

UTE LAKE RANCH  
PUBLIC IMPROVEMENT DISTRICT NO. 2  
Quay County, New Mexico

AGREED-UPON PROCEDURES  
**June 30, 2015**

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**UTE LAKE RANCH PUBLIC IMPROVEMENT DISTRICT NO. 2  
OFFICIAL ROSTER  
June 30, 2015**

**Board of Directors**

Vacant  
Neil Simpson  
Rick Dengler  
Mark Savela  
Ashley Tarufelli

President  
Treasurer  
Director  
Director  
Clerk



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CliftonLarsonAllen LLP  
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**INDEPENDENT ACCOUNTANTS' REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

Ute Lake Ranch Public Improvement District No. 2,  
the Board of Directors, and  
Mr. Tim Keller, NM State Auditor  
Quay County, New Mexico

We have performed the procedures enumerated in the attached schedule, which were agreed to by Ute Lake Ranch Public Improvement District No. 2 (the District), solely to assist the District in demonstrating compliance with a **Tier 4** entity under the Audit Act, Section 12-6-3 B (4) NMSA 1978, Section 2.2.2.16 NMAC and Section 6-6-2 (A) NMSA 1978 as of and for the year ended June 30, 2015. The procedures were agreed to by the District through the Office of the New Mexico State Auditor. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose. The District's management is responsible for the Organization's accounting records.

Our procedures and findings are listed in the attached schedule.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the District's accounting records. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Ute Lake Ranch Public Improvement District No. 2, Board of Directors, NM State Auditor, NM Department of Finance and Administration – Local Government Division and the NM Legislature and is not intended to be and should not be used by anyone other than these specified parties.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Albuquerque, New Mexico  
November 9, 2015

**UTE LAKE RANCH PUBLIC IMPROVEMENT DISTRICT NO. 2**  
**SCHEDULE OF PROCEDURES AND FINDINGS**  
**June 30, 2015**

| <b>Tier 4 of the Audit Act – Section 12-6-3 B<br/>(4) NMSA 1978 and Section 2.2.2.16 NMAC</b>   | <b>Procedure</b>  |
|---|---|
| <p><b>1. Cash</b></p> <p>a) Determine whether bank reconciliations are being performed in a timely manner and whether all bank and investment statements for the fiscal year are complete and on-hand.</p> <p>b) Perform a random test of bank reconciliations for accuracy. Also, trace ending balances to the general ledger, supporting documentation and the financial reports submitted to DFA-Local Government Division.</p> <p>c) Determine whether the local public body's financial institutions have provided it with the 50% of pledged collateral on all uninsured deposits as required by Section 6-10-17 NMSA 1978, NM Public Money Act, if</p> | <p>Obtain quarterly bank reconciliations (4) for fiscal year 2015. Determine that reconciliations are complete by viewing the reconciliations, noting signature and date of review and approval (review and approval date within one month of reconciled month will be considered timely).</p> <p><b>-We found no exceptions as a result of the procedures.</b></p> <p>Obtain June 30, 2015 bank reconciliation(s) and trace ending balances to the general ledger; trace outstanding items (deposits, checks and transfers) to cleared activities on subsequent month statements. Obtain corresponding financial reports submitted to DFA-Local Government Division and agree cash reported to bank reconciliations.</p> <p><b>-We found no exceptions as a result of the procedures.</b></p> <p>Obtain pledged collateral calculation from client and supporting documentation from bank(s) for all entity bank deposits listed on collateral calculation. Recalculate pledged collateral requirement to determine if it at least equals the 50% of pledged collateral on all uninsured deposits as required by Section 6-10-17 NMSA 1978, NM Public Money Act, if applicable.</p> <p><b>-We found no exceptions as a result of the procedures.</b></p> |
| <p><b>2. Capital Assets</b></p> <p>Verify that the local public body is performing a yearly inventory as required by Section 12-6-10 NMSA 1978.</p>   | <p>Obtain annual inventory documentation from client. Note date of annual inventory. Determine if annual inventory was performed during fiscal year based on date noted.</p> <p><b>-We found no exceptions as a result of the procedure.</b></p>  |
| <p><b>3. Revenue</b></p> <p>Identify the nature and amount of revenue from sources by reviewing the budget, agreements, rate schedules, and underlying documentation.</p> <p>a) Perform an analytical review; test actual revenue compared to budgeted revenue for the year for each type of revenue. Select a sample of revenues based on auditor judgment and test using the following attributes:</p>  | <p>Obtain client year end trial balance, prior year end trial balance and client budget, and identify revenue sources listed.</p> <p>Compare revenue per trial balance to budgeted revenue for the year for each revenue source. Compare revenue per trial balance to prior year revenue. Identify significant variances to budgeted and prior year balances (&gt;10% of total revenue).</p>  |

