Estes Valley Public Library District

Financial Statements
with Independent Auditors' Report

December 31, 2018

HINKLE & COMPANY PC
Strategic Business Advisors

Estes Valley Public Library District

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December 31, 2018

HINKLE & COMPANY PC
Strategic Business Advisors

Independent Auditors' Report

Board of Trustees
Estes Valley Public Library District
Estes Park, Colorado

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, the major fund, and the aggregate remaining fund information of the Estes Valley Public Library District as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Estes Valley Public Library 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.

Auditors' Responsibility
Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Estes Valley Library Friends and Foundation, Inc., a discretely presented component unit. Those financial statements were audited by another auditor whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Estes Valley Library Friends and Foundation, Inc., is based solely on the report of the other auditor. 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 auditors' 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 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 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.

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Opinions
In our opinion, based on our audit and the report of the other auditor, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, the major fund, and the aggregate remaining fund information of the Estes Valley Public Library District as of December 31, 2018, 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 and the required supplementary information listed in the table of contents 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 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.

Hinkle & Company, PC

Greenwood Village, Colorado
June 11, 2019

ESTES VALLEY PUBLIC LIBRARY DISTRICT

Management's Discussion and Analysis

As management of Estes Valley Public Library District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2018. The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Overview of the Financial Statements

This Management's Discussion and Analysis document introduces the District's basic financial statements. The basic financial statements include: (1) district-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The District also includes in this report additional information to supplement the basic financial statements. Comparative data are presented when available.

Government-wide Financial Statements

The District's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

- The *Statement of Net Position.* This is the government-wide statement of financial position presenting information that includes all of the District's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall health of the District would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of District infrastructure, in addition to the financial information provided in this report.

- The *Statement of Activities* reports how the District's net position changed during the current year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the District's distinct activities or functions on revenues provided by the District's taxpayers.

Both government-wide financial statements distinguish governmental activities of the District that are principally supported by property taxes from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general library operations. The District has no business-type activities.

The government-wide financial statements include not only the District itself (known as the primary government), but also a legally separate entity, which has a significant operational or financial relationship with the District. This entity, a discretely presented component unit, is the Estes Valley Library Friends and Foundation, Inc. More information on the functions of this entity can be found in Note 1 to the financial statements.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the District's significant funds. Each major fund is separately reported.

The District has one fund type. *Governmental funds* are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements.

However, the focus is very different with fund statements providing a distinctive view of the District's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financial requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental funds balance sheet and the governmental funds operating statement provide a reconciliation to assist in understanding the difference between these two perspectives.

Notes to Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's detailed budget presentation. This statement demonstrates compliance with the District's adopted and final revised budget.

Government-Wide Financial Analysis

The following represents condensed financial information taken from the government-wide (accrual basis) financial statements for the years ended December 31, 2018 and 2017.

	2018	**Percent of Total**	**2017**	**Percent of Total**
ASSETS				
Current assets	3,938,531	73%	$3,711,026	70%
Capital assets, net of accumulated depreciation	1,469,006	27%	1,543,903	30%
Total assets	5,407,537	100%	5,254,929	100.0%
DEFERRED OUTFLOWS				
Pensions, Net of Accumulated Amortization	109,313	93%	------------	-------------
OPEB, Net of Accumulated Amortization	8,476	7%	------------	-------------
Pensions	117,789	100%	241,447	100.0%
LIABILITIES				
Current liabilities	70,411	5%	111,720	6.2%
Long-term liabilities	50,925	3%	43,449	2.4%
Net Pension Liability	1,391,045	92%	1,644,900	91.4%
Total liabilities	1,512,381	100.0%	1,800,069	100.0%
DEFERRED INFLOWS				
Property Taxes	1,641,702	87.6%	1,777,731	99.96%
Pensions, Net of Accumulated Amortization	227,049	12.1%	731	.04%
OPEB, Net of Accumulated Amortization	5,372	.3%		
Total deferred inflows of resources	1,874,123	100.0%	1,778,462	100.0%
NET POSITION				

Net investment in capital assets	1,468,956	68.7%	1,543,903	80.5%
Restricted for Special Needs Materials Nonexpendable	15,000	.7%	15,000	0.8%
Restricted for Emergencies	63,500	3%	63,600	3.3%
Unrestricted	591,366	27.6%	295,342	15.4%
Total net position	2,138,822	100.0%	1,917,845	100.0%

	2018	**Percent of Total**	**2017**	**Percent of Total**
REVENUES				
Program revenues -				
Charges for services	12,979	.6%	15,030	.7%
Operating Grants and Contributions	257,952	11.5%	393,585	19.0%
General revenues-				
Taxes	1,915,772	85.7%	1,643,904	78.9%
Contributions Not Restricted to Specific Programs				
Investment income	42,117	1.9%	19,161	.9%
Other revenues	7,224	.3%	11,067	.5%
Total revenues	2,236,044	100.0%	2,082,747	100.0%
EXPENSES				
Library services	1,759,061	95.8%	1,612,516	84.7%
Capital Outlay	76,660	4.2%	290,423	15.3%
Total expenses	1,835,721	100.0%	1,902,939	100.0%
CHANGE IN NET POSITION	$400,323		$179,808	

