

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

2012 ANNUAL REPORT

TO

THE TOWN OF PARKER

Pursuant to the Service Plan for Parker Automotive Metropolitan District (“Service Plan”) dated April 5, 2004, and Section 10.11.060-080 of the Town of Parker’s Munitipal Code, the District is required to provide an annual report to the Town of Parker.

For the year ending December 31, 2012, the District makes the following report:

A. A summary of the progress of the District in implementing the Service Plan.

The District continues to implement its development schedule as contemplated in the Service Plan.

B. The audited financial statements including a statement of financial condition as of December 31 and a statement of operations.

A copy of the District’s 2012 audit is attached hereto as **Exhibit A**.

C. A summary of the capital expenditures incurred by the District in development of public facilities, as well as any capital improvements or projects proposed to be undertaken in the next five (5) years.

Summaries of the District’s capital expenditures and proposed capital improvements are contained in the 2012 audit attached hereto as **Exhibit A** and the 2013 Budget attached hereto as **Exhibit B**.

D. A summary of the financial obligations of the District including the total assessed valuation of all taxable properties within the District and the current mill levy pledged to debt retirement.

A summary of the District’s financial obligations is included in the 2012 audit attached hereto as **Exhibit A**, and the District’s current mill levy is contained in the 2013 budget attached hereto as **Exhibit B**. The assessed valuation of all taxable properties within the District is \$6,599,787.

E. The District’s budget.

The 2013 Budget is attached as **Exhibit B**.

F. A summary of residential and commercial development in the District.

The District does not have any residential development. Please see the 2012 audit, attached hereto as **Exhibit A**, for a summary of commercial development.

G. A summary of all fees, charges and assessments imposed by the District.

There are currently no fees, charges or assessments imposed by the District.

H. Certification of the Board that no action, event or condition enumerated in Section 10.11.060 has occurred.

During 2012:

(1) There were no defaults in the payment of principal or interest of any of the District's bonds, notes, certificates, debentures, contracts or other evidences of indebtedness or borrowing issued or incurred by the District which: (i) persisted for a period of One Hundred Twenty (120) days or more; (ii) included an aggregate amount of either Fifty Thousand Dollars (\$50,000) or 10% of the outstanding principal balance of the indebtedness; or (iii) creditors have not agreed in writing with the District to forbear from pursuit of legal remedies in connection with such indebtedness.

(2) The District has not failed to develop, cause to be developed or consented to the development by others of any capital facility proposed in the Service Plan when necessary to service approved development within the District.

(3) The District has not failed to realize at least Seventy-Five Percent (75%) of the development revenues projected in the financial portion of the Service Plan with a disparity between projected and realized revenue exceeding Fifty Thousand Dollars (\$50,000.00), where development revenue is defined as fees, exactions and charges imposed by the District on residential and commercial development, excluding taxes.

(4) The District has not developed any capital facility in excess of \$100,000 in cost, which is not either identified in the Service Plan or authorized by the Town in the course of a separate development approval, excluding bona fide cost projection miscalculations; and state or federally mandated improvements, particularly water or sanitation facilities.

(5) No event or condition has occurred which is defined under the Service Plan or intergovernmental agreement as necessitating a Service Plan amendment.

(6) There has been no material default by the District under any intergovernmental agreement with the Town.

(7) No events or conditions enumerated in Section 32-1-207(2), C.R.S., as amended, have occurred.

I. The name, business address and telephone number of each member of the Board and its chief administrative officer and general counsel, together with the date, place and time of the regular meetings of the Board.

Edward M. Giles
1401 Wewatta Street, Unit 109
Denver, CO 80202

Gary Michael Harrison
Concepts West Architecture, Inc.
202 E. Cheyenne Mountain Blvd., Ste. Q
Colorado Springs, CO 80906
(719) 576-1555

Teryl Gorrell
1331 17th Street, #1000
Denver, CO 80202
(303) 996-7200

ATTORNEY:
Kristen D. Bear
White, Bear & Ankele
Professional Corporation
2154 East Commons Avenue
Suite 2000
Centennial, CO 80122
(303) 858-1800

Regular Meetings: The second and fourth Thursday of every month at 10:00 a.m.,
2154 East Commons Avenue, Suite 2000, Centennial, CO 80112.

