

Eagle Bend Metropolitan District
Financial Statements

September 30, 2016

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Eagle Bend Metropolitan District

We have compiled the accompanying Balance Sheet – Governmental Funds and Account Groups of the Eagle Bend Metropolitan District as of September 30, 2016 and the related Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental and Enterprise Funds for the nine months then ended. We have not audited or reviewed the accompanying financial statements and, accordingly, we do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist the management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit the Statements of Net Position, Statement of Activities, Cash Flows, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. Accordingly, the accompanying financial statements are not intended to be used by readers who are not familiar with the District's financial affairs or informed about such matters that would be disclosed in complete financial statements.

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.

October 17, 2016

Eagle Bend Metropolitan District
Balance Sheet - Governmental Funds and Account Groups
September 30, 2016

See Accountant's Compilation Report

	General Fund	Water Enterprise Fund	Debt Service Fund	Account Groups	Total All Funds
Assets					
Current assets					
Cash in checking	\$ 153,316	\$ -	\$ -	\$ -	\$ 153,316
Cash in money market	1,200,000	-	198,994	-	1,398,994
Colostrust	1,434,727	1,594,279	1,373,333	-	4,402,339
Cash with Trustee	-	-	-	-	-
Accounts receivable-HOA	-	122,743	-	-	122,743
Taxes receivable	6,184	-	14,171	-	20,355
Prepaid expenses	-	-	-	-	-
	<u>2,794,227</u>	<u>1,717,022</u>	<u>1,586,498</u>	<u>-</u>	<u>6,097,747</u>
Other assets					
Fixed assets	-	1,137,387	-	6,468,676	7,606,063
Construction in progress	-	-	-	-	-
Accumulated depreciation	-	(99,252)	-	(1,470,983)	(1,570,235)
Amount available in debt service fund	-	-	-	1,586,498	1,586,498
Amount to be provided for retirement of debt	-	-	-	29,998,502	29,998,502
	<u>-</u>	<u>1,038,135</u>	<u>-</u>	<u>36,582,693</u>	<u>37,620,828</u>
	<u>\$ 2,794,227</u>	<u>2,755,157</u>	<u>\$ 1,586,498</u>	<u>\$ 36,582,693</u>	<u>\$ 43,718,575</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 75,787	-	\$ -	\$ -	\$ 75,787
Accounts payable-payroll withholding	306	-	-	-	306
Accounts payable - COA ECCV	-	211,884	-	-	211,884
	<u>76,093</u>	<u>211,884</u>	<u>-</u>	<u>-</u>	<u>287,977</u>
General obligation bonds 2016	-	-	-	15,030,000	15,030,000
General obligation loan - 2012	-	-	-	16,555,000	16,555,000
Total liabilities	<u>76,093</u>	<u>211,884</u>	<u>-</u>	<u>31,585,000</u>	<u>31,872,977</u>
Fund Equity					
Investment in fixed assets	-	1,038,135	-	4,997,693	6,035,828
Fund balance	2,718,134	1,505,138	1,586,498	-	5,809,770
	<u>2,718,134</u>	<u>2,543,273</u>	<u>1,586,498</u>	<u>4,997,693</u>	<u>11,845,598</u>
	<u>\$ 2,794,227</u>	<u>2,755,157</u>	<u>\$ 1,586,498</u>	<u>\$ 36,582,693</u>	<u>\$ 43,718,575</u>

Eagle Bend Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds - Budget and Actual
For the Nine Months Ended September 30, 2016
General Fund

See Accountant's Compilation Report

	Amended Annual <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues			
Property taxes	\$ 755,458	\$ 751,969	\$ (3,489)
Specific ownership taxes	50,693	44,251	(6,442)
Potential Abatements	(31,275)	-	31,275
Miscellaneous Income/Shared Costs	-	5,922	5,922
Interest income	122	448	326
	<u>774,998</u>	<u>802,590</u>	<u>27,592</u>
Expenditures			
Audit	7,000	5,650	1,350
Accounting	13,000	5,761	7,239
Legal	35,000	25,515	9,485
Insurance	10,000	6,219	3,781
Election Expense	30,000	36,972	(6,972)
Director fees	3,700	3,100	600
Payroll tax expenses	450	474	(24)
Administration-management	60,000	29,481	30,519
Communications			
Expenses	25,000	9,411	15,589
Management	-	3,899	(3,899)
Meetings	10,000	1,842	8,158
Miscellaneous	5,000	4,673	327
County collection fees	10,863	11,286	(423)
Landscaping			
Utilities	10,000	3,324	6,676
Maintenance	50,000	63,503	(13,503)
Tree improvements	50,000	-	50,000
Center Medians	50,000	-	50,000
HOA Projects - cost sharing	50,000	11,987	38,013
Emerging opportunitites	-	-	-
Traffic Study	-	3,328	(3,328)
Long range planning	-	-	-
Transfers & Reserve			
Transfer to Water Enterprise Fund	39,333	-	39,333
Transfer to Debt Service Fund	2,370,000	-	2,370,000
Statutory Reserve - TABOR	12,600	-	12,600
Reserve - debt service	15,740	-	15,740
	<u>2,857,686</u>	<u>226,425</u>	<u>2,631,261</u>
Excess (deficiency) of revenues over expenditures	(2,082,688)	576,165	2,658,853
Fund balance beginning	<u>2,082,688</u>	<u>2,141,969</u>	<u>59,281</u>
Fund balance ending	\$ <u>-</u>	\$ <u>2,718,134</u>	\$ <u>2,718,134</u>