The District's net position increased significantly, mainly due to an increase in revenue, as well as a significant increase in investment income due to interest rates increasing. This is the fourth year of reporting net pension liability due to the adoption, first reported in 2015, of GASB Statement No. 68, representing the District's proportionate share of the Local Government Division Trust Fund (LGDTF) pension liability, administered by the Public Employees' Retirement Association of Colorado (PERA). As of December 31, 2018, the District's net pension liability was $1,391,045, a decrease of 15.4% from 2017. Most of the District's net position is reflected in the net investment in capital assets – 68.7%. $63,500 is restricted for emergencies and special needs materials.

The District is reliant on property tax revenue to support operations. During 2018, taxes provided 85.7% of the District's total revenues. Note that program revenues, including from the Library Friends & Foundation, particularly contributions, accounted for 12.1% of total revenues. In addition to healthy program revenues, the general economy and the changes in both residential and commercial property values have a major impact on the District's revenue streams.

For the tax collection years 2000 - 2004, the annual authorized operating mill levy was 2.39, then on November 2, 2004, the voters approved an increase to 3.28 mills for 2005 collection and each year thereafter. Since 1999, the voters allowed the District to collect, keep and expend all revenues (other than excess property tax revenue). It was also exempted from the old law 5.5% property tax revenue limitation. This has prevented the "ratchet-down" effect that the Taxpayer's Bill of Rights used to have on the District's property tax revenue. In addition, the District was successful with an election question to District residents seeking a mill levy tax increase. In 2014, the annual property tax rate for the District increased from 3.28 to 4.52 mills.

The District maintains a high current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. However, to make this ratio meaningful, we have eliminated the property taxes receivable and the related deferred revenue. After this elimination, governmental current assets are $2,298,401 and current liabilities are $70,411. As a result, the current ratio for the District overall is 32.6 to 1 (17.2 to 1 for 2017).

Financial Analysis of the Funds

The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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

The District has two governmental funds: the General Fund and the Capital Reserve Fund. The General Fund is the chief operating fund of the District, whereas the Capital Reserve Fund is held for capital facilities projects. Total governmental funds fund balances increased $404,893 in 2018, with ending fund balances totaling $2,226,468 ($2,004,293 in the General Fund; $222,175 in the Capital Reserve Fund).

Capital Assets and Long-Term Debt

In 2017 there was a major remodel of the second floor, resulting in a significant capital asset addition. The District purchased books and audio visual materials as well as furniture and equipment.

At the end of 2012, the District paid off its general obligation bonds prior to maturity. Upon retirement of the bonds, there were funds remaining in the former Debt Service Fund. The library Board of Trustees approved these funds to be used for facility maintenance and reinvestment.

General Fund Budgetary Highlights

General Fund revenues were $2,236,044; an increase of $22,521 over final budget estimates.

Currently Known Facts

The Estes Valley Library Friends & Foundation make generous contributions for strategic projects. This development group has positively impacted District revenues over time.

Members of the District Board of Trustees, staff, and Library Friends & Foundation Board affirmed a new 3 -Year Comprehensive Strategic Plan for the years 2018-2020. The Plan outlines several goals:

1) Focus on Early Literacy
2) Enable Lifelong Learning
3) Enable a Greater Sense of Community
4) Deliver Materials on a Personalized Basis
5) Grow Internally to Succeed Externally

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 in this report or requests for additional financial information should be addressed to Estes Valley Public Library District, PO Box 1687, Estes Park, Colorado 80517, or you may call the library director at (970) 586-8116.

Basic Financial Statements

Estes Valley Public Library District

Statement of Net Position

December 31, 2018

	Primary Government	Component Unit
	Governmental Activities	Foundation
Assets		
Cash and Investments	$ 2,243,419	$ 2,112,155
Accounts Receivable	52,832	1,374
Property Taxes Receivable	1,640,180	-
Prepaid Expenses	2,150	6,200
Capital Assets*, net of accumulated depreciation*	1,468,956	-
Total Assets	5,407,537	2,119,729
Deferred Outflows of Resources		
Pensions, Net of Accumulated Amortization	109,313	-
OPEB, Net of Accumulated Amortization	8,476	-
Liabilities		
Accounts Payable	25,239	15,801
Accrued Salaries and Benefits	43,650	-
Other Accrued Liabilities	1,522	-
Noncurrent Liabilities		
Due Within One Year	34,120	20,796
Due in More Than One Year	16,805	599,829
Net Pension Liability	1,275,372	-
Net OPEB Liability	115,673	-
Total Liabilities	1,512,381	636,426
Deferred inflows of Resources		
Property Taxes	1,641,702	-
Pensions, Net of Accumulated Amortization	227,049	-
OPEB, Net of Accumulated Amortization	5,372	-
Deferred Inflows of Resources	1,874,123	-
Net Position		
Net Investment in Capital Assets	1,468,956	197,260
Restricted for:		
Special Needs Materials		
Nonexpendable	15,000	46,906
Emergencies	63,500	-
Library Programs		
Nonexpendable	-	1,173,474
Expendable	-	65,663
Unrestricted	591,366	-
Total Net Position	$ 2,138,822	$ 1,483,303

