

**Falcon Highlands Metropolitan District
Financial Statement Variances
August 31, 2015**

Current month variances:

Note to reader: Budget variances assume an annual budget divided by 12 months. Therefore, as of August 2015, the District should be at 66.67% of the total budget for 2015.

Property Taxes Collected

1. The 2015 collections through August are at 97.63% of the total amount levied compared to 91.87% at this time last year.

General Fund

1. Insurance expenditures are on budget as the annual premiums were paid in full in January.
2. Overall, the total General Fund expenditures are at 57.97% of budget.

Debt Service

1. As of August 31, 2015, the District has received 2 tap fees.

Conservation Trust Fund

1. As of August 31, 2015, the District has received \$2,114.48 in Conservation Trust Fund proceeds.

Enterprise Fund

1. As presented on page 14, the August operating revenues totaled \$52,505. The past 3-year average for the month of August has been \$48,155. The January – August operating revenues totaled \$292,203 compared to a 3-year average of \$271,293. While this \$20,910 variance is positive, the wet spring and summer that we are experiencing may put a further strain on the Enterprise Fund. We will continue to monitor this closely as we move through what is normally our larger revenue months.
2. Insurance expenditures are on budget as mentioned in the General Fund section.
3. Overall, the total Enterprise Fund expenditures are at 26.73% of budget.

Cash and Investments

As of September 24, 2015 the available cash and investments are as follows:

1. General Fund: \$372,027.26
2. Debt Service Fund: \$1,410,481.00 of which \$900,584.31 is the Reserve Fund
3. Enterprise Fund: \$228,394.70
4. Conservation Trust Fund: \$2,114.48

FALCON HIGHLANDS METROPOLITAN DISTRICT
FINANCIAL STATEMENTS

AUGUST 31, 2015

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Accountant's Compilation Report

Board of Directors
Falcon Highlands Metropolitan District
El Paso County, Colorado

We have compiled the accompanying balance sheet - all fund types and schedule of capital assets and long-term debt of Falcon Highlands Metropolitan District as of August 31, 2015, and the related statement of revenues, expenditures and changes in fund balances - budget and actual for the period from January 1, 2015 through August 31, 2015, for the General Fund, the statement of revenues, expenses and changes in net position for the period ending August 31, 2015 and 2014, for the Enterprise Fund, and the accompanying supplementary information which is presented only for supplementary analysis purposes. We have not audited or reviewed the accompanying financial statements and supplementary schedules and, accordingly, do not express an opinion or provide any assurance about whether the financial statements and supplementary schedules 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 and supplementary schedules 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 and supplementary schedules.

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 management in presenting financial information, in the form of financial statements and supplementary schedules, without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements or supplementary schedules. During our compilation, we did become aware of certain departures from accounting principles generally accepted in the United States of America that are described in the following paragraph.

Government-wide financial statements, the statement of revenues, expenditures and changes in fund balances - governmental funds, and the management discussion and analysis have not been presented. Accounting principles generally accepted in the United States of America require that such statements and information be presented when financial statements purport to present financial position and results of operations.

Management has elected to omit substantially all of the disclosures and the statement of cash flows required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Falcon Highlands Metropolitan District.

Colorado Springs, Colorado
September 25, 2015

**FALCON HIGHLANDS METROPOLITAN DISTRICT
BALANCE SHEET - ALL FUND TYPES AND SCHEDULE OF
CAPITAL ASSETS AND LONG-TERM DEBT
AUGUST 31, 2015**

