

ROBERTSON & MARCHETTI, P.C.

Certified Public Accountants

April 15, 2010

Boards of Directors
Cordillera Valley Club Metropolitan District
Cordillera Valley Club Property Owners Association

I have compiled the accompanying combined balance sheets of the Cordillera Valley Club Metropolitan District and Cordillera Valley Club Property Owners Association as of March 31, 2010 and the related combined statement of revenues and expenditures and changes in fund balance with budgets for the three month period then ended in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. I also compiled the accompanying budget and forecast of revenues, expenditures and changes in fund balance for the year ending December 31, 2010 and the preliminary budget for calendar year 2010, in accordance with standards established by the American Institute of Certified Public Accountants.

A compilation of historical financial statements is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

A compilation of a forecasted financial statement is limited to presenting in the form of a forecast, information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast.

I have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying forecasted statement or assumptions. Furthermore, there will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected and those differences may be material. I have no responsibility to update this report for events or circumstances occurring after the date of this report.

Management has elected to omit substantially all of the disclosures and the statement of cash flows as of March 31, 2010, required by generally accepted accounting principles. Management has also elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures and statement of cash flows were included in the historical financial statements and if the summary of significant accounting policies were included in the budget and forecast, they might influence the user's conclusions about the District's and the Property Owners Association's historical financial position, results of operations, and cash flows and the forecasted results of operations and fund balances. Full accounting disclosures in accordance with generally accepted accounting principles are available in the annual audited financial statements of the District and the Association. Accordingly, these historical financial statements and forecast are designed to be used in conjunction with the annual audit reports and are not designed for those who are not informed about such matters.

I also compiled the accompanying 2009 historical financial statements of the District and Association and my report thereon stated that I did not audit or review those financial statements and, accordingly, expressed no opinion or other form of assurance on them. The report noted that management had elected to omit substantially all disclosures and the statement of cash flows, and if these omissions had been included, they might influence the user's conclusions about the District's and Association's 2009 financial position, results of operations, and cash flows. Accordingly, the 2009 financial statements are not designed for those who are not informed about such matters.

I am not independent with respect to Cordillera Valley Club Metropolitan District and Cordillera Valley Club Property Owners Association.

ROBERTSON & MARCHETTI, P.C.


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Cordillera Valley Club POA & Metro District
Combined Statement of Revenues, Expenditures and Changes in Fund Balance
Actual, Budget and Forecast for the Periods Indicated

