

WILSON, REA, BECKEL & ASSOCIATES, CPAs, LLC

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ACCOUNTANT'S COMPILATION REPORT

To the Board of Directors
Aspen Springs Metropolitan District
Pagosa Springs, Colorado

We have compiled the accompanying Balance Sheet of the Aspen Springs Metropolitan District as of December 31, 2011 and the related Profit and Loss Budget Performance for the one month and year then ended. We 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.

The 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 Statement of Net Assets, Changes in Fund Balance, Statement of Activities, Statement of Cash Flows, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted statements and disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

The management's budget information reported on the Profit and Loss Budget Performance are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. The accompanying supplementary information for cash disbursements for the month then ended and the check register for the period December 14, 2011 to January 10, 2012 are presented only for supplementary analysis purposes. We have compiled the supplementary information from information that is the representation of management, without audit or review. Accordingly, we do not express an opinion or provide any assurance on the supplementary information.

We are not independent with respect to Aspen Springs Metropolitan District.

Wilson, Rea, Beckel & Associates, CPAs, LLC
January 10, 2012

**ASPEN SPRINGS METRO DISTRICT
Balance Sheet**

Dec 31, 11

ASSETS

Current Assets

Checking/Savings

Bank of the San Juans Operating	4,245.17
Bank of the San Juans Money Mkt	202,146.01
Bank of the San Juans Reserve	13,815.43
CD Reserve Acct-Rio Grande Sav	61,541.26
Colorado Trust 7234	38,489.85
Petty Cash	20.00

Total Checking/Savings 320,257.72

Other Current Assets

Cash Held by Treasurer	5,154.75
Taxes Receivable	258,628.00

Total Other Current Assets 263,782.75

Total Current Assets 584,040.47

Fixed Assets

Land	51,898.49
Buildings	84,314.00
Equipment	853,858.62

Total Fixed Assets 990,071.11

TOTAL ASSETS 1,574,111.58

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

Deferred Revenue 258,628.00

Payroll Liabilities

Soc Security Payable	1,100.46
Medicare Payable	306.88
Federal Withholding Payable	1,361.00
Colorado State Withholding Tax	960.00
SUTA Payable	79.69

Total Payroll Liabilities 3,808.03

Total Other Current Liabilities 262,436.03

Total Current Liabilities 262,436.03

Long Term Liabilities

Leases Payable

Wells Fargo #L003421 171,341.96

Total Leases Payable 171,341.96

Total Long Term Liabilities 171,341.96

Total Liabilities 433,777.99

Equity

**ASPEN SPRINGS METRO DISTRICT
Balance Sheet**

	<u>Dec 31, 11</u>
Fund Balance-Beg. of Year	500,325.36
Investment In Fixed Assets	651,919.16
Net Income	-11,910.93
Total Equity	<u>1,140,333.59</u>
TOTAL LIABILITIES & EQUITY	<u><u>1,574,111.58</u></u>

ASPEN SPRINGS METRO DISTRICT
Profit & Loss Budget Performance

December 2011

	<u>Dec 11</u>	<u>Jan - Dec 11</u>	<u>Annual Budget</u>
Ordinary Income/Expense			
Income			
Grants			
Park	0.00	15,000.00	15,000.00
Fill Station	0.00	0.00	30,000.00
Total Grants	<u>0.00</u>	<u>15,000.00</u>	<u>45,000.00</u>
Property Tax Income	7,504.19	253,664.61	260,051.00
Senior/Veteran Exemption Tax	0.00	74.58	
Ownership Tax Refund	1,172.57	13,416.32	18,050.00
Highway User Tax Funds	13,473.76	159,190.97	123,000.00
Interest Income-Archuleta Cty	522.14	2,013.15	500.00
Oak Hills Income	0.00	2,749.00	2,500.00
Other Interest Income	168.70	1,552.44	1,000.00
Abatements	0.00	-137.62	-100.00
Total Income	<u>22,841.36</u>	<u>447,523.45</u>	<u>450,001.00</u>
Expense			
General Government			
Treasurers Fees	240.77	7,666.29	9,212.00
Total General Government	<u>240.77</u>	<u>7,666.29</u>	<u>9,212.00</u>
General Overhead			
Finance Charges	0.00	1.13	
Accounting	180.00	2,183.00	2,700.00
Advertising/Printing	0.00	201.50	200.00
Bank Charges	0.00	308.00	
Bonds	0.00	100.00	
Directors Fees	400.00	4,100.00	5,500.00
Dues & Publications	632.62	1,609.90	789.00
Insurance	0.00	11,748.82	11,800.00
Internet/Website	0.00	449.99	500.00
Professional/Legal Fees	0.00	0.00	3,500.00
Office Supplies	0.00	79.96	
Postage/Freight	7.92	145.54	225.00
Professional Fees	0.00	3,358.70	
Supplies - Misc	94.48	2,867.65	3,000.00
Telephone/Cell Phone	161.52	4,522.09	5,700.00
Total General Overhead	<u>1,476.54</u>	<u>31,676.28</u>	<u>33,914.00</u>
Public Works			
CAPITAL OUTLAY			
Bus Shelters			
Building Supplies	0.00	6,713.71	6,720.00