EXHIBIT A

2012 Audit

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Financial Statements

Year Ended December 31, 2012

with

Independent Auditors' Report

CONTENTS

	<u>Page</u>
<u>Independent Auditors' Report</u>	I
<u>Basic Financial Statements</u>	
Balance Sheet/Statement of Net Position - Governmental Funds	1
Statement of Revenues, Expenditures and Changes in Fund Balances/Statement of Activities - Governmental Funds	2
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	3
Notes to Financial Statements	4
<u>Supplemental Information</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Debt Service Fund	17
Summary of Assessed Valuation, Mill Levy and Property Taxes Collected	18



Certified Public Accountants and Business Consultants

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Parker Automotive Metropolitan District
Douglas County, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of Parker Automotive Metropolitan District (the District) as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the presentation 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 misstatements, where due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Parker Automotive Metropolitan District, as of December 31, 2012, and the respective changes in financial position thereof, and the budgetary comparison for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

I

Wagner Barnes & Griggs, PC

Other Matters

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Lakewood, Colorado
June 8, 2013

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2012

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS					
Cash and investments	\$ 25,675	\$ -	\$ 25,675	\$ -	\$ 25,675
Cash and investments - restricted	-	173,203	173,203	-	173,203
Receivable County Treasurer	114	1,785	1,899	-	1,899
Property taxes receivable	<u>19,799</u>	<u>310,190</u>	<u>329,989</u>	<u>-</u>	<u>329,989</u>
 Total Assets	 <u>\$ 45,588</u>	 <u>\$ 485,178</u>	 <u>\$ 530,766</u>	 <u>-</u>	 <u>530,766</u>
 LIABILITIES					
Accounts payable	\$ 6,727	\$ 8,858	\$ 15,585	-	15,585
Accrued interest payable	-	-	-	963,732	963,732
Long-term liabilities					
Due within one year	-	-	-	60,000	60,000
Due in more than one year	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,420,000</u>	<u>14,420,000</u>
 Total Liabilities	 <u>6,727</u>	 <u>8,858</u>	 <u>15,585</u>	 <u>15,443,732</u>	 <u>15,459,317</u>
 DEFERRED INFLOWS OF RESOURCES					
Deferred property taxes	<u>19,799</u>	<u>310,190</u>	<u>329,989</u>	<u>-</u>	<u>329,989</u>
 Total Deferred Inflows of Resources	 <u>19,799</u>	 <u>310,190</u>	 <u>329,989</u>	 <u>-</u>	 <u>329,989</u>
 FUND BALANCES					
Fund Balances:					
Restricted:					
Emergencies	924	-	924	(924)	-
Debt service	-	166,130	166,130	(166,130)	-
Assigned:					
Subsequent year expenditures	10,436	-	10,436	(10,436)	-
Unassigned	<u>7,702</u>	<u>-</u>	<u>7,702</u>	<u>(7,702)</u>	<u>-</u>
 Total Fund Balances	 <u>19,062</u>	 <u>166,130</u>	 <u>185,192</u>	 <u>(185,192)</u>	 <u>-</u>
 Total Liabilities, Deferred Inflows of Resources and Fund Balances	 <u>\$ 45,588</u>	 <u>\$ 485,178</u>	 <u>\$ 530,766</u>		
 NET POSITION					
Restricted for:					
Emergencies				924	924
Debt service				157,272	157,272
Unrestricted				<u>(15,427,172)</u>	<u>(15,416,736)</u>
 Total Net Position				 <u>\$ (15,268,976)</u>	 <u>\$ (15,258,540)</u>

The notes to the financial statements are an integral part of these statements.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE/STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2012

