

BOWLES METROPOLITAN DISTRICT

Financial Statements

Year Ended December 31, 2009

with

Independent Auditors' Report

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Independent Auditor's Report

Board of Directors
Bowles Metropolitan District
Denver and Jefferson Counties, Colorado

We have audited the accompanying basic financial statements of the governmental activities and each major fund of Bowles Metropolitan District (District) as of and for the year ended December 31, 2009, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Bowles Metropolitan 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 examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 each major fund of Bowles Metropolitan District, as of December 31, 2009, and the respective changes in financial position 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.

The District has not presented the Management's Discussion and Analysis that accounting principles generally accepted in the United States has determined is necessary to supplement, although not required to be part of, the basic financial statements.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Bowles Metropolitan District's basic financial statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual for the Debt Service Fund and Capital Projects Fund as listed in the table of contents is presented for purposes of additional analysis and legal compliance and is not a required part of the basic financial statements. Such information 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 supplemental information on pages 22-27 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.

SCHILLING & COMPANY, INC.

July 23, 2010

BOWLES METROPOLITAN DISTRICT

BALANCE SHEET / STATEMENT OF NET ASSETS
GOVERNMENTAL FUNDS
December 31, 2009

	<u>General</u>	<u>Debt Service</u>	<u>Capital Project</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Assets</u>
ASSETS						
Cash and investments	\$ 977,305	\$ -	\$ 4,170	\$ 981,475	\$ -	\$ 981,475
Cash and investments - restricted	-	6,560	-	6,560	-	6,560
Property taxes receivable - current	10,702	-	-	10,702	-	10,702
Property taxes receivable - deferred	968,000	1,168,600	-	2,136,600	-	2,136,600
Investment in Joseph W. Bowles Reservoir Company	-	-	-	-	931,115	931,115
Bond cost of issuance, net of amortization	-	-	-	-	657,328	657,328
Capital assets, not being depreciated	-	-	-	-	4,905,710	4,905,710
Capital assets, being depreciated, net of depreciation	-	-	-	-	954,773	954,773
Prepaid Expenses	10,867	-	-	10,867	-	10,867
 Total Assets	 <u>\$ 1,966,874</u>	 <u>\$ 1,175,160</u>	 <u>\$ 4,170</u>	 <u>\$ 3,146,204</u>	 <u>7,448,926</u>	 <u>10,595,130</u>
 LIABILITIES						
Accounts payable	\$ 47,735	\$ -	\$ 1,226	\$ 48,961	-	48,961
Deferred property taxes	968,000	1,168,600	-	2,136,600	-	2,136,600
Accrued interest on bonds	-	-	-	-	101,389	101,389
Long-term liabilities						
Due within one year	-	-	-	-	351,331	351,331
Due in more than one year	-	-	-	-	22,888,395	22,888,395
 Total Liabilities	 <u>1,015,735</u>	 <u>1,168,600</u>	 <u>1,226</u>	 <u>2,185,561</u>	 <u>23,341,115</u>	 <u>25,526,676</u>
 FUND BALANCE/NET ASSETS						
Reserved for:						
Emergencies	37,477	-	-	37,477	(37,477)	-
Debt service	-	6,560	-	6,560	(6,560)	-
Capital projects	-	-	2,944	2,944	(2,944)	-
Designated for Subsequent Years	913,662	-	-	913,662	(913,662)	-
 Total Fund Balances	 <u>951,139</u>	 <u>6,560</u>	 <u>2,944</u>	 <u>960,643</u>	 <u>(960,643)</u>	 <u>-</u>
 Total Liabilities and Fund Balance	 <u>\$ 1,966,874</u>	 <u>\$ 1,175,160</u>	 <u>\$ 4,170</u>	 <u>\$ 3,146,204</u>		
 Invested in capital assets, net of related debt					2,904,277	2,904,277
Restricted for:						
Emergencies					37,477	37,477
Debt service					6,560	6,560
Capital projects					2,944	2,944
Unrestricted					<u>(17,882,804)</u>	<u>(17,882,804)</u>
 Total Net Assets (Deficit)					 <u>\$ (14,931,546)</u>	 <u>\$ (14,931,546)</u>

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

BOWLES METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE / STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2009

