

South Suburban Park & Recreation District

Comprehensive Annual Financial Report

For the year ended December 31, 2012



South Suburban
PARKS AND RECREATION

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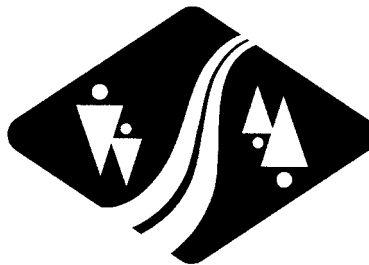
Arapahoe, Douglas and
Jefferson Counties, Colorado

SOUTH SUBURBAN PARK AND RECREATION DISTRICT

Arapahoe, Douglas and Jefferson Counties, Colorado

COMPREHENSIVE ANNUAL FINANCIAL REPORT

**For the Year Ended
December 31, 2012**



**South Suburban
PARKS AND RECREATION**

Prepared by the Department of Finance

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April 11, 2013

The Board of Directors, and Citizens of
South Suburban Park and Recreation District,
Arapahoe, Douglas and Jefferson Counties, Colorado

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Board of Directors
John K. Ostermiller, Chair

Susan M. Rosser
Pamela M. Eller
Michael T. Anderson
Scott A. LaBrash

Executive Director
David A. Lorenz

INTRODUCTION

The Comprehensive Annual Financial Report (CAFR) of the South Suburban Park and Recreation District (District) for the year ended December 31, 2012, is submitted herewith. This report has been prepared by the District's Finance Department. District management is responsible for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the District as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain maximum understanding of the District's financial affairs have been included.

Generally Accepted Accounting Principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter is designed to complement MD&A and should be read in conjunction with it. The South Suburban Park and Recreation District's MD&A can be found immediately following the report of the independent auditors.

REPORTING ENTITY

The report encompasses all funds and legally separate component units.

The District's boundary encompasses approximately 49 square miles and operates and maintains 1,461 acres of developed parks, 2,021 acres of natural areas, 84 miles of trails, and 492 acres of special facilities. Undeveloped land totals 341 acres. District facilities include two 18-hole golf courses, an 18-hole executive golf course, a 9-hole par 3 course, a 9-hole executive golf course, an air structure (sports dome) housing a multipurpose athletic field, a two-tiered 60-station (30 heated) driving range, a nature center, four outdoor and three indoor swimming pools, a 36-hole

miniature golf course, an 18-hole miniature golf course, a 9-station batting cage facility, a BMX track, 59 playgrounds, two inline hockey rinks, 4 skate parks, 2 spray grounds, 49 outdoor tennis courts at 18 locations (20 lighted), a six court indoor tennis facility, four recreation centers, an entertainment arcade, two ice arenas totaling four sheets of ice, 94 (7 lighted) baseball/softball fields, (including one with artificial turf), over 115 multi-purpose fields, (including five with artificial turf), two maintenance service centers, and a general administration office building.

The District has an entity that is fiscally dependent on the District. The King C. Hudson and Evelyn Leigh Hudson Foundation (Hudson Gardens) is a component unit discretely reported in a separate column in the combined basic financial statements to emphasize that it is legally separate from the District and to differentiate its financial position and results of operations from those of the District. Hudson Gardens was incorporated in 1986 for the purpose of preserving, maintaining, and enhancing the natural beauty of approximately 30 acres of land. Hudson Gardens, which opened in 1996, operates separate display gardens, an event center, which hosts programs on educational and cultural activities, numerous weddings and a weekly summer concert series. The land, including certain permanent structures on which Hudson Gardens operates, was purchased by the District in 1998.

ECONOMIC CONDITION AND OUTLOOK

The District is located toward the southern edge of the Denver metropolitan area, eight miles south of downtown Denver, and its economy reflects the general economic conditions of the area. The Denver Metro population is estimated to be over 2.4 million people, while the District's population is around 140,000. A number of economic indicators point toward a slight improvement in the local economy. The metro area unemployment rate as of August 2012 was 8.2% compared to 8.7% in August of 2011. As of August 2012, the unemployment rate in Arapahoe, Douglas, and Jefferson counties was 7.7, 6.3, and 7.4 respectively. The average number of weekly unemployment claims in the Denver Metro Area was 3.9% lower when comparing July 2012 to July 2011. The consumer price index increased 1.8% from the first half of 2011 to the first half of 2012 in the Denver-Boulder-Greeley metropolitan areas. Total Denver Metro Area retail sales through the first half of 2012 were 7.3% higher than the same period in 2011. The median Denver-area previously owned single-family home price was up 12% through the 2nd quarter of 2012. However, the number of foreclosure filings was up 5.8% for the first 7 months in 2012 compared to the same period in 2011. The July 2012 updated economic forecast for Colorado anticipates adding as many as 35,000 jobs in 2012, which is up 12,000 from the original forecast for 2012.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

David A. Lorenz Regional Park Improvements: As part of a multi-year master plan development, a new 2-acre multi-purpose synthetic surface play field was installed. The

synthetic surface allows more play year round as the turf doesn't wear out or get muddy in poor weather conditions. The project included the field, major drainage improvements and a parking lot. The project was funded through a partnership with Great Outdoors Colorado.

deKoevend Park Restroom, Shelter and Ballfield Improvements: Removal of a 25-year old vault toilet and replacement with a new state-of-the art flush restroom, removal and replacement of a worn-out steel picnic shelter, dugout, backstop and infield mix replacement. The project was funded through a partnership with the City of Centennial, and Great Outdoors Colorado.

South Suburban Ice Arena Roof Replacement: A leaking roof (1.1 acres) was replaced at the District's premier ice arena facility. The project included existing roof tear-off repair of the substrate and replacement of the roof with a hot-applied modified roofing system.

Ohlson Property Land Acquisition: Purchase of a 6.8 acre parcel of land directly adjacent to the High Line Canal Trail for use as a park, trail or open space in Douglas County. The project was funded through a partnership with the City of Littleton.

Cook Creek Tennis Courts, Bridge and Open Space: Development of two post-tension concrete tennis courts, a 106' span pedestrian bridge, landscape, picnic shelter and a trail connection to Willow Creek Trail. The project was funded through a partnership with the City of Lone Tree.

Holly Pool Bathhouse Renovations: Improvements were made to the existing locker rooms including ADA access, finishes, and fixtures. Two family locker rooms were added and improvements to the interior and exterior of the concessions building and outdoor trellis were made. The project was funded through a partnership with the City of Centennial.

Sheridan Community Park Improvements: Upgrades to the Sheridan High School multi-purpose field were made including a batting cage, dugout and backstop fencing, player's benches, new lighting and infield mix. Trail replacement and irrigation renovations were also made throughout the park. The project was funded through a partnership with Arapahoe County Open Space.

Arapahoe Park Improvements: The project included removal of a 25-year old vault toilet and replacement with a new state-of-the art flush restroom, removal and repainting and concrete in a worn-out steel picnic shelter, dugout, backstop and infield mix replacement. The project was funded through a partnership with the City of Centennial.

South Suburban Golf Clubhouse Restrooms: The existing 39-year old restrooms were completely re-designed and rebuilt to function more efficiently. Fixtures and finishes were upgraded to replace worn out plumbing, partition, mirrors, tile, and make ADA accessible.

South Suburban Golf Course Par 3 Bridges: On holes #2 and #9 the temporary creek crossing were replaced with new 65' and 75' long self-weathering steel pedestrian span bridges. The bridges allow golfers improved access on the par 3 course.

South Suburban Golf Course Half-way Restroom Remodel: The existing half-way restroom on hole #5 was completely remodeled to provide ADA access, new fixtures and finishes and storm shelter for golfers.

Cornerstone Skatepark Improvements: Five new steel ramps were installed to replace 15-year old deteriorating wood ramps. Four new concrete picnic tables and four new concrete benches were installed to give the skaters and bike riders a place to rest. The project was funded through a partnership with Arapahoe County Open Space.

Murray Open Space Bridge: A new bridge was installed to connect the Murray Open Space to the Big Dry Creek Trail. The project was funded through a partnership with the City of Littleton.

ACCOUNTING SYSTEM AND BUDGETARY CONTROLS

The accounting policies of the District are based on generally accepted accounting principles (GAAP) applicable to governmental units. The District's accounting system is an integrated financial management system organized and operated on a fund basis. Each fund is a distinct and self-balancing accounting entity.

The District's Finance Department is responsible for establishing and maintaining an internal control structure to ensure that the assets of the government are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived and that the valuation of costs and benefits requires estimates and judgments by management.

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The appropriation can only be modified upon completion of notification and publication requirements. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The District maintains budgetary controls by not permitting expenditures to exceed appropriations.

Financial Policies. Detailed descriptions of the District's accounting policies are contained in Note 2 of the Financial Statements of this report. These policies describe the basis of the accounting, funds and accounts used, valuation policies for inventories and investments, capital assets and other significant accounting information.

The District maintains a number of budgetary controls. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved

by the District Board of Directors. Activities of all funds are included in the annual appropriated budget.

OTHER INFORMATION

Independent Audit. State Statute requires an annual audit by an independent certified public accountant. Auditing Standards Generally Accepted in the United States of America were used by the auditors in conducting the engagement. The firm of John Cutler & Associates LLC was selected by the District Board of Directors to audit the 2012 financial statements. Their report is included.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a **Certificate of Achievement for Excellence in Financial Reporting** to South Suburban Park and Recreation District for its comprehensive annual financial report for the fiscal year ended December 31, 2011. This was the eleventh consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The District was also awarded the **Distinguished Budget Presentation Award** for the budget beginning January 1, 2012 from the Government Finance Officers Association of the United States and Canada (GFOA). In order to qualify for the Distinguished Budget Presentation Award, the District's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device. This is the third consecutive year the District has achieved this prestigious award.

Acknowledgments. These financial statements could not have been prepared without the dedication and effective help of the entire staff of the Finance Department. We would also like to thank the District's staff and the District Board of Directors for their interest and support in planning and conducting the financial operations of the District in a responsible and progressive manner.

Respectfully submitted,

David A. Lorenz
Executive Director

Steven R. Shipley, CPA
Manager of Finance

***Principal Officials of the
South Suburban Parks and Recreation District***
Arapahoe, Douglas and Jefferson Counties, Colorado

Board of Directors

Chairman and President John K Ostermiller
Vice Chairman Susan M Rosser
Secretary Pamela M Eller
Treasurer Michael T Anderson
Assistant Secretary and Assistant Treasurer..... Scott A. LaBrash

District Officials

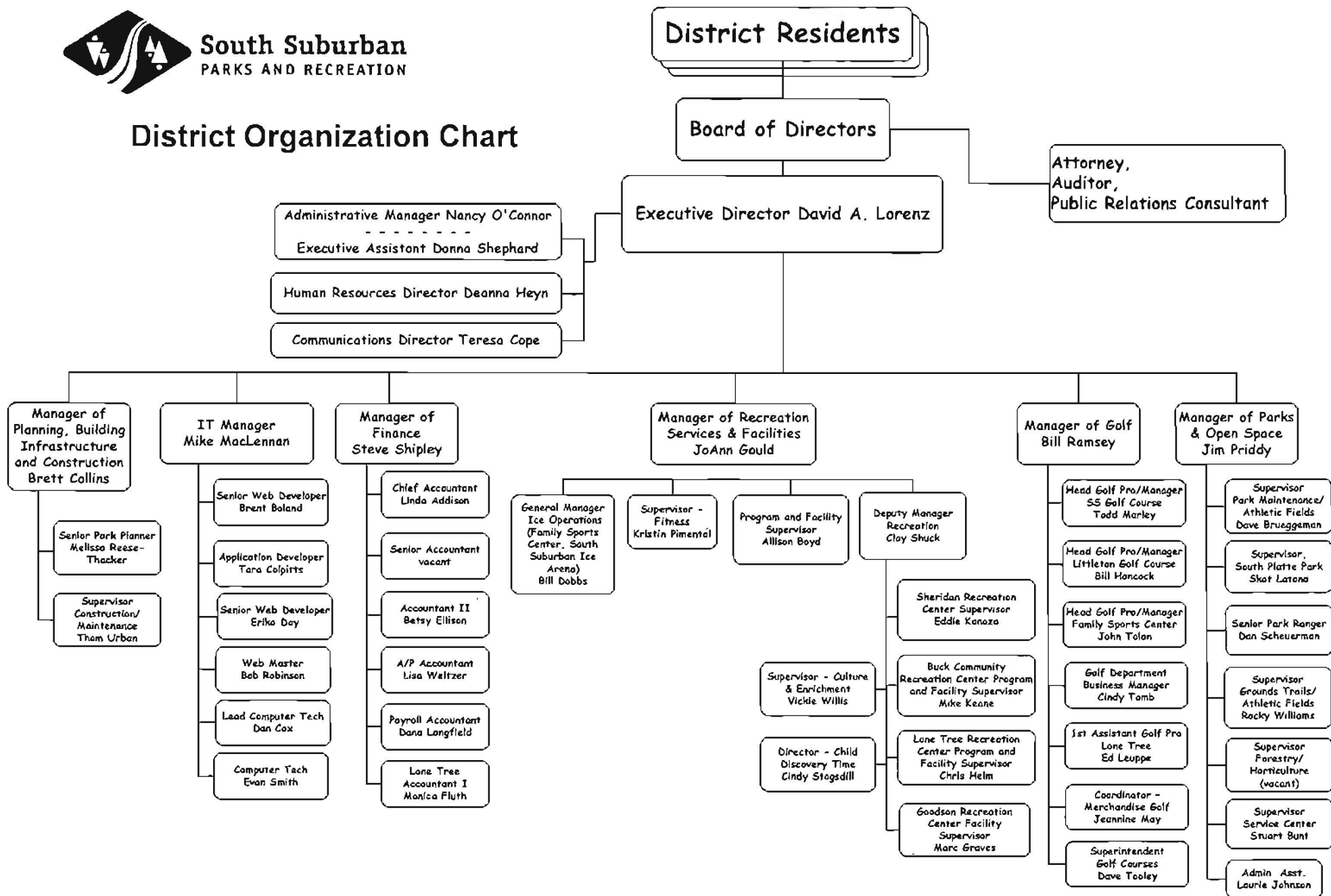
Executive Director David A Lorenz

Manager of Finance Steve Shipley
Manager of Management
 Information Services Mike MacLennan
Manager of Recreation, Programs & Facilities JoAnn Gould
Manager of Golf..... Bill Ramsey
Manager of Parks and Open Space Jim Priddy
Manager of Planning and Construction Brett Collins
Human Resources Director Deanna Heyn
Communications Director Teresa Cope



South Suburban
PARKS AND RECREATION

District Organization Chart



Certificate of Achievement for Excellence in Financial Reporting

Presented to

South Suburban
Park and Recreation District
Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Davidson

President

Jeffrey R. Egan

Executive Director



JOHN CUTLER & ASSOCIATES

Board of Directors
South Suburban Park and Recreation District
Centennial, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, and each major fund of the South Suburban Park and Recreation District, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the basic financial statements of the District, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation 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 misstatement, whether due to fraud or error.

Auditor 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 from 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 expression an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluation 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, the business-type activities, the discretely presented component unit, and each major fund of the South Suburban Park and Recreation District, as of December 31, 2012, and the respective changes in financial position, and, where applicable, cash flows, and the budgetary comparison for the general and major special revenue funds, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the South Suburban Park and Recreation District's basic financial statements. The individual fund financial statements and schedules and supplemental information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such 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 individual fund financial statements and schedules and supplemental information are fairly stated in all material respects in relation to the financial statements as a whole.

The statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

John Cutler & Associates, LLC

April 11, 2013

Management's Discussion and Analysis

Our discussion and analysis of the South Suburban Park and Recreation District's (the District) financial performance provides an overview of the District's financial activities for the year ended December 31, 2012. Please read it in conjunction with the transmittal letter and the District's financial statements.

FINANCIAL HIGHLIGHTS

- The District remains in strong financial position with assets exceeding liabilities at the close of 2012 by \$90,018,809 (net position). Of this amount \$9,981,006 or 11 percent is unrestricted and may be used to meet the District's ongoing obligations to citizens and creditors.
- At the end of 2012, the fund balance in the General Fund was \$5,950,819 a decrease of \$1,452,789. Of this amount \$4,348,246 or 73 percent was not restricted.
- Operating revenues fell short of operating expenses in the Enterprise Fund by \$3,238,310. Transfers from the General Fund in the amount of \$2,200,000 helped to cover this shortfall.
- The District's total debt decreased \$3,944,458 (11 percent) during 2012.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the South Suburban Park and Recreation District's basic financial statements. The District's basic financial statements are comprised of three components: 1) the government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the South Suburban Park and Recreation District's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *Statement of Activities* presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of

related cash flows. Thus, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. (e.g., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenue (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*Business-type Activities*). The Governmental Activities of the District include general government, parks and open space, South Platte Park, general maintenance and improvements, planning and construction, Hudson Gardens management fee, and interest on long-term debt. The Business-type Activities of the District include golf courses, ice arenas, recreation centers, athletics, and other recreation facilities and programs.

The government-wide financial statements include not only the South Suburban Park and Recreation District, but also a legally separate entity, The King C. Hudson and Evelyn Leigh Hudson Foundation, Inc. for which the District is financially accountable. Financial information for this component unit is reported separately from the financial information presented for the District itself.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Some funds are required to be established by State law and bond covenants. The District Board of Directors establishes other funds to help control and manage money for particular purposes. All the District's funds can be divided into two categories: Governmental Funds and Proprietary Funds.

Governmental funds – *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well on balances of *spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains four individual governmental funds, all of which are considered to be major funds. Information is presented separately in the governmental fund balance

sheet and in the governmental fund statement of revenue, expenditures, and changes in fund balances.

Proprietary funds – When the District charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the District’s enterprise fund (a component of proprietary funds) is the same as the business-type activities reported in the government-wide statements but provides more detail and additional information, such as a cash flow statement.

Notes to Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the District, assets exceeded liabilities by \$90,018,809 at the close of 2012.

Net Position

Combined net position of the South Suburban Park and Recreation District at December 31, 2012 and 2011 were:

	Governmental Activities		Business-type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Capital assets	\$ 64,944,632	\$ 61,363,054	\$ 43,124,835	\$ 44,902,947	\$ 108,069,467	\$ 106,266,001
Other assets	29,865,324	33,651,408	3,497,240	3,075,994	33,362,564	36,727,402
Total assets	94,809,956	95,014,462	46,622,075	47,978,941	141,432,031	142,993,403
Deferred outflows of resources	523,952	637,677	240,374	291,073	764,326	928,750
Long-term debt outstanding	25,527,307	28,405,716	7,171,673	8,237,722	32,698,980	36,643,438
Other liabilities	1,557,764	1,697,303	1,523,271	1,335,340	3,081,035	3,032,643
Total liabilities	27,085,071	30,103,019	8,694,944	9,573,062	35,780,015	39,676,081
Deferred inflows of resources	16,397,533	17,012,399	-	-	16,397,533	17,012,399
Net position:						
Net investment in capital assets	39,854,832	33,445,929	37,252,389	38,013,475	77,107,221	71,459,404
Restricted	2,799,582	5,033,302	131,000	127,000	2,930,582	5,160,302
Unrestricted	9,196,890	10,057,490	784,116	556,477	9,981,006	10,613,967
Total net position	\$ 51,851,304	\$ 48,536,721	\$ 38,167,505	\$ 38,696,952	\$ 90,018,809	\$ 87,233,673

By far the largest portion of the District’s net position, (86%), reflects its investment in capital assets (e.g. land, building/facilities, park and golf improvements, etc.), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently these assets are not available

for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the District's ongoing obligations to citizens and creditors.

At the end of 2012, the District is able to report positive balances in all three categories of net position, both for the primary government, as well as for its separate Governmental and Business-type activities.

Changes in Net Position

The District's program and general revenue of \$42,799,992 exceeds program expenses of \$40,014,856 by \$2,785,136. This increase is less favorable than the increase in net position in 2011 of \$3,162,202. The main reason for the less favorable increase in net position is the decrease in capital grants received.

The table below shows the summarized revenue and expenses for 2012 and 2011.

