

Continuing Disclosure  
Annual Report  
For  
Fiscal Year Ending June 30, 2005

**South Park County Sanitation District**

California Statewide Communities  
Development Authority  
Water and Wastewater Revenue Bonds  
(Pooled Financing Program)  
Series 2005C  
Dated: September 7, 2005

January 2006

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## **Introduction**

The purpose of this report is to provide information to the Nationally Recognized Municipal Securities Information Repositories (NRMSIR) in order to comply with the provisions contained in the Continuing Disclosure Certificate (the “Disclosure Certificate”) for the California Statewide Communities Development Authority Water and Wastewater Revenue Bonds (Pooled Financing Program), Series 2005C, entered into between the South Park County Sanitation District (the “Participant”) and Union Bank of California, National Association (“Trustee”). The Disclosure Agreement was executed and delivered by the Participant and the Trustee for the benefit of the Bondholders and in order to assist the participating Underwriters in complying with S.E.C. Rule 15-c2-12(b)(5).

## **Audited Financial Statements**

The audited financial statements of the South Park County Sanitation District for the prior fiscal year, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board, can be found under Appendix A.

## Number of Connections by Classification of User

The table below shows the current number of connections/Dwelling Unit Equivalents (“DUEs”) of the System by classification of user.

**South Park County Sanitation District**  
**Number of Connections and DUEs by Classification of User**  
**As of June 30, 1999 to 2005**

<b>Year</b>	<b>Single Family Residential</b>	<b>Multiple Family Residential</b>	<b>Commercial Institutional</b>	<b>Other</b>	<b>Total All Users</b>
1999 Connections	1,444	362	149	18	1,973
1999 DUEs	1,477	1,698	500	86	3,761
2000 Connections	1,577	272	182	9	2,040
2000 DUEs	1,631	827	1,291	63	3,812
2001 Connections	1,608	299	186	9	2,102
2001 DUEs	1,627	857	1,327	63	3,874
2002 Connections	1,614	361	186	9	2,170
2002 DUEs	1,645	914	1,327	63	3,949
2003 Connections	1,573	350	183	8	2,114
2003 DUEs	1,598	921	1,327	63	3,909
2004 Connections	1,573	338	164	8	2,083
2004 DUEs	1,598	964	1,280	63	3,905
2005 Connections	1,556	349	178	8	2,091
2005 DUEs	1,581	1,002	1,280	63	3,926

Source: South Park County Sanitation District

## **Revenues by Class of User**

The table below shows the current revenues by class of user.

### **South Park County Sanitation District Revenues by Class of User Fiscal Year 2004/05**

<b>User Class</b>	<b>Fiscal Year Revenue</b>	<b>Percentage of Operating Revenue</b>
Single Family Residential	\$1,081,404	40%
Multiple Family Residential	685,368	25%
Commercial/Industrial	875,520	33%
Other	43,092	2%

Source: South Park County Sanitation District

## **Five Largest Users**

The table below shows the five largest users of the System based on revenues.

### **South Park County Sanitation District Largest Users Fiscal Year 2004/05**

<b>User</b>	<b>Type of Business</b>	<b>Revenue</b>	<b>Percentage of Revenue</b>
1. Mighty MHP, Inc.	Mobile Home Park	\$75,514	3.0%
2. Patterson, Janice E TR, et al.	Mobile Home Rented Site	68,400	2.7%
3. ICL Industrial Leasing Corp	Motel Over 50 Units w/shops	49,942	2.0%
4. Rich, William & Barbara TR	Mobile Home Park	44,870	1.8%
5. Aldridge, Bernard	72-unit Apartments	39,398	1.6%

Source: South Park County Sanitation District

## Summary of Historic Operating Results

The following table is a summary of operating results of the System. These results have been derived from the Financial Statements but exclude certain non-cash items and include certain other adjustments. The table has not been audited by South Park County Sanitation District auditors.

### South Park County Sanitation District Summary of Historic Operating Results Fiscal Years Ended June 30

<b>Description</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<b>Revenues</b>				
User Fees	\$2,140,537	\$2,330,405	\$2,508,802	\$2,664,345
Interest Earnings	\$171,081	\$154,780	\$65,686	\$151,825
Other	\$100	\$54,652	\$55,791	\$94,345
Total Revenues	\$2,311,718	\$2,539,837	\$2,630,279	\$2,910,515
<b>Expenses</b>				
General <sup>(1)</sup>	\$1,474,776	\$1,570,637	\$1,554,351	\$1,675,272
Roseland Action Team <sup>(2)</sup>	\$428,377	\$180,308	\$193,375	\$22,469
County Loan Repayment	\$100,000	\$100,000	\$100,000	\$100,000
Total Expenses	\$2,003,153	\$1,850,945	\$1,847,726	\$1,797,741
System Net Revenues	\$308,565	\$688,892	\$782,553	\$1,112,774
<b>Total Debt Service</b>	\$257,857	\$254,801	\$256,543	\$253,193
<b>Coverage Ratio</b>	1.20	2.70	3.05	4.39

(1) Excludes depreciation and capital expenditures.

(2) Expenses associated with the environmental investigation by the Roseland Action Team.

Source: South Park County Sanitation District

## **Reporting of Significant Events**

### *Section 5 of Disclosure Certificate*

Pursuant to the provisions of Section 5(a), the Participant shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Installment Purchase Agreement or its obligations in relation to the Bonds, if material:

- principal and interest payment delinquencies;
- non-payment related defaults; and
- adverse tax opinions or events affecting the tax-exempt status of the Bonds.

Pursuant to the provisions of Section 5(b), whenever the Participant obtains knowledge of the occurrence of a Listed Event, the Participant shall as soon as possible determine if such event would be material under applicable Federal securities laws.

Pursuant to the provisions of Section 5(c), if the Participant determines that knowledge of the occurrence of a Listed Event would be material under applicable Federal securities laws, the Participant shall promptly file a notice of such occurrence with the Repositories.

### *Significant Events*

No significant events have occurred as of the writing of this report.

# Appendix A

## Audited Financial Statements

## Appendix B

### NRMSIRs

The Continuing Disclosure Annual Report will be disseminated by Digital Assurance Certification LLC (“the Dissemination Agent”) to the following NRMSIRs:

#### **Bloomberg Municipal Repositories**

100 Business Park Drive  
Skillman, NJ 08558  
Phone: (609) 279-3225  
Fax: (609) 279-5962  
Email: [Munis@Bloomberg.com](mailto:Munis@Bloomberg.com)

#### **DPC Data Inc.**

One Executive Drive  
Fort Lee, NJ 07024  
Phone: (201) 346-0701  
Fax: (201) 947-0107  
Email: [nrmsir@dpcdata.com](mailto:nrmsir@dpcdata.com)

#### **FT Interactive Data**

Attn: NRMSIR  
100 Williams Street  
New York, NY 10038  
Phone: (212) 771-6999  
Fax: (212) 771-7390  
Fax: (212) 771-7391  
Email: [NRMSIR@FTID.com](mailto:NRMSIR@FTID.com)

#### **Standard & Poor’s J. J. Kenny Repository**

55 Water Street  
45<sup>th</sup> Floor  
New York, NY 10041  
Phone: (212) 438-4595  
Fax: (212) 438-3975  
Email: [nrmsir\\_repository@sandp.com](mailto:nrmsir_repository@sandp.com)