	General	Debt Service	Capital Project	Total	Adjustments	Statement of Activities
EXPENDITURES						
Accounting and audit	\$ 16,545	\$ -	\$ -	\$ 16,545	\$ -	\$ 16,545
Directors' fees	5,900	-	-	5,900	-	5,900
Insurance	8,303	-	-	8,303	-	8,303
Legal	10,766	-	-	10,766	-	10,766
Management fees	75,210	-	-	75,210	-	75,210
Office/miscellaneous expenses	4,715	-	-	4,715	-	4,715
SDA dues/conferences	3,604	-	-	3,604	-	3,604
Payroll taxes	451	-	-	451	-	451
Snow removal	10,535	-	-	10,535	-	10,535
Special/tree replacement	17,306	-	-	17,306	-	17,306
General tree maint/replacement	1,818	-	-	1,818	-	1,818
General landscape maintenance	235,980	-	-	235,980	-	235,980
Landscape maintenance-HOA	80,142	-	-	80,142	-	80,142
Open space maintenance	4,057	-	-	4,057	-	4,057
Repairs/maintenance/other	32,459	-	-	32,459	-	32,459
Repairs/maintenance-HOA	9,132	-	-	9,132	-	9,132
Special events	2,600	-	-	2,600	-	2,600
Treasurer's fees	11,827	14,278	-	26,105	-	26,105
Telephone	2,658	-	-	2,658	-	2,658
Utilities	15,059	-	-	15,059	-	15,059
Storm drainage services	153	-	-	153	-	153
Water annual rental	31,100	-	-	31,100	-	31,100
Water annual assessment	40,000	-	-	40,000	(19,500)	20,500
Engineering (water)	48,476	-	-	48,476	-	48,476
Repairs and maintenance-fence	-	-	23,450	23,450	-	23,450
Landscape maintenance	-	-	34,426	34,426	-	34,426
Capital outlay - Sunset playground	-	-	14,175	14,175	(14,175)	-
Bond principal	-	340,000	-	340,000	(340,000)	-
Bond interest expense	-	1,228,565	-	1,228,565	(991)	1,227,574
Paying agent fees	-	150	-	150	-	150
Amortize bond cost of issuance	-	-	-	-	41,883	41,883
Amortize loss on bond refunding	-	-	-	-	35,497	35,497
Amortize bond premium	-	-	-	-	(16,993)	(16,993)
Depreciation	-	-	-	-	52,425	52,425
Total Expenditures	668,796	1,582,993	72,051	2,323,840	(261,854)	2,061,986
PROGRAM REVENUES						
Conservation Trust proceeds	19,474	-	-	19,474	-	19,474
HOA Contribution/Water/Landscape	117,340	-	-	117,340	-	117,340
Sub HOA Contribution/Irrigation	4,360	-	-	4,360	-	4,360
Total Program Revenues	141,174	-	-	141,174	-	141,174
Net Program Income (Expense)	(527,622)	(1,582,993)	(72,051)	(2,182,666)	261,854	(1,920,812)
GENERAL REVENUES						
Property taxes	947,451	1,143,970	-	2,091,421	-	2,091,421
Specific ownership taxes	141,887	-	-	141,887	-	141,887
Miscellaneous income	5,475	-	-	5,475	-	5,475
Interest income	13,252	993	-	14,245	-	14,245
Total General Revenues	1,108,065	1,144,963	-	2,253,028	-	2,253,028
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	580,443	(438,030)	(72,051)	70,362	261,854	332,216
OTHER FINANCING SOURCES (USES)						
Transfers in	-	345,000	50,000	395,000	(395,000)	-
Transfers out	(395,000)	-	-	(395,000)	395,000	-
Total Other Financing Sources (Uses)	(395,000)	345,000	50,000	-	-	-
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	185,443	(93,030)	(22,051)	70,362	(70,362)	-
CHANGE IN NET ASSETS					332,216	332,216
FUND BALANCE/NET ASSETS - BEGINNING OF YEAR	765,696	99,590	24,995	890,281	(16,154,043)	(15,263,762)
FUND BALANCE/NET ASSETS - END OF YEAR	\$ 951,139	\$ 6,560	\$ 2,944	\$ 960,643	\$ (15,892,189)	\$ (14,931,546)