Eagle Bend Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds - Budget and Actual
For the Nine Months Ended September 30, 2016
Water Enterprise Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
HOA water sales - Fixed	\$ 200,000	\$ 200,000	\$ -
HOA water sales - Variable	154,000	205,989	51,989
Transfer from General Fund	39,333	-	(39,333)
Misc Income	-	37,990	37,990
Enterprise Borrowing - 3rd well	800,000	-	(800,000)
	<u>1,193,333</u>	<u>443,979</u>	<u>(749,354)</u>
Total revenues			
Expenditures			
Water Operations			
Wells			
Electric	69,000	59,882	9,118
Water	18,816	27,388	(8,572)
Repair & maintenance-wells	160,000	3,986	156,014
Upgrades	20,000	-	20,000
Buchanan			
Water	1,000	392	608
ECCV pipeline meter			
Water	33,152	20,650	12,502
Repair & maintenance	5,000	-	5,000
Upgrades	5,000	-	5,000
Water management	-	25,959	(25,959)
Water projects			
Legal	5,000	-	5,000
Consultants	5,000	-	5,000
3rd Well	1,765,800	-	1,765,800
Administration			
Directors	3,700	3,100	600
Meetings	6,000	1,822	4,178
Miscellaneous	4,000	1,328	2,672
District Management	35,000	26,390	8,610
ECCV Payment	39,536	-	39,536
Contingency	10,000	-	10,000
Reserves for Future Water Resources	124,765	-	124,765
	<u>2,310,769</u>	<u>170,897</u>	<u>2,139,872</u>
Total expenditures			
Excess (deficiency) of revenues over expenditures	(1,117,436)	273,082	1,390,518
Fund balance beginning	<u>1,117,436</u>	<u>1,232,056</u>	<u>114,620</u>
Fund balance ending	\$ <u><u>-</u></u>	\$ <u><u>1,505,138</u></u>	\$ <u><u>1,505,138</u></u>

Eagle Bend Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds - Budget and Actual
For the Nine Months Ended September 30, 2016
Debt Service Fund

See Accountant's Compilation Report

	Annual Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property taxes	\$ 1,731,258	\$ 1,723,370	\$ (7,888)
Specific ownership taxes	116,171	101,408	(14,763)
Potential abatements	(71,673)	-	71,673
Transfer from General Fund	2,370,000	-	(2,370,000)
Bond Proceeds - Series 2016	15,030,000	15,030,000	-
Bond Premium - Series 2016	994,822	994,822	-
Interest income	2,000	18,285	16,285
	<u>20,172,578</u>	<u>17,867,885</u>	<u>(2,304,693)</u>
Expenditures			
Bond interest-Series 2005	291,268	291,268	-
Bond principal-Series 2005	-	-	-
GO 2012 loan interest	561,215	280,607	280,608
GO 2012 loan principal	805,000	-	805,000
2016 Bond Principal	-	-	-
2016 Extraordinary Redemption	2,000,000	-	2,000,000
2016 - Bond Interest	382,986	71,051	311,935
Issuance Costs	278,555	267,074	11,481
Defeas Series 2005 Bond	15,465,000	15,465,000	-
Legal	-	-	-
Miscellaneous	-	-	-
Trustee fees	15,000	3,498	11,502
County collection fees	24,894	25,866	(972)
	<u>19,823,918</u>	<u>16,404,364</u>	<u>3,419,554</u>
Excess (deficiency) of revenues over expenditures	348,660	1,463,521	1,114,861
Fund balance beginning	<u>70,454</u>	<u>122,977</u>	<u>52,523</u>
Fund balance ending	\$ <u>419,114</u>	\$ <u>1,586,498</u>	\$ <u>1,167,384</u>