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
EXPENDITURES					
Accounting and audit	\$ 12,369	\$ -	\$ 12,369	\$ -	\$ 12,369
Insurance	2,461	-	2,461	-	2,461
Legal	12,289	-	12,289	-	12,289
Miscellaneous expenses	13	-	13	-	13
Treasurer's fees	276	4,317	4,593	-	4,593
Bond interest expense - Series 2005	-	7,271	7,271	-	7,271
Bond principal - Series 2005	-	55,000	55,000	(55,000)	-
Bond interest expense - Series 2010 Sub	-	274,840	274,840	531,732	806,572
LOC fees	-	103,171	103,171	-	103,171
Paying agent fees/trustee fees	-	5,450	5,450	-	5,450
Amortize bond cost of issuance	-	-	-	-	-
Remarketing Fees	-	10,088	10,088	-	10,088
	<u>27,408</u>	<u>460,137</u>	<u>487,545</u>	<u>476,732</u>	<u>964,277</u>
GENERAL REVENUES					
Property taxes	18,432	288,769	307,201	-	307,201
Specific ownership taxes	1,551	24,303	25,854	-	25,854
Interest income	(58)	(575)	(633)	-	(633)
	<u>19,925</u>	<u>312,497</u>	<u>332,422</u>	<u>-</u>	<u>332,422</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(7,483)	(147,640)	(155,123)	(476,732)	(631,855)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	168,130	168,130	-	168,130
Transfers out	(168,130)	-	(168,130)	-	(168,130)
	<u>(168,130)</u>	<u>168,130</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	(175,613)	20,490	(155,123)	155,123	
CHANGE IN NET POSITION				(631,855)	(631,855)
FUND BALANCES/NET POSITION:					
BEGINNING OF YEAR- RESTATED	<u>194,675</u>	<u>145,640</u>	<u>340,315</u>	<u>(14,967,000)</u>	<u>(14,626,685)</u>
END OF YEAR	<u>\$ 19,062</u>	<u>\$ 166,130</u>	<u>\$ 185,192</u>	<u>\$ (15,443,732)</u>	<u>\$ (15,258,540)</u>

The notes to the financial statements are an integral part of these statements.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND

For the Year Ended December 31, 2012

	Original and Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Property taxes	\$ 20,245	\$ 18,432	\$ (1,813)
Specific ownership taxes	2,025	1,551	(474)
Interest income	<u>100</u>	<u>(58)</u>	<u>(158)</u>
 Total Revenues	 <u>22,370</u>	 <u>19,925</u>	 <u>(2,445)</u>
 EXPENDITURES			
Accounting and audit	11,500	12,369	(869)
Insurance	2,500	2,461	39
Legal	12,000	12,289	(289)
Miscellaneous expenses	500	13	487
Landscape maintenance	3,000	-	3,000
Treasurers fees	304	276	28
Contingency	15,000	-	15,000
Emergency reserve	<u>894</u>	<u>-</u>	<u>894</u>
 Total Expenditures	 <u>45,698</u>	 <u>27,408</u>	 <u>18,290</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 (23,328)	 (7,483)	 15,845
 OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(168,130)</u>	<u>(168,130)</u>	<u>-</u>
 Total Other Financing Sources (Uses)	 <u>(168,130)</u>	 <u>(168,130)</u>	 <u>-</u>
 NET CHANGE IN FUND BALANCE	 (191,458)	 (175,613)	 15,845
 FUND BALANCE:			
BEGINNING OF YEAR	<u>191,458</u>	<u>194,675</u>	<u>3,217</u>
END OF YEAR	<u>\$ -</u>	<u>\$ 19,062</u>	<u>\$ 19,062</u>

The notes to the financial statements are an integral part of these statements.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2012

Note 1: Summary of Significant Accounting Policies

The accounting policies of the Parker Automotive Metropolitan District, located in Douglas County, Colorado, conform to the accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

Definition of Reporting Entity

The District was organized on June 28, 2004, as a quasi-municipal organization established under the State of Colorado Special District Act. The District was established to provide water, sewer and street improvements, safety protection, and mosquito and erosion control services. By agreement, upon completion, the District will dedicate and transfer certain facilities to the Town of Parker (Town) or to Parker Water and Sanitation District, for maintenance and operation (see Note 6). When the facilities are complete and all debt issued by the District is paid or defeased, the Town may request dissolution of the District. The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

The District follows the GASB accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District has no component units as defined by the Governmental Accounting Standards Board (GASB), Statement No. 14, *The Financial Reporting Entity* and GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*.