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

BOWLES METROPOLITAN DISTRICT

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

For the Year Ended December 31, 2009

	Original & Final		Variance
	<u>Budget</u>	<u>Actual</u>	Favorable (Unfavorable)
REVENUES			
Property taxes	\$ 947,755	\$ 947,451	\$ (304)
Specific ownership taxes	146,410	141,887	(4,523)
Conservation Trust proceeds	20,000	19,474	(526)
HOA Contribution/Water/Landscape	111,700	117,340	5,640
Sub HOA Contribution/Irrigation	5,000	4,360	(640)
Miscellaneous income	-	5,475	5,475
Interest income	<u>8,065</u>	<u>13,252</u>	<u>5,187</u>
 Total Revenues	 <u>1,238,930</u>	 <u>1,249,239</u>	 <u>10,309</u>
EXPENDITURES			
Accounting and audit	16,500	16,545	(45)
Directors' fees	6,000	5,900	100
Insurance	13,000	8,303	4,697
Legal	30,000	10,766	19,234
Management fees	61,000	75,210	(14,210)
Office/miscellaneous expenses	8,001	4,715	3,286
SDA dues/conferences	6,000	3,604	2,396
Payroll taxes	1,000	451	549
Snow removal	25,000	10,535	14,465
Special/tree replacement	-	17,306	(17,306)
General tree maint/replacement	-	1,818	(1,818)
General landscape maintenance	215,000	235,980	(20,980)
Landscape maintenance-HOA	120,000	80,142	39,858
Open space maintenance	10,500	4,057	6,443
Repairs/maintenance/other	60,000	32,459	27,541
Repairs/maintenance-HOA	7,500	9,132	(1,632)
Special events	3,000	2,600	400
Treasurer's fees	14,216	11,827	2,389
Telephone	3,500	2,658	842
Utilities	25,000	15,059	9,941
Storm drainage services	-	153	(153)
Water pump service	10,000	-	10,000
Water annual rental	65,000	31,100	33,900
Water annual assessment	45,000	40,000	5,000
Engineering (water)	40,000	48,476	(8,476)
Capital outlay	16,000	-	16,000
Contingency	267,065	-	267,065
Working Capital fund balance	350,000	-	350,000
Emergency reserve	<u>24,037</u>	<u>-</u>	<u>24,037</u>
 Total Expenditures	 <u>1,442,319</u>	 <u>668,796</u>	 <u>773,523</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 <u>(203,389)</u>	 <u>580,443</u>	 <u>783,832</u>
 OTHER FINANCING SOURCES (USES)			
Transfers out	<u>(570,000)</u>	<u>(395,000)</u>	<u>175,000</u>
 Total Other Financing Sources (Uses)	 <u>(570,000)</u>	 <u>(395,000)</u>	 <u>175,000</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES	 <u>(773,389)</u>	 <u>185,443</u>	 <u>958,832</u>
 FUND BALANCE - BEGINNING OF YEAR	 <u>773,389</u>	 <u>765,696</u>	 <u>(7,693)</u>
 FUND BALANCE - END OF YEAR	 <u>\$ -</u>	 <u>\$ 951,139</u>	 <u>\$ 951,139</u>

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

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 1: Summary of Significant Accounting Policies

The accounting policies of the Bowles Metropolitan District, located in the City of Lakewood, Jefferson County, and the City and County of Denver, Colorado, conform to the accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. 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 in 1987, as a quasi-municipal organization established under the State of Colorado Special District Act. The District was established to provide for the construction of water and sewer facilities, including storm drainage, streets and associated improvements, safety facilities, park and open space facilities and mosquito control. The District is responsible for the maintenance for certain parks and open space. All other facilities constructed by the District are conveyed to other governmental entities for perpetual maintenance. Other streetscape maintenance is to be performed by Grant Ranch Master Homeowners Association, Inc. The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

The District follows the Governmental Accounting Standards Board (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.

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 1: Summary of Significant Accounting Policies (continued)

Basis of Presentation

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

The government-wide financial statements (i.e. the balance sheet/statement of net assets and the statement of governmental fund revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. 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 net assets reports all financial and capital resources of the District. The difference between the assets and liabilities of the District is reported as net assets.

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.

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 1: Summary of Significant Accounting Policies (continued)

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. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

Property taxes associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received.

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.

Capital Projects Fund – The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of capital equipment and facilities.

As a general rule, the effect of interfund activity has been eliminated from the statements of net assets.

Budgetary Accounting

Budgets are adopted on a non-GAAP basis. 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.

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 1: Summary of Significant Accounting Policies (continued)

Assets, Liabilities and Net Assets

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, 2009, 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

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.

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.

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.

Bond Issue Costs and Original Issue Discount/Premium

Bond issue costs, original issue discounts, and bond premiums from the Series 2003 Bonds are being amortized over the respective terms of the bonds using the interest method. Accumulated amortization of bond issue costs, original issue discounts and bond premiums amounted to \$373,770 at December 31, 2009.

