



Fiscal Guidelines

General

1. The county will comply with all legal provisions regulating revenues, expenditures, capital improvements, reserves, investments, and *Governmental Accounting Standards Board (GASB) 34* audit provisions.
2. A fiscal impact analysis will be completed prior to approval of county legislation or policy actions taken by the Board of County Commissioners.

Revenue

1. Avoid dependence on one-time revenue to fund ongoing expenditures. One-time revenues will be used only to fund one-time expenditures.
2. Consider fee structures that take into consideration:
 - a. Cost of providing the service
 - b. Practicality
 - c. Inflationary impacts
 - d. Ease of understanding
 - e. Consistency and equity throughout the county
3. Explore and consider economic development opportunities to benefit the county.
4. Review the investment policy annually to ensure its consistency with respect to the following objectives (in order of priority):
 - a. Safety of invested funds
 - b. Sufficient liquidity to meet cash flow needs
 - c. Attainment of the maximum yield possible consistent with the first two objectives
5. Maximize the use of any available federal and/or state funding for all qualified projects. Reduce or eliminate programs funded by state and federal grants, if state or federal revenue is reduced or eliminated. Substitute local funding only if the Board of County Commissioners determines that funding the program is a priority.
6. Continuously explore additional sources of revenue.
7. Actively oppose actions that would limit or diminish current sources of revenue.
8. Consider user fee charges and/or special assessments to pay for services benefiting only a select group of people.
9. Monitor revenue targeted for a specific program to ensure that it is only used for that program in accordance with legal requirements.
10. Revenue reported for budget and actual shall include only revenue from external sources. Internally collected revenue will be reported in accordance with accounting standards.
11. Divisions will obtain prior approval from the Board of County Commissioners before making a grant application, by following the guidelines provided by the Budget Division.



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12. Divisions will obtain prior approval from the Board of County Commissioners before changing any fee to the public or charging internal divisions.
13. Revenue will be reported net of internal transactions.

Expenditures

1. Evaluate service levels to assure that the county is efficient and effective.
2. Continue to look for and implement the most cost-effective and reliable methods of delivering county services.
3. Maintain all assets at a level that protects capital investment and minimizes future maintenance and replacement costs.
4. Maximize the use of any available federal or state funding for all qualified projects and programs.
5. Provide protection against loss and reduce exposure to liability through a comprehensive risk management program. Maintain a safety program to minimize the county's exposure to liability and reduce the number and amount of claims.
6. Recommend any service changes that may be needed to respond to budget shortfalls using Board-approved, countywide effectiveness and productivity measures.
7. Expenditures from the Patrol Fund (formerly the Law Enforcement Authority Fund) will be made first from Law Enforcement Authority property tax revenue raised for additional patrol services and second from General Fund revenue transferred to the Patrol Fund to provide funding for patrol services.
8. Expenditures will be reported net of internal transactions.

Capital Improvements

1. Evaluate all requests for capital improvement projects using the following criteria:
 - a. Source of funding including availability of additional revenue
 - b. Total project cost (design and development) and schedule for completion
 - c. Operating and maintenance costs for at least a five-year period following completion
 - d. Life of asset
 - e. Benefits to the county including, but not limited to, the affect on future operating and maintenance costs, economy, services, public health and safety, the environment, segment of population to be affected, and special considerations
 - f. Alternatives considered (joint development, etc.)
 - g. Consequences of not funding or deferral
 - h. Evaluation of citizen input
 - i. Impact on strategic plan for the county
2. Revise cost estimates after completion of design. If cost estimates exceed the approved project total, the project will need approval of the Board of County Commissioners.



