

**Comprehensive Annual Financial Report
Meadow Ranch Public Improvement District
December 31, 2010**



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INTRODUCTORY SECTION



June 10, 2011

To the Board of Directors and citizens of Meadow Ranch Public Improvement District:

We submit, for your information and review, the Comprehensive Annual Financial Report of the Meadow Ranch Public Improvement District of Jefferson County, Colorado (District) for the year ended December 31, 2010.

Colorado Revised Statutes (CRS) 29-1-603 requires that local governments have an audit of the financial statements performed in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. CRS 29-6-605 requires the financial statements be presented in conformity with Generally Accepted Accounting Principles (GAAP). Pursuant to this requirement, we hereby issue the Comprehensive Annual Financial Report for fiscal year ended December 31, 2010.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of the information presented in this report.

Management of the District has established a comprehensive internal control framework that has enabled the District to compile sufficient reliable information for the preparation of the financial statements in conformity with GAAP. The cost of any entities' internal controls should not outweigh the benefits and accordingly, the District's comprehensive framework of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

Management believes that the financial statements are fairly presented in all material aspects. They are presented in a manner designed to set forth the financial position, results of operations, and changes in net assets or fund balances of the major funds and nonmajor funds in the aggregate. All required disclosures have been included to assist the members of the Board, the financial community, and the public in understanding the County's financial affairs.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of a Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

DISTRICT PROFILE

The District is a quasi-municipal corporation of the State of Colorado and was organized pursuant to Part 5, Article 20, Title 30 of the Colorado Revised Statutes, to provide for the construction and installation of certain public improvements within the District. The Board of County Commissioners of Jefferson County is the ex-officio board of the District and is charged with overseeing the organization and budget of the District. The District contains approximately 103 acres of property encompassing the Meadow Ranch planned development, a mixed-use community in the southwest Denver metropolitan area. Development of Meadow Ranch began in 1998. Currently, the residential portion of Meadow Ranch is nearing completion, and some commercial development has occurred within the District.

ASSESSMENT OF THE DISTRICT'S ECONOMIC CONDITION

The financial condition of the District remains relatively healthy during this period of economic uncertainty. The average unemployment rate for the County was 8.6 percent in 2010. The commercial office vacancy rate in the west portion of the Metro Denver area is only 7.8 percent for space rated A but 15.0 percent for space rated B compared to 13.7 percent combined for the entire metro area. For more information on Jefferson County's economic profile, please visit the Jefferson Economic Council website at www.jeffco.org.

INDEPENDENT AUDIT

Eide Bailly LLP a firm of licensed certified public accountants has audited the District's financial statements. The independent auditors concluded, with an unqualified opinion, that the District's financial statements for the year ended December 31, 2010, are fairly presented in conformity with GAAP. The Independent Auditors' Report is presented on page 7 of this report.

Respectfully submitted,



Alan Boisvert, CPA, CISA
Director of Accounting
Jefferson County, Colorado

FINANCIAL SECTION





INDEPENDENT AUDITORS' REPORT

The Board of County Commissioners
Of Jefferson County, Colorado
Meadow Ranch Public Improvement District
Golden, Colorado

We have audited the accompanying financial statements of the governmental activities and the major fund of Meadow Ranch Public Improvement District, a component unit of Jefferson County, Colorado, as of and for the year ended December 31, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Meadow Ranch Public Improvement District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund information of Meadow Ranch Public Improvement District, as of December 31, 2010, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 9 through 10 be presented to supplement the basic financial statements. Such information, although not a part of 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 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.

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Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Meadow Ranch Public Improvement District's basic financial statements. The introductory section, budgetary schedule and continuing disclosure tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The budgetary schedule has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The introductory section and continuing disclosure tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.



Golden, Colorado
June 6, 2011

Management's Discussion and Analysis

This section of Meadow Ranch Improvement District's Comprehensive Annual Financial Report provides readers with a narrative overview and analysis of the District's financial performance during the fiscal year that ended on December 31, 2010. We encourage readers to consider the information presented here in conjunction with the letter of transmittal at the front of this report, the District's basic financial statements and notes to the financial statements, to enhance their understanding of the activities and financial condition of the District.