The District has no employees and all operations and administrative functions are contracted.

The District is not financially accountable for any other organization.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2012

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or 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*.

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 a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

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 collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2012

Recently Issued and Adopted Accounting Pronouncements

In May 2009, the GASB issued Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. GASB 54 required the use of new fund balance classifications and clarifies existing governmental fund type definitions. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2010. The District adopted GASB 54 in fiscal year 2011.

In June 2011, the GASB issued Statement 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*. GASB 63 provides guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and related disclosures. The statement of net assets is renamed the statement of net position and includes four components, which are, assets, deferred outflows of resources, liabilities and deferred inflows of resources. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2011. The District adopted GASB Statement 63 in fiscal year 2012.

In March 2012, the GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognize, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The statements also limits the use of the term deferred to items reported as deferred outflows of resources or deferred inflows of resources. The provisions of this Statement are effective for financial statements for periods beginning after December 15, 2012 although the District elected to early implement GASB Statement 65 in fiscal year 2012.

Recently Issued Accounting Pronouncements

In November 2010, the GASB issued Statement 61, *The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34*. GASB 61 provides additional criteria for classifying entities as component units to better assess the accountability of elected officials by ensuring that the financial reporting entity includes only organizations for which the elected officials are financially accountable or that are determined by the government to be misleading to exclude. This statement is effective for periods beginning after June 15, 2012. The District has not adopted Statement 61.

Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2012

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Budgetary Accounting

Budgets are adopted on a non-GAAP basis for the governmental funds. In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. The appropriation is at the total fund expenditures level and lapses at year end.

Assets, Liabilities and Net Position

Fair Value of Financial Instruments

The District's financial instruments include cash and cash equivalents, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2012, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and short-term investments with maturities of six months or less from the date of acquisition. Investments for the government are reported at fair value.

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2012

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District does not have any items that qualify for reporting under this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Deferred property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable using the straight-line method. Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated. During 2010 all of the District's improvements were conveyed to the Town of Parker, and no new improvements have been completed.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2012

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayers' election, in February and June. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Fund Equity

Beginning with fiscal year ending December 31, 2011, the District implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent.

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact.

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of \$924 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of \$166,130 is restricted for the payment of the debt service costs associated with the General Obligation Variable Rate Bonds (Limited Tax Convertible to Unlimited Tax) Series 2005

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2012

Assigned Fund Balance

Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

The assigned fund balance in the General Fund represents the amount appropriated for use in the budget for the year ending December 31, 2013.

Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all funds can report negative amounts.

For the classification of Governmental Fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District reports three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows or resources related to those assets.

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

Due to the implementation of GASB 65, the following discloses the restatement of net position as of the beginning of the fiscal year:

Net Assets (Position), beginning of year, as previously stated:	\$(13,812,965)
Decrease due to the change in accounting for bond issuance costs	<u>(813,720)</u>
Net Position, beginning of year, as restated	<u>\$(14,626,685)</u>

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2012

Note 2: Cash and Investments

As of December 31, 2012, cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 25,675
Cash and investments – Restricted	<u>173,203</u>
Total	\$ <u>198,878</u>

Cash and investments as of December 31, 2012 consist of the following:

Deposits with financial institutions	\$ 44,106
Investments - CSAFE	<u>154,772</u>
	\$ <u>198,878</u>

Deposits

Custodial Credit Risk

The Colorado Public Deposit Protection Act, (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The District follows state statutes for deposits. None of the District's deposits were exposed to custodial credit risk.

Investments

Credit Risk

The District investment policy requires that the District follow state statutes for investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2012

The local government investment pool Colorado Surplus Asset Fund Trust (CSAFE), is rated AAAM by Standard and Poor's. CSAFE is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds, and highest rated commercial paper. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to custodian agreements. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodians' internal records identify the investments owned by CSAFE. At December 31, 2012 the district had \$154,772 invested in CSAFE.