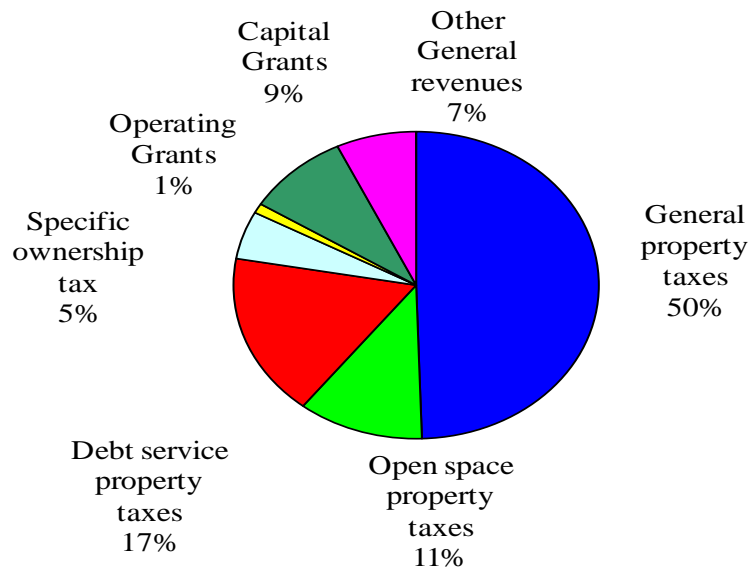
	Governmental Activities		Business-type Activities		Total Primary Activities	
	2012	2011	2012	2011	2012	2011
Program revenue:						
Charges for services	\$ -	\$ -	\$ 21,823,113	\$ 20,488,406	\$ 21,823,113	\$ 20,488,406
Operating grants	304,847	235,480	64,848	157,569	369,695	393,049
Capital grants	1,918,775	2,966,928	-	-	1,918,775	2,966,928
General revenue:						
Property taxes	16,019,901	16,495,623	-	-	16,019,901	16,495,623
Specific ownership tax	1,119,642	1,055,748	-	-	1,119,642	1,055,748
Grants and donations not restricted to specific programs	691,126	657,821	-	-	691,126	657,821
Net investment income	53,079	89,752	8,303	6,818	61,382	96,570
Development fees	-	3,608	-	-	-	3,608
Other general revenue	796,358	439,347	-	-	796,358	439,347
Total revenue	<u>20,903,728</u>	<u>21,944,307</u>	<u>21,896,264</u>	<u>20,652,793</u>	<u>42,799,992</u>	<u>42,597,100</u>
Program expenses						
General government	1,880,640	1,699,555	-	-	1,880,640	1,699,555
Parks and open space	8,528,216	8,155,962	-	-	8,528,216	8,155,962
South Platte Park	886,298	838,451	-	-	886,298	838,451
General maintenance and improvements	791,406	1,007,009	-	-	791,406	1,007,009
Planning and construction	1,015,562	967,446	-	-	1,015,562	967,446
Hudson Gardens management fee	350,000	350,000	-	-	350,000	350,000
Interest on long-term debt	1,144,367	1,234,583	-	-	1,144,367	1,234,583
Golf courses	-	-	10,037,033	9,891,528	10,037,033	9,891,528
Ice arenas	-	-	4,588,863	4,548,381	4,588,863	4,548,381
Recreation centers	-	-	7,908,490	7,921,846	7,908,490	7,921,846
Athletics	-	-	1,447,358	1,411,784	1,447,358	1,411,784
Other recreation facilities	-	-	1,436,623	1,408,353	1,436,623	1,408,353
Total expenses	<u>14,596,489</u>	<u>14,253,006</u>	<u>25,418,367</u>	<u>25,181,892</u>	<u>40,014,856</u>	<u>39,434,898</u>
Excess before transfers	6,307,239	7,691,301	(3,522,103)	(4,529,099)	2,785,136	3,162,202
Transfers	<u>(2,992,656)</u>	<u>(3,409,428)</u>	<u>2,992,656</u>	<u>3,409,428</u>	<u>-</u>	<u>-</u>
Increase in net position	3,314,583	4,281,873	(529,447)	(1,119,671)	2,785,136	3,162,202
Net Position-Beginning	48,536,721	44,254,848	38,696,952	39,816,623	87,233,673	84,071,471
Net Position-Ending	<u>\$ 51,851,304</u>	<u>\$ 48,536,721</u>	<u>\$ 38,167,505</u>	<u>\$ 38,696,952</u>	<u>\$ 90,018,809</u>	<u>\$ 87,233,673</u>

Governmental Activities

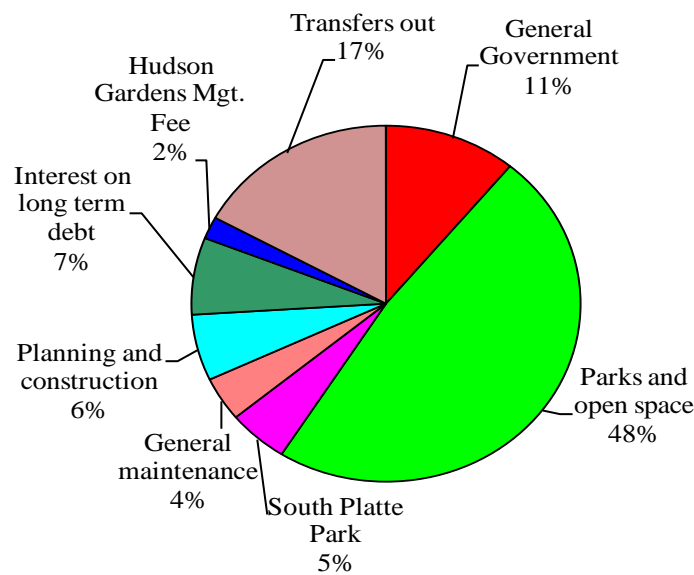
Governmental Activities reflect an increase in net position of \$6,307,239, before transfers. This increase was less favorable than the increase in net position in 2011 of \$7,691,301. The main reason for the less favorable increase in net position is the decrease in capital grants for capital projects. Transfers consist of a \$2,200,000 operating transfer and a \$792,656 transfer of construction costs expended with Governmental Activities monies and capitalized in Business-type Activities.

Following are illustrative summaries of Governmental Activities breaking out revenue and expenses.

Revenue by Source - Governmental Activities



Expenses by Function - Governmental Activities

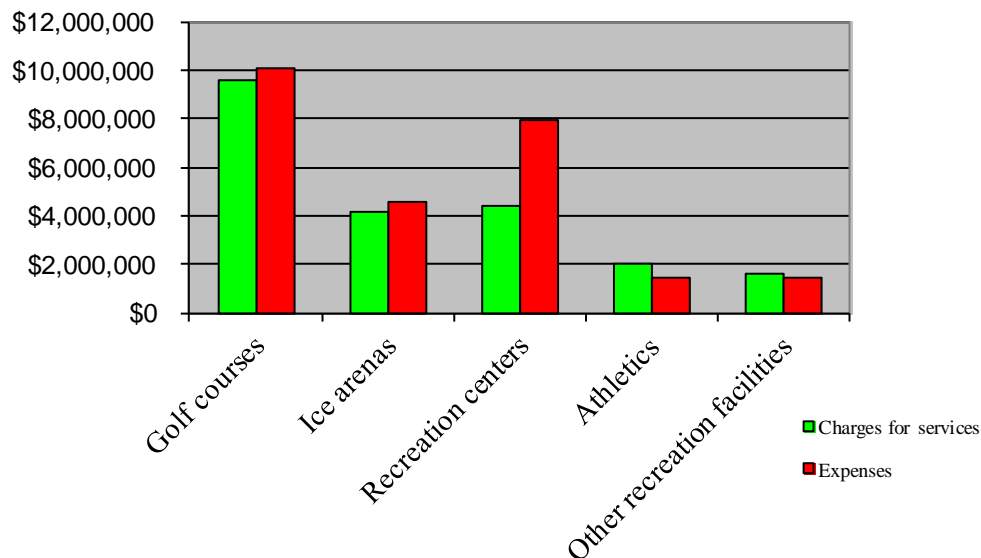


- Program expenses increased less than 2.5% from 2011
- General maintenance and improvements expense decreased 21% from 2011. This change is attributable to more capital projects meeting the District's capitalization policy in 2012.
- General government increased 11% from 2011. The increase is a result of medical care cost exceeding premiums in 2012.
- Capital grants revenue decreased 35% from 2011. The change is attributable to grants received in relation to joint capital projects within the District.
- Other general revenue increased 81%, as a result of insurance proceeds received related to a hail storm in 2012.

Business-type Activities

Business-type activities reflect a decrease in Net Position of \$3,522,103 before transfers compared to a \$4,529,099 decrease in 2011. A \$2,992,656 transfer from the General Fund helps offset the operating loss of \$3,238,310, which includes depreciation of \$3,009,031.

Charges for Services and Expenses - Business-type Activities



THE DISTRICT'S FUNDS

As noted earlier, South Suburban Park and Recreation District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The Governmental Funds are accounted for using the modified accrual basis of accounting. As the District completed the year, its Governmental Funds reported a combined fund balance of \$7,396,466. Of that fund balance \$3,048,220 was restricted.

The remaining balance of \$4,202,280 was assigned and \$145,966 was unassigned and both are available for spending at the District's discretion. A breakdown of restricted and assigned balance is as follows:

Restricted for:

Emergencies	\$	420,000
Land acquisition and trail development	\$	1,013,439
Environmental Liability Escrow	\$	169,134
Capital Projects	\$	588,527
Acquisition, development, and maintenance of parks, open space and trails	\$	608,482
General obligation debt service	\$	248,638

Assigned to:

Health Insurance Claims	\$	796,183
Subsequent year's expenditures	\$	3,406,097

At the end of 2012, unrestricted fund balance of the General Fund was \$4,348,246, while total fund balance reached \$5,950,819. As a measure of the General Fund's liquidity, it may be useful to compare both unrestricted fund balance and total fund balance to total fund expenditures. Unrestricted fund balance represents 33 percent of total general fund expenditures, while total fund balance represents 45 percent of that same amount.

The fund balance of the General Fund decreased \$1,452,789 or 20 percent during the current fiscal year. The primary reason for the decrease in fund balance was Intergovernmental revenue for capital projects decreased during 2012.

The Conservation Trust Fund has a total fund balance of \$588,527, all of which is restricted for capital projects. The net increase of \$204,449 represents less capital projects completed in 2012 compared to lottery proceeds being received.

The 2010 One Mill Fund has a total fund balance of \$608,482, all of which is restricted for acquisition, development, and maintenance of parks, open space and trails. The net decrease of \$1,123,523 represents water costs for the District parks and capital projects exceeding property tax and intergovernmental revenue.

The Debt Service Fund has a total fund balance of \$248,638, all of which is restricted for payment of general obligation debt. The net increase in fund balance was \$82,564. Taxes are levied for debt service annually to cover expenditures.

Proprietary Funds

Unrestricted Net Position for the District's enterprise fund at the end of 2012 amounted to \$784,116 compared to \$556,477 in 2012.

GENERAL FUND BUDGETARY HIGHLIGHTS

In March of 2012 the District's Board of Directors amended its General Fund Budget. An amendment requires a public hearing and the opportunity for public discussion. However, the District does permit changes that modify line items within the same fund.

For the General Fund, the original budgeted revenue was \$14,737,198. The final budget amount was \$17,035,123. The \$2,297,925 difference included additional intergovernmental revenues and donations received for capital project and other revenue for the proceeds from the sale of assets.

The General Fund original budgeted expenditures increased \$3,079,088 to \$22,635,791 in the final budget. The increase was primarily due to the increase in capital outlay. Actual General Fund Expenditures were \$15,552,987 or \$7,082,804 less than the final budget. Of this amount \$6,839,172 was for capital projects not completed by December 31, 2012.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of 2012, the District had invested in a broad range of capital assets.

The following table provides a summary of total capital assets, net of depreciation where applicable at December 31, 2012.

CAPITAL ASSETS AT YEAR-END (net of depreciation)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
Land	\$ 25,257,344	\$ 24,376,713	\$ 1,751,686	\$ 1,751,686	\$ 27,009,030	\$ 26,128,399
Land development	6,553,085	6,553,085	7,354,435	7,354,435	13,907,520	13,907,520
Water rights	557,510	557,510	348,119	348,119	905,629	905,629
Construction in Process	1,584,391	2,167,058	167,841	185,398	1,752,232	2,352,456
Total non-depreciable assets	33,952,330	33,654,366	9,622,081	9,639,638	43,574,411	43,294,004
Facilities/buildings	8,441,727	8,742,784	30,479,964	32,080,410	38,921,691	40,823,194
Trails, cart paths, and bridges	7,271,304	6,300,168	961,084	956,358	8,232,388	7,256,526
Machinery and equipment	465,246	424,657	568,641	556,589	1,033,887	981,246
Irrigation	1,553,068	1,704,843	1,262,134	1,487,372	2,815,202	3,192,215
Court and park improvements	11,053,877	8,437,021	230,931	182,580	11,284,808	8,619,601
Playgrounds	1,549,103	1,362,072	-	-	1,549,103	1,362,072
Park shelters	657,977	737,143	-	-	657,977	737,143
Total Capital Assets	\$ 64,944,632	\$ 61,363,054	\$ 43,124,835	\$ 44,902,947	\$ 108,069,467	\$ 106,266,001

Major capital outlays during 2012 include:

David A Lorenz Regional Park Improvements	\$ 1,265,673
Ohlson Property Land Acquisition	880,631
Cook Creek Tennis Court, Bridge and Open Ppace	740,712
DeKoevend Park Restroom, Shelter and Ballfield	687,550
South Suburban Ice Arena Roof Replacement	527,608
Holly Pool Bathhouse Renovations	388,688
Sheridan Community Park Improvements	362,455
Arapahoe Park Improvements	339,915
South Suburban Golf Clubhouse Restrooms	158,691
South Suburban Golf Course Par 3 Bridges	132,248
Cornerstone Skatepark Improvements	124,677
Murray Open Space Bridge	102,091
South Suburban Golf Course Half-way Restroom Remodel	87,240

The District remains committed to the upkeep and maintenance of the District's assets. More detailed information about the District's capital assets is presented in Note 2 and Note 7 to the financial statements.

Debt

The District's General Obligation Bonds are rated Aa3 and the District's Revenue Bonds are rated Baa2 by Moody's Investors Service. More detail of the District's long-term obligations is presented in Notes 8 and 9 to the financial statements.

The table below provides a summary of long-term obligations of the District:

LONG-TERM OBLIGATIONS OUTSTANDING AT YEAR END

	Governmental Activities		Business-type Activities		Total Primary Government	
	2012	2011	2012	2011	2012	2011
General Obligation Bonds	\$ 21,025,000	\$ 23,505,000	\$ -	\$ -	\$ 21,025,000	\$ 23,505,000
Revenue Bonds	-	-	2,690,000	3,315,000	2,690,000	3,315,000
Certificates of Participation	4,065,000	4,450,000	4,020,000	4,405,000	8,085,000	8,855,000
Capital Leases	-	-	-	79,714	-	79,714
Compensated Absences	437,307	450,716	461,673	438,008	898,980	888,724
Total	<u>\$ 25,527,307</u>	<u>\$ 28,405,716</u>	<u>\$ 7,171,673</u>	<u>\$ 8,237,722</u>	<u>\$ 32,698,980</u>	<u>\$ 36,643,438</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND FEES

The South Suburban Park and Recreation District is in a strong financial position. District-wide reserves are at levels (7% of operating expenditures) used in the District's budget preparation. In preparing the 2013 Budget the District had to take several factors into consideration, most noteworthy of all, the slow economy. The District is being cautious with its spending in 2013, awaiting 1st quarter revenue results to assist in anticipating the accuracy of revenue projections included in the 2013 Budget. General Fund Reserves are within levels recommended in the District's Budget Policy.

Fees in the Enterprise Fund are set to balance competition and cost.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

The financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the funds and assets it receives. If you have questions about this report, or should you need additional information, contact the District's Finance Department at South Suburban Park and Recreation District, 6631 S. University Blvd., Centennial, CO 80121.

BASIC FINANCIAL STATEMENTS

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
STATEMENT OF NET POSITION
December 31, 2012

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Equity in pooled cash and investments - Unrestricted	\$ 7,017,863	\$ 1,950,842	\$ 8,968,705	\$ 964,852
Equity in pooled cash and investments - Restricted	965,317	597,580	1,562,897	-
Receivables	916,804	285,007	1,201,811	62,730
CHV settlement receivable - current	734,784	-	734,784	-
Property taxes receivable	15,784,046	-	15,784,046	-
Inventory	-	663,811	663,811	9,304
Other assets	-	-	-	47,113
CHV settlement receivable - long term	4,446,510	-	4,446,510	-
Capital assets				
Land, land development, water rights and construction in progress	33,952,330	9,622,081	43,574,411	-
Other capital assets, net of depreciation	30,992,302	33,502,754	64,495,056	3,145
Total capital assets	64,944,632	43,124,835	108,069,467	3,145
TOTAL ASSETS	94,809,956	46,622,075	141,432,031	1,087,144
DEFERRED OUTFLOWS OF RESOURCES				
Cost of refundings	523,952	240,374	764,326	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	523,952	240,374	764,326	-
LIABILITIES				
Accounts payable	555,958	816,485	1,372,443	206,429
Accrued payroll liabilities	442,413	626,198	1,068,611	62,623
Accrued interest payable	54,246	32,867	87,113	-
Advances from grantors and donors	505,147	47,721	552,868	-
Deposits	-	-	-	177,211
Long-term obligations, due within one year	3,353,576	1,460,506	4,814,082	37,124
Long-term obligations, due in more than one year	22,173,731	5,711,167	27,884,898	-
TOTAL LIABILITIES	27,085,071	8,694,944	35,780,015	483,387
DEFERRED INFLOWS OF RESOURCES				
Deferred property tax revenue	15,784,046	-	15,784,046	-
Unamortized original issue premium	613,487	-	613,487	-
TOTAL DEFERRED INFLOWS OF RESOURCES	16,397,533	-	16,397,533	-
NET POSITION				
Net Investment in capital assets	39,854,832	37,252,389	77,107,221	-
Restricted for:				
Emergency-TABOR	420,000	131,000	551,000	-
Capital projects	1,601,966	-	1,601,966	-
Acquisition, development, and maintenance of parks, open space and trails	608,482	-	608,482	-
Environmental liability escrow	169,134	-	169,134	-
Donor imposed restrictions for Hudson Gardens	-	-	-	89,266
Unrestricted	9,196,890	784,116	9,981,006	514,491
TOTAL NET POSITION	\$ 51,851,304	\$ 38,167,505	\$ 90,018,809	\$ 603,757

These financial statements should be read only in connection with the accompanying notes to financial statements.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2012

		Program Revenue	
	Expenses	Charges For Services	Operating Grants and Contributions
PRIMARY GOVERNMENT			
Governmental Activities			
General government	\$ 1,880,640	\$ -	\$ 23,177
Parks and open space	8,528,216	-	234,122
South Platte Park	886,298	-	47,548
General maintenance and improvements	791,406	-	-
Planning and construction	1,015,562	-	-
Hudson Gardens management fee	350,000	-	-
Interest on long term debt	1,144,367	-	-
Total Governmental Activities	14,596,489	-	304,847
Business-type Activities			
Golf courses	10,037,033	9,583,901	-
Ice arenas	4,588,863	4,170,718	-
Recreation centers	7,908,490	4,425,600	64,848
Athletics	1,447,358	2,054,250	-
Other recreation facilities and programs	1,436,623	1,588,644	-
Total Business-type Activities	25,418,367	21,823,113	64,848
Total Primary Government	\$ 40,014,856	\$ 21,823,113	\$ 369,695
COMPONENT UNIT			
King C. Hudson and Evelyn Leigh Hudson Foundation, Inc.	\$ 3,659,057	\$ 2,661,397	\$ 888,224
GENERAL REVENUE			
Property tax revenue			
Specific ownership tax			
Grants and contributions not restricted to specific programs			
Investment and CHV interest income			
Development fees			
Miscellaneous			
TRANSFERS			
Total General Revenue and Transfers			
Change in Net Position			
Net Position-Beginning			
Net Position-Ending			

Net (Expense) Revenue and Changes in Net Position				
Capital Grants and Contributions	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
\$ -	\$ (1,857,463)	\$ -	\$ (1,857,463)	\$ -
1,757,189	(6,536,905)	-	(6,536,905)	-
33,088	(805,662)	-	(805,662)	-
-	(791,406)	-	(791,406)	-
-	(1,015,562)	-	(1,015,562)	-
128,498	(221,502)	-	(221,502)	-
-	(1,144,367)	-	(1,144,367)	-
1,918,775	(12,372,867)	-	(12,372,867)	-
-	-	(453,132)	(453,132)	-
-	-	(418,145)	(418,145)	-
-	-	(3,418,042)	(3,418,042)	-
-	-	606,892	606,892	-
-	-	152,021	152,021	-
-	-	(3,530,406)	(3,530,406)	-
\$ 1,918,775	\$ (12,372,867)	\$ (3,530,406)	\$ (15,903,273)	\$ -
\$ -	\$ -	\$ -	\$ -	\$ (109,436)
	16,019,901	-	16,019,901	-
	1,119,642	-	1,119,642	-
	691,126	-	691,126	-
	53,079	8,303	61,382	19,849
	-	-	-	-
	796,358	-	796,358	2,109
	(2,992,656)	2,992,656	-	-
	15,687,450	3,000,959	18,688,409	21,958
	3,314,583	(529,447)	2,785,136	(87,478)
	48,536,721	38,696,952	87,233,673	691,235
	\$ 51,851,304	\$ 38,167,505	\$ 90,018,809	\$ 603,757

These financial statements should be read only in connection with
the accompanying notes to financial statements.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2012

	General	Conservation Trust	2010 One Mill	Debt Service	Total
ASSETS					
Equity in pooled cash and investments - Unrestricted	\$ 5,286,471	\$ 602,154	\$ 880,450	\$ 248,788	\$ 7,017,863
Equity in pooled cash and investments - Restricted	965,317	-	-	-	965,317
Receivables	916,804	-	-	-	916,804
Property taxes receivable	9,907,516	-	2,183,234	3,693,296	15,784,046
CHV settlement receivable	5,181,294	-	-	-	5,181,294
TOTAL ASSETS	\$ 22,257,402	\$ 602,154	\$ 3,063,684	\$ 3,942,084	\$ 29,865,324
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE					
LIABILITIES					
Accounts payable	\$ 463,793	\$ 13,627	\$ 78,388	\$ 150	\$ 555,958
Accrued payroll liabilities	442,413	-	-	-	442,413
Advances from grantors and donors	311,567	-	193,580	-	505,147
TOTAL LIABILITIES	1,217,773	13,627	271,968	150	1,503,518
DEFERRED INFLOWS OF RESOURCES					
Deferred revenue CHV settlement	5,181,294	-	-	-	5,181,294
Deferred property tax revenue	9,907,516	-	2,183,234	3,693,296	15,784,046
TOTAL DEFERRED INFLOWS OF RESOURCES	15,088,810	-	2,183,234	3,693,296	20,965,340
FUND BALANCES					
Restricted for:					
Emergencies	420,000	-	-	-	420,000
Land acquisition and trail development	1,013,439	-	-	-	1,013,439
Environmental liability escrow	169,134	-	-	-	169,134
Capital projects	-	588,527	-	-	588,527
Acquisition, development, and maintenance of parks, open space and trails	-	-	608,482	-	608,482
General obligation debt service	-	-	-	248,638	248,638
Assigned to:					
Health insurance claims	796,183	-	-	-	796,183
Subsequent year's expenditures	3,406,097	-	-	-	3,406,097
Unassigned	145,966	-	-	-	145,966
TOTAL FUND BALANCE	5,950,819	588,527	608,482	248,638	7,396,466
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 22,257,402	\$ 602,154	\$ 3,063,684	\$ 3,942,084	

