

**EAGLE BEND METROPOLITAN DISTRICT**  
**FINANCIAL STATEMENTS**  
**NOVEMBER 30, 2019**

**EAGLE BEND METROPOLITAN DISTRICT**  
**STATEMENT OF NET POSITION**  
**NOVEMBER 30, 2019**

	Governmental Funds			Business- Type Fund	Total
	General Fund	Debt Service Fund	Capital Project Fund	Enterprise Fund	
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash - Checking (BBVA Compass)	\$ 32,437	\$ -	\$ 16,217	\$ 35,426	\$ 84,080
Colostrust	588,590	447,923	609,913	877,439	2,523,865
Certificates of Deposit	765,683	-	-	510,438	1,276,121
Accounts receivable	-	-	-	8,240	8,240
Receivable from County Treasurer	3,515	21,088	-	-	24,603
Interest receivable	6,855	-	-	3,182	10,037
Prepaid insurance	400	-	-	-	400
Prepaid expense	338	-	-	-	338
Total Current Assets	<u>1,397,818</u>	<u>469,011</u>	<u>626,130</u>	<u>1,434,725</u>	<u>3,927,684</u>
<b>CAPITAL ASSETS</b>					
Water and well costs	-	-	-	639,448	639,448
ECCV pipeline	-	-	-	686,758	686,758
Construction in progress	-	-	-	324,432	324,432
Accumulated depreciation	-	-	-	(327,188)	(327,188)
Total Capital Assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,323,450</u>	<u>1,323,450</u>
<b>TOTAL ASSETS</b>	<u>\$ 1,397,818</u>	<u>\$ 469,011</u>	<u>\$ 626,130</u>	<u>\$ 2,758,175</u>	<u>\$ 5,251,134</u>
<b>LIABILITIES AND NET POSITION</b>					
<b>CURRENT LIABILITIES</b>					
Accounts payable	\$ 16,897	\$ -	\$ -	\$ 2,572	\$ 19,469
Payroll taxes payable	1,381	-	-	-	1,381
Long-term payable - COA-ECCV pipeline	-	-	-	142,371	142,371
Total Current Liabilities	<u>18,278</u>	<u>-</u>	<u>-</u>	<u>144,943</u>	<u>163,221</u>
<b>NET POSITION</b>					
Net investment in capital assets	-	-	-	1,181,079	1,181,079
Unrestricted	1,379,540	469,011	626,130	-	2,474,681
Funds available	-	-	-	1,432,153	1,432,153
Total net position	<u>1,379,540</u>	<u>469,011</u>	<u>626,130</u>	<u>2,613,232</u>	<u>5,087,913</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 1,397,818</u>	<u>\$ 469,011</u>	<u>\$ 626,130</u>	<u>\$ 2,758,175</u>	<u>\$ 5,251,134</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**EAGLE BEND METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE ELEVEN MONTHS ENDED NOVEMBER 30, 2019**

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**GENERAL FUND**

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Property taxes	\$ 354,219	\$ 353,328	\$ (891)
Specific ownership taxes	27,000	25,450	(1,550)
Interest income	22,000	36,674	14,674
Other income	-	918	918
HOA Cost Sharing	24,750	22,674	(2,076)
<b>TOTAL REVENUES</b>	<u>427,969</u>	<u>439,044</u>	<u>11,075</u>
<b>EXPENDITURES</b>			
Accounting	18,000	29,962	(11,962)
Audit	7,000	5,800	1,200
County Treasurer's fee	5,313	5,303	10
Directors' fees	4,000	6,100	(2,100)
Dues and memberships	1,238	1,306	(68)
Insurance	6,582	5,427	1,155
District management	25,598	27,905	(2,307)
Legal services	22,086	35,108	(13,022)
Miscellaneous	5,987	3,104	2,883
Meetings	3,000	1,608	1,392
Payroll tax	1,000	1,297	(297)
Landscape and maintenance	52,000	46,529	5,471
HOA projects - cost sharing	45,429	45,429	-
Communication expenses	500	-	500
Utilities - Landscaping water	4,000	3,395	605
Utilities - Landscape electric	250	196	54
Contingency	50,000	-	50,000
<b>TOTAL EXPENDITURES</b>	<u>251,983</u>	<u>218,469</u>	<u>33,514</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	175,986	220,575	44,589
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers to Enterprise Fund	(34,000)	(34,000)	-
Transfers to Debt Service Fund	(1,000,000)	(1,000,000)	-
Transfers to Capital Project Fund	(781,000)	-	781,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(1,815,000)</u>	<u>(1,034,000)</u>	<u>781,000</u>
<b>NET CHANGE IN FUND BALANCES</b>	(1,639,014)	(813,425)	825,589
<b>FUND BALANCES - BEGINNING</b>	<u>2,192,966</u>	<u>2,192,965</u>	<u>(1)</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 553,952</u>	<u>\$ 1,379,540</u>	<u>\$ 825,588</u>