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3. Design facilities using current technology in order to be efficient and cost effective, protect the public welfare and minimize adverse effects on the environment.
4. Establish an equipment reserve to replace capital outlay items with a life of more than two years and a value of \$5,000 or more.
5. Submit a capital project status report to the Board on a quarterly basis which includes at least the following information:
 - a. Project name
 - b. Project description
 - c. Total project cost
 - d. Revised project cost
 - e. Annual adopted budget
 - f. Annual amended budget
 - g. Year-to-date expenditures
 - h. Estimated actual total current year expenditures
 - i. Original contract amount
 - j. Total change order amount
 - k. Revised contract amount
 - l. Completion date
 - m. Revised completion date
 - n. Percent complete
 - o. Project status
6. Annually evaluate multi-year capital projects.
7. Give priority to replacement or repair of existing assets before considering the purchase of new assets.
8. Prepare and update annually a capital improvement plan including construction and purchases of county assets.
9. Limit interest, operating, administrative and/or maintenance expenses capitalized for capital projects to those expenses incurred prior to actual operation of the facility.
10. Consolidate offices into fewer buildings and move from leased to owned facilities as much as possible.

Reserve

1. Maintain total fund balance reserves at no less than 10.0% of total ongoing revenues, plus other reserves. Exceptions to this provision apply to Internal Service Funds, Capital Expenditure Funds, and Special Revenue Funds accounting for Federal grant funds.
2. Provide contingency funds in the operating budget to provide for unanticipated expenditures of a non-recurring nature or to meet unexpected increases in costs.
3. Review and update the county's reserve policy annually.



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Long-Term Financing

1. Finance capital projects for a period not to exceed the expected useful life of the project.
2. Limit short-term obligations outstanding to meet accounting standards for debt (including tax anticipation notes, but excluding bond anticipation notes).
3. Maintain good communication with rating agencies and provide required disclosure on every financial report and bond prospectus.
4. Analyze the impact of long-term financing arrangements on total annual fixed costs before agreements are accepted.
5. Prohibit debt or bond financing from being used to support current operating expenditures.
6. Limit total general obligation debt to one and one-half percent of assessed value.
7. Issue certificates of participation to refinance existing certificates at a lower interest rate, when appropriate.

Budget

1. Submit a balanced budget by fund to the Board of County Commissioners by the statutory deadline of October 15th of any given year. A balanced budget is achieved when projected expenditures do not exceed the combined total of projected revenues and unreserved and available fund balance.
2. Review the adopted fiscal guidelines annually.
3. Approve new positions only as part of the annual adopted budget process. Changes to that authorization can only be made in accordance with the adopted budget transfer amendment policy.
4. Review the budget transfer policy annually.
5. Review the savings incentive policy annually.
6. Maintain a budgetary control system to ensure adherence to the budget.
7. Submit timely budget reports to management and the Board of County Commissioners.
8. Prepare the annual budget using generally accepted accounting principles as prescribed for governmental budgets, for the general, special revenue, and capital projects funds. Depreciation on property and equipment are not appropriated in the county's annual budget.
9. Limit expenditures and operating transfers for a division or fund to an amount not to exceed the appropriations for that division or fund. Appropriations for a fund may be increased provided they are offset by unanticipated revenues through a supplemental appropriation resolution. Establish whether or not the supplemental appropriation is recurring or a one-time expenditure.



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10. Seek annually the Government Finance Officer's Association for Distinguished Budget Presentation Award, which evaluates the budget document as a communications device, financial plan, operations guide and a policy document.
11. Avoid budgetary procedures that fund current expenditures at the expense of future needs, such as postponing routine or preventive maintenance expenditures, accruing future revenues, or rolling over short-term debt.
12. Use conservative revenue and expenditure estimates that take into consideration recent experience and reflect reasonable future growth.
13. Monitor revenue sources regularly and modify forecasts as necessary to reflect the most current information available. The level of expenditures will be changed, as needed, to fit within sources of revenue.
14. Project revenue for at least five years and update the projections annually. Potential revenue sources will be re-examined annually. Existing revenue sources will be reviewed regularly.
15. Prepare a five-year expenditure forecast that includes projections of annual growth plus minimal allowances for operating costs of new capital facilities.
16. Prepare and adopt an operating budget that balances capital needs with expense requirements.
17. Prepare the budget containing essential programs and projects that are needed to support the goals and objectives of the county, respond to citizen demand, and provide administrative evaluation of current needs. Every attempt will be made to maintain existing levels of service.
18. Encourage the use of new methods, technology, procedures and capital investment programs which are cost effective and will control the growth of operating costs and/or yield cost savings.
19. Give priority to projects which improve efficiency or productivity.
20. Include both expenditures and internal transactions.

