

**Falcon Highlands Metropolitan District
Financial Statement Variances
September 30, 2015**

Current month variances:

Note to reader: Budget variances assume an annual budget divided by 12 months. Therefore, as of September 2015, the District should be at 75.00% of the total budget for 2015.

Property Taxes Collected

1. The 2015 collections through September are at 99.91% 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. Repairs and maintenance expenses are tracking ahead of budget. This line mainly costs of mosquito spraying costs from June through August and pot holes repairs completed by Cusic Construction.
3. Miscellaneous expenses are tracking ahead of budget. This is mainly due to an American Leak Detection invoice paid due to a homeowner dispute and the payment of a clown for a community event.
4. Legal expenditures are tracking ahead of budget. Additional increase due to attorney work for bond refunding.
5. Overall, the total General Fund expenditures are at 65.07% of budget.

Debt Service

1. As of September 30, 2015, the District has received 2 tap fees.

Conservation Trust Fund

1. As of September 30, 2015, the District has received \$2,114.48 in Conservation Trust Fund proceeds.

Enterprise Fund

1. Insurance expenditures are on budget as mentioned in the General Fund section.
2. Legal expenditures are tracking ahead of budget as mentioned in the General Fund section.
3. Overall, the total Enterprise Fund expenditures are at 30.05% of budget.

Cash and Investments

As of November 2, 2015 the available cash and investments are as follows:

1. General Fund: \$403,363.10
2. Debt Service Fund: \$1,422,955.32 of which \$900,607.26 is the Reserve Fund
3. Enterprise Fund: \$241,195.30
4. Conservation Trust Fund: \$2,114.48

FALCON HIGHLANDS METROPOLITAN DISTRICT
FINANCIAL STATEMENTS

SEPTEMBER 30, 2015



CliftonLarsonAllen

CliftonLarsonAllen LLP
www.cliftonlarsonallen.com

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 September 30, 2015, and the related statement of revenues, expenditures and changes in fund balances - budget and actual for the period from January 1, 2015 through September 30, 2015, for the General Fund, the statement of revenues, expenses and changes in net position for the period ending September 30, 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
November 2, 2015

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**FALCON HIGHLANDS METROPOLITAN DISTRICT
BALANCE SHEET - ALL FUND TYPES AND SCHEDULE OF
CAPITAL ASSETS AND LONG-TERM DEBT
SEPTEMBER 30, 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	\$ 403,940	\$ -	\$ 2,114	\$ 235,707	\$ 641,761	\$ -
Cash - Series 2004 Bonds	-	1,400,350	-	-	1,400,350	-
Cash - Series 2007 Bonds	-	10,160	-	-	10,160	-
Accounts receivable	3,497	-	-	71,730	75,227	-
Prepaid expense	-	-	-	285	285	-
Due from County	7,872	12,445	-	-	20,317	-
Capital assets, net	-	-	-	4,108,559	4,108,559	1,351,545
TOTAL ASSETS	<u>\$ 415,309</u>	<u>\$ 1,422,955</u>	<u>\$ 2,114</u>	<u>\$ 4,416,281</u>	<u>\$ 6,256,659</u>	<u>\$ 1,351,545</u>
LIABILITIES AND FUND BALANCES						
Accounts payable	\$ 7,484	\$ -	\$ -	\$ 26,669	\$ 34,153	\$ -
Payroll liabilities	-	-	-	2,312	2,312	-
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>7,484</u>	<u>-</u>	<u>-</u>	<u>28,981</u>	<u>36,465</u>	<u>\$ 24,996,944</u>
FUND BALANCES						
Fund balance	<u>407,825</u>	<u>1,422,955</u>	<u>2,114</u>	<u>4,387,300</u>	<u>6,220,194</u>	
TOTA: LIABILITIES AND FUND BALANCES	<u>\$ 415,309</u>	<u>\$ 1,422,955</u>	<u>\$ 2,114</u>	<u>\$ 4,416,281</u>	<u>\$ 6,256,659</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 NINE MONTHS ENDED SEPTEMBER 30, 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	\$ 87,925	\$ (78)	99.91%
Specific ownership taxes	61,602	51,758	(9,844)	84.02%
Maintenance fees	120,000	97,734	(22,266)	81.45%
Interest income	400	884	484	221.00%
Total revenue	<u>270,005</u>	<u>238,301</u>	<u>(31,704)</u>	<u>88.26%</u>
EXPENDITURES				
Accounting	30,000	18,193	11,807	60.64%
Audit	8,500	8,500	-	100.00%
County Treasurer's fees	1,320	1,323	(3)	100.23%
District management	25,000	16,743	8,257	66.97%
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	25,872	4,128	86.24%
Payroll - wages and taxes	26,000	18,143	7,857	69.78%
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	725	1,275	36.25%
Utilities	10,000	7,888	2,112	78.88%
Street repairs	50,000	50,000	-	100.00%
Miscellaneous expenses	1,000	1,494	(494)	149.40%
Contingency	5,649	-	5,649	0.00%
Monuments	30,000	9,653	20,347	32.18%
John Deere Mower 2013 - Principal	1,530	1,140	390	74.51%
John Deere - CY interest	201	159	42	79.10%
Total expenditures	<u>274,000</u>	<u>178,285</u>	<u>95,715</u>	<u>65.07%</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(3,995)	60,016	64,011	
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				
	(3,995)	60,016	64,011	
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>\$ 407,825</u>	<u>\$ 69,189</u>	<u>120.43%</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 NINE MONTHS ENDED SEPTEMBER 30, 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 NINE MONTHS ENDED SEPTEMBER 30, 2015 AND 2014**