See Notes to the Financial Statements.

Estes Valley Public Library District

Statement of Activities

For the Year Ended December 31, 2018

		Program Revenues		Net (Expense) Revenue and Change in Net Position	
				Primary Government	Component Unit
Functions/Programs	Expenses	Charges for Services	Operating Grant and Contributions	Governmental Activities	Foundation
Primary Government					
Governmental Activities					
Library Services	$ 1,905,770	$ 12,979	$ 257,794	$ (1,634,997)	$ -
Total Primary Government	$ 1,905,770	$ 12,979	$ 257,794	(1,634,997)	-
Component Unit					
Foundation	$ 373,723	$ -	$ 36,087	-	(337,636)
	General Revenues				
	Property Taxes			1,774,596	-
	Specific Ownership Taxes			141,176	-
	Contributions not Restricted to Specific Programs			158	153,761
	Investment Income			46,687	(60,272)
	Miscellaneous			7,224	-
	Total General Revenues and Special Item			1,969,841	93,489
	Change in Net Position			334,844	(244,147)
	Net Position, *Beginning of year*			1,803,978	1,727,450
	Net Position, *End of year*			$ 2,138,822	$ 1,483,303

Estes Valley Public Library District

Balance Sheet
Governmental Funds
December 31, 2018

	General	Capital Reserve	Totals
Assets			
Cash and Investments	$ 2,021,244	$ 222,175	$ 2,243,419
Accounts Receivable	52,832	-	52,832
Property Taxes Receivable	1,640,180	-	1,640,180
Prepaid Items	2,150	-	2,150
Total Assets	$ 3,716,406	$ 222,175	$ 3,938,581
Liabilities			
Accounts Payable	$ 25,239	$ -	$ 25,239
Accrued Salaries and Benefits	45,172	-	45,172
Other Accrued Liabilities	-	-	-
Total Liabilities	70,411	-	70,411
Deferred Inflows of Resources			
Property Taxes	1,641,702	-	1,641,702
Fund Balance			
Nonspendable:			
Cash and Investments for Special Needs Materials	15,000	-	15,000
Prepaid Items	2,150	-	2,150
Restricted for:			
Emergencies	63,500	-	63,500
Assigned to:			
Facility Maintenance and Reinvestment	-	222,175	222,175
Unrestricted, Unassigned	1,923,643		1,923,643
Total Fund Balance	2,004,293	222,175	2,226,468
Total Liabilities, Deferred Inflows of Resources and Fund Balance	$ 3,716,406	$ 222,175	$ 3,938,581

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balance of Governmental Funds	$ 2,226,468
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in governmental funds.	1,468,956
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds.	
Accrued compensated absences	(50,925)
Net pension liability	(1,275,372)
Pension-related deferred outflows of resources	109,313
Pension-related deferred inflows of resources	(227,049)
Net OPEB Liability	(115,673)
OPEB-related deferred outflows of resources	8,476
OPEB-related deferred inflows of resources	(5,372)
Total Net Position of Governmental Activities	$ 2,138,822

See Notes to the Financial Statements.

Estes Valley Public Library District

Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2018

	General	Capital Reserve	Totals
Revenues			
Property Taxes	$ 1,774,596	$ -	$ 1,774,596
Specific Ownership Taxes	141,176	-	141,176
Charges for Services	12,979	-	12,979
Contributions	257,952	-	257,952
Investment Income	42,117	4,570	46,687
Miscellaneous	7,224	-	7,224
Total Revenues	2,236,044	4,570	2,240,614
Expenditures			
Current			
Library Services	1,759,061	-	1,759,061
Capital Outlay	76,660	-	76,660
Total Expenditures	1,835,721	-	1,835,721
Net Change in Fund Balance	400,323	4,570	404,893
Fund Balance, *Beginning of year*	1,603,970	217,605	1,821,575
Fund Balance, *End of year*	$ 2,004,293	$ 222,175	$ 2,226,468

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balance of Governmental Funds	$ 404,893
Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.	
Depreciation expense	(191,479)
Capital outlay	116,532
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Compensated absences	(7,476)
Net pension liability	369,528
Pension-related deferred outflows	(132,134)
Pension-related deferred inflows	(226,318)
Net OPEB liability	5,564
OPEB-related deferred outflows of resources	1,106
OPEB-related deferred inflows of resources	(5,372)
Change in Net Position of Governmental Activities	$ 334,844

Note 1: Summary of Significant Accounting Policies

The Estes Valley Public Library District (the District) was formed on November 8, 1988, by the electorate of Larimer County and the Town of Estes Park. The District is governed by a seven-member Board of Trustees appointed by Larimer County and the Town of Estes Park.