Printed: 04/15/10

	YTD Actual 12/31/09	2010 Adopted Budget	2010 Projected Variations	2010 Forecast	YTD Actual 3/31/10	YTD Budget 3/31/10	Variance Favorable (Unfavor)	Preliminary 2011 Budget
Revenues								
Ending Assessed Value	0	25,957,960	0	25,957,960	0	0	0	25,957,960
Operating Mill Levy Rate		25.000		25.000				25.000
Temporary Mill Levy Credit								0.000
Debt Service Mill Levy								0.000
Total Mill Levy		25.000	0	25.000				25.000
Property Taxes 25 Mills	519,972	648,949	0	648,949	192,089	207,664	(15,575)	648,949
Property Taxes DS Mills								
Specific Ownership Taxes	21,197	29,203	0	29,203	3,676	4,867	(1,191)	29,203
Regular Assessments	192,000	192,000	0	192,000	192,000	192,000	0	192,000
RE Transfer Assessments	223,280	150,000	0	150,000	84,500	37,500	47,000	150,000
Design Review Fees	800	0	0	0	500	0	500	0
Club Impact Fee	26,863	27,938	0	27,938	27,938	27,938	0	29,056
Interest Income	4,882	11,200	0	11,200	385	2,800	(2,415)	11,200
Transponder Sales	1,950	0	0	0	0	0	0	
Guidelines/Fines/Other Revenue	1,196	500	0	500	260	125	135	500
Total Revenues	992,141	1,059,790	0	1,059,790	501,348	472,894	28,454	1,060,907
	=	=	=	=	=	=	=	=
Administrative Expenses								
Accounting, Admin & Mgmt	69,071	69,000	0	69,000	16,558	18,750	2,192	69,000
Audit	6,400	6,650	0	6,650	0	0	0	6,650
Bad Debts Expense	0	0	0	0	0	0	0	
Bank Charges	2,280	2,400	0	2,400	1,667	1,800	133	2,400
Community Marketing	24,000	24,000	0	24,000	24,000	24,000	0	24,000
Dues & Subscriptions	771	900	0	900	527	900	373	900
Elections	0	2,000	0	2,000	114	1,000	886	2,000
Homeowner Relations	117	500	0	500	0	125	125	500
Ins Expense, incl. D&O Liab.	5,894	6,425	(116)	6,541	6,319	6,425	106	6,425
Legal Fees	16,390	18,600	0	18,600	354	4,650	4,296	18,600
Meeting Expenses	2,600	2,400	0	2,400	458	600	142	2,400
Office Supplies & Expense	2,410	1,980	(520)	2,500	1,312	1,170	(142)	1,980
Treasurer's Fees	15,684	19,468	0	19,468	5,763	6,230	467	19,468
Total Administrative Exp.	145,616	154,323	(636)	154,959	57,072	65,650	8,578	154,323
	=	=	=	=	=	=	=	=
DRB & Covenant Enforcement Expenses:								
DRB Submittals	4,606	0	0	0	0	0	0	0
DRB Minor Modifications	1,480	0	0	0	210	0	(210)	0
DRB General Overhead	14,412	12,000	0	12,000	1,084	2,000	916	12,000
DRB Special Projects	7,632	0	0	0	2,467	0	(2,467)	0
Covenant Enforcement & General	1,847	6,000	0	6,000	0	1,000	1,000	6,000
DRB Guidelines Rewrite	0	0	0	0	0	0	0	0
POA Meeting Updates	4,142	2,400	0	2,400	855	400	(455)	2,400
DRB Storage	2,400	2,400	0	2,400	400	400	0	2,400
DRB Landscape Architect	0	0	0	0	0	0	0	0
DRB - Director Fees	2,025	2,250	0	2,250	0	375	375	2,250
DRB - Meeting Expenses	958	2,000	0	2,000	351	333	(18)	2,000
Legal Fees	1,283	1,500	0	1,500	0	125	125	1,500
Total DRB Expenses	40,785	28,550	0	28,550	5,368	4,633	(734)	28,550
	=	=	=	=	=	=	=	=
See accompanying accountant's report.								

(Forecast based on
3/31/10 Financials)

	Actual Y/E 12/31/09	Adopted Budget 12/31/10	Forecast Y/E 12/31/10	Actual YTD 3/31/10	Budget YTD 3/31/10	Variance 3/31/10 Fav(Un)	2011 Prelim Budget
Revenues--							
Assessed Value Change		25,958 26%	25,958 26%				25,958 0%
Mill Levy Rate		25	25				25
Property Taxes	520	649	649	192	208	(16)	649
Specific Ownership Taxes	21	29	29	4	5	(1)	29
Real Estate Xfer Assessments ("RETA")	223	150	150	85	38	47	150
Regular Assessments	192	192	192	192	192	0	192
Club Impact Fee	27	28	28	28	28	0	29
Design Review Board Fees	1	0	0	1	0	1	0
All Other	8	12	12	1	3	(2)	12
Total Revenues	992	1,060	1,060	501	473	28	1,061
Operational Expenditures--							
Administrative Expenses	(146)	(154)	(155)	(57)	(66)	9	(154)
DRB/Covenant Enforcement	(41)	(29)	(29)	(5)	(5)	(1)	(29)
Public Safety	(386)	(406)	(406)	(100)	(102)	1	(406)
Community Operations	(234)	(265)	(265)	(41)	(56)	15	(265)
Total Operational Expenditures	(806)	(854)	(855)	(204)	(228)	24	(854)
Net Surplus / -Deficit from Operations	187	206	205	298	245	53	207
Debt Service	(22)	(22)	(22)	0	0	0	(22)
Net Surplus / -Deficit after Debt Service	164	184	183	298	245	53	185
Capital Expenditures/Debt Issuances--							
Berm Study / Design / PUD	(4)	(5)	(5)	(1)	(2)	1	0
Berm Legal Expenses	(3)	0	0	0	0	0	0
Recreation Path Requirement per PUD	0	(20)	(20)	0	0	0	0
Berm Construction	0	0	0	0	0	0	0
Gate House Improvements & Cameras	(5)	0	(45)	(20)	0	(20)	0
Landscape Master Plan	0	0	0	0	0	0	0
Landscape Improvements	0	0	0	0	0	0	0
Lighting and Signage	0	(60)	(60)	0	0	0	0
Open Space/Fishing Rights	0	0	0	0	0	0	0
Speed Bumps	0	0	0	0	0	0	0
Vehicle & Emergency Equipment	0	0	0	0	0	0	0
Road Repair/ReSeal/Overlays	0	(12)	(12)	0	0	0	(75)
Other Capital Projects	(19)	0	0	(13)	0	(13)	0
Water Tank Project	0	0	0	0	0	0	0
Debt Issuances, Net	(31)	(97)	(142)	(34)	(2)	(32)	(75)
Net Capital Transactions							
Increase (Decrease) in Unencumbered Ft	133	87	41	264	243	21	110
Unencumbered Fund Bal Begin of Year	30	104	163	163	104	59	204
Unencumbered Fund Bal End of Yr	163	191	204	427	347	80	313