**UTE LAKE RANCH PUBLIC IMPROVEMENT DISTRICT NO. 2**  
**SCHEDULE OF PROCEDURES AND FINDINGS**  
**June 30, 2015**

| <b>Tier 4 of the Audit Act – Section 12-6-3 B<br/>(4) NMSA 1978 and Section 2.2.2.16 NMAC</b>  | <b>Procedure</b>  |
|--|---|
| <p>b) Amount recorded in the general ledger agrees to the supporting documentation and the bank statement.</p> <p>c) Proper recording of classification, amount, and period per review of supporting documentation and the general ledger. Perform this revenue work on the same accounting basis that the local public body keeps its accounting records on, cash basis, modified accrual basis, or accrual basis.</p>  | <p>Inquire about variances and determine if supporting documentation exists to (agreement(s), rate schedules, etc) support the variances.</p> <p><b>-We found no exceptions as a result of the comparisons.</b></p> <p>Inquire of management the accounting basis used by client.</p> <p><b>-We found no exceptions as a result of the procedure.</b></p> <p>Select a sample of significant revenue transactions (&gt;10% of total revenue) and obtain supporting documentation (agreement(s), rate schedules, or bank receipt). Property Tax Revenues were nearly 100% of total externally generated revenue balance. Traced \$62,617, or 49% of revenue to bank deposit and general ledger. Recalculated estimated tax revenue based on assessed value and certified mil levy. Compare transaction to documentation for the following attributes:</p> <ul style="list-style-type: none"> <li>•classification,</li> <li>•amount, and</li> <li>•Period</li> </ul> <p><b>-We found no exceptions as a result of the procedure.</b></p> |
| <p><b>4. Expenditures</b><br/> Select a sample of cash disbursements based on auditor judgment and test using the following attributes:</p> <p>a)Determine that amount recorded as disbursed agrees to adequate supporting documentation. Verify that amount, payee, date and description agree to the vendor’s invoice, purchase order, contract and canceled check, as appropriate.</p> <p>b)Determine that disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures.</p> <p>c)Determine that the bid process (or request for proposal process if applicable), purchase orders, contracts and agreements were</p> | <p>Obtain a population of all disbursements made for fiscal year 2015 from management.</p> <p>Determine completeness of population by agreeing population totals to amounts recorded on trial balance.</p> <p><b>-We found no exception as a result of the procedure.</b></p> <p>Select a sample of 5 disbursements (transactions totaled \$42,740) from the disbursement listing (out of 37 transactions totaling \$78,428).</p> <p>Test samples for following attributes:</p> <p>a)Determine that amount recorded as disbursed agrees to adequate supporting documentation. Compare amount, payee, date and description to the</p>  |