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

Reporting Entity

The financial reporting entity consists of the District, organizations for which the District is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the District. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the District. Legally separate organizations for which the District is financially accountable are considered part of the reporting entity. Financial accountability exists if the District appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to, or impose financial burdens on, the District.

The Estes Valley Library Friends and Foundation, Inc. (the Foundation) is a non-profit organization with the purpose to assist in the promotion, development and enhancement of the facilities and educational programs of the District. The Foundation is reported as a discretely presented component unit in the District's financial statements. Separate financial statements for the Foundation may be obtained by writing to P.O. Box 1470, Estes Park, Colorado 80517.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the District and its component unit. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported in a single column. The *primary government* is reported separately from the legally separate *component unit* for which the District is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. Internally dedicated resources are reported as general revenues rather than as program revenues.

Note 1: Summary of Significant Accounting Policies (Continued)

Government-wide and Fund Financial Statements *(Continued)*

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when the 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 revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current year. Taxes, intergovernmental revenues and investment income associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the District. 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, are recorded only when payment is due.

When both restricted and unrestricted resources are available for a specific use, it is the District's practice to use restricted resources first, and unrestricted resources as they are needed.

In the fund financial statements, the District reports the following major governmental fund:

> The *General Fund* is the District's primary operating fund. It is used to account for all financial activities of the District, except those accounted for in another fund.

In addition, the District reports the following nonmajor governmental fund:

> The *Capital Reserve Fund* accounts for the remaining debt service property taxes following final payment of the District's general obligation debt during the year ended December 31, 2012. The District intends to use the remaining resources for facility maintenance and reinvestment.

Note 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position/Fund Balance

Receivables - Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid Expenses - Certain payments to vendors reflect costs applicable to future years and are reported as prepaid expenses.

Capital Assets - Capital assets, which include buildings and improvements, furniture and equipment, and books and audio visual materials, are reported in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of one year, except for library books and audio visual materials, which are capitalized regardless of cost. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives. Library books and audio visual materials are depreciated using a composite rate on a first-in, first-out basis.

Buildings and Improvements	5 - 40 years
Furniture and Equipment	5 - 10 years
Library Books and Audio Visual Materials	6 years

Compensated Absences - Employees of the District are allowed to accumulate unused vacation time. Upon termination of employment from the District, an employee will be compensated for all accrued vacation time at their current pay rate.

These compensated absences are recognized as expenditures when due in the governmental funds. A long-term liability has been reported in the government-wide financial statements for the accrued compensated absences, which are expected to be liquidated with revenues of the General Fund.

Pensions - The 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 pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to and deductions from the LGDTF's fiduciary net position have been determined using the economic resources measurement focus and the accrual basis of accounting, the same basis of accounting used by the LGDTF. 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.

Note 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position/Fund Balance *(Continued)*

Deferred Inflows of Resources - Deferred inflows of resources include property taxes earned but levied for a subsequent fiscal year.

Net Position/Fund Balance - In the government-wide and fund financial statements, net position and fund balance are restricted when constraints placed on the use of resources are externally imposed. The Board of Trustees is authorized to commit fund balance through passage of a resolution, and has assigned fund balances to specific purposes using the budget message.

The District has not established a formal policy for its use of restricted and unrestricted fund balances. However, if both restricted and unrestricted fund balances are available for a specific purpose, the District uses restricted fund balance first, followed by committed, assigned and unassigned fund balances.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the District on a monthly basis.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The District purchases commercial insurance for these risks of loss.

Note 2: Cash and Investments

A summary of cash and investments at December 31, 2018, follows:

Petty Cash	$ 140
Deposits	146,900
Investment	2,096,379
	$ 2,243,419

Note 2: Cash and Investments (Continued)

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

Investments

The District is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk.

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

Interest Rate Risk - State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk - State statutes limit certain investments to those with specified ratings from nationally recognized statistical rating organizations, depending on the type of investment.

Concentration of Credit Risk - State statutes do not limit the amount the District may invest in one issuer, except for corporate securities.

