

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 September 30, 2012 and the related Profit and Loss Budget Performance for the month and nine months 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 September 12, 2012 to October 9, 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

October 9, 2012

ASPEN SPRINGS METRO DISTRICT
Balance Sheet

Sep 30, 12

ASSETS

Current Assets

Checking/Savings

Bank of the San Juans Operating	2,068.99
Bank of the San Juans Money Mkt	250,597.34
Bank of the San Juans Reserve	13,841.38
CD Reserve Acct-Rio Grande Sav	61,861.67
Colorado Trust 7234	38,545.52
Petty Cash	20.00

Total Checking/Savings 366,934.90

Accounts Receivable

1200 - Accounts Receivable 1,800.00

Total Accounts Receivable 1,800.00

Other Current Assets

Cash Held by Treasurer	7,739.16
Taxes Receivable	181,550.00

Total Other Current Assets 189,289.16

Total Current Assets 558,024.06

Fixed Assets

Land	51,898.49
Buildings	84,184.00
Equipment	853,858.62

Total Fixed Assets 989,941.11

TOTAL ASSETS 1,547,965.17

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

Deferred Revenue 181,550.00

Payroll Liabilities

Soc Security Payable 668.41

Medicare Payable 186.38

Federal Withholding Payable 786.00

Colorado State Withholding Tax 876.00

SUTA Payable 69.29

Total Payroll Liabilities 2,586.08

Total Other Current Liabilities 184,136.08

Total Current Liabilities 184,136.08

Long Term Liabilities

Leases Payable

Wells Fargo #L003421 171,341.96

Total Leases Payable 171,341.96

ASPEN SPRINGS METRO DISTRICT
Balance Sheet

	Sep 30, 12
Total Long Term Liabilities	171,341.96
Total Liabilities	355,478.04
Equity	
Fund Balance-Beg. of Year	490,868.84
Investment In Fixed Assets	651,919.16
Net Income	49,699.13
Total Equity	1,192,487.13
TOTAL LIABILITIES & EQUITY	1,547,965.17

Profit & Loss Budget Performance

September 2012

	<u>Sep 12</u>	<u>Jan - Sep 12</u>	<u>Annual Budget</u>
Ordinary Income/Expense			
Income			
Grants			
Park	0.00	0.00	4,000.00
Fill Station	0.00	0.00	12,000.00
Total Grants	<u>0.00</u>	<u>0.00</u>	<u>16,000.00</u>
Property Tax Income	3,664.95	172,157.28	181,067.00
Senior/Veteran Exemption Tax	0.00	106.70	100.00
Specific Ownership Tax	1,124.09	10,834.80	15,000.00
Highway User Tax Funds	16,344.30	116,211.56	123,000.00
Interest Income-Archuleta Cty	169.49	1,101.36	500.00
Oak Hills Income	1,800.00	1,800.00	1,800.00
Water Fill Station Income	0.00	0.00	12,000.00
Other Interest Income	140.90	849.41	1,000.00
Abatements	<u>0.00</u>	<u>-21.23</u>	<u>100.00</u>
Total Income	<u>23,243.73</u>	<u>303,039.88</u>	<u>350,567.00</u>
Expense			
General Government			
Treasurers Fees	<u>114.79</u>	<u>5,183.62</u>	<u>7,246.00</u>
Total General Government	<u>114.79</u>	<u>5,183.62</u>	<u>7,246.00</u>
General Overhead			
Finance Charges	33.27	68.40	
Accounting	275.00	1,840.00	2,700.00
Advertising/Printing	0.00	0.00	200.00
Bank Charges	0.00	52.00	
Bonds	0.00	100.00	
Directors Fees	400.00	3,900.00	5,500.00
Dues & Publications	0.00	0.00	800.00
Election Costs	0.00	11.00	
Insurance	0.00	12,289.05	11,800.00
Internet/Website	0.00	0.00	250.00
Professional/Legal Fees	148.00	1,322.75	3,000.00
Office Supplies	0.00	626.38	200.00
Postage/Freight	11.25	175.36	250.00
Professional Fees	0.00	1,000.00	
Supplies - Misc	398.52	2,151.90	2,000.00
Telephone/Cell Phone	<u>254.26</u>	<u>2,444.04</u>	<u>3,200.00</u>
Total General Overhead	<u>1,520.30</u>	<u>25,980.88</u>	<u>29,900.00</u>
Public Works			
CAPITAL OUTLAY			

