

FALCON HIGHLANDS METROPOLITAN DISTRICT
FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

FALCON HIGHLANDS METROPOLITAN DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	<u>General</u>	<u>Debt Service</u>	<u>Conservation Trust</u>	<u>Enterprise</u>	<u>Total</u>
ASSETS					
Cash - 1st Bank	\$ 82,389	\$ -	\$ -	\$ 261,620	\$ 344,009
C - Safe	1,676,887	780,861	5,952	336,021	2,799,721
Bond Fund - Series 2004A	-	174	-	-	174
Construction Fund - Series 2004A	-	1	-	-	1
Escrow Fund - Series 2004A	-	1	-	-	1
Reserve Fund - Series 2004A	-	560	-	-	560
Capitalized Interest - Series 2007 Subordinate	-	10,598	-	-	10,598
Construction Fund - Series 2007 Subordinate	-	34	-	-	34
Accounts receivable	9,316	-	-	33,743	43,059
Receivable from County Treasurer	13,522	17,902	-	-	31,424
Prepaid insurance	180	-	-	270	450
Prepaid expense	1,256	-	-	9,191	10,447
Bond Fund - Series 2022	-	235,000	-	-	235,000
COI Fund - Series 2022	-	298,959	-	-	298,959
Accumulated depreciation	-	-	-	(3,171,463)	(3,171,463)
Water rights	-	-	-	402,786	402,786
Equipment and systems	-	-	-	6,222,028	6,222,028
Vehicles	-	-	-	40,659	40,659
TOTAL ASSETS	<u>\$ 1,783,550</u>	<u>\$ 1,344,090</u>	<u>\$ 5,952</u>	<u>\$ 4,134,855</u>	<u>\$ 7,268,447</u>
LIABILITIES AND FUND BALANCES					
CURRENT LIABILITIES					
Accounts payable	\$ 32,617	\$ -	\$ -	\$ 124,044	\$ 156,661
Payable to Woodman Hills	-	-	-	(22,000)	(22,000)
Tap Review Fee Escrow	-	-	-	61,000	61,000
2007 Bond Interest Escrow	-	250,000	-	-	250,000
Total Liabilities	<u>32,617</u>	<u>250,000</u>	<u>-</u>	<u>163,044</u>	<u>445,661</u>
FUND BALANCES					
Total Fund Balances	<u>1,750,933</u>	<u>1,094,090</u>	<u>5,952</u>	<u>3,971,811</u>	<u>6,822,786</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,783,550</u>	<u>\$ 1,344,090</u>	<u>\$ 5,952</u>	<u>\$ 4,134,855</u>	<u>\$ 7,268,447</u>

**FALCON HIGHLANDS METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022**

GENERAL FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Property taxes	\$ 188,186	\$ 184,824	\$ (3,362)
Specific ownership taxes	110,942	86,571	(24,371)
Interest income	1,400	13,164	11,764
Maintenance fees	131,000	99,427	(31,573)
Other revenue	1,000	550	(450)
TOTAL REVENUES	<u>432,528</u>	<u>384,536</u>	<u>(47,992)</u>
EXPENDITURES			
Accounting	40,000	17,449	22,551
Auditing	8,700	8,500	200
County Treasurer's fee	2,823	2,821	2
Directors' fees	2,100	1,900	200
Insurance and bonds	11,000	9,127	1,873
District management	52,000	37,829	14,171
Legal services	47,000	20,491	26,509
Miscellaneous	5,000	121	4,879
Payroll - wages and taxes	161	145	16
Election expense	2,000	2,125	(125)
Repairs and maintenance	10,000	-	10,000
Professional Services	5,000	-	5,000
Landscape maintenance	9,000	7,869	1,131
General improvements	12,000	-	12,000
Utilities	30,000	10,786	19,214
Operating expense	500	-	500
Equipment expense	10,000	-	10,000
Trail maintenance	10,000	-	10,000
Storm drainage	25,000	-	25,000
Park improvements	10,000	-	10,000
Contingency	26,716	-	26,716
TOTAL EXPENDITURES	<u>319,000</u>	<u>119,163</u>	<u>199,837</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	113,528	265,373	151,845
OTHER FINANCING SOURCES (USES)			
Transfers to other fund	(46,600)	-	46,600
TOTAL OTHER FINANCING SOURCES (USES)	<u>(46,600)</u>	<u>-</u>	<u>46,600</u>
NET CHANGE IN FUND BALANCES	66,928	265,373	198,445
FUND BALANCES - BEGINNING	<u>1,454,629</u>	<u>1,485,558</u>	<u>30,929</u>
FUND BALANCES - ENDING	<u>\$ 1,521,557</u>	<u>\$ 1,750,931</u>	<u>\$ 229,374</u>

