



## Accountant's Compilation Report

BOARD OF DIRECTORS  
CASTLE PINES NORTH METROPOLITAN DISTRICT

I have compiled the statements of revenues and expenditures for the year ended December 31, 2010 and the eleven months ended November 30, 2011 for Castle Pines North Metropolitan District. I have not audited or reviewed the accompanying financial statements and, accordingly, 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.

I have also compiled the accompanying adopted budgets of revenue, expenditures and funds available prepared on the modified accrual basis of the Castle Pines North Metropolitan District for the year ending December 31, 2012 in accordance with standards established by the American Institute of Certified Public Accountants.

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.

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

I am not independent with respect to Castle Pines North Metropolitan District.

A handwritten signature in blue ink that reads "Peggy Dowswell".

Peggy Dowswell, CPA  
January 13, 2012

# CASTLE PINES NORTH METROPOLITAN DISTRICT

## 2012 BUDGET MESSAGE

Castle Pines North Metropolitan District is a quasi-municipal corporation organized and operated pursuant to provisions set forth in the Colorado Special District Act. The District was established to provide construction, installation, financing and operation of public improvements, including water, sanitary sewer, storm drainage, and park facilities.

The District's operations and administrative functions are performed by both employed and contracted staff.

The budget is prepared on the modified accrual basis of accounting, which is consistent with the basis of accounting used in presenting the District's financial statements.

## 2012 BUDGET STRATEGY

The District's strategy in preparing the 2012 budget is to strive to provide the level of services as desired by the constituents of the District in the most economic manner possible.

In the General Fund, total revenues of \$2,980,210 are budgeted for 2012, consisting of property taxes from a mill levy assessment of 19 mills, specific ownership and other minor revenues, and the use of \$118,690 of unrestricted fund balance. The 2012 budgeted expenses of \$3,098,900 include parks operations, general and administrative, and base rental expense through the Lease Agreement with Castle Pines Finance Corp. Although the District's decrease in Assessed Valuation resulted in an approximate 10% loss of property tax revenues from 2011, the District's services will be maintained at the current level. The District has allowed for this revenue shortfall by reducing dissolution expenses and non-urgent capital engineering costs for 2012. The General Fund also includes \$39,353 in revenues and \$168,643 in available fund balance in the Conservation Trust Fund, and total expenses of \$207,996 for parks and open space additions.

The District has budgeted the use and release of approximately \$7million in 2009 Certificate of Deposit proceeds for the construction of the Interconnect Pipeline, which will transport water from the Pump house that is expected to be complete in early 2012.

In the Enterprise Fund, water, wastewater and storm revenues, along with minor charges and revenues, account for the 2012 budgeted operating revenues of \$4,245,433. Operating

expenditures are budgeted at \$3,855,911. Non operating revenues of \$1,203,212, consisting mostly of capital improvement fees, and the use of \$906,716 in unrestricted net assets afford non operating expenditures of \$2,109,928 in 2012.

### *Debt*

The District has Limited Tax General Obligation Refunding Bonds-Series 2006 outstanding in the principal amount of \$15,060,000, for which it has imposed a mill levy of 22 mills for the annual debt service. Interest is payable semiannually, with scheduled principal of \$1,130,000 due December 1<sup>st</sup>. In addition, an early redemption payment of \$1,100,000 is budgeted for the 2006C variable rate portion of the Bonds.

The Castle Pines Finance Corp. has outstanding 2008 and 2009 Certificates of Deposit (COPs) in the principal amount of \$23,385,000. The source of repayment is Base Rental Income through a Lease Agreement with the District. For 2012, scheduled principal payments of \$580,000 are due December 1<sup>st</sup>, interest is paid monthly.

### *Reserves*

The District is budgeting an anticipated \$1,719,934 in General Fund Balance at 2012 year-end, which includes an emergency reserve fund equal to at least 3% of the fiscal year spending for 2012, as defined under TABOR.

The District is required to maintain a cash balance of \$1,000,000 in its Wells Fargo bank account, under the COP agreements. The District meets this requirement through the cash on hand portion of the Enterprise Fund Balance.