Accounting

1. The accounting system will maintain records on a basis consistent with generally accepted accounting principles established by the Governmental Accounting Standards Board with the goal of obtaining an unqualified opinion from the independent auditor.
2. An independent firm of certified public accountants will perform an annual financial and grant compliance audit and will issue an opinion which will be incorporated into the Comprehensive Annual Financial Report.
3. All externally mandated services, for which funding is available, will be fully costed out (including overhead) to allow for complete reimbursement of expenses.
4. Annually, the county will seek the Government Finance Officer's Association Certificate of Excellence in Financial Reporting.



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5. Internal accounting control policies are designed to provide reasonable, but not absolute, assurance regarding: (a) the safeguarding of assets against loss from unauthorized use or disposition and (b) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that (a) the cost of a control should not exceed the benefits likely to be derived and (b) the evaluation of costs and benefits requires estimates and judgments by management.
6. The county will utilize the encumbrance method of recording commitments related to unperformed contracts for goods and services.
7. Each division or office will conduct a physical inventory of its assets every two years and will report all assets to Accounting. All assets purchased with federal funds will be inventoried annually.



Reserve Policies

Jefferson County shall establish and maintain a satisfactory level of reserve funds to pay for needs caused by unanticipated expenditures of a nonrecurring nature or to meet unexpected increases in costs. The Board of County Commissioners shall determine the amount of funds to be held in reserve on an annual basis. The reserve shall be held to provide funding for the following purposes:

- ◆ Catastrophic reserves – to provide limited emergency funds in the event of a disaster
- ◆ Operational reserves – to provide limited funds for unanticipated service needs such as hazardous waste clean-up and future payment of insurance claims
- ◆ Capital expenditures reserves – to provide funds for one-time, nonrecurring expenditures, including equipment replacement
- ◆ Debt obligation reserves – to provide funds for future payment of debt

Fund balance for the county shall be categorized as nonspendable, restricted, committed, assigned, or unassigned. Committed fund balance shall be defined as that portion of the fund balance formally approved by the Commissioners for a specific purpose. Unassigned fund balance is the residual classification for the General Fund. Assigned fund balance is the residual classification for all other governmental funds.

Appropriated reserves are appropriations of existing fund balance to eliminate a projected budget deficit in the subsequent year caused by expected expenditures in excess of expected revenues. Appropriated reserves are classified as assigned in all governmental funds.

The county shall designate portions of fund balance equal to:

- ◆ The requirement for a TABOR (Article X, Section 20 of the Colorado Constitution) emergency reserve of 3 percent of Fiscal Year Spending shall be met by restricting 100 percent of the fund balance of the Contingent Fund and an additional amount in the General Fund to reach the required reserve.
- ◆ An amount equal to at least 10% of the projected revenues for each operating fund to be used to offset significant downturns in revenues in any fund, provide sufficient working capital and a sufficient cash flow for daily financial needs.
- ◆ An amount equal to 15% of the unpaid sick and vacation benefits at the end of each year for each fund that has associated FTEs.
- ◆ Budgetary fund balance in the insurance fund and workers compensation fund shall be designated for payment for future claims in an amount adequate to meet estimated liabilities.
- ◆ An amount for future land acquisition, capital projects and debt repayment obligations, as necessary.
- ◆ Unassigned fund balance can be specifically approved by the Commissioners primarily to support one-time nonrecurring expenditures or finance operations in special circumstances.

The annual budget will ensure that these fund balance reservations are preserved when determining the amount available for appropriation for each individual fund. If some unforeseen event requires that these reserves be expended, the Board of County Commissioners shall (a) endorse revenue-producing programs sufficient to offset the deficit, (b) reduce the annual capital projects budget, (c) reduce the annual operating budget, or (d) pursue some combination of the above to restore these reserves to their appropriate levels.