**FALCON HIGHLANDS METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022**

CONSERVATION TRUST FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Conservation Trust proceeds	\$ 6,500	\$ 5,623	\$ (877)
Interest income	5	29	24
TOTAL REVENUES	<u>6,505</u>	<u>5,652</u>	<u>(853)</u>
EXPENDITURES			
Repairs and maintenance	<u>7,060</u>	-	<u>7,060</u>
TOTAL EXPENDITURES	<u>7,060</u>	-	<u>7,060</u>
NET CHANGE IN FUND BALANCES	(555)	5,652	6,207
FUND BALANCES - BEGINNING	<u>555</u>	<u>301</u>	<u>(254)</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ 5,953</u>	<u>\$ 5,953</u>

FALCON HIGHLANDS METROPOLITAN DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022 AND SEPTEMBER 30, 2021

	<u>Year to Date Actual</u>	<u>Prior Year to Date Actual</u>	<u>Variance</u>
OPERATING REVENUES			
Facility fees	\$ 34,726	\$ 29,126	\$ 5,600
Interest income	2,694	61	2,633
Other revenue	360	-	360
Water treatment fees	87,926	87,370	556
Administrative fees	62,914	62,146	768
Water usage fees	172,426	177,609	(5,183)
Penalties	3,110	2,310	800
Meter fees	1,271	1,461	(190)
Water tap fees	70,000	80,000	(10,000)
O&M fees	813	813	-
Inspection fees	90	90	-
Total operating revenues	<u>436,330</u>	<u>440,986</u>	<u>(4,656)</u>
OPERATING EXPENDITURES			
Accounting	21,811	16,531	(5,280)
Dues and membership	845	1,149	304
Insurance and bonds	13,691	14,157	466
District management	48,741	39,907	(8,834)
Legal services	27,031	72,791	45,760
Miscellaneous	1,000	999	(1)
Security	4,829	4,214	(615)
Repairs and maintenance	7,490	2,141	(5,349)
Professional Services	30,214	25,979	(4,235)
Utilities	65,231	64,841	(390)
Operating expense	21,447	10,129	(11,318)
Supplies - treatment facility	10,919	7,313	(3,606)
Utility billing	38,705	29,502	(9,203)
Telephone	824	765	(59)
Utility locates	3,498	552	(2,946)
Woodman Hills contract	38,941	34,442	(4,499)
Capital outlay	6,002	-	(6,002)
Depreciation expense	<u>95,255</u>	<u>95,267</u>	<u>12</u>
Total operating expenses	<u>436,474</u>	<u>420,679</u>	<u>(15,795)</u>
Operating income (loss)	(144)	20,307	(20,451)
OTHER FINANCING SOURCES (USES)			
Total non-operating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	(144)	20,307	(20,451)
TOTAL NET POSITION - BEGINNING	<u>3,971,953</u>	<u>3,940,639</u>	<u>31,314</u>
TOTAL NET POSITION - ENDING	<u>\$ 3,971,809</u>	<u>\$ 3,960,946</u>	<u>\$ 10,863</u>