CASTLE PINES NORTH METROPOLITAN DISTRICT					
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS					
December 31, 2010 Actual, 2011 Adopted Budget and Projected Actual,					
Year-to-date Actual, Budget and Variance through November 30, 2011					
2012 Adopted Budget					
		Modified Accrual Budgetary Basis			
<b>GENERAL FUND</b>	<b>2010</b>	<b>2011</b>	<b>2011</b>	<b>Actual</b>	<b>2012</b>
	<b>Audited</b>	<b>Adopted</b>	<b>Projected</b>	<b>Through</b>	<b>Adopted</b>
	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>11/30/2011</b>	<b>Budget</b>
<b>Revenue - General Fund</b>					
General Property Tax	2,765,312	2,759,815	2,637,446	2,637,446	2,472,853
Specific Ownership Tax	407,733	410,000	395,540	362,579	358,564
Interest Earnings	770	800	8,098	7,423	9,193
Farm Land Revenue	26,000	26,000	26,000	26,000	26,000
Oil Royalty Revenue	16,278	10,000	15,146	13,884	15,000
Water Lease Revenue	-	147,186	-	-	10,000
Misc. Revenue	12,244	7,000	13,513	12,387	8,500
Cell Phone Lease Revenue	80,370	80,100	80,100	75,489	80,100
<b>Total Revenue</b>	<b>3,308,707</b>	<b>3,440,901</b>	<b>3,175,844</b>	<b>3,135,208</b>	<b>2,980,210</b>
<b>Expenditures - Administrative</b>					
Salaries - Salaried	100,394	127,200	38,486	35,279	41,125
Salaries - Hourly	25,774	13,250	11,497	10,539	12,263
PERA Employer Contrib.	15,077	20,506	7,297	6,552	7,795
Unemployment Insurance	234	382	283	260	300
Workman's Comp Insurance	337	281	471	471	500
Employer Contrib. Health Ins.	17,668	24,480	14,402	13,202	16,500
Employer Contrib. Medicare	1,803	2,037	784	719	774
PERA Matchmaker Contrib.	3,062	4,214	1,625	1,490	1,602
<b>Subtotal - Salaries and benefits</b>	<b>164,350</b>	<b>192,348</b>	<b>74,845</b>	<b>68,510</b>	<b>80,858</b>
Directors	7,100	8,000	8,000	6,300	8,000
Accounting and Payroll	1,857	2,000	46,482	42,609	46,500
Auditing	13,500	13,500	13,000	13,000	13,000
District Management	-	-	94,605	86,721	95,668
Dissolution Expenses	243,722	300,000	314,243	286,432	125,000
Legal Services	42,184	100,000	90,000	81,259	100,000
Other Consulting Services	5,850	5,000	5,000	-	5,000
Software Support	19,182	22,000	20,000	15,987	20,000
Consulting Services - Communication & Events	31,072	38,550	70,197	64,347	86,550
Telephone	13,006	12,000	14,411	13,210	14,000
Building Utilities	12,805	14,800	14,539	13,327	14,800
Trash Removal	2,903	3,340	3,340	3,115	3,720
Professional Memberships/Subscr	3,263	3,500	3,500	2,840	3,500
Professional Education/Conferences	808	2,000	500	100	2,000
Postage & Freight	5,910	6,000	1,800	30	1,800
Printing & Copying	10,144	12,000	12,281	11,257	12,000
Office Supplies	4,666	6,000	4,000	2,420	4,000
Permits & Filing Fees	15	500	500	20	500
Insurance - Property & Liability	3,758	4,000	4,208	4,208	4,334
County Treasurer Collection Fee	41,480	41,884	41,884	39,592	37,093
Building Cleaning Expenses	7,819	9,500	9,500	8,997	9,600
Board Meeting & Other Meeting Expenses	7,078	7,500	7,500	6,312	7,500
Election Expenses	6,439	15,000	-	31	15,000
Equipment Rental	636	800	800	438	800
Office Furniture and Equipment	-	3,000	3,000	1,958	6,000
Office Equipment R & M	617	800	1,609	1,475	800
Building R&M	12,392	8,000	8,000	5,538	8,000
Ditch/Land Operating Expenses	41,812	40,000	37,932	34,771	45,000
Building Expenses/Supplies	3,337	3,500	1,886	1,729	3,400
Base Rental Expense	870,000	1,436,499	555,000	555,000	1,274,363
Contingency Amount	-	100,000	-	-	100,000
<b>Subtotal - Other</b>	<b>1,413,355</b>	<b>2,219,673</b>	<b>1,387,716</b>	<b>1,303,025</b>	<b>2,067,928</b>
<b>Capital Expenditures</b>					
Fulton and Platteville Legal/Engineering	121,577	125,000	-	-	-
<b>Subtotal - Capital Expenditures</b>	<b>121,577</b>	<b>125,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

