

**Consolidated Bell Mountain Ranch Metropolitan District
Financial Statements**

October 31, 2011

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Consolidated Bell Mountain Metropolitan District

We have compiled the accompanying Balance Sheet – Governmental Funds and Account Groups of the Consolidated Bell Mountain Metropolitan District as of October 31, 2011 and the related Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds for the ten 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 Consolidated Bell Mountain Metropolitan District because we performed certain accounting services that impaired our independence.

Simmons & Wheeler P.C.

November 28, 2011

**Consolidated Bell Mountain Ranch Metropolitan District
Balance Sheet - Governmental Funds and Account Groups
October 31, 2011**

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets				
Current assets				
Cash and investments	\$ 118,886	\$ 1,651,233	\$ -	\$ 1,770,119
Accounts receivable-Taxes	10,952	12,500	-	23,452
Accounts receivable -Other	-	-	-	-
Due from other funds	-	-	-	-
Prepaid Insurance	-	-	-	-
	<u>129,838</u>	<u>1,663,733</u>	<u>-</u>	<u>1,793,571</u>
Other assets				
Fixed assets	-	-	16,691,169	16,691,169
Amount available in debt service fund	-	-	1,663,733	1,663,733
Amount to be provided for retirement of debt	-	-	12,746,267	12,746,267
	<u>-</u>	<u>-</u>	<u>31,101,169</u>	<u>31,101,169</u>
	<u>\$ 129,838</u>	<u>\$ 1,663,733</u>	<u>\$ 31,101,169</u>	<u>\$ 32,894,740</u>
Liabilities and Equity				
Current liabilities				
Accounts payable	\$ 34,566	\$ -	\$ -	\$ 34,566
Accounts payable - Cost of Issuance	-	-	-	-
Due to other funds	-	-	-	-
	<u>34,566</u>	<u>-</u>	<u>-</u>	<u>34,566</u>
General obligation bonds Series 2010	-	-	14,410,000	14,410,000
Total liabilities	<u>34,566</u>	<u>-</u>	<u>14,410,000</u>	<u>14,444,566</u>
Fund equity and other credits				
Investment in fixed assets	-	-	16,691,169	16,691,169
Reserved for debt	-	92,400	-	92,400
Reserved for infrastructure	-	-	-	-
Fund balance (deficit)	95,272	1,571,333	-	1,666,605
	<u>95,272</u>	<u>1,663,733</u>	<u>16,691,169</u>	<u>18,450,174</u>
	<u>\$ 129,838</u>	<u>\$ 1,663,733</u>	<u>\$ 31,101,169</u>	<u>\$ 32,894,740</u>

**Consolidated Bell Mountain Ranch Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget, Actual and Projected - Governmental Funds
For the Ten Months Ended October 31, 2011
General Fund**

See Accountant's Compilation Report

	Annual Budget	Actual	Variance Favorable (Unfavorable)	Projected 12/31/2011	Variance Favorable (Unfavorable)
Revenues					
Property taxes	\$ 298,769	\$ 298,260	\$ (509)	\$ 298,769	\$ -
Specific ownership taxes	112,543	77,909	(34,634)	100,000	(12,543)
Conservation Trust Fund	4,000	3,099	(901)	4,000	-
Interest income/Reimbursements	3,500	5,931	2,431	6,000	2,500
	<u>418,811</u>	<u>385,199</u>	<u>(33,613)</u>	<u>408,768</u>	<u>(10,043)</u>
Expenditures					
Accounting/Audit	11,000	10,575	425	12,000	(1,000)
Legal	30,000	18,204	11,796	25,000	5,000
Legal - Water	9,000	15,054	(6,054)	16,000	(7,000)
Legal - Water Settlement	-	940	(940)	1,000	(1,000)
District management	29,000	23,777	5,223	29,000	-
Insurance	6,800	6,110	690	6,110	690
Engineering	-	3,000	(3,000)	3,000	(3,000)
Utilities	1,650	1,184	466	1,650	-
Treasurer's fees	4,482	4,482	-	4,482	-
Miscellaneous	9,000	349	8,651	9,000	-
Snow removal	44,000	16,905	27,095	35,000	9,000
Street/Shoulder maintenance	70,000	32,041	37,959	40,000	30,000
Landscape maintenance/repairs	50,000	58,868	(8,868)	60,000	(10,000)
Equestrian trail maintenance	15,000	-	15,000	15,000	-
Pedestrian trail maintenance	40,000	39,755	245	40,000	-
Road Chip Seal & Striping	110,000	110,293	(293)	110,293	(293)
Emergency reserve	12,898	-	12,898	-	12,898
Contingency	47,141	-	47,141	-	47,141
Transfer to Capital Projects	-	-	-	-	-
	<u>489,971</u>	<u>341,537</u>	<u>148,434</u>	<u>407,535</u>	<u>82,436</u>
Excess (deficiency) of revenues over expenditures	(71,160)	43,662	114,822	1,233	72,393
Fund balance - beginning	<u>71,160</u>	<u>51,610</u>	<u>(19,550)</u>	<u>51,610</u>	<u>(19,550)</u>
Fund balance (deficit) - ending	<u>\$ -</u>	<u>\$ 95,272</u>	<u>\$ 95,272</u>	<u>\$ 52,843</u>	<u>\$ 52,843</u>

**Consolidated Bell Mountain Ranch Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget, Actual and Projected - Governmental Funds
For the Ten Months Ended October 31, 2011
Debt Service Fund**

See Accountant's Compilation Report

	Annual Budget	Actual	Variance Favorable (Unfavorable)	Projected 12/31/2011	Variance Favorable (Unfavorable)
Revenues					
Property taxes	\$ 1,108,013	\$ 1,106,125	\$ (1,888)	\$ 1,108,013	\$ -
Specific ownership taxes	-	-	-	-	-
Other income	-	11,401	11,401	11,401	11,401
Interest income	6,000	2,645	(3,355)	6,000	-
	<u>1,114,013</u>	<u>1,120,171</u>	<u>6,158</u>	<u>1,125,414</u>	<u>11,401</u>
Expenditures					
Bond interest Series 2010	633,876	316,938	316,938	633,876	-
Bond principal Series 2010	290,000	-	290,000	290,000	-
Paying agent fees	2,500	1,650	850	2,500	-
Treasurer's fees	16,620	16,624	(4)	16,620	-
	<u>942,996</u>	<u>335,212</u>	<u>607,784</u>	<u>942,996</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	171,017	784,959	613,942	182,418	11,401
Fund balance - beginning	883,412	878,774	(4,638)	878,774	(4,638)
Fund balance - ending	<u>\$ 1,054,429</u>	<u>\$ 1,663,733</u>	<u>\$ 609,304</u>	<u>\$ 1,061,192</u>	<u>\$ 6,763</u>