whose expenditures were flat mainly as a result of lower utilities expenditures during 2015. General and Administrative Services decreased \$99,340, or 5.8%, primarily due to lower election related expenditures in 2015 versus 2014. Property and Specific Ownership Taxes were \$7,414,990 in 2015 versus \$7,372,506 in 2014. The increase of \$42,484 was attributable to an increase in ownership taxes collected by the County.

Conservation Trust revenues were \$450,289 and \$448,217 in 2015 and 2014, respectively, reflecting a moderate increase in state lottery ticket sales. Grants and Contributions increased \$282,502 mostly due to a \$250,000 intergovernmental payment from Jefferson County for the replacement of the main road to our district office and higher Jefferson County Open Space Grant funds associated with a project in motion at Clement Park to replace a portion of the irrigation system at the park. These increases were offset by lower levels of SB35 funds received in 2015 as compared to 2014. Interest expense was \$1,055,460 in 2015 versus \$1,171,894 in 2014, a decrease of \$116,434 mostly due to lower levels of outstanding debt over the course of the year. In November of 2015, the District issued Certificates of Participation in the amount of \$11,055,000. The certificates were issued to refund a portion of the 2006 COPs, to pay the costs of issuance of the Certificates, and to finance capital improvements at Clement Park. As a result, Bond Issuance Costs increased to \$257,670 in 2015 versus zero in 2014 as the District had no new or refunded bonds issued during 2014. Gain on Sale of Assets was \$48,040 in 2015 versus \$1,122,443 in 2014. This decrease was associated with the sale of 4.999 acres of vacant land located at W. Coal Mine Ave. and S. Wadsworth Blvd., Jefferson County, Colorado to Emerus Development Company, LLC during 2014.

At the present time, 76.62% of the District’s total operations were covered by fees and charges from programs and facilities and the remaining 23.38% came from property and specific ownership taxes and other sources. The District’s parks, greenbelts and trails are costly to maintain and account for \$3,300,007 of the \$4,373,116 operating loss the District incurred in 2015. The District’s pools and recreation centers are also costly to operate and were subsidized \$2,095,783 from other revenue sources besides the fees and charges paid by the users of these facilities in 2015. Of the \$7,414,990 of taxes collected, \$2,067,758 were designated to make principal and interest payments on General Obligation Debt and \$5,347,232 were designated to offset operating losses and other debt principle and interest payments owed as a result of financing the construction of the District’s Peak Community Wellness Center, the Edge Ice Arena, and the Foothills Sports Arena.

The following table shows the amount and percent that operating costs are recovered through operating revenues including fees and charges:

Cost Recovery Through Fees and Charges

	<u>2015</u>	<u>2014</u>	<u>2014 to 2015</u>	
			<u>\$ Change</u>	<u>% Change</u>
Operating Revenues	\$ 14,328,948	\$ 14,118,367	\$ 210,581	1.49%
Operating Expenses	\$ 18,702,064	\$ 18,210,571	\$ 491,493	2.70%
% Cost Recovery Through Operating Fees and Charges	<u>76.62%</u>	<u>77.53%</u>		

Comparison of Revenue and Expenses – 2015 Actual to 2015 Budget

Operating Revenues were \$14,328,948 compared to budget of \$13,744,270 or \$584,678 favorable to plan. With the exception of the Aquatics program, which was lower than plan by \$1,811, all of the Districts other facilities and programs performed favorably to plan. Operating revenues exceeded plan most significantly as follows: Children’s Programs by \$115,035, or 4.83%; Golf by \$117,721, or 2.63%; Ice Arena by \$167,368 or 8.60% and Recreation Programs by \$149,991 or 7.12% as a result of growth in patron visits and participation in the District’s various program offerings.

Operating Expenses were \$16,420,551 compared to budget of \$16,839,757, which was \$584,678 less than planned. Over the last eight years the District has been very effective in creating an organization which encourages management and employees to control expenditures and to create efficiencies within their departments. Operating Expenditures have only increased \$808,048 or 5.18% over the last eight years even with increasing program costs associated with increasing Operating Revenues which have grown \$2,039,664, or 16.6% over the same period.

Non-Operating Revenues were \$5,043,158 compared to budget of \$3,095,487 or \$1,947,671 favorable to plan mostly due to net proceeds received under the sale of our Certificate of Participation Bonds, Series 2015 and the refunding of our 2006 COPs. The District used \$822,095 of cash reserves to fund additional Facilities & Equipment Repair and Replacements in 2015.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2015, the District had invested \$69,120,668 in net capital assets, which represents a broad range of infrastructure including parks, recreation centers, golf courses, maintenance and administration facilities, vehicles, and equipment. The District’s net capital assets decreased by \$549,205 from net capital assets at the end of 2014 primarily due to the current year’s depreciation of its capital assets. More detailed information about the District’s capital assets is presented in Note 4 to the financial statements.

Change in Capital Assets (Net of Depreciation)

	<u>2015</u>	<u>2014</u>	<u>2014 to 2015</u>	
			<u>\$ Change</u>	<u>% Change</u>
Land	\$ 20,298,205	\$ 20,298,205	\$ -	0.00%
Water Rights	276,784	276,784	-	0.00%
Buildings	29,612,537	30,562,200	(949,663)	-3.11%
Improvements	16,198,242	17,032,347	(834,105)	-4.90%
Furniture, Fixtures and Equipment	1,726,057	1,159,693	566,364	48.84%
Vehicles	453,871	340,644	113,227	33.24%
Construction in Progress	554,972	-	554,972	100.00%
Total Capital Assets	<u>\$ 69,120,668</u>	<u>\$ 69,669,873</u>	<u>\$ (549,205)</u>	<u>-0.79%</u>

Long-Term Debt

The District paid \$11,799,600 in debt principal repayments during 2015 and at December 31, 2015 had \$30,118,311 in short and long-term debt. More detailed information about the District's long-term debt is presented in Note 5 to the financial statements. Below is a summary of changes in long-term debt:

Changes in Long-Term Debt

	<u>2015</u>	<u>2014</u>	<u>2014 to 2015</u>	
			<u>\$ Change</u>	<u>% Change</u>
General Obligation Bonds:				
District	\$ 9,260,400	\$ 10,935,000	\$ (1,674,600)	-15.31%
Certificates of Participation:				
Building Authority	-	8,810,000	(8,810,000)	-100.00%
District	19,355,000	9,440,000	9,915,000	105.03%
Golf Course Revenue Bonds:				
District	975,000	1,150,000	(175,000)	-15.22%
Unamortized Deferred Charges	(987,978)	(1,164,165)	176,187	-15.13%
Unamortized Bond Premium (Discount)	1,515,889	713,329	802,560	112.51%
Total Long Term Debt	<u>\$ 30,118,311</u>	<u>\$ 29,884,164</u>	<u>\$ 234,147</u>	<u>0.78%</u>

The District was able to maintain an adequate debt coverage ratio on the Golf Course Revenue Bonds outstanding as shown below:

Debt Coverage Ratio-Golf Revenue Bonds

	2015	2014	2014 to 2015	
			\$ Change	% Change
Golf Operating Revenue	\$ 4,590,898	\$ 4,639,679	\$ (48,781)	-1.05%
Golf Operating Expenses (Excluding Depreciation and Debt Payments)	3,390,923	3,198,227	192,696	6.03%
Golf Net Earning Before Depreciation, and Debt Payments	<u>\$ 1,199,975</u>	<u>\$ 1,441,452</u>	<u>\$ (241,477)</u>	<u>-16.75%</u>
Golf Revenue Bonds Annual Debt Service Requirements for the Respective Fiscal year	<u>\$ 215,480</u>	<u>\$ 216,464</u>	<u>\$ (984)</u>	<u>-0.45%</u>
Debt Coverage Ratio	<u>5.57</u>	<u>6.66</u>		

The required ratio is 1.50 of the debt service requirements on the golf course revenue bonds for the respective fiscal year.

