

Eagle Bend Metropolitan District
Financial Statements

February 28, 2018

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Eagle Bend Metropolitan District

Management is responsible for the accompanying financial statements of each major fund of Eagle Bend Metropolitan District, as of and for the period ended February 28, 2018, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the two months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Eagle Bend Metropolitan District because we performed certain accounting services that impaired our independence.

Simmons & Wheeler P.C.

March 14, 2018
Englewood, Colorado

Eagle Bend Metropolitan District
Balance Sheet - Governmental Funds and Account Groups
February 28, 2018

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Water Enterprise Fund</u>	<u>Debt Service Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets					
Current assets					
Cash in checking	\$ 42,931	\$ -	\$ -	\$ -	\$ 42,931
Cash in money market	1,200,000	-	202,421	-	1,402,421
Colotrust	892,317	2,113,972	246,717	-	3,253,006
Accounts receivable-HOA	-	-	-	-	-
Taxes receivable	129,800	-	750,633	-	880,433
Prepaid expenses	-	-	-	-	-
	<u>2,265,047</u>	<u>2,113,972</u>	<u>1,199,771</u>	<u>-</u>	<u>5,578,790</u>
Other assets					
Fixed assets	-	1,137,387	-	6,468,676	7,606,063
Accumulated depreciation	-	(99,252)	-	(1,470,983)	(1,570,235)
Amount available in debt service fund	-	-	-	1,199,771	1,199,771
Amount to be provided for retirement of debt	-	-	-	28,745,230	28,745,230
	<u>-</u>	<u>1,038,135</u>	<u>-</u>	<u>34,942,693</u>	<u>35,980,828</u>
	<u>\$ 2,265,047</u>	<u>3,152,107</u>	<u>\$ 1,199,771</u>	<u>\$ 34,942,693</u>	<u>\$ 41,559,618</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 20,891	-	\$ -	\$ -	\$ 20,891
Accounts payable-payroll withholding	138	-	-	-	138
Accounts payable - COA ECCV	-	152,681	-	-	152,681
	<u>21,029</u>	<u>152,681</u>	<u>-</u>	<u>-</u>	<u>173,710</u>
General obligation bonds 2016	-	-	-	15,030,000	15,030,000
General obligation loan - 2012	-	-	-	14,915,000	14,915,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,945,000</u>	<u>30,118,710</u>
Total liabilities	<u>21,029</u>	<u>152,681</u>	<u>-</u>	<u>29,945,000</u>	<u>30,118,710</u>
Fund Equity					
Investment in fixed assets	-	1,038,135	-	4,997,693	6,035,828
Fund balance	2,244,018	1,961,291	1,199,771	-	5,405,080
	<u>2,244,018</u>	<u>2,999,426</u>	<u>1,199,771</u>	<u>4,997,693</u>	<u>11,440,908</u>
	<u>\$ 2,265,047</u>	<u>3,152,107</u>	<u>\$ 1,199,771</u>	<u>\$ 34,942,693</u>	<u>\$ 41,559,618</u>