Local Government Investment Pool - At December 31, 2018, the District had $2,096,379 invested in the Colorado Local Government Liquid Asset Trust (Colotrust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating Colotrust. Colotrust operates in conformity with the Securities and Exchange Commission's Rule 2a-7, with each share valued at $1. Colotrust is rated AAAm by Standard and Poor's. Investments of Colotrust are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

Note 2: Cash and Investments (Continued)

Investments

Fair Value Measurements - The District reports its investments using the fair value measurements established by generally accepted accounting principles. As such, a fair value hierarchy categorizes the inputs used to measure the fair value of the investments into three levels. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs include quoted prices in active markets for similar investments, or other observable inputs; and Level 3 inputs are unobservable inputs. At December 31, 2018, the District's investment in Colotrust was reported at the net asset value per share, measured utilizing quoted prices in active markets for similar investments (Level 2 inputs).

Note 3: Capital Assets

Capital asset activity for the year ended December 31, 2018, is summarized below.

	Balance 12/31/17	Additions	Deletions	Balance 12/31/18
Capital Assets, *being depreciation*				
Buildings and Improvement	$ 2,542,910	$ 15,672	$ -	$ 2,558,582
Furniture and Equipment	507,271	54,696	-	561,967
Books and Audio Visual Materials	964,889	129,284	(83,120)	1,011,053
Total Capital Assets, *being depreciation*	4,015,070	199,652	(83,120)	4,131,602
Less Accumulated Depreciation:				
Buildings and Improvement	(1,293,432)	(66,982)	-	(1,360,414)
Furniture and Equipment	(379,913)	(38,299)	-	(418,212)
Books and Audio Visual Materials	(797,822)	(169,318)	83,120	(884,020)
Total Accumulated Depreciation	(2,471,167)	(274,599)	83,120	(2,662,646)
Total Capital Assets, being depreciated	1,543,903	(74,947)	-	1,468,956
Capital Assets, Net	$ 1,543,903	$ (74,947)	$ -	$ 1,468,956

Note 4: Long-Term Debt

Following is a summary of long-term debt transactions for the year ended December 31, 2018.

	Balance 12/31/17	Additions	Deletions	Balance 12/31/18	Due Within One Year
Compensated Absences	$ 43,449	$ 7,476	$ -	$ 50,925	$ 34,120

Note 5: Defined Benefit Pension Plan

General Information

Plan Description - The District contributes to 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). All employees of the District participate in the LGDTF. Title 24, Article 51 of the Colorado Revised Statutes (CRS) assigns the authority to establish and amend plan provisions to the State Legislature. PERA issues a publicly available financial report that includes information on the LGDTF. That report may be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided - The LGDTF provides retirement, disability, and survivor benefits to plan participants or their beneficiaries. Retirement benefits are determined by the amount of service credit earned or purchased, highest average salary, the benefit structure in place, the benefit option selected at retirement, and age at retirement. The retirement benefit is the greater of the a) highest average salary multiplied by 2.5% and then multiplied by years of service credit, or b) the value of the participant's contribution account plus an equal match on the retirement date, annualized into a monthly amount based on life expectancy and other actuarial factors. In no case can the benefit amount exceed the highest average salary or the amount allowed by applicable federal regulations.

Retirees may elect to withdraw their contributions upon termination of employment, and may be eligible to receive a matching amount if five years of service credit is earned and certain other criteria is met. Retirees who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments (COLAs) as established by State statutes. Retirees who began employment before January 1, 2007, receive an annual increase of 2%, unless the plan has a negative investment year, in which case the annual increase for the next three years is the lesser of 2% or the average consumer price index for the prior calendar year. Retirees that began employment after January 1, 2007, receive an annual increase of the lesser of 2% or the average consumer price index for the prior calendar year, with certain limitations.

Disability benefits are available for plan participants once they reach five years of earned service credit and meet the definition of a disability. The disability benefit amount is based on the retirement benefit formula described previously, considering a minimum of twenty years of service credit.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure in place, and the qualified survivor receiving the benefits.

Contributions - The District and eligible employees are required to contribute to the LGDTF at rates established by Title 24, Article 51, Part 4 of the CRS. These contribution requirements are established and may be amended by the State Legislature. The contribution rate for employees is 8% of covered salaries. The District's contribution rate for calendar years 2017 and 2018 was 13.7% of covered salaries. However, a portion of the District's contribution (1.02% of covered salaries) is allocated to the Health Care Trust Fund (See Note 6). The District's contributions to the LGDFT for the year ended December 31, 2018, were $93,307, equal to the required contributions.

Note 5: 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, 2018, the District reported a net pension liability of $1,353,053, representing its proportionate share of the net pension liability of the LGDTF. The net pension liability was measured at December 31, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016. Changes in assumptions and other inputs since the prior measurement date did not significantly affect the total pension liability. Standard update procedures were used to roll forward the total pension liability to December 31, 2017. The District's proportion of the net pension liability was based on the District's contributions to the LGDTF for the calendar year ended December 31, 2017, relative to the contributions of all participating employers. At December 31, 2017, the District's proportion was 0.1145444349%, which was an decrease of 0.00072692416% from its proportion measured at December 31, 2016.