ECONOMIC FACTORS

The District has seen a significant increase in the number of patron visits to our facilities and to our various programs. Many of our facilities and programs are near capacity. The District anticipates fee revenue and other operational revenue sources to remain relatively flat for the foreseeable future. Any increase in revenue will be from fee increases or new programs. The need for fee increases will continue to be evaluated on an annual basis and be based on competitive rates for the markets we serve. The District’s golf rounds and related revenues are expected to remain flat for the near future, primarily due to the number of golf courses in our area competing for the same customers. Property assessed valuations and tax revenues associated with these property valuations will see a healthy increase in 2016 but future years are anticipated to grow more slowly. Little new development is expected to take place in the District resulting in minimal potential for increases in the assessed valuation due to growth related to new construction.

Costs for facility and program operations are expected to increase at historical inflation rates of 2.5% per year. We also expect utility and fuel costs to rise at rates much higher than inflation, more in the range of 5% per year.

The District has made every effort to find new revenue streams and to be more efficient with the funds available. Little more can be done to cut costs without impacting the services we provide to our constituents.

Budgets will continue to be strained with the District's expectations that revenue streams will remain relatively flat and all major operating costs are expected to increase due to general inflationary trends in the foreseeable future. Funding for the repair and replacement of aging property and equipment is expected to be limited in future years.

REQUEST FOR INFORMATION

This financial report provides a general overview of Foothills Park & Recreation District's finances. Questions concerning any of the information provided in this report or to request additional financial information should be addressed to the attention of Director of Administrative Services at Foothills Park & Recreation District, 6612 S Ward Street, Littleton, Colorado 80127.

FOOTHILLS PARK & RECREATION DISTRICT
STATEMENTS OF NET POSITION
December 31, 2015 and 2014

	2015	2014
ASSETS		
Current Assets		
Cash and Cash Equivalents	\$ 11,700,630	\$ 8,953,104
Receivables	547,224	463,964
Property Taxes Receivables	7,637,397	6,865,867
Inventories	261,103	243,514
Prepaid Expenses	379,767	322,067
Total Current Assets	20,526,121	16,848,516
Non-Current Assets		
Restricted Long-Term Investments	885,372	884,675
Nonrestricted Long-Term Investments	1,239,796	745,385
Capital Assets, Net of Accumulated Depreciation	69,120,668	69,669,873
Deposits	2,912	9,912
Investment in Bergen Ditch and Reservoir Co. and Bergen Land Co.	144,050	130,661
Total Non-Current Assets	71,392,798	71,440,506
Total Assets	91,918,919	88,289,022
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charges	987,978	1,164,165
Total Assets and Deferred Outflows of Resources	92,906,897	89,453,187
LIABILITIES		
Current Liabilities		
Accounts Payables	918,853	653,195
Interest Payable	104,608	106,622
Accrued Payroll Payable	189,011	167,277
Long-Term Debt Payable (Current Portion)	2,917,800	3,009,600
Unearned Revenue	458,559	315,527
Total Current Liabilities	4,588,831	4,252,221
Non-Current Liabilities		
Compensated Absences Payable	432,310	418,092
Long-Term Debt Payable	28,188,489	28,038,729
Total Non-Current Liabilities	28,620,799	28,456,821
Total Liabilities	33,209,630	32,709,042
DEFERRED INFLOWS OF RESOURCES		
Deferred Property Taxes	7,637,397	6,865,867
Total Liabilities and Deferred Inflows of Resources	40,847,027	39,574,909
NET POSITION		
Net Investment in Capital Assets	42,002,357	39,785,709
Emergency Reserves	629,000	589,000
Unrestricted Amounts	9,428,513	9,503,569
Total Net Position	52,059,870	49,878,278
Total Liabilities, Deferred Inflows of Resources and Net Position	\$ 92,906,897	\$ 89,453,187

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

FOOTHILLS PARK & RECREATION DISTRICT
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Years Ended December 31, 2015 and 2014

	<u>2015</u>	<u>2014</u>	<u>Change</u>	<u>% Change</u>
OPERATING REVENUES				
Fees and Charges:				
Aquatics	\$ 999,782	\$ 1,020,960	\$ (21,178)	-2.07%
Children's Programs	2,494,329	2,369,324	125,005	5.28%
Golf (Pledged for Payment of Revenue Bonds)	4,590,898	4,639,679	(48,781)	-1.05%
Ice Arena	2,113,098	2,050,242	62,856	3.07%
Recreation Centers	1,315,775	1,295,362	20,413	1.58%
Recreation Programs	2,256,982	2,164,498	92,484	4.27%
Parks and Regional Parks	512,301	542,649	(30,348)	-5.59%
General and Administrative	45,783	35,653	10,130	28.41%
Total Operating Revenues	<u>14,328,948</u>	<u>14,118,367</u>	<u>210,581</u>	<u>1.49%</u>
OPERATING EXPENSES				
Aquatics	1,602,792	1,604,340	(1,548)	-0.10%
Children's Programs	1,865,848	1,729,857	135,991	7.86%
Golf	3,693,687	3,476,536	217,151	6.25%
Ice Arena	1,603,469	1,586,235	17,234	1.09%
Recreation Centers	2,808,548	2,728,358	80,190	2.94%
Recreation Programs	1,597,552	1,566,254	31,298	2.00%
Parks and Regional Parks	3,912,308	3,801,791	110,517	2.91%
General and Administrative	1,617,860	1,717,200	(99,340)	-5.78%
Total Operating Expenses	<u>18,702,064</u>	<u>18,210,571</u>	<u>491,493</u>	<u>2.70%</u>
NET LOSS FROM OPERATIONS	<u>(4,373,116)</u>	<u>(4,092,204)</u>		
NON-OPERATING REVENUES (EXPENSES)				
Property and Specific Ownership Taxes	7,414,990	7,372,506	42,484	0.58%
Conservation Trust	450,289	448,217	2,072	0.46%
Grants	613,385	330,882	282,503	85.38%
Grants Expenditures	(68,675)	(115,122)	46,447	-40.35%
Facilities & Equipment Repairs and Replacements	(626,017)	(680,947)	54,930	-8.07%
Investment Income	36,030	29,514	6,516	22.08%
Interest Expense	(1,055,460)	(1,171,894)	116,434	-9.94%
Interest Expense Subsidy	33,159	33,195	(36)	-0.11%
Bond Issuance Cost	(257,670)	-	(257,670)	-100.00%
Gain on Investment in Bergen Ditch and Reservoir Co. and Bergen Land Co.	13,389	6,416	6,973	108.68%
Gain on Sale of Capital Assets	49,707	17,631	32,076	181.93%
Gain on the Sale of Assets	48,040	1,122,443	(1,074,403)	-95.72%
Proceeds from Insurance	14,238	17,325	(3,087)	-17.82%
Other Expense	(110,697)	(105,680)	(5,017)	4.75%
Total Non-Operating Revenues (Expenses)	<u>6,554,708</u>	<u>7,304,486</u>	<u>(749,778)</u>	<u>-10.26%</u>
CHANGE IN NET POSITION	<u>2,181,592</u>	<u>3,212,282</u>	<u>(1,030,690)</u>	<u>-32.09%</u>
NET POSITION, Beginning of Year	49,878,278	46,665,996	3,212,282	6.88%
NET POSITION, End of Year	<u>\$ 52,059,870</u>	<u>\$ 49,878,278</u>	<u>\$ 2,181,592</u>	<u>4.37%</u>