Combined CVC Metro & Property Owner Association
Expense Categories Detail

	Actual YTD 12/31/09	Orig Bgt Y/E 12/31/10	Forecast Y/E 12/31/10	Actual YTD 3/31/10	Budget YTD 3/31/10	Variance 3/31/10 Fav(Un)	2011 Prelim Budget
Administration							
Accounting and Administration	(69)	(69)	(69)	(17)	(19)	2	(69)
Community Marketing	(24)	(24)	(24)	(24)	(24)	0	(24)
Legal Fees	(16)	(19)	(19)	0	(5)	5	(19)
Recreation	(2)	(4)	(4)	0	(2)	2	(4)
Bad Debts Expense	0		0	0	0	0	0
All Other Administration	(35)	(38)	(39)	(16)	(16)	(0)	(38)
Total Administration	(146)	(154)	(155)	(57)	(66)	9	(154)
DRB/Covenant Enforcement							
DRB Submittals	(6)	0	0	(1)	0	(1)	(1)
DRB Minor Modifications	(1)	0	0	0	0	0	0
DRB General Overhead	(14)	(12)	(12)	(1)	(2)	1	(12)
DRB Special Projects	(8)	0	0	(2)	0	(2)	0
Covenant Enforcement & General	(2)	(6)	(6)	0	(1)	1	(6)
POA Guidelines Rewrite	0	0	0	0	0	0	0
POA Meeting Updates	(4)	(2)	(2)	(1)	(0)	(1)	(2)
DRB Storage	(2)	(2)	(2)	0	(0)	0	(2)
DRB Landscape Architect	0	0	0	0	0	0	0
DRB - Director Fees	(2)	(2)	(2)	0	(0)	0	(2)
DRB - Meeting Expenses	(1)	(2)	(2)	0	(0)	0	(2)
Legal Fees	(1)	(2)	(2)	0	(0)	0	(2)
DRB/Covenant Enforcement	(41)	(28)	(28)	(5)	(5)	1	(29)
Public Safety							
Community Operations							
Landscaping & Flower Maintenance	(53)	(53)	(53)	0	0	0	(53)
Lights, Signage & Holiday Lights	(14)	(16)	(16)	(4)	(2)	(2)	(16)
Recreation	(2)			0	(2)	2	(4)
Road Maintenance	(29)	(24)	(24)	0	(1)	1	(24)
Engineering	(10)	(5)	(5)	(1)	(1)	0	(10)
Interchange Representation	0	0	0	0	0	0	0
Snow Removal	(31)	(37)	(37)	(13)	(27)	15	(37)
Tree Care, Weed & Pest Control	(25)	(22)	(22)	0	(3)	3	(22)
Operations Management	(52)	(44)	(44)	(11)	(11)	(0)	(44)
Utilities	(14)	(18)	(18)	(2)	(3)	1	(18)
Gate Maintenance & Transponders & Misc	(5)	(5)	(5)	(5)	(5)	(0)	(5)
Building Maintenance and Repairs	0	(8)	(8)	0	0	0	(8)
Contingency	0	(25)	(25)	0	0	0	(25)
Community Operations	(233)	(257)	(257)	(35)	(55)	20	(265)
Total Operational Expenditures	(806)	(845)	(845)	(197)	(227)	32	(854)

