

ALPENSEE WATER DISTRICT

**Notes to Financial Statements
December 31, 2003**

Note 2: Long-Term Debt (continued)

Series 2000

In 2000, the District issued \$1,500,000 of General Obligation Limited Tax Bonds dated September 1, 2000. The bonds mature and bear interest annually at a rate of 8% for term bonds maturing December 15, 2030. The bonds are subject to redemption, at the option of the District, on December 15, 2010 at par. The bonds are subject to mandatory sinking fund redemption, in part, by lot, on December 15, 2001 and on each December thereafter. The bonds were issued solely to financial or institutional investors as defined in Section 32-1-101 of the Colorado Revised Statutes and were issued in denominations of \$500,000 each. Interest is payable on each June 15 and December 15 commencing December 15, 2000. The bonds are limited tax obligations' of the District payable solely from and to the extent of the pledged revenue. Pledged revenue consists of a limited mill levy not to exceed 50 mills and improvement fee revenue. The following is the debt requirement schedule of all principal and interest payments due on the bonds.

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2004	\$ 5,000	\$ 83,600	\$ 88,600
2005	5,000	83,200	88,200
2006	10,000	82,800	92,800
2007	10,000	82,000	92,000
2008	15,000	81,200	96,200
2009-2010	35,000	158,800	193,800
2011-2015	170,000	365,600	535,600
2016-2020	320,000	271,600	591,600
2021-2025	450,000	122,000	572,000
2026-2030	25,000	6,000	31,000
	<u>\$1,045,000</u>	<u>\$1,336,800</u>	<u>\$2,381,800</u>

Subordinate Lien Bond

Contemporaneously with the issuance of the Series 2000 Bonds the District issued its Subordinate Lien Bond in the principal amount of \$313,311 in consideration for the conveyance to the District of certain public water system improvements. The lien bond is payable solely from and served by a lien on pledged revenues (excluding the Improvement Fee Revenue) which is subordinate to the lien on the bonds. The District paid \$30,000 of accrued interest on the subordinate bonds in 2003.