**Amounts reported for governmental activities in the
Statement of Net Position are different because:**

Capital Assets of \$64,944,632 used in governmental activities are not financial resources and therefore are not reported in the funds.	64,944,632
Deferred revenue CHV settlement of \$5,181,294 is not available to pay for current-period expenditures and, therefore, is deferred in the funds	5,181,294
Long-term Liabilities, including bonds and Certificate of Participations payable of (\$25,090,000), compensated absences of (\$437,307), deferred cost of refunding of \$523,952, unamortized premium of (\$613,487) and accrued interest of (\$54,246) are not due and payable in the current period and therefore are not reported in the funds.	(25,671,088)

Net Position of Governmental Activities

\$ 51,851,304

These financial statements should be read only in connection with
the accompanying notes to financial statements.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2012

	General	Conservation Trust	2010 One Mill	Debt Service
REVENUE				
Property taxes	\$ 10,147,580	\$ -	\$ 2,221,749	\$ 3,650,572
Specific ownership taxes	1,119,642	-	-	-
Intergovernmental	1,149,300	681,552	848,530	-
Donations	106,868	-	-	-
Net investment income	27,087	1,291	4,392	5,996
Principal received-CHV	733,054	-	-	-
Interest income-CHV	14,313	-	-	-
Development fees	-	-	-	-
Other	796,358	-	-	-
Total revenue	<u>14,094,202</u>	<u>682,843</u>	<u>3,074,671</u>	<u>3,656,568</u>
EXPENDITURES				
Current				
Administration	856,261	-	32,925	55,625
Finance	212,767	-	-	-
MIS	200,165	-	-	-
Insurance	158,298	-	-	-
Park maintenance	5,326,251	-	1,318,769	-
South Platte Park	652,365	-	-	-
Preventative maintenance	341,300	-	-	-
Planning and construction	1,006,005	-	-	-
Hudson Gardens management fee	350,000	-	-	-
Debt service				
Bond principal	-	-	-	2,480,000
Bond interest	-	-	-	1,032,383
Certificates of participation principal	385,000	-	-	-
Certificates of participation interest	135,725	-	-	-
Capital outlay	3,728,850	478,344	2,846,500	-
Total expenditures	<u>13,352,987</u>	<u>478,344</u>	<u>4,198,194</u>	<u>3,568,008</u>
EXCESS REVENUE OVER (UNDER) EXPENDITURES	<u>741,215</u>	<u>204,499</u>	<u>(1,123,523)</u>	<u>88,560</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	5,996	-	-	-
Transfers (out)	(2,200,000)	-	-	(5,996)
Total other financing sources (uses)	<u>(2,194,004)</u>	<u>-</u>	<u>-</u>	<u>(5,996)</u>
NET CHANGE IN FUND BALANCE	(1,452,789)	204,499	(1,123,523)	82,564
FUND BALANCE - BEGINNING OF YEAR	7,403,608	384,028	1,732,005	166,074
FUND BALANCE - END OF YEAR	<u>\$ 5,950,819</u>	<u>\$ 588,527</u>	<u>\$ 608,482</u>	<u>\$ 248,638</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

Total	
\$	16,019,901
	1,119,642
	2,679,382
	106,868
	38,766
	733,054
	14,313
	-
	796,358
	<u>21,508,284</u>
	944,811
	212,767
	200,165
	158,298
	6,645,020
	652,365
	341,300
	1,006,005
	350,000
	2,480,000
	1,032,383
	385,000
	135,725
	7,053,694
	<u>21,597,533</u>
	<u>(89,249)</u>
	5,996
	<u>(2,205,996)</u>
	<u>(2,200,000)</u>
	(2,289,249)
	9,685,715
\$	<u><u>7,396,466</u></u>

**SOUTH SUBURBAN PARK AND RECREATION DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2012**

NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS **\$ (2,289,249)**

Amounts reported for Governmental Activities in the Statement of Activities
are different because:

Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense. Additionally any gain (loss) on the disposal of capital assets is reported in the Statement of Activities, however the governmental funds only report any proceeds received on the disposal of capital assets.

Capital outlay	5,810,932
Depreciation	(2,357,852)
Loss on disposition of assets	-
	3,453,080

The effect of transactions involving capital asset donations and long term receivables is to increase net assets.

Capital assets contributed	128,498
Payment received on long term receivable	(733,054)
	(604,556)

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.

Accrued interest expense	4,309
Compensated absences	13,409
Amortization of bond issue cost	(146,842)
Amortization of bond premium	133,157
Amortization of cost of refunding	(113,725)
	(109,692)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however has any effect on net position.

Principal payment on certificates of participation	385,000
Principal payment on bonds	2,480,000
	2,865,000

CHANGE IN NET POSITION OF GOVERNMENTAL ACTIVITIES **\$ 3,314,583**

These financial statements should be read only in connection with
the accompanying notes to financial statements.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCE-BUDGET AND ACTUAL
GENERAL AND SPECIAL REVENUE FUNDS
For the Year Ended December 31, 2012

	General Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
REVENUE				
Property taxes	\$ 10,029,733	\$ 10,029,733	\$ 10,147,580	\$ 117,847
Specific ownership taxes	980,000	980,000	1,119,642	139,642
Intergovernmental	1,782,764	3,650,123	1,149,300	(2,500,823)
Donations	52,243	475,442	106,868	(368,574)
Net investment income	45,000	45,000	27,087	(17,913)
Principal received-CHV	730,000	733,054	733,054	-
Interest income-CHV	10,000	14,313	14,313	-
Development fees	5,000	5,000	-	(5,000)
Other	1,102,458	1,102,458	796,358	(306,100)
Total revenue	14,737,198	17,035,123	14,094,202	(2,940,921)
EXPENDITURES				
Current				
Administration	924,048	772,120	856,261	(84,141)
Finance	227,492	243,288	212,767	30,521
MIS	206,187	226,265	200,165	26,100
Insurance	132,000	132,000	158,298	(26,298)
Park maintenance	5,376,285	5,382,407	5,326,251	56,156
South Platte Park	673,412	689,801	652,365	37,436
Preventative maintenance	382,566	386,146	341,300	44,846
Planning and construction	974,832	995,017	1,006,005	(10,988)
Hudson Gardens management fee	350,000	350,000	350,000	-
Debt service				
Capital lease principal	385,000	385,000	385,000	-
Capital lease interest	135,725	135,725	135,725	-
Capital outlay	7,959,156	10,568,022	3,728,850	6,839,172
Total expenditures	17,726,703	20,265,791	13,352,987	6,912,804
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(2,989,505)	(3,230,668)	741,215	3,971,883
OTHER FINANCING SOURCES (USES)				
Transfers in	2,000	2,000	5,996	3,996
Transfers (out)	(1,830,000)	(2,370,000)	(2,200,000)	170,000
Total other financing sources (uses)	(1,828,000)	(2,368,000)	(2,194,004)	173,996
NET CHANGE IN FUND BALANCE	(4,817,505)	(5,598,668)	(1,452,789)	4,145,879
FUND BALANCE - BEGINNING OF YEAR	4,817,505	5,598,668	7,403,608	1,804,940
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 5,950,819	\$ 5,950,819

Conservation Trust Fund				2010 One Mill Fund			
Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ 2,222,889	\$ 2,222,889	\$ 2,221,749	\$ (1,140)
-	-	-	-	-	-	-	-
650,000	650,000	681,552	31,552	100,000	2,129,563	848,530	(1,281,033)
-	-	-	-	-	-	-	-
1,700	1,700	1,291	(409)	-	-	4,392	4,392
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
651,700	651,700	682,843	31,143	2,322,889	4,352,452	3,074,671	(1,277,781)
-	-	-	-	40,000	40,000	32,925	7,075
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	1,119,688	1,119,688	1,318,769	(199,081)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
669,437	1,035,727	478,344	557,383	1,413,520	4,924,769	2,846,500	2,078,269
669,437	1,035,727	478,344	557,383	2,573,208	6,084,457	4,198,194	1,886,263
(17,737)	(384,027)	204,499	588,526	(250,319)	(1,732,005)	(1,123,523)	608,482
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(17,737)	(384,027)	204,499	588,526	(250,319)	(1,732,005)	(1,123,523)	608,482
17,737	384,027	384,028	1	250,319	1,732,005	1,732,005	-
\$ -	\$ -	\$ 588,527	\$ 588,527	\$ -	\$ -	\$ 608,482	\$ 608,482

These financial statements should be read only in connection with
the accompanying notes to financial statements.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
STATEMENT OF NET POSITION
ENTERPRISE FUND
December 31, 2012

ASSETS

Current assets

Equity in pooled cash and investments - Unrestricted	\$ 1,950,842
Receivables	285,007
Inventory	663,811
Total Current assets	<u>2,899,660</u>

Non-current assets

Equity in pooled cash and investments - Restricted	597,580
Capital assets, net of depreciation	43,124,835
Total Non-current assets	<u>43,722,415</u>

TOTAL ASSETS

46,622,075

DEFERRED OUTFLOWS OF RESOURCES

Cost of refundings	240,374
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TOTAL DEFERRED OUTFLOWS OF RESOURCES

240,374

LIABILITIES

Current liabilities

Accounts payable	816,485
Accrued payroll liabilities	626,198
Accrued interest payable	32,867
Advances from grantors and donors	47,721
Long-term obligations, current portion	1,460,506
Total Current liabilities	<u>2,983,777</u>

Non-current liabilities

Long-term obligations, non-current portion	5,711,167
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TOTAL LIABILITIES

8,694,944

NET POSITION

Invested in capital assets, net of related debt	37,252,389
Restricted for Emergencies-TABOR	131,000
Unrestricted	784,116

TOTAL NET POSITION

\$ 38,167,505

These financial statements should be read only in connection with
the accompanying notes to financial statements.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN FUND NET POSITION
ENTERPRISE FUND
For the Year Ended December 31, 2012

OPERATING REVENUE

Golf courses	\$ 9,583,901
Ice arenas	4,170,718
Recreation centers	4,425,600
Athletics	2,054,250
Other recreation facilities and programs	1,588,644
Total operating revenue	<u>21,823,113</u>

OPERATING EXPENSES

Golf courses	8,325,140
Ice arenas	3,239,964
Recreation centers	5,833,170
Athletics	1,231,852
Other recreation facilities and programs	1,183,636
Administration	1,016,960
Finance	431,983
MIS	406,396
Insurance	278,695
Facility maintenance and improvements	104,596
Depreciation	3,009,031
Total operating expenses	<u>25,061,423</u>

OPERATING INCOME (LOSS)

(3,238,310)

NONOPERATING REVENUE (EXPENSE)

Donations	64,848
Net investment income	8,303
Amortization	(72,289)
Interest expense	(284,655)
Total nonoperating revenue (expense)	<u>(283,793)</u>

NET INCOME (LOSS) BEFORE

CONTRIBUTIONS AND TRANSFERS (3,522,103)

CAPITAL CONTRIBUTIONS

Capital assets 792,656

TRANSFER IN

2,200,000

CHANGE IN NET POSITION

(529,447)

TOTAL NET POSITION - BEGINNING

38,696,952

TOTAL NET POSITION - ENDING

\$ 38,167,505

These financial statements should be read only in connection with
the accompanying notes to financial statements.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
STATEMENT OF CASH FLOWS
ENTERPRISE FUND
For the Year Ended December 31, 2012

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers and users	\$ 21,723,424
Payments to suppliers	(11,600,152)
Payments to employees	(10,213,505)
Net cash required by operating activities	<u>(90,233)</u>

**CASH FLOWS FROM NONCAPITAL AND
RELATED FINANCING ACTIVITIES**

Transfer in	2,200,000
Donations received	64,848
Net cash provided by noncapital and related financing activities	<u>2,264,848</u>

**CASH FLOWS FROM CAPITAL AND
RELATED FINANCING ACTIVITIES**

Interest paid	(292,169)
Principal paid	(1,089,714)
Acquisition of capital assets	(438,263)
Net cash required by capital and related financing activities	<u>(1,820,146)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Net investment income received	8,303
Net cash provided by investing activities	<u>8,303</u>

NET INCREASE IN CASH AND

CASH EQUIVALENTS 362,772

**CASH AND CASH EQUIVALENTS - BEGINNING
OF YEAR**

2,185,650

CASH AND CASH EQUIVALENTS - END OF YEAR

\$ 2,548,422

Reconciliation of operating income to net cash provided by operating activities:

Operating income (loss)	\$ (3,238,310)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities	
Depreciation	3,009,031
Effects of changes in operating assets and liabilities	
Receivables	(96,662)
Inventory	16,598
Accounts payable	132,613
Accrued payroll liabilities	65,859
Deferred revenue	(3,027)
Compensated absences	23,665
Total adjustments	<u>3,148,077</u>
Net cash required by operating activities	<u><u>\$ (90,233)</u></u>

Non Cash Activity: Capital assets in the amount of \$792,656 were contributed during 2012 from governmental activities.

These financial statements should be read only in connection with
the accompanying notes to financial statements.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 1 – DEFINITION OF REPORTING ENTITY

The District is a quasi-municipal corporation and is governed pursuant to provisions of the Colorado Special District Act. The District was organized for the purpose of providing recreational facilities and programs for its inhabitants. The District is located in the southern portion of the Denver metropolitan area.

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.

The King C. Hudson and Evelyn Leigh Hudson Foundation, Inc. (Hudson Gardens) d/b/a The Hudson Gardens and Event Center is a charitable organization described by IRC Section 501(c)(3) and a private operating foundation under IRC Section 509 and 4942 (i)(3). The mission of Hudson Gardens is "to serve the community by providing a forum for educational, cultural and artistic events and activities, drawing upon the beauty and resources of our regional display garden and our community partners". Hudson Gardens operates a 30 acre regional display garden and event venue in Arapahoe County, Colorado, which offers educational programs and diverse and cultural programming. A membership organization, Hudson Gardens hosts numerous community events and rents facilities for corporate and private events. Hudson Gardens is included as a discretely presented component unit of the District because the District appoints a voting majority of the Hudson Gardens Board of Directors, can impose its will and has a financial obligation to Hudson Gardens since it has agreed to pay a management fee up to \$350,000 per year. Hudson Gardens issues separate financial statements, which may be obtained by calling Hudson Gardens at 303-797-8565.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The more significant accounting policies of the District are described as follows:

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Changes in Net Position) report information on all of the activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-type activities*, which rely, to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenue* 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 revenue are reported instead as *general revenue*.

Separate financial statements are provided for governmental funds and the proprietary fund. All individual governmental funds and the enterprise fund are considered major funds and 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*, as are the proprietary fund financial statements. Revenue are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is 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 revenue to be available if they are collected within 60 days of the end of the current fiscal period.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

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

The District reports the following major governmental funds:

General Fund – This 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.

Conservation Trust Fund – This fund is used to account for lottery proceeds from the State of Colorado that are legally restricted to expenditures for park and recreation purposes.

The 2010 One Mill Fund – This fund is used to account for the revenue and expenditures as approved by the voters in the May 4th 2010 election. The electors authorized the District to levy one mill, for collection starting in 2011 through 2020, to be used for the acquisition of parks open space, and natural areas; acquisition and development of trails; and development and maintenance of open space, parks and trails.

Debt Service Fund – This fund is used to account for the accumulation of resources for, and the payment of long-term obligation principal, interest and related costs (other than proprietary fund debt).

The District reports the following major proprietary fund:

Enterprise Fund – This fund is used to account for operations that are financed and operated in a manner where the intent of the District is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges, similar to a business; or where the District has decided that periodic determination of revenue earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to the general rule are charges between the enterprise fund and various other functions of the District. Elimination of these charges would distort the direct costs and program revenue reported for the various functions concerned.

Amounts reported as *program revenue* include 1) charges to customers for goods and services, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenue* rather than as *program revenue*. Likewise, general revenue includes all taxes.

Functional expenses for business-type activities in the government-wide financial statements include allocated indirect overhead expense.

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue and expenses generally result from providing services and goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the District's enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund include the cost of sales and services, administrative expense, and depreciation of capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

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 they are needed.

Component Unit

Hudson Gardens follows FASB pronouncements for financial accounting and reporting purposes. Accordingly, some terminology has been changed to correspond with the District's financial reporting under GASB pronouncements.

Budgets

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year end. The District 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.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

During the year ended December 31, 2012, supplementary appropriations were approved by the District as follows:

	<u>Original</u> <u>Appropriation</u>	<u>Modified</u> <u>Appropriation</u>
General Fund	\$ 19,556,703	\$ 22,635,791
Conservation Trust Fund	\$ 669,437	\$ 1,035,727
2010 One Mill Fund	\$ 2,573,208	\$ 6,084,457
Golf and Recreation Facilities Enterprise Fund	\$ 23,839,636	\$ 23,944,276

Pooled Cash and Investments

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 single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Net investment income is allocated periodically to the participating funds based upon each fund's average equity balance in total cash.

Cash Equivalents

For purposes of the statement of cash flows, the District considers cash deposits and highly liquid investments (including restricted assets) with maturity of three months or less when purchased, to be cash equivalents.

Inventory

Inventory is valued at the lower of cost or market. Inventory consists primarily of golf pro shop merchandise held for resale. The costs of governmental fund inventories are recorded as expenditures when purchased.

Capital Assets

Capital assets, which include property and equipment and infrastructure assets (e.g. trails and bridges) are, reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets defined by the District as assets include equipment with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years and improvements to buildings with a cost of more than \$50,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Property and equipment of the primary government, as well as the component units, is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>	<u>Assets</u>	<u>Years</u>
Facilities/Buildings	15-30	Trails, cart paths, and bridges	10-20
Trails and bridges	10-20	Court and park improvements	10-20
Machinery and equipment	5-7	Park Shelters	20
Irrigation	20	Playgrounds	20

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheets 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 and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position and balance sheets 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 and fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Property Taxes

Property taxes are levied by the District Board of Directors. The levy is based on assessed valuations determined by the County Assessors generally as of January 1 of each year. The levy is normally set 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 Treasurers collect the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and sales of the tax liens on delinquent properties are normally held in November or December. The County Treasurers remit the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The deferred property tax revenue is recorded as revenue in the year it is available or collected (the year it is levied for).

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Bond Premiums

On the government-wide and the enterprise fund statement of net position, unamortized original issue bond premiums are recorded as deferred inflows of resources. On the government-wide and enterprise fund statement of activities, bond premiums are being amortized over the respective terms of the bonds using the interest method.

At the governmental fund reporting level, bond premiums are reported as other financing sources and uses, separately from the face amount of the bonds issued in the year of issuance. Bond issuance costs are reported as an expenditure when incurred.

Deferred Cost on Bond Refunding

The deferred cost on bond refunding is being amortized using the interest method over the shorter life of the defeased bonds. The amortization amount is a component of interest expense and the unamortized deferred cost is reflected as a deferred outflow of resources.

Accrual for Compensated Absences

The District has a policy which allows employees to accumulate unused vacation benefits up to certain maximum hours. No liability is reported for unpaid accumulated sick pay. Compensated absences are recognized as current salary costs when paid in governmental fund types, as none of the accrued vacation benefits would normally be liquidated with expendable available financial resources. Compensated absences are recognized as current salary costs when earned in the government-wide and proprietary fund financial statements.

Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

Investment in Capital Assets is intended to reflect the portion of net position which are associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Net Position are liquid assets, which have third party limitations on their use.

Unrestricted Net Position represent assets that do not have any third party limitations on their use. While District management may have categorized and segmented portions for various purposes, the District Board of Directors has the unrestricted authority to revisit or alter these managerial decisions.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

Generally, fund balance represents the difference between the current assets and current liabilities. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Restricted fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or regulation of the other governments.

Assigned fund balances are reported as assigned when amounts are constrained by the District's intent to be used for specific purposes, but are not restricted. The Board of Directors has authorized the Executive Director or the Manager of Finance to assign fund balances.

Unassigned fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the District's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the District's policy to use assigned fund balance before using unassigned fund balance.

The District considers all unrestricted fund balances to be "reserves" for future operations or capital replacement as defined within Article X, Section 20 of the Constitution of the State of Colorado (see Note 14).

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. However, comparative data has not been presented in all statements because such inclusion would make certain statements unduly complex and difficult to understand. Also, certain amounts presented in the prior year data have been reclassified to be consistent with current year's presentation.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 3 - CASH AND INVESTMENTS

At December 31, 2012 the District had the following cash and investments:

Cash on Hand	\$ 41,475
Cash Deposits	4,223,388
Investments	<u>6,266,739</u>
	<u>\$ 10,531,602</u>

Cash deposits and investments are reflected on the Statement of Net Assets as follows:

Equity in pooled cash and investments-Unrestricted	\$ 8,968,705
Equity in pooled cash and investments-Restricted	<u>1,562,897</u>
	<u>\$ 10,531,602</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. 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 for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to the aggregate of the uninsured deposits. Deposits covered by PDPA are not subject to custodial credit risk. The State Regulatory Commissions 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.