**Cordillera Valley Club POA & Metro District
Combined Balance Sheets**

Printed: 04/15/10

	<u>12/31/09</u>	<u>3/31/10</u>
<u>Assets</u>		
Cash - Checking	562	29,085
Cash - Savings FBOA	45,949	150,995
Cash - Savings ColoTrust	175,501	278,011
Petty Cash - Checking	2,306	2,306
Cash - Restricted FBOA	65,700	37,900
Due from County Treasurer	1,416	0
Assessments Receivable	13,053	56,063
Prepaid Expense	2,403	0
Prepaid Insurance	3,916	0
Property Tax Receivable	648,949	616,572
Receivable from Developer	0	0
Other Accounts Receivable	5,492	0
Allowance for Doubtful Accounts	0	0
Capital Assets	1,072,999	1,072,999
Other Assets	5,519	5,519
Total Assets	<u>2,043,766</u>	<u>2,249,450</u>
 <u>Liabilities</u>		
Accounts Payable	30,629	32,646
Accrued Liabilities	1,966	1,966
DRB Deposits	59,174	31,251
Deferred Property Tax	648,949	616,572
LT Debt - Bond Payable	114,539	114,539
Wells Fargo Note Payable	0	0
Total Liabilities	<u>855,257</u>	<u>796,974</u>
 <u>Net Assets</u>		
Investment in Fixed Assets	1,078,518	1,078,518
Net of Long-term Debt	(116,505)	(116,505)
Working Capital Deposits	63,300	63,300
Fund Balance	163,195	427,162
Total Net Assets	<u>1,188,509</u>	<u>1,452,476</u>
Total Liabilities and Net Assets	<u>2,043,766</u>	<u>2,249,450</u>
See Accompanying Accountant's Re	=	=

Cordillera Valley Club POA & Metro District
Combined Statement of Revenues, Expenditures and Changes in Fund Balance
Actual, Budget and Forecast for the Periods Indicated

	YTD Actual 12/31/09	2010 Adopted Budget	2010 Projected Variations	2010 Forecast	YTD Actual 3/31/10	YTD Budget 3/31/10	Variance Favorable (Unfavor)	Preliminary 2011 Budget
Public Safety								
Gate House Staffing & Patrols	382,797	400,449	0	400,449	100,113	100,112	(1)	400,449
Vehicle Operating Expense	2,794	5,789	0	5,789	0	1,447	1,447	5,789
Total Public Safety	385,591	406,237	0	406,237	100,113	101,559	1,446	406,237
	=	=	=	=	=	=	=	=
Community Operations								
Landscaping - Turf Area Maintenance	18,812	18,845	0	18,845	0	0	0	18,845
Landscaping - Flowers Maintenance	33,900	34,150	0	34,150	0	0	0	34,150
Lights & Signage	5,167	8,000	0	8,000	146	2,000	1,854	8,000
Holiday Lights	8,478	8,480	0	8,480	3,379	0	(3,379)	8,480
Recreation	1,815	3,500	0	3,500	0	2,000	2,000	3,500
Miscellaneous Expenses	0	0	0	0	0	0	0	0
Road Maintenance	15,699	10,500	0	10,500	0	1,313	1,313	10,500
Road Asphalt Patch & Crack Seal	13,494	13,500	0	13,500	0	0	0	13,500
Road Engineering	9,771	5,000	0	5,000	630	1,250	620	5,000
Engineering - (Special Proj)	259	5,000	0	5,000	0	1,250	1,250	5,000
Interchange Representation	0	0	0	0	0	0	0	0
Engineering - (Sewer Proj)	0	0	0	0	6,183	0	(6,183)	0
Snow Plowing	24,400	25,200	0	25,200	12,600	15,120	2,520	25,200
Snow Plow Materials, Eq Rent, Xtras	6,498	12,000	0	12,000	0	12,000	12,000	12,000
Weed & Pest Control	10,288	10,000	0	10,000	0	2,500	2,500	10,000
Tree Care	14,380	12,000	0	12,000	0	0	0	12,000
Operations Management	51,587	43,757	0	43,757	10,940	10,939	(0)	43,757
Operations Cell Phone	252	540	0	540	0	135	135	540
Gatehouse Utilities - Cable TV	1,227	1,300	0	1,300	184	325	141	1,300
Utilities - Electric	3,917	6,180	0	6,180	1,054	1,545	491	6,180
Utilities - Water	7,093	8,016	0	8,016	101	240	139	8,016
Utilities - Telephone	1,745	1,545	0	1,545	516	386	(130)	1,545
Gate Maintenance and Transponders	4,806	5,000	(291)	5,291	5,291	5,000	(291)	5,000
Building Maintenance and Repair	0	7,500	0	7,500	0	0	0	7,500
Contingency	0	25,000	0	25,000	0	0	0	25,000
Total Community Ops Exp	233,584	265,013	(291)	265,304	41,023	56,004	14,980	265,013
	=	=	=	=	=	=	=	=
Debt Service								
Debt Service - Prin 2003 Ln (\$200K)	16,375	17,095	0	17,095	0	0	0	17,847
Debt Service - Int 2003 Ln (\$200K)	5,760	5,040	0	5,040	0	0	0	4,288
Debt Service - Vehicle Purchase Prin	0	0	0	0	0	0	0	0
Debt Service - Vehicle Purchase Int	0	0	0	0	0	0	0	0
Debt Service - 2009 Bond Prin	0	0	0	0	0	0	0	0
Debt Service - 2009 Bond Int	0	0	0	0	0	0	0	0
Treasurer's Fees	0	0	0	0	0	0	0	0
Contingency	0	0	0	0	0	0	0	0
Total Debt Service	22,135	22,135	0	22,135	0	0	0	22,135
	=	=	=	=	=	=	=	=
Total Expenses Before Capital	827,712	876,259	(927)	877,186	203,576	227,846	24,270	876,259
Rev over Exp. before Capital	164,429	183,531	(927)	182,604	297,772	245,048	52,724	184,648