Custodial and Concentration of Credit Risk

None of the District's investments are subject to custodial or concentration of credit risk.

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

As of December 31, 2012, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
CSAFE	Weighted average Under 60 days	\$ <u>154,772</u>

Note 3: Long Term Debt

A description of the long-term obligations as of December 31, 2012, is as follows:

General Obligation Variable Rate Bonds (Limited Tax Convertible to Unlimited Tax), Series 2005
On May 19, 2005, the District issued \$15,830,000 of General Obligation Variable Rate Bonds (Limited Tax Convertible to Unlimited Tax) Series 2005 ("Series 2005 Bonds") for the purpose of (1) reimbursing the Developer for the costs of certain public infrastructure, including streets, storm drainage, sanitary sewer and water distribution improvements; (ii) pay capitalized interest on the bonds; (iii) fund a Reserve Fund pledged to the Letter of Credit Bank, but not as security for the Bonds; and (iv) pay the costs of issuance of the bonds. From May 19, 2005 through November 30, 2008, the bonds were remarketed annually bearing interest in an annual mode. On December 1, 2008, the bonds were remarketed bearing interest in a weekly mode. Interest is payable on the fifth business day of each month while in the Weekly Mode. The interest mode may be changed, at the option of the District, to a daily, weekly, monthly, semi-annual or fixed rate mode.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2012

The bonds are subject to a mandatory sinking fund redemption and are subject to an early redemption at the option of the District prior to maturity, without premium. The bonds are also subject to a mandatory purchase under certain circumstances and according to the terms of the Reimbursement Agreement. The 2005 Bonds are secured by Pledged Revenues including (i) the District's covenant to impose property taxes equal to the Required Mill Levy, and (ii) an irrevocable direct-pay Letter of Credit issued by U.S. Bank N.A. and a Reimbursement Agreement between the District, Capital Automotive REIT (the REIT) and U.S. Bank.

The principal amount of the bonds is comprised of an Unlimited Portion (principal amounts equal to or less than 50% of the assessed valuation of the District) and a Limited Portion (principal amounts not constituting the Unlimited Portion). The Required Mill Levy is a mill levy imposed upon all taxable property of the District each year: (i) with respect to the Unlimited Portion, in an amount sufficient to pay when due the principal, premium if any, and interest on the Unlimited Portion, including an amount sufficient to make up any deficiencies in the Reserve Fund; and (ii) with respect to the Limited Portion, in an amount sufficient to pay when due the principal, premium if any, and interest on the Limited Portion, and to make up any deficiencies in the Reserve Fund. The maximum mill levy for the Limited Portion is 50 mills less the mill levy imposed for the Unlimited Portion, both adjusted for changes in the ratio of actual value to assessed value of property within the District, from the date of approval of the Service Plan. As of December 31, 2012 the mill levy was 47 mills for debt service.

On June 24, 2009 the District entered into Second Amendment to Letter of Credit Reimbursement Agreement ("Amendment No. 2") whereby the Bank agreed to extend the Letter of Credit until November 10, 2010. In exchange for the \$10,500,000 collateral, the Bank agreed to release Capital Automotive LLC from its guaranty of the reimbursement obligation. As a condition of the extension of the Letter of Credit the District agreed to use all available funds, except for \$150,000, which was to be held in reserve, to pay for the costs associated with the execution of Amendment No. 2 (not in excess of \$150,000), and to redeem Bonds on the earliest possible date. On August 3, 2009, \$1,245,000 in Bonds were redeemed.