**UTE LAKE RANCH PUBLIC IMPROVEMENT DISTRICT NO. 2**  
**SCHEDULE OF PROCEDURES AND FINDINGS**  
 June 30, 2015

| <p style="text-align: center;"><b>Tier 4 of the Audit Act – Section 12-6-3 B</b><br/> <b>(4) NMSA 1978 and Section 2.2.2.16 NMAC</b></p>   | <p style="text-align: center;"><b>Procedure</b></p>   |
|--|---|
| <p>processed in accordance with the New Mexico Procurement Code (Section 13-1-28 through 13-1-199 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC) and Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC).</p> <p>Note: The sample must be representative of the population.</p> | <p>vendor's invoice, purchase order, contract and canceled check, as appropriate.</p> <p>b) Determine that disbursements were properly authorized and approved in compliance with the budget, legal requirements and established policies and procedures by sighting approval on the invoice.</p> <p>c) Determine if disbursement met criteria for new procurements for fiscal year 2014 based on New Mexico Procurement Code (Section 13-1-28 through 13-1-199 NMSA 1978) and State Purchasing Regulations (1.4.1 NMAC); if yes, obtain procurement file from management and determine if the following compliance requirements were followed by viewing documentation in procurement file:</p> <ul style="list-style-type: none"> <li>• request for proposal was issued</li> <li>• public notice was given</li> <li>• request for proposal was reviewed and approved</li> <li>• contract/agreement and purchase order was executed</li> </ul> <p>d) Determine if disbursement met criteria as a Per Diem disbursement based on Regulations Governing the Per Diem and Mileage Act (2.42.2 NMAC). If yes, compare transaction documentation to the following attributes:</p> <ul style="list-style-type: none"> <li>• Rate used for calculation of reimbursement.</li> <li>• Receipts are included for any reimbursements based on actual expenditures.</li> <li>• Recalculate.</li> </ul> <p><b>-We found no exceptions as a result of the procedure.</b></p> |
| <p><b>5. Journal Entries</b><br/>                     If non-routine journal entries, such as adjustments or reclassifications, are posted to the general ledger, test significant items for the following attributes:</p>   | <p>Obtain listing of journal entries posted for fiscal year 2015 from management.</p>   |

**UTE LAKE RANCH PUBLIC IMPROVEMENT DISTRICT NO. 2**  
**SCHEDULE OF PROCEDURES AND FINDINGS**  
June 30, 2015

| <p style="text-align: center;"><b>Tier 4 of the Audit Act – Section 12-6-3 B<br/>(4) NMSA 1978 and Section 2.2.2.16 NMAC</b></p>  | <p style="text-align: center;"><b>Procedure</b></p>  |
|---|--|
| <p>a) Journal entries appear reasonable and have supporting documentation.</p> <p>b) The local public body has procedures that require journal entries to be reviewed and there is evidence the reviews are being performed.</p>  | <p>Obtain client policies and procedures related to journal entries. Read the policy to determine that there are procedures that require journal entries to be reviewed and there is evidence the reviews are being performed.</p> <p><b>-We found no exceptions as a result of the procedures.</b></p> <p>Scan journal entry listing and identify any adjustments (corrections of previously recorded activity) and reclassifications.</p> <p>Identify significant adjustments or reclassification entries (greater than 10% of total assets) and test for the following attributes <b>(as there were only 8 journal entries, all 8 were selected and tested):</b></p> <ul style="list-style-type: none"> <li>• Journal entries agree with supporting documentation.</li> </ul> <p><b>-We found no exceptions as a result of the procedure.</b></p>   |
| <p><b>6. Budget</b></p> <p>Obtain the original fiscal year budget and all budget amendments made throughout the fiscal year <b>(see client Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual, pages 8 – 10)</b> and perform the following:</p> <p>a) Verify, through a review of the minutes and correspondence, that the original budget and subsequent budget adjustments were approved by the local public body's governing body and DFA-LGD.</p> <p>b) Determine if the total actual expenditures exceeded the final budget at the legal level of budgetary control; if so, report a compliance finding.</p> <p>c) From the original and final approved budgets and general ledger, prepare a schedule of revenues and expenditures – budget and actual on the budgetary basis used by the local public body (cash, accrual or modified accrual basis) for each individual fund.</p> | <p>Obtain the original approved fiscal year budget and all approved budget amendments made throughout the fiscal year.</p> <p>Trace approval of original budget and subsequent budget adjustments to board minutes and DFA-LGD correspondence.</p> <p><b>-We found no exceptions as a result of the procedures.</b></p> <p>Obtain <i>schedule of revenues and expenditures – budget and actual</i> on the budgetary basis used by the local public body (cash, accrual or modified accrual basis) for each individual fund. Compare budgeted amounts to approved original budget and budget adjustments and actual expenditure amounts to client trial balance.</p> <p><b>-We found no exceptions as a result of the comparisons.</b></p> <p>Compare total actual expenditures to the final budget at the legal level of budgetary control; for any expenditures in excess of budget, report a compliance finding.</p> <p><b>-We found no exceptions as a result of the comparisons.</b></p> |