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 1: Summary of Significant Accounting Policies (continued)

Deferred Costs on Bond Refunding

Deferred costs on bond refunding from the Series 2003 Bonds are being amortized over the respective terms of the defeased bonds using the interest method. The amortization amount is a component of interest expense and the unamortized deferred cost is reflected as a reduction of bonds payable. The accumulated amortization amounted to \$212,984 at December 31, 2009.

Capital Assets

Capital assets, which include land, landscape & signage, park improvements and irrigation systems, 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.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Park improvements	10-30 years
Irrigation improvements	15-30 years

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.

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 1: Summary of Significant Accounting Policies (continued)

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred revenue 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.

Fund Equity

In the fund financial statements, government funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of unreserved fund balances indicate management's intention for future utilization of such funds and are subject to change by management. The District considers all unreserved fund balance to be "reserves" for future operations or capital replacements as defined by Article X, Section 20 of the Constitution of the State of Colorado (see Note 6).

Emergency Reserves have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. \$ 37,477 of the General Fund balance has been reserved in compliance with this requirement.

The reserved fund balance in the Debt Service Fund in the amount of \$6,560 is reserved for the payment of the debt service costs associated with the outstanding bonds (see Note 3).

The reserved fund balance in the Capital Projects Fund in the amount of \$2,944 is reserved for capital improvements within the District.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as needed.

Note 2: Cash and Investments

As of December 31, 2009, cash and investments are classified in the accompanying financial statements as follows:

Statement of net assets:	
Cash and investments	\$ 981,475
Cash and investments – Restricted	<u>6,560</u>
Total	<u>\$ 988,035</u>

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 2: Cash and Investments (continued)

Cash and investments as of December 31, 2009 consist of the following:

Deposits with financial institutions	\$ 695,803
Investments - COLOTRUST	<u>292,232</u>
	<u>\$ 988,035</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 102% of 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.

At December 31, 2009, the District's cash deposits had a bank balance and a corresponding carrying balance of \$695,803.

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

Investments

Credit Risk

The District has not adopted a formal investment policy; however the District follows state statutes regarding 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.

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 2: Cash and Investments (continued)

The local government investment pool, Colorado Local Government Liquid Asset Trust (COLOTRUST) is rated AAAM by Standard & Poor's. COLOTRUST is an investment trust/joint ventures established for local government entities in Colorado to pool surplus funds. The trusts operate similarly to a money market fund with each share maintaining a value of \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both investments consist of U.S. Treasury bills and notes and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. Designated custodian banks provide safekeeping and depository services to the trusts. Substantially all securities owned by the trusts are held by the Federal Reserve Bank in the accounts maintained for the custodian banks. The custodians' internal records identify the investments owned by COLOTRUST. At December 31, 2009, the District had \$292,232 invested in COLOTRUST.

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, 2009, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Fair Value</u>
COLOTRUST	Weighted average Under 60 days	<u>\$ 292,232</u>

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 3: Long Term Debt

A description of the long-term obligations as of December 31, 2009, is as follows:

\$25,330,000 General Obligation Refunding Bonds, Series 2003

The District issued \$25,330,000 of General Obligation Refunding Bonds, Series 2003, dated September 1, 2003. The bonds bear interest at rates which vary from 2.00% to 5.00%. The bonds consist of serial bonds issued in the amount of \$3,520,000 due annually through 2013 and term bonds issued in the original amount of \$2,940,000 due December 1, 2018, \$4,300,000 due December 1, 2023, \$6,125,000 due December 1, 2028 and \$8,445,000 due December 1, 2033. All bonds maturing on or before December 1, 2013 are not subject to redemption prior to their maturities. Bonds maturing on or after December 1, 2014 are subject to redemption prior to their maturities at the option of the District, on December 1, 2013 and on any date thereafter. Term bonds maturing are subject to mandatory sinking fund redemption beginning five years from the date of maturity. The bonds' principal and interest are insured as to repayment by Financial Security Assurance, Inc.

The following is an analysis of changes in long-term debt for the period ending December 31, 2009:

	<u>Balance</u> <u>01-01-09</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12-31-09</u>	<u>Current</u> <u>Portion</u>
General Obligation Bonds - Series 2003	\$ 23,810,000	\$ -	\$ 340,000	\$ 23,470,000	\$ 370,000
Total long-term debt	23,810,000	<u>\$ -</u>	<u>\$ 340,000</u>	23,470,000	370,000
Plus bond premium	283,684			266,691	16,828
Less deferred cost on refunding	(532,462)			(496,965)	(35,497)
Less current portion	<u>(321,496)</u>			<u>(351,331)</u>	<u>-</u>
	<u>\$ 23,239,726</u>			<u>\$ 22,888,395</u>	<u>\$ 351,331</u>