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

FOOTHILLS PARK & RECREATION DISTRICT
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2015 and 2014

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 14,395,720	\$ 14,044,561
Payments to Suppliers	(6,015,367)	(5,871,900)
Payments to Employees	(10,178,863)	(9,952,992)
Net Cash Used by Operating Activities	(1,798,510)	(1,780,331)
CASH FLOW FROM NON-CAPITAL FINANCING ACTIVITIES		
Property and Specific Ownership Taxes	7,414,990	7,372,506
Receipts from Conservation Trust Fund	450,289	448,217
Grants and Contributions Received, Net of Expenditures	544,709	215,760
Facilities & Equipment Repairs and Replacements	(626,016)	(680,947)
Other Expenditures	(110,697)	(105,680)
Net Cash Provided by Non-Capital Financing Activities	7,673,275	7,249,856
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Interest Expense Paid on Bonds and Leases	(1,033,047)	(1,095,718)
Acquisition of Capital Assets	(1,748,997)	(1,055,722)
Proceeds from the Sale of Assets	48,040	1,122,443
Proceeds from the Sale of Capital Assets	66,396	17,731
Proceeds from Insurance	14,238	17,325
Principal Payments on Long-Term Debt	(3,009,600)	(2,951,000)
Proceeds from Issuance of Refunded Bond Debt	12,042,479	-
Payment to Refunded Bond Escrow Agent	(8,790,000)	-
Bond Issuance Costs	(257,670)	-
Net Cash Used by Capital and Related Financing Activities	(2,668,161)	(3,944,941)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Investments	(495,108)	(253,440)
Interest on Investments	36,030	29,514
Net Cash Used by Investing Activities	(459,078)	(223,926)
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,747,526	1,300,658
CASH AND CASH EQUIVALENTS, Beginning of Year	8,953,104	7,652,446
CASH AND CASH EQUIVALENTS, End of Year	\$ 11,700,630	\$ 8,953,104

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

(Continued)

FOOTHILLS PARK & RECREATION DISTRICT
STATEMENTS OF CASH FLOWS
For the Years Ended December 31, 2015 and 2014
(Continued)

	2015	2014
RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES:		
Operating Loss	\$ (4,373,116)	\$ (4,092,204)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Depreciation	2,281,513	2,189,762
Effect of changes in operating assets and liabilities:		
Receivables	(83,260)	(115,150)
Inventories	(17,589)	(19,653)
Prepaid Expense	(57,700)	57,446
Deposits	7,000	(2,912)
Accounts Payable	265,658	129,954
Accrued Payroll Payable	21,734	21,667
Compensated Absences Payable	14,218	6,503
Unearned Revenue	143,032	44,256
Total Adjustments	2,574,606	2,311,873
NET CASH USED IN OPERATING ACTIVITIES	\$ (1,798,510)	\$ (1,780,331)

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

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 1: DEFINITION OF REPORTING ENTITY

Financial Reporting Entity

Foothills Park & Recreation District is a governmental unit (special district) operating in accordance with Colorado Statute. The District is governed by a five-member elected Board of Directors. The District was established to provide park and recreation facilities and programs in southern Jefferson County.

In accordance with Governmental Accounting Standards, the District has considered the possibility of inclusion of additional entities in its financial statements. The definition of the reporting entity is based primarily on financial accountability. The District is financially accountable for the organizations that make up its legal entity. It is also financially responsible for legally separate organizations if the District officials appoint a voting majority of the organization's governing body and, either it is able to impose its will on that organization or there is a potential for the organization to provide benefits to or, to impose specific financial burdens on the District. The District may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Component Unit

The Foothills Park & Recreation District Building Authority (the Building Authority) is governed by a board that consists of a voting majority appointed by the governing board of the District. In addition, the District is financially accountable for the Building Authority, and the Building Authority is financially dependent upon the District. The Building Authority is consolidated into the financial statements of the District. The Building Authority does not issue separate financial statements. In 2015, the District refunded the 2006 Certificates of Participation which were held by the Building Authority. Coincident with the refunding transaction, the Building Authority transferred the deed of all properties owned to the District.

Joint Venture

The Bergen Ditch and Reservoir Company (Bergen Ditch) and Bergen Ditch Land Company (Bergen Land) are corporations owned and controlled by various governmental entities and private individuals. The purpose of Bergen Ditch is to own and operate a water ditch system known as the Bergen Ditch. The District has a 23.8% ownership interest in both companies. In addition, the District leases another 60.5% of shares with voting interests in Bergen Ditch from Jefferson County. The District's Executive Director and Director of Parks, Planning and Construction served on the Board of Directors of Bergen Ditch in 2015. The District's share in this joint venture is included as an investment on the financial statements. The financial statements for Bergen Ditch and Bergen Land are available at 9329 Lark Sparrow Trail, Highlands Ranch, CO 80126.

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Foothills Park & Recreation District conform to generally accepted accounting principles as applicable to governmental units accounted for as a proprietary enterprise fund. The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial principles. The following is a summary of the significant policies.

Measurement Focus

The proprietary fund type is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the Statement of Net Position.

Basis of Accounting

The District uses the accrual basis of accounting, where revenues are recognized when they are earned and measurable, and expenses are recognized in the period incurred.

Proprietary Fund

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenue and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District are charges to patrons for admissions to recreation facilities, rental of recreation facilities, fees paid for participation in recreation programs, and green fees for usage of the District's golf courses. All revenues not meeting this definition are reported as non-operating revenues and expenses.

Cash and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are recorded at fair value.

Inventory and Prepaid Expenses

Merchandise inventory held for resale is recorded at cost using the average cost method. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred outflows or resources. This separate financial statement element, deferred outflow of resources, represents a consumption of net position and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows or resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position and fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Restricted Assets

It is the District's policy to first use restricted, if any, and then unrestricted resources when an expense is incurred for purposes for which restricted and unrestricted amounts are available.

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the Jefferson County Assessor, generally as of November 30th of each year.