Budget Transfer Policy

Background

This policy applies to departments under the County Administrator’s oversight. Elected officials are encouraged to follow these guidelines. Budget transfers are the reallocation of funds within the appropriated budget of an individual fund, hence becoming part of the amended budget. The annual budget guidelines require adherence to the following budget categories:

Budget Categories	Detail Categories	Operating Budget	Capital Budget
Personnel Costs	Salaries & Benefits	Permanent Full-Time Salaries Permanent Part-Time Salaries Temporary Salaries Fringe Benefits	
Operating Costs	Supplies & Services (Materials, Supplies, & Purchased Services)	General & Office Supplies Data Processing & Other Supplies Books & Periodicals Prof & Technical Services Utilities Repair & Maintenance Advertising & Publishing Dues, Training, Travel, etc.	
	Internal Personnel Transactions	Worker's Compensations Unemployment Retirement	
	Internal Transactions	Internal Cost Allocations Fleet Charges / Rent Direct Charges	
	Operating Capital	Vehicles Computer Equipment Other Equipment Furniture	
Capital Project Costs	Capital Projects		Construction Projects Land Acquisition Land Development Building Improvements Lease Payments

Procedure

Funds approved in the above categories are only to be used in that category unless the required approvals are received allowing a transfer from one category to another. Total approved budgets may not be exceeded. Budget transfers may be made with prior approvals as indicated in the following table:



Budget Transfer Policy

Delegation of Authority for Budget Transfers	
Budget Adjustment	Required Approvals
Transfers up to \$250,000 between operating line items within a division	Division Head and Budget Director
Transfers from one division to another within a department	Division Head, Department Head, and Budget Director
Transfers of more than \$250,000 for operating items	Division Head, Department Head, Budget Director, and County Administrator
Transfers into or out of salaries and benefits	Division Head, Department Head, Budget Director, and County Administrator or Elected Official
Transfers of more than \$250,000 to transfer one operating capital item to another	Division Head, Department Head, Budget Director, and County Administrator or Elected Official
Cumulative transfers that impact a capital project more than \$250,000 or a single transfer of over \$500,000 from one capital project to another	Division Head, Department Head, Budget Director, and County Administrator or Elected Official
Transfers of contingency reserves to divisions when the division is absorbing the first 20 days of leave payouts	Budget Director
Transfers of contingency reserves to divisions for any unforeseen expenditures not anticipated at the time the budget was adopted	Budget Director and County Administrator

The department/division will initiate the requested budget transfer by completing the budget transfer form found on the Budget and Management Analysis Division’s web site. The description section of the form must contain a complete explanation of the transfer and explain why the change or transfer is being requested. Following approval by the department, the request will be forwarded to the Budget and Management Analysis Division for review. The Budget and Management Analysis Division will forward the request to the County Administrator for review and approval, when necessary.

Monitoring

Department Directors and Division Directors are responsible for monitoring their budgets on a monthly basis to ensure that funds are accounted for in the appropriate line items and that there are adequate funds available in each category of the budget. The Budget and Management Analysis Division will conduct a bi-annual review of each department’s financial status. This will occur in mid-April and mid-November. The Budget and Management Analysis Division will have a formal financial status review with each division in mid-July. Following quarterly reviews, the Budget and Management Analysis Division will prepare a quarterly briefing to the Board of County Commissioners regarding the financial status of the county. This will include revenue projections, expenditure status, capital project status and the attainment of performance goals, if available.

Deadlines for Processing Budget Transfers

In order to make timely changes to a budget plan, approved transfers must be submitted to the Budget Office by the 15th of the month in which the change is to be effective. In addition, a division may submit a transfer on an as-needed basis to fit their individual needs.



Budget Transfer Policy

Reorganizations and Changes in Personnel Authorizations

Transfer of managerial responsibility can be effective on any date, but the costs and budgets associated with the organization will become effective at the beginning of a month. This will facilitate a smooth transition of funds and allow for easier comparability and tracking. Any notifications regarding reorganization need to be forwarded to the Budget and Management Analysis Division, the Accounting Division and the Human Resources Division so that the required reports will be correct.