CASTLE PINES NORTH METROPOLITAN DISTRICT					
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS					
December 31, 2010 Actual, 2011 Adopted Budget and Projected Actual,					
Year-to-date Actual, Budget and Variance through November 30, 2011					
2012 Adopted Budget					
		Modified Accrual Budgetary Basis			
<b>GENERAL FUND - Continued</b>	<b>2010</b>	<b>2011</b>	<b>2011</b>	<b>Actual</b>	<b>2012</b>
	<b>Audited</b>	<b>Adopted</b>	<b>Projected</b>	<b>Through</b>	<b>Adopted</b>
<b>Expenditures - Parks/Open Space</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>11/30/2011</b>	<b>Budget</b>
Salaries - Salaried	146,249	132,340	156,646	143,592	148,682
Salaries - Hourly	11,929	28,400	26,000	20,443	27,000
Salaries - OT	60	-	-	-	-
PERA Employer Contrib.	21,196	19,289	26,666	20,493	25,650
Unemployment Insurance	320	2,600	387	355	410
Workman's Comp Insurance	2,799	2,000	2,212	2,212	2,300
Employer Contrib. Health Ins.	10,234	26,929	8,338	7,643	11,550
Employer Contrib. Medicare	2,355	2,331	2,595	2,378	2,547
PERA Matchmaker Contrib.	4,607	4,822	4,906	4,498	5,270
<b>Subtotal - Salaries and benefits</b>	<b>199,750</b>	<b>218,710</b>	<b>227,751</b>	<b>201,615</b>	<b>223,409</b>
Engineering Services	-	-	-	-	-
Other Consulting Services	190	1,500	1,500	1,473	2,000
Software Support	742	2,900	1,000	-	2,800
Telephone	-	4,500	2,624	2,406	4,200
Professional Memberships/Subscr	83	100	129	118	150
Travel/Education/Conferences	16	1,000	100	92	1,000
Insurance	15,044	16,000	15,461	15,461	15,925
Vehicle Repair & Maintenance	3,028	4,000	2,856	2,618	4,000
Vehicle Fuel Expense	3,450	4,500	4,370	4,006	4,500
Irrigation	187,971	158,000	200,000	192,539	160,000
Storm Drainage	8,182	6,000	8,000	7,200	9,180
Grounds Maintenance Contract	311,937	326,662	332,393	316,865	312,000
Grounds Operating Supplies	9,668	10,000	10,000	9,269	10,000
Grounds R&M	103,800	125,000	105,369	96,588	130,000
Electricity - Parks & Open Space	33,774	32,000	34,000	30,407	36,000
Holiday lighting	5,800	6,000	5,800	3,400	6,000
Parks Services	9,142	8,350	8,350	7,192	8,950
Fire Mitigation	2,625	20,000	-	-	20,000
<b>Subtotal - Other</b>	<b>695,451</b>	<b>726,512</b>	<b>731,953</b>	<b>689,633</b>	<b>726,705</b>
<b>Expenditures - Parks/Open Space - Capital</b>					
Design Landscape Master Plan	5,601	-	-	-	-
Landscape Master Plan	9,327	-	-	-	-
New Vehicle	12,073	-	-	-	-
Trail Additions	7,640	10,000	10,000	-	-
<b>Subtotal - Capital Expenditures</b>	<b>34,641</b>	<b>10,000</b>	<b>10,000</b>	<b>-</b>	<b>-</b>
<b>Total General Fund Expenditures</b>	<b>\$ 2,629,123</b>	<b>\$ 3,492,244</b>	<b>\$ 2,432,266</b>	<b>\$ 2,262,783</b>	<b>\$ 3,098,900</b>
<b>Revenues over/(under) Expenditures</b>	<b>\$ 679,584</b>	<b>\$ (51,343)</b>	<b>\$ 743,578</b>	<b>\$ 872,425</b>	<b>\$ (118,690)</b>
<b>Beginning Fund Balance</b>	<b>832,837</b>	<b>\$ 1,385,242</b>	<b>\$ 1,512,421</b>	<b>\$ 1,512,421</b>	<b>\$ 1,838,625</b>
<b>Ending Fund Balance</b>	<b>\$ 1,512,421</b>	<b>\$ 1,333,899</b>	<b>\$ 2,255,999</b>	<b>\$ 2,384,846</b>	<b>\$ 1,719,935</b>
<b>CONSERVATION TRUST FUND</b>	<b>2010</b>	<b>2011</b>	<b>2011</b>	<b>Actual</b>	<b>2012</b>
	<b>Audited</b>	<b>Adopted</b>	<b>Projected</b>	<b>Through</b>	<b>Adopted</b>
<b>Revenue</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>11/30/2011</b>	<b>Budget</b>
Interest earnings	230	325	200	146	253
Lottery proceeds	38,381	39,100	39,100	32,231	39,100
<b>Total Revenue</b>	<b>\$ 38,611</b>	<b>\$ 39,425</b>	<b>\$ 39,300</b>	<b>\$ 32,377</b>	<b>\$ 39,353</b>
<b>Expenditures - CTF</b>					
Parks, Rec, and Open Space Additions	-	-	-	-	207,996
<b>Subtotal - Salaries and benefits</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>207,996</b>
<b>Revenues over/(under) Expenditures</b>	<b>\$ 38,611</b>	<b>\$ 39,425</b>	<b>\$ 39,300</b>	<b>\$ 32,377</b>	<b>\$ (168,643)</b>
<b>Beginning Fund Balance</b>	<b>90,731</b>	<b>\$ 129,468</b>	<b>\$ 129,343</b>	<b>\$ 129,343</b>	<b>\$ 168,643</b>
<b>Ending Fund Balance</b>	<b>\$ 129,343</b>	<b>\$ 168,893</b>	<b>\$ 168,643</b>	<b>\$ 161,720</b>	<b>\$ (0)</b>
<b>Beginning General Fund &amp; CTF Fund Balance</b>	<b>\$ 923,568</b>	<b>\$ 1,514,710</b>	<b>\$ 1,641,764</b>	<b>\$ 1,641,764</b>	<b>\$ 2,007,267</b>
<b>Ending General Fund &amp; CTF Fund Balance</b>	<b>\$ 1,641,764</b>	<b>\$ 1,502,792</b>	<b>\$ 2,424,642</b>	<b>\$ 2,546,566</b>	<b>\$ 1,719,934</b>