	<u>Governmental Funds</u>			<u>Business - Type Funds</u>	<u>Total</u>	<u>Schedule of Capital Assets and Long-Term Debt</u>
	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Conservation Trust Fund</u>	<u>Enterprise Fund</u>		<u>Debt</u>
ASSETS						
Cash	\$ 392,895	\$ 213,278	\$ 2,114	\$ 251,726	\$ 860,013	\$ -
Cash - Series 2004 Bonds	-	1,159,050	-	-	1,159,050	-
Cash - Series 2007 Bonds	-	10,160	-	-	10,160	-
Accounts receivable	12,473	-	-	46,134	58,607	-
Prepaid expense	-	-	-	285	285	-
Due from County	10,820	27,992	-	-	38,812	-
Capital assets, net	-	-	-	4,128,549	4,128,549	1,351,545
TOTAL ASSETS	<u>\$ 416,188</u>	<u>\$ 1,410,480</u>	<u>\$ 2,114</u>	<u>\$ 4,426,694</u>	<u>\$ 6,255,476</u>	<u>\$ 1,351,545</u>
LIABILITIES AND FUND BALANCES						
Accounts payable	\$ 7,771	\$ -	\$ -	\$ 39,597	\$ 47,368	\$ -
Payroll liabilities	-	-	-	2,077	2,077	-
LONG-TERM LIABILITIES						
Series 2004 Bonds	-	-	-	-	-	7,125,000
Series 2004 A - original issue discount	-	-	-	-	-	(52,717)
Series 2007 Subordinate Bonds	-	-	-	-	-	4,935,000
Series 2004 B-1 Notes	-	-	-	-	-	1,000,000
Series 2006 B-2 Notes	-	-	-	-	-	1,500,000
Series 2006 B-3 Notes	-	-	-	-	-	440,000
Series 2004 B-1 Notes - accrued interest	-	-	-	-	-	349,500
Series 2006 B-2 Notes - accrued interest	-	-	-	-	-	436,917
Series 2006 B-3 Notes - accrued interest	-	-	-	-	-	128,162
Series 2007 Sub Bonds - accrued interest	-	-	-	-	-	4,263,208
Letter of Credit - Cygnet LLC	-	-	-	-	-	265,000
Cygnet, LLC - notes payable	-	-	-	-	-	4,025,291
RDS, LLC - notes payable	-	-	-	-	-	128,682
John Deer Mower Note	-	-	-	-	-	5,367
Tamlin Ventures - notes payable	-	-	-	-	-	447,534
Total liabilities	<u>7,771</u>	<u>-</u>	<u>-</u>	<u>41,674</u>	<u>49,445</u>	<u>\$ 24,996,944</u>
FUND BALANCES						
Fund balance	<u>408,417</u>	<u>1,410,480</u>	<u>2,114</u>	<u>4,385,020</u>	<u>6,206,031</u>	
TOTA: LIABILITIES AND FUND BALANCES	<u>\$ 416,188</u>	<u>\$ 1,410,480</u>	<u>\$ 2,114</u>	<u>\$ 4,426,694</u>	<u>\$ 6,255,476</u>	

These financial statements should be read only in connection with the accompanying accountant's compilation report.

FALCON HIGHLANDS METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2015

GENERAL FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>	<u>% of Budget</u>
REVENUES				
Property taxes	\$ 88,003	\$ 85,920	\$ (2,083)	97.63%
Specific ownership taxes	61,602	45,960	(15,642)	74.61%
Maintenance fees	120,000	86,878	(33,122)	72.40%
Interest income	400	687	287	171.75%
Total revenue	<u>270,005</u>	<u>219,445</u>	<u>(50,560)</u>	<u>81.27%</u>
EXPENDITURES				
Accounting	30,000	16,328	13,672	54.43%
Audit	8,500	8,500	-	100.00%
County Treasurer's fees	1,320	1,292	28	97.88%
District management	25,000	14,627	10,373	58.51%
Engineering expense	5,000	-	5,000	0.00%
Insurance & bonds	5,800	5,695	105	98.19%
Landscape maintenance	3,000	700	2,300	23.33%
Legal	30,000	23,177	6,823	77.26%
Payroll - wages and taxes	26,000	15,809	10,191	60.80%
Repairs and maintenance	9,000	10,875	(1,875)	120.83%
Park Equipment	20,000	-	20,000	0.00%
Equipment expense	10,000	1,182	8,818	11.82%
Fuel	2,000	632	1,368	31.60%
Utilities	10,000	7,850	2,150	78.50%
Street repairs	50,000	50,000	-	100.00%
Miscellaneous expenses	1,000	1,017	(17)	101.70%
Contingency	5,649	-	5,649	0.00%
John Deere Mower 2013 - Principal	1,530	1,011	519	66.08%
John Deere - CY interest	201	143	58	71.14%
Monuments	30,000	-	30,000	0.00%
Total expenditures	<u>274,000</u>	<u>158,838</u>	<u>115,162</u>	<u>57.97%</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(3,995)	60,607	64,602	
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	-	-	-	0.00%
EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES				
	(3,995)	60,607	64,602	
FUND BALANCE - BEGINNING	<u>342,631</u>	<u>347,809</u>	<u>5,178</u>	<u>101.51%</u>
FUND BALANCE - ENDING	<u>\$ 338,636</u>	<u>\$ 408,416</u>	<u>\$ 69,780</u>	<u>120.61%</u>