On December 30, 2010, the District entered into an Amended and Restated Letter of Credit Reimbursement Agreement with U.S. Bank N.A. The agreement extended the Letter of Credit to November 10, 2013. \$10,500,000 of the Series 2005 Bonds were redeemed with moneys provided by the Capital Automotive LLC, as successor to REIT ("Capital Automotive"), pursuant to an existing Credit Agreement between the District and Capital Automotive. Capital Automotive received \$10,500,000 of Subordinate General Obligation Limited Tax Refunding Bonds, Series 2010 ("Series 2010 Bonds"). The Series 2010 Bonds carry a fixed coupon rate of 7.4%, pay interest and principal annually on December 15 through 2040. The Series 2010 Bonds are secured by a required mill levy of 47.00 mills. To the extent the mill levy on the Series 2005 Bonds exceeds 47.00 mills, no payments would be due for the Series 2010 Bonds. While the remaining Series 2005 Bonds are in a variable rate mode, the District is subject to paying an annual remarketing fee of .25% on the outstanding Series 2005 Bonds.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2012

The following is an analysis of changes in long-term debt for the period ending December 31, 2012:

	Balance 1/1/2012	Additions	Deletions	Balance 12/31/2012	Current Portion
General Obligation Variable					
Rate Bonds Series 2005	\$ 4,035,000	\$ -	\$ 55,000	\$ 3,980,000	\$ 60,000
Subordinate General					
Obligation Limited Tax					
Refunding Bonds, Series 2010	<u>10,500,000</u>	<u>-</u>	<u>-</u>	<u>10,500,000</u>	<u>-</u>
	<u>\$ 14,535,000</u>	<u>\$ -</u>	<u>\$ 55,000</u>	<u>\$ 14,480,000</u>	<u>\$ 60,000</u>

The following is a summary of the annual long-term debt principal and interest requirements for the Series 2005 Bonds based on an assumed interest rate of 2.5% through November 10, 2013. The average interest rate for 2012 was .18%. After November 10, 2013 the interest rate is assumed to be 4%.

	Principal	Interest	Total
2013	60,000	99,500	159,500
2014	65,000	156,800	221,800
2015	70,000	154,200	224,200
2016	75,000	151,400	226,400
2017	80,000	148,400	228,400
2018-2022	620,000	684,000	1,304,000
2023-2027	975,000	529,200	1,504,200
2028-2032	1,355,000	305,600	1,660,600
2033-2034	680,000	41,200	721,200
	<u>\$ 3,980,000</u>	<u>\$ 2,270,300</u>	<u>\$ 6,250,300</u>

Due to the uncertainty of the timing of payments on the Series 2010 Bonds, a summary of annual principal and interest requirements is not provided.

As of December 31, 2012, the District had remaining voted debt authorization of approximately \$135,090,000. In the future, the District may issue a portion or all of the remaining authorized, but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area. The District did not budget any debt issuances for 2013.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2012

Note 4: Intergovernmental Agreements

Service Agreement

During 2004, the District and Parker Water and Sanitation District (PWSD) entered into a service agreement pursuant to which PWSD is to provide water and sanitation services to the properties within the District. The District agrees to provide necessary easements and to construct all facilities necessary for property within the District to connect to PWSD. Ownership of all water and sanitation facilities will be transferred to PWSD after completion of construction.

Note 5: Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

Note 6: Risk Management

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The Colorado Special Districts Property and Liability Pool (the Pool) is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2012

The District pays annual premiums to the Pool for auto, public officials' liability, and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

Note 7: Related Parties

Two of the three members of the Board of Directors had contractual relations with Capital Automotive and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed

Note 8: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The Government Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

- 1) long-term liabilities such as bonds payable, accrued bond interest payable, are not due and payable in the current period and, therefore, are not in the funds.

The Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

- 1) governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method on the Statement of Activities.
- 2) governmental funds report long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