For the year ended December 31, 2018, the District recognized pension expense of $222,540. At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 9,411	$ -
Net difference between projected and actual Earnings on plan investments	-	221,950
Changes in proportion	-	5,099
Contributions subsequent to the measurement date	99,902	-
Total	$ 109,313	$ 227,049

District contributions subsequent to the measurement date of $99,902 will be recognized as a reduction of the net pension liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Note 5: Defined Benefit Pension Plan (Continued)

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

Year Ended December 31,		
2019	$	(35,559)
2020		(90,158)
2021		(91,922)
Total	$	(217,639)

Actuarial Assumptions - The actuarial valuation as of December 31, 2016, determined the total pension liability using the following actuarial assumptions and other inputs. On November 18, 2016, PERA's governing board adopted revised economic and demographic assumptions, which were effective on December 31, 2017, which were reflected in the roll0forward calculation of the total pension liability from December 31, 2016 to December 31, 2017, as follows:

Price inflation	2.4%
Real wage growth	1.1%
Wage inflation	3.5%
Salary increases, including wage inflation	3.5% - 10.45%
Long-term investment rate of return, net of plan investment expenses, including price inflation	7.25%
Discount rate[1]	7.25%
Post-retirement benefit increases:	
Hired prior to 1/1/07	2.00%
Hired after 12/31/06	ad hoc

[1]The discount rate reflected in the roll-forward calculation of the total pension liability to the measurement date was 7.25%.

Mortality rates were based on the RP-2000 Combined Mortality Table for Males and Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with males set back one year, and females set back two years.

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 governing board on November 13, 2012, and an economic assumption study adopted by PERA's governing board on November 15, 2013, and January 17, 2014.

Note 5: Defined Benefit Pension Plan (Continued)

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

The long-term expected rate of return on plan investments was determined using a log-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 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.

The most recent analysis of the long-term expected rate of return was presented to the PERA governing board on November 18, 2016, and included the target allocation and best estimates of geometric real rates of return for each major asset class, as follows:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
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 U.S. Fixed Income - Developed	1.84%	0.60%
Emerging Market Debt	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%	

Discount Rate - The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and the employer contributions will be made at the rates specified in State statutes, which currently establish static contribution rates through 2017. When the actuarially determined funding ratio reaches 103%, the employer contribution rate will decrease .5% each year, to a minimum of 10%. Based on those assumptions, the LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments to current participants. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability. In addition, the discount rate did not change from the prior measurement date.

Note 5: Defined Benefit Pension Plan (Continued)

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

Sensitivity of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as the District's proportionate share of the net pension liability if it were calculated using a discount that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate, as follows:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net pension liability	$ 2,031,254	$ 1,275,372	$ 645,236

Pension Plan Fiduciary Net Position - Detailed information about the LGDTF's fiduciary net position is available in PERA's separately issued financial report, which may be obtained at www.copera.org/investments/pera-financial-reports.

Note 6: Postemployment Healthcare Benefits

General Information

Plan Description - All employees of the District are eligible to receive postemployment benefits other than pensions (OPEB) through the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the Public Employees' Retirement Association of Colorado (PERA). Title 24, Article 51, Part 12 of the Colorado Revised Statutes (CRS) assigns the authority to establish and amend plan provisions to the State Legislature. PERA issues a publicly available financial report that includes information on the HCTF. That report may be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided - The HCTF provides a healthcare premium subsidy to eligible benefit recipients and retirees who choose to enroll. Eligibility to enroll is voluntary and includes benefit recipients, their eligible dependents and surviving spouses, among others. Eligible benefit recipients may enroll in the HCTF upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period. The health care premium subsidy is based on the benefit structure under which the member retires and the member's years of service credit.

Note 6: Postemployment Healthcare Benefits (Continued)

General Information *(Continued)*

The maximum service-based premium subsidy is $230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare, and $115 per month for benefit recipients who are over 65 years of age or who are under 65 years of age and entitled to Medicare. An additional subsidy is provided if the benefit recipient has not participated in Social Security and is not otherwise eligible for Medicare Part A. The maximum subsidy is based on 20 or more years of service. The subsidy is reduced for each year of service less than 20 years. The benefit recipient pays the remaining portion of the premium not covered by the subsidy.

Contributions - As established by Title 24, Article 51, Section 208 of the CRS, 1.02% of the District's contributions to the District Division Trust Fund (SDTF) (See Note 5) is apportioned to the HCTF. No employee contributions are required. These contribution requirements are established and may be amended by the State Legislature. The District's apportionment to the HCTF for the year ended December 31, 2018 was $8,036, equal to the required amount.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2018, the District reported a net OPEB liability of $115,673, representing its proportionate share of the net OPEB liability of the HCTF. The net OPEB liability was measured at December 31, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2016. Standard update procedures were used to roll forward the total OPEB liability to December 31, 2017.

