

M E M O

To: Cascade Board of Directors

From: Divena Mortimeyer

Date: July 18, 2015

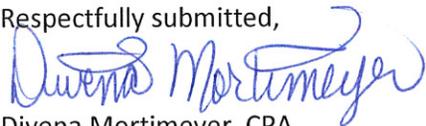
RE: June Financial Statements

Attached are the June 2015 financial statements. A new format has been implemented this month. In order to give a better picture of the financial condition of the District and also to clearly delineate how the funds are segregated, the financial statements are now presented on a budgetary basis. The value of this presentation is that the Board will be able to get a clearer picture of the cash position of the District. The former financial statements were presented on a full accrual basis which detailed all the assets and liabilities of the District in one fund. The full accrual presentation is the accurate presentation for the financial statements, however, it doesn't help the Board to see the true cash position of the District nor does it allow for a clear understanding of how the funds are segregated for different purposes. With the budgetary basis presentation, the Board will be able to clearly decipher how much money is set aside for debt service and capital projects funds as well as determine the true position of the operations of the District. At year-end the auditors will provide full accrual financial statements to the Board that are similar to the statements you have been viewing up to this point.

The June financial statements also show the Series 2015 A and B bond transaction that occurred on June 9, 2015. With this transaction, the District has been able to get a clean slate with all accounts payable being paid off as well as the outstanding debt balances due to DOLA, CSU, and Carl Turse.

Please feel free to give me a call if you have any questions.

Respectfully submitted,



Divena Mortimeyer, CPA
Special District Management Services, Inc.

CASCADE METROPOLITAN DISTRICT NO. 1
 Schedule of Cash Position
 June 30, 2015

	<u>Rate</u>	<u>Operating</u>	<u>Debt Service</u>	<u>Capital</u>	<u>Total</u>
Checking					
FirstBank		20,510.08	-	-	20,510.08
Investments					
First Bank - Lockbox	0.050%	90,606.04	-	-	90,606.04
UMB Reserve Fund	0.008%	-	367,729.64	-	367,729.64
UMB Issuance Fund	0.008%	-	626.97	-	626.97
UMB Project Fund	0.008%	-	-	3,163,204.50	3,163,204.50
Total Funds		<u><u>\$ 111,116.12</u></u>	<u><u>\$ 368,356.61</u></u>	<u><u>\$ 3,163,204.50</u></u>	<u><u>\$ 3,642,677.23</u></u>

2015 Mill Levy Information:

Certified General Fund Mill Levy:	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Total Certified Mill Levy	<u><u>0.000</u></u>	<u><u>0.000</u></u>	<u><u>0.000</u></u>

Board of Directors:

- * Mike Whittemore
- * Mike Herr
- * Troy Eason
- * Stephen Spaulding

* Board member is an authorized signer on the checking account.

CASCADE METROPOLITAN DISTRICT NO. 1

FINANCIAL STATEMENTS

JUNE 30, 2015

CASCADE METROPOLITAN DISTRICT NO. 1
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 June 30, 2015

<u>ASSETS AND OTHER DEBITS</u>	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>FIXED ASSETS</u>	<u>LONG-TERM DEBT</u>	<u>TOTAL MEMO ONLY</u>
CURRENT ASSETS						
CASH IN BANK-FIRST BANK CHECKING	\$ 20,510.08	\$ -	\$ -	\$ -	\$ -	\$ 20,510.08
CASH IN BANK-FIRST BANK LOCKBOX	90,606.04	-	-	-	-	90,606.04
UMB RESERVE FUND	-	367,729.64	-	-	-	367,729.64
UMB ISSUANCE FUND	-	626.97	-	-	-	626.97
UMB PROJECT FUND	-	-	3,163,204.50	-	-	3,163,204.50
ACCOUNTS RECEIVABLE	71,610.68	-	-	-	-	71,610.68
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(19,000.00)	-	-	-	-	(19,000.00)
TOTAL CURRENT ASSETS	163,726.80	368,356.61	3,163,204.50	-	-	3,695,287.91
OTHER DEBITS						
AMOUNT IN DEBT SERVICE FUND	-	-	-	-	368,356.61	368,356.61
AMOUNT TO BE PROVIDED FOR DEBT	-	-	-	-	4,667,050.39	4,667,050.39
TOTAL OTHER DEBITS	-	-	-	-	5,035,407.00	5,035,407.00
PROPERTY - AT COST						
IMPROVEMENTS	-	-	-	1,203,844.00	-	1,203,844.00
WATER DISTRIBUTION SYSTEM	-	-	-	300,000.00	-	300,000.00
ACCUMULATED DEPRECIATION	-	-	-	(332,431.00)	-	(332,431.00)
TOTAL PROPERTY	-	-	-	1,171,413.00	-	1,171,413.00
TOTAL ASSETS AND OTHER DEBITS	\$ 163,726.80	\$ 368,356.61	\$ 3,163,204.50	\$ 1,171,413.00	\$ 5,035,407.00	\$ 9,902,107.91
 <u>LIABILITIES AND NET ASSETS</u>						
CURRENT LIABILITIES						
ACCOUNTS PAYABLE	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
PAYROLL TAXES PAYABLE	-	-	-	-	-	-
ACCRUED INTEREST PAYABLE	-	-	-	-	-	-
TOTAL CURRENT LIABILITIES	-	-	-	-	-	-
LONG TERM DEBT						
BONDS PAYABLE-2015A	-	-	-	-	3,500,000.00	3,500,000.00
BONDS PAYABLE-2015B	-	-	-	-	1,500,000.00	1,500,000.00
PREMIUM, NET OF AMORT.	-	-	-	-	46,657.00	46,657.00
DISCOUNT, NET OF ACCRETION	-	-	-	-	(11,250.00)	(11,250.00)
TOTAL LONG TERM DEBT	-	-	-	-	5,035,407.00	5,035,407.00
NET ASSETS						
INVESTMENT IN FIXED ASSETS	-	-	-	1,171,413.00	-	1,171,413.00
RESTRICTED - TABOR	57,794.00	-	-	-	-	57,794.00
UNRESTRICTED	(127,605.15)	-	-	-	-	(127,605.15)
CURRENT EARNINGS	233,537.95	368,356.61	3,163,204.50	-	-	3,765,099.06
TOTAL NET ASSETS	163,726.80	368,356.61	3,163,204.50	-	-	3,695,287.91
TOTAL LIABILITIES AND NET ASSETS	\$ 163,726.80	\$ 368,356.61	\$ 3,163,204.50	\$ 1,171,413.00	\$ 5,035,407.00	\$ 9,902,107.91