The levy is normally set by December 15th by certification to the Jefferson County Commissioners to put the tax lien on the individual properties as of January 1st of the following year.

The Jefferson County Treasurer (Treasurer) collects the determined taxes during the ensuing calendar year. The taxes are payable by April, or in equal installments in February and June at the taxpayer's election. Delinquent taxpayers are notified in August, and tax sales are in November.

The Treasurer remits the taxes collected monthly to the District. Property taxes receivable not collected within 30 days of year-end have been recorded as deferred revenue. Since property taxes are levied in December for the next calendar year's operations, the total levy is reported as property taxes receivable and deferred property taxes.

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital Assets include property, improvements to property, buildings, equipment, and water rights with an initial individual value of \$5,000 or greater. All capital assets are valued at historical cost or at an estimated historical cost if actual historical cost was not available. Donated assets are valued at their estimated fair values on the date donated.

Depreciation begins in the year of the completion for assets under construction. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over estimated useful lives ranging from 5 to 50 years.

Compensated Absences

Accumulated unpaid vacation amounts are accrued. District employees with 1-4 years of full-time service can accumulate up to 120 vacation hours, 5-9 years of full time service can accumulate up to 180 vacation hours, and 10 or more years of full-time service can accumulate up to 240 vacation hours. Accrued vacation is paid to employees upon termination of employment.

Amortization

Bond and Certificate of Participation Original Issue Premium and/or Discount

In the proprietary fund, bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. The amortization amount related to the bond premiums and/or discounts is a component of interest expense and the unamortized balances are reflected as an addition or reduction of bonds payable, respectively.

Deferred Cost on Bond and Certificate of Participation Refunding

The deferred costs on the bond and certificate of participation refundings are being amortized using the straight-line method, which approximates the interest method, over the shorter of the life of the new or life of the defeased bonds or certificates of participation. The amortization amount

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

is a component of interest expense and the unamortized deferred cost is reflected as a reduction of bonds payable.

Budgets

In accordance with State Budget Law, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate funds for the ensuing year. The District's Board of Directors can modify the budget and appropriation resolutions upon completion of notification and publication requirements. The appropriation is at the total fund level and lapses at year-end. The Building Authority's budget is included within the District's budget.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Reclassifications and Comparative Data

Certain prior year amounts have been reclassified to conform to the current year presentation. Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented in all statements because such inclusion would make certain statements unduly complex and difficult to understand.

NOTE 3: CASH AND INVESTMENTS

Cash Deposits

Colorado statutes require that the District use eligible public depositories, as defined by the Public Deposit Protection Act (PDPA) of 1975. Under the Act, the depository is required to pledge collateral having a market value at all times equal to at least 102% of the aggregate public deposits held by the depository not insured by federal deposit insurance. Eligible collateral, as defined by the Act, primarily includes obligations or guarantees by the U.S. Government, the State of Colorado, or any political subdivision thereof, and obligations evidenced by notes secured first by lien mortgages or deeds of trust on real property. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group.

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

At December 31, 2015, the District's cash deposits had a carrying balance of \$1,656,838. The District's cash deposits were not exposed to custodial credit risk, as all deposits were insured by the Federal Deposit Insurance Corporation (FDIC) or collateralized in accordance with PDPA. Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned.

Investments

Colorado statutes specify in which instruments the District may invest. These instruments are:

- Certain money market funds
- Certain marketable repurchase agreements
- Certain marketable reverse repurchase agreements
- Certain guaranteed investment contracts
- Bankers' acceptances of certain banks
- Certain corporate bonds
- General obligation and revenue bonds of U.S. local government entities
- Obligations of the United States and certain U.S. government agency securities
- Local government investment pools

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from prevailing market interest rates, the District primarily invests in Local Government Investment Pools which have a weighted average maturity of not more than 90 days. The District's investment policy states that investments with maturities longer than three or five years depending on the investment require approval from the Board of Directors.

At December 31, 2015, the District had the following investments and maturities:

<u>Investment Type</u>	<u>2015</u>	
	<u>Fair Value</u>	<u>Maturities</u>
Money Market Funds	\$ 2,603,250	Less than 12 Months
Local Government Investment Pools	7,432,067	Less than 12 Months
Bank Certificate of Deposits	885,372	Less than 12 Months
Federal Agency Bonds	1,239,796	More than 12 Months
Total	<u>\$ 12,160,485</u>	

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

Credit Risk

In order to minimize credit risk the District follows the State Statutes by investing only in the instruments noted above.

At December 31, 2015, the District had \$2,599,399, \$3,251 and \$600 invested in Firstbank Colorado, UMB Bank and Sigma Financial Corporation money market investment accounts, respectively, \$7,432,067 invested in Colorado Liquid Asset Trust Fund, \$2,125,168 in Federal Home Loan Banks Bonds and bank certificates of deposits, with \$885,372 of that amount representing restricted investments purchased through UMB Bank to satisfy our 2013 COPs bond reserve requirements.

Colorado Liquid Asset Trust Fund (COLOTRUST) is an investment trust/joint venture established for local government entities in Colorado to pool surplus funds. The trusts operate similarly to a money market fund with each share maintaining a value of \$1.00. Investments consist of U.S.

Treasury bills, notes and repurchase agreements collateralized by U.S. Treasury securities. Designated custodian banks provide safekeeping and depository services to the trusts. Substantially all securities owned by the trusts are held in the Federal Reserve Bank in the accounts maintained for the custodian banks. The custodians' internal records identify the investments owned by COLOTRUST. The investments in COLOTRUST are rated AAAM by Standard and Poor's.

Concentration of Credit Risk

The District had no investment in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represents 5% or more of total District investments at December 31, 2015.

Summary of District Cash, Cash Equivalents and Investments

Cash deposits and investments at December 31, 2015 are summarized as follows:

	<u>2015</u>
Petty Cash	\$ 8,475
Cash Deposits	1,656,838
Investments	<u>12,160,485</u>
Total Cash Deposits and Investments	<u>\$ 13,825,798</u>

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 3: CASH AND INVESTMENTS (CONTINUED)

Cash deposits and investments are reflected on the December 31, 2015 statement of cash flows as follows:

	2015
Cash and Cash Equivalents	\$ 11,700,630
Non-Restricted Investments	1,239,796
Restricted Investments	885,372
Total Cash Deposits and Investments	\$ 13,825,798

NOTE 4: CAPITAL ASSETS AND DEPRECIATION

A summary of changes in Capital Assets for 2015 is as follows:

	JANUARY 1, 2015 BALANCE	INCREASES	DECREASES	DECEMBER 31, 2015 BALANCE
Capital Assets, Not Being Depreciated				
Land	\$ 20,298,205	\$ -	\$ -	\$ 20,298,205
Water Rights	276,784	-	-	276,784
Construction in Progress	-	554,972	-	554,972
Total Capital Assets, Not Being Depreciated	20,574,989	554,972	-	21,129,961
Capital Assets, Being Depreciated				
Buildings	43,131,210	-	-	43,131,210
Improvements	34,761,513	78,243	-	34,839,756
Furniture, Fixtures and Equipment	7,238,572	922,932	(566,674)	7,594,830
Vehicles	1,566,894	192,850	(131,016)	1,628,728
Total Capital Assets, Being Depreciated	86,698,189	1,194,025	(697,690)	87,194,524
Less Accumulated Depreciation for:				
Buildings	(12,569,009)	(949,664)	-	(13,518,673)
Improvements	(17,729,166)	(912,348)	-	(18,641,514)
Furniture, Fixtures and Equipment	(6,078,880)	(355,584)	565,691	(5,868,773)
Vehicles	(1,226,250)	(63,917)	115,310	(1,174,857)
Total Accumulated Depreciation	(37,603,305)	(2,281,513)	681,001	(39,203,817)
Capital Assets, Being Depreciated, Net	49,094,884	(1,087,488)	(16,689)	47,990,707
Net Capital Assets	\$ 69,669,873	\$ (532,516)	\$ (16,689)	\$ 69,120,668

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 4: CAPITAL ASSETS AND DEPRECIATION (CONTINUED)

For the year ended December 31, 2015 depreciation expense was charged to programs as follows:

Aquatics	\$	147,244
Children's Programs		3,161
Golf Courses		302,764
Ice Arena		271,311
Recreation Centers		788,539
Recreation Programs		9,847
Parks and Regional Parks		718,179
General and Administration		40,468
Total	<u>\$</u>	<u>2,281,513</u>

NOTE 5: LONG TERM DEBT

The following is an analysis of the changes in long-term debt for the year ended December 31, 2015:

	January 1,		December 31,		
	2015		2015		Current
	Balance	Additions	Deletions	Balance	Portion
2010 General Obligation Bonds	\$ 10,160,000		\$ (1,585,000)	\$ 8,575,000	\$ 1,620,000
2012 General Obligation Bonds	775,000		(89,600)	685,400	92,800
2011 Revenue Bonds	1,150,000		(175,000)	975,000	185,000
2006 Certificates of Participation	8,810,000		(8,810,000)	-	-
2010 Certificates of Participation, Series 2010A	1,015,000		(230,000)	785,000	235,000
2010 Certificates of Participation, Taxable QECB Series 2010B	1,000,000		-	1,000,000	-
2013 Certificates of Participation	7,425,000		(910,000)	6,515,000	385,000
2015 Certificates of Participation	-	11,055,000	-	11,055,000	400,000
Compensated Absences	418,092	14,218	-	432,310	-
	<u>30,753,092</u>	<u>11,069,218</u>	<u>(11,799,600)</u>	<u>30,022,710</u>	<u>2,917,800</u>
Less deferred charges	(1,164,165)	39,862	136,325	(987,978)	-
Plus net unamortized original issue premium (discount)	713,329	987,478	(184,918)	1,515,889	-
	<u>\$ 30,302,256</u>	<u>\$ 12,096,558</u>	<u>\$ (11,848,193)</u>	<u>\$ 30,550,621</u>	<u>\$ 2,917,800</u>

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 5: LONG TERM DEBT (CONTINUED)

General Obligation Bonds

The District issues general obligation bonds to provide funds for acquisition and construction of major capital facilities. General Obligation bonds require a vote by the District's residents and are direct obligations and pledge the full faith of the District.

GO Series 2010 - In 2010, the District issued a total of \$15,310,000 of General Obligation Refunding Bonds, Series 2010, dated February 23, 2010. Proceeds from the sale of the bonds were used to refund a portion of the District's General Obligation Bonds, Series 2001, and to pay the costs of issuance of the Bonds. The bonds carry interest rates from 2.0% to 5.0% due semi-annually and mature serially beginning in 2010 and continue through 2020. The bond refunding saved a majority of the District taxpayers approximately \$1,335,374 in gross tax dollars between 2010 and 2020 as a result of the lower interest on the refunded bonds.

GO Series 2012 - In 2012, the District issued a total of \$974,700 of General Obligation Refunding Bond, Series 2012, dated March 20, 2012. Proceeds from the sale of the bond were used to refund a portion of the District's General Obligation Bonds, Series 2002, and to pay the costs of issuance of the Bonds. The Bond is subject to quarterly mandatory sinking fund redemption. The Bond matures on December 1, 2022 and bears interest at the rate of 2.73% per annum. The Bond refunding saved taxpayers in Subdistrict B (Kipling Villas) \$124,568 in gross tax dollars through December 1, 2022 as a result of the lower interest on the refunded bonds.

The annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31,	Principal	Interest	Total
2016	\$ 1,712,800	\$ 316,916	\$ 2,029,716
2017	1,750,800	273,903.00	2,024,703
2018	1,803,900	225,744.00	2,029,644
2019	1,851,300	171,855.60	2,023,156
2020	1,928,600	99,002.73	2,027,603
2021 - 2022	213,000	6,575.23	219,575
Total	<u>\$ 9,260,400</u>	<u>\$ 1,093,997</u>	<u>\$ 10,354,397</u>

Revenue Bonds

The District issues revenue bonds where the District pledges income derived from golf course revenues to pay the debt service.

Revenue Bond Series 2011 - In 2011, the District issued a total of \$1,815,000 of Revenue Refunding Bonds, Series 2011, dated June 28, 2011. Proceeds from the sale of the bonds along

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 5: LONG TERM DEBT (CONTINUED)

with \$219,034 of District funds were used to refund the District’s Revenue Refunding Bonds, Series 2001, and to pay the costs of issuance of the bonds. The bonds carry interest rate of 3.52% due semi-annually and mature serially beginning in 2011 and continue through 2020. The bond refunding saved the District \$369,898 from 2011 through 2020 as a result of the lower interest on the refunded bonds and the pay-down of the principal balance. The Revenue Refunding Bonds, Series 2011, do not have a reserve requirement.

The annual debt service requirement to maturity for the revenue bond is as follows:

Year Ending December 31,	Principal	Interest	Total
2016	\$ 185,000	\$ 34,320	\$ 219,320
2017	190,000	27,808.00	217,808
2018	190,000	21,120.00	211,120
2019	200,000	14,432.00	214,432
2020	210,000	7,392.00	217,392
Total	<u>\$ 975,000</u>	<u>\$ 105,072</u>	<u>\$ 1,080,072</u>

Certificates of Participation (COPs)

The District and the Building Authority issue certificates of participation to finance needed recreation facilities.

Building Authority COP Lease Purchase 2006 - In 2006, the Building Authority, issued \$9,135,000 of Certificates of Participation dated March 1, 2006. The certificates were issued to refund a portion of the 2002 COPs and relieve the payment demands until revenue from the facilities were able to establish themselves. These certificates mature between 2006 and 2026 and carry interest rates between 3.75% and 4.375% due semiannually. These Bonds were refunded in 2015 with proceeds from the issuance of the 2015 Certificates of Participation.

Foothills Park & Recreation COP Lease Purchase 2010 - In 2010, the District issued \$1,895,000 of Certificates of Participation Series 2010A and \$1,000,000 of Certificates of Participation Taxable QECB Series 2010B both dated August 19, 2010. The District applied and was awarded by the State Governor’s Energy Office \$1,000,000 of “qualified energy conservation bonds” which enabled a portion of the interest paid on the Taxable QECB 2010B certificates to be eligible for an annual cash subsidy payment from the United States Treasury.

