

**Bowles Metropolitan District
Financial Statements**

March 31, 2010

Board of Directors
Bowles Metropolitan District

We have compiled the accompanying Balance Sheet – Governmental Funds and Account Groups of the Bowles Metropolitan District as of March 31, 2010 and the related Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental funds for the three months then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Since the Board of Directors does not require financial statements prepared in conformity with generally accepted accounting practices to manage the affairs of the District on a monthly basis, determination has been made not to include the Statement of Net Assets, the Statement of Net Activities, Cash Flow where applicable, the Management Discussion and Analysis and disclosure footnotes to the statements. Accordingly, the accompanying financials 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.

Simmons & Wheeler P.C.

April 23, 2010

Bowles Metropolitan District
 Combined Balance Sheet
 February 28, 2010

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Capital Fund</u>	<u>Debt Service Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets					
Current assets					
Cash in Checking	\$ 19,555	\$ -	\$ -	\$ -	\$ 19,555
Cash in COLOTRUST	1,154,941	-	-	-	1,154,941
Cash COLOTRUST - Conserv Trust	12	-	-	-	12
Cash in Money Market	246,656	-	-	-	246,656
Cash in Certificate of Deposit	244,285	-	-	-	244,285
Cash in Savings	100,685	-	-	-	100,685
Accounts receivable - taxes	71,470	-	71,755	-	143,225
Accounts receivable	-	-	-	-	-
Due from Other Funds	-	11,492	480,884	-	492,376
	<u>1,837,604</u>	<u>11,492</u>	<u>552,639</u>	<u>-</u>	<u>2,401,735</u>
Other assets					
Improvements	-	-	-	7,001,846	7,001,846
Amount available in debt service fund	-	-	-	23,470,000	23,470,000
Amount to be provided for retirement of debt	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,471,846</u>	<u>30,471,846</u>
	<u>\$ 1,837,604</u>	<u>\$ 11,492</u>	<u>\$ 552,639</u>	<u>\$ 30,471,846</u>	<u>\$ 32,873,581</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 148,126	\$ -	\$ -	\$ -	\$ 148,126
Due to Other Funds	492,376	-	-	-	492,376
	<u>640,502</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>640,502</u>
GO Bond Payable	-	-	-	23,470,000	23,470,000
Total liabilities	<u>640,502</u>	<u>-</u>	<u>-</u>	<u>23,470,000</u>	<u>24,110,502</u>
Fund Equity					
Investment in improvements	-	-	-	7,001,846	7,001,846
Fund balance	1,197,102	11,492	552,639	-	1,761,233
	<u>1,197,102</u>	<u>11,492</u>	<u>552,639</u>	<u>7,001,846</u>	<u>8,763,079</u>
	<u>\$ 1,837,604</u>	<u>\$ 11,492</u>	<u>\$ 552,639</u>	<u>\$ 30,471,846</u>	<u>\$ 32,873,581</u>

Bowles Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Two Months Ended February 28, 2010
General Fund