SUPPLEMENTAL INFORMATION

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
DEBT SERVICE FUND

For the Year Ended December 31, 2012

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Property taxes	\$ 317,180	\$ 288,769	\$ (28,411)
Specific ownership taxes	22,203	24,303	2,100
Interest income	<u>3,000</u>	<u>(575)</u>	<u>(3,575)</u>
 Total Revenues	 <u>342,383</u>	 <u>312,497</u>	 <u>(29,886)</u>
 EXPENDITURES			
Bond interest expense - Series 2005	80,000	7,271	72,729
Bond principal - Series 2005	55,000	55,000	-
Bond interest expense - Series 2010 Sub	256,292	274,840	(18,548)
LOC fees	95,000	103,171	(8,171)
Paying agent fees/trustee fees	10,000	5,450	4,550
Remarketing Fees	9,418	10,088	(670)
Treasurers' fees	<u>4,803</u>	<u>4,317</u>	<u>486</u>
 Total Expenditures	 <u>510,513</u>	 <u>460,137</u>	 <u>50,376</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 (168,130)	 (147,640)	 20,490
 OTHER FINANCING SOURCES (USES)			
Transfers in	<u>168,130</u>	<u>168,130</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>168,130</u>	<u>168,130</u>	<u>-</u>
 NET CHANGE IN FUND BALANCE	 -	 20,490	 20,490
 FUND BALANCE:			
BEGINNING OF YEAR	<u>150,000</u>	<u>145,640</u>	<u>(4,360)</u>
END OF YEAR	<u>\$ 150,000</u>	<u>\$ 166,130</u>	<u>\$ 16,130</u>

The notes to the financial statements are an integral part of these statements.

PARKER AUTOMOTIVE METROPOLITAN DISTRICT

SUMMARY OF ASSESSED VALUATION, MILL LEVY
AND PROPERTY TAXES COLLECTED

December 31, 2012

<u>Year Ended December 31,</u>	<u>Prior Year Assessed Valuation for Current Year Property Tax Levy</u>	<u>Mills Levied</u>		<u>Total Property Tax</u>		<u>Percent Collected to Levied</u>
		<u>General Fund</u>	<u>Debt Service</u>	<u>Levied</u>	<u>Collected</u>	
2008	\$ 9,507,420	3.000	35.000	\$ 361,282	\$ 386,125	106.88%
2009	\$ 10,441,880	3.000	47.000	\$ 522,094	\$ 522,223	100.02%
2010	\$ 9,207,730	3.000	47.000	\$ 460,386	\$ 459,499	99.81%
2011	\$ 8,817,680	3.000	47.000	\$ 440,884	\$ 425,755	96.57%
2012	\$ 6,748,490	3.000	47.000	\$ 337,425	\$ 307,201	91.04%
Estimated for year ending December 31, 2013	\$ 6,599,787	3.000	47.000	\$ 329,989		

NOTE

Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.

EXHIBIT B

2013 Budget

**PARKER AUTOMOTIVE METROPOLITAN DISTRICT
2013
BUDGET MESSAGE**

Attached please find a copy of the adopted 2013 budget for the Parker Automotive Metropolitan District.

The Parker Automotive Metropolitan District has adopted two separate funds, a General Fund to provide for general operating and maintenance expenditures; and a Debt Service Fund to provide for payments on the outstanding general obligation and subordinate debt.

The District's accountants have utilized the modified accrual basis of accounting and the budget has been adopted after proper postings, publications and public hearing.

The primary source of revenue for the District in 2013 will be property taxes. In 2013, the District intends to impose a 50.000 mill levy on property within the District, of which 3.000 mills will be dedicated to the General Fund and the balance of 47.000 mills will be allocated to the Debt Service Fund.

Parker Automotive Metropolitan District
Adopted Budget
General Fund
For the Year ended December 31, 2013