**UTE LAKE RANCH PUBLIC IMPROVEMENT DISTRICT NO. 2**  
**SCHEDULE OF PROCEDURES AND FINDINGS**  
 June 30, 2015

| <b><i>Tier 4 of the Audit Act – Section 12-6-3 B<br/>(4) NMSA 1978 and Section 2.2.2.16 NMAC</i></b> | <b>Procedure</b>   |
|--|--|
| <b>7. Fraud, Illegal Acts, Noncompliance or Other Control Deficiencies</b>                           | During the course of our test work noted above (items 1 through 6), nothing came to our attention that indicated instances of fraud, illegal acts, noncompliance, or other control deficiencies. |

**OTHER ATTACHMENTS**

**Ute Lake Ranch Public Improvement District No. 2**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Twelve Months Ended June 30, 2015**  
**General Fund**

|  | <u>Annual</u><br><u>Budget</u> | <u>Actual</u>   | <u>Variance</u><br><u>Favorable</u><br><u>(Unfavorable)</u> |
|--|--------------------------------|-----------------|---|
| <b>Revenues</b>                                      |                                |                 |   |
| Property taxes                                       | \$ 33,091                      | \$ 14,517       | \$ (18,574)   |
| Water/sewer service fees                             | 12,500                         | -               | (12,500)  |
| Developer advances                                   | 134,409                        | 60,057          | (74,352)  |
| Interest income                                      | -                              | 12              | 12  |
| Transfer from capital fund                           | -                              | -               | -   |
|  | <u>180,000</u>                 | <u>74,586</u>   | <u>(105,414)</u>  |
| <b>Expenditures</b>                                  |                                |                 |   |
| Accounting   | 5,000                          | 5,393           | (393)   |
| Audit  | 10,000                         | 5,250           | 4,750   |
| Insurance  | 30,000                         | 24,832          | 5,168   |
| Legal  | 15,000                         | 20,460          | (5,460)   |
| Operating costs                                      | 115,000                        | 17,265          | 97,735  |
| Miscellaneous expense                                | -                              | -               | -   |
| Contingency  | 5,000                          | -               | 5,000   |
| Emergency reserve                                    | -                              | -               | -   |
|  | <u>180,000</u>                 | <u>73,200</u>   | <u>106,800</u>  |
| Excess (deficiency) of revenues<br>over expenditures | -                              | 1,386           | 1,386   |
| Fund balance beginning                               | -                              | 6,143           | 6,143   |
| Fund balance ending                                  | \$ <u>-</u>                    | \$ <u>7,529</u> | \$ <u>7,529</u>   |

**Ute Lake Ranch Public Improvement District No. 2**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Twelve Months Ended June 30, 2015**  
**Capital Projects Fund**

|  | <u>Annual<br/>Budget</u> | <u>Actual</u>    | <u>Variance<br/>Favorable<br/>(Unfavorable)</u> |
|--|--------------------------|------------------|---|
| <b>Revenues</b>                                      |                          |                  |   |
| Water and sewer development fees                     | \$ -                     | \$ -             | \$ -  |
| Infrastructure fees                                  | -                        | -                | -   |
| Developer advances                                   | 500,000                  | -                | (500,000)                                       |
| Other income   | -                        | -                | -   |
|  | <u>500,000</u>           | <u>-</u>         | <u>(500,000)</u>                                |
| <b>Expenditures</b>                                  |                          |                  |   |
| Accounting   | -                        | -                | -   |
| Legal  | -                        | -                | -   |
| Transfer to general fund                             | -                        | -                | -   |
| Capital improvements                                 | 500,000                  | 6,997            | 493,003   |
|  | <u>500,000</u>           | <u>6,997</u>     | <u>493,003</u>                                  |
| Excess (deficiency) of revenues<br>over expenditures | -                        | (6,997)          | (6,997)   |
| Fund balance beginning                               | <u>-</u>                 | <u>27,049</u>    | <u>27,049</u>                                   |
| Fund balance (deficit) ending                        | <u>\$ -</u>              | <u>\$ 20,052</u> | <u>\$ 20,052</u>                                |