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States and certain U.S. government agency securities and the World Bank
- . Certain international agency securities
- . General obligation and revenue bonds of U.S. local government entities
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- . Local government investment pools
- . Certain reverse repurchase agreements
- . Certain securities lending agreements
- . Certain corporate bonds

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

The investment policy adopted by the Board of Directors of the District establishes additional restrictions to the requirements specified by state statutes.

At December 31, 2012 the District had the following investments:

<u>Investment</u>	<u>Moody Rating</u>	<u>Maturities</u>	<u>Fair Value</u>
Local Government Investment Pools	Aaa	< 1 year	6,266,739

Interest Rate Risk – The District’s investment policy limits investment maturities to a maximum of 3 years.

Credit risk – The District’s investment policy limits investments to U.S. Treasury obligations and U.S. Government agency securities, repurchase agreements, commercial paper, local government investment pools, time certificates of deposit, and certain money market mutual funds approved by the Board of Directors. State statutes limit investments in U.S. Agency and Instrumentality securities to the highest rating issued by two or more nationally recognized statistical rating organizations (NRSROs).

Concentration of Credit Risk – Neither state statutes or the District’s investment policy limits the amount of investments in any one issuer.

Local Government Investment Pool - The District has investments in the Colorado Local Government Liquid Asset Trust (COLOTRUST) and the Colorado Surplus Asset Trust (CSAFE), investment vehicles established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing COLOTRUST and CSAFE. COLOTRUST and CSAFE operate similarly to a money market fund and each share is equal in value to \$1.00. At December 31, 2012 the District had \$6,266,463 invested in COLOTRUST and \$276 invested in CSAFE.

At December 31, 2012 Hudson Gardens had cash deposits with a carrying amount of \$525,634, and a bank balance of \$510,960 of which \$471,810 was insured. Additionally, Hudson Gardens had the following investments:

Mutual funds	\$ 229,422
Local Government Investment Pool	<u>209,796</u>
	<u>\$ 439,218</u>
 Total Cash and Investments	 <u>\$ 964,852</u>

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 4 - RESTRICTED CASH AND INVESTMENTS

Certain cash and investments are legally required under bond covenants and other agreements to be restricted for specific purposes. The total of these restrictions amounts to \$1,562,897 at December 31, 2012. These assets are included and invested as disclosed in Note 3. The following is a listing of the restrictions by fund:

General Fund

Cash held for payment of insurance claims	\$ 796,183
Environmental Liability Escrow (see Note 14)	<u>169,134</u>
Total Governmental Activities	<u>\$ 965,317</u>

Enterprise Fund

Per the 2007 Golf Course and Ice Arena Facilities Refunding Revenue Bonds covenants this amount is restricted to prevent deficiencies in the payment of bonds	\$ 355,500
Per the 1999 Golf Course and Ice Arena Facilities Revenue Bonds covenants this amount is restricted to prevent deficiencies in the payment of bonds	<u>242,080</u>
Total Business-type Activities	<u>\$ 597,580</u>

NOTE 5 – RECEIVABLES

Receivables as of the year end for the District are as follows:

	<u>General</u>	<u>Enterprise</u>	<u>Total</u>
Receivables:			
Accounts	\$ 916,804	\$ 285,007	\$ 1,201,811

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 6 – CITY OF CHERRY HILLS VILLAGE EXCLUSION

On December 28, 2004 the District Court issued an order directing the exclusion of the City of Cherry Hills Village (CHV) from the District effective January 1, 2005, subject to certain conditions. After that date, CHV residents ceased to enjoy resident access and fees at District facilities and the District ceased to maintain parks and trails in CHV. The Court ordered CHV to reimburse the District \$9,660,838 for physical assets owned by the District within CHV and to compensate the District for economic “harm” created by the exclusion. CHV was ordered to make principal and interest payments of approximately equal amounts, modified to reflect changes in the interest rate beginning December 1, 2005 (interest only) and ending no later than December 1, 2019. Interest is to be calculated for each payment based on the interest rate of the two-year U.S. Treasury Note as of November 15 of the preceding year. CHV residents are to remain liable for the District’s debt service mill levy applicable to any general obligation debt outstanding or any subsequent refunding of such debt at the time of exclusion.

CHV appealed the portion of the order requiring reimbursement to the District and the District cross-appealed as to the validity of the exclusion and certain related issues. On March 22, 2007 the Court of Appeals remanded the case back to the trial court for clarification on the issue of reimbursement. The trial court upheld its original ruling requiring CHV to reimburse the District \$9,660,838. CHV again appealed the portion of the order requiring reimbursement to the District. On May 28, 2009 the Court of Appeals ruled in the Districts favor. On July 13, 2009 CHV filed a Petition for Certiorari with the Colorado Supreme Court. This Petition was denied by the Colorado Supreme Court on November 16, 2009.

The following schedule reflects the history of payments received from CHV.

Payment due				Additional		Interest	Date
December	Payment	Principal	Interest	Interest	Balance	Rate	Paid
1st							
2005	\$ 256,862	\$ -	\$ 256,862	\$ -	\$ 9,660,838	2.890%	12/1/05
2006	943,185	511,346	431,839	-	9,149,492	4.470%	12/1/06
2007	994,135	522,683	440,457	30,995	8,626,809	4.814%	5/15/08
2008	914,995	596,011	288,653	30,331	8,030,798	3.346%	12/9/09
2009	784,804	686,896	97,333	575	7,343,902	1.212%	12/9/09
2010	767,503	708,017	59,486	-	6,635,885	0.81%	12/1/10
2011	757,371	721,537	35,834	-	5,914,348	0.54%	12/1/11
2012	747,367	733,054	14,313		5,181,294	0.24%	12/3/12
	<u>\$ 6,166,222</u>	<u>\$ 4,479,544</u>	<u>\$ 1,624,777</u>	<u>\$ 61,901</u>			

The outstanding receivable balance at December 31, 2012 is \$5,181,294. The scheduled payment due December 1, 2013 is \$747,426, which represents \$734,784 in principal and \$12,642 of interest.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 7 – CAPITAL ASSETS

An analysis of the changes in capital assets for the year ended December 31, 2012 follows:

By Classification	Balance at January 1, 2012	Additions	Deletions	Balance at December 31, 2012
Governmental Activities				
Land	\$ 24,376,713	\$ 880,631	\$ -	\$ 25,257,344
Land development	6,553,085	-	-	6,553,085
Water rights	557,510	-	-	557,510
Construction in process	2,167,058	1,330,775	1,913,442	1,584,391
Total non-depreciable assets	33,654,366	2,211,406	1,913,442	33,952,330
Facilities/buildings	12,247,455	65,084	-	12,312,539
Trails and bridges	16,949,720	1,745,192	-	18,694,912
Machinery and equipment	5,028,181	238,234	75,311	5,191,104
Irrigation	4,289,473	-	-	4,289,473
Court and park improvements	12,121,572	3,273,671	-	15,395,243
Playgrounds	3,178,474	319,285	-	3,497,759
Park shelters	1,905,383	-	-	1,905,383
Total Capital Assets	89,374,624	7,852,872	1,988,753	95,238,743
Less Accumulated Depreciation Governmental Activities				
Facilities/buildings	(3,504,671)	(366,141)	-	(3,870,812)
Trails and bridges	(10,649,552)	(774,056)	-	(11,423,608)
Machinery and equipment	(4,603,524)	(197,645)	(75,311)	(4,725,858)
Irrigation	(2,584,630)	(151,775)	-	(2,736,405)
Court and park improvements	(3,684,551)	(656,815)	-	(4,341,366)
Playgrounds	(1,816,402)	(132,254)	-	(1,948,656)
Park shelters	(1,168,240)	(79,166)	-	(1,247,406)
Total Accumulated Depreciation	(28,011,570)	(2,357,852)	(75,311)	(30,294,111)
 Net Capital Assets	 \$ 61,363,054	 \$ 5,495,020	 \$ 1,913,442	 \$ 64,944,632

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 7 – CAPITAL ASSETS (CONTINUED)

<u>By Classification</u>	<u>Balance at January 1, 2012</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at December 31, 2012</u>
Business Type Activities				
Land	\$ 1,751,686	\$ -	\$ -	\$ 1,751,686
Land development	7,354,435	-	-	7,354,435
Water rights	348,119	-	-	348,119
Construction in process	185,398	82,024	99,581	167,841
Total non-depreciable assets	9,639,638	82,024	99,581	9,622,081
Facilities/buildings	55,367,199	634,904	-	56,002,103
Trails, cart paths, and bridges	3,230,836	231,828	-	3,462,664
Machinery and equipment	6,115,672	294,502	23,884	6,386,290
Irrigation	5,577,038	-	-	5,577,038
Court and park improvements	576,027	87,242	-	663,269
Total Capital Assets	80,506,410	1,330,500	123,465	81,713,445
Less Accumulated Depreciation Business Type Activities				
Facilities/buildings	(23,286,789)	(2,235,350)	-	(25,522,139)
Trails, cart paths, and bridges	(2,274,478)	(227,102)	-	(2,501,580)
Machinery and equipment	(5,559,083)	(282,450)	(23,884)	(5,817,649)
Irrigation	(4,089,666)	(225,238)	-	(4,314,904)
Court and park improvements	(393,447)	(38,891)	-	(432,338)
Total Accumulated Depreciation	(35,603,463)	(3,009,031)	(23,884)	(38,588,610)
 Net Capital Assets	 \$ 44,902,947	 \$ (1,678,531)	 \$ 99,581	 \$ 43,124,835

Depreciation expense was charged to programs of the primary government as follows:

Governmental Activities

General government	\$ 217,757
Planning and construction	9,557
Parks and open space	1,896,605
South Platte Park	233,933
Total Governmental Activities	<u>\$ 2,357,852</u>

Business Type Activities

Golf courses	\$ 682,948
Recreation centers	1,430,444
Athletics	69,463
Ice arenas	720,259
Other recreation facilities	105,917
Total Business Type Activities	<u>\$ 3,009,031</u>

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 8 - LONG-TERM OBLIGATIONS - GOVERNMENTAL ACTIVITIES

The following is an analysis of changes in the governmental activities long-term obligations for the year ended December 31, 2012:

	Balance at January 1, 2012	Increases	Retirements	Balance at December 31, 2012	Due within one year
(2006) - \$19,805,000 General Obligation Refunding Bonds	18,925,000	-	225,000	18,700,000	235,000
(2008) - \$10,000,000 General Obligation Refunding Bonds	4,580,000	-	2,255,000	2,325,000	2,325,000
(2010) - \$4,835,000 Certificates of Participation	4,450,000	-	385,000	4,065,000	400,000
Accrual for compensated absences	450,716	305,608	319,017	437,307	393,576
	<u>\$ 28,405,716</u>	<u>\$ 305,608</u>	<u>\$ 3,184,017</u>	<u>\$ 25,527,307</u>	<u>\$ 3,353,576</u>
Less current portion	<u>(3,270,644)</u>			<u>(3,353,576)</u>	
	<u><u>\$ 25,135,072</u></u>			<u><u>\$ 22,173,731</u></u>	

The detail of the District's governmental activities long-term obligations is as follows:

General Obligation Bonds

\$19,805,000 General Obligation Refunding Bonds, Series 2006, dated October 24, 2006, with interest of 3.75% to 5.00%, due annually through 2019. The Bonds are not subject to redemption prior to their maturities. The principal and interest on the bonds are insured as to repayment by Financial Security Assurance Inc. These bonds were issued to refund the Series 2000 General Obligation Bonds.

\$10,000,000 General Obligation Refunding Bonds, Series 2008, dated November 3, 2008, with interest of 3.12% due annually through 2013. The Bonds are not subject to redemption prior to their maturities. These bonds were issued to refund the Series 1998 General Obligation Refunding Bonds.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 8 - LONG-TERM OBLIGATIONS - GOVERNMENTAL ACTIVITIES
(CONTINUED)

Certificates of Participation

\$9,620,000 Certificates of Participation, Series 2010, dated December 22, 2010, with interest of 3.05%, due annually through 2021. \$4,835,000 of the 2010 certificates were allocated to the general fund for the acquisition and renovation of a new maintenance facility and \$4,785,000 were allocated to the enterprise fund to refund the 2001B Certificates of Participation. The 2010 certificates are not subject to optional redemption. The Certificates have been issued in connection with a lease of the Goodson Recreation Center from the District to UMB Bank N.A., and a lease back to the District from the UMB Bank N.A. Pursuant to the provisions of the Lease the 2010 Certificates shall be called for redemption in the event that the 2010 Lease Term is terminated by reason of the occurrence of an Event of Nonappropriation or an Event of Default under the 2010 lease. If called for redemption, the Certificates shall be redeemed in whole on such date for a redemption price equal to 100% of the principal amount plus accrued interest to the redemption date.

Other General Obligations

Accrual for compensated absences (see Note 2) is liquidated from the General Fund.

The District's long-term obligations of the governmental activities, excluding the accrual for compensated absences will mature as follows:

	General Obligation Bonds		Certificates of Participation		
	Interest	Principal	Interest	Principal	Total
2013	953,590	2,560,000	123,982	400,000	4,037,572
2014	871,650	2,750,000	111,783	410,000	4,143,433
2015	734,150	2,880,000	99,277	425,000	4,138,427
2016	611,750	3,000,000	86,315	435,000	4,133,065
2017	491,750	3,120,000	73,048	450,000	4,134,798
2018-2021	507,750	6,715,000	150,518	1,945,000	9,318,268
	<u>\$ 4,170,640</u>	<u>\$ 21,025,000</u>	<u>\$ 644,923</u>	<u>\$ 4,065,000</u>	<u>\$ 29,905,563</u>

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 9 – LONG-TERM OBLIGATIONS – BUSINESS-TYPE ACTIVITIES

The following is an analysis of changes in the business-type activities long-term obligations for the year ended December 31, 2012.

	Balance at January 1, 2012	New Issues and Additions	Retirements	Balance at December 31, 2012	Due within one year
(1999) - \$2,920,000 Golf Course and Ice Arena Facilities Revenue Bonds	\$ 1,380,000	\$ -	\$ 170,000	\$ 1,210,000	\$ 180,000
(2007) - \$3,555,000 Golf Course and Ice Arena Facilities Refunding Revenue Bonds	1,935,000	-	455,000	1,480,000	470,000
(2010) - \$4,785,000 Certificates of Participation	4,405,000	-	385,000	4,020,000	395,000
(2001) - \$999,862 Lease Agreement Baystone Financial Group	32,705	-	32,705	-	-
(2009) - \$135,992 Cardio Lease	47,009	-	47,009	-	-
Accrual for compensated absences	438,008	219,841	196,176	461,673	415,506
	\$ 8,237,722	\$ 219,841	\$ 1,285,890	\$ 7,171,673	\$ 1,460,506
Less current portion	(1,483,921)			(1,460,506)	
	<u>\$ 6,753,801</u>			<u>\$ 5,711,167</u>	

The details of the District's business-type activities long-term obligations are as follows:

\$2,920,000 Golf Course and Ice Arena Facilities Revenue Bonds, Series 1999, dated March 1, 1999, with interest of 3.55% to 5.2%, consisting of serial bonds due annually through 2018. In addition, the bonds maturing on and after November 1, 2010 are subject to redemption prior to maturity at the option of the District on November 1, 2009 and any date thereafter with a call premium of 1% if called November 1, 2009 through October 31, 2010 and no call premium if called November 1, 2010 and thereafter. These bonds were issued for the purpose of expanding the South Suburban Ice Arena.

\$3,555,000 Golf Course and Ice Arena Facilities Refunding Revenue Bonds, Series 2007, dated August 21, 2007, with interest of 4.25% to 5.0%, consisting of serial bonds due annually through 2015. The Series 2007 Bonds are not subject to redemption prior to maturity. These bonds were issued to refund the Golf Course and Ice Arena Facilities Revenue Refunding and Improvement Bonds, Series, 1996.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

**NOTE 9 – LONG-TERM OBLIGATIONS – BUSINESS-TYPE ACTIVITIES
(CONTINUED)**

At December 31, 2010, the District was in compliance with the restrictive covenants and provisions of the various resolutions authorizing the revenue bond issues. A portion of revenues from golf courses, ice arenas, other recreation facilities, and all of the transfers in are pledged for the payment of revenue bonds.

\$9,620,000 Certificates of Participation, Series 2010, dated December 22, 2010, with interest of 3.05%, due annually through 2021. \$4,835,000 of the 2010 certificates were allocated to the general fund for the acquisition and renovation of a new maintenance facility and \$4,785,000 were allocated to the enterprise fund to refund the 2001B Certificates of Participation. The 2010 certificates are not subject to optional redemption. The Certificates have been issued in connection with a lease of the Goodson Recreation Center from the District to UMB Bank N.A., and a lease back to the District from the UMB Bank N.A. Pursuant to the provisions of the Lease the 2010 Certificates shall be called for redemption in the event that the 2010 Lease Term is terminated by reason of the occurrence of an Event of Nonappropriation or an Event of Default under the 2010 lease. If called for redemption, the Certificates shall be redeemed in whole on such date for a redemption price equal to 100% of the principal amount plus accrued interest to the redemption date.

\$999,863 Lease Agreement dated December 12, 2001, for energy savings equipment throughout the District. Payments are due in quarterly installments through March 17, 2012, with interest at 5.354%. The lease is secured by certain rolling stock owned by the District. This lease was paid off in 2012.

\$135,992 Lease Agreement, Dated March 16, 2009, for Cardio Fitness Equipment at the Lone Tree Recreation Center. Payments are due in annual installments through March 16, 2012, with interest at 3.75%. This lease was paid off in 2012.

Other General Obligations

Accrual for compensated absences (see Note 2) is liquidated from the Enterprise fund.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 9 - LONG-TERM OBLIGATIONS – BUSINESS-TYPE ACTIVITIES
(CONTINUED)

The District's business-type activities long-term obligations, excluding accrual for compensated absences will mature as follows:

	Revenue Bonds		Certificates of Participation		
	Interest	Principal	Interest	Principal	Total
2013	124,733	650,000	122,610	395,000	1,292,343
2014	95,758	680,000	111,563	410,000	1,297,321
2015	65,470	710,000	98,057	420,000	1,293,527
2016	33,380	205,000	85,248	430,000	753,628
2017	22,925	215,000	72,132	445,000	755,057
2018-2021	11,960	230,000	148,383	1,920,000	2,310,343
	<u>\$ 354,226</u>	<u>\$ 2,690,000</u>	<u>\$ 637,993</u>	<u>\$ 4,020,000</u>	<u>\$ 7,702,219</u>

NOTE 10 – DEFINED CONTRIBUTION PLAN

The full time employees of the District participate in a Money Purchase Pension Plan which is a defined contribution plan established by the District and is maintained and administered by Principal Mutual Life. At December 31, 2012, there were 192 active plan members. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees become plan members after six months of employment. Under this plan, 6% of the plan members' compensation is remitted to the Plan Administrator by the District. The employees may make voluntary contributions to the plan. The District's contributions, plus earnings, become vested after three years of participation in the plan. District contributions for plan members who leave employment before they are fully vested are used to reduce the District's current period contribution requirement. There is no liability for benefits under the plan beyond the District's matching payments. Plan provisions and contribution requirements are established and may be amended by the District's Board of Directors.

The number of active plan members and contributions made by the District for the years ended December 31, 2012, 2011, and 2010 are as follows:

	2012	2011	2010
Plan members	<u>192</u>	<u>197</u>	<u>198</u>
District contribution	<u>\$ 588,399</u>	<u>\$ 583,315</u>	<u>\$ 575,656</u>

Contributions made by the District equal the District's required contributions. Plan members made no contributions during the past three years.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 11 - DEFERRED COMPENSATION PLAN

The District has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan is administered by Principal Mutual Life. Participation in the plan is optional for all employees. The plan allows the employees to defer a portion of their salary until future years.

NOTE 12 – TRANSFERS

The following schedule reflects the District's interfund transfers for the year ended December 31, 2012.

	Transfers In		
	General Fund	Enterprise Fund	Total
Transfers out			
General Fund	\$ -	\$ 2,200,000	\$ 2,200,000
Debt Service Fund	5,996	-	5,996
	<u>\$ 5,996</u>	<u>\$ 2,200,000</u>	<u>\$ 2,205,996</u>

The transfer from the General Fund to the Enterprise Fund is to cover overhead, capital and debt service. The transfer from the Debt Service Fund to the General Fund is to move interest earned to the General Fund.

Also included in the government-wide statements is a \$792,656 transfer from the Governmental Activities to the Business-type Activities for the transfer of Business-type capital assets purchased in the Governmental Activities.

NOTE 13 - COMMITMENTS AND CONTINGENCIES

Risk Management

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets, errors or omissions, injuries to employees, or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for property, general and automobile liability, public officials, auto physical damage, inland marine, boiler and machinery, and worker's compensation coverage. In the event aggregate losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool 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.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 13 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Employee Health Care

The District has a self-insurance plan for employee health and dental care. An outside administrator is utilized to monitor individual employee claims and negotiate excess coverage insurance policies. Excess coverage insurance policies are purchased to cover individual yearly health claims in excess of \$60,000 and aggregate total yearly health claims in excess of \$1,695,429. Settled benefit claims have not exceeded the aggregate total yearly claims limit in the last three years. Excess coverage insurance policies are not purchased for dental and prescription claims.