CASTLE PINES NORTH METROPOLITAN DISTRICT					
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS					
December 31, 2010 Actual, 2011 Adopted Budget and Projected Actual,					
Year-to-date Actual, Budget and Variance through November 30, 2011					
2012 Adopted Budget					
		Modified Accrual Budgetary Basis			
	2010	2011	2011	Actual	2012
CASTLE PINES NORTH FINANCE CORPORATION	Audited	Adopted	Projected	Through	Adopted
	Actual	Budget	Budget	11/30/2011	Budget
<b>Revenue</b>					
Interest earnings	1,065	800	4,544	4,165	1,700
Base Rental Revenue	870,000	1,436,499	555,000	555,000	1,274,363
<b>Total Revenue</b>	<b>\$ 871,065</b>	<b>\$ 1,437,299</b>	<b>\$ 559,544</b>	<b>\$ 559,165</b>	<b>\$ 1,276,063</b>
<b>Debt Service and Capital Projects</b>					
2008 CoP Principal	200,000	210,000	210,000	-	220,000
2009 CoP Principal	330,000	345,000	345,000	-	360,000
2008 CoP Interest	21,045	184,388	21,547	19,751	119,775
2009 CoP Interest	40,298	354,263	41,468	38,012	231,000
LOC and Banking Fees - Finance Corp	320,143	313,061	313,061	289,153	313,000
Remarketing Fee - CoPs	30,588	30,588	30,588	-	30,588
Interconnect Pipeline	-	10,354,568	-	-	7,000,000
<b>Total Expenditures</b>	<b>942,073</b>	<b>11,791,867</b>	<b>961,664</b>	<b>346,917</b>	<b>8,274,363</b>
<b>Total Operating Expenditures</b>	<b>\$ 942,073</b>	<b>\$ 11,791,867</b>	<b>\$ 961,664</b>	<b>\$ 346,917</b>	<b>\$ 8,274,363</b>
<b>Revenues over/(under) Expenditures</b>	<b>\$ (71,008)</b>	<b>\$ (10,354,568)</b>	<b>\$ (402,120)</b>	<b>\$ 212,249</b>	<b>\$ (6,998,300)</b>
<b>Beginning Fund Balance</b>	<b>10,382,178</b>	<b>\$ 9,737,727</b>	<b>\$ 10,311,170</b>	<b>\$ 10,311,170</b>	<b>\$ 10,314,458</b>
<b>Ending Fund Balance</b>	<b>\$ 10,311,170</b>	<b>\$ (616,841)</b>	<b>\$ 9,909,050</b>	<b>\$ 10,523,419</b>	<b>\$ 3,316,158</b>
<b>DEBT SERVICE FUND</b>					
	2010	2011	2011	Actual	2012
	Audited	Adopted	Projected	Through	Adopted
	Actual	Budget	Budget	11/30/2011	Budget
<b>Revenue</b>					
General Property Tax	3,201,940	3,195,575	3,053,814	3,053,814	2,863,303
Interest Earnings	773	825	2,637	2,417	2,300
Property Tax- Hidden Pointe Metro District	243,446	235,041	234,781	234,781	204,200
<b>Total Revenue</b>	<b>3,446,159</b>	<b>3,431,442</b>	<b>3,291,232</b>	<b>3,291,012</b>	<b>3,069,803</b>
<b>Expenditures</b>					
County Treasurer Collection Fee	48,029	47,934	47,934	45,843	42,950
Bond principal payment 2006 A	1,045,000	1,085,000	1,085,000	-	1,130,000
Bond principal payment 2006 C	1,600,000	1,800,000	1,800,000	-	1,100,000
2006 A Bond interest expense	423,625	381,825	381,825	190,913	338,425
2006 B Bond interest expense	284,775	284,775	284,775	142,388	284,775
2006 C Bond interest expense	10,251	48,375	8,419	7,718	64,000
Paying agent fees/charges	4,100	5,000	5,000	4,250	5,000
Letter of Credit Fees and Rating Fee	36,520	24,600	24,600	9,383	24,600
ReMarketing Fees - Variable Bonds	5,162	4,000	4,000	-	5,000
<b>Total Expenditures</b>	<b>3,457,462</b>	<b>3,681,509</b>	<b>3,641,553</b>	<b>400,494</b>	<b>2,994,750</b>
<b>Total Operating Expenditures</b>	<b>\$ 3,457,462</b>	<b>\$ 3,681,509</b>	<b>\$ 3,641,553</b>	<b>\$ 400,494</b>	<b>\$ 2,994,750</b>
<b>Revenues over/(under) Expenditures</b>	<b>\$ (11,303)</b>	<b>\$ (250,067)</b>	<b>\$ (350,321)</b>	<b>\$ 2,890,518</b>	<b>\$ 75,054</b>
<b>Beginning Fund Balance</b>	<b>357,145</b>	<b>\$ 276,428</b>	<b>\$ 345,842</b>	<b>\$ 345,842</b>	<b>\$ 136,607</b>
<b>Ending Fund Balance</b>	<b>\$ 345,842</b>	<b>\$ 26,361</b>	<b>\$ (4,479)</b>	<b>\$ 3,236,359</b>	<b>\$ 211,661</b>