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 3: Long-Term Debt (continued)

The following is a summary of the annual long-term debt principal and interest requirements.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 370,000	\$ 1,216,665	\$ 1,586,665
2011	400,000	1,202,790	1,602,790
2012	430,000	1,188,390	1,618,390
2013	460,000	1,172,050	1,632,050
2014	495,000	1,153,650	1,648,650
2015 - 2019	3,185,000	5,319,706	8,504,706
2020 - 2024	4,625,000	4,303,000	8,928,000
2025 - 2029	6,550,000	2,830,375	9,380,375
2030 - 2033	<u>6,955,000</u>	<u>895,250</u>	<u>7,850,250</u>
	<u>\$ 23,470,000</u>	<u>\$ 19,281,876</u>	<u>\$ 42,751,876</u>

Debt Authorization

As of December 31, 2009, the District had no remaining authorized but unissued debt.

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 4: Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2009 follows:

<u>Governmental Type Activities:</u>	<u>Balance</u> <u>01-01-09</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12-31-09</u>
<u>Capital assets not being depreciated:</u>				
Land and easements	\$ 269,543	\$ -	\$ -	\$ 269,543
Landscaping	<u>4,636,167</u>	<u>-</u>	<u>-</u>	<u>4,636,167</u>
Total capital assets not being depreciated:	<u>4,905,710</u>	<u>-</u>	<u>-</u>	<u>4,905,710</u>
<u>Capital assets being depreciated:</u>				
Park improvements	670,540	14,175	-	684,715
Irrigation systems	<u>713,454</u>	<u>-</u>	<u>-</u>	<u>713,454</u>
Total capital assets, being depreciated:	1,383,994	14,175	-	1,398,169
Less accumulated depreciation for:				
Park improvements	161,504	28,033	-	189,537
Irrigation systems	<u>229,467</u>	<u>24,392</u>	<u>-</u>	<u>253,859</u>
Total accumulated depreciation	<u>390,971</u>	<u>52,425</u>	<u>-</u>	<u>443,396</u>
Net capital assets being depreciated:	<u>993,023</u>	<u>(38,250)</u>	<u>-</u>	<u>954,773</u>
Government type assets, net	<u>\$ 5,898,733</u>	<u>\$ (38,250)</u>	<u>\$ -</u>	<u>\$ 5,860,483</u>

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 5: Agreements

Grant Water and Sanitation District

The District has an intergovernmental agreement (IGA) dated April 14, 1994, with Grant Water and Sanitation District (Grant) which provides for the sharing of costs of certain sized water and sewer lines as well as under drains and storm drainage facilities. The District is located wholly within the service area boundaries of Grant. Pursuant to an amendment to the IGA dated April 14, 1997, Grant and the District clarified the improvements to be constructed by each party and agreed that each party will construct its improvements at its sole cost and expense.

Irrigation Agreements

The District entered into an agreement in 1997 with Grant Ranch Master Homeowners Association, Inc. (Association). The District has agreed to provide irrigation water for certain sites and common elements within the Association. The Association agreed to make payments to the District for water used at the then-current rate of the Denver Water Board for Master Meter Users. Irrigation income of \$30,000 was received by the District in 2009.

The District has entered into irrigation agreements with Belvedere Association, Inc., Heron Shores Sub-Homeowners Association, Inc., Dorado Green Sub-Homeowners Association, Inc. and Belmont Shores Sub-Homeowners Association, Inc., collectively called the Sub Associations. The Sub Associations agree to make payments to the District for water usage equal to the Denver Water Board's Master Meter Rate. Irrigation income of \$4,360 was received by the District in 2009 under the agreements.

Maintenance Agreement

On December 11, 2001, the District entered into a maintenance agreement with the Grant Ranch Master Homeowners Association, Inc. (Association). The District is to coordinate, administer and perform certain maintenance operations and snow removal for the Association. The amount paid by the District in 2009 for maintenance and snow removal was reimbursed by the Association.

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 5: Agreements (continued)

Storm Water Agreement

The District has entered into an agreement with the Town of Bow Mar, Bow Mar Owners, Inc., Lower Bowles Company, The Joseph W. Bowles Reservoir Company and RSRF Ranch Company, LLC. The agreement allows the District to discharge storm water onto property of the Town of Bow Mar and Bow Mar Owners, Inc., and ultimately in reservoirs owned by the Lower Bowles Company and The Joseph W. Bowles Reservoir Company. The District is responsible for the maintenance and operation of the storm water discharge system and associated storm water quality and quantity. If the quality of the storm water discharging from the water quality control facility fails to meet defined performance standards, the District is obligated to take corrective action and may be liable for damages. Due to changing water quality standards, the District's costs of operations of these facilities could increase substantially in future years.