The District's Enterprise Fund makes payments to the General Fund to pay its portion of prior and current year claims and to establish a reserve for catastrophic losses. A benefit claims liability is reported when it is probable that a loss has occurred and the amount of loss can be reasonably estimated. The liability is estimated based upon the experience of the District, trends in costs of services and changes in the number of members. Estimates are revised as changes in these factors occur and such revisions are reflected in operations of the current period. Liabilities include an amount for claims that have been incurred but not reported.

The following represents the changes in the benefit claims liability for the District during 2012 and 2011:

	<u>2012</u>	<u>2011</u>
Benefit claims liability at beginning of year	\$ 170,000	\$ 175,000
Current year claims and changes in estimates	1,785,202	1,398,166
Claim payments	<u>(1,785,202)</u>	<u>(1,403,166)</u>
Benefit claims liability at end of year	<u><u>\$ 170,000</u></u>	<u><u>\$ 170,000</u></u>

The District continues to carry commercial insurance coverage for other risks of loss including daycare property and liability insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Other Litigation

There are several other lawsuits pending in which the District is involved. Management and its legal counsel estimate that the potential claims against the District not covered by insurance resulting from such litigation would be relatively insignificant.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 14 – LAND LEASES

Family Sports Center

In 2001, the District entered into a Ground Lease with the Arapahoe County Public Airport Authority to lease the land at the Family Sports Center location. The lease term expires June 30, 2037. Under the lease terms, the District must pay basic rent due in quarterly installments based on an amount per square foot. In addition, a percentage rent based on revenues generated at the Family Sports Center is due annually 60 days after the year-end. For 2012, the District paid the Airport Authority approximately \$338,000.

Landfill Parcel

On August 1, 2001, the District entered into a Ground Lease with Arapahoe County (County) to lease land previously used as a landfill. The lease is effective for an initial 15 year term with an option to renew. The County is responsible to conduct monitoring of the ground water, methane gas and the District's compliance with its obligations to maintain the landfill clay cap, site drainage systems, slope conditions, and improvements. The District shall pay the County \$10,000 annually to be applied by the County toward the County's monitoring and maintenance obligation.

The District has an irrevocable option to purchase the site at a price of \$10 if purchased within the initial 15 year lease period. Anytime after the initial 15 year period, the price shall be the fair market value of the site.

As of execution of the lease, the District was required to deposit \$40,000 into an Environmental Liability Escrow interest bearing account (see Note 4). Annually thereafter, the District shall deposit into said account, the sum of \$10,000 until the balance in the account reaches \$200,000. All monies in the escrow account shall be used by the County to pay for environmental liability incurred by the County or any operator of the landfill as a result of District activities on the site. Upon expiration of this lease, or the purchase of the site by the District, all monies in the escrow account, including accrued interest shall be returned to the District.

NOTE 15 - TAX, SPENDING AND DEBT LIMITATIONS

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

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The District's management believes a significant portion of its operations qualifies for this exclusion.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2012

NOTE 15 - TAX, SPENDING AND DEBT LIMITATIONS (CONTINUED)

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.

On November 2, 1999, the registered voters of the District authorized the District to collect, retain and spend all revenue and other funds collected from any source effective January 1, 1999 and continuing thereafter without regard to any expenditure, revenue raising or other limitation contained within Article X, Section 20 of the Colorado Constitution. The voters also authorized the District to continue to levy 4.417 mills each year for operations regardless of any revenue limitations in Section 29-1-301, C.R.S. or other State law.

On May 2, 2000, a majority of the District's electors authorized the District to increase its debt by \$20,000,000 and to increase property taxes \$3,967,845 annually to provide for repayment of the debt. Such debt to be evidenced by general obligation bonds issued for the purpose of financing in whole or in part, acquisition, construction and renovation of land, recreational facilities, parks, athletic fields, and trails. The bond proceeds, ad valorem property taxes and investment earning thereon shall be collected and spent without limitation or condition and without limiting the collection or spending of any other revenue or funds by the District under Article X, Section 20 of the Colorado Constitution or any other law.

On May 2, 2000, a majority of the District's electors also authorized the District to increase property taxes \$1,700,000 in the first full fiscal year (for collection in 2001) for a period not to exceed ten years. The increased levy (to be known as the Open Space Tax) will continue at the rate of up to one (1) mill annually, for collection through fiscal year 2010, in whatever amounts are generated by such levy. The revenue from the Open Space Tax is to be used solely to acquire or to offset the cost of acquiring open space and parks, and to develop or to offset the cost of development of trails and is not subject to any limitation under TABOR.

On May 4, 2010 a majority of the District's electors authorized the District to extend the Open Space Tax levy of 1 mill for an additional 10 years, for collection through fiscal year 2020. The electors approved that the revenue generated from the tax, is to be used for acquisition of parks, open space, and natural areas; acquisition and development of trails; and development and maintenance of open space, parks and trails.

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 and qualification as an Enterprise will require judicial interpretation.

INDIVIDUAL FUND STATEMENTS AND SCHEDULES

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.

**SOUTH SUBURBAN PARK AND RECREATION DISTRICT
GENERAL FUND
BALANCE SHEET
December 31, 2012**

(with comparative totals for December 31, 2011)

	2012	2011
ASSETS		
Equity in pooled cash and investments - Unrestricted	\$ 5,286,471	\$ 5,855,828
Equity in pooled cash and investments - Restricted	965,317	1,120,861
Receivables	916,804	1,348,535
Property taxes receivable	9,907,516	10,320,861
CHV settlement receivable	5,181,294	5,914,348
TOTAL ASSETS	\$ 22,257,402	\$ 24,560,433
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 463,793	\$ 463,899
Accrued payroll liabilities	442,413	390,467
Advances from grantors and donors	311,567	67,250
TOTAL LIABILITIES	1,217,773	921,616
DEFERRED INFLOWS OF RESOURCES		
Deferred revenue CHV settlement	5,181,294	5,914,348
Deferred property tax revenue	9,907,516	10,320,861
TOTAL DEFERRED INFLOWS OF RESOURCES	15,088,810	16,235,209
FUND BALANCE		
Restricted for:		
Emergencies	420,000	479,000
Land acquisition and trail development	1,013,439	2,279,502
Environmental liability escrow	169,134	158,767
Assigned to:		
Health insurance claims	796,183	962,094
Subsequent year's expenditures	3,406,097	3,319,166
Unassigned	145,966	205,079
TOTAL FUND BALANCE	5,950,819	7,403,608
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	\$ 22,257,402	\$ 24,560,433

**SOUTH SUBURBAN PARK AND RECREATION DISTRICT
GENERAL FUND
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Year Ended December 31, 2012**

(with comparative totals for December 31, 2011)

	2012	2011
REVENUE		
Property taxes	\$ 10,147,580	\$ 10,534,637
Specific ownership taxes	1,119,642	1,055,748
Intergovernmental	1,149,300	3,129,716
Donations	106,868	53,832
Net investment income	27,087	41,166
Principal received-CHV	733,054	721,537
Interest income-CHV	14,313	35,834
Development fees	-	3,608
Other	796,358	439,347
Total revenue	<u>14,094,202</u>	<u>16,015,425</u>
EXPENDITURES		
Current		
Administration	856,261	800,019
Finance	212,767	220,719
MIS	200,165	189,237
Insurance	158,298	144,179
Park maintenance	5,326,251	6,342,500
South Platte Park	652,365	621,312
Preventative maintenance	341,300	355,373
Planning and construction	1,006,005	956,256
Hudson Gardens management fee	350,000	350,000
Debt service		
Certificates of participation principal	385,000	385,000
Certificates of participation interest	135,725	138,865
Capital outlay	3,728,850	6,576,184
Total expenditures	<u>13,352,987</u>	<u>17,079,644</u>
EXCESS REVENUE OVER (UNDER) EXPENDITURES	<u>741,215</u>	<u>(1,064,219)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	5,996	6,099
Transfers (out)	(2,200,000)	(2,350,000)
Total other financing sources (uses)	<u>(2,194,004)</u>	<u>(2,343,901)</u>
NET CHANGE IN FUND BALANCE	(1,452,789)	(3,408,120)
FUND BALANCE - BEGINNING OF YEAR	<u>7,403,608</u>	<u>10,811,728</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 5,950,819</u></u>	<u><u>\$ 7,403,608</u></u>

CONSERVATION TRUST FUND

The Conservation Trust Fund accounts for the acquisition of parks and open space land not previously owned by the District and for improvements to existing park and recreation facilities. Financing is provided primarily from State Lottery Funds.

**SOUTH SUBURBAN PARK AND RECREATION
CONSERVATION TRUST FUND
BALANCE SHEET
December 31, 2012**

(with comparative totals for December 31, 2011)

	<u>2012</u>	<u>2011</u>
ASSETS		
Equity in pooled cash and investments - Unrestricted	\$ 602,154	\$ 396,719
TOTAL ASSETS	<u><u>\$ 602,154</u></u>	<u><u>\$ 396,719</u></u>
 LIABILITIES AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 13,627	\$ 12,691
Total liabilities	<u>13,627</u>	<u>12,691</u>
 FUND BALANCE		
Fund balance		
Restricted for capital projects	<u>588,527</u>	<u>384,028</u>
Total fund balance	<u>588,527</u>	<u>384,028</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$ 602,154</u></u>	<u><u>\$ 396,719</u></u>

**SOUTH SUBURBAN PARK AND RECREATION
CONSERVATION TRUST FUND
STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Year Ended December 31, 2012**

(with comparative totals for December 31, 2011)

	<u>2012</u>	<u>2011</u>
REVENUE		
Intergovernmental	\$ 681,552	\$ 648,244
Net investment income	1,291	1,975
Total revenue	<u>682,843</u>	<u>650,219</u>
EXPENDITURES		
Capital Outlay	478,344	1,106,048
Total expenditures	<u>478,344</u>	<u>1,106,048</u>
NET CHANGE IN FUND BALANCE	204,499	(455,829)
FUND BALANCE - BEGINNING OF YEAR	384,028	839,857
FUND BALANCE - END OF YEAR	<u><u>\$ 588,527</u></u>	<u><u>\$ 384,028</u></u>

2010 ONE MILL FUND

The 2010 One Mill Fund accounts for the revenue and expenditures as approved by the voters in the May 4th 2010 election. The electors authorized the District to levy one mill, for collection starting in 2011 through 2020, to be used for the acquisition of parks, open space, and natural areas; acquisition and development of trails; and development and maintenance of open space, parks and trails.

**SOUTH SUBURBAN PARK AND RECREATION
2010 ONE MILL FUND
BALANCE SHEET
December 31, 2012**

(with comparative totals for December 31, 2011)

	<u>2012</u>	<u>2011</u>
ASSETS		
Equity in pooled cash and investments - Unrestricted	\$ 880,450	\$ 2,436,146
Property taxes receivable	2,183,234	2,242,690
TOTAL ASSETS	<u><u>\$ 3,063,684</u></u>	<u><u>\$ 4,678,836</u></u>
 LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 78,388	\$ 232,578
Advances from grantors and donors	193,580	471,563
TOTAL LIABILITIES	<u><u>271,968</u></u>	<u><u>704,141</u></u>
 DEFERRED INFLOWS OF RESOURCES		
Deferred property tax revenue	2,183,234	2,242,690
TOTAL DEFERRED INFLOWS OF RESOURCES	<u><u>2,183,234</u></u>	<u><u>2,242,690</u></u>
 FUND BALANCE		
Restricted for:		
Acquisition, development, and maintenance of parks, open space and trails	608,482	1,732,005
TOTAL FUND BALANCE	<u><u>608,482</u></u>	<u><u>1,732,005</u></u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	<u><u>\$ 3,063,684</u></u>	<u><u>\$ 4,678,836</u></u>

**SOUTH SUBURBAN PARK AND RECREATION
2010 ONE MILL FUND
STATEMENT OF REVENUE, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Year Ended December 31, 2012**

(with comparative totals for December 31, 2011)

	<u>2012</u>	<u>2011</u>
REVENUE		
Property taxes	\$ 2,221,749	\$ 2,358,716
Intergovernmental	848,530	28,437
Net investment income	4,392	4,678
Total revenue	<u>3,074,671</u>	<u>2,391,831</u>
EXPENDITURES		
Current		
Administration	32,925	34,892
Park maintenance	1,318,769	-
Capital outlay	2,846,500	624,934
Total expenditures	<u>4,198,194</u>	<u>659,826</u>
NET CHANGE IN FUND BALANCE	(1,123,523)	1,732,005
FUND BALANCE - BEGINNING OF YEAR	<u>1,732,005</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 608,482</u></u>	<u><u>\$ 1,732,005</u></u>

DEBT SERVICE FUND

The Debt Service Fund accounts for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources.

**SOUTH SUBURBAN PARK AND RECREATION DISTRICT
DEBT SERVICE FUND
BALANCE SHEET
December 31, 2012**

(with comparative totals for December 31, 2011)

	2012	2011
ASSETS		
Equity in pooled cash and investments - Unrestricted	\$ 248,788	\$ 166,374
Property taxes receivable	3,693,296	3,702,204
TOTAL ASSETS	<u><u>\$ 3,942,084</u></u>	<u><u>\$ 3,868,578</u></u>
 LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE		
LIABILITIES		
Accounts payable	\$ 150	\$ 300
TOTAL LIABILITIES	<u>150</u>	<u>300</u>
 DEFERRED INFLOWS OF RESOURCES		
Deferred property tax revenue	3,693,296	3,702,204
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>3,693,296</u>	<u>3,702,204</u>
 FUND BALANCE		
Restricted for general obligation debt service	248,638	166,074
TOTAL FUND BALANCE	<u>248,638</u>	<u>166,074</u>
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCE	<u><u>\$ 3,942,084</u></u>	<u><u>\$ 3,868,578</u></u>

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
DEBT SERVICE FUND
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Year Ended December 31, 2012

(with comparative totals for December 31, 2011)

	<u>2012</u>	<u>2011</u>
REVENUE		
Property taxes	\$ 3,650,572	\$ 3,602,270
Net investment income	5,996	6,099
Total revenue	<u>3,656,568</u>	<u>3,608,369</u>
EXPENDITURES		
Current		
Administration	55,625	55,884
Debt service		
Bond principal	2,480,000	2,405,000
Bond interest	1,032,383	1,109,356
Total expenditures	<u>3,568,008</u>	<u>3,570,240</u>
EXCESS REVENUE OVER (UNDER) EXPENDITURES	<u>88,560</u>	<u>38,129</u>
OTHER FINANCING SOURCES (USES)		
Transfer (out)	(5,996)	(6,099)
Total other financing sources (uses)	<u>(5,996)</u>	<u>(6,099)</u>
NET CHANGE IN FUND BALANCE	82,564	32,030
FUND BALANCE - BEGINNING OF YEAR	166,074	134,044
FUND BALANCE - END OF YEAR	<u><u>\$ 248,638</u></u>	<u><u>\$ 166,074</u></u>

**SOUTH SUBURBAN PARK AND RECREATION DISTRICT
DEBT SERVICE FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES
IN FUND BALANCE-BUDGET AND ACTUAL
For the Year Ended December 31, 2012**

	Budget	Actual Amounts	Variance Favorable (Unfavorable)
REVENUE			
Property taxes	\$ 3,531,234	\$ 3,650,572	\$ 119,338
Net investment income	2,000	5,996	3,996
Total revenue	<u>3,533,234</u>	<u>3,656,568</u>	<u>123,334</u>
EXPENDITURES			
Current			
Administration	62,000	55,625	6,375
Debt service			
Bond principal	2,480,000	2,480,000	-
Bond interest	<u>1,032,383</u>	<u>1,032,383</u>	<u>-</u>
Total expenditures	<u>3,574,383</u>	<u>3,568,008</u>	<u>6,375</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>(41,149)</u>	<u>88,560</u>	<u>129,709</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	<u>(2,000)</u>	<u>(5,996)</u>	<u>(3,996)</u>
Total other financing sources (uses)	<u>(2,000)</u>	<u>(5,996)</u>	<u>(3,996)</u>
NET CHANGE IN FUND BALANCE	(43,149)	82,564	125,713
FUND BALANCE - BEGINNING OF YEAR	<u>43,149</u>	<u>166,074</u>	<u>122,925</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 248,638</u>	<u>\$ 248,638</u>

ENTERPRISE FUND

The Enterprise Fund accounts for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District's Board of Directors is that costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
STATEMENT OF NET POSITION
ENTERPRISE FUND
December 31, 2012

(with comparative totals for December 31, 2011)

	<u>2012</u>	<u>2011</u>
ASSETS		
Current assets		
Equity in pooled cash and investments - unrestricted	\$ 1,950,842	\$ 1,588,070
Receivables	285,007	188,345
Inventory	663,811	680,409
Total Current assets	<u>2,899,660</u>	<u>2,456,824</u>
Non-current assets		
Equity in pooled cash and investments - restricted	597,580	597,580
Capital assets, net of depreciation	43,124,835	44,902,947
Bond discount and issuance costs - net of amortization	-	21,590
Total Non-current assets	<u>43,722,415</u>	<u>45,522,117</u>
TOTAL ASSETS	<u>46,622,075</u>	<u>47,978,941</u>
 DEFERRED OUTFLOWS OF RESOURCES		
Cost of refundings	240,374	291,073
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>240,374</u>	<u>291,073</u>
 LIABILITIES		
Current liabilities		
Accounts payable	816,485	683,872
Accrued payroll liabilities	626,198	560,339
Accrued interest payable	32,867	40,381
Advances from grantors and donors	47,721	50,748
Long-term obligations, current portion	1,460,506	1,483,921
Total Current liabilities	<u>2,983,777</u>	<u>2,819,261</u>
Non-current liabilities		
Long-term obligations, noncurrent portion	5,711,167	6,753,801
TOTAL LIABILITIES	<u>8,694,944</u>	<u>9,573,062</u>
 NET POSITION		
Invested in capital assets, net of related debt	37,252,389	38,013,475
Restricted for Emergencies-TABOR	131,000	127,000
Unrestricted	784,116	556,477
TOTAL NET POSITION	<u><u>\$ 38,167,505</u></u>	<u><u>\$ 38,696,952</u></u>

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
ENTERPRISE FUND
SCHEDULE OF REVENUE, EXPENDITURES, AND CHANGES IN FUNDS AVAILABLE -
BUDGET AND ACTUAL (Non-GAAP BUDGETARY BASIS)
For the Year Ended December 31, 2012
(with comparative totals for December 31, 2011)

	2012			2011
	Amended Budget	Actual	Variance- Favorable (Unfavorable)	Actual
REVENUE				
Golf courses	\$ 9,420,091	\$ 9,583,901	\$ 163,810	\$ 8,728,311
Ice arenas	4,193,171	4,170,718	(22,453)	4,001,119
Recreation centers	4,352,262	4,425,600	73,338	4,294,529
Athletics	2,155,230	2,054,250	(100,980)	1,981,340
Other recreation facilities and programs	1,613,600	1,588,644	(24,956)	1,483,107
Net investment income	5,822	8,303	2,481	6,818
Donations	245,089	64,848	(180,241)	157,569
Transfer in	2,370,000	2,200,000	(170,000)	2,350,000
Total revenue	<u>24,355,265</u>	<u>24,096,264</u>	<u>(259,001)</u>	<u>23,002,793</u>
EXPENDITURES				
Golf courses	8,162,474	8,301,475	(139,001)	8,012,158
Ice arenas	3,343,900	3,239,964	103,936	3,427,484
Recreation centers	5,834,326	5,833,170	1,156	5,823,958
Athletics	1,268,739	1,231,852	36,887	1,219,482
Other recreation facilities and programs	1,186,242	1,183,636	2,606	1,108,538
Administration	1,025,543	1,016,960	8,583	876,792
Finance	461,879	431,983	29,896	448,126
MIS	418,622	406,396	12,226	384,207
Insurance	290,000	278,695	11,305	292,726
Facility and maintenance improvements	125,904	104,596	21,308	121,927
Bond/Lease interest	292,447	284,655	7,792	331,655
Bond/Lease principal	1,089,714	1,089,714	-	1,145,797
Capital outlay	444,484	438,263	6,221	392,219
Total expenditures	<u>23,944,274</u>	<u>23,841,359</u>	<u>102,915</u>	<u>23,585,069</u>
NET CHANGE IN FUNDS AVAILABLE	410,991	254,905	(156,086)	(582,276)
FUNDS AVAILABLE - BEGINNING OF YEAR	<u>(410,991)</u>	<u>1,719,064</u>	<u>2,130,055</u>	<u>2,301,340</u>
FUNDS AVAILABLE - END OF YEAR	<u>\$ -</u>	<u>\$ 1,973,969</u>	<u>\$ 1,973,969</u>	<u>\$ 1,719,064</u>
Funds available is computed as follows:				
Current assets		\$ 2,899,660		\$ 2,456,824
Restricted cash and investments		597,580		597,580
Current liabilities, net of current portion of long-term liabilities		<u>(1,523,271)</u>		<u>(1,335,340)</u>
		<u>\$ 1,973,969</u>		<u>\$ 1,719,064</u>

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
ENTERPRISE FUND
RECONCILIATION OF Non-GAAP BUDGETARY BASIS (ACTUAL) TO
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
For the Year Ended December 31, 2012