These financial statements should be read only in connection with the accompanying accountant's compilation report.

**FALCON HIGHLANDS METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2015**

CONSERVATION TRUST FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>	<u>% of Budget</u>
REVENUES				
Conservation trust fund proceeds	\$ 3,000	\$ 2,114	\$ (886)	70.47%
Total revenue	<u>3,000</u>	<u>2,114</u>	<u>(886)</u>	<u>70.47%</u>
EXPENDITURES				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.00%</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES				
	3,000	2,114	(886)	70.47%
OTHER FINANCING SOURCES (USES)				
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.00%</u>
EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES				
	3,000	2,114	(886)	70.47%
FUND BALANCE - BEGINNING				
	<u>-</u>	<u>-</u>	<u>-</u>	<u>0.00%</u>
FUND BALANCE - ENDING				
	<u>\$ 3,000</u>	<u>\$ 2,114</u>	<u>\$ (886)</u>	<u>70.47%</u>

This financial information should be read only in connection with the accompanying accountant's compilation report.

**FALCON HIGHLANDS METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2015 AND 2014**

ENTERPRISE FUND

	<u>Current Year</u>	<u>Prior Year</u>	<u>Variance</u>
OPERATING REVENUES			
Water usage fees	\$ 155,341	\$ 163,687	\$ (8,346)
Water treatment fees	76,752	69,421	7,331
Administrative fees	54,321	50,817	3,504
Penalties	4,410	3,773	637
Water meters	790	9,480	(8,690)
Inspection fees	90	1,080	(990)
O&M reserve fee	500	6,000	(5,500)
Total operating revenues	<u>292,204</u>	<u>304,258</u>	<u>(12,054)</u>
OPERATING EXPENSES			
Accounting	29,935	45,839	15,904
Depreciation	159,923	160,572	649
District management	19,015	22,618	3,603
Utility billing	24,877	25,307	430
Dues and subscriptions	1,388	1,122	(266)
Engineering expense	40,683	67,478	26,795
Insurance & bonds	11,538	10,983	(555)
Legal	28,585	21,439	(7,146)
Security	3,644	3,521	(123)
Small tools and supplies	604	723	119
Permits - fees	555	555	-
Payroll - wages and taxes	34,658	35,635	977
Supplies - Treatment facility	10,674	17,174	6,500
Repairs and maintenance	2,637	19,217	16,580
Operating expense	6,942	6,518	(424)
Telephone	1,629	1,547	(82)
Equipment expense	138	346	208
Fuel	948	1,822	874
Utilities	32,140	38,069	5,929
Utility locates	320	444	124
John Deere - CY interest	7	190	183
2010 Dodge Ram and Plow - CY interest	-	14	14
Miscellaneous expenses	197	238	41
Allocation of lease expense	<u>(1,182)</u>	<u>(6,750)</u>	<u>(5,568)</u>
Total operating expenditures	<u>409,855</u>	<u>474,621</u>	<u>64,766</u>
OPERATING INCOME (LOSS)	(117,651)	(170,363)	52,712

(Continued)