**Ute Lake Ranch Public Improvement District No. 2**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual**  
**For the Twelve Months Ended June 30, 2015**  
**Debt Service Fund**

|  | Annual<br>Budget | Actual            | Variance<br>Favorable<br>(Unfavorable) |
|--|------------------|-------------------|--|
| Revenues   |                  |                   |  |
| Property taxes                                       | \$ 119,129       | \$ 52,261         | \$ (66,868)                            |
| Miscellaneous income                                 | 5,000            | -                 | (5,000)                                |
|  | <u>124,129</u>   | <u>52,261</u>     | <u>(71,868)</u>                        |
| Expenditures   |                  |                   |  |
| Treasurers' fees                                     | -                | -                 | -                                      |
| Repay developer advances                             | 248,239          | 60,057            | 188,182                                |
|  | <u>248,239</u>   | <u>60,057</u>     | <u>188,182</u>                         |
| Excess (deficiency) of revenues<br>over expenditures | (124,110)        | (7,796)           | 116,314                                |
| Fund balance beginning                               | <u>124,110</u>   | <u>116,311</u>    | <u>(7,799)</u>                         |
| Fund balance ending                                  | <u>\$ -</u>      | <u>\$ 108,515</u> | <u>\$ 108,515</u>                      |

**UTE LAKE RANCH PUBLIC IMPROVEMENT DISTRICT NO. 2**

**c/o Simmons and Wheeler, P.C.  
8005 South Chester Street, Suite 150  
Centennial, CO 80112**

July 16, 2015

New Mexico Department of Finance and Administration  
Local Government Division  
Attn: Anita Medina  
180 Bataan Memorial Building  
Santa Fe, NM 87501

Re: Ute Lake Ranch Public Improvement District No. 2  
Quarterly Report – Quarter Ending June 30, 2015

Dear Ms. Medina:

Attached are the quarterly reports for the quarter ending June 30, 2015, for the Ute Lake Ranch Public Improvement District No. 2. The District has no outstanding bonded debt.

If you have any questions concerning these reports, please feel free to call me.



Virginia Hemphill  
Simmons and Wheeler, P.C.  
Phone – 303.689.0833  
Fax – 303.689.0834  
Email: [virginia@simmonswheeler.com](mailto:virginia@simmonswheeler.com)

Ute Lake Ranch Public Improvement District No. 2

Budget versus Actual  
For the Twelve Months Ended June 30, 2015  
General Fund

| FUND                              | CURRENT<br>QUARTER | TO DATE       | APPROVED<br>BUDGET | % OF<br>BUDGET |
|-----------------------------------|--------------------|---------------|--------------------|----------------|
| <b>REVENUES:</b>                  |                    |               |                    |                |
| Property Taxes                    | 655                | 14,517        | 33,091             | 43.87%         |
| Services - Water/Sewer Usage Fees | -                  | -             | 12,500             | 0.00%          |
| Developer advances                | 22,867             | 60,057        | 134,409            | 44.68%         |
| Interest income                   | 3                  | 12            | -                  | 0.00%          |
| Other                             | -                  | -             | -                  | 0.00%          |
|                                   | -                  | -             | -                  | 0.00%          |
|                                   | -                  | -             | -                  | 0.00%          |
| <b>TOTAL REVENUE</b>              | <b>23,525</b>      | <b>74,586</b> | <b>180,000</b>     | <b>41.44%</b>  |
| <b>TRANSFERS: IN/(OUT)</b>        |                    |               |                    |                |
| Transfer from capital fund        | -                  | -             | -                  | 0.00%          |
|                                   | -                  | -             | -                  | 0.00%          |
|                                   | -                  | -             | -                  | 0.00%          |
| <b>NET TRANSFERS</b>              | <b>-</b>           | <b>-</b>      | <b>-</b>           | <b>0.00%</b>   |
| <b>EXPENDITURES:</b>              |                    |               |                    |                |
| Accounting and legal              | 10,089             | 31,103        | 30,000             | 103.68%        |
| Insurance and bonds               | 2,133              | 24,832        | 30,000             | 82.77%         |
| Operating Costs                   | 3,774              | 17,265        | 115,000            | 15.01%         |
| Miscellaneous                     | -                  | -             | -                  | 0.00%          |
| Other                             | -                  | -             | 5,000              | 0.00%          |
|                                   | -                  | -             | -                  | 0.00%          |
|                                   | -                  | -             | -                  | 0.00%          |
| <b>TOTAL EXPENDITURES</b>         | <b>15,996</b>      | <b>73,200</b> | <b>180,000</b>     | <b>40.67%</b>  |