FINANCIAL HIGHLIGHTS

The liabilities of the District's governmental activities exceeded assets by \$991,000 and \$1.07 million in 2010 and 2009, respectively. The negative net assets is due to the capital assets of the District being contributed to Jefferson County while the debt that built those assets remains with the District until such time as that debt is liquidated. The net assets of the district did increase by \$84,020 and \$91,230 in 2010 and 2009, respectively.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the District's Basic Financial Statements. The Basic Financial Statements contain three components: government-wide financial statements, fund financial statements, and notes to the financial statements. The MD&A, Basic Financial Statements, and Notes to the Financial Statements provide an overview for users who require less detailed information about the District's finances than is contained in the balance of the report.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the District's finances, in a manner similar to a private-sector business. The Statement of Net Assets includes all of the District's assets and liabilities, both short and long-term. Net assets, which are the difference between the District's assets and liabilities, are one way to measure the District's current financial position.

The Statement of Activities presents information showing how the District's net assets changed during the year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows.

Fund Financial Statements

Funds are self-balancing legal entities that governments use to track both specific sources of funding and/or spending for specified purposes. The fund financial statements provide more detailed financial information about the District's debt service fund.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget including the original budget, and the revised budgets compared to the actual revenues and expenditures.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The amount of total net assets is one measure of the health of the District's finances. However, since the assets are now the responsibility of Jefferson County, the District's revenues are devoted entirely to liquidating the bonded indebtedness, paying audit fees, and fees of the County treasurer for collection of the District's revenues. Thus, the District has negative net assets of \$991,000 at the government-wide level but adequate fund balances from the governmental fund perspective.

Another measure of the District's financial condition is the change in net assets from the prior year. This is measured the same way a business measures its net profit or loss from year to year, using full accrual accounting. The net assets of the District increased \$84,020 and \$91,230 in 2010 and 2009, respectively.

The liabilities of the district are the remaining \$1.16 million of general obligation bonds. More information can be found in Note 6 on page 19 of the notes to the basic financial statements.

FINANCIAL ANALYSIS OF THE DISTRICT'S GOVERNMENTAL FUND

Meadow Ranch uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Debt Service Fund

The focus of the debt service fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of net resources available for spending at the end of the fiscal year.

Revenues for the governmental fund were \$170,307 and \$182,116 in 2010 and 2009, respectively. Expenditures were \$171,663 and \$171,232 for 2010 and 2009, respectively.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Jefferson County Accounting Division, 100 Jefferson County Parkway, Golden, Colorado, 80419, or by telephone at (303) 271-8528.

Basic Financial Statements



Meadow Ranch Public Improvement District
Statement of Net Assets
December 31, 2010

	<u>Governmental Activities</u>
Assets	
Cash, pooled cash and investments	\$ 174,669
Taxes receivable	167,714
Total Assets	<u>342,383</u>
Liabilities	
Unearned revenue	167,714
Accrued interest payable	5,784
Long-term liabilities	
Due within one year:	
Bonds payable	90,000
Due in more than one year:	
Bonds payable	1,070,000
Total Liabilities	<u>1,333,498</u>
Net Assets	
Unrestricted	(991,115)
Total Net Assets	<u>\$ (991,115)</u>

See accompanying notes to the basic financial statements.

Meadow Ranch Public Improvement District
Statement of Activities
For the Year Ended December 31, 2010

<u>Functions/Programs</u>	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets Governmental Activities
		Charges for Services	Operating Grants	Capital Grants	
Primary Government:					
Governmental Activities:					
Highways and streets	\$ 12,748	\$ -	\$ -	\$ -	\$ (12,748)
Interest on long-term debt	73,539	-	-	-	(73,539)
Total Governmental Activities	<u>86,287</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(86,287)</u>
Total Primary Government:	<u>\$ 86,287</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(86,287)</u>
			General Revenues		
			Taxes:		
			Property	158,796	
			Sales	11,160	
			Miscellaneous	351	
			Total General Revenues	<u>170,307</u>	
			Change in Net Assets	84,020	
			Net Assets, January 1	<u>(1,075,135)</u>	
			Net Assets, December 31	<u>\$ (991,115)</u>	

See accompanying notes to the basic financial statements.