Revenue (budgetary basis)	\$24,096,264
Contribution-capital assets	792,656
Revenue (GAAP)	<u>24,888,920</u>
Expenditures (budgetary basis)	23,841,359
Depreciation	3,009,031
Amortization on discount and issue cost	72,289
Increase in long-term portion of compensated absences	23,665
Bond principal	(1,089,714)
Capital outlay	<u>(438,263)</u>
Expenses (GAAP)	<u>25,418,367</u>
Change in net position per statement of revenue, expenses and changes in net assets	<u><u>\$ (529,447)</u></u>

SUPPLEMENTAL INFORMATION

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
GOVERNMENTAL ACTIVITIES LONG-TERM DEBT
December 31, 2012

Year Ending December 31,	\$19,805,000 General Obligation Refunding Bonds Series 2006, Dated October 24, 2006, Interest Rate 3.75% to 5.00%		\$10,000,000 General Obligation Refunding Bonds Series 2008, Dated November 3, 2008, Interest Rate 3.12%		\$9,620,000 Certificates of Participation Series 2010, Dated December 22, 2010, Interest Rate 3.05% \$4,835,000 Allocated to the General Fund	
	Interest Due June 15 and December 15	Principal Due December 15	Interest Due June 15 and December 15	Principal Due December 15	Interest Due June 1 and December 1	Principal Due December 1
2013	\$ 881,050	\$ 235,000	\$ 72,540	\$ 2,325,000	\$ 123,982	\$ 400,000
2014	871,650	2,750,000	-	-	111,783	410,000
2015	734,150	2,880,000	-	-	99,277	425,000
2016	611,750	3,000,000	-	-	86,315	435,000
2017	491,750	3,120,000	-	-	73,048	450,000
2018	335,750	3,275,000	-	-	59,323	465,000
2019	172,000	3,440,000	-	-	45,140	480,000
2020	-	-	-	-	30,500	490,000
2021	-	-	-	-	15,555	510,000
	<u>\$ 4,098,100</u>	<u>\$ 18,700,000</u>	<u>\$ 72,540</u>	<u>\$ 2,325,000</u>	<u>\$ 644,923</u>	<u>\$ 4,065,000</u>

Totals		
Total Interest	Total Principal	Total
\$ 1,077,572	\$ 2,960,000	\$ 4,037,572
983,433	3,160,000	4,143,433
833,427	3,305,000	4,138,427
698,065	3,435,000	4,133,065
564,798	3,570,000	4,134,798
395,073	3,740,000	4,135,073
217,140	3,920,000	4,137,140
30,500	490,000	520,500
15,555	510,000	525,555
<u>\$ 4,815,563</u>	<u>\$ 25,090,000</u>	<u>\$ 29,905,563</u>

SOUTH SUBURBAN PARK AND RECREATION DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
BUSINESS-TYPE ACTIVITIES
December 31, 2012

Year Ending December 31,	\$2,920,000 Golf Course and Ice Arena Facilities Revenue Bonds, Dated March 1, 1999, Interest Rate 3.55% to 5.20%		\$3,555,000 Golf Course and Ice Arena Facilities Refunding Revenue Bonds Dated August 21, 2007 Interest Rate 4.25% to 5.00%		\$9,620,000 Certificates of Participation Series 2010, Dated December 22, 2010, Interest Rate 3.05% \$4,785,000 Allocated to the Enterprise Fund	
	Interest Due May 1 and November 1	Principal Due November 1	Interest Due May 1 and November 1	Principal Due November 1	Interest Due June 1 and December 1	Principal Due December 1
2013	\$ 61,575	\$ 180,000	\$ 63,158	\$ 470,000	\$ 122,610	\$ 395,000
2014	52,575	185,000	43,183	495,000	111,563	410,000
2015	43,325	195,000	22,145	515,000	98,057	420,000
2016	33,380	205,000	-	-	85,248	430,000
2017	22,925	215,000	-	-	72,132	445,000
2018	11,960	230,000	-	-	58,560	460,000
2019	-	-	-	-	44,530	475,000
2020	-	-	-	-	30,043	485,000
2021	-	-	-	-	15,250	500,000
	<u>\$ 225,740</u>	<u>\$ 1,210,000</u>	<u>\$ 128,486</u>	<u>\$ 1,480,000</u>	<u>\$ 637,993</u>	<u>\$ 4,020,000</u>

Totals		
Total Interest	Total Principal	Total
\$ 247,343	\$ 1,045,000	\$ 1,292,343
207,321	1,090,000	1,297,321
163,527	1,130,000	1,293,527
118,628	635,000	753,628
95,057	660,000	755,057
70,520	690,000	760,520
44,530	475,000	519,530
30,043	485,000	515,043
15,250	500,000	515,250
<u>\$ 992,219</u>	<u>\$ 6,710,000</u>	<u>\$ 7,702,219</u>

STATISTICAL SECTION

This part of the South Suburban Park and Recreation District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health. This information has not been audited.

Page

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

South Suburban Park and Recreation District
Net Position by Component
Last Ten Years

	2003	2004	2005	2006
Governmental activities				
Net investment in capital assets	\$ 20,553,780	\$ 12,268,717	\$ 9,085,863	\$ 12,882,243
Restricted for				
Emergency-TABOR	445,000	426,000	452,000	463,000
Capital projects	322,077	216,346	365,332	416,489
Land acquisition and trail development	1,408,059	1,851,483	1,487,281	2,299,031
Acquisition, development, and maintenance of parks, open space and trails	-	-	-	-
Environmental liability escrow	75,569	86,464	84,782	99,192
Unrestricted	2,878,034	2,522,073	12,303,596	12,456,986
Total governmental activities net position	<u>\$ 25,682,519</u>	<u>\$ 17,371,083</u>	<u>\$ 23,778,854</u>	<u>\$ 28,616,941</u>
Business-type activities				
Net investment in capital assets	\$ 21,217,837	\$ 38,609,423	\$ 43,545,937	\$ 42,055,603
Restricted for emergency-TABOR	155,000	645,000	365,000	185,000
Unrestricted	5,709,044	143,342	2,060,562	2,286,222
Total business-type activities net position	<u>\$ 27,081,881</u>	<u>\$ 39,397,765</u>	<u>\$ 45,971,499</u>	<u>\$ 44,526,825</u>
Primary Government				
Net investment in capital assets	\$ 41,771,617	\$ 50,878,140	\$ 52,631,800	\$ 54,937,846
Restricted for				
Emergency-TABOR	600,000	1,071,000	817,000	648,000
Capital projects	322,077	216,346	365,332	416,489
Land acquisition and trail development	1,408,059	1,851,483	1,487,281	2,299,031
Acquisition, development, and maintenance of parks, open space and trails	-	-	-	-
Other various agreements	75,569	86,464	84,782	99,192
Unrestricted	8,587,078	2,665,415	14,364,158	14,743,208
Total primary government net position	<u>\$ 52,764,400</u>	<u>\$ 56,768,848</u>	<u>\$ 69,750,353</u>	<u>\$ 73,143,766</u>

Schedule 1

2007	2008	2009	2010	2011	2012
\$ 17,782,199	\$ 21,865,625	\$ 24,801,651	\$ 27,951,191	\$ 33,445,929	\$ 39,854,832
491,000	487,000	531,000	481,000	479,000	420,000
323,651	631,913	535,445	839,857	384,028	588,527
2,425,559	2,436,430	3,188,083	2,644,719	2,279,502	1,013,439
-	-	-	-	1,732,005	608,482
114,655	127,742	138,297	148,603	158,767	169,134
11,957,521	11,759,482	12,292,680	12,189,478	10,057,490	9,196,890
<u>\$ 33,094,585</u>	<u>\$ 37,308,192</u>	<u>\$ 41,487,156</u>	<u>\$ 44,254,848</u>	<u>\$ 48,536,721</u>	<u>\$ 51,851,304</u>
\$ 41,443,142	\$ 40,965,490	\$ 40,437,984	\$ 38,540,797	\$ 38,013,475	\$ 37,252,389
220,000	205,000	126,000	128,000	127,000	131,000
2,954,256	1,360,126	1,209,886	1,147,826	556,477	784,116
<u>\$ 44,617,398</u>	<u>\$ 42,530,616</u>	<u>\$ 41,773,870</u>	<u>\$ 39,816,623</u>	<u>\$ 38,696,952</u>	<u>\$ 38,167,505</u>
\$ 59,225,341	\$ 62,831,115	\$ 65,239,635	\$ 66,491,988	\$ 71,459,404	\$ 77,107,221
711,000	692,000	657,000	609,000	606,000	551,000
323,651	631,913	535,445	839,857	384,028	588,527
2,425,559	2,436,430	3,188,083	2,644,719	2,279,502	1,013,439
-	-	-	-	1,732,005	608,482
114,655	127,742	138,297	148,603	158,767	169,134
14,911,777	13,119,608	13,502,566	13,337,304	10,613,967	9,981,006
<u>\$ 77,711,983</u>	<u>\$ 79,838,808</u>	<u>\$ 83,261,026</u>	<u>\$ 84,071,471</u>	<u>\$ 87,233,673</u>	<u>\$ 90,018,809</u>

South Suburban Park and Recreation District

Changes in Net Position

Last Ten Years

(accrual basis of accounting)

	2003	2004	2005	2006
Expenses				
Governmental activities				
General government	\$ 1,476,469	\$ 1,418,912	\$ 1,491,287	\$ 1,544,130
Parks and open space	5,688,107	5,866,849	6,024,407	6,334,844
South Platte Park	747,281	776,562	672,348	683,895
General maintenance and improvements	1,214,187	660,101	1,184,337	859,725
Planning and construction	948,319	931,433	924,917	870,965
Hudson Gardens management fee	350,000	350,000	350,000	350,000
Interest on long term debt	2,469,400	2,306,478	2,104,583	1,987,968
Total governmental activities expense	12,893,763	12,310,335	12,751,879	12,631,527
Business type activities				
Golf courses	8,372,755	8,587,535	8,745,156	9,134,783
Ice arenas	5,915,420	5,488,371	5,397,821	5,465,207
Recreation centers	4,432,606	5,674,999	7,214,273	7,805,200
Athletics	1,353,185	1,318,800	1,344,218	1,489,120
Other recreation facilities and programs	1,259,168	1,233,908	1,230,862	1,303,772
Total business type activities expense	21,333,134	22,303,613	23,932,330	25,198,082
Total primary government expense	\$ 34,226,897	\$ 34,613,948	\$ 36,684,209	\$ 37,829,609
Program revenue				
Governmental activities				
Operating grants and contributions	\$ 185,247	\$ 214,242	\$ 193,131	\$ 254,497
Capital grants and contributions	-	-	966,528	813,150
Total governmental activities program revenue	185,247	214,242	1,159,659	1,067,647
Business type activities				
Charges for service				
Golf courses	7,854,547	7,874,548	8,176,682	8,624,533
Ice arenas	5,311,010	5,104,020	5,149,938	5,265,971
Recreation centers	2,656,793	3,345,603	4,283,955	4,375,973
Athletics	1,742,063	1,802,291	1,804,383	1,802,977
Other recreation facilities and programs	1,131,889	1,096,895	1,140,620	1,149,200
Operating grants and contributions	44,174	43,803	15,002	89,779
Capital grants and contributions	30,053	-	77,546	-
Total business type activities program revenue	18,770,529	19,267,160	20,648,126	21,308,433
Total primary government program revenue	\$ 18,955,776	\$ 19,481,402	\$ 21,807,785	\$ 22,376,080
Net (Expense) Revenue				
Governmental activities	\$ (12,708,516)	\$ (12,096,093)	\$ (11,592,220)	\$ (11,563,880)
Business type activities	(2,562,605)	(3,036,453)	(3,284,204)	(3,889,649)
Total primary government net expense	\$ (15,271,121)	\$ (15,132,546)	\$ (14,876,424)	\$ (15,453,529)
General Revenue and Other Changes in Net Position				
Governmental activities				
Property tax revenue	\$ 15,848,048	\$ 15,762,365	\$ 15,843,404	\$ 15,000,502
Specific ownership tax	1,629,176	1,555,981	1,508,453	1,304,148
Unrestricted grants and contributions	1,703,665	1,191,728	631,046	772,178
Investment income	281,822	170,052	618,648	991,805
Development fees	-	-	-	140,236
Miscellaneous income	173,990	326,746	306,036	357,086
Special item - Gain on sale of LCC	-	-	563,724	-
Special item - Gain on disposition of CHV park land	-	-	8,248,165	-
Transfers	(2,742,763)	(15,222,215)	(9,719,485)	(2,163,988)
Total governmental activities	16,893,938	3,784,657	17,999,991	16,401,967
Business type activities				
Unrestricted grants and contributions	2,532,167	35,872	-	-
Investment income	72,085	94,250	138,453	280,987
Transfers	2,742,763	15,222,215	9,719,485	2,163,988
Total business type activities	5,347,015	15,352,337	9,857,938	2,444,975
Total primary government	\$ 22,240,953	\$ 19,136,994	\$ 27,857,929	\$ 18,846,942
Change in net position				
Governmental activities	\$ 4,185,422	\$ (8,311,436)	\$ 6,407,771	\$ 4,838,087
Business type activities	2,784,410	12,315,884	6,573,734	(1,444,674)
Total primary government	\$ 6,969,832	\$ 4,004,448	\$ 12,981,505	\$ 3,393,413

Schedule 2

2007	2008	2009	2010	2011	2012
\$ 1,681,941	\$ 1,475,872	\$ 1,483,405	\$ 1,596,057	\$ 1,699,555	\$ 1,880,640
6,593,706	7,344,626	7,344,840	7,906,326	8,155,962	8,528,216
731,877	736,896	791,106	813,737	838,451	886,298
1,162,526	1,441,995	1,025,754	1,420,571	1,007,009	791,406
900,428	1,017,383	1,051,075	949,231	967,446	1,015,562
350,000	350,000	4,128	200,000	350,000	350,000
1,711,006	1,602,500	1,334,334	1,262,214	1,234,583	1,144,367
13,131,484	13,969,272	13,034,642	14,148,136	14,253,006	14,596,489
9,591,354	9,839,927	9,255,848	9,411,143	9,891,528	10,037,033
5,467,015	5,817,529	5,230,955	5,308,928	4,548,381	4,588,863
8,077,015	8,228,985	8,099,533	8,073,774	7,921,846	7,908,490
1,606,758	1,699,367	1,670,979	1,455,580	1,411,784	1,447,358
1,385,229	1,396,783	1,384,323	1,365,761	1,408,353	1,436,623
26,127,371	26,982,591	25,641,638	25,615,186	25,181,892	25,418,367
\$ 39,258,855	\$ 40,951,863	\$ 38,676,280	\$ 39,763,322	\$ 39,434,898	\$ 40,014,856
\$ 370,328	\$ 260,977	\$ 294,345	\$ 242,149	\$ 235,480	\$ 304,847
2,448,604	963,445	1,954,004	765,758	2,966,928	1,918,775
2,818,932	1,224,422	2,248,349	1,007,907	3,202,408	2,223,622
9,023,753	9,201,806	8,316,736	8,463,693	8,728,311	9,583,901
5,089,449	5,087,854	4,503,810	4,444,126	4,001,119	4,170,718
4,567,766	4,817,504	4,455,242	4,307,289	4,294,529	4,425,600
1,870,363	1,934,761	1,975,626	1,967,210	1,981,340	2,054,250
1,144,739	1,387,220	1,415,640	1,535,602	1,483,107	1,588,644
53,991	80,298	97,968	53,547	157,569	64,848
-	-	468,079	183,620	-	-
21,750,061	22,509,443	21,233,101	20,955,087	20,645,975	21,887,961
\$ 24,568,993	\$ 23,733,865	\$ 23,481,450	\$ 21,962,994	\$ 23,848,383	\$ 24,111,583
\$(10,312,552)	\$(12,744,850)	\$(10,786,293)	\$(13,140,229)	\$(11,050,598)	\$(12,372,867)
(4,377,310)	(4,473,148)	(4,408,537)	(4,660,099)	(4,535,917)	(3,530,406)
\$(14,689,862)	\$(17,217,998)	\$(15,194,830)	\$(17,800,328)	\$(15,586,515)	\$(15,903,273)
\$ 14,783,440	\$ 15,974,064	\$ 15,928,676	\$ 16,389,277	\$ 16,495,623	\$ 16,019,901
1,338,639	1,250,213	1,122,018	1,099,939	1,055,748	1,119,642
809,964	720,895	675,305	639,124	657,821	691,126
617,635	759,736	535,403	147,443	89,752	53,079
1,069,393	102,744	1,857	35,576	3,608	-
368,602	404,038	329,080	285,433	439,347	796,358
-	-	-	-	-	-
-	-	-	-	-	-
(4,197,477)	(2,253,233)	(3,627,082)	(2,688,871)	(3,409,428)	(2,992,656)
14,790,196	16,958,457	14,965,257	15,907,921	15,332,471	15,687,450
-	-	-	-	-	-
270,406	133,133	24,709	13,981	6,818	8,303
4,197,477	2,253,233	3,627,082	2,688,871	3,409,428	2,992,656
4,467,883	2,386,366	3,651,791	2,702,852	3,416,246	3,000,959
\$ 19,258,079	\$ 19,344,823	\$ 18,617,048	\$ 18,610,773	\$ 18,748,717	\$ 18,688,409
\$ 4,477,644	\$ 4,213,607	\$ 4,178,964	\$ 2,767,692	\$ 4,281,873	\$ 3,314,583
90,573	(2,086,782)	(756,746)	(1,957,247)	(1,119,671)	(529,447)
\$ 4,568,217	\$ 2,126,825	\$ 3,422,218	\$ 810,445	\$ 3,162,202	\$ 2,785,136

South Suburban Park and Recreation District
Fund Balances, Governmental Funds
Last Ten Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Fund				
Restricted for:				
Emergencies	\$ 445,000	\$ 426,000	\$ 452,000	\$ 463,000
Debt service	873,000	873,000	873,000	873,000
Land acquisition and trail development	1,408,059	1,851,483	1,487,281	2,299,031
Environmental liability escrow	61,437	72,332	84,782	99,192
South Platte Park	13,663	14,132	-	-
Total Restricted	<u>2,801,159</u>	<u>3,236,947</u>	<u>2,897,063</u>	<u>3,734,223</u>
Assigned to:				
Health insurance claims	11,629	319,747	228,290	161,489
Designated for subsequent years expenditures	3,184,698	2,272,668	2,581,715	3,074,117
Total Assigned	<u>3,196,327</u>	<u>2,592,415</u>	<u>2,810,005</u>	<u>3,235,606</u>
Unassigned	<u>200,680</u>	<u>298,996</u>	<u>271,131</u>	<u>398,022</u>
Total General Fund	<u><u>\$ 6,198,166</u></u>	<u><u>\$ 6,128,358</u></u>	<u><u>\$ 5,978,199</u></u>	<u><u>\$ 7,367,851</u></u>
All Other Governmental Funds				
Restricted for:				
Capital projects	\$ 7,099,360	\$ 1,847,321	\$ 2,030,233	\$ 703,538
Acquisition, development, and maintenance of parks, open space and trails	-	-	-	-
General obligation debt service	200,180	212,984	171,121	169,579
Total all Other Governmental Funds	<u><u>\$ 7,299,540</u></u>	<u><u>\$ 2,060,305</u></u>	<u><u>\$ 2,201,354</u></u>	<u><u>\$ 873,117</u></u>

Schedule 3

2007	2008	2009	2010	2011	2012
\$ 491,000	\$ 487,000	\$ 531,000	\$ 481,000	\$ 479,000	\$ 420,000
873,000	873,000	873,000	-	-	-
2,425,559	2,436,430	3,188,083	2,644,719	2,279,502	1,013,439
114,655	127,742	138,297	148,603	158,767	169,134
-	-	-	-	-	-
3,904,214	3,924,172	4,730,380	3,274,322	2,917,269	1,602,573
209,841	469,530	833,676	1,000,975	962,094	796,183
2,757,945	2,834,888	4,282,223	6,336,347	3,319,166	3,406,097
2,967,786	3,304,418	5,115,899	7,337,322	4,281,260	4,202,280
190,963	191,171	217,930	200,084	205,079	145,966
<u>\$ 7,062,963</u>	<u>\$ 7,419,761</u>	<u>\$10,064,209</u>	<u>\$10,811,728</u>	<u>\$ 7,403,608</u>	<u>\$ 5,950,819</u>
\$ 263,521	\$ 631,913	\$ 535,445	\$ 839,857	\$ 384,028	\$ 588,527
-	-	-	-	1,732,005	608,482
136,382	98,584	79,564	134,044	166,074	248,638
<u>\$ 399,903</u>	<u>\$ 730,497</u>	<u>\$ 615,009</u>	<u>\$ 973,901</u>	<u>\$ 2,282,107</u>	<u>\$ 1,445,647</u>

South Suburban Park and Recreation District
Changes in Fund Balances, Governmental Funds
Last Ten Years

	2003	2004	2005	2006
REVENUE				
Property taxes	\$15,848,048	\$15,762,365	\$15,843,404	\$15,000,502
Specific ownership taxes	1,629,176	1,555,981	1,508,453	1,304,148
Intergovernmental	1,794,468	1,153,059	1,355,428	1,710,412
Lease principal (1)	1,060,000	1,095,000	1,140,000	1,180,000
Lease interest (1)	634,154	595,924	556,999	514,879
Donations	94,444	118,239	86,569	44,200
Net investment income	281,822	170,052	361,786	559,966
Principal received-CHV (2)	-	-	-	511,346
Interest income - CHV (2)	-	-	256,862	431,839
Development Fees	-	-	-	140,236
Other	173,990	326,746	331,036	407,086
Total revenue	<u>21,516,102</u>	<u>20,777,366</u>	<u>21,440,537</u>	<u>21,804,614</u>
EXPENDITURES				
Current				
Administration	866,698	811,915	860,926	804,229
Finance	189,342	199,101	200,497	291,251
MIS	180,716	180,346	178,684	181,114
Insurance	80,673	117,927	116,150	136,348
Park maintenance	4,331,119	4,530,515	4,775,941	5,047,909
South Platte Park	492,037	549,032	546,118	551,554
Preventative maintenance	248,469	299,508	295,586	324,747
Planning and construction	938,425	920,074	913,589	859,637
Hudson Gardens management fee	350,000	350,000	350,000	350,000
Debt service				
Principal	3,495,000	3,425,000	3,730,000	3,855,000
Interest	3,102,314	2,857,954	2,720,729	2,594,809
Payment to refunded bond escrow	-	215,000	-	-
Debt issuance cost	-	84,652	-	253,139
Capital outlay	14,540,238	8,138,751	3,771,458	4,646,449
Total expenditures	<u>28,815,031</u>	<u>22,679,775</u>	<u>18,459,678</u>	<u>19,896,186</u>
EXCESS REVENUE OVER (UNDER) EXPENDITURES	(7,298,929)	(1,902,409)	2,980,859	1,908,428
OTHER FINANCING SOURCES (USES)				
Transfers in	14,280	18,777	40,846	69,419
Transfers (out)	(2,391,948)	(3,518,777)	(5,026,165)	(2,169,419)
Payment to refunded bond escrow	-	(5,210,366)	-	(21,001,896)
Proceeds from debt issuance	-	5,303,732	-	21,254,883
Total other financing sources (uses)	<u>(2,377,668)</u>	<u>(3,406,634)</u>	<u>(4,985,319)</u>	<u>(1,847,013)</u>
SPECIAL ITEM-Proceeds from sale of capital asset	-	-	1,995,350	-
NET CHANGE IN FUND BALANCE	<u>\$ (9,676,597)</u>	<u>\$ (5,309,043)</u>	<u>\$ (9,110)</u>	<u>\$ 61,415</u>
Debt Service as a Percentage of				
Noncapital expenditures	42.31%	43.81%	41.41%	42.29%

(1) In 2001, the District formed the SSPRD Land and Facilities Corporation, which issued COP's. The Corporation was included as a Special Revenue Fund through 2010 when the debt was paid off and the Corporation was dissolved.