CASTLE PINES NORTH METROPOLITAN DISTRICT					
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS					
December 31, 2010 Actual, 2011 Adopted Budget and Projected Actual,					
Year-to-date Actual, Budget and Variance through November 30, 2011					
2012 Adopted Budget					
	Modified Accrual Budgetary Basis				
ENTERPRISE - WATER	2010	2011	2011	Actual	2012
OPERATING REVENUES	Audited	Adopted	Projected	Through	Adopted
Operating Revenues - Enterprise - Water	Actual	Budget	Budget	11/30/2011	Budget
Miscellaneous Income	72,337		-		
Meter Sales	9,443	4,250	425	98	4,250
Water rates fees	29,936	25,000	26,500	26,325	25,000
Inspection Fee	2,725	1,750	7,500	7,200	7,500
Customer Charge	276,114	273,000	273,000	253,792	273,000
Service revenue - unmetered sales	35,812	35,812	35,812	-	35,812
Water Service Revenue	2,223,943	2,060,820	2,200,000	2,126,980	2,060,820
Bulk water sale	9,667	10,000	19,000	18,165	10,000
Water Lease Revenue	52,651	9,000	50,000	44,876	50,000
<b>Total Water Operating Revenue</b>	<b>2,712,628</b>	<b>2,419,632</b>	<b>2,612,237</b>	<b>2,477,436</b>	<b>2,466,382</b>
<b>OPERATING EXPENSES</b>					
<b>Operating Expenditures - Enterprise - Water</b>					
Salaries - Salaried	144,057	167,440	106,693	97,802	114,066
Salaries - Hourly	18,289	21,000	21,000	16,815	21,840
Salaries - OT and Standby	7,427	7,500	8,500	8,194	6,000
PERA Employer Contrib.	20,615	28,607	18,643	15,795	20,718
Unemployment Insurance	338	1,300	410	376	450
Workman's Comp Insurance	1,663	1,000	1,744	1,744	1,800
Employer Contrib. Health Ins.	32,564	33,278	26,530	24,319	30,250
Employer Contrib. Medicare	2,382	2,841	1,892	1,734	2,058
PERA Matchmaker Contrib.	3,096	5,878	2,857	2,619	4,257
<b>Subtotal - Salaries and benefits</b>	<b>230,431</b>	<b>268,845</b>	<b>188,269</b>	<b>169,399</b>	<b>201,439</b>
Accounting and Payroll	-	-	22,192	20,343	22,159
Credit Card Fees	6,392	3,000	4,254	3,900	4,000
District Management	-	-	47,302	43,360	47,834
Professional Services	5,899	6,500	2,203	2,019	8,000
Engineering Services	9,593	10,000	10,000	5,821	10,000
Software Support	5,547	8,000	3,754	3,441	8,000
Professional Svcs - Water Rights	128,594	70,000	194,223	178,038	100,000
Laboratory Testing	3,475	4,000	6,000	5,842	6,000
Water Rebates	20,727	20,000	20,000	15,876	20,000
Water Auditing	10,023	20,000	20,000	19,243	20,000
Telephone/Alarms	5,090	5,750	5,100	2,819	5,100
Trash Removal	330	800	1,000	925	1,000
Reuse Pumping	93,637	88,000	80,000	67,964	88,000
Elec for Well Pumping	552,012	640,000	740,000	699,799	785,000
Elec for WTP	85,818	88,000	88,000	78,720	90,000
Elec for Booster Pump Sta.	12,876	15,000	13,500	11,693	15,000
Professional Memberships/Subscr.	703	1,000	1,000	368	1,900
Prof Education/Conferences	1,307	1,200	1,200	-	1,200
Insurance - Property & Liability	7,518	8,000	9,663	9,663	10,629
Postage & Freight	6,743	7,000	7,777	7,129	9,500
Printing & Copying	4,135	5,000	9,006	8,255	11,333
Operating Supplies	2,550	5,000	5,000	3,680	5,000
Water Meters	31,928	30,000	41,956	38,459	30,000
Small Tools	801	3,000	3,000	1,704	3,000
South Metro Water Supply Auth	31,685	19,697	19,697	19,697	19,697
South Metro Special Projects-WISE	21,093	104,090	24,071	24,071	93,125
South Metro Special Projects-Chambers Line	-	-	-	-	57,143
Douglas County Water Res. Auth	8,500	8,500	8,600	8,600	10,000
South Platte Recovery Program	3,363	5,000	5,000	3,429	5,000
Vehicles R&M	4,028	3,500	3,500	2,031	3,500
Vehicle Fuel Expense	3,384	3,400	5,000	4,306	5,000
Wells R&M	15,834	85,000	85,000	68,110	85,000
Water Treatment Plant R&M	175,268	90,000	95,000	87,511	95,500
Water Distribution R&M	53,781	85,000	85,000	40,717	85,000
Leased Water from Denver/Pueblo	-	-	-	-	-
Centennial Capacity Readiness	200,000	200,000	200,000	200,000	200,000
Centennial's Zone 4 B Expansion Design	-	30,000	-	-	30,000
Centennial Delivery Charges	-	-	-	-	-
Water rate study	-	-	-	-	30,000
Bad debts written-off	204	2,500	2,500	-	-
Contingency Amount	-	600,000	-	-	-
<b>Subtotal - Other</b>	<b>1,512,839</b>	<b>2,275,937</b>	<b>1,869,498</b>	<b>1,687,534</b>	<b>2,021,620</b>
Depreciation (non-cash)	1,003,875	-	-	-	-
<b>Total Operating Expenditures</b>	<b>\$ 2,747,145</b>	<b>\$ 2,544,782</b>	<b>\$ 2,057,767</b>	<b>\$ 1,856,933</b>	<b>\$ 2,223,059</b>
<b>Net Operating Income/(Loss) - Water</b>	<b>\$ (34,517)</b>	<b>\$ (125,150)</b>	<b>\$ 554,470</b>	<b>\$ 620,503</b>	<b>\$ 243,323</b>