Profit & Loss Budget Performance

September 2012

	<u>Sep 12</u>	<u>Jan - Sep 12</u>	<u>Annual Budget</u>
Parks & Recreation			
Ute Park			
Miscellaneous Supplies	0.00	3,570.23	3,000.00
Professional/Legal Fees	600.00	600.00	
Total Ute Park	<u>600.00</u>	<u>4,170.23</u>	<u>3,000.00</u>
Total Parks & Recreation	600.00	4,170.23	3,000.00
 Water Fill Station			
Miscellaneous Supples	0.00	0.00	4,000.00
Building/Water Treatment	0.00	500.00	12,000.00
Professional/Legal Fees	0.00	1,350.00	
Water Fill Station - Other	0.00	315.00	
Total Water Fill Station	<u>0.00</u>	<u>2,165.00</u>	<u>16,000.00</u>
Total CAPITAL OUTLAY	600.00	6,335.23	19,000.00
 Operating Expenses			
Building Expenses			
Office Cleaning	0.00	0.00	1,000.00
Repairs & Maintenance	0.00	31.15	1,000.00
Utilities			
Sanitation	0.00	260.57	523.00
Utilities - Other	152.58	3,425.11	5,910.00
Total Utilities	<u>152.58</u>	<u>3,685.68</u>	<u>6,433.00</u>
Total Building Expenses	152.58	3,716.83	8,433.00
 Equipment Expenses			
Equipment Lease	0.00	39,466.34	31,266.24
Equipment Repair & Maint			
Vehicle Maintenance	60.25	940.40	
Equipment Repair & Maint -	736.81	24,675.69	22,500.00
Total Equipment Repair & Maint	<u>797.06</u>	<u>25,616.09</u>	<u>22,500.00</u>
Equipment Rental	0.00	45.50	
Gas, Diesel, Oil	172.01	16,632.75	25,000.00
Interest	0.00	0.00	8,400.00
Small Tools	0.00	0.00	300.00
Equipment Expenses - Other	0.00	0.00	200.00
Total Equipment Expenses	<u>969.07</u>	<u>81,760.68</u>	<u>87,666.24</u>
 Road Maintenance			
Road Maint/Asphalt	0.00	6,201.02	5,000.00

Profit & Loss Budget Performance

September 2012

	Sep 12	Jan - Sep 12	Annual Budget
Materials/Mag Chloride	0.00	32,600.02	30,000.00
Gravel	0.00	30,752.08	30,000.00
Weed Control	0.00	13,261.00	8,500.00
Total Road Maintenance	0.00	82,814.12	73,500.00
 Total Operating Expenses	1,121.65	168,291.63	169,599.24
 Salaries & Wages			
Foreman	3,333.10	33,331.00	43,330.00
Equipment Operator 3	2,993.58	29,935.80	38,916.00
Equipment Operator 1	0.00	0.00	19,594.00
Hourly Employee	0.00	1,440.00	4,000.00
Retirement/Bonus	0.00	0.00	4,000.00
Salaries & Wages - Other	100.00	860.00	
Total Salaries & Wages	6,426.68	65,566.80	109,840.00
 Total Public Works	8,148.33	240,193.66	298,439.24
 Employee Insurance			
Health Insurance	2,182.99	19,646.91	34,000.00
Worker's Comp Insurance	0.00	3,670.00	8,000.00
Total Employee Insurance	2,182.99	23,316.91	42,000.00
 Payroll Taxes			
Medicare Tax	93.19	950.72	1,700.00
Social Security Tax	398.45	4,065.15	7,300.00
State Unemployment Tax	19.28	196.70	240.00
Total Payroll Taxes	510.92	5,212.57	9,240.00
 Total Expense	12,477.33	299,887.64	386,825.24
 Net Ordinary Income	10,766.40	3,152.24	-36,258.24
 Other Income/Expense			
Other Income			
Income - Other	0.00	4,046.89	4,150.00
Sales of Fixed Assets	0.00	42,500.00	
Total Other Income	0.00	46,546.89	4,150.00
 Net Other Income	0.00	46,546.89	4,150.00
 Net Income	10,766.40	49,699.13	-32,108.24