This revenue reflects the lease revenue received from the General Fund

(2) Principal & Interest payment from The City of Cherry Hills Village related to Municipal Exclusion

Schedule 4

2007	2008	2009	2010	2011	2012
\$14,783,440	\$15,974,064	\$15,928,676	\$16,389,277	\$16,495,623	\$16,019,901
1,338,639	1,250,213	1,122,018	1,099,939	1,055,748	1,119,642
2,515,903	1,567,797	2,636,061	1,601,279	3,806,397	2,679,382
1,225,000	1,270,000	1,330,000	6,540,000	-	-
470,298	422,085	361,835	307,220	-	-
28,270	50,818	88,187	45,752	53,832	106,868
617,635	288,284	118,511	87,957	53,918	38,766
-	522,683	1,282,907	708,017	721,537	733,054
-	471,452	416,892	59,486	35,834	14,313
1,069,393	102,744	1,857	35,576	3,608	-
418,602	404,038	329,080	285,433	439,347	796,358
<u>22,467,180</u>	<u>22,324,178</u>	<u>23,616,024</u>	<u>27,159,936</u>	<u>22,665,844</u>	<u>21,508,284</u>
844,155	677,241	722,635	844,852	890,795	944,811
293,430	312,840	225,860	221,375	220,719	212,767
181,274	171,703	160,009	168,540	189,237	200,165
168,537	146,478	135,656	129,855	144,179	158,298
5,269,268	5,819,534	5,742,951	6,185,488	6,342,500	6,645,020
599,535	604,296	659,454	646,111	621,312	652,365
327,753	309,951	357,368	363,354	355,373	341,300
887,436	1,006,037	1,039,885	938,041	956,256	1,006,005
350,000	350,000	4,128	200,000	350,000	350,000
3,955,000	4,250,000	4,475,000	9,905,000	2,790,000	2,865,000
2,374,934	1,822,935	1,741,907	1,534,589	1,248,221	1,168,108
-	258,000	-	-	-	-
-	80,493	-	46,741	-	-
<u>4,393,960</u>	<u>3,916,612</u>	<u>3,122,211</u>	<u>7,074,579</u>	<u>8,307,166</u>	<u>7,053,694</u>
<u>19,645,282</u>	<u>19,726,120</u>	<u>18,387,064</u>	<u>28,258,525</u>	<u>22,415,758</u>	<u>21,597,533</u>
2,821,898	2,598,058	5,228,960	(1,098,589)	250,086	(89,249)
89,789	38,012	16,284	9,024	6,099	5,996
(3,689,789)	(2,038,012)	(2,716,284)	(2,639,024)	(2,356,099)	(2,205,996)
-	(9,910,666)	-	-	-	-
-	10,000,000	-	4,835,000	-	-
<u>(3,600,000)</u>	<u>(1,910,666)</u>	<u>(2,700,000)</u>	<u>2,205,000</u>	<u>(2,350,000)</u>	<u>(2,200,000)</u>
-	-	-	-	-	-
<u>\$ (778,102)</u>	<u>\$ 687,392</u>	<u>\$ 2,528,960</u>	<u>\$ 1,106,411</u>	<u>\$ (2,099,914)</u>	<u>\$ (2,289,249)</u>
37.94%	37.29%	36.87%	51.51%	25.53%	25.55%

South Suburban Park and Recreation District
Changes in Funds Available, Enterprise Fund

Last Ten Years

(Budgetary Basis/Modified Accrual Basis)

		<u>2003</u>	<u>2004 (1)</u>	<u>2005 (2)</u>	<u>2006</u>
OPERATING REVENUE					
Golf courses	(5)	\$ 7,854,547	\$ 7,874,548	\$ 8,176,682	\$ 8,624,533
Ice arenas	(5)	5,311,010	5,104,020	5,149,938	5,265,971
Recreation centers		2,656,793	3,345,603	4,283,955	4,375,973
Athletics		1,742,063	1,802,291	1,804,383	1,802,977
Other recreation facilities and programs		1,131,889	1,096,895	1,140,620	1,149,200
Net investment income		72,085	94,250	138,453	280,987
Donations and Intergovernmental		106,394	79,675	92,548	89,779
Total operating revenue		<u>18,874,781</u>	<u>19,397,282</u>	<u>20,786,579</u>	<u>21,589,420</u>
OPERATING EXPENDITURES					
Golf courses	(5)	6,437,757	6,716,969	6,950,586	7,267,487
Ice arenas	(5)	4,415,265	4,112,699	4,079,661	4,111,040
Recreation centers		3,646,607	4,400,148	5,307,024	5,442,593
Athletics		1,138,297	1,124,225	1,172,715	1,292,173
Other recreation facilities and programs		908,561	884,145	895,308	919,575
Administration		1,737,732	1,760,937	1,588,569	1,735,538
Insurance		163,790	239,429	235,818	276,828
Facility and maintenance improvements		43,710	207,806	220,114	322,312
Bond/Lease interest		843,832	784,608	756,242	719,052
Bond/Lease principal		751,860	786,479	855,619	924,059
Total operating expenditures		<u>20,087,411</u>	<u>21,017,445</u>	<u>22,061,656</u>	<u>23,010,657</u>
EXCESS OPERATING REVENUE (UNDER)					
OPERATING EXPENDITURES		(1,212,630)	(1,620,163)	(1,275,077)	(1,421,237)
OTHER REVENUE (EXPENDITURES)					
Transfer	(3)	2,377,668	3,500,000	4,985,319	2,100,000
Capital outlay		(642,792)	(7,019,427)	(2,130,856)	(619,693)
Proceeds from naming rights	(4)	2,500,000	-	-	-
Proceeds from debt		-	90,294	85,825	-
Payment to refunded bond escrow agent		-	-	-	-
Debt issuance cost		-	-	-	-
Other revenue (Expenditures)		<u>4,234,876</u>	<u>(3,429,133)</u>	<u>2,940,288</u>	<u>1,480,307</u>
EXCESS REVENUE OVER (UNDER)					
EXPENDITURES		3,022,246	(5,049,296)	1,665,211	59,070
FUNDS AVAILABLE - BEGINNING					
OF YEAR		<u>4,617,683</u>	<u>7,639,929</u>	<u>2,590,633</u>	<u>4,255,844</u>
FUNDS AVAILABLE - END OF YEAR		<u>\$ 7,639,929</u>	<u>\$ 2,590,633</u>	<u>\$ 4,255,844</u>	<u>\$ 4,314,914</u>

(1) The Lone Tree Recreation Center opened in 2004

(2) The Buck Recreation Center opened in 2005

(3) 2005 Includes transfer of \$1,995,350 for the proceeds of the sale of the Littleton Community Center

(4) Includes \$1.5 million for the Lone Tree Recreation Center and \$1.0 million for Buck Recreation Center.

(5) Starting in 2010 Revenue and expenditures for The Avalanche Grill and concessions at the Family Sports Center were moved from Ice Arenas to the Golf Department

Schedule 5

2007	2008	2009	2010	2011	2012
\$ 9,023,753	\$ 9,201,806	\$ 8,316,736	\$ 8,463,693	\$ 8,728,311	\$ 9,583,901
5,089,449	5,087,854	4,503,810	4,444,126	4,001,119	4,170,718
4,567,766	4,817,504	4,455,242	4,307,289	4,294,529	4,425,600
1,870,363	1,934,761	1,975,626	1,967,210	1,981,340	2,054,250
1,144,739	1,387,220	1,415,640	1,535,602	1,483,107	1,588,644
270,406	133,133	24,709	13,981	6,818	8,303
53,991	80,298	566,047	237,167	157,569	64,848
<u>22,020,467</u>	<u>22,642,576</u>	<u>21,257,810</u>	<u>20,969,068</u>	<u>20,652,793</u>	<u>21,896,264</u>
7,599,216	7,875,244	7,491,545	7,530,242	8,012,158	8,301,475
4,115,917	4,437,720	4,036,938	3,949,869	3,427,484	3,239,964
5,541,774	5,847,243	5,770,024	5,867,013	5,823,958	5,833,170
1,397,978	1,486,139	1,480,064	1,216,241	1,219,482	1,231,852
898,350	1,048,910	1,114,863	1,112,493	1,108,538	1,183,636
1,763,054	1,899,219	1,375,488	1,684,999	1,709,125	1,855,339
342,182	297,394	275,421	263,644	292,726	278,695
564,794	201,939	196,154	170,549	121,927	104,596
574,491	567,750	528,639	504,579	331,655	284,655
610,824	981,424	997,824	1,077,660	1,145,797	1,089,714
<u>23,408,580</u>	<u>24,642,982</u>	<u>23,266,960</u>	<u>23,377,289</u>	<u>23,192,850</u>	<u>23,403,096</u>
(1,388,113)	(2,000,406)	(2,009,150)	(2,408,221)	(2,540,057)	(1,506,832)
3,600,000	2,000,000	2,700,000	2,630,000	2,350,000	2,200,000
(1,114,408)	(1,591,686)	(1,054,033)	(282,718)	(392,219)	(438,263)
-	-	-	-	-	-
3,587,029	-	135,992	4,785,000	-	-
(4,138,689)	-	-	(5,385,854)	-	-
(78,317)	-	-	-	-	-
<u>1,855,615</u>	<u>408,314</u>	<u>1,781,959</u>	<u>1,746,428</u>	<u>1,957,781</u>	<u>1,761,737</u>
467,502	(1,592,092)	(227,191)	(661,793)	(582,276)	254,905
4,314,914	4,782,416	3,190,324	2,963,133	2,301,340	1,719,064
<u>\$ 4,782,416</u>	<u>\$ 3,190,324</u>	<u>\$ 2,963,133</u>	<u>\$ 2,301,340</u>	<u>\$ 1,719,064</u>	<u>\$ 1,973,969</u>

South Suburban Park and Recreation District
General Fund-Operating Presentation
Last Ten Years

	2003	2004	2005	2006
OPERATING REVENUE				
Property taxes	\$ 9,785,292	\$ 9,811,251	\$ 9,929,034	\$ 9,247,177
Specific ownership taxes	1,629,176	1,555,981	1,508,453	1,304,148
Intergovernmental	175,247	126,451	195,132	219,465
Donations	88,664	113,517	86,569	44,200
Net investment income	80,281	115,586	253,043	402,649
Other	173,990	326,746	331,036	407,086
Total operating revenue	<u>11,932,650</u>	<u>12,049,532</u>	<u>12,303,267</u>	<u>11,624,725</u>
OPERATING EXPENDITURES				
Current				
Administration	804,414	751,571	802,895	746,086
Finance	189,342	199,101	200,497	291,251
MIS	180,716	180,346	178,684	181,114
Insurance	80,673	117,927	116,150	136,348
Park maintenance	4,331,119	4,530,515	4,775,941	5,047,909
South Platte Park	492,037	549,032	546,118	551,554
Preventative maintenance	248,469	299,508	295,586	324,747
Planning and construction	938,425	920,074	913,589	859,637
Hudson Gardens management fee	350,000	350,000	350,000	350,000
Total operating expenditures	<u>7,615,195</u>	<u>7,898,074</u>	<u>8,179,460</u>	<u>8,488,646</u>
EXCESS OPERATING REVENUE OVER				
OPERATING EXPENDITURES	4,317,455	4,151,458	4,123,807	3,136,079
OTHER REVENUE (EXPENDITURES)				
Capital outlay	(2,704,163)	(2,204,223)	(3,260,580)	(2,467,345)
Transfers in	14,280	18,777	40,846	69,419
Transfers (out)	(2,377,668)	(3,500,000)	(4,985,319)	(2,100,000)
Principal received-CHV	-	-	-	511,346
Interest income-CHV	-	-	256,862	431,839
Development fees	-	-	-	140,236
Intergovernmental for capital projects	935,285	384,530	534,403	726,436
Property taxes-One mill	(1) 2,187,834	2,154,174	2,223,621	2,018,258
COPS Principal	(785,000)	(810,000)	(845,000)	(875,000)
COPS Interest	(293,569)	(264,524)	(234,149)	(201,616)
Proceeds from sale of LCC	-	-	1,995,350	-
Debt issuance cost	-	-	-	-
Proceeds from debt issuance	-	-	-	-
Total other revenue (expenditures)	<u>(3,023,001)</u>	<u>(4,221,266)</u>	<u>(4,273,966)</u>	<u>(1,746,427)</u>
NET CHANGE IN FUND BALANCE	1,294,454	(69,808)	(150,159)	1,389,652
FUND BALANCE-BEGINNING	1,893,014	3,187,468	3,117,660	2,967,501
FUND BALANCE-ENDING	<u>\$ 3,187,468</u>	<u>\$ 3,117,660</u>	<u>\$ 2,967,501</u>	<u>\$ 4,357,153</u>

(1) When the One mill levy was reauthorized in 2010 for collection in 2011 a special revenue fund was established to account for the One Mill revenue.

Note: This table is presented to illustrate general fund operations over a ten year period.

Schedule 6

2007	2008	2009	2010	2011	2012
\$ 9,179,549	\$10,176,460	\$10,196,280	\$10,389,420	\$10,534,637	\$10,147,580
1,338,639	1,250,213	1,122,018	1,099,939	1,055,748	1,119,642
348,396	218,790	264,435	224,681	203,225	207,553
28,270	50,818	88,187	45,752	53,832	106,868
496,485	241,423	99,070	76,260	41,166	27,087
418,602	404,038	329,080	285,433	439,347	796,358
<u>11,809,941</u>	<u>12,341,742</u>	<u>12,099,070</u>	<u>12,121,485</u>	<u>12,327,955</u>	<u>12,405,088</u>
790,143	622,376	669,051	787,719	800,019	856,261
293,430	312,840	225,860	221,375	220,719	212,767
181,274	171,703	160,009	168,540	189,237	200,165
168,537	146,478	135,656	129,855	144,179	158,298
5,269,268	5,819,534	5,742,951	6,185,488	6,342,500	5,326,251
599,535	604,296	659,454	646,111	621,312	652,365
327,753	309,951	357,368	363,354	355,373	341,300
887,436	1,006,037	1,039,885	938,041	956,256	1,006,005
350,000	350,000	4,128	200,000	350,000	350,000
<u>8,867,376</u>	<u>9,343,215</u>	<u>8,994,362</u>	<u>9,640,483</u>	<u>9,979,595</u>	<u>9,103,412</u>
2,942,565	2,998,527	3,104,708	2,481,002	2,348,360	3,301,676
(3,212,535)	(3,563,893)	(2,359,313)	(6,747,955)	(6,576,184)	(3,728,850)
89,789	38,012	16,284	9,024	6,099	5,996
(3,600,000)	(2,000,000)	(2,700,000)	(2,630,000)	(2,350,000)	(2,200,000)
-	522,683	1,282,907	708,017	721,537	733,054
-	471,452	416,892	59,486	35,834	14,313
1,069,393	102,744	1,857	35,576	3,608	-
1,457,460	636,745	1,708,353	748,235	2,926,491	941,747
2,026,150	2,226,838	2,246,820	2,374,345	-	-
(910,000)	(945,000)	(990,000)	(1,035,000)	(385,000)	(385,000)
(167,710)	(131,310)	(84,060)	(43,470)	(138,865)	(135,725)
-	-	-	-	-	-
-	-	-	(46,741)	-	-
-	-	-	4,835,000	-	-
<u>(3,247,453)</u>	<u>(2,641,729)</u>	<u>(460,260)</u>	<u>(1,733,483)</u>	<u>(5,756,480)</u>	<u>(4,754,465)</u>
(304,888)	356,798	2,644,448	747,519	(3,408,120)	(1,452,789)
4,357,153	4,052,265	4,409,063	7,053,511	10,811,728	7,403,608
<u>\$ 4,052,265</u>	<u>\$ 4,409,063</u>	<u>\$ 7,053,511</u>	<u>\$ 7,801,030</u>	<u>\$ 7,403,608</u>	<u>\$ 5,950,819</u>

South Suburban Park and Recreation District
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years

Collection				Public Utilities	
Year	Residential	Commercial	Vacant	(state assessed)	Other
2003	\$ 1,271,655,500	\$ 778,288,144	\$ 67,447,802	\$ 73,464,986	\$ 5,044,640
2004	1,280,783,000	775,084,841	60,808,210	78,134,271	2,653,870
2005	1,296,381,380	810,671,860	55,642,640	80,119,210	2,047,700
2006 (1)	1,104,864,400	810,752,000	47,632,010	83,566,330	2,896,920
2007	1,116,225,287	848,389,822	49,777,014	50,727,047	4,974,769
2008	1,234,333,540	927,932,940	50,936,130	61,337,986	7,991,380
2009	1,206,751,850	943,666,850	54,627,010	59,436,680	8,787,760
2010	1,215,076,810	1,050,067,960	51,629,770	65,905,280	8,156,880
2011	1,217,302,623	1,050,067,960	51,629,770	65,905,280	8,156,880
2012	1,118,767,549	1,005,371,280	45,836,570	64,664,870	8,050,010

Note: Property in Colorado is reassessed every two years. Tax rates are per \$1,000 of assessed value. The assessed value of taxable property is determined by multiplying the "actual" value times an assessment ratio. The assessment ratio of residential property changes every two years based on a constitutionally mandated requirement to keep the ratio of the assessed value of commercial property to residential property at the same level as it was in the property tax year commencing January 1, 1985 (the "Gallagher Amendment"). The Gallagher Amendment requires that statewide residential assessed values must be approximately 45% of the total assessed value in the State with commercial and other assessed values making up the other 55% of the assessed values in the State. In order to maintain this 45%/55% ratio, the commercial assessment rate is established at 29% of the actual value of commercial property and residential assessment rate fluctuates. The assessment ratio of residential property by collection year was:

1995	12.86%
1996-1997	10.36%
1998-2001	9.74%
2002-2003	9.15%
2004-2012	7.96%

(1) First year of the City of Cherry Hills Village exclusion.

Sources: Douglas, Arapahoe, and Jefferson County Assessors' Offices

Schedule 7

Total Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Ratio of Total Assessed to Actual
\$ 2,195,901,072	7.228	\$ 16,619,548,828	13.21%
2,197,464,192	7.197	18,930,194,487	11.61%
2,244,862,790	7.134	19,555,417,273	11.48%
2,049,711,660	7.117	17,154,753,124	11.95%
2,070,093,939	7.008	16,971,738,647	12.20%
2,282,531,976	6.868	19,122,692,743	11.94%
2,273,270,150	6.830	19,490,831,713	11.66%
2,390,836,700	6.777	18,965,473,077	12.61%
2,393,062,513	6.869	19,127,519,426	12.51%
2,242,690,279	7.034	18,126,791,162	12.37%

South Suburban Park and Recreation District
Property Tax Rates - Sample Direct and Overlapping Governments
Last Ten Years

Taxing Entity	2003	2004	2005	2006
South Suburban Levies: (1)				
Operating	4.417	4.417	4.417	4.417
Refunds & Abatements	0.073	0.063	0.054	0.095
Open Space	1.000	1.000	1.000	1.000
Debt Service	1.738	1.717	1.663	1.605
Total South Suburban Levies	<u>7.228</u>	<u>7.197</u>	<u>7.134</u>	<u>7.117</u>
Overlapping Mill Levies: (2)				
Arapahoe County	14.028	15.140	15.451	15.421
Arapahoe County Law Enforcement	4.982	4.982	4.982	4.982
Arapahoe Library District	3.682	4.916	4.900	4.963
South Metro Fire Rescue	6.500	6.500	8.950	9.250
Cherry Creek School District No. 5	46.889	49.654	51.132	51.575
Douglas County	19.774	19.774	19.774	19.774
Douglas County Law Enforcement Authority	4.500	4.500	4.500	4.500
Douglas County Library District	4.031	4.020	4.052	4.020
Douglas County School District No. Re 1	43.584	46.500	46.500	46.500
City of Littleton	6.662	6.662	6.662	6.662
Arapahoe County School District No. 6	41.290	45.304	50.515	49.509
Park Meadows Metropolitan District	6.387	6.387	6.387	6.387
Southgate Sanitation District	0.656	0.652	0.653	0.653
Southglenn Metro District	0.000	0.000	0.000	0.000
Urban Drainage and Flood Control	0.521	0.553	0.538	0.597

(1) The District's operating tax rate may only be increased by a majority vote of the District residents. The 2000 Open Space and Trail Improvement tax rate is set at one mill and sunset in 2010. In 2010 it was reauthorized and sunsets in 2020. The tax rates for debt service and refunds/abatements are set based on each years requirements. Tax rates are per \$1,000 of assessed

(2) Overlapping rates are those of local and county governments that apply to property owners within the District. Not all overlapping rates apply to all District property owners.