Ute Lake Ranch Public Improvement District No. 2

Budget versus Actual  
 For the Twelve Months Ended June 30, 2015  
 Capital Projects Fund

| FUND                       | CURRENT<br>QUARTER | TO DATE      | APPROVED<br>BUDGET | % OF<br>BUDGET |
|----------------------------|--------------------|--------------|--------------------|----------------|
| <b>REVENUES:</b>           |                    |              |                    |                |
| Developer advances         | -                  | -            | 500,000            | 0.00%          |
| Infrastructure fees        | -                  | -            | -                  | 0.00%          |
| Interest income            | -                  | -            | -                  | 0.00%          |
| Other                      | -                  | -            | -                  | 0.00%          |
|                            | -                  | -            | -                  | 0.00%          |
|                            | -                  | -            | -                  | 0.00%          |
| <b>TOTAL REVENUE</b>       | -                  | -            | <b>500,000</b>     | <b>0.00%</b>   |
| <b>TRANSFERS: IN/(OUT)</b> |                    |              |                    |                |
| Transfer to general fund   | -                  | -            | -                  | 0.00%          |
|                            | -                  | -            | -                  | 0.00%          |
|                            | -                  | -            | -                  | 0.00%          |
| <b>NET TRANSFERS</b>       | -                  | -            | -                  | <b>0.00%</b>   |
| <b>EXPENDITURES:</b>       |                    |              |                    |                |
| Accounting and legal       | -                  | -            | -                  | 0.00%          |
| Insurance and bonds        | -                  | -            | -                  | 0.00%          |
| Capital improvements       | 6,997              | 6,997        | 500,000            | 1.40%          |
| Miscellaneous              | -                  | -            | -                  | 0.00%          |
|                            | -                  | -            | -                  | 0.00%          |
|                            | -                  | -            | -                  | 0.00%          |
| <b>TOTAL EXPENDITURES</b>  | <b>6,997</b>       | <b>6,997</b> | <b>500,000</b>     | <b>1.40%</b>   |



Ute Lake Ranch Public Improvement District No. 2

Budget versus Actual  
 For the Twelve Months Ended June 30, 2015  
 Debt Service Fund