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 5: LONG TERM DEBT (CONTINUED)

The certificates were issued for the purpose of financing energy conservation projects as set forth in the Energy Performance Contracts the District entered into in 2010. The Series 2010A certificates mature between 2011 and 2019 and carry interest rates between 2.00% and 3.00% due semiannually. The Taxable QECB Series 2010B certificates due October 1, 2022 are subject to mandatory sinking fund redemptions between 2019 and 2022 and carry interest rate of 5.75% due semiannually. Net of the government interest subsidy payment the District receives from the Federal government, effective interest rate is reduced from 5.75% to 2.17%.

Foothills Park & Recreation COP Lease Purchase 2013 - In 2013, the District issued \$9,300,000 of Certificates of Participation dated May 15, 2013. Proceeds from the sale of the bond were used to refund a portion of the District's Certificates of Participation Bonds, Series 2002 and 2004, and to pay the costs of issuance of the Bonds. These certificates mature between 2013 and 2028 and carry interest rates between 2.00% to 3.150% due semiannually.

Foothills Park & Recreation COP Lease Purchase 2015- In 2015, the District issued \$11,055,000 of Certificates of Participation dated November 12, 2015. The certificates were issued to refund the outstanding balance of the 2006 COPs, to pay the costs of issuance of the Certificates, and to finance capital improvements at Clement Park. These certificates mature between 2016 and 2032 and carry interest rates between 2.0% and 5.0% due semiannually.

The Ice Arena, Ridge Recreation Center, and the Peak administrative building are collateral for the 2006 and 2013 COPs, the Ice Arena and the Peak Community and Wellness Center are collateral for the 2015 COPs, and a portion of the Lilley Gulch Recreation Center is collateral for the 2010 COPs.

The annual debt service requirements to maturity for the certificates of participation are as follows:

Year Ending December 31,	Principal	Interest	Total
2016	\$ 1,020,000	\$ 703,655	\$ 1,723,655
2017	1,035,000	682,080	1,717,080
2018	1,060,000	659,788	1,719,788
2019	1,080,000	636,713	1,716,713
2020	1,110,000	602,913	1,712,913
2021 - 2025	5,140,000	2,471,250	7,611,250
2026 - 2030	6,295,000	1,414,425	7,709,425
2031 - 2032	2,615,000	197,750	2,812,750
Total	<u>\$ 19,355,000</u>	<u>\$ 7,368,574</u>	<u>\$ 26,723,574</u>

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 6: RISK MANAGEMENT AND RELATED INSURANCE ISSUES

The District is subject to various risks of loss. These risks include theft of, damage to, or destruction of assets, errors or omissions by management or the Board of Directors, job-related illnesses or injuries to employees, torts, and injury to persons or damage to property resulting from a construction project, or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public official's liability, boiler and machinery and workers compensation coverage to its members.

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

For 2015 there were no significant reductions in insurance coverage from the prior year for any major category of risk. The amount of settlements did not exceed the insurance coverage for each of the past three fiscal years. The amount of risk retained by the District through deductibles on the insurance policies was not material to the District.

NOTE 7: SALARY DEFERRAL PLAN

The District has a salary deferral plan (Plan) that was converted from a defined benefit plan to a defined contribution plan in 1982. Plan provisions and contribution requirements are established and may be amended by the District's Board of Directors. Full and part-time employees are eligible to participate in the plan on the first day of the month following completion of 30 days of employment if they are at least 21 years of age. Each eligible employee is allowed to defer compensation in 1% increments of their pay, but their deferral may not exceed the specific annual dollar amount determined by the Internal Revenue Service. The District may make non-elective contributions to full-time employees' account in the Plan in the amount determined by the District at its discretion. The District's contributions plus earnings become vested at a rate of 20% after the first year of employment, 40% after the second year of employment and are 100% vested after the third year of employment. District contributions for plan participants who leave employment before they are fully vested are forfeited. Participant forfeitures will be used to reduce the Employer Discretionary Contributions to the Plan for the Plan Year in which the forfeitures occur. There is no liability for benefits under the Plan beyond the District's discretionary contributions.

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 7: SALARY DEFERRAL PLAN (CONTINUED)

The District has the authority to determine the amount, if any, of discretionary contributions to the Plan. The District's discretionary contribution made in 2015 was \$218,893.

NOTE 8: NET POSITION

The District has net position consisting of three components – net invested in capital assets, emergency reserves and unrestricted amounts.

Net Investment in Capital Assets

Net invested in capital assets consists of amount invested in capital assets, net of accumulated depreciation, and further reduced by outstanding balances of bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

The District's Net Investment in Capital Assets as of December 31, 2015 was calculated as follows:

	2015
Capital Assets	\$ 69,120,668
Outstanding Debt	(29,590,400)
Unamortized Bond Debt Premium	(1,515,889)
Unamortized Deferred Charges	987,978
Unspent Debt Proceeds	3,000,000
Net Investment in Capital Assets	\$ 42,002,357

Emergency Reserves

Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue increases, taxation, spending abilities, and debt limitations of state and local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue. In May 2002, the District voters approved a ballot question to remove the revenue and spending limitations of the TABOR Amendment from the entire District.

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 8: NET POSITION (CONTINUED)

The Amendment is complex and subject to judicial interpretation. The District believes it is in compliance with the requirements of the amendment based on the interpretations of the amendment's language. At December 31, 2015, the District had an emergency reserve of \$629,000.

Unrestricted Net Position

Unrestricted Net Position represents assets that do not have any third party limitations on their use. While District management may have categorized and segmented portions for various purposes, the District Board of Directors has the unrestricted authority to revisit or alter these managerial decisions.

NOTE 9: RELATED PARTY TRANSACTIONS

The District's Executive Director and Director of Parks, Planning & Construction served on the Board of Directors of Bergen Ditch in 2015. The District owns a 23.8% interest in both the Bergen Ditch and the Bergen Land, which are valued at \$144,050 as of December 31, 2015.

NOTE 10: SUBSEQUENT EVENT

On May 30, 2014, the District entered into a purchase and sale agreement with Cornerstone Capital Investments, Inc. to sell approximately 4.65 acres of vacant land located at S. Wadsworth Blvd. and W. Coal Mine Ave., Jefferson County, Colorado for the purchase price of \$815,000. The closing of the sale on this parcel will not take place until governmental approvals have been secured by Cornerstone Capital Investments Inc. These governmental approvals were secured in early 2016 and the sale closed on March 24, 2016 resulting in net proceeds to the District of \$814,544.

On February 24, 2014, the District entered into a purchase and sale agreement with Colorado Columbine, LLC. to sell approximately 3.85 acres of vacant land located at S. Wadsworth Blvd. and Columbine Drive., Jefferson County, Colorado for the purchase price of \$455,000. The closing of the sale on this parcel could not take place until governmental approvals had been secured by Colorado Columbine, LLC. As of December 31, 2015, these governmental approvals had not been secured and in February of 2016, the agreement was terminated.