The District's proportion of the net OPEB liability was based on the District's contributions to the HCTF for the calendar year ended December 31, 2017, relative to the contributions of all participating employers. At December 31, 2017, the District's proportion was 0.0089006351%, which was an increase of 0.0004502190% from its proportion measured at December 31, 2016.

For the year ended December 31, 2018, the District recognized OPEB expense of $7,705. At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Note 6: Postemployment Healthcare Benefits (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB *(Continued)*

For the year ended December 31, 2018, the District recognized OPEB expense of $7,705. At December 31, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 440	$ -
Net difference between projected and actual earnings on plan investments	-	1,451
Changes in proportion	-	3,921
Contributions subsequent to the measurement date	8,036	-
Total	$ 8,476	$ 5,372

District contributions subsequent to the measurement date of $8,036 will be recognized as a reduction of the net OPEB liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ended December 31,	
2019	$ (1,335)
2020	(1,335)
2021	(1,335)
2022	(851)
2023	(77)
	$ (4,932)

Actuarial Assumptions - The actuarial valuation as of December 31, 2017, determined the total OPEB liability using the following actuarial assumptions and other inputs, applied to all periods included in the measurement.

Note 6: Postemployment Healthcare Benefits (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB *(Continued)*

Price inflation	2.4%
Real wage growth	1.1%
Wage inflation	3.5%
Salary increases, including wage inflation	3.5%
Long-term investment rate of return, net of plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates:	
Service-based premium subsidy	0.0%
Medicare plans	5.0%
Medicare Part A premiums:	
3% for 2017, gradually rising to 4.25% in 2023	

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table. 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 were based on the RP-2014 White Collar Healthy Annuitant Mortality Table, with certain adjustments. For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

Health care cost trend rates are based on published annual health care inflation surveys in conjunction with actual plan experience, building block models and heuristics developed by actuaries and administrators, and other projected trends.

The actuarial assumptions used in the December 31, 2016, valuation were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, and were adopted by PERA's governing board on November 18, 2016. In addition, certain actuarial assumptions pertaining to per capita health care costs and the related trends are analyzed by PERA's actuary as needed.

The long-term expected rate of return on the HCTF investments was determined using a log-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 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.

The most recent analysis of the long-term expected rate of return was adopted by PERA's governing board on November 18, 2016, and included the target allocation and best estimates of geometric real rates of return for each major asset class, as presented previously in Note 5.

Note 6: Postemployment Healthcare Benefits (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB *(Continued)*

Discount Rate - The discount rate used to measure the total OPEB liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that employer contributions will be made at the current contribution rate. Based on this assumption, the HCTF's fiduciary net position was projected to be available to make all projected future OPEB payments to current active and inactive employees. Therefore, the long-term expected rate of return on HCTF investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as the District's proportionate share of the net OPEB liability if it were calculated using a discount rate that is one percentage point lower (6.25%) or one percentage point higher (8.25%) than the current rate, as follows:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	$ 130,052	$ 115,673	$ 103,399

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates - The following presents the District's proportionate share of the net OPEB liability calculated using the current healthcare cost trend rates, ranging from 3% to 5%, as well as the District's proportionate share of the net OPEB liability if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current rates, as follows:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Proportionate share of the net OPEB liability	$ 112,490	$ 115,673	$ 119,506

OPEB Plan Fiduciary Net Position - Detailed information about the HCTF's fiduciary net position.

Note 7: Commitments and Contingencies

Ground Lease

On March 1, 1990, the District approved a ground lease with the Town of Estes Park to allow for the construction of a library facility on the site. Lease payments of $1 are due annually on March 1, through 2089. At the end of the lease term, all title and interest of the District in the site will vest with the Town of Estes Park.

Note 7: Commitments and Contingencies (Continued)

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation, but the District believes it is in substantial compliance with the Amendment.

In November 1999, electors within the District authorized the District to collect and keep and expend all revenues received and to continue to levy its operating mill levy of 2.39 mills in 1999 and each year thereafter. An election in November of 2014 increased the mill levy to 4.52 mills.

The District has established a reserve for emergencies, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2018, the emergency reserve of $63,500 was reported as restricted fund balance in the General Fund.

Note 8: Change in Accounting Principle

For the year ended December 31, 2018, the District adopted the standards of Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. As a result, net position of the governmental activities at December 31, 2017, was restated to reflect the cumulative effect of adopting the standards.

Certain balances of deferred outflows of resources and deferred inflows of resources related to OPEB at December 31, 2018, were not available and have not been reported in the financial statements.