Capital Stock

At December 31, 2009, the District owned 45 shares of capital stock (shares) in The Joseph W. Bowles Reservoir Company (Company). During 2005, the District purchased 5 of these shares of stock under a water-lease purchase agreement dated July 26, 2002. At December 31, 2009, there are no remaining purchase options under the agreement. The District's interest includes beneficial rights, title and interest in all water, water rights, reservoirs, reservoir rights, storage, storage rights and all other rights represented by the shares.

The District pays operating and capital assessments as determined necessary by the Company based on the shares owned at the time of the assessments. During 2009, the District paid operating and capital assessments to the Company in the amounts of \$20,500 and \$19,500 respectively.

Water Lease

In 1997, the District entered into a water lease agreement with Grant Properties I, Ltd (GPI) to lease 35 shares of water in The Joseph W. Bowles Reservoir Company. The lease agreement provides for the leasing of water for the District's irrigation purposes. The agreement extends through April 2017. The District is to pay \$740 per share increasing 4% annually and compounding plus assessments per year. The District has an option to purchase all or any of the shares leased from GPI anytime between March 1, 2017 and April 1, 2017, or in conjunction with a complete refunding of the District's general obligation bonds. The option purchase price per share is \$20,000 and increases 4% annually compounding. The District paid \$41,467 to GPI under the lease for the period from October 1, 2009 through September 30, 2010 which is approximately \$1,185 per share leased.

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 6: 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 of 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.

On May 7, 1996, the District's electors authorized the District to retain and spend all revenue derived from its infrastructure fees in 1995 and all subsequent years up to a maximum of \$4,000,000 along with any investment earnings thereon. Additionally, the electors authorized the District to retain and spend all revenue derived from its ad valorem property tax mill levy including specific ownership tax revenue and any investment earnings thereon in 1996 and all subsequent years without limitations under TABOR and any spending limitations that might otherwise apply.

Note 7: 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 District is a member of the Colorado Special District's Property and Liability pool as of December 31, 2009. 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.

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 7: Risk Management (continued)

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 8: Interfund and Operating Transfers

The transfer of \$50,000 from the General Fund to Capital Fund was to transfer funds for the purpose of assisting with the costs of the Sunset recreational facilities and fence. The transfer of \$345,000 from the General Fund to the Debt Service fund was to assist the in the repayment of principal and interest on the general obligation bonds.

Note 9: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

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

- 1) capital improvements used in government activities are not financial resources and, therefore are not reported in the funds;
- 2) long-term liabilities such as bonds payable and accrued bond interest payable, are not due and payable in the current period and, therefore, are not in the funds;
- 3) bond issuance costs are reported as deferred charges and amortized over the term of the related debt in the government-wide financial statements; and,
- 4) capital stock purchases and ongoing capital assessments are not financial resources and, therefore are not reported in the funds.

BOWLES METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2009

Note 9: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

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 capital outlays as expenditures, however, in the statement of activities, the costs of those assets are held as construction in progress pending transfer to other governmental entities or depreciated over their useful lives;
- 2) governmental funds report bond issuance costs and deferred charges on refunding as expenditures, however, in the statement of activities, these costs are amortized over the term of the related debt;
- 3) 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;
- 4) governmental funds report bond principal payments as expenditures, however, in the government-wide financial statements, these are reported as changes in long-term bonds payable;
- 5) governmental funds report bond premiums as income, however, in the statement of activities, the bond premium is amortized over the term of the related debt; and,
- 6) governmental funds report capital stock purchases and assessments as expenditures, however, in the government-wide financial statements, these costs are not reflected on the statement of activities and are recorded as assets on the statement of net assets.