See accompanying accountant's report.

Cordillera Valley Club POA & Metro District
Combined Statement of Revenues, Expenditures and Changes in Fund Balance
Actual, Budget and Forecast for the Periods Indicated

	YTD Actual 12/31/09	2010 Adopted Budget	2010 Projected Variations	2010 Forecast	YTD Actual 3/31/10	YTD Budget 3/31/10	Variance Favorable (Unfavor)	Preliminary 2011 Budget
Capital Expenditures								
Gatehouse Improvements								
Emergency Equipment	3,177	0	0	0	0	0	0	0
Vehicle Purchase	0	0	0	0	0	0	0	0
RFID System	1,825	0	(30,000)	30,000	19,918	0	(19,918)	0
Cameras System	0	0	(15,000)	15,000	0	0	0	0
Berm Study/Design/PUD	4,046	5,000	0	5,000	1,290	1,875	585	0
Berm Legal Expense	2,990	0	0	0	0	0	0	0
Recreation Path Requirement per PUD		20,000		20,000	0			0
Berm Construction Management	0	0	0	0	0	0	0	0
Berm Construction	0	0	0	0	0	0	0	0
Berm Contingency								0
Speed Bumps	0	0	0	0	0	0	0	0
Road Slurry Seals/Repairs								
Road Engineering	0	0	0	0	0	0	0	0
Road Overlay - Beard Creek Trail	0	0	0	0	0	0	0	0
Road Overlay - Side Roads	0	0	0	0	0	0	0	0
Landscape Master Plan	0	0	0	0	0	0	0	0
Landscape Improvements	0	0	0	0	0	0	0	0
Lighting and Signage	0	60,000	0	60,000	0	0	0	0
Open Space/Fishing Rights	0	0	0	0	0	0	0	0
Water Tank Expenses-Engineering	6,355	0	0	0	7,281	0	(7,281)	0
Water Tank Expenses-Architectural	8,070	0	0	0	344	0	(344)	0
Water Tank Expenses-Legal G&H	1,825	0	0	0	4,972	0	(4,972)	0
Water Tank Expenses-Legal S&H	2,779	0	0	0	0	0	0	0
Water Tank Expense Reimbursemer	0	0	0	0	0	0	0	0
Other Capital Projects	0	12,000	0	12,000	0	0	0	75,000
Total Capital Projects	31,066	97,000	(45,000)	142,000	33,805	1,875	(31,930)	75,000
	=	=	=	=	=	=	=	=
Rev over Exp. After Capital	133,363	86,531	(45,927)	40,604	263,967	243,173	20,794	109,648
	=	=	=	=	=	=	=	=
Other Financing Sources & Uses								
Bond/Loan Proceeds	0	0	0	0	0	0	0	0
Bond Issue Costs	0	0	0	0	0	0	0	0
Total Other Sources & Uses	0	0	0	0	0	0	0	0
	=	=	=	=	=	=	=	=
Beginning Combined Fund Balances	29,832	103,881	59,314	163,195	163,195	103,881	59,314	203,799
	=	=	=	=	=	=	=	=
Ending Combined Fund Balances	163,195	190,413	13,386	203,799	427,162	347,054	80,108	313,447
See accompanying accountant's report.	=	=	=	=	=	=	=	=