On April 26, 2016, the District entered into a purchase and sale agreement with Evergreen Devco, Inc. to sell approximately 3.85 acres of vacant land located at S. Wadsworth Blvd. and Columbine Drive., Jefferson County, Colorado for the purchase price of \$503,000. The closing of the sale on this parcel will not take place until governmental approvals have been secured by Evergreen

**FOOTHILLS PARK & RECREATION DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2015**

NOTE 10: SUBSEQUENT EVENT (CONTINUED)

Devco, Inc. We expect these governmental approvals and the closing of the sale on this parcel to occur by the end of 2017.

On May 17, 2016, as part of the bankruptcy proceedings of Rocky Mountain Roller Hockey League, Inc. (“RMRHL”), the District entered into a compromise and settlement agreement with RMRHL and UMB Bank, N.A. (“UMB”). Under the agreement, the District has agreed to acquire the RMRHL facility, personal property and fixtures from RMRHL for \$1,400,000. The building is located on land owned by the District in the Schaefer Athletic Complex. Coincident with the agreement, the District also entered into a memorandum of understanding with RMRHL, under which RMRHL will be provided the option to lease time and space to allow them to continue to offer roller hockey leagues in the facility. The closing of the agreement is contingent upon bankruptcy court approval, which we expect to obtain before the end of 2016.

NOTE 11: RECONCILIATION OF REVENUES AND EXPENSES GAAP TO BUDGETARY BASIS

For financial statement presentation purposes the District is shown as an enterprise fund. Enterprise funds recognize income when earned and expenses when incurred. Depreciation is recorded on capitalized equipment. For budgetary purposes, all receipts are shown as revenue when received regardless of whether they are earned revenue or liabilities, and expenditures are recorded for all disbursements, including capital expenditures and debt service payments, regardless of the period those disbursements benefit. See Supplementary Information for Statement of Revenues and Expenditures prepared using Non-GAAP budgetary basis.

SUPPLEMENTARY INFORMATION

FOOTHILLS PARK & RECREATION DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
ACTUAL AND BUDGET (NON GAAP BUDGETARY BASIS)
ENTERPRISE FUND
For the Year Ended December 31, 2015

	Actual	Budget	Variance Favorable (Unfavorable)
OPERATING REVENUES			
Aquatics	\$ 999,782	\$ 1,001,593	\$ (1,811)
Children's Programs	2,494,329	2,379,294	115,035
Golf (Pledged for Payment of Revenue Bonds)	4,590,898	4,473,177	117,721
Ice Arena	2,113,098	1,945,730	167,368
Recreation Centers	1,315,775	1,309,900	5,875
Recreation Programs	2,256,982	2,106,991	149,991
Parks and Regional Parks	512,301	508,627	3,674
General and Administrative	45,783	18,958	26,825
Total Operating Revenues	<u>14,328,948</u>	<u>13,744,270</u>	<u>584,678</u>
OPERATING EXPENSES			
Aquatics	1,455,548	1,507,816	52,268
Children's Programs	1,862,687	1,815,135	(47,552)
Golf	3,390,923	3,357,195	(33,728)
Ice Arena	1,332,159	1,325,801	(6,358)
Recreation Centers	2,020,009	2,107,728	87,719
Recreation Programs	1,587,704	1,644,307	56,603
Parks and Regional Parks	3,194,129	3,362,270	168,141
General and Administrative	1,577,392	1,719,505	142,113
Total Operating Expenses	<u>16,420,551</u>	<u>16,839,757</u>	<u>419,206</u>
NET LOSS FROM OPERATIONS	<u>(2,091,603)</u>	<u>(3,095,487)</u>	<u>1,003,884</u>
NON-OPERATING REVENUES (EXPENSES)			
Funds Available	-	822,095	(822,095)
Property and Specific Ownership Taxes	7,414,990	7,370,270	44,720
Conservation Trust	450,289	464,329	(14,040)
Grants	613,385	719,647	(106,262)
Grants Expenditures	(623,647)	(631,553)	7,906
Facilities & Equipment Repairs and Replacements	(1,820,042)	(1,538,774)	(281,268)
Investment Income	36,030	38,624	(2,594)
Debt Service:			
Long-term Debt Principal and Interest	(4,073,792)	(4,075,861)	2,069
Interest Expense Subsidy	33,159	35,770	(2,611)
Long-term Debt Proceeds	12,042,479	9,047,670	2,994,809
Payment to Escrow Agent	(8,790,000)	(8,790,000)	-
Bond Issuance Cost	(257,670)	(257,670)	-
Proceeds from the Sale of Capital Assets	66,396	-	66,396
Proceeds from the Sale of Assets, Net of Expense	48,040	-	48,040
Proceeds from Insurance	14,238	-	14,238
Other Expense	(110,697)	(109,060)	(1,637)
Total Non-Operating Revenues (Expenses)	<u>5,043,158</u>	<u>3,095,487</u>	<u>1,947,671</u>
NET CHANGE IN FUNDS AVAILABLE	<u>2,951,555</u>	<u>-</u>	<u>2,951,555</u>
FUNDS AVAILABLE - Beginning of year	<u>9,961,908</u>		
FUNDS AVAILABLE - End of year	<u>\$ 12,913,463</u>		
Funds available is computed as follows:			
Current Assets	\$ 20,526,121		
Deposits	2,912		
Restricted Long-term investments	885,372		
Non-restricted Long-term investments	1,239,796		
Current Liabilities	(4,588,831)		
Compensated Absences Payable	(432,310)		
Current Portion of Long-term Debt	2,917,800		
Deferred Property Taxes	(7,637,397)		
	<u>\$ 12,913,463</u>		

**FOOTHILLS PARK & RECREATION DISTRICT
RECONCILIATION OF NON GAAP BUDGETARY BASIS (ACTUAL) TO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
ENTERPRISE FUND
For the Year Ended December 31, 2015**

Operating Revenues (Both Budgetary Basis and GAAP)	\$ 14,328,948
Operating Expenditures (Budgetary Basis)	16,420,551
Depreciation	2,281,513
Operating Expenditures (GAAP)	18,702,064
Non-operating Revenues (Expenditures) (Budgetary Basis)	5,043,158
Long-Term Debt Principal Payments	3,009,600
Amortization of Bond Premiums on Long-term Debt Refundings	145,057
Amortization of Losses on Long-term Debt Refundings	(136,325)
Payment to Escrow Agent	8,790,000
Long-term Debt Proceeds	(12,042,479)
Gain on Investment in Bergen Ditch LLC and Bergen Land LLC	13,389
Loss on Sale of Capital Assets	(16,689)
Capital Outlay	1,748,997
Non-operating Revenues (Expenditures) (GAAP)	6,554,708
Change in Net Position per Statement of Revenue, Expenses and Changes in Fund Net Position	\$ 2,181,592

**FOOTHILLS PARK & RECREATION DISTRICT
HISTORY OF DISTRICT ASSESSED VALUATION, MILL LEVIES AND PROPERTY TAX COLLECTIONS**

The following tables set forth assessed valuation, mill levy and property tax information for the District, including information regarding Subdistrict A and Subdistrict B.