Meadow Ranch Public Improvement District
Balance Sheet - Debt Service Fund
December 31, 2010

	<u>Debt Service</u>
Assets	
Cash, pooled cash and investments	\$ 174,669
Taxes receivable	167,714
Total Assets	<u>\$ 342,383</u>
Liabilities	
Deferred revenue	<u>\$ 167,714</u>
Total Liabilities	<u>167,714</u>
Fund Balance	
Unreserved	174,669
Total Liabilities and Fund Balance	<u>\$ 342,383</u>
Total governmental fund balance	\$ 174,669
Amounts reported for governmental activities in the statement of net assets are different because:	
Interest on debt is not accrued in the governmental funds until it is payable.	(5,784)
Long-term liabilities, including bonds payable, are not due in the current period and therefore are not reported in the funds.	(1,160,000)
Net assets of the governmental activities	<u>\$ (991,115)</u>

See accompanying notes to the basic financial statements.

**Meadow Ranch Public Improvement District
Statement of Revenues, Expenditures and
Changes in Fund Balance
For the Year Ended December 31, 2010**

	Debt Service
Revenues	
Taxes and special assessments	\$ 170,307
Revenues	<u>170,307</u>
Expenditures	
Current:	
Highways and streets	12,748
Debt service	
Principal	85,000
Interest	73,915
Total Expenditures	<u>171,663</u>
Excess of revenues over expenditures	(1,356)
Fund balance, January 1	176,025
Fund balance, December 31	<u>\$ 174,669</u>
Net change in fund balance	\$ (1,356)
Amounts reported in the statement of activities are different because:	
Some expenditures of the governmental funds are not expenses in the governmental activities	
Principal payments	85,000
Accrued interest	375
Change in net assets	<u>\$ 84,020</u>

See accompanying notes to the basic financial statements.

NOTES TO THE BASIC FINANCIAL STATEMENTS



Note 1. Summary of Significant Accounting Policies**A. Reporting Entity**

The District is a quasi-municipal corporation of the State of Colorado and was organized pursuant to Part 5, Article 20, Title 30 of the Colorado Revised Statutes, to provide for the construction and installation of certain public improvements within the District. The District contains approximately 103 acres of property encompassing the Meadow Ranch planned development, a mixed-use community in the southwest Denver metropolitan area. Development of Meadow Ranch began in 1998.

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

The District follows GASB Statement No. 14, The Financial Reporting Entity, which establishes standards for defining and reporting on the financial reporting entity. The financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based upon the application of the criteria of GASB No. 14, no other entities or funds are included in the District's financial statements. The district is a blended component unit of Jefferson County, Colorado and is presented as an agency fund within the County's financial statement. Jefferson County is not obligated for any of the District's debt. The County does provide all the accounting services of the District, including tax collection and debt payments.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information differently than the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

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 with the exception of property taxes are considered available if they are to be collected in the next budget cycle (one year). Property taxes are available if they are to be collected in the next sixty days.

The government reports only one fund, a debt service fund, which accounts for the resources accumulated and payments made for principal and interest on long-term debt. Accounting standards of the Financial Accounting Standards Board issued prior to December 1, 1989 are followed unless they are in conflict with standards issued by GASB.

Note 2. Accounting Policies for Specific Assets, Liabilities and Net AssetsPooled Cash and Investments

The District participates in Jefferson County's Treasurer's pool. The treasurer maintains pooled cash and investment accounts for all the funds of the County. State statutes specify investment instruments in which the County may invest and require that public deposits be placed only in eligible public depositories in the State of Colorado. Investments are reported at fair value and all investment income, including changes in the fair value of investments, is reported as revenue in the statements of revenues, expenditures, and changes in fund balances.

Unearned/Deferred Revenue

Governmental accounting principles require that property taxes be deferred in the year in which they are levied, whether the basis of accounting is accrual or modified accrual. They are recognized as revenue in the year in which they are required to be paid.

Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the government-wide statement of net assets, but not in the balance sheet.

Net Assets

Net assets represent the difference between assets and liabilities on the accrual basis of accounting. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws, or regulations of other governments.

Fund Balances

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. Designations of fund balance represent management's plans, not legal restrictions and are subject to change. Unreserved/Undesignated fund balances are available for appropriation in the subsequent year.