CASTLE PINES NORTH METROPOLITAN DISTRICT					
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS					
December 31, 2010 Actual, 2011 Adopted Budget and Projected Actual,					
Year-to-date Actual, Budget and Variance through November 30, 2011					
2012 Adopted Budget					
		Modified Accrual Budgetary Basis			
<b>ENTERPRISE - WASTEWATER</b>					
	2010	2011	2011	Actual	2012
<b>OPERATING REVENUES</b>	<b>Audited</b>	<b>Adopted</b>	<b>Projected</b>	<b>Through</b>	<b>Adopted</b>
<b>Operating Revenues - Enterprise - Wastewater</b>	<b>Actual</b>	<b>Budget</b>	<b>Budget</b>	<b>11/30/2011</b>	<b>Budget</b>
Customer Charge	280,677	279,000	279,000	257,783	279,000
Sewer Service Revenue	1,028,351	1,024,000	1,024,000	943,424	1,024,000
PCWA Capacity Charge From Developer		350,295	-	-	350,295
<b>Total Wastewater Operating Revenue</b>	<b>1,309,028</b>	<b>1,653,295</b>	<b>1,303,000</b>	<b>1,201,207</b>	<b>1,653,295</b>
<b>Operating Expenditures - Enterprise - Wastewater</b>					
Salaries - Salaried	115,295	167,440	85,354	78,241	91,253
Salaries - Hourly	14,631	21,000	21,000	15,729	21,000
Salaries - OT and Standby	7,427	7,500	8,500	8,194	7,500
PERA Employer Contrib.	16,491	26,844	15,528	13,014	16,406
Unemployment Insurance	258	1,300	313	287	3,000
Workman's Comp Insurance	1,663	1,000	1,744	1,744	1,800
Employer Contrib. Health Ins.	26,051	33,278	21,224	19,456	24,204
Employer Contrib. Medicare	1,905	2,841	1,550	1,420	1,736
PERA Matchmaker Contrib.	2,477	5,878	2,264	2,076	3,593
<b>Subtotal - Salaries and benefits</b>	<b>186,199</b>	<b>267,081</b>	<b>157,477</b>	<b>140,160</b>	<b>170,493</b>
Accounting and Payroll	-	-	17,754	16,274	17,727
Credit Card Fees	-	3,000	4,254	3,900	3,900
District Management	-	-	37,842	34,688	38,267
Professional Services	6,109	6,000	2,727	2,499	6,000
Engineering Services	1,022	10,000	24,000	22,804	20,000
Software Support	4,639	7,500	5,000	2,222	7,500
PCWA Sewer Fees	765,582	742,777	742,777	680,879	632,959
Telephone/Alarms	3,321	3,400	3,400	1,907	3,400
Elec for Wastewater Pumping	65,088	70,000	70,000	57,039	70,000
Natural Gas for Lift Stations	1,630	2,500	2,500	1,523	2,500
Prof Education/Conferences	265	1,500	1,500	155	1,500
Insurance - Property & Liability	7,520	8,000	7,731	7,731	9,096
Postage & Freight	4,472	7,000	7,000	5,811	7,000
Printing & Copying	2,857	2,500	3,000	2,784	3,000
Operating Supplies	1,792	2,000	2,000	1,251	2,300
Small Tools	1,049	1,000	1,000	842	1,000
Vehicle R&M	2,831	4,000	4,000	3,089	4,000
Vehicle Fuel Expense	3,394	3,500	5,000	4,306	5,000
Wastewater Collections/Lift Station R&M	107,245	160,000	156,000	108,111	156,000
Chatfield Watershed Authority Dues	-	2,750	2,750	-	2,750
PCWA Capacity Charge for Lagae	-	350,295	-	-	350,295
Bad debts written-off	172	1,500	1,500	-	-
<b>Subtotal - Other</b>	<b>978,988</b>	<b>1,389,222</b>	<b>1,101,734</b>	<b>957,815</b>	<b>1,344,194</b>
Depreciation (non-cash)	278,522	-	-	-	-
<b>Total Operating Expenditures</b>	<b>\$ 1,443,709</b>	<b>\$ 1,656,303</b>	<b>\$ 1,259,211</b>	<b>\$ 1,097,975</b>	<b>\$ 1,514,686</b>
<b>Net Operating Income/(Loss) - Wastewater</b>	<b>\$ (134,681)</b>	<b>\$ (3,008)</b>	<b>\$ 43,789</b>	<b>\$ 103,232</b>	<b>\$ 138,609</b>