	Governmental Activities
Net Position, December 31, 2017, *as Originally Stated*	$ 1,917,845
Deferred Outflows of Resources	7,370
Net OPEB Liability	(121,237)
Net Position, December 31, 2017, *as Restated*	$ 1,803,978

Required Supplementary Information

Estes Valley Public Library District

Required Supplementary Information
Schedule of Proportionate Share of the Net Pension Liability and Contributions
Public Employees' Retirement Association of Colorado Local Government Trust Fund
December 31, 2018

	12/31/2017	12/31/2016	12/31/15	12/31/14	12/31/13
Proportionate Share of the Net Pension Liability					
District's Proportion of the Net Pension Liability	0.1145444349%	0.1218136765%	0.1228282833%	0.1203286884%	0.1138757505%
District's Proportionate Share of the Net Pension Liability	$ 1,275,372	$ 1,644,900	$ 1,353,053	$ 1,078,517	$ 937,107
District's Covered Payroll	$ 725,150	$ 681,069	$ 697,569	$ 659,381	$ 607,538
District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	176%	242%	194%	164%	154%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	74%	74%	77%	81%	78%

	12/31/2018	12/31/2017	12/31/16	12/31/15	12/31/14
District Contributions					
Statutorily Required Contribution	$ 99,902	$ 91,951	$ 86,359	$ 88,380	$ 83,605
Contributions in Relation to the Statutorily Contribution Required Contribution	(99,902)	(91,951)	(86,359)	(88,380)	(83,605)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -
District's Covered Payroll	$ 787,871	$ 725,150	$ 681,069	$ 697,001	$ 659,381
Contributions as a Percentage of Covered Payroll	12.68%	12.68%	12.68%	12.68%	12.68%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

Estes Valley Public Library District

Required Supplementary Information
Schedule of Proportionate Share of the Net OPEB Liability and Contributions
Public Employees' Retirement Association of Colorado Local Government Trust Fund
December 31, 2018

		12/31/2017
Proportionate Share of the Net OPEB Liability		
District's Proportion of the Net OPEB Liability		0.0089006351%
District's Proportionate Share of the Net OPEB Liability	$	115,673
District's Covered Payroll	$	725,150
District's Proportionate Share of the Net OPEB Liability as a Percentage of Covered Payroll		16%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability		78%
		12/31/2018
District Contributions		
Statutorily Required Contribution	$	8,036
Contributions in Relation to the Statutorily Contribution Required Contribution		(8,036)
Contribution Deficiency (Excess)	$	-
District's Covered Payroll	$	788,159
Contributions as a Percentage of Covered Payroll		1.02%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

Estes Valley Public Library District

Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance *Positive (Negative)*
Revenues			
Property Taxes	$ 1,778,444	$ 1,774,596	$ (3,848)
Specific Ownership Taxes	100,000	141,176	41,176
Charges for Services	13,300	12,979	(321)
Contributions	556,005	257,952	(298,053)
Investment Income	8,842	42,117	33,275
Miscellaneous	35	7,224	7,189
Total Revenues	2,456,626	2,236,044	(220,582)
Expenditures			
Current			
Library Services	1,688,567	1,759,061	(70,494)
Capital Outlay	430,235	76,660	353,575
Total Expenditures	2,118,802	1,835,721	283,081
Net Change in Fund Balance	$ 337,824	$ 400,323	$ 62,499
Fund Balance, *Beginning of year*		1,603,970	
Fund Balance, *End of year*		$ 2,004,293	

Note 1: Schedule of Proportionate Share of the Net Pension Liability and Contributions

Changes in Assumptions and Other Inputs

For the year ended December 31, 2018, the total pension liability was determined by an actuarial valuation as of December 31, 2016. The following programming and methodology changes were made since the prior actuarial valuation as of December 31, 2016.

- Valuation of the full survivor benefit without any reduction for possible remarriage.
- Reflection of the employer match on separation benefits for all eligible years.
- Reflection of one year of service eligibility for survivor annuity benefit.
- Refinement of the 18 month annual increase timing.
- Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.
- Recognition of merit salary increases in the first projection year.
- Elimination of the assumption that 35% of future disabled members elect to receive a refund.
- Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
- Adjustments to the timing of the normal cost and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year.

Note 2: Stewardship, Compliance and Accountability

Budgets and Budgetary Accounting

State statutes require that all funds have legally adopted budgets and appropriations. Total expenditures may not exceed the amounts appropriated at the fund level. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). For the year ended December 31, 2018, the District did not adopt a budget for the Capital Reserve Fund because no expenditures were anticipated.

The District follows these procedures to establish the budgetary information reflected in the financial statements:

- Management submits to the Board of Trustees 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.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 15, the budget is legally adopted through passage of a resolution.
- Revisions that alter the total expenditures of any fund must be approved by the Board of Trustees.
- All appropriations lapse at year end.