CASCADE METROPOLITAN DISTRICT NO. 1
GENERAL FUND
STATEMENT OF REVENUE AND EXPENDITURES COMPARED TO BUDGET
FOR THE 6 MONTHS ENDING JUNE 30, 2015

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	VARIANCE	PCNT
<u>REVENUE</u>					
1-505 WATER SALES	15,973.84	77,316.87	425,000.00	347,683.13	18.2
1-508 WATER SERVICE CHARGE	6,888.38	49,499.86	72,000.00	22,500.14	68.8
1-510 LATE FEES	460.00	5,630.00	2,000.00	(3,630.00)	281.5
1-512 WATER PROVISION FEE	8,939.14	61,201.66	109,200.00	47,998.34	56.1
1-515 PIPELINE SURCHARGE	12,999.70	92,790.81	90,000.00	(2,790.81)	103.1
1-560 INTEREST INCOME	3.46	21.67	20.00	(1.67)	108.4
1-575 MISCELLANEOUS INCOME	.00	36.00	.00	(36.00)	.0
1-585 LOAN PROCEEDS	.00	.00	1,500,000.00	1,500,000.00	.0
1-590 TRANSFER FROM DEBT SERVICE	333,890.87	333,890.87	.00	(333,890.87)	.0
1-591 FORGIVENESS OF DEBT	13,095.19	13,095.19	.00	(13,095.19)	.0
TOTAL REVENUE	392,250.58	633,482.93	2,198,220.00	1,564,737.07	28.8

CASCADE METROPOLITAN DISTRICT NO. 1
GENERAL FUND
STATEMENT OF REVENUE AND EXPENDITURES COMPARED TO BUDGET
FOR THE 6 MONTHS ENDING JUNE 30, 2015