See Accountant's Compilation Report

	Annual Budget	Actual	Variance Favorable (Unfavorable)	—Prior YTD—
Revenues				
Property taxes	\$ 968,003	\$ 458,012	\$ (509,991)	\$ 440,076
Specific ownership taxes	149,565	33,473	(116,092)	35,647
Conservation Trust fund	-	-	-	4,823
HOA Contribution /Water/Landscape	111,700	-	(111,700)	-
Sub HOA Contribution/Irrigation	5,000	499	(4,501)	-
Miscellaneous Income	20,000	2,590	(17,410)	1,295
Interest income	5,566	3,396	(2,170)	675
	<u>1,259,834</u>	<u>497,970</u>	<u>(761,864)</u>	<u>482,516</u>
Expenditures				
Accounting/audit	16,500	1,541	14,959	1,970
Directors Fees	6,000	2,000	4,000	1,500
Election expense	18,000	914	17,086	-
Insurance	13,000	8,737	4,263	8,303
Legal	30,000	781	29,219	1,617
Management	70,000	10,621	59,379	12,402
Office supplies/misc expense	8,000	10	7,990	55
SDA Dues/Conferences	6,000	1,192	4,808	1,238
Payroll Taxes	1,000	153	847	112
Snow Removal	25,000	5,015	19,985	3,493
Special/tree replacement	25,000	-	25,000	8,159
General tree maint/replacement	-	-	-	-
General landscape maintenance	240,000	53,322	186,678	46,889
Landscape maintenance-HOA	120,000	17,217	102,783	(243)
Open Space maintenance	11,500	-	11,500	459
Repairs/maintenance/other	65,000	435	64,565	862
Repairs/maintenance-HOA	7,500	2,405	5,095	276
Special events	3,000	2,600	400	-
Treasurer's fees	14,520	5,686	8,834	5,477
Telephone	3,500	718	2,782	650
Utilities	28,000	991	27,009	1,498
Storm Drainage Services	-	125	(125)	-
Water pump service	10,000	-	10,000	-
Water annual rental	70,000	43,126	26,874	41,467
Water annual assessment	50,000	42,150	7,850	40,000
Engineering (water)	40,000	1,901	38,099	1,718
Capital Outlay	16,000	-	16,000	-
Contingency	177,064	-	177,064	-
Operating transfers out	725,000	50,000	675,000	10,000
Working Capital Fund Balance	350,000	-	350,000	-
Emergency reserve (3%)	26,926	-	26,926	-
	<u>2,176,510</u>	<u>251,640</u>	<u>1,924,870</u>	<u>187,902</u>
Excess (deficiency) of revenues over expenditures	(916,676)	246,330	1,163,006	
Fund balance - beginning	<u>916,676</u>	<u>950,772</u>	<u>34,096</u>	
Fund balance - ending	<u>\$ -</u>	<u>\$ 1,197,102</u>	<u>\$ 1,197,102</u>	

Bowles Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Two Months Ended February 28, 2010
Capital Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>—Prior YTD—</u>
Revenues				
Interest Income	\$ -	\$ -	\$ -	\$ -
Jefferson county joint venture	-	-	-	17,200
Transfers from general fund	290,000	50,000	(240,000)	10,000
	<u>290,000</u>	<u>50,000</u>	<u>(240,000)</u>	<u>27,200</u>
Expenditures				
Water Shares	270,000	41,453	228,547	-
Capital Expense-Intersections	-	-	-	-
Capital Expense-Parks & Trails	-	-	-	-
Capital Expense-Fence	-	-	-	325
Capital Expense-Sunset bb court	-	-	-	529
Capital Expense-Sunset playground	-	-	-	-
Contingency	30,000	-	30,000	-
	<u>300,000</u>	<u>41,453</u>	<u>258,547</u>	<u>854</u>
Excess (deficiency) of revenues over expenditures	(10,000)	8,547	18,547	
Fund balance - beginning	<u>19,639</u>	<u>2,945</u>	<u>(16,694)</u>	
Fund balance (deficit) - ending	<u>\$ 9,639</u>	<u>\$ 11,492</u>	<u>\$ 1,853</u>	

Bowles Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Two Months Ended February 28, 2010
Debt Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>—Prior YTD—</u>
Revenues				
Property taxes	\$ 1,168,632	552,941	\$ (615,691)	\$ 531,287
Transfer from General Fund	435,000	-	(435,000)	-
Interest income	1,093	3	(1,090)	5
	<u>1,604,725</u>	<u>552,944</u>	<u>(1,051,781)</u>	<u>531,292</u>
Expenditures				
2003 Bonds-Principal	370,000	-	370,000	-
2003 Bonds-Interest	1,216,665	-	1,216,665	-
Treasurer fees	17,529	6,865	10,664	6,612
Trustee/paying agent fees	509	-	509	-
	<u>1,604,703</u>	<u>6,865</u>	<u>1,597,838</u>	<u>6,612</u>
Excess (deficiency) of revenues over expenditures	22	546,079	546,057	
Fund balance - beginning	<u>3,174</u>	<u>6,560</u>	<u>3,386</u>	
Fund balance (deficit) - ending	<u>\$ 3,196</u>	<u>\$ 552,639</u>	<u>\$ 549,443</u>	