ASPEN SPRINGS METRO DISTRICT
Cash Disbursements

Type	Date	Num	Name	Memo	Split	Amount
Bank of the San Juans Operating						
Check	9/11/2012	9174	ACE	Acct# 15656	Supplies - Misc	-398.52
Check	9/11/2012	9175	Basin Coop	Inv# 684504	Equipment Repair ...	-682.00
Check	9/11/2012	9176	NAPA of Paogsa Springs	Inv# 7754	Vehicle Maintenance	-60.25
Check	9/11/2012	9177	Michael Carroll	Disc Golf course layout	Professional/Legal ...	-300.00
Check	9/11/2012	9178	Jeffery Edens	Disc Golf course layout	Professional/Legal ...	-300.00
Check	9/11/2012	9179	Carey Brown	Reimbursement	Equipment Repair ...	-33.41
Check	9/11/2012	9180	Wilson, Rea, Beckel & Asso...	Inv #7144	-SPLIT-	-286.25
Check	9/11/2012	9181	VERIZON WIRELESS	Acct# 871108333-000...	Telephone/Cell Ph...	-97.99
Check	9/11/2012	9182	Kelly Evans	Director's fees	Directors Fees	-100.00
Check	9/11/2012	9183	Dickie Dale Warring	VOID: Director's fees	Directors Fees	-100.00
Check	9/11/2012	9184	Glenn Robinson	Director's fees	Directors Fees	0.00
Check	9/11/2012	9185	Holly Fulbright	Director's fees	Directors Fees	-100.00
Check	9/11/2012	9186	Pat Ullrich	Director's fees	Directors Fees	-100.00
Paycheck	9/14/2012	9187	Brown, Carey G		-SPLIT-	-1,339.39
Paycheck	9/14/2012	9188	Brown, Kelly A		-SPLIT-	-94.35
Paycheck	9/14/2012	9189	Stevens, Roy		-SPLIT-	-1,130.21
Liability Che...	9/17/2012	EFTPS	Bank of the San Juans	74-2212616	-SPLIT-	-2,454.47
Check	9/25/2012	9192	Dirk W Nelson		Professional/Legal ...	-148.00
Check	9/25/2012	9193	Century Link	Acct #300920334	Telephone/Cell Ph...	-156.27
Check	9/25/2012	9194	Firebird Fuel	Inv # 52700CT	Gas, Diesel, Oil	-172.01
Check	9/25/2012	9195	La Plata Electric		Utilities	-152.58
Check	9/25/2012	9196	ROCKY MTN HEALTH PLANS	Inv# 122540000516	Health Insurance	-2,182.99
Check	9/25/2012	9197	Western Refining Wholesale	Inv# 94254	Finance Charges	-33.27
Check	9/25/2012	9198	B & F Welding Supply	Inv# 328145	Equipment Repair ...	-21.40
Paycheck	9/28/2012	9190	Brown, Carey G		-SPLIT-	-1,339.39
Paycheck	9/28/2012	9191	Stevens, Roy		-SPLIT-	-1,130.23
Total Bank of the San Juans Operating						-12,912.98
TOTAL						-12,912.98