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	VARIANCE	PCNT
<u>EXPENSES</u>					
1-612 ACCOUNTING	92.12	17,295.61	34,600.00	17,304.39	50.0
1-615 AUDIT	.00	3,244.22	7,500.00	4,255.78	43.3
1-618 BANK FEES	28.00	140.30	100.00	(40.30)	140.3
1-635 ELECTION	.00	162.00	.00	(162.00)	.0
1-670 INSURANCE/SDA DUES	.00	7,010.45	7,883.00	872.55	88.9
1-672 DUES, FEES & SUBSCRIPTIONS	.00	275.00	380.00	105.00	72.4
1-675 LEGAL	(20,702.50)	82,188.13	65,000.00	(17,188.13)	126.4
1-676 SPECIAL LITIGATION COUNSEL	.00	8,774.31	.00	(8,774.31)	.0
1-680 MANAGEMENT	.00	26,931.62	30,000.00	3,068.38	89.8
1-682 ENGINEERING	.00	.00	5,000.00	5,000.00	.0
1-685 MISCELLANEOUS	(595.75)	4,816.35	7,000.00	2,183.65	68.8
1-693 PAYROLL TAXES	250.57	1,554.52	2,984.00	1,429.48	52.1
1-710 CHEMICAL AND SUPPLIES	.00	200.00	1,800.00	1,600.00	11.1
1-715 OPERATION LABOR	3,250.00	19,531.15	39,000.00	19,468.85	50.1
1-718 LOCATES	.00	.00	600.00	600.00	.0
1-720 REPAIRS AND MAINTENANCE	.00	13,659.93	10,000.00	(3,659.93)	136.6
1-725 TELEPHONE/UTILITIES EXPENSE	342.50	1,225.14	5,000.00	3,774.86	24.5
1-730 VEHICLE EXPENSE	100.50	212.63	3,600.00	3,387.37	5.9
1-735 WATER PURCHASE EXPENSE	27,474.00	66,524.70	245,000.00	178,475.30	27.2
1-740 WATER QUALITY TESTING EXPENSE	456.00	1,382.19	2,500.00	1,117.81	55.3
1-745 METER SOFTWARE AND HARDWARE	.00	.00	3,200.00	3,200.00	.0
1-750 WEBSITE	.00	.00	500.00	500.00	.0
1-755 ENGINEERING / SURVEY	.00	39,655.00	.00	(39,655.00)	.0
1-760 OFFICE SUPPLIES AND POSTAGE	33.05	33.05	1,500.00	1,466.95	2.2
1-815 TURSE BOND PAYMENTS	2,983.21	5,645.50	5,306.00	(339.50)	106.4
1-820 DOLA - INTEREST PAYMENT	6,636.86	7,073.46	7,941.00	867.54	89.1
1-825 DOLA - LOAN PAYMENTS	3,236.67	9,541.09	25,082.00	15,540.91	38.0
1-830 COS UTILITY INTEREST EXPENSE	.00	8,102.15	25,000.00	16,897.85	32.4
1-831 COS DEBT	16,972.48	16,972.48	.00	(16,972.48)	.0
1-890 PAYOFF OF OUTSTANDING DEBT	.00	.00	1,310,000.00	1,310,000.00	.0
1-891 LOAN COST OF ISSUANCE	.00	.00	80,000.00	80,000.00	.0
1-895 EMERGENCY RESERVE	.00	.00	57,794.00	57,794.00	.0
TOTAL EXPENSES	40,557.71	342,150.98	1,984,270.00	1,642,119.02	17.2
EXCESS REVENUE OVER (UNDER) EXPENDITURES	351,692.87	291,331.95	213,950.00	(77,381.95)	136.2
FUND BALANCE - BEGINNING	(127,512.31)	(127,605.15)	21,079.00	148,684.15	(605.4)
FUND BALANCE - ENDING	224,180.56	163,726.80	235,029.00	71,302.20	69.7

CASCADE METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
STATEMENT OF REVENUE AND EXPENDITURES COMPARED TO BUDGET
FOR THE 6 MONTHS ENDING JUNE 30, 2015

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	VARIANCE	PCNT
<u>REVENUE</u>					
2-523 BOND PROCEEDS	5,000,000.00	5,000,000.00	.00	(5,000,000.00)	.0
2-524 SERIES 2015A-REOFFERING PREM.	46,657.00	46,657.00	.00	(46,657.00)	.0
2-560 INTEREST INCOME	29.95	29.95	.00	(29.95)	.0
TOTAL REVENUE	5,046,686.95	5,046,686.95	.00	(5,046,686.95)	.0
<u>EXPENSES</u>					
2-610 SERIES 2015B-ISSUE DISCOUNT	11,250.00	11,250.00	.00	(11,250.00)	.0
2-618 BOND ISSUANCE COSTS	156,473.34	156,473.34	.00	(156,473.34)	.0
2-801 CARL TURSE BOND	69,150.18	69,150.18	.00	(69,150.18)	.0
2-802 DOLA-PRINCIPAL LOAN	504,296.86	504,296.86	.00	(504,296.86)	.0
2-803 DOLA-INTEREST/PENALTY LOAN	41,307.13	41,307.13	.00	(41,307.13)	.0
2-804 CSU PAYABLE	399,021.03	399,021.03	.00	(399,021.03)	.0
2-894 TRANSFER TO CAPITAL PROJECTS	3,162,940.93	3,162,940.93	.00	(3,162,940.93)	.0
2-895 TRANSFER TO GENERAL FUND	333,890.87	333,890.87	.00	(333,890.87)	.0
TOTAL EXPENSES	4,678,330.34	4,678,330.34	.00	(4,678,330.34)	.0
EXCESS REVENUE OVER (UNDER) EXPENDITURES	368,356.61	368,356.61	.00	(368,356.61)	.0
FUND BALANCE - ENDING	368,356.61	368,356.61	.00	(368,356.61)	.0

CASCADE METROPOLITAN DISTRICT NO. 1
 CAPITAL PROJECTS FUND
 STATEMENT OF REVENUE AND EXPENDITURES COMPARED TO BUDGET
 FOR THE 6 MONTHS ENDING JUNE 30, 2015

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	VARIANCE	PCNT
<u>REVENUE</u>					
3-560 INTEREST INCOME	263.57	263.57	.00	(263.57)	.0
3-565 TRANSFER FROM DEBT SERVICE	3,162,940.93	3,162,940.93	.00	(3,162,940.93)	.0
TOTAL REVENUE	3,163,204.50	3,163,204.50	.00	(3,163,204.50)	.0
EXCESS REVENUE OVER (UNDER) EXPENDITURES	3,163,204.50	3,163,204.50	.00	(3,163,204.50)	.0
FUND BALANCE - ENDING	3,163,204.50	3,163,204.50	.00	(3,163,204.50)	.0