ENTERPRISE FUND

	<u>Current Year</u>	<u>Prior Year</u>	<u>Variance</u>
OPERATING REVENUES			
Water usage fees	\$ 193,304	\$ 197,606	\$ (4,302)
Water treatment fees	86,342	78,822	7,520
Administrative fees	61,109	57,486	3,623
Penalties	4,885	4,283	602
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>347,020</u>	<u>354,757</u>	<u>(7,737)</u>
OPERATING EXPENSES			
Accounting	33,354	49,668	16,314
Depreciation	179,913	180,696	783
District management	21,766	23,301	1,535
Utility billing	28,418	32,250	3,832
Dues and subscriptions	1,388	1,122	(266)
Engineering expense	42,665	69,940	27,275
Insurance & bonds	11,538	10,983	(555)
Legal	31,909	24,124	(7,785)
Security	4,116	3,966	(150)
Small tools and supplies	604	740	136
Permits - fees	555	555	-
Payroll - wages and taxes	39,775	40,359	584
Supplies - Treatment facility	13,989	21,234	7,245
Repairs and maintenance	2,637	20,691	18,054
Operating expense	7,251	6,702	(549)
Telephone	1,820	1,764	(56)
Equipment expense	404	346	(58)
Fuel	1,088	2,001	913
Utilities	39,797	42,897	3,100
Utility locates	352	479	127
John Deere - CY interest	7	205	198
2010 Dodge Ram and Plow - CY interest	-	14	14
Miscellaneous expenses	227	664	437
Allocation of lease expense	(1,182)	(7,593)	(6,411)
Total operating expenditures	<u>462,391</u>	<u>527,108</u>	<u>64,717</u>
OPERATING INCOME (LOSS)	(115,371)	(172,351)	56,980

(Continued)