Revenues

The government-wide statement of activities presents two broad types of revenues, program revenues and general-purpose revenues. All taxes are reported as general-purpose revenues.

Note 3. Stewardship, Compliance and AccountabilityRevenue Limits

In November 1992, Colorado passed an amendment to the state constitution, the Taxpayer's Bill of Rights (TABOR). The amendment limits state and local government taxing powers and imposes spending and tax limits. The year 1992 activity provides the basis for future years' limits that include allowable increases tied to inflation and local growth in construction valuation. Additions to reserves are included in the definition of spending under the amendment. Expenditures from reserves are excluded from the spending limits. In a vote of all the electors of the District, the District was exempted from the requirements of TABOR.

Also by voter approval the District is exempted from CRS 29-1-301 which limits property tax revenue growth to 5.5 percent per annum.

Note 3. Stewardship, Compliance and Accountability (continued)Budgetary Information

The annual budget is legally adopted at the fund level. The operating budget includes proposed expenditures and the means of financing them. For budgetary purposes all encumbered, unencumbered and unexpended appropriations lapse at year-end. Expenditures may not exceed appropriations for the total fund level. Management may transfer funds between individual line items as long as total fund appropriations are not exceeded. If total fund appropriations are to be exceeded, the District must legally adopt a supplemental budget. Prior to October 15, County staff submits to the board of directors a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the District to obtain taxpayer comments. The District's mill levy is formally certified to the Jefferson County Board of County Commissioners prior to December 15.

Prior to December 31, the budget and appropriations are legally enacted through passage of a resolution. The budget for the District is adopted on a basis consistent with US GAAP.

Note 4. Cash, Pooled Cash and Investments

The District has placed all of their available funds into the pooled investments of the Jefferson County Treasurer. The balance of invested funds with Jefferson County at December 31, 2010 totaled \$174,669. Since these investments are not evidenced by a physical or book entry, they are not categorized under the provisions of GASB Statement No. 40. The funds with the County Treasurer do not earn interest.

Note 5. Receivables

Property taxes for the District are levied on or before December 22 of each year and attached as an enforceable lien on the property the following January 1. They are payable in full by April 30 or in two equal installments due February 28 and June 15. Jefferson County bills and collects property taxes for the District. The property tax receipts collected by Jefferson County are remitted to the District in the subsequent month. Property tax abatements are recorded as an offset to property tax revenue when they are paid.

Note 6. Long-Term Debt

On April 18, 2001, Meadow Ranch Public Improvement District issued Limited Tax General Obligation Bonds (the bonds), Series 2001, dated April 15, 2001, with interest rates varying from 4.25% to 6.20%, payable semi-annually on June 1 and December 1. These bonds mature serially beginning December 1, 2002 and continuing through 2020. Bonds maturing on or before December 1, 2011 are not subject to prior redemption. Bonds maturing on December 1, 2012, are subject to redemption prior to their respective maturities, at the option of the District, in whole, or in part in integral multiples of \$5,000, from such maturities as are selected by the District and if less than all of the Bonds of a maturity are to be redeemed, by lot within a maturity in such manner as the Registrar may determine, on December 1, 2011, or on any date thereafter at a redemption price equal to the principal amount so redeemed plus accrued interest to the redemption date, without premium.

The Bonds were issued to reimburse the developer for the cost of constructing streets, drainage improvements, sanitary sewer improvements and landscaping improvements in and around the District pursuant to the Developer Agreement. The related capital assets were donated to Jefferson County. Bonds outstanding and related interest requirements as of December 31, 2010 are as follows:

Note 6. Long-Term Debt (continued)

Year	Principal	Interest	Total
2011	\$ 90,000	\$ 69,410	\$ 159,410
2012	\$ 95,000	\$ 64,550	\$ 159,550
2013	\$ 100,000	\$ 59,325	\$ 159,325
2014	\$ 105,000	\$ 53,725	\$ 158,725
2015	\$ 110,000	\$ 47,740	\$ 157,740
2016-2020	\$ 660,000	\$ 128,030	\$ 788,030
Totals	\$ 1,160,000	\$ 422,780	\$ 1,582,780

All revenues including property taxes of the District are pledged for the payment of these obligations. During the year ended December 31, 2010 the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance 12/31/2009</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/2010</u>	<u>Current</u>
General obligation bonds	\$ 1,245,000	\$ 0	\$ 85,000	\$ 1,160,000	\$ 90,000

Note 7. Related Party Transactions

The Board of County Commissioners of Jefferson County is the ex-officio board of the Meadow Ranch Improvement District. Charges to the District by the County are the normal fees from the Treasurer. In 2010, the District paid \$2,518 to the County for services.

