

2012 PROPOSED BUDGET SUMMARY OF FUNDS

General Fund:

The General Fund is the major operating fund of the Town and is used to account for all financial activities that are not required to be accounted for in another fund. The Board has reserved \$137,635.07 for future paving needs. This reserve is funded by the Specific Ownership taxes collected in the Debt Service Fund and transferred to the General Fund.

In addition, the Board has reserved an additional \$142,000.00 for future debt reduction. These funds can be used to call bonds in December, 2012.

Open Space Fund:

This fund was created to account for sales tax revenues generated from the Arapahoe County Open Space ballot measure (Resolution No. 030381). The Town receives a shareback of the tax revenues collected. These funds may be used to acquire real property and easements, and to improve, restore, and protect open space. The funds also allow for environmental education programs.

Conservation Trust Fund:

The Colorado Revised Statutes require the establishment of this fund if a local government desires to receive state allocations of funds for the acquisition, development and maintenance of park and open space properties. The Colorado Lottery is the primary revenue source of this fund.

Debt Service Fund:

This fund was established for the collection of property taxes used to pay debt service on bonds issued to pave the Town streets and construct drainage improvements. The bonds were issued in 2003 in the principal amount of \$3,000,000. Bonds due through December 1, 2012 are not subject to prior redemption. However, on December 1, 2012, the Town can call bonds with maturity dates of December 1, 2013 or later. The amount outstanding on the bonds at the end of 2011 will be \$1,410,000.

Special Improvement District Fund:

This fund was established for the collection of assessments and payment of debt service on the bonds that financed the construction of water improvements for the Town. The bonds were issued in 2001, with the first principal payment due in 2002. The amount outstanding on the bonds at the end of 2011 will be \$125,000 with the final payment due 2015.

Metro District Fund:

The Town entered into an Enhanced Sales Tax Incentive Agreement (ESTIP) with the Foxfield Metropolitan District No. 1 in 2006. The Town reimburses the District 50% of the "Enhanced Sales Taxes" collected from the included properties. The Metro District Fund is used to hold and track the collection and transfer of these funds.

General Obligation Special Revenue Bonds Series 2006

On October 23, 2006, the District issued \$1,625,000 of General Obligation Special Revenue Bonds Series 2006 dated October 23, 2006 for the purpose of paying for the cost of acquisition, construction, and completion of public infrastructure improvements, and to pay capitalized interest on the bonds and the cost of issuance of the bonds. The bonds bear interest at the rate of 5.25% per annum, payable semiannually on each June 1 and December 1, commencing on December 1, 2006. The bonds are subject to a mandatory sinking fund redemption commencing on December 1, 2010. The Bonds are subject to an early redemption at the option of the District commencing December 1, 2016, and on date thereafter upon payment of par and accrued interest without a redemption premium. The Bonds are secured by revenues derived by the District from the collection of a mill levy

sufficient to pay the principal and interest on the Bonds and, if necessary, making deposits to maintain the reserve fund of the Bonds in the amount required. The Bonds are also secured by amounts due to the District under a sales tax agreement with the Town of Foxfield.

At the end of 2010, the District had \$548,443 reserved for debt service.