

Bowles Metropolitan District
Financial Statements

June 30, 2011

ACCOUNTANT'S COMPILATION REPORT

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 June 30, 2011 and the related Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds for the six 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 Assets, Statement of Activities, 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 Bowles Metropolitan District because we performed certain accounting services that impaired our independence.

Simmons & Wheeler P.C.

August 1, 2011

Bowles Metropolitan District
 Combined Balance Sheet
 June 30, 2011

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	\$ 25,065	\$ -	\$ -	\$ -	\$ 25,065
Cash in COLOTRUST	528,117	-	-	-	528,117
Cash COLOTRUST - Conserv Trust	14,658	-	-	-	14,658
Cash in Money Market	248,354	-	-	-	248,354
Cash in Certificate of Deposit	249,625	-	-	-	249,625
Cash in Savings	102,327	-	-	-	102,327
Accounts receivable - taxes	317,004	-	369,187	-	686,191
Accounts receivable	-	-	-	-	-
Due from Other Funds	-	12,299	170,878	-	183,177
	<u>1,485,150</u>	<u>12,299</u>	<u>540,065</u>	<u>-</u>	<u>2,037,514</u>
Other assets					
Improvements	-	-	-	6,967,707	6,967,707
Amount available in debt service fund	-	-	-	23,100,000	23,100,000
Amount to be provided for retirement of debt	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,067,707</u>	<u>30,067,707</u>
	<u>\$ 1,485,150</u>	<u>\$ 12,299</u>	<u>\$ 540,065</u>	<u>\$ 30,067,707</u>	<u>\$ 32,105,221</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 158,060	\$ -	\$ -	\$ -	\$ 158,060
Due to Other Funds	183,177	-	-	-	183,177
	<u>341,237</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>341,237</u>
GO Bond Payable	-	-	-	23,100,000	23,100,000
	<u>-</u>	<u>-</u>	<u>-</u>	<u>23,100,000</u>	<u>23,100,000</u>
Total liabilities	<u>341,237</u>	<u>-</u>	<u>-</u>	<u>23,100,000</u>	<u>23,441,237</u>
Fund Equity					
Investment in improvements	-	-	-	6,967,707	6,967,707
Fund balance	1,143,913	12,299	540,065	-	1,696,277
	<u>1,143,913</u>	<u>12,299</u>	<u>540,065</u>	<u>6,967,707</u>	<u>8,663,984</u>
	<u>\$ 1,485,150</u>	<u>\$ 12,299</u>	<u>\$ 540,065</u>	<u>\$ 30,067,707</u>	<u>\$ 32,105,221</u>

Bowles Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
For the Six Months Ended June 30, 2011
General Fund

See Accountant's Compilation Report

	Annual Budget	Actual	Variance Favorable (Unfavorable)	---Prior YTD---
Revenues				
Property taxes	\$ 967,532	\$ 953,550	\$ (13,982)	\$ 952,873
Specific ownership taxes	149,492	64,231	(85,261)	65,683
Conservation Trust fund	20,000	10,189	(9,811)	8,822
HOA Contribution /Water/Landscape	120,000	24,620	(95,380)	68,144
Sub HOA Contribution/Irrigation	5,000	209	(4,791)	499
Miscellaneous Income	108	-	(108)	4,558
Interest income	10,000	3,019	(6,981)	6,140
	<u>1,272,132</u>	<u>1,055,818</u>	<u>(216,314)</u>	<u>1,106,719</u>
Expenditures				
Accounting/audit	17,000	11,605	5,395	5,151
Directors Fees	6,000	2,800	3,200	3,600
Election expense	-	-	-	1,579
Insurance	12,000	8,451	3,549	3,737
Legal	30,000	2,190	27,810	6,987
Management	72,000	48,793	23,207	30,594
Office supplies/misc expense	8,000	3,746	4,254	3,464
SDA Dues/Conferences	6,000	1,650	4,350	1,192
Payroll Taxes	1,000	214	786	275
Snow Removal	25,000	27,870	(2,870)	5,015
Special/tree replacement	25,000	-	25,000	-
General tree maint/replacement	-	-	-	-
General landscape maintenance	245,000	178,002	66,998	152,859
Landscape maintenance-HOA	125,000	14,638	110,362	22,506
Open Space Isthmus Park	12,000	2,664	9,336	7,816
Open Space maint other	-	52,713	(52,713)	-
Repairs/maintenance/other	68,000	43,144	24,856	24,578
Repairs/maintenance-HOA	8,000	8,520	(520)	2,405
Special events	3,000	2,600	400	2,600
Treasurer's fees	14,513	11,856	2,657	11,851
Telephone	3,500	1,333	2,167	1,376
Utilities	28,000	6,487	21,513	7,629
Storm Drainage Services	500	190	310	125
Water pump service (operations)	10,000	13,087	(3,087)	-
Water annual rental	70,000	33,168	36,832	43,492
Water annual assessment	50,000	49,975	25	42,150
Engineering (bow mar water sampling)	30,000	9,525	20,475	8,385
Capital Outlay	16,000	-	16,000	8,657
Contingency	44,497	-	44,497	-
Operating transfers out	698,000	200,000	498,000	75,000
Working Capital Fund Balance	350,000	-	350,000	-
Emergency reserve (3%)	26,565	-	26,565	-
	<u>2,004,575</u>	<u>735,221</u>	<u>1,269,354</u>	<u>473,023</u>
Excess (deficiency) of revenues over expenditures	(732,443)	320,597	1,053,040	
Fund balance - beginning	<u>732,443</u>	<u>823,316</u>	<u>90,873</u>	
Fund balance - ending	\$ <u>-</u>	\$ <u>1,143,913</u>	\$ <u>1,143,913</u>	