CASTLE PINES NORTH METROPOLITAN DISTRICT					
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS					
December 31, 2010 Actual, 2011 Adopted Budget and Projected Actual,					
Year-to-date Actual, Budget and Variance through November 30, 2011					
2012 Adopted Budget					
		Modified Accrual Budgetary Basis			
<b>ENTERPRISE - STORM WATER</b>					
	2010	2011	2011	Actual	2012
<b>OPERATING REVENUES</b>	Audited	Adopted	Projected	Through	Adopted
Operating Revenues - Enterprise - Stormwater	Actual	Budget	Budget	11/30/2011	Budget
Storm Drainage Revenue	168,830	125,756	125,756	116,502	125,756
<b>Total Stormwater Operating Revenue</b>	<b>168,830</b>	<b>125,756</b>	<b>125,756</b>	<b>116,502</b>	<b>125,756</b>
<b>Operating Expenditures - Enterprise - Storm Water</b>					
Salaries - Salaried	28,885	20,760	21,339	19,560	23,307
Salaries - Hourly	3,658	2,650	4,000	3,616	4,160
PERA Employer Contrib.	4,122	3,418	3,699	3,213	4,010
Unemployment Insurance	80	750	97	89	110
Workman's Comp Insurance	832	250	388	388	400
Employer Contrib. Health Ins.	6,513	4,590	5,306	4,864	6,051
Employer Contrib. Medicare	476	339	382	350	405
PERA Matchmaker Contrib.	619	702	556	510	824
<b>Subtotal - Salaries and benefits</b>	<b>45,183</b>	<b>33,460</b>	<b>35,768</b>	<b>32,590</b>	<b>39,268</b>
Accounting and Payroll	0	-	4,438	4,069	4,432
District Management	0	-	9,460	8,672	9,567
Software Support	2,289	2,700	2,700	445	2,700
Insurance - Property & Liability	3,759	4,000	4,000	1,933	4,000
Postage & Freight	1,713	2,000	2,000	1,438	2,000
Printing & Copying	1,343	2,000	2,000	668	2,000
Vehicle R&M	638	1,000	1,000	-	1,000
Vehicle Fuel Expense	1,692	900	2,349	2,153	2,000
Storm Drainage R&M	46,438	70,000	25,000	14,828	50,000
Bad debts written-off & Other	33	1,200	1,200	-	1,200
<b>Subtotal - Other</b>	<b>57,904</b>	<b>83,800</b>	<b>54,148</b>	<b>34,206</b>	<b>78,899</b>
Depreciation (non-cash)	4,962	-	-	-	-
<b>Total Operating Expenditures</b>	<b>\$ 108,049</b>	<b>\$ 117,260</b>	<b>\$ 89,915</b>	<b>\$ 66,795</b>	<b>\$ 118,166</b>
<b>Net Operating Income/(Loss) - Stormwater</b>	<b>\$ 60,781</b>	<b>\$ 8,496</b>	<b>\$ 35,840</b>	<b>\$ 49,706</b>	<b>\$ 7,590</b>
<b>Total Enterprise Operating Expenditures</b>	<b>\$ 4,298,903</b>	<b>\$ 4,318,344</b>	<b>\$ 3,406,893</b>	<b>\$ 3,021,703</b>	<b>\$ 3,855,912</b>
<b>Net Operating Income/(Loss) - Enterprise</b>	<b>\$ (108,418)</b>	<b>\$ (119,662)</b>	<b>\$ 634,099</b>	<b>\$ 773,441</b>	<b>\$ 389,521</b>