| FUND                       | CURRENT<br>QUARTER | TO DATE       | APPROVED<br>BUDGET | % OF<br>BUDGET |
|----------------------------|--------------------|---------------|--------------------|----------------|
| <b>REVENUES:</b>           |                    |               |                    |                |
| Property Taxes             | 2,360              | 52,261        | 119,129            | 43.87%         |
| Interest income            | -                  | -             | -                  | 0.00%          |
| Other                      | -                  | -             | 5,000              | 0.00%          |
|                            | -                  | -             | -                  | 0.00%          |
|                            | -                  | -             | -                  | 0.00%          |
|                            | -                  | -             | -                  | 0.00%          |
|                            | -                  | -             | -                  | 0.00%          |
| <b>TOTAL REVENUE</b>       | <b>2,360</b>       | <b>52,261</b> | <b>124,129</b>     | <b>42.10%</b>  |
| <b>TRANSFERS: IN/(OUT)</b> |                    |               |                    |                |
| Transfer to capital fund   | -                  | -             | -                  | 0.00%          |
|                            | -                  | -             | -                  | 0.00%          |
|                            | -                  | -             | -                  | 0.00%          |
| <b>NET TRANSFERS</b>       | <b>-</b>           | <b>-</b>      | <b>-</b>           | <b>0.00%</b>   |
| <b>EXPENDITURES:</b>       |                    |               |                    |                |
| Accounting and legal       | -                  | -             | -                  | 0.00%          |
| Repay developer advances   | 60,057             | 60,057        | 248,239            | 24.19%         |
| Debt service costs         | -                  | -             | -                  | 0.00%          |
| Miscellaneous              | -                  | -             | -                  | 0.00%          |
| Other                      | -                  | -             | -                  | 0.00%          |
|                            | -                  | -             | -                  | 0.00%          |
|                            | -                  | -             | -                  | 0.00%          |
| <b>TOTAL EXPENDITURES</b>  | <b>60,057</b>      | <b>60,057</b> | <b>248,239</b>     | <b>24.19%</b>  |

**Ute Lake Ranch Public Improvement District No. 2**

**For the Twelve Months Ended June 30, 2015**

**STATEMENT OF BONDED DEBT**

| DATE OF ISSUE | DESCRIPTION OR PURPOSE | YEAR DUE | ORIGINAL AMT. ISSUED | PAYABLE THIS YEAR | RETIRED THIS QUARTER | RETIRED TO DATE | OUTSTANDING END OF QUARTER |
|---------------|------------------------|----------|----------------------|-------------------|----------------------|-----------------|----------------------------|
|               | None                   |          |                      |                   |                      |                 |                            |
|               |                        |          |                      |                   |                      |                 |                            |
|               |                        |          |                      |                   |                      |                 |                            |
|               |                        |          |                      |                   |                      |                 |                            |
|               |                        |          |                      |                   |                      |                 |                            |
|               |                        |          |                      |                   |                      |                 |                            |
|               |                        |          |                      |                   |                      |                 |                            |
|               |                        |          |                      |                   |                      |                 |                            |
|               |                        |          |                      |                   |                      |                 |                            |

**DESCRIPTION OF INVESTMENTS  
BUDGETED AND NON-BUDGETED**

| KIND                    | MATURITY DATE | INTEREST RATE | AMOUNT | FUNDS |
|-------------------------|---------------|---------------|--------|-------|
| None                    |               | 0.00%         | -      |       |
|                         |               | 0.00%         | -      |       |
|                         |               | 0.00%         | -      |       |
|                         |               | 0.00%         | -      |       |
|                         |               | 0.00%         | -      |       |
| <b>TOTAL BUDGETED</b>   |               |               | -      |       |
|                         |               | 0.00%         | -      |       |
|                         |               | 0.00%         | -      |       |
| <b>TOTAL UNBUDGETED</b> |               |               | -      |       |
| <b>GRAND TOTAL</b>      |               |               | -      |       |

**DEPARTMENT OF FINANCE AND ADMINISTRATION  
LOCAL GOVERNMENT DIVISION  
BUDGET AND FINANCE BUREAU  
SPECIAL DISTRICT FINANCIAL QUARTERLY REPORT**

SUBMIT TO LOCAL GOVERNMENT DIVISION NOT LATER THAN ONE MONTH AFTER THE CLOSE OF EACH QUARTER. I HEREBY CERTIFY THAT THE CONTENTS IN THIS REPORT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

x *V. Wheeler*

Special District: Ute Lake Ranch Public Improvement District No. 2  
 Period Ending: June 30, 2015  
 Prepared by: Simmons & Wheeler, P.C.