ASPEN SPRINGS METRO DISTRICT
Profit & Loss Budget Performance
December 2011

	<u>Dec 11</u>	<u>Jan - Dec 11</u>	<u>Annual Budget</u>
Total Bus Shelters	0.00	6,713.71	6,720.00
Parks & Recreation			
Ute Park			
Miscellaneous Supplies	0.00	1,085.00	500.00
Athletic Equipment	3,050.00	3,298.49	1,000.00
Gazebo	0.00	28,092.11	28,000.00
Professional/Legal Fees	0.00	0.00	500.00
Total Ute Park	<u>3,050.00</u>	<u>32,475.60</u>	<u>30,000.00</u>
Total Parks & Recreation	3,050.00	32,475.60	30,000.00
Water Fill Station			
Miscellaneous Supplies	0.00	0.00	3,900.00
Building/Water Treatment	0.00	0.00	32,000.00
Professional/Legal Fees	1,070.00	11,835.00	10,100.00
Total Water Fill Station	<u>1,070.00</u>	<u>11,835.00</u>	<u>46,000.00</u>
Total CAPITAL OUTLAY	4,120.00	51,024.31	82,720.00
Operating Expenses			
Building Expenses			
Office Cleaning	0.00	0.00	1,200.00
Repairs & Maintenance	153.19	1,057.24	800.00
Utilities			
Sanitation	28.86	325.46	273.00
Utilities - Other	625.16	5,713.83	5,910.00
Total Utilities	<u>654.02</u>	<u>6,039.29</u>	<u>6,183.00</u>
Total Building Expenses	807.21	7,096.53	8,183.00
Equipment Expenses			
Equipment Lease	0.00	39,466.34	39,661.00
Equipment Repair & Maint	2,971.37	25,983.56	38,000.00
Equipment Rental	0.00	340.00	
Gas, Diesel, Oil	7,732.05	29,475.29	30,000.00
Small Tools	0.00	492.75	600.00
Equipment Expenses - Other	0.00	0.00	200.00
Total Equipment Expenses	<u>10,703.42</u>	<u>95,757.94</u>	<u>108,461.00</u>
Road Maintenance			
Road Maint/Asphalt	0.00	0.00	5,000.00
Materials/Mag Chloride	0.00	39,381.38	41,000.00
Gravel	266.18	50,128.73	51,500.00