See Accountant's Compilation Report

ASPEN SPRINGS METRO DISTRICT
Check Register

10/8/2012 11:01 AM

Register: Bank of the San Juans Operating

From 09/12/2012 through 10/09/2012

Sorted by: Date, Type, Number/Ref

<u>Date</u>	<u>Number</u>	<u>Payee</u>	<u>Account</u>	<u>Memo</u>	<u>Payment</u>	<u>C</u>	<u>Deposit</u>	<u>Balance</u>
09/14/2012	9187	Brown, Carey G	-split-		1,339.39	X		8,582.77
09/14/2012	9188	Brown, Kelly A	-split-		94.35	X		8,488.42
09/14/2012	9189	Stevens, Roy	-split-		1,130.21	X		7,358.21
09/17/2012	EFTPS	Bank of the San Juans	-split-	74-2212616	2,454.47	X		4,903.74
09/25/2012	9192	Dirk W Nelson	General Overhead:Prof...		148.00			4,755.74
09/25/2012	9193	Century Link	General Overhead:Tele...	Acct #3009203...	156.27			4,599.47
09/25/2012	9194	Firebird Fuel	Public Works:Operatin...	Inv # 52700CT	172.01			4,427.46
09/25/2012	9195	La Plata Electric	Public Works:Operatin...		152.58			4,274.88
09/25/2012	9196	ROCKY MTN HEA...	Employee Insurance:H...	Inv# 12254000...	2,182.99			2,091.89
09/25/2012	9197	Western Refining W...	General Overhead:Fina...	Inv# 94254	33.27			2,058.62
09/25/2012	9198	B & F Welding Supply	Public Works:Operatin...	Inv# 328145	21.40			2,037.22
09/25/2012			Bank of the San Juans ...	Funds Transfer		X	2,500.00	4,537.22
09/28/2012	9190	Brown, Carey G	-split-		1,339.39	X		3,197.83
09/28/2012	9191	Stevens, Roy	-split-		1,130.23			2,067.60
09/30/2012			Other Interest Income	Interest		X	1.39	2,068.99
10/09/2012	9199	Kelly Evans	General Overhead:Dire...	Director's fees	100.00			1,968.99
10/09/2012	9200	Dickie Dale Warring	General Overhead:Dire...		100.00			1,868.99
10/09/2012	9201	Glenn Robinson	General Overhead:Dire...	Director's fees	100.00			1,768.99
10/09/2012	9202	Holly Fulbright	General Overhead:Dire...	Director's fees	100.00			1,668.99
10/09/2012	9203	Pat Ullrich	General Overhead:Dire...	Director's fees	100.00			1,568.99
10/09/2012	9204	Pagosa Springs Offic...	General Overhead:Offi...	Inv# 63234	40.29			1,528.70
10/09/2012	9205	Strohecker Asphalt ...	Public Works:Operatin...	Inv #12-391	259.35			1,269.35
10/09/2012	9206	ACE	General Overhead:Sup...	Acct# 15656	101.79			1,167.56
10/09/2012	9215	Pat Ullrich	General Overhead:Offi...	Reimburse for ...	19.24			1,148.32
10/09/2012	9216	Strohecker Asphalt ...	Public Works:Operatin...	Inv #12-408	2,311.87			-1,163.55
10/09/2012	9217	TRANSWEST TRU...	Public Works:Operatin...	Inv# 9 2224902...	76.74			-1,240.29
10/09/2012	9218	Summit Supply Corp...	General Overhead:Sup...	Inv# 72043	23.00			-1,263.29
10/09/2012	9219	Waste Management ...	Public Works:Operatin...	Inv# 0274697-...	29.42			-1,292.71
10/09/2012	9220	VERIZON WIRELE...	General Overhead:Tele...	Acct# 8711083...	85.30			-1,378.01
10/09/2012	9221	Lucero Tire	Public Works:Operatin...	Inv# 274308	25.00			-1,403.01