Bowles Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Six Months Ended June 30, 2011
Capital Fund

See Accountant's Compilation Report

	Annual <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>	<u>---Prior YTD---</u>
Revenues				
Interest Income	\$ -	\$ -	\$ -	\$ -
Jefferson county joint venture	-	-	-	-
Transfers from general fund	248,000	200,000	(48,000)	75,000
	<u>248,000</u>	<u>200,000</u>	<u>(48,000)</u>	<u>75,000</u>
Expenditures				
Water Shares	180,000	132,384	47,616	42,214
Portable screening stations	25,000	-	25,000	-
Pump house upgrade	20,000	-	20,000	-
Irrigation ditch improvements	12,000	-	12,000	-
Capital Expense-Intersections	-	-	-	-
Capital Expense-Parks & Trails	-	70,478	(70,478)	-
Capital Expense-Fence	30,000	-	30,000	28,963
Capital expense-irrigation improvements	40,000	-	40,000	-
Capital Expense-Sunset bb court	-	-	-	-
Capital Expense-Sunset playground	-	-	-	-
Contingency	3,944	-	3,944	-
	<u>310,944</u>	<u>202,862</u>	<u>108,082</u>	<u>71,177</u>
Excess (deficiency) of revenues over expenditures	(62,944)	(2,862)	60,082	
Fund balance - beginning	<u>62,944</u>	<u>15,161</u>	<u>(47,783)</u>	
Fund balance (deficit) - ending	\$ <u>-</u>	\$ <u>12,299</u>	\$ <u>12,299</u>	

Bowles Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For the Six Months Ended June 30, 2011
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	\$ 1,168,064	1,151,185	\$ (16,879)	\$ 1,150,367
Transfer from General Fund	450,000	-	(450,000)	-
Interest income	538	149	(389)	100
	<u>1,618,602</u>	<u>1,151,334</u>	<u>(467,268)</u>	<u>1,150,467</u>
Expenditures				
2003 Bonds-Principal	400,000	-	400,000	-
2003 Bonds-Interest	1,202,790	601,395	601,395	608,333
Treasurer fees	17,523	14,313	3,210	14,307
Trustee/paying agent fees	500	150	350	-
	<u>1,620,813</u>	<u>615,858</u>	<u>1,004,955</u>	<u>622,640</u>
Excess (deficiency) of revenues over expenditures	(2,211)	535,476	537,687	
Fund balance - beginning	<u>18,977</u>	<u>4,589</u>	<u>(14,388)</u>	
Fund balance (deficit) - ending	\$ <u>16,766</u>	\$ <u>540,065</u>	\$ <u>523,299</u>	

Bowles Metropolitan District
Cash Position Schedule
As of June 30, 2011

Financial Institution	Account Type		Amount
<u>Wells Fargo</u>	Cash in Checking	0.0033%	\$ 25,064.62
<u>Colotrust</u>	General Account	0.1100%	\$ 528,116.54
	Conservation Trust Account	0.1100%	\$ 14,657.66
<u>1st Bank</u>	Liquid Asset	0.4980%	\$ 248,354.48
<u>Citywide Banks</u>	Citywide Certificate of Deposit Maturity 10/15/2011	1.1500%	\$ 249,625.49
<u>Solera Savings</u>	Savings Account	1.0950%	\$ 102,327.10
			<u>\$ 1,168,145.89</u>