SUPPLEMENTAL INFORMATION

BOWLES METROPOLITAN DISTRICT

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

For the Year Ended December 31, 2009

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Property taxes	\$ 1,144,188	\$ 1,143,970	\$ (218)
Interest income	<u>69</u>	<u>993</u>	<u>924</u>
 Total Revenues	 <u>1,144,257</u>	 <u>1,144,963</u>	 <u>706</u>
 EXPENDITURES			
Bond principal	340,000	340,000	-
Bond interest expense	1,228,565	1,228,565	-
Paying agent fees	501	150	351
Treasurer's fees	<u>17,163</u>	<u>14,278</u>	<u>2,885</u>
 Total Expenditures	 <u>1,586,229</u>	 <u>1,582,993</u>	 <u>3,236</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	 <u>(441,972)</u>	 <u>(438,030)</u>	 <u>3,942</u>
 OTHER FINANCING SOURCES			
Transfers in	<u>450,000</u>	<u>345,000</u>	<u>(105,000)</u>
 Total Other Financing Sources	 <u>450,000</u>	 <u>345,000</u>	 <u>(105,000)</u>
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES	 8,028	 (93,030)	 (101,058)
 FUND BALANCE - BEGINNING OF YEAR	 <u>103,737</u>	 <u>99,590</u>	 <u>(4,147)</u>
 FUND BALANCE - END OF YEAR	 <u>\$ 111,765</u>	 <u>\$ 6,560</u>	 <u>\$ (105,205)</u>

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

BOWLES METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND

For the Year Ended December 31, 2009

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Interest income	\$ -	\$ -	\$ -
 Total Revenues	-	-	-
 EXPENDITURES			
Water shares	100,000	-	100,000
Repairs and maintenance-fence	-	23,450	(23,450)
Landscape maintenance	20,000	34,426	(14,426)
Capital outlay - Sunset playground	-	14,175	(14,175)
Contingency	17,242	-	17,242
 Total Expenditures	137,242	72,051	65,191
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(137,242)	(72,051)	65,191
 OTHER FINANCING SOURCES			
Transfers in	120,000	50,000	(70,000)
 Total Other Financing Sources	120,000	50,000	(70,000)
 EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER FINANCING SOURCES	(17,242)	(22,051)	(4,809)
 FUND BALANCE - BEGINNING OF YEAR	17,242	24,995	7,753
 FUND BALANCE - END OF YEAR	\$ -	\$ 2,944	\$ 2,944

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

BOWLES METROPOLITAN DISTRICT

FIVE YEAR SUMMARY OF ASSESSED VALUATION, MILL LEVY AND PROPERTY TAXES COLLECTED

December 31, 2009

(UNAUDITED)

<u>Year Ended December 31,</u>	Prior Year Assessed Valuation for Current Year Property Tax Levy	<u>Mills Levied</u>	<u>Total Property Tax</u>		Percent Collected to Levied
			<u>Levied</u>	<u>Collected</u>	
2005	\$ 47,240,700	40.000	\$ 1,889,628	\$ 1,889,664	100.00%
2006	\$ 48,245,040	40.000	\$ 1,929,800	\$ 1,938,800	100.47%
2007	\$ 49,827,590	40.000	\$ 1,993,104	\$ 1,992,956	99.99%
2008	\$ 52,617,120	40.000	\$ 2,104,685	\$ 2,086,521	99.14%
2009	\$ 52,298,570	40.000	\$ 2,091,943	\$ 2,091,421	99.98%
Estimated for year ending December 31, 2010	\$ 53,415,880	40.000	\$ 2,136,635		

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.

BOWLES METROPOLITAN DISTRICT

SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

December 31, 2009

(UNAUDITED)

\$25,330,000 General Obligation Refunding Bonds

Series 2003

Interest Rates from 2.00% to 5.00%

Interest Payable June 1 and December 1

Principal Due December 1

<u>Year Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 370,000	\$ 1,216,665	\$ 1,586,665
2011	400,000	1,202,790	1,602,790
2012	430,000	1,188,390	1,618,390
2013	460,000	1,172,050	1,632,050
2014	495,000	1,153,650	1,648,650
2015	540,000	1,127,044	1,667,044
2016	585,000	1,098,018	1,683,018
2017	635,000	1,066,575	1,701,575
2018	685,000	1,032,444	1,717,444
2019	740,000	995,625	1,735,625
2020	795,000	954,925	1,749,925
2021	855,000	911,200	1,766,200
2022	920,000	864,175	1,784,175
2023	990,000	813,575	1,803,575
2024	1,065,000	759,125	1,824,125
2025	1,140,000	700,550	1,840,550
2026	1,220,000	637,850	1,857,850
2027	1,305,000	570,750	1,875,750
2028	1,395,000	498,975	1,893,975
2029	1,490,000	422,250	1,912,250
2030	1,585,000	347,750	1,932,750
2031	1,685,000	268,500	1,953,500
2032	1,790,000	184,250	1,974,250
2033	<u>1,895,000</u>	<u>94,750</u>	<u>1,989,750</u>
	<u>\$ 23,470,000</u>	<u>\$ 19,281,876</u>	<u>\$ 42,751,876</u>