	Actual <u>2011</u>	Adopted Budget <u>2012</u>	Actual <u>9/30/2012</u>	Estimate <u>2012</u>	Adopted Budget <u>2013</u>
Beginning fund balance	\$ 900	\$ 191,458	\$ 194,674	\$ 194,674	\$ 23,332
Revenues:					
Property taxes	25,545	20,245	18,414	20,245	19,799
Specific ownership taxes	1,747	2,025	1,155	1,540	1,386
Developer advance	-	-	-	-	-
Other income	190,435	100	(60)	-	100
Total revenues	<u>217,727</u>	<u>22,370</u>	<u>19,509</u>	<u>21,785</u>	<u>21,285</u>
Total funds available	<u>218,627</u>	<u>213,828</u>	<u>214,183</u>	<u>216,459</u>	<u>44,617</u>
Expenditures:					
Accounting	9,801	6,000	6,045	8,000	7,000
Audit	4,600	5,500	4,500	4,500	5,000
Election expense	-	-	-	-	-
Insurance	1,881	2,500	2,461	2,461	3,000
Legal	7,235	12,000	7,224	9,632	12,000
Miscellaneous	54	500	1	100	500
Landscape maintenance	-	3,000	-	-	3,000
Repay developer advance	-	-	-	-	-
Treasurer's fees	382	304	275	304	297
Engineering	-	-	-	-	-
Emergency reserve (3%)	-	894	-	-	924
Transfer to debt service	-	168,130	168,130	168,130	-
Contingency	-	15,000	-	-	12,896
Total expenditures	<u>23,953</u>	<u>213,828</u>	<u>188,636</u>	<u>193,127</u>	<u>44,617</u>
Ending fund balance	<u>\$ 194,674</u>	<u>\$ -</u>	<u>\$ 25,547</u>	<u>\$ 23,332</u>	<u>\$ -</u>
Assessed Valuation	<u>\$ 8,817,680</u>	<u>\$ 6,748,490</u>			<u>\$ 6,599,787</u>
Mill levy	<u>3.000</u>	<u>3.000</u>			<u>3.000</u>

Parker Automotive Metropolitan District
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2013

	Actual <u>2011</u>	Adopted Budget <u>2012</u>	Actual <u>9/30/2012</u>	Estimate <u>2012</u>	Adopted Budget <u>2013</u>
Beginning fund balance	\$ 228,781	\$ 150,000	\$ 145,641	\$ 145,641	\$ 150,000
Revenues:					
Property taxes	400,210	317,180	288,481	290,000	310,190
Specific ownership taxes	27,376	22,203	18,092	24,000	21,713
Interest income	(1,185)	3,000	(710)	(710)	1,000
Bond proceeds Series 2010 Sub Bonds	-	-	-	-	-
Miscellaneous income	20,553	-	-	-	-
Transfer from General Fund	-	168,130	168,130	168,130	-
Total revenues	<u>446,954</u>	<u>510,513</u>	<u>473,993</u>	<u>481,420</u>	<u>332,903</u>
Total funds available	<u>675,735</u>	<u>660,513</u>	<u>619,634</u>	<u>627,061</u>	<u>482,903</u>
Expenditures:					
Bond principal - Series 2005	50,000	55,000	-	55,000	60,000
Bond interest - Series 2005	8,409	80,000	5,456	20,000	59,700
Bond principal - Series 2010 Sub Bonds	-	-	-	-	-
Bond interest - Series 2010 Sub Bonds	345,000	256,292	-	274,840	93,475
Payment to refunding agent	-	-	-	-	-
Issuance costs	-	-	-	-	-
LOC Fees	104,340	95,000	77,670	103,000	95,000
Credit enhancement fee	-	-	-	-	-
Remarketing fees	10,213	9,418	-	9,418	10,075
Paying agent/trustee fees	6,150	10,000	4,475	10,000	10,000
Accounting	-	-	-	-	-
Legal expense	-	-	-	-	-
Treasurer fees	5,982	4,803	4,313	4,803	4,653
Total expenditures	<u>530,094</u>	<u>510,513</u>	<u>91,914</u>	<u>477,061</u>	<u>332,903</u>
Ending fund balance	<u>\$ 145,641</u>	<u>\$ 150,000</u>	<u>\$ 527,720</u>	<u>\$ 150,000</u>	<u>\$ 150,000</u>
Reserve Fund included above	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ 150,000</u>	<u>\$ 150,000</u>
Assessed Valuation	<u>\$ 8,817,680</u>	<u>\$ 6,748,490</u>			<u>\$ 6,599,787</u>
Mill Levy	<u>47.000</u>	<u>47.000</u>			<u>47.000</u>
Total Mill Levy	<u>50.000</u>	<u>50.000</u>			<u>50.000</u>