Eagle Bend Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds - Budget and Actual
For the Two Months ended February 28, 2018
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property taxes	\$ 378,312	\$ 141,043	\$ (237,269)
Specific ownership taxes	22,726	4,737	(17,989)
Miscellaneous Income/Shared Costs	-	1,825	1,825
Interest income	200	1	(199)
	<u>401,238</u>	<u>147,606</u>	<u>(253,632)</u>
Expenditures			
Audit	7,000	-	7,000
Accounting	15,000	662	14,338
Legal	35,000	5,738	29,262
Insurance	10,000	6,673	3,327
Election Expense	25,000	-	25,000
Director fees	6,000	-	6,000
Payroll tax expenses	1,000	-	1,000
Administration-management	40,000	4,461	35,539
Economic Development	15,000	-	15,000
Communications			
Expenses	5,000	-	5,000
Meetings	2,500	150	2,350
Miscellaneous	6,000	557	5,443
County collection fees	5,206	2,116	3,090
Landscaping			
Utilities	7,500	85	7,415
Maintenance	60,000	4,476	55,524
HDA Projects - cost sharing	50,000	-	50,000
Transfers & Reserve			
Transfer to Water Enterprise Fund	34,000	-	34,000
Statutory Reserve - TABOR	8,706	-	8,706
Reserve - Water Project	716,000	-	716,000
Reserve - debt service	952,287	-	952,287
	<u>2,001,199</u>	<u>24,918</u>	<u>1,976,281</u>
Excess (deficiency) of revenues over expenditures	(1,599,961)	122,688	1,722,649
Fund balance beginning	<u>1,599,961</u>	<u>2,121,330</u>	<u>521,369</u>
Fund balance ending	\$ <u><u> -</u></u>	\$ <u><u>2,244,018</u></u>	\$ <u><u>2,244,018</u></u>

Eagle Bend Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds - Budget and Actual
For the Two Months ended February 28, 2018
Debt Service Fund

See Accountant's Compilation Report

	Annual Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 2,187,776	\$ 815,652	\$ (1,372,125)
Specific ownership taxes	131,267	27,392	(103,876)
Interest income	40,000	8,768	(31,233)
	<u>2,359,043</u>	<u>851,811</u>	<u>(1,507,233)</u>
Expenditures			
GO 2012 loan interest	505,619	-	505,619
GO 2012 loan principal	865,000	-	865,000
2016 - Bond Interest	623,869	-	623,869
Trustee fees	5,000	-	5,000
County collection fees	31,746	12,235	19,511
	<u>2,031,234</u>	<u>12,235</u>	<u>2,018,999</u>
Excess (deficiency) of revenues over expenditures	327,809	839,576	511,767
Fund balance beginning	<u>345,806</u>	<u>360,195</u>	<u>14,389</u>
Fund balance ending	<u>\$ 673,615</u>	<u>\$ 1,199,771</u>	<u>\$ 526,156</u>

Eagle Bend Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds - Budget and Actual
For the Two Months ended February 28, 2018
Water Enterprise Fund

See Accountant's Compilation Report

	Annual <u>Budget</u>	Actual	Variance Favorable (Unfavorable)
Revenues			
HOA water sales - Fixed	\$ 228,000	\$ -	\$ (228,000)
HOA water sales - Variable	113,000	-	(113,000)
Transfer from General Fund	<u>34,000</u>	<u>-</u>	<u>(34,000)</u>
Total revenues	<u>375,000</u>	<u>-</u>	<u>(375,000)</u>
Expenditures			
Water Operations			
Wells			
Electric	75,000	2,107	72,893
Water	32,000	-	32,000
Repair & maintenance-wells	250,000	600	249,400
Buchanan			
Water	1,000	-	1,000
ECCV pipeline meter			
Water	27,500	-	27,500
Repair & maintenance	10,000	-	10,000
Water Engineer	90,000	4,823	85,178
Water projects			
Legal	15,000	5,738	9,263
Consultants	25,000	662	24,338
3rd Well/New Water Pipeline	600,000	-	600,000
Administration			
Directors	6,000	-	6,000
Meetings	2,500	150	2,350
Miscellaneous	4,000	-	4,000
District Management	40,000	4,461	35,539
Contingency	5,206	-	5,206
Reserves for Future Water Resources	<u>460,000</u>	<u>-</u>	<u>460,000</u>
Total expenditures	<u>1,643,206</u>	<u>18,540</u>	<u>1,624,666</u>
Excess (deficiency) of revenues over expenditures	(1,268,206)	(18,540)	1,249,666
Fund balance beginning	<u>1,268,206</u>	<u>1,979,831</u>	<u>711,625</u>
Fund balance ending	<u><u>\$ -</u></u>	<u><u>\$ 1,961,291</u></u>	<u><u>\$ 1,961,291</u></u>