**FALCON HIGHLANDS METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 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	(101,071)	3,391	(104,462)
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)	(113,321)	(143,609)	30,288
BEGINNING NET POSITION	<u>4,500,621</u>	<u>4,678,583</u>	<u>(177,962)</u>
ENDING NET POSITION	<u>\$ 4,387,300</u>	<u>\$ 4,534,974</u>	<u>\$ (147,674)</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 NINE MONTHS ENDED SEPTEMBER 30, 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	\$ 527,552	\$ (468)	99.91%
Infrastructure fees	234,375	6,250	(228,125)	2.67%
Interest income	<u>1,500</u>	<u>1,856</u>	<u>356</u>	<u>123.73%</u>
Total revenue	<u>763,895</u>	<u>535,658</u>	<u>(228,237)</u>	<u>70.12%</u>
EXPENDITURES				
County Treasurer's fees	7,920	7,939	(19)	100.24%
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>287,661</u>	<u>935,609</u>	<u>23.52%</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(459,375)	247,997	707,372	93.64%
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				
	-	260,247	260,247	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>\$ 1,422,955</u>	<u>\$ 486,305</u>	<u>151.92%</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 NINE MONTHS ENDED SEPTEMBER 30, 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	193,304	(46,696)	80.54%
Water treatment fees	95,000	86,342	(8,658)	90.89%
Administrative fees	79,277	61,109	(18,168)	77.08%
Penalties	6,000	4,885	(1,115)	81.42%
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>372,320</u>	<u>(1,048,457)</u>	<u>26.21%</u>
EXPENDITURES				
Accounting	55,000	33,354	21,646	60.64%
District management	32,500	21,766	10,734	66.97%
Utility billing	40,000	28,418	11,582	71.05%
Dues and subscriptions	1,200	1,388	(188)	115.67%
Engineering expense	90,000	42,665	47,335	47.41%
Insurance & bonds	11,750	11,538	212	98.20%
Legal	37,000	31,909	5,091	86.24%
Security	5,500	4,116	1,384	74.84%
Small tools and supplies	1,500	604	896	40.27%
Permits - fees	700	555	145	79.29%
Payroll - wages and taxes	57,000	39,775	17,225	69.78%
Supplies - Treatment facility	28,000	13,989	14,011	49.96%
Repairs and maintenance	25,000	2,637	22,363	10.55%
Operating expense	10,000	7,251	2,749	72.51%
Telephone	3,000	1,820	1,180	60.67%
Equipment expense	500	404	96	80.80%
Fuel	3,000	1,088	1,912	36.27%
Utilities	60,000	39,797	20,203	66.33%
Utility locates	1,000	352	648	35.20%
Woodmen Hills sewer tap fees	412,500	11,000	401,500	2.67%
Miscellaneous expenses	1,000	227	773	22.70%
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 NINE MONTHS ENDED SEPTEMBER 30, 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>294,653</u>	<u>685,972</u>	<u>30.05%</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	440,152	77,667	(362,485)	17.65%
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)	65,417	84,640	(340.31)%
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>255,991</u>	<u>72,449</u>	<u>166.18</u>
TOTAL ENDING FUNDS AVAILABLE	<u>\$ 191,542</u>	<u>\$ 278,741</u>	<u>\$ 87,199</u>	<u>145.52%</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
September 30, 2015
Updated as of November 4 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 September 30, 2015	\$ 37,624.08	\$ -	\$ 187,067.76	\$ 2,114.48	\$ 226,806.32
<i>Subsequent activities:</i>					
October payroll and taxes	(1,184.61)	-	(2,764.08)	-	(3,948.69)
October service receipts	-	-	48,580.38	-	48,580.38
October checks (2331-2353)	(3,106.78)	-	(27,563.38)	-	(30,670.16)
10/15/15 - Payment to IRS	-	-	(1,640.96)	-	(1,640.96)
11/02/15 - Transfer from CSAFE	20,000.00	-	-	-	20,000.00
11/09/15 - Director's fee's checks	(2,124.05)	-	-	-	(2,124.05)
<i>Anticipated vouchers payable</i>	<i>(2,034.00)</i>	-	<i>(11,123.90)</i>	-	<i>(13,157.90)</i>
<i>Anticipated Balance</i>	<u>49,174.64</u>	<u>-</u>	<u>192,555.82</u>	<u>2,114.48</u>	<u>243,844.94</u>
<u>CSAFE</u>					
Balance as of September 30, 2015	366,316.34	0.01	48,639.48	-	414,955.83
<i>Subsequent activities:</i>					
10/10/15 - September property/SO taxes	7,872.12	12,444.51	-	-	20,316.63
11/02/15 - Transfer from CSAFE	(20,000.00)	-	-	-	(20,000.00)
<i>Anticipated Balance</i>	<u>354,188.46</u>	<u>12,444.52</u>	<u>48,639.48</u>	<u>-</u>	<u>415,272.46</u>
<u>US Bank Series 2004 Bond Fund</u>					
Balance as of September 30, 2015	-	498,364.13	-	-	498,364.13
<i>Anticipated Balance</i>	<u>-</u>	<u>498,364.13</u>	<u>-</u>	<u>-</u>	<u>498,364.13</u>
<u>US Bank Series 2004 Reserve Fund</u>					
Balance as of September 30, 2015	-	900,607.26	-	-	900,607.26
<i>Anticipated Balance</i>	<u>-</u>	<u>900,607.26</u>	<u>-</u>	<u>-</u>	<u>900,607.26</u>
<u>US Bank Series 2004 Construction Fund</u>					
Balance as of September 30, 2015	-	677.14	-	-	677.14
<i>Anticipated Balance</i>	<u>-</u>	<u>677.14</u>	<u>-</u>	<u>-</u>	<u>677.14</u>
<u>US Bank Series 2004 Escrow Fund</u>					
Balance as of September 30, 2015	-	702.14	-	-	702.14
<i>Anticipated Balance</i>	<u>-</u>	<u>702.14</u>	<u>-</u>	<u>-</u>	<u>702.14</u>
<u>US Bank Series 2007 Sub Bond Capitalized Interest</u>					
Balance as of September 30, 2015	-	10,127.44	-	-	10,127.44
<i>Anticipated Balance</i>	<u>-</u>	<u>10,127.44</u>	<u>-</u>	<u>-</u>	<u>10,127.44</u>
<u>US Bank Series 2007 Sub Bond Construction Fund</u>					
Balance as of September 30, 2015	-	32.69	-	-	32.69
<i>Anticipated Balance</i>	<u>-</u>	<u>32.69</u>	<u>-</u>	<u>-</u>	<u>32.69</u>
<i>Anticipated Balances</i>	<u>\$ 403,363.10</u>	<u>\$ 1,422,955.32</u>	<u>\$ 241,195.30</u>	<u>\$ 2,114.48</u>	<u>\$ 2,069,628.20</u>