**FALCON HIGHLANDS METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2015 AND 2014**

ENTERPRISE FUND

	<u>Current Year</u>	<u>Prior Year</u>	<u>Variance</u>
(Continued)			
NON-OPERATING REVENUES AND (EXPENSES)			
Water tap fees	12,250	147,000	(134,750)
Sewer tap fees	13,050	156,600	(143,550)
Miscellaneous income	-	4,142	(4,142)
Woodmen Hills sewer tap fees	<u>(11,000)</u>	<u>(132,000)</u>	<u>121,000</u>
Total other revenues and expenses	<u>14,300</u>	<u>175,742</u>	<u>(161,442)</u>
EXCESS OF REVENUE OVER (UNDER) EXPENSE	(103,351)	5,379	(108,730)
OTHER FINANCING SOURCES (USES)			
Transfer to other funds	<u>(12,250)</u>	<u>(147,000)</u>	<u>134,750</u>
Total other financing sources (uses)	<u>(12,250)</u>	<u>(147,000)</u>	<u>134,750</u>
NET INCOME (LOSS)	(115,601)	(141,621)	26,020
BEGINNING NET POSITION	<u>4,500,621</u>	<u>4,678,583</u>	<u>(177,962)</u>
ENDING NET POSITION	<u>\$ 4,385,020</u>	<u>\$ 4,536,962</u>	<u>\$ (151,942)</u>

These financial statements should be read only in connection with the accompanying accountant's compilation report.

SUPPLEMENTARY INFORMATION

**FALCON HIGHLANDS METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2015**

DEBT SERVICE FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>	<u>% of Budget</u>
REVENUES				
Property taxes	\$ 528,020	\$ 515,520	\$ (12,500)	97.63%
Infrastructure fees	234,375	6,250	(228,125)	2.67%
Interest income	<u>1,500</u>	<u>1,223</u>	<u>(277)</u>	<u>81.53%</u>
Total revenue	<u>763,895</u>	<u>522,993</u>	<u>(240,902)</u>	<u>68.46%</u>
EXPENDITURES				
County Treasurer's fees	7,920	7,750	170	97.85%
Contingency	515,569	-	515,569	0.00%
Bond interest	543,281	271,641	271,640	50.00%
Bond principal	140,000	-	140,000	0.00%
Paying agent/trustee fees	<u>16,500</u>	<u>8,081</u>	<u>8,419</u>	<u>48.98%</u>
Total expenditures	<u>1,223,270</u>	<u>287,472</u>	<u>935,798</u>	<u>23.50%</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(459,375)	235,521	694,896	91.96%
OTHER FINANCING SOURCES (USES)				
Transfer from other funds	<u>459,375</u>	<u>12,250</u>	<u>(447,125)</u>	<u>2.67%</u>
Total other financing sources (uses)	<u>459,375</u>	<u>12,250</u>	<u>(447,125)</u>	<u>2.67%</u>
EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	247,771	247,771	0.00%
FUND BALANCE - BEGINNING	<u>936,650</u>	<u>1,162,708</u>	<u>226,058</u>	<u>124.13%</u>
FUND BALANCE - ENDING	<u>\$ 936,650</u>	<u>\$ 1,410,479</u>	<u>\$ 473,829</u>	<u>150.59%</u>

This financial information should be read only in connection with the accompanying accountant's compilation report.

**FALCON HIGHLANDS METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUNDS AVAILABLE- BUDGET AND ACTUAL
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2015**