YEAR-TO-DATE TRANSACTIONS PER BOOKS

| Fund # | FUND (1)                     | CASH BALANCE PER BOOKS July 1, 2014 (3) | REVENUES TO DATE (4) | NET TRANSFERS (5) | EXPENDITURES TO DATE (6) | BOOK BALANCE END OF PERIOD (7) | ADD: OUTSTANDING CHECKS (8) | LESS: DEPOSITS IN TRANSIT (9) | ADJUSTMENTS (10) | ADJUSTED BALANCE END OF PERIOD (11) | BALANCE PER BANK STATEMENTS (12) | DIFFERENCE (13) |
|--------|------------------------------|---|----------------------|-------------------|--------------------------|--------------------------------|-----------------------------|-------------------------------|------------------|-------------------------------------|----------------------------------|-----------------|
| 101    | <b>GENERAL</b>               | 6,143.00                                | 74,586.00            | -                 | 73,200.00                | 7,529.00                       | 6,208.00                    | 13,737.00                     | -                | -                                   | -                                | -               |
| 101    | <b>DEBT SERVICE</b>          | 116,311.00                              | 52,261.00            | -                 | 60,057.00                | 108,515.00                     | -                           | -                             | -                | 108,515.00                          | 108,515.00                       | -               |
| 101    | <b>CAPITAL PROJECTS</b>      | 27,049.00                               | -                    | -                 | 6,997.00                 | 20,052.00                      | 3,274.00                    | -                             | -                | 23,326.00                           | 23,326.00                        | -               |
|        | <b>SUB-TOTAL DEPOSITS</b>    | \$ 149,503.00                           | \$ 126,847.00        | \$ -              | \$ 140,254.00            | \$ 136,096.00                  | \$ 9,482.00                 | \$ 13,737.00                  | \$ -             | \$ 131,841.00                       | \$ 131,841.00                    | \$ -            |
|        | <b>INVESTMENTS</b>           |   |                      |                   |                          |                                |                             |                               |                  |                                     |                                  |                 |
|        | <b>None</b>                  | -                                       | -                    | -                 | -                        | -                              | -                           | -                             | -                | -                                   | -                                | -               |
|        | <b>SUB-TOTAL INVESTMENTS</b> | \$ -                                    | \$ -                 | \$ -              | \$ -                     | \$ -                           | \$ -                        | \$ -                          | \$ -             | \$ -                                | \$ -                             | \$ -            |
|        | <b>GRAND TOTAL</b>           | \$ 149,503.00                           | \$ 126,847.00        | \$ -              | \$ 140,254.00            | \$ 136,096.00                  | \$ 9,482.00                 | \$ 13,737.00                  | \$ -             | \$ 131,841.00                       | \$ 131,841.00                    | \$ -            |

RECAP

## **OTHER INFORMATION**

**UTE LAKE RANCH PUBLIC IMPROVEMENT DISTRICT NO. 2**  
**SCHEDULE OF FINDINGS AND RESPONSES**  
June 30, 2015

**Section II - Financial Statement Findings**

None.

**UTE LAKE RANCH PUBLIC IMPROVEMENT DISTRICT NO. 2**  
**SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS**  
**June 30, 2015**

**Financial Statement Findings**

There were no findings required to be reported under *attestation standards established by the American Institute of Certified Public Accountants* for the fiscal year ended June 30, 2014.

**UTE LAKE RANCH PUBLIC IMPROVEMENT DISTRICT NO. 2**  
**EXIT CONFERENCE**  
**June 30, 2015**

An exit conference was held on November 5, 2015. In attendance were:

**Ute Lake Ranch Improvement District No. 2**

Neil Simpson, Treasurer  
Ashley Tarufelli, Clerk  
Rick Dengler, Director

**Miller & Associates Law Offices, LLC**

Bradley Neiman, Attorney

**Simmons & Wheeler, P.C**

Virginia Hemphill, Contracted Accountant

**CliftonLarsonAllen, LLP**

Jeran Dahl, CPA, Senior Associate

**PREPARATION OF FINANCIAL STATEMENTS**

The financial statements presented in this report have been prepared by the District's contracted accountant. However, they are the responsibility of management, as addressed in the Independent Accountants' Report on Applying Agreed-upon Procedures.