

**RESOLUTION
TO ADOPT 2017 BUDGET AND APPROPRIATE SUMS OF MONEY
INVERNESS METROPOLITAN IMPROVEMENT DISTRICT**

A RESOLUTION SUMMARIZING REVENUES AND EXPENDITURES FOR EACH FUND, ADOPTING A BUDGET, AND APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE INVERNESS METROPOLITAN IMPROVEMENT DISTRICT, ARAPAHOE AND DOUGLAS COUNTIES, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2017, AND ENDING ON THE LAST DAY OF DECEMBER, 2017,

WHEREAS, the Board of Directors of the Inverness Metropolitan Improvement District has authorized its consultants to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget has been submitted to the Board of Directors of the District for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was available for inspection by the public at a designated public office, a public hearing was held on December 7, 2016, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues or planned to be expended from reserves or fund balances so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE INVERNESS METROPOLITAN IMPROVEMENT DISTRICT OF ARAPAHOE AND DOUGLAS COUNTIES, COLORADO:

Section 1. Adoption of Budget. That the budget as submitted, and attached hereto and incorporated herein by this reference, and if amended, then as amended, is hereby approved and adopted as the budget of the Inverness Metropolitan Improvement District for calendar year 2017.

Section 2. Budget Revenues. That the estimated revenues for each fund as more specifically set out in the budget attached hereto are accepted and approved.