SUPPLEMENTARY INFORMATION



**Meadow Ranch Public Improvement District
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget to Actual
For the Year Ended December 31, 2010**

	Budget		Actual	Variance With Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 169,816	\$ 169,816	\$ 158,796	\$ (11,020)
Vehicle ownership taxes	13,230	13,230	11,160	(2,070)
Penalties and Interest	-	-	351	351
Total Revenue	<u>183,046</u>	<u>183,046</u>	<u>170,307</u>	<u>(12,739)</u>
Expenditures				
Other services and charges	14,000	14,000	12,748	1,252
Debt service:				
Principal	85,000	85,000	85,000	-
Interest	73,915	73,915	73,915	-
Total Expenditures	<u>172,915</u>	<u>172,915</u>	<u>171,663</u>	<u>1,252</u>
Excess revenue over expenditures	<u>\$ 10,131</u>	<u>\$ 10,131</u>	(1,356)	<u>\$ (11,487)</u>
Fund balance, January 1			<u>176,025</u>	
Fund balance, December 31			<u>\$ 174,669</u>	

Continuing Disclosure (Unaudited)



Table 1

CONTINUING DISCLOSURE

December 31, 2010

2011 Adopted Budget

REVENUES

Real Property Taxes	\$ 181,277
Investment income	-
	<hr/>
Total Revenues	\$ 181,277
	<hr/> <hr/>

EXPENDITURES

Debt Service - Interest Expense	\$ 69,410
Debt Service - Principal Expense	90,000
Appropriated Reserve	42,895
Miscellaneous	14,517
	<hr/>
Total Expenditures	\$ 216,822
	<hr/> <hr/>

Source: Jefferson County Budget Division

Table 2

CONTINUING DISCLOSURE

December 31, 2010

Selected Debt Ratios of the District

Direct Debt (consisting of the Bonds)	\$ 1,160,000
Overlapping Debt (1)	<u>681,319</u>
Total Direct Debt and Overlapping Debt	<u><u>\$ 1,841,319</u></u>
2010 District Assessed Valuation	\$ 17,986,650
Direct Debt to 2010 Assessed Valuation	6.4%
Direct Debt Plus Overlapping Debt to 2010 Assessed Valuation	10.2%

(1) Figure is estimated based on information supplied by other taxing authorities and does not include self-supporting general obligation debt.

Sources: Jefferson County Assessor's Office, the District and information obtained from individual overlapping entities

Table 3

CONTINUING DISCLOSURE

December 31, 2010

2010 Assessed Valuation By Property Class

<u>Class</u>	Assessed Valuation	Percent of Total Assessed Valuation
Residential	\$ 10,681,440	59.39%
Commercial	7,034,280	39.10%
Vacant Land	<u>270,930</u>	<u>1.51%</u>
Total	\$ 17,986,650	100.00%

Source: Jefferson County Assessor's Office

Table 4

CONTINUING DISCLOSURE
December 31, 2010

Six Largest Taxpayers Within the District

<u>Name</u>	2010 Assessed Valuation	Percent of Total Assessed Valuation (1)
Sagewood Center IV LLC	\$ 978,750	5.44%
First United Bank	887,110	4.93%
Sagewood Center II LLC	870,000	4.84%
Dakota Villiage Center LLC	824,325	4.58%
Sagewood Center III LLC	694,318	3.86%
Texas Roadhouse Holdings LLC	<u>584,727</u>	<u>3.25%</u>
Total	<u><u>\$ 4,839,230</u></u>	26.90%

(1) Based on a 2009 certified assessed valuation of: \$ 17,986,650

Source: Jefferson County Assessor's Office