History of District Assessed Valuation

Levy/Collection Year	Remaining District Property (1)	Subdistrict A	Subdistrict B	Entire District Total (2)	Percent Change
2010/2011	86,611,460	870,675,760	15,036,790	957,287,220	0.90%
2011/2012	93,539,782	838,722,343	14,826,438	932,262,125	-2.60%
2012/2013	93,763,873	837,044,119	14,856,668	930,807,992	-0.20%
2013/2014	97,435,372	833,567,974	14,442,015	931,003,346	0.02%
2014/2015	97,518,919	833,516,391	14,448,217	931,035,310	0.00%

(1) Represents property within the District that is not within Subdistrict A or Subdistrict B.

(2) As Subdistrict B is located entirely with Subdistrict A, the assessed valuation attributable to Subdistrict B has been included in the District total as a component of Subdistrict A.

History of Mill Levies

Levy/Collection Year	District		Subdistrict A		Subdistrict B	
	General	Bond	General (1) (2)	Bond	General (1) (2)	Bond
2010/2011	4.099	0.000	1.103	2.262	4.300	8.188
2011/2012	4.081	0.000	1.134	2.331	4.300	8.329
2012/2013	4.079	0.000	1.125	2.323	4.302	7.331
2013/2014	4.080	0.000	1.140	2.339	4.300	7.634
2014/2015	4.085	0.000	1.119	2.347	4.300	7.717

(1) In addition to mills levied for the payment of tax credits, refunds, and abateements pursuant to state law which are included in these numbers, Subdistrict A and Subdistrict B also impose a general mill levy as shown in the above table, for payment of property taxes for expenses in connection with improvements that benefit the respective subdistrict.

(2) In addition to their respective total mills presented above, taxpayers within Subdistrict A are also responsible for the payment of property taxes attributable to the District's mill levy and taxpayers in Subdistrict B are also responsible for the payment of property taxes attributable to both the District's and Subdistrict's A mill levies.

History of Property Tax Collections

Levy/Collection Year	Total Taxes Levied	Current Tax Collections (1)	Percent of Levy Collected
2010/2011	7,042,343	7,030,795	99.8%
2011/2012	6,897,978	6,868,293	99.6%
2012/2013	6,855,722	6,837,868	99.7%
2013/2014	6,870,828	6,830,117	99.4%
2014/2015	6,865,867	6,837,702	99.6%

(1) Figures include current and delinquent tax collections, as well as interest and/or penalties thereon. The Jefferson County Treasurer's collection fee has not been deducted.

FOOTHILLS PARK AND RECREATION DISTRICT
History of Revenues, Expenses and Changes in Net Position

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Operating Revenues					
Fees and Charges:					
Aquatics	\$ 891,232	\$ 964,514	\$ 1,012,901	\$ 1,020,960	\$ 999,782
Children's Programs	1,999,222	2,186,117	2,280,055	2,369,324	2,494,329
Golf (Pledged for Payment of Revenue Bonds)	4,295,917	4,658,815	4,393,913	4,639,679	4,590,898
Ice Arena	1,719,806	1,911,060	1,918,878	2,050,242	2,113,098
Recreation Centers	1,261,361	1,321,881	1,299,379	1,295,362	1,315,775
Recreation Programs	1,882,084	1,988,966	2,047,138	2,164,498	2,256,982
Parks and Regional Parks	514,507	540,007	532,816	542,649	512,301
General and Administrative	48,326	44,149	33,694	35,653	45,783
Total	<u>12,612,455</u>	<u>13,615,509</u>	<u>13,518,774</u>	<u>14,118,367</u>	<u>14,328,948</u>
Operating Expenses					
Aquatics	1,465,583	1,470,965	1,575,089	1,604,340	1,602,792
Children's Programs	1,548,017	1,631,792	1,705,202	1,729,857	1,865,848
Golf	3,485,076	3,408,494	3,360,454	3,476,536	3,693,687
Ice Arena	1,304,569	1,473,262	1,504,539	1,586,235	1,603,469
Recreation Centers	2,769,839	2,703,666	2,668,440	2,728,358	2,808,548
Recreation Programs	1,453,354	1,486,679	1,513,197	1,566,254	1,597,552
Parks and Regional Parks	3,580,021	3,675,792	3,831,762	3,801,791	3,912,308
General and Administrative	1,556,579	1,604,709	1,611,026	1,717,200	1,617,860
Total	<u>17,163,038</u>	<u>17,455,359</u>	<u>17,769,709</u>	<u>18,210,571</u>	<u>18,702,064</u>
Net Loss from Operations	(4,550,583)	(3,839,850)	(4,250,935)	(4,092,204)	(4,373,116)
Non-Operating Revenues (Expenses)					
Property and Specific Ownership Taxes	7,490,590	7,357,732	7,341,775	7,372,506	7,414,990
Conservation Trust	408,387	454,812	494,934	448,217	450,289
Grants	583,232	543,519	275,826	330,882	613,385
Grants Expenditures	-	(83,834)	(93,490)	(115,122)	(68,675)
Facilities & Equipment Repairs and Replacements	(632,528)	(196,069)	(688,274)	(680,947)	(626,017)
Investment Income	23,313	23,567	20,877	29,514	36,030
Interest Expense	(1,693,960)	(1,500,471)	(1,291,961)	(1,171,894)	(1,055,460)
Interest Expense Subsidy	-	35,770	34,214	33,195	33,159
Bond Issuance Cost	(62,890)	(21,003)	(226,291)	-	(257,670)
Gain on Investment	4,244	(1,353)	8,857	6,416	13,389
Gain on Sale of Assets	6,135	39,227	1,757,009	1,140,074	97,747
Proceeds from Insurance	107,911	66,550	-	17,325	14,238
Other Expense	(58,243)	(103,453)	(113,929)	(105,680)	(110,697)
Total	<u>6,176,191</u>	<u>6,614,994</u>	<u>7,519,547</u>	<u>7,304,486</u>	<u>6,554,708</u>
Change in Net Position	1,625,608	2,775,144	3,268,612	3,212,282	2,181,592
Beginning Net Position	39,945,575	41,571,183	43,397,384	46,665,996	49,878,278
Prior Period Adjustment	-	(948,943)	-	-	-
Ending Net Position	<u>\$ 41,571,183</u>	<u>\$ 43,397,384</u>	<u>\$ 46,665,996</u>	<u>\$ 49,878,278</u>	<u>\$ 52,059,870</u>

FOOTHILLS PARK AND RECREATION DISTRICT
Historical Net Position

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Net Investment in Capital Assets	\$ 36,095,401	\$ 36,741,581	\$ 38,018,204	\$ 39,785,709	\$ 42,002,357
Emergency Reserves	554,619	584,000	581,000	589,000	629,000
Unrestricted Amounts	<u>4,921,163</u>	<u>6,071,803</u>	<u>8,066,792</u>	<u>9,503,569</u>	<u>9,428,513</u>
Total Net Position	<u>\$ 41,571,183</u>	<u>\$ 43,397,384</u>	<u>\$ 46,665,996</u>	<u>\$ 49,878,278</u>	<u>\$ 52,059,870</u>