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**SUPPLEMENTARY INFORMATION**

**EAGLE BEND METROPOLITAN DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE ELEVEN MONTHS ENDED NOVEMBER 30, 2019**

**DEBT SERVICE FUND**

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Property taxes	\$ 2,125,310	\$ 2,119,965	\$ (5,345)
Specific ownership taxes	162,000	152,706	(9,294)
Interest income	18,000	29,566	11,566
<b>TOTAL REVENUES</b>	<u>2,305,310</u>	<u>2,302,237</u>	<u>(3,073)</u>
<b>EXPENDITURES</b>			
County Treasurer's fee	31,880	31,820	60
Loan interest - Series 2012	476,295	476,295	-
Bond interest - Series 2016	595,000	592,695	2,305
Loan principal - Series 2012	890,000	890,000	-
Bond principal - Series 2016	1,625,000	1,625,000	-
Paying agent fees	300	300	-
<b>TOTAL EXPENDITURES</b>	<u>3,618,475</u>	<u>3,616,110</u>	<u>2,365</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,313,165)	(1,313,873)	(708)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from General Fund	1,000,000	1,000,000	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(313,165)	(313,873)	(708)
<b>FUND BALANCES - BEGINNING</b>	<u>782,883</u>	<u>782,883</u>	<u>-</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 469,718</u>	<u>\$ 469,010</u>	<u>\$ (708)</u>

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**EAGLE BEND METROPOLITAN DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE ELEVEN MONTHS ENDED NOVEMBER 30, 2019**

**CAPITAL PROJECTS FUND**

	<b>Annual Budget</b>	<b>Year to Date Actual</b>	<b>Variance</b>
<b>REVENUES</b>			
Interest income	\$ -	\$ 913	\$ 913
<b>TOTAL REVENUES</b>	-	913	913
<b>EXPENDITURES</b>			
Engineering - pipeline costs	93,614	93,783	(169)
<b>TOTAL EXPENDITURES</b>	93,614	93,783	(169)
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(93,614)	(92,870)	744
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from General Fund	781,000	-	(781,000)
Transfers from Enterprise Fund	719,000	719,000	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	1,500,000	719,000	(781,000)
<b>NET CHANGE IN FUND BALANCES</b>	1,406,386	626,130	(780,256)
<b>FUND BALANCES - BEGINNING</b>	-	-	-
<b>FUND BALANCES - ENDING</b>	\$ 1,406,386	\$ 626,130	\$ (780,256)

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**EAGLE BEND METROPOLITAN DISTRICT  
SCHEDULE OF REVENUES, EXPENDITURES AND  
CHANGES IN FUNDS AVAILABLE  
FOR THE ELEVEN MONTHS ENDED NOVEMBER 30, 2019**

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**ENTERPRISE FUND**

	<b>Annual Budget</b>	<b>Year to Date Actual</b>	<b>Variance</b>
<b>REVENUES</b>			
Interest income	\$ -	\$ 35,511	\$ 35,511
HOA water sales - fixed	228,000	228,000	-
HOA water sales - variable	135,000	174,197	39,197
<b>TOTAL REVENUES</b>	<b>363,000</b>	<b>437,708</b>	<b>74,708</b>
<b>EXPENDITURES</b>			
District management	32,000	15,492	16,508
Legal services	20,000	10,975	9,025
Miscellaneous	4,000	240	3,760
Meetings	2,000	-	2,000
Repairs and maintenance - Wells	100,000	7,501	92,499
Water operations management	75,000	7,971	67,029
Consulting	12,000	58,332	(46,332)
Utilities - Well water lease	32,000	75,852	(43,852)
Utilities - Well electric costs	75,000	69,717	5,283
Utilities - Buchanan water meter	40,000	11,198	28,802
Raw water line	1,250,000	-	1,250,000
Contingency	38,471	-	38,471
<b>TOTAL EXPENDITURES</b>	<b>1,680,471</b>	<b>257,278</b>	<b>1,423,193</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,317,471)	180,430	1,497,901
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from General Fund	34,000	34,000	-
Transfers to Capital Project Fund	-	(719,000)	(719,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>34,000</b>	<b>(685,000)</b>	<b>(719,000)</b>
<b>NET CHANGE IN FUNDS AVAILABLE</b>	(1,283,471)	(504,570)	778,901
<b>FUNDS AVAILABLE - BEGINNING</b>	<b>1,754,471</b>	<b>1,936,723</b>	<b>182,252</b>
<b>FUNDS AVAILABLE - ENDING</b>	<b>\$ 471,000</b>	<b>1,432,153</b>	<b>\$ 961,153</b>
<b>RECONCILIATION OF BUDGET TO GAAP</b>			
Net investment in capital assets		1,181,079	
<b>TOTAL NET POSITION</b>		<b>\$ 2,613,232</b>	