Yield information (as of 10/31/15):

US Bank MM - 0.02%

CSAFE - 0.21%

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	14,037.80	-	5,798.04	701.89	(221.10)	-	20,316.63	2.28%	99.91%	5,198.91	0.00%	91.87%
October	-	-	-	-	-	-	-	0.00%	99.91%	30,983.62	4.11%	95.98%
November	-	-	-	-	-	-	-	0.00%	99.91%	4,589.64	0.00%	95.98%
December	-	-	-	-	-	-	-	0.00%	99.91%	5,401.28	0.00%	95.98%
	\$ 615,313.53	\$ 163.80	\$ 51,757.81	\$ 2,025.10	\$ (9,262.55)	\$ -	\$ 659,997.69	99.91%	99.91%	\$ 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%	\$ 87,925.05	99.91%
Debt Service Fund	528,020	85.71%	527,552.28	99.91%
Total	616,023	100.00%	\$ 615,477.33	99.91%

Specific Ownership Tax

General Fund	61,602	100.00%	\$ 51,757.81	84.02%
Total	61,602	100.00%	\$ 51,757.81	84.02%

Treasurer's Fees

General Fund	1,320	14.29%	\$ 1,323.22	100.24%
Debt Service Fund	7,920	85.71%	7,939.33	100.24%
Total	\$ 9,240	100.00%	\$ 9,262.55	100.24%

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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

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

**Falcon Highlands Metropolitan District
Three-Year Operating Revenue Comparison Schedule
For Period End September 30, 2015**

	September		Variance		Jan- September	Jan- September	Variance	
	2015	3-Yr Average	\$	%	2015	3-Yr Average	\$	%
Operating Revenues								
Water usage fees	\$ 37,964	\$ 31,063	\$ 6,900	22%	\$ 193,304	\$ 173,453	\$ 19,851	11%
Water treatment fees	9,590	7,627	1,963	26%	86,342	70,420	15,923	23%
Administrative fees	6,788	6,034	754	13%	61,109	54,847	6,262	11%
Penalties	475	345	129	37%	4,845	4,101	744	18%
Water meters	-	1,448	(1,448)	-100%	790	12,245	(11,455)	-94%
Inspection fees	-	135	(135)	-100%	90	1,395	(1,305)	-94%
O&M reserve fee	-	2,250	(2,250)	-100%	500	7,750	(7,250)	-94%
Total Operating Revenues	\$ 54,817	\$ 48,903	\$ 5,914		\$ 346,980	\$ 324,211	\$ 22,769	

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