TABLE 1
BOWLES METROPOLITAN DISTRICT
ESTIMATED OVERLAPPING GENERAL OBLIGATION DEBT
Year ended December 31, 2009
(UNAUDITED)

Overlapping Entity	2009 Assessed Valuation	Outstanding General Obligation Debt	Net Outstanding General Obligation Debt Chargeable to Properties Within the District	
			Percent	Amount
a. City and County of Denver	\$ 12,012,342,720	\$ 616,209,000	0.23%	1,409,018.74
b. City and County of Denver School District No. 1*	10,186,126,917	649,436,354	0.27%	1,751,233.10
c. Jefferson County School District R-1	7,506,738,901	585,395,736	0.35%	2,023,537.88
d. West Metro Fire Protection District *	3,101,151,380	41,305,000	0.35%	145,792.07
				5,329,581.79

*Balance of General Obligation Debt as of June 2008. 2009 not available.

TABLE 2
BOWLES METROPOLITAN DISTRICT
TEN LARGEST TAXPAYERS WITHIN THE DISTRICT
Year Ended December 31, 2009
(UNAUDITED)

Name/Business (Jefferson County)	Assessed Valuation	% of 2009 Total District Assessed Valuation (1)
CUSA Community Center	\$ 3,859,250	7.22%
Hollander Family, LLC	363,600	0.68%
Individual property owner	217,470	0.41%
Individual property owner	135,710	0.25%
Individual property owner	107,840	0.20%
Individual property owner	107,460	0.20%
Camden Lakeway Apartments	98,320	0.18%
Individual property owner	95,680	0.18%
Individual property owner	94,640	0.18%
Individual property owner	89,030	0.17%
	\$ 5,169,000	9.68%

(1) Based on 2009 certified assessed valuation of the District of \$ 53,415,880

TABLE 3
BOWLES METROPOLITAN DISTRICT
TAX LEVIES APPLICABLE TO TYPICAL PROPERTIES
LOCATED IN THE DISTRICT
Year ended December 31, 2009
(UNAUDITED)

FOR PROPERTIES IN DENVER

Bowles Metropolitan District	40.000
City and County of Denver School District No. 1	39.262
City and County of Denver	25.310
Urban Drainage and Flood Control District	0.569
Grant Water and Sanitation District	0.000
	105.141
	105.141

FOR PROPERTIES IN LAKEWOOD

Bowles Metropolitan District	40.000
Jefferson County School District No. R-1	48.145
Jefferson County	24.346
West Metro Fire District	13.662
Urban Drainage and Flood Control District	0.508
Urban Drainage and Flood Control District - South Platte	0.061
Grant Water and Sanitation District	0.000
City of Lakewood	4.711
	131.433
	131.433

FOR PROPERTIES IN UNINCORPORATED JEFFERSON COUNTY

Bowles Metropolitan District	40.000
Jefferson County School District No. R-1	48.145
Jefferson County	24.346
Jefferson County law Enforcement Authority	3.200
Littleton Fire Protection District	7.678
Urban Drainage and Flood Control District	0.508
Urban Drainage and Flood Control District - South Platte	0.061
Grant Water and Sanitation District	0.000
	123.938
	123.938

TABLE 4
BOWLES METROPOLITAN DISTRICT
ASSESSED VALUATION OF CLASSES OF
PROPERTY IN THE DISTRICT
Year ended December 31, 2009
(UNAUDITED)

<u>Class</u>	<u>Denver</u> <u>County (1)</u>	<u>Unincorporated</u> <u>Jefferson County</u>	<u>City of</u> <u>Lakewood</u>	<u>Total</u>	<u>% of Total</u> <u>Assessed</u> <u>Valuation</u>
Residential	26,822,230	14,533,797	10,603,943	51,959,970	97.27%
Commercial	-	278,266	203,024	481,290	0.90%
Vacant	-	-	-	-	0.00%
Public Utilities (State Assessed)	645,100	190,517	139,003	974,620	1.82%
Industrial	-	-	-	-	0.00%
Agricultural	-	-	-	-	0.00%
Natural Resources	-	-	-	-	0.00%
Personal Property	-	-	-	-	0.00%
Total	<u>27,467,330</u>	<u>15,002,580</u>	<u>10,945,970</u>	<u>53,415,880</u>	<u>100.00%</u>

(1) Personal property assessed valuation was not available. However, as there is no Commercial real property assessed valuation in this county, personal property assessed valuations believed to be immaterial.