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**EAGLE BEND METRO DISTRICT  
2019 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The Eagle Bend Metropolitan District (“the District”) was organized on November 3, 1998 in the City of Aurora, Colorado as a quasi-municipal organization established under the State of Colorado Special District Act. The District was established to develop and provide streets, water and sanitation, safety controls, television relay, translator and parks and recreation services to users in the service area.

The Eagle Bend Metropolitan District Water Activity Enterprise (“the Enterprise”) was established in 2008 as a “water activity enterprise” of the District pursuant to Title 37, Article 45.1, Part 1, Colorado Revised Statutes (“the Act”). The Enterprise will continue all of the District’s water activities, including but not limited to water acquisition or water projects or facility activities, including the construction, operation, repair and replacement of water, wastewater or storm water facilities, using revenues generated by such water activities and held and managed in the District’s water enterprise fund. Pursuant to the Act, the Enterprise is excluded from the provisions of Article X, Section 20 of the Colorado Constitution.

The District has entered into an intergovernmental agreement with the City detailing the covenants and mutual agreements the District will follow as regards to any inclusion of property in or exclusion of property from the boundaries of the District, any refunding of the bonds of the District and any consolidation with any other special district.

Pursuant to the Consolidated Service Plan, the aggregate combined debt for funding costs of improvements shall not exceed \$40,500,000 of which \$12,670,000 shall be Senior Bonds and the remaining \$27,830,000 as Subordinate Bonds. Obligations of the Districts in the IGAs do not count against the debt limitation. Additionally, all bonds issued by the Districts are payable from general ad valorem taxes not to exceed the maximum debt and general fund levy of 42.55. The 42.55 maximum mill service levy limit may be eliminated when the amount of all outstanding bonds, inclusive of Subordinate Bonds does not exceed 50% of the assessed valuation of the Taxing District.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

The budgets are in accordance with the TABOR Amendment limitation. Emergency reserves required under TABOR have been provided.



**EAGLE BEND METRO DISTRICT  
2019 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by 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 Treasurer collects 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 generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County.

**HOA Water Sales – Fixed**

As authorized by the Service Plan, the District is authorized to impose fees for services related to service water. Related to these services the District charges a monthly Water Operation Fee to an Association.

**HOA Water Sales – Variable**

As authorized by the Service Plan, the District is authorized to impose fees for services related to service water. The District delivers water to an Association for irrigation of a golf course and certain other landscaped areas. The rate charged to the Association are variable and depend on season and the source of water.

**Expenditures**

**Administrative and Operating Expenses**

Operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, accounting, insurance, banking, meeting expense, landscaping maintenance, and other administrative expenses.

**EAGLE BEND METRO DISTRICT  
2019 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases**

On April 27, 2012, the District advance refunded its outstanding Series 2003 Bond totaling \$17,625,000 with a \$19,000,000 loan. The loan carries a coupon rate of 3.39% and calls for interest payments on June 1<sup>st</sup> and December 1<sup>st</sup> commencing December 1, 2012. Principal payments are due annually on December 1<sup>st</sup> commencing December 1, 2012 through 2033. The loan is subject to optional redemption on or after April 27, 2022 with no redemption premium. The refunding resulted in a present value savings of approximately \$1,072,000 to the District.

On April 20, 2016, the District issued \$15,030,000 of General Obligation Refunding Bonds Series 2016 ("Series 2016 Bonds") to defease the District's Series 2005 Bonds. The Series 2016 Bonds bear interest at rates ranging from 3.125% to 5.00%, payable semiannually on each June 1 and December 1, commencing on June 1, 2016. The bonds are subject to a mandatory sinking fund redemption commencing on December 1, 2029. The Bonds are subject to an early redemption at the option of the District commencing December 1, 2016, at a price equal to the principal amount plus accrued interest without redemption premium. The Series 2016 Bonds scheduled to mature from December 1, 2029 through 2032 in the total amount of \$2,115,000 are subject to extraordinary redemption after July 20, 2016 through April 20, 2019 at a price equal to the principal amount plus accrued interest without redemption premium. The Series 2016 Bonds are rated by S&P at an underlying credit rating of "A-" with bond insurance from Build American Mutual with a rating of "AA" by S&P.

The District has no operating or capital leases.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2019, as defined under TABOR.