ASPEN SPRINGS METRO DISTRICT
Profit & Loss Budget Performance
 December 2011

	<u>Dec 11</u>	<u>Jan - Dec 11</u>	<u>Annual Budget</u>
Signage	0.00	289.70	
Weed Control	600.00	9,103.10	8,220.00
Road Maintenance - Other	0.00	3,466.12	
Total Road Maintenance	<u>866.18</u>	<u>102,369.03</u>	<u>105,720.00</u>
Total Operating Expenses	12,376.81	205,223.50	222,364.00
Salaries & Wages			
Foreman	3,333.10	43,330.30	
Equipment Operator 3	2,993.58	38,916.54	
Equipment Operator 1	0.00	21,692.38	
Hourly Employee	255.00	3,022.50	
Retirement/Bonus	4,000.00	8,300.00	
Salaries & Wages - Other	0.00	800.00	137,840.00
Total Salaries & Wages	<u>10,581.68</u>	<u>116,061.72</u>	<u>137,840.00</u>
Total Public Works	27,078.49	372,309.53	442,924.00
Employee Insurance			
Health Insurance	1,812.63	31,118.32	28,000.00
Worker's Comp Insurance	544.00	7,437.00	7,600.00
Total Employee Insurance	<u>2,356.63</u>	<u>38,555.32</u>	<u>35,600.00</u>
Payroll Taxes			
Medicare Tax	153.44	1,682.90	1,700.00
Social Security Tax	656.07	7,195.84	7,300.00
State Unemployment Tax	31.75	348.22	240.00
Total Payroll Taxes	<u>841.26</u>	<u>9,226.96</u>	<u>9,240.00</u>
Total Expense	<u>31,993.69</u>	<u>459,434.38</u>	<u>530,890.00</u>
Net Ordinary Income	<u>-9,152.33</u>	<u>-11,910.93</u>	<u>-80,889.00</u>
Net Income	<u><u>-9,152.33</u></u>	<u><u>-11,910.93</u></u>	<u><u>-80,889.00</u></u>

**ASPEN SPRINGS METRO DISTRICT
Cash Disbursements**

Type	Date	Num	Name	Memo	Split	Amount
Bank of the San Juans Operating						
Paycheck	12/9/2011	8890	Brown, Carey G		-SPLIT-	-1,337.39
Paycheck	12/9/2011	8891	Stevens, Roy		-SPLIT-	-1,128.21
Check	12/13/2011	8898	Dickie Dale Warring		Directors Fees	-100.00
Check	12/13/2011	8899	Glenn Robinson	Director's fees	Directors Fees	-100.00
Check	12/13/2011	8900	Holly Fulbright	Director's fees	Directors Fees	-100.00
Check	12/13/2011	8901	Pat Ullrich	Director's fees	Directors Fees	-100.00
Check	12/13/2011	8902	Bob's LP	Acct# 21770	Utilities	-376.20
Check	12/13/2011	8903	HARRIS WATER ENGINEE...		Professional/Legal ...	-1,070.00
Check	12/13/2011	8904	Firebird Fuel	Inv # 8161CT	Gas, Diesel, Oil	-164.23
Check	12/13/2011	8905	La Plata Electric	Acct# 7291451300	Utilities	-248.96
Check	12/13/2011	8906	VERIZON WIRELESS	Acct# 871108333-000...	Telephone/Cell Ph...	-88.55
Check	12/13/2011	8907	SDA	2012 Membership Dues	Dues & Publications	-632.62
Check	12/13/2011	8908	Western Refining Wholesale	Inv# 95452	Gas, Diesel, Oil	-7,567.82
Check	12/13/2011	8909	Pinnacol Assurance	Inv# 16006675	Worker's Comp Ins...	-544.00
Check	12/13/2011	8910	Wilson, Rea, Beckel & Asso...	Inv #4393	-SPLIT-	-187.92
Check	12/13/2011	8911	Waste Management of NM	Inv# 0237320-0494-2	Sanitation	-28.86
Check	12/13/2011	8912	Commercial Rock Products I...	Inv# 90269-74	Gravel	-266.18
Check	12/13/2011	8913	Parts City Auto Parts	Acct #199	Equipment Repair ...	-53.90
Check	12/13/2011	8914	UPPER SAN JUAN WEED ...	Inv# 5732; 5720; 5716	Weed Control	-600.00
Check	12/13/2011	8915	GENE'S FRAME AND ALIG...	Inv# 1-6295	Equipment Repair ...	-2,285.91
Check	12/13/2011	8916	ACE	Acct# 15656	Supplies - Misc	-94.48
Check	12/13/2011	8917	Colors, Inc	Inv #11701	Repairs & Mainten...	-153.19
Check	12/13/2011	8918	Radio Shack	Acct# 10001977	Telephone/Cell Ph...	-72.97
Check	12/13/2011	8919	Wagner Equipment	Inv# S01W0759238	Equipment Repair ...	-631.56
Liability Che...	12/15/2011	EFTPS	Bank of the San Juans	74-2212616	-SPLIT-	-1,869.61
Paycheck	12/16/2011	8924	Brown, Carey G		-SPLIT-	-1,586.00
Paycheck	12/16/2011	8925	Stevens, Roy		-SPLIT-	-1,460.00
Paycheck	12/16/2011	8926	Trout, Mack		-SPLIT-	-240.59
Check	12/21/2011	8927	ROCKY MTN HEALTH PLANS	Inv# 113470000025	Health Insurance	-1,812.63
Check	12/21/2011	8928	Discs Unlimited		Athletic Equipment	-3,050.00
Paycheck	12/23/2011	8920	Brown, Carey G		-SPLIT-	-1,337.39
Paycheck	12/23/2011	8921	Stevens, Roy		-SPLIT-	-1,128.23
Total Bank of the San Juans Operating						-30,417.40
TOTAL						-30,417.40