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, 2022**

DEBT SERVICE FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Property taxes	\$ 921,233	\$ 904,776	\$ (16,457)
Interest income	800	7,157	6,357
Other revenue	-	25,000	25,000
Bond proceeds	5,990,000	5,880,000	(110,000)
TOTAL REVENUES	<u>6,912,033</u>	<u>6,816,933</u>	<u>(95,100)</u>
EXPENDITURES			
County Treasurer's fee	13,818	13,808	10
Paying agent fees	12,000	-	12,000
Refunded bond escrow	6,236,953	5,880,000	356,953
Bond interest - Series 2004	-	224,175	(224,175)
Bond interest - Series 2022	299,500	-	299,500
Bond principal - Series 2022	45,000	-	45,000
Miscellaneous	-	27,400	(27,400)
Bond issue costs	269,800	306,400	(36,600)
Contingency	7,929	-	7,929
TOTAL EXPENDITURES	<u>6,885,000</u>	<u>6,451,783</u>	<u>433,217</u>
NET CHANGE IN FUND BALANCES	27,033	365,150	338,117
FUND BALANCES - BEGINNING	<u>614,142</u>	<u>728,939</u>	<u>114,797</u>
FUND BALANCES - ENDING	<u>\$ 641,175</u>	<u>\$ 1,094,089</u>	<u>\$ 452,914</u>

**FALCON HIGHLANDS METROPOLITAN DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND AVAILABLE - BUDGET AND ACTUAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022**

ENTERPRISE FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUE			
Facility fees	\$ -	\$ 34,726	\$ 34,726
Interest income	1,500	2,694	1,194
Other revenue	5,000	360	(4,640)
Water treatment fees	117,000	87,926	(29,074)
Administrative fees	81,500	62,914	(18,586)
Water usage fees	260,000	172,426	(87,574)
Penalties	2,500	3,110	610
Meter fees	-	1,271	1,271
Water tap fees	-	70,000	70,000
O&M fees	-	813	813
Inspection fees	-	90	90
Bond issuance	2,730,000	-	(2,730,000)
TOTAL REVENUE	<u>3,197,500</u>	<u>436,330</u>	<u>(2,761,170)</u>
EXPENDITURES			
Accounting	50,000	21,811	28,189
Dues and membership	1,500	845	655
Insurance and bonds	16,500	13,691	2,809
District management	67,000	48,741	18,259
Legal services	62,000	27,031	34,969
Miscellaneous	2,500	1,000	1,500
Security	7,500	4,829	2,671
Repairs and maintenance	25,000	7,490	17,510
Professional Services	50,000	30,214	19,786
SCADA system inspection	2,500	-	2,500
Utilities	100,000	65,231	34,769
Operating expense	10,000	21,447	(11,447)
Supplies - treatment facility	10,000	10,919	(919)
Utility billing	40,000	38,705	1,295
Telephone	1,500	824	676
Utility locates	1,000	3,498	(2,498)
Equipment expense	500	-	500
Woodman Hills contract	50,000	38,941	11,059
Bond issue costs	229,600	-	229,600
Permits - fees	1,000	-	1,000
Capital outlay	75,000	6,002	68,998
Small tools and supplies	1,500	-	1,500
Contingency	5,000	-	5,000
TOTAL EXPENDITURES	<u>809,600</u>	<u>341,219</u>	<u>468,381</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	2,387,900	95,111	(2,292,789)
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	46,600	-	(46,600)
TOTAL OTHER FINANCING SOURCES (USES)	<u>46,600</u>	<u>-</u>	<u>(46,600)</u>
NET CHANGE IN FUNDS AVAILABLE	2,434,500	95,111	(2,339,389)
FUNDS AVAILABLE - BEGINNING	<u>364,117</u>	<u>382,689</u>	<u>18,572</u>
FUNDS AVAILABLE - ENDING	<u>\$ 2,798,617</u>	<u>\$ 477,800</u>	<u>\$ (2,320,817)</u>