ENTERPRISE FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>	<u>% of Budget</u>
REVENUES				
Water tap fees	\$ 459,375	\$ 12,250	\$(447,125)	2.67%
Sewer tap fees	489,375	13,050	(476,325)	2.67%
Water usage fees	240,000	155,341	(84,659)	64.73%
Water treatment fees	95,000	76,752	(18,248)	80.79%
Administrative fees	79,277	54,321	(24,956)	68.52%
Penalties	6,000	4,410	(1,590)	73.50%
Water meters	29,625	790	(28,835)	2.67%
Inspection fees	3,375	90	(3,285)	2.67%
O&M reserve fee	18,750	500	(18,250)	2.67%
Total revenue	<u>1,420,777</u>	<u>317,504</u>	<u>(1,103,273)</u>	<u>22.35%</u>
EXPENDITURES				
Accounting	55,000	29,935	25,065	54.43%
District management	32,500	19,015	13,485	58.51%
Utility billing	40,000	24,877	15,123	62.19%
Dues and subscriptions	1,200	1,388	(188)	115.67%
Engineering expense	90,000	40,683	49,317	45.20%
Insurance & bonds	11,750	11,538	212	98.20%
Legal	37,000	28,585	8,415	77.26%
Security	5,500	3,644	1,856	66.25%
Small tools and supplies	1,500	604	896	40.27%
Permits - fees	700	555	145	79.29%
Payroll - wages and taxes	57,000	34,658	22,342	60.80%
Supplies - Treatment facility	28,000	10,674	17,326	38.12%
Repairs and maintenance	25,000	2,637	22,363	10.55%
Operating expense	10,000	6,942	3,058	69.42%
Telephone	3,000	1,629	1,371	54.30%
Equipment expense	500	138	362	27.60%
Fuel	3,000	948	2,052	31.60%
Utilities	60,000	32,140	27,860	53.57%
Utility locates	1,000	320	680	32.00%
Woodmen Hills sewer tap fees	412,500	11,000	401,500	2.67%
Miscellaneous expenses	1,000	197	803	19.70%
Contingency	4,475	-	4,475	0.00%

(Continued)

**FALCON HIGHLANDS METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUNDS AVAILABLE- BUDGET AND ACTUAL
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2015**

ENTERPRISE FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>	<u>% of Budget</u>
(Continued)				
Debt Service				
John Deere - current year principal	1,175	1,175	-	100.00%
John Deere - CY interest	7	7	-	100.00%
Allocation of lease expense	(1,182)	(1,182)	-	100.00%
Capital Outlay				
Capital Outlay	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>0.00%</u>
Total expenditures	<u>980,625</u>	<u>262,107</u>	<u>718,518</u>	<u>26.73%</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	440,152	55,397	(384,755)	12.59%
OTHER FINANCING SOURCES (USES)				
Transfer to other funds	<u>(459,375)</u>	<u>(12,250)</u>	<u>447,125</u>	<u>2.67%</u>
Total other financing sources (uses)	<u>(459,375)</u>	<u>(12,250)</u>	<u>447,125</u>	<u>2.67%</u>
EXCESS OF REVENUE AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(19,223)	43,147	62,370	(224.46)%
BEGINNING FUNDS AVAILABLE	<u>210,765</u>	<u>213,324</u>	<u>2,559</u>	<u>101.21%</u>
O&M reserve fee	37,500	22,750	14,750	8,000.00%
Unassigned funds available	<u>154,042</u>	<u>233,721</u>	<u>50,179</u>	<u>151.73</u>
TOTAL ENDING FUNDS AVAILABLE	<u>\$ 191,542</u>	<u>\$ 256,471</u>	<u>\$ 64,929</u>	<u>133.90%</u>

This financial information should be read only in connection with the accompanying accountant's compilation report.

FALCON HIGHLANDS METROPOLITAN DISTRICT
Schedule of Cash Position
August 31, 2015
Updated as of September 24, 2015