ASPEN SPRINGS METRO DISTRICT

1/10/2012 10:53 AM

Register: Bank of the San Juans Operating

Check Register

From 12/14/2011 through 01/10/2012

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
12/15/2011	EFTPS	Bank of the San Juans	-split-	74-2212616	1,869.61	X		6,857.46
12/16/2011	8924	Brown, Carey G	-split-		1,586.00	X		5,271.46
12/16/2011	8925	Stevens, Roy	-split-		1,460.00	X		3,811.46
12/16/2011	8926	Trout, Mack	-split-		240.59	X		3,570.87
12/21/2011	8927	ROCKY MTN HEA...	Employee Insurance:H...	Inv# 11347000...	1,812.63	X		1,758.24
12/21/2011	8928	Discs Unlimited	Public Works:CAPITA...		3,050.00			-1,291.76
12/22/2011		Bank of the San Juans ...		Funds Transfer		X	8,000.00	6,708.24
12/23/2011	8920	Brown, Carey G	-split-		1,337.39	X		5,370.85
12/23/2011	8921	Stevens, Roy	-split-		1,128.23	X		4,242.62
12/31/2011			Other Interest Income	Interest		X	2.55	4,245.17
01/06/2012	8922	Brown, Carey G	-split-		1,337.39			2,907.78
01/06/2012	8923	Stevens, Roy	-split-		1,128.22			1,779.56
01/10/2012	ACH	DELUXE	General Overhead:Offi...		317.17			1,462.39
01/10/2012	8929	Firebird Fuel	Public Works:Operatin...	Inv # 10281CT...	165.91			1,296.48
01/10/2012	8930	Wilson, Rea, Beckel ...	-split-	Inv #4608	189.68			1,106.80
01/10/2012	8931	VERIZON WIRELE...	General Overhead:Tele...	Acct# 8711083...	86.29			1,020.51
01/10/2012	8932	Bob's LP	Public Works:Operatin...	Acct# 21770	572.66			447.85
01/10/2012	8933	Waste Management ...	Public Works:Operatin...	Inv# 0243175-...	28.65			419.20
01/10/2012	8934	Century Link	General Overhead:Tele...	Acct #3009203...	162.57			256.63
01/10/2012	8935	OLD WEST PRESS	General Overhead:Offi...	Inv #202404	86.59			170.04
01/10/2012	8936	Honnen Equipment ...	Public Works:Operatin...	Inv# 350620; 3...	518.04			-348.00
01/10/2012	8937	Wagner Equipment	Public Works:Operatin...	Inv# S01W075...	5,274.37			-5,622.37
01/10/2012	8938	B & F Welding Supply	Public Works:Operatin...	Inv# 322451; 3...	43.19			-5,665.56
01/10/2012	8939	ACE	General Overhead:Sup...	Acct# 15656	230.29			-5,895.85
01/10/2012	8940	Parts City Auto Parts	Public Works:Operatin...	Acct #199	27.35			-5,923.20
01/10/2012	8941	Dickie Dale Warring	General Overhead:Dire...		100.00			-6,023.20
01/10/2012	8942	Glenn Robinson	General Overhead:Dire...	Director's fees	100.00			-6,123.20
01/10/2012	8943	Holly Fulbright	General Overhead:Dire...	Director's fees	100.00			-6,223.20
01/10/2012	8944	Pat Ullrich	General Overhead:Dire...	Director's fees	100.00			-6,323.20
01/10/2012	8948	Brown, Kelly A	-split-		94.35			-6,417.55
01/10/2012		Bank of the San Juans ...		Funds Transfer			17,000.00	10,582.45