Note: This schedule sets forth sample total mill levies for randomly selected tax areas within a municipality and unincorporated portions of Arapahoe and Douglas Counties

Sources: Douglas and Arapahoe County Assessors' Offices

Schedule 8

Collection Year					
2007	2008	2009	2010	2011	2012
4.417	4.417	4.417	4.417	4.417	4.417
0.055	0.075	0.093	0.040	0.132	0.185
1.000	1.000	1.000	1.000	1.000	1.000
1.536	1.376	1.320	1.320	1.320	1.432
7.008	6.868	6.830	6.777	6.869	7.034
16.083	15.217	13.147	15.672	15.949	17.316
4.982	4.982	4.982	4.982	4.982	4.982
4.893	4.814	4.827	4.783	4.869	4.981
9.346	9.377	9.452	9.362	9.541	9.661
51.129	47.397	49.569	48.825	50.947	54.367
19.774	19.774	13.965	19.774	19.774	19.774
4.500	4.500	4.500	4.500	4.500	4.500
4.020	4.044	4.052	4.016	4.034	4.040
46.500	46.500	47.103	46.983	46.890	48.788
6.662	6.662	6.662	6.662	6.662	6.662
48.907	46.791	46.650	46.081	55.389	57.530
6.387	6.387	6.712	6.387	6.387	6.387
0.653	0.600	0.613	0.544	0.558	0.056
0.000	0.000	30.000	60.000	60.000	60.000
0.542	0.507	0.630	0.508	0.523	0.566

**South Suburban Park and Recreation District
Principal Property Taxpayers
Current Year and Ten Years Ago**

Name	Tax Category	2012 Tax Year		
		Assessed Valuation	Rank	Percentage of District's Assessed Valuation
HCA HealthOne LLC	Real Property	\$ 37,397,030	1	1.56%
Qwest Communications Inc.	Utility	33,404,000	2	1.40%
Xcel Energy	Utility	22,598,590	3	0.95%
National Digital Television	Personal Property	13,394,340	4	0.56%
Ikea Property, Inc	Real Property	12,180,000	5	0.51%
Legacy III Centennial	Real Property	10,150,000	6	0.42%
FSP Greenwood Plaza Corp	Real Property	9,280,010	7	0.39%
GS Centennial LLC	Real Property	8,555,010	8	0.36%
Cole of Centennial	Real Property	7,250,000	9	0.30%
Southglenn Property	Real Property	6,786,000	10	0.28%
Property Colorado OBJLW One	Real Property	-	-	-
RS Greenwood Plaza LP	Real Property	-	-	-
Cascades Investments LLC	Real Property	-	-	-
Equitable Life Assurance	Real Property	-	-	-
California State Teachers	Real Property	-	-	-
Walton Southglen	Real Property	-	-	-
		<u>\$ 160,994,980</u>		<u>6.73%</u>

Sources: Douglas, Arapahoe, and Jefferson County Assessors' Offices

Schedule 9

2003 Tax Year		
Assessed Valuation	Rank	Percentage of District's Assessed Valuation
\$ -	-	-
34,715,700	1	1.58%
17,781,860	2	0.81%
7,461,630	9	0.34%
-	-	-
-	-	-
-	-	-
10,150,000	4	0.46%
-	-	-
-	-	-
17,400,000	3	0.79%
8,700,000	5	0.40%
8,700,000	6	0.40%
8,410,000	7	0.38%
7,467,500	8	0.34%
7,428,270	10	0.34%
<u>\$ 128,214,960</u>		<u>5.84%</u>

**South Suburban Park and Recreation District
Property Tax Levies and Collections
Last Ten Years**

Schedule 10

Collection Year	Total Levy	Total Tax Collection	Est. Outstanding Delinquent Taxes	Percentage Collected to Levy
2003	\$ 15,956,727	\$ 15,848,048	\$ 108,679	99.32%
2004	15,854,297	15,762,365	91,932	99.42%
2005	16,014,851	15,843,404	171,447	98.93%
2006 (1)	15,033,077	15,000,502	32,575	99.78%
2007	14,940,241	14,783,440	156,801	98.95%
2008	16,142,680	15,974,064	168,616	98.96%
2009	16,031,278	15,928,676	102,602	99.36%
2010	16,739,300	16,389,277	350,023	97.91%
2011	16,973,111	16,495,623	477,488	97.19%
2012	16,265,755	16,019,901	245,854	98.49%

Note: Property taxes collected in any one year includes collection of delinquent property taxes levied in prior years. Information received from County Treasurers' does not permit identification of specific year of levy.

(1) First year of the City of Cherry Hills Village exclusion.

South Suburban Park and Recreation District
Ratios of Outstanding Debt by Type
Last Ten Years

Year	Governmental Activities			
	General Obligation Bonds	Percentage of Actual Property Value (1)	Per Capita (2)	Certificates of Participation
2003	\$39,286,043	0.24%	\$ 273	\$ 6,410,000
2004	37,555,000	0.20%	261	5,600,000
2005	35,810,000	0.18%	258	4,755,000
2006	34,170,000	0.17%	247	3,880,000
2007	32,350,000	0.19%	230	2,970,000
2008	30,395,000	0.18%	215	2,025,000
2009	28,240,000	0.15%	197	1,035,000
2010	25,910,000	0.13%	175	4,835,000
2011	23,505,000	0.12%	173	4,450,000
2012	21,025,000	0.11%	150	4,065,000

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements

(1) See Schedule 7 for taxable property value data

(2) Population and personal income data can be found in Schedule 14

Schedule 11

Business-type Activities

Revenue Bonds	Capital Lease	Certificates of Participation	Total Primary Government	Percentage of Personal Income (2)	Per Capita (2)
\$ 7,460,000	\$ 872,289	\$ 7,370,000	\$61,398,332	0.93%	\$ 426
7,045,000	876,104	7,085,000	\$58,161,104	0.89%	404
6,605,000	841,310	6,790,000	\$54,801,310	0.83%	395
6,140,000	687,251	6,485,000	\$51,362,251	0.73%	371
5,535,000	526,427	6,170,000	\$47,551,427	0.66%	338
5,015,000	390,003	5,845,000	\$43,670,003	0.61%	308
4,470,000	413,171	5,505,000	\$39,663,171	0.57%	277
3,910,000	250,511	4,785,000	\$39,690,511	0.55%	268
3,315,000	79,714	4,405,000	\$35,754,714	0.54%	263
2,690,000	-	4,020,000	\$31,800,000	0.47%	227

**South Suburban Park and Recreation District
Legal Debt Margin Information
Last Ten Years**

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Assessed Valuation	<u>\$2,195,901,072</u>	<u>\$2,197,464,192</u>	<u>\$2,244,862,790</u>	<u>\$2,049,711,660</u>
Legal Debt Margin				
Debt Limitation - 50% of the Total Valuation for Assessment per Colorado Revised Statutes, Section 32-1-1101 (6) (a)	\$1,097,950,536	\$1,098,732,096	\$1,122,431,395	\$1,024,855,830
Total General Obligation Debt	\$ 39,286,043	\$ 37,555,000	\$ 35,810,000	\$ 34,170,000
Legal Debt Margin	<u>\$1,058,664,493</u>	<u>\$1,061,177,096</u>	<u>\$1,086,621,395</u>	<u>\$ 990,685,830</u>
Total General Obligation Debt applicable to the limit as a percentage of the debt limit	3.58%	3.42%	3.19%	3.33%

Schedule 12

2007	2008	2009	2010	2011	2012
<u>\$2,070,093,939</u>	<u>\$2,282,531,976</u>	<u>\$2,273,270,150</u>	<u>\$2,390,836,700</u>	<u>\$2,393,062,513</u>	<u>\$2,242,690,279</u>
\$1,035,046,970	\$1,141,265,988	\$1,136,635,075	\$1,195,418,350	\$1,196,531,257	\$1,121,345,140
\$ 32,350,000	\$ 30,395,000	\$ 28,240,000	\$ 25,910,000	\$ 23,505,000	\$ 21,025,000
<u>\$1,002,696,970</u>	<u>\$1,110,870,988</u>	<u>\$1,108,395,075</u>	<u>\$1,169,508,350</u>	<u>\$1,173,026,257</u>	<u>\$1,100,320,140</u>
3.13%	2.66%	2.48%	2.17%	1.96%	1.87%

South Suburban Park and Recreation District
Revenue Bond Coverage
Last Ten Fiscal Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
OPERATING REVENUE				
Golf courses (1)	\$6,499,529	\$6,585,056	\$6,853,257	\$7,192,054
Ice arena (1)	1,575,198	1,504,142	1,564,945	1,535,142
Miniature Golf (1)	261,081	271,041	271,702	224,051
Batting Cages	66,285	61,064	58,867	54,300
Total operating revenue	<u>8,402,093</u>	<u>8,421,303</u>	<u>8,748,771</u>	<u>9,005,547</u>
OPERATING AND MAINTENANCE EXPENSES				
Golf courses (1)	5,188,581	5,415,865	5,724,679	6,016,946
Ice arena (1)	1,243,346	1,140,270	1,143,617	1,158,658
Miniature Golf (1)	126,933	131,334	114,683	104,448
Batting Cages	47,739	43,502	44,831	38,101
Administration (2)	445,650	436,418	349,542	323,896
Finance (2)	172,758	174,403	173,794	246,660
MIS (2)	164,888	160,603	154,886	153,385
Insurance (2)	73,607	104,888	100,680	115,473
Total operating expenses	<u>7,463,502</u>	<u>7,607,283</u>	<u>7,806,712</u>	<u>8,157,567</u>
NET REVENUES FROM FACILITIES				
OPERATIONS	938,591	814,020	942,059	847,980
NONOPERATING REVENUE				
Interest income	72,085	94,250	138,453	280,987
Transfer in	<u>2,377,668</u>	<u>3,500,000</u>	<u>4,985,319</u>	<u>2,100,000</u>
TOTAL NET PLEDGED REVENUES	<u>\$3,388,344</u>	<u>\$4,408,270</u>	<u>\$6,065,831</u>	<u>\$3,228,967</u>
MAXIMUM ANNUAL DEBT SERVICE	\$838,680	\$838,680	\$838,680	\$838,680
COVERAGE	4.04 x	5.26 x	7.23 x	3.85 x

Footnote:

(1) Amounts do not include Family Sports Center

(2) Amounts determined pro rata according to revenue generated by golf courses, ice arena, miniature golf, and batting cages.

Schedule 13

2007	2008	2009	2010	2011	2012
\$ 7,427,403	\$ 7,495,542	\$ 6,743,269	\$ 6,748,591	\$ 6,512,216	\$ 7,129,318
1,498,604	1,465,606	1,407,497	1,452,871	1,552,861	1,635,235
198,075	269,979	250,095	253,056	242,458	230,748
52,041	85,875	76,288	82,048	84,223	75,469
<u>9,176,123</u>	<u>9,317,002</u>	<u>8,477,149</u>	<u>8,536,566</u>	<u>8,391,758</u>	<u>9,070,770</u>
6,212,403	6,440,629	6,138,682	6,129,021	6,011,543	6,212,898
1,163,517	1,236,055	1,243,867	1,181,541	1,162,097	1,157,205
87,324	114,810	104,381	120,447	113,610	118,148
34,275	43,800	41,261	39,151	44,873	39,279
343,858	376,825	371,994	363,687	356,263	421,287
248,255	261,357	186,520	181,702	182,085	178,954
153,366	143,312	149,102	138,335	156,113	168,354
142,590	122,372	137,598	106,583	118,942	115,452
<u>8,385,588</u>	<u>8,739,160</u>	<u>8,373,405</u>	<u>8,260,467</u>	<u>8,145,526</u>	<u>8,411,577</u>
790,535	577,842	103,744	276,099	246,232	659,193
270,406	133,133	24,709	13,981	6,818	8,303
<u>3,600,000</u>	<u>2,000,000</u>	<u>2,700,000</u>	<u>2,630,000</u>	<u>2,350,000</u>	<u>2,200,000</u>
<u><u>\$4,660,941</u></u>	<u><u>\$2,710,975</u></u>	<u><u>\$2,828,453</u></u>	<u><u>\$2,920,080</u></u>	<u><u>\$2,603,050</u></u>	<u><u>\$2,867,496</u></u>
\$780,898	\$780,898	\$780,898	\$780,898	\$780,898	\$775,758
5.97 x	3.47 x	3.62 x	3.74 x	3.33 x	3.70 x

**South Suburban Park and Recreation District
Demographic and Economic Statistics
Last Ten Years**

Schedule 14

Fiscal Year	Estimated Population	Personal Income	Per Capita Income	Arapahoe County Unemployment Rate	Douglas County Unemployment Rate
2003	144,000	6,469,920,000	44,930	4.1%	2.9%
2004	144,000	6,628,896,000	46,034	4.8%	3.5%
2005	138,574	6,563,280,362	47,363	5.0%	3.6%
2006	138,574	7,005,192,848	50,552	4.3%	3.6%
2007	140,668	7,189,963,484	51,113	4.5%	3.6%
2008	141,671	7,186,544,817	50,727	6.1%	5.1%
2009	143,359	6,950,044,320	48,480	7.2%	6.5%
2010	148,019	7,175,961,120	48,480	8.6%	7.0%
2011	136,181	6,602,054,880	48,480	7.7%	6.9%
2012	140,296	6,801,550,080	48,480	0.0%	0.0%

	Median
	<u>Age Group</u>
1960	25 to 34
1970	25 to 34
1980	25 to 34
1990	35 to 44
2000	35 to 44
2010	35 to 44

Source: State of Colorado, Division of Local Government, Demographic Section; Denver Regional Council of Governments, US Census Bureau. Bureau of Economic Analysis CA1-3 www.bea.gov

South Suburban Park and Recreation District
Principal Employers
Current Year and Ten Years Ago

Schedule 15

	2012		2003	
Employer	Employees	Rank	Employees	Rank
Lockheed-Martin Space Systems	5,390	1	-	-
University of Denver	4,310	2	-	-
Century Link/Qwest	4,100	3	6,900	2
Dish Network	3,470	4	-	-
Comcast	3,000	5	2,100	8
Cherry Creek School District	2,500	6	8,750	1
Great West Life	2,080	7	3,400	4
Sprint/Nextel	2,080	8	-	-
CH2M Hill	2,069	9	-	-
Kaiser Permanente	2,050	10	-	-
Douglas County Schools	-	-	5,396	3
EchoStar Communications	-	-	2,735	5
HealthOne	-	-	2,400	6
Littleton Public Schools	-	-	2,400	7
Arapahoe County Government	-	-	1,750	9
One Source	-	-	1,683	10

Note: Selected Major Employers in the South Metropolitan Area
Total employment within the District is not available.

Source: Southeast Business Partnership
South Metro Denver Chamber of Commerce

South Suburban Park and Recreation District
Full Time Equivalents District Government Employees by Function
Last Ten Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
General Government					
Administration	6.25	6.51	6.34	5.40	5.09
Finance	10.67	10.43	9.89	9.67	9.21
Communications	4.58	4.77	4.56	4.95	4.88
MIS	7.74	8.13	7.20	6.75	6.09
HR	2.96	3.01	2.96	4.35	4.06
Parks & open space	77.61	82.43	78.62	78.13	79.93
South Platte Park	11.00	11.28	10.91	10.73	11.34
Planning and preventative maintenance	22.15	22.26	20.82	19.73	19.67
Golf courses	122.41	125.84	126.95	128.41	128.84
Ice arenas	80.19	74.60	67.74	66.02	65.83
Recreation centers (1)	96.24	121.17	137.00	136.22	132.83
Athletics (2)	24.52	22.61	23.86	23.43	16.58
Other recreation facilities and programs	24.49	20.06	18.79	18.21	17.89
Total	<u>490.81</u>	<u>513.10</u>	<u>515.64</u>	<u>512.00</u>	<u>502.24</u>

Note: Detail information not available prior to 2003

(1) The Lone Tree Recreation Center opened in May 2004
and the Buck Recreation Center opened in March 2005

(2) In 2011 officials were made employees instead of independent contractors.

Source: Payroll Department

Schedule 16

2008	2009	2010	2011	2012
5.08	4.98	5.52	5.00	5.01
8.94	8.90	8.79	8.22	8.07
4.97	4.27	3.89	3.69	3.87
5.71	5.05	5.00	5.41	6.06
4.13	3.68	3.80	3.79	3.73
86.84	83.40	82.89	82.98	80.67
11.75	12.31	12.06	11.62	11.73
20.94	21.75	20.89	19.93	19.40
127.93	116.99	119.74	116.72	126.76
68.68	58.95	56.39	56.57	40.98
134.71	129.57	126.95	124.54	121.86
13.89	12.01	10.87	20.48	19.13
20.69	23.99	22.76	20.39	19.86
514.26	485.85	479.55	479.34	467.13

**South Suburban Park and Recreation District
Registration and Attendance Report
Last Eight Years**

	2005	2006	2007	2008
Rounds of golf	184,214	189,111	185,926	186,962
Ice arenas	170,963	188,620	173,635	128,297
Recreation centers	899,671	919,239	1,006,666	1,200,107
Athletics	33,820	49,398	47,109	37,810
Other recreation facilities and programs	113,712	131,557	119,242	141,585
Total	<u>1,402,380</u>	<u>1,477,925</u>	<u>1,532,578</u>	<u>1,694,761</u>

Note: Due to the change in methodology of the counting process for registrations and attendance, information for previous years is not presented.

Source: District Records

Schedule 17

2009	2010	2011	2012
178,756	183,166	162,855	180,874
118,423	119,247	121,913	111,700
1,354,254	1,296,594	1,396,473	1,263,512
35,670	41,340	27,343	34,257
153,410	172,793	176,018	244,835
<u>1,840,513</u>	<u>1,813,140</u>	<u>1,884,602</u>	<u>1,835,178</u>

South Suburban Park and Recreation District
Capital Asset Statistics
Last Ten Years

Schedule 18

	2003	2004	2005 (1)	2006	2007	2008	2009	2010	2011	2012
Developed Parks (acres)	1,238	1,240	1,205	1,206	1,429	1,436	1,447	1,456	1,460	1,461
Natural Areas (acres)	2,045	2,045	1,997	1,997	1,997	2,002	2,011	2,016	2,016	2,021
Undeveloped Land (acres)	309	309	329	329	338	338	340	340	340	341
Playgrounds	54	55	56	56	56	56	58	59	60	60
Trails (miles)	113	113	78	79	81	81	82	82	84	84
Nature Center	1	1	1	1	1	1	1	1	1	1
Recreation Centers	2	3	4	4	4	4	4	4	4	4
Community/Senior Center	1	1	1	-	-	-	-	-	-	-
Indoor Swimming Pools	3	4	5	4	4	4	4	3	3	3
Outdoor Swimming Pools	5	5	5	5	4	4	4	4	4	4
Spray ground	-	-	1	1	1	1	2	2	2	2
Miniature Golf Courses	3	3	3	3	3	3	3	3	3	3
Ice Arena (Sheets)	4	4	4	4	4	4	4	4	4	4
In-line Hockey Rink	2	2	2	2	2	2	2	2	2	2
Skate Park	3	4	4	4	4	4	4	4	4	4
Indoor Sports Dome	1	1	1	1	1	1	1	1	1	1
Batting Cage Facility	1	1	1	1	1	1	1	1	1	1
Entertainment Arcade	1	1	1	1	1	1	1	1	1	1
BMX Cycling Track	1	1	1	1	1	1	1	1	1	1
Athletic Fields - Natural Turf	105	105	106	106	106	106	106	115	115	115
Athletic Fields - Artificial Turf	2	2	2	3	3	4	4	4	4	5
Outdoor Tennis Courts	58	58	58	58	58	58	60	47	47	49
Indoor Tennis Courts	6	6	6	6	6	6	6	6	6	6
Baseball Fields- Natural Turf	97	97	97	97	97	97	98	94	94	94
Baseball Fields - Artificial Turf	1	1	1	1	1	1	1	1	1	1
Golf Courses	4	4	4	4	4	4	4	4	4	4
Heated Driving Range	1	1	1	1	1	1	1	1	1	1

(1) 2005 developed parks, natural areas and trails are reduced for the exclusion and the sale of capital assets to the City of

Source: Parks and Planning Departments