CASTLE PINES NORTH METROPOLITAN DISTRICT					
STATEMENT OF REVENUES & EXPENDITURES WITH BUDGETS					
December 31, 2010 Actual, 2011 Adopted Budget and Projected Actual,					
Year-to-date Actual, Budget and Variance through November 30, 2011					
2012 Adopted Budget					
		Modified Accrual Budgetary Basis			
<b>ENTERPRISE FUND</b>					
	2010	2011	2011	Actual	2012
<b>NON-OPERATING REVENUES</b>	Audited	Adopted	Projected	Through	Adopted
	Actual	Budget	Budget	11/30/2011	Budget
<b>Non-Operating Revenue - Enterprise - Water</b>					
Interest Earnings	10,735	6,500	4,136	3,791	4,000
Capital Improvement Fee	1,013,875	1,059,532	1,059,532	975,364	1,059,532
Water Connect Fee	248,700	55,000	412,895	412,895	55,000
Electric/Power Rebate	-	-	19,218	19,218	-
<b>Total Water Non-Operating Revenue</b>	<b>1,273,310</b>	<b>1,121,032</b>	<b>1,495,781</b>	<b>1,411,268</b>	<b>1,118,532</b>
<b>Non-Operating Revenue - Enterprise - Wastewater</b>					
Interest Earnings	710	400	2,472	2,266	2,500
Capital Improvement Fee	82,213	82,000	82,000	75,372	82,000
Wastewater Connect Fee	20,500	-	22,550	22,550	-
PCWA Rebate	28,422	-	-	-	-
<b>Total Wastewater Non-Operating Revenue</b>	<b>131,844</b>	<b>82,400</b>	<b>107,022</b>	<b>100,187</b>	<b>84,500</b>
<b>Non-Operating Revenue - Enterprise - Stormwater</b>					
Interest Earnings	158	53	179	164	180
Sewer Connect Fee	-	-	8,250	8,250	-
<b>Total Stormwater Non-Operating Revenue</b>	<b>158</b>	<b>53</b>	<b>8,429</b>	<b>8,414</b>	<b>180</b>
<b>Total Enterprise Non-Operating Revenue</b>	<b>\$ 1,405,312</b>	<b>\$ 1,203,485</b>	<b>\$ 1,611,232</b>	<b>\$ 1,519,870</b>	<b>\$ 1,203,212</b>
<b>NON-OPERATING EXPENSES</b>					
<b>Non-Operating Expense - Enterprise - Water</b>					
Conversion of Treatment Plant from Gas to Liquid Ch	-	36,000	39,985	39,985	-
Meadow Island and Lupton Bottom note pmt	19,293	1,110,000	1,053,014	1,053,014	1,110,000
Chatfield Storage Environmental Impact Statement (C	-	35,000	4,193	4,193	35,000
Chatfield Reallocation Engineering	4,809	20,000	30,000	26,276	25,000
Renewable Water Engineering	-	10,000	10,000	5,430	10,000
Engineering Study Plum Creek Water Rights	-	30,000	9,996	9,163	30,000
Legal fees Plum Creek Water Rights	-	40,000	40,000	31,219	40,000
Water Right Investigations	18,213	10,000	1,393	1,277	10,000
Reuter-Hess EIS Engineering Spt	-	25,000	-	-	25,000
Water Main Replacement - replace 10 valves	-	175,000	175,000	166,835	100,000
VXU Vehicle meter readers	-	-	-	-	25,000
Renewable Water Projects	65	4,300,000	5,052,885	3,675,237	500,000
Parker's and Brightons Chatfield Storage	-	139,928	139,928	-	139,928
Well A-5	-	70,000	70,675	70,675	-
<b>Total Water Non-Operating Expenditures</b>	<b>42,380</b>	<b>6,000,928</b>	<b>6,627,069</b>	<b>5,083,303</b>	<b>2,049,928</b>
<b>Non-Operating Expense - Enterprise - Wastewater</b>					
Equipment - General	-	50,000	-	-	50,000
Utility Service Vehicle	-	20,000	19,698	19,698	-
Lift Station Site Improvements	-	15,000	15,000	13,051	10,000
Lift Station consolidation study	33,258	5,000	16,000	15,714	-
<b>Total Wastewater Non-Operating Expenditures</b>	<b>33,258</b>	<b>90,000</b>	<b>50,698</b>	<b>48,464</b>	<b>60,000</b>
<b>Total Enterprise Non-Operating Expenditures</b>	<b>\$ 1,079,513</b>	<b>\$ 6,090,928</b>	<b>\$ 6,677,767</b>	<b>\$ 5,131,767</b>	<b>\$ 2,109,928</b>
<b>Net Non-Operating Income/(Loss) - Enterprise</b>	<b>\$ 325,799</b>	<b>\$ (4,887,443)</b>	<b>\$ (5,066,536)</b>	<b>\$ (3,611,897)</b>	<b>\$ (906,716)</b>
<b>Net income - Change in Net Assets</b>	<b>217,381</b>	<b>(5,007,105)</b>	<b>(4,432,436)</b>	<b>(2,838,456)</b>	<b>(517,195)</b>
<b>Net Assets, Unrestricted - Beginning of Year</b>	<b>\$ 6,634,135</b>	<b>\$ 6,634,135</b>	<b>\$ 6,851,516</b>	<b>\$ 6,851,516</b>	<b>\$ 2,260,892</b>
<b>Net Assets, Unrestricted - End of Year</b>	<b>\$ 6,851,516</b>	<b>\$ 1,627,030</b>	<b>\$ 2,419,080</b>	<b>\$ 4,013,061</b>	<b>\$ 1,743,697</b>