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Enterprise Fund</u>	<u>Conservation Trust Fund</u>	<u>Total</u>
<u>Wells Fargo - Checking</u>					
Balance as of August 31, 2015	\$ 7,494.70	\$ -	\$ 203,087.01	\$ 2,114.48	\$ 212,696.19
<i>Subsequent activities:</i>					
September payroll and taxes	(1,676.38)	-	(3,911.54)	-	(5,587.92)
September service receipts	-	-	15,979.94	-	15,979.94
September checks (2307-2328)	(30,010.57)	-	(33,771.57)	-	(63,782.14)
09/02/15 - Transfer from CSAFE	10,000.00	-	-	-	10,000.00
09/14/15 - Payment to IRS	-	-	(1,628.62)	-	(1,628.62)
Anticipated transfer from CSAFE	20,000.00	-	-	-	20,000.00
Anticipated Balance	<u>5,807.75</u>	<u>-</u>	<u>179,755.22</u>	<u>2,114.48</u>	<u>187,677.45</u>
<u>CSAFE</u>					
Balance as of August 31, 2015	385,399.53	213,278.22	48,639.48	-	647,317.23
<i>Subsequent activities:</i>					
09/02/15 - Transfer to WF	(10,000.00)	-	-	-	(10,000.00)
09/10/15 - July property/SO taxes	10,819.98	27,992.26	-	-	38,812.24
Anticipated transfer to WF	(20,000.00)	-	-	-	(20,000.00)
Anticipated transfer to US Bank Bond Fund	-	(241,270.48)	-	-	(241,270.48)
Anticipated Balance	<u>366,219.51</u>	<u>-</u>	<u>48,639.48</u>	<u>-</u>	<u>414,858.99</u>
<u>US Bank Series 2004 Bond Fund</u>					
Balance as of August 31, 2015	-	257,087.10	-	-	257,087.10
<i>Subsequent activities:</i>					
Anticipated transfer from CSAFE	-	241,270.48	-	-	241,270.48
Anticipated Balance	<u>-</u>	<u>498,357.58</u>	<u>-</u>	<u>-</u>	<u>498,357.58</u>
<u>US Bank Series 2004 Reserve Fund</u>					
Balance as of August 31, 2015	-	900,584.31	-	-	900,584.31
Anticipated Balance	<u>-</u>	<u>900,584.31</u>	<u>-</u>	<u>-</u>	<u>900,584.31</u>
<u>US Bank Series 2004 Construction Fund</u>					
Balance as of August 31, 2015	-	677.12	-	-	677.12
Anticipated Balance	<u>-</u>	<u>677.12</u>	<u>-</u>	<u>-</u>	<u>677.12</u>
<u>US Bank Series 2004 Escrow Fund</u>					
Balance as of August 31, 2015	-	702.12	-	-	702.12
Anticipated Balance	<u>-</u>	<u>702.12</u>	<u>-</u>	<u>-</u>	<u>702.12</u>
<u>US Bank Series 2007 Sub Bond Capitalized Interest</u>					
Balance as of August 31, 2015	-	10,127.18	-	-	10,127.18
Anticipated Balance	<u>-</u>	<u>10,127.18</u>	<u>-</u>	<u>-</u>	<u>10,127.18</u>
<u>US Bank Series 2007 Sub Bond Construction Fund</u>					
Balance as of August 31, 2015	-	32.69	-	-	32.69
Anticipated Balance	<u>-</u>	<u>32.69</u>	<u>-</u>	<u>-</u>	<u>32.69</u>
Anticipated Balances	<u>\$ 372,027.26</u>	<u>\$ 1,410,481.00</u>	<u>\$ 228,394.70</u>	<u>\$ 2,114.48</u>	<u>\$ 2,013,017.44</u>

Yield information (as of 08/31/15):

US Bank MM - 0.02%
CSAFE - 0.19%

This financial information should be read only in connection with the accompanying accountant's compilation report.

FALCON HIGHLANDS METROPOLITAN DISTRICT
Property Taxes Reconciliation
2015

	Current Year								Prior Year			
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due from County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
								Monthly	Y-T-D		Monthly	Y-T-D
						\$ -				53,001.05		
January	\$ 7,535.29	\$ -	\$ 5,685.70	\$ -	\$ (113.03)	-	\$ 13,107.96	1.22%	1.22%	\$ 9,707.59	0.77%	0.77%
February	239,296.80	-	5,235.18	-	(3,589.45)	-	240,942.53	38.85%	40.07%	234,602.14	39.50%	40.27%
March	22,609.49	163.80	5,777.99	16.38	(341.85)	-	28,225.81	3.70%	43.77%	(5,711.40)	-1.37%	38.90%
April	47,372.36	-	5,482.11	-	(710.59)	-	52,143.88	7.69%	51.46%	52,308.72	8.16%	47.06%
May	58,695.41	-	5,637.06	-	(880.43)	-	63,452.04	9.53%	60.98%	61,673.79	9.71%	56.76%
June	193,832.04	-	5,975.75	30.54	(2,907.94)	-	196,930.39	31.47%	92.45%	183,033.08	30.61%	87.38%
July	54.60	-	6,011.36	1.09	(0.84)	-	6,066.21	0.01%	92.46%	10,041.77	0.79%	88.16%
August	31,879.74	-	6,154.62	1,275.20	(497.32)	-	38,812.24	5.18%	97.63%	27,233.33	3.70%	91.87%
September	-	-	-	-	-	-	-	0.00%	97.63%	5,198.91	0.00%	91.87%
October	-	-	-	-	-	-	-	0.00%	97.63%	30,983.62	4.11%	95.98%
November	-	-	-	-	-	-	-	0.00%	97.63%	4,589.64	0.00%	95.98%
December	-	-	-	-	-	-	-	0.00%	97.63%	5,401.28	0.00%	95.98%
	\$ 601,275.73	\$ 163.80	\$ 45,959.77	\$ 1,323.21	\$ (9,041.45)	\$ -	\$ 639,681.06	97.63%	97.63%	\$ 672,063.52	95.98%	95.98%

	Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
Property Tax				
General Fund	\$ 88,003	14.29%	\$ 85,919.65	97.63%
Debt Service Fund	528,020	85.71%	515,519.88	97.63%
Total	616,023	100.00%	\$ 601,439.53	97.63%

Specific Ownership Tax

General Fund	61,602	100.00%	\$ 45,959.77	74.61%
Total	61,602	100.00%	\$ 45,959.77	74.61%

Treasurer's Fees

General Fund	1,320	14.29%	\$ 1,291.63	97.85%
Debt Service Fund	7,920	85.71%	7,749.82	97.85%
Total	\$ 9,240	100.00%	\$ 9,041.45	97.85%

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**FALCON HIGHLANDS METROPOLITAN DISTRICT
2015 SCHEDULE OF TAP FEES**

Check Date	Deposit Date	Check Number	Builder	Pledged for DS		Due to Woodmen Hills \$5,500 ea		Pledged for DS		Enterprise Fund Revenues						Total	Tap Address	Paid to Woodmen Hills			Paid to US Bank			Difference
				Water Fee	Amount	Sewer Fee	Amount	Infra Fee	Amount	Water Meter	Amount	Inspection Fee	Amount	O&M Fee	Amount			Date	Payment	Amount	Date	Payment	Amount	
03/10/15	03/10/15	13738	Campbell Homes	1	6,125.00	1	6,525.00	1	3,125.00	1	395.00	1	45.00	1	250.00	16,465.00	7425 Antelope Meadows	03/13/15	WF Wire	5,500.00	03/13/15	WF Wire	9,250.00	1,715.00
04/16/15	04/16/15	13892	Campbell Homes	1	6,125.00	1	6,525.00	1	3,125.00	1	395.00	1	45.00	1	250.00	16,465.00	7435 Antelope Meadows	04/23/15	WF Wire	5,500.00	04/23/15	WF Wire	9,250.00	1,715.00
				2	12,250.00	2	13,050.00	2	6,250.00	2	790.00	2	90.00	2	500.00	32,930.00								3,430.00

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**Falcon Highlands Metropolitan District
Three-Year Operating Revenue Comparison Schedule
For Period End August 31, 2015**

Operating Revenues	August 2015	August 3-Yr		Variance		Jan-August 2015	Jan-August 3- Yr		Variance	
		Average	\$	%	Average		\$	%		
Water usage fees	\$ 35,566	\$ 29,998	\$ 5,568	19%	\$ 155,341	\$ 145,233	\$ 10,107	7%		
Water treatment fees	9,616	7,562	2,054	27%	76,752	58,094	18,658	32%		
Administrative fees	6,803	5,999	804	13%	54,321	46,877	7,444	16%		
Penalties	520	233	287	123%	4,410	2,269	2,141	94%		
Water meters	-	1,448	(1,448)	-100%	790	11,060	(10,270)	-93%		
Inspection fees	-	165	(165)	-100%	90	1,260	(1,170)	-93%		
O&M reserve fee	-	2,750	(2,750)	-100%	500	6,500	(6,000)	-92%		
Total Operating Revenues	\$ 52,505	\$ 48,155	\$ 4,350		\$ 292,203	\$ 271,293	\$ 20,910			

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