The Board of County Commissioners authorizes positions as part of the budget approval process. Prior to Board of County Commissioner approval, the County Administrator must approve all requests for position changes within operating departments, including reorganizations, reclassification of positions and requests for additional positions. This can be accomplished via a memorandum using the Request for Job/FTE Change Form that should include an explanation of the change requested. After obtaining written approval, the division will forward a copy of the memorandum to the Budget and Management Analysis Division and the Human Resources Division. Elected Officials, the Library and the Health Department will notify the County Administrator, the Budget and Management Analysis Division and the Human Resources Division regarding all position changes, including reorganizations, reclassifications of positions, and/or additional positions. The Budget and Management Analysis Division will present changes approved by the department director, elected official and/or the County Administrator to the Board of Commissioners for consideration and consensus to officially change the total number of authorized positions for any elected office or department.

Conflicts

In the event of a conflict between this Budget Transfer Policy and the statutory duties and powers of any county agency, the statutory duties and powers shall prevail, and this policy shall not be applicable to the extent of the conflict.



Debt/Lease Purchases

Jefferson County has no outstanding general obligation debt. With such debt, the voters would authorize repayment of bonds using property tax levies in addition to those for operating purposes. Levies for the retirement of debt are not restricted by the operating property tax limits. For that reason, general obligation debt may be incurred only after a favorable election and is limited to 3% of the assessed value of the taxing entity.

Jefferson County has entered into lease-purchase agreements for both real and personal property. The County may choose not to appropriate funds for any or all of these agreements in any given year. In the event of non-appropriation, the two agreements terminate and the County has no obligation to make further payments. Payments pursuant to lease-purchase agreements are included in operating budgets and are made from total revenues, not just property taxes. Any necessary property taxes are governed by operating property tax limits set by statutes.

Real Property Lease-Purchase Agreements

The Facilities and Equipment lease-purchase agreement is for acquisition and construction of several facilities, associated sites, and related equipment.

One of these projects was the Administration/Judicial Facility which was completed in early 1993, was originally financed with a lease-purchase agreement and is used today as collateral for the County's current lease-purchase agreements. The Administrative Facility houses most departments formerly located elsewhere in the Golden/Lakewood area. The Courthouse Facility replaced the badly overcrowded Hall of Justice, and houses all court operations. The State requires that space be provided for all courts (agencies of the State) at the County's expense. Construction of a new facility for the District Attorney was completed in 1996.

The lessor, Jefferson County Finance Corporation, initially issued \$87,055,000 in certificates of participation in lease-purchase payments, dated January 1, 1988, with interest rates varying from 5.35% to 8.15%. During 1991, additional certificates of \$23,220,000 were issued to provide funds for equipment and other projects of the road and bridge fleet replacement program.

During 1992, certificates of participation were re-financed to a lower interest rate, which saved county taxpayers approximately \$2 million. During 1995, the Series 1991 certificates of participation were refinanced to obtain a lower interest rate, which saved county taxpayers approximately \$1.5 million. In 2002, the County refunded the 1992 certificates of participation to obtain a lower interest rate saving the County taxpayers approximately \$5,000,000. The 2002 certificates were paid off in 2008. In 2005, the Series 1995 bonds were called effective December 1, 2005. In 2004 \$35.5 million worth of tax exempt certificates were issued. In 2009, \$76,480,000 in certificates was issued. A portion (\$67,715,000) of the 2009 certificates were issued as taxable, Direct Pay Build America Bonds, the rest (\$8,765,000) were issued as tax exempt bonds. The interest expense relating to these Build America Bonds is expected to be partially eligible for a subsidy from the federal government.

The Library Facilities and Equipment Lease-Purchase Agreement was originally for the acquisition of land and construction of buildings for the Columbine and Standley Lake Libraries, the replacement of the Evergreen Library, and equipment and books for the various sites. The lessor, Jefferson County Finance Corporation, issued \$12,145,000 in certificates of participation in lease-purchase payments dated August 1, 1988, with interest rates varying from 6.0% to 7.5%. In 1995, these certificates of participation were refinanced to obtain a lower interest rate. Interest rates, after the refunding, vary from 4.0% to 4.875%, saving county taxpayers approximately \$274,000. Final payments of these bonds were made December 1, 2003.



Debt/Lease Purchases

The City of Lakewood issued bonds for the Belmar Library that included funding for a library facility costing \$7,220,000 payable in semi-annual interest payments beginning May 1, 1999, and semi-annual principal and interest payments beginning November 1, 2001, through November 1, 2013. The imputed interest rate for the bond is 4.37% per annum. In 2006, the City of Lakewood refunded the 1999 Belmar Library bonds. The 2006 Belmar Library bonds require semi-annual principal and interest payments beginning May 1, 2006 and continuing through November 1, 2013. The interest rate on the refunded bonds is 3.925%. The following table reflects the remaining payments for all real property lease-purchase payments:

Year	2009 COP Fac. & Equip.	2004 COP Fac. & Equip.	Belmar Library	Total Lease- Purchase Payments
2012	6,697,798	2,655,258	717,002	10,070,058
2013	6,696,798	2,659,070	715,606	10,071,474
2014	6,665,233	2,662,720		9,327,953
2015	6,630,293	2,669,270		9,299,563
2016	6,583,418	2,675,075		9,258,493
2017	6,538,768	2,663,850		9,202,618
2018	6,484,998	2,659,475		9,144,473
2019	6,422,763	2,656,500		9,079,263
2020	6,361,513	2,654,700		9,016,213
2021	6,293,645	2,653,850		8,947,495
2022	6,221,600	2,653,725		8,875,325
2023	6,146,325	2,654,100		8,800,425
2024	6,056,475	2,664,750		8,721,225
2025	5,967,480			5,967,480
2026	5,878,750			5,878,750
2027	5,773,438			5,773,438
2028	5,671,563			5,671,563
2029	5,562,188			5,562,188
Totals	112,653,046	34,582,343	1,432,608	148,667,997

Cost of Major Projects Funded with Lease-Purchase Agreements

The following tables reflect the cost or estimated cost of major projects acquired through lease-purchase agreements on the issues outstanding. Project costs may include land acquisitions acquired with lease-purchase proceeds.

2004 Facilities & Equipment	
Par Amount of Bonds	35,500,000
Original Issue Premium	512,105
Less: Underwriting Discount	-461,607
Total 2004 Facilities & Equipment Purchase Price	35,550,497

2009 Facilities & Equipment	
Par Amount of Bonds	76,480,000
Original Issue Premium	154,744
Less: Underwriting Discount	-378,576
Total 2009 Facilities & Equipment Purchase Price	76,256,168

Sales Tax Improvement Revenue Bonds

On July 9, 1992, the Southeast Jefferson County Local Improvement District issued \$24 million of Sales Tax Refunding and Improvement Revenue Bonds dated June 1, 1992, with interest rates varying from 3.3% to 6.3% payable semi-annually. These bonds mature serially beginning in 1993 and continuing through 2022. Bonds maturing after December 1, 2002, are redeemable at the District's option on December 1, 2002, and any interest date thereafter without premium. In 2002, the County refunded the



Debt/Lease Purchases

1992 Sales Tax Refunding and Improvement Revenue bonds to obtain a lower interest rate saving approximately \$5,000,000.

The Bonds were issued (1) to advance refund the Series 1988 Bonds in the principal amount of \$13,880,000 and (2) to provide funds for street improvements in the amount of \$9,385,679. Of the net proceeds, \$15,015,944 was used to purchase U.S. government securities. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the Series 1988 Bonds. As of December 31, 1998, none of the Series 1988 Bonds remain outstanding.

Sales Tax Road Improvement District Debt			
Year	Principal	Interest	Annual Requirement
2012	985,000	543,038	1,528,038
2013	1,025,000	502,838	1,527,838
2014	1,065,000	461,038	1,526,038
2015	1,110,000	417,538	1,527,538
2016	1,160,000	370,978	1,530,978
2017	1,215,000	320,799	1,535,799
2018	1,270,000	267,040	1,537,040
2019	1,330,000	209,175	1,539,175
2020	1,395,000	144,375	1,539,375
2121	1,465,000	72,875	1,537,875
2022	725,000	18,125	743,125
Totals	12,745,000	3,365,237	16,070,237

Meadow Ranch Public Improvement District General Obligation Bonds			
Year	Principal	Interest	Annual Requirement
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	115,000	40,920	155,920
2017	125,000	33,790	158,790
2018	130,000	26,040	156,040
2019	140,000	17,980	157,980
2020	150,000	9,300	159,300
Totals	1,070,000	353,378	1,423,370

Meadow Ranch Public Improvement District General Obligation Bonds

On April 15, 2001, Jefferson County issued \$1,665,000 of Limited Tax General Obligation Bonds 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 in 2002 and continuing through 2020. Bonds maturing on December 1, 2012, are subject to redemption prior to their respective maturities, at the option of the District on December 1, 2011, or any date thereafter without redemption premium.

These bonds were issued on behalf of Meadow Ranch Public Improvement District 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.

Open Space Sales Tax Revenue Bonds

On May 12, 1999, Jefferson County issued \$100 million of Sales Tax Revenue Bonds dated May 1, 1999, with interest rates varying from 4.2% to 5.0% payable semi-annually. The Bonds were issued to (1) evaluate and acquire interests in real property for the use and benefit of the public for open space purposes, (2) purchase a municipal bond insurance policy and a reserve fund insurance policy, and (3) pay the costs of issuing the 1999 bonds.

On April 22, 2009, Jefferson County refunded the then outstanding 1999 series Open Space bonds to obtain lower interest rates. The 2009 series Open Space bonds were issued at a principal value of \$66,905,000 and interest rates vary from 2.0% to 4.0%. The 2009 bonds mature serially beginning in 2010 and continuing through 2019. The 2009 bonds are not subject to redemption prior to maturity at the option of the County.



Debt/Lease Purchases

On May 15, 2001, Jefferson County issued Sales Tax Revenue Bonds of \$30,460,000 dated May 1, 2001, with interest rates varying from 4.25 % to 5.125% payable semi-annually. The Bonds were issued to (1) evaluate and acquire interests in real property for the use and benefit of the public for open space purposes, (2) purchase a municipal bond insurance policy and a reserve fund insurance policy, and (3) pay the costs of issuing the 2001 bonds.

On September 30, 2010, Jefferson County refunded the then outstanding 2001 series Open Space bonds to obtain lower interest rates. The 2010 series Open Space bonds were issued at a principal value of \$21,130,000 and interest rates vary from 2.0% to 4.0%. The 2010 bonds mature serially beginning in 2011 and continuing through 2021. The 2010 bonds maturing in 2021 shall be subject to redemption prior to maturity at the option of the County as of November 1, 2021.

On January 10, 2005, Jefferson County issued Sales Tax Revenue Bonds of \$29,540,000 with interest rates varying from 3.00% to 4.35% payable semi-annually. The bonds mature serially beginning in 2006 and continuing through 2024. Bonds maturing on and before November 1, 2014, are not subject to redemption prior to their respective maturities. 2005 Bonds maturing on and after November 1, 2015, shall be subject to redemption prior to their respective maturities, at the option of the County, on November 1, 2014, and any date thereafter without redemption premium.

Open Space Sales Tax Revenue Bonds			
Year	Principal	Interest	Annual Requirement
2012	9,355,000	3,579,490	12,934,490
2013	9,630,000	3,316,340	12,946,340
2014	9,915,000	3,041,840	12,956,840
2015	10,230,000	2,738,765	12,968,765
2016	10,670,000	2,298,015	12,968,015
2017	11,070,000	1,909,115	12,979,115
2018	11,495,000	1,495,415	12,990,415
2019	11,940,000	1,055,515	12,995,515
2020	3,985,000	577,915	4,562,915
2021	4,160,000	417,593	4,577,593
2022	2,020,000	271,080	2,291,080
2023	2,115,000	186,240	2,301,240
2024	2,215,000	96,353	2,311,353
Totals	98,800,000	20,263,675	119,783,675

The computation of the legal debt margin for Jefferson County is reflected in the table below:
(For the Year Ended December 31, 2010)

2009 Value	7,352,599,610
Debt limit of total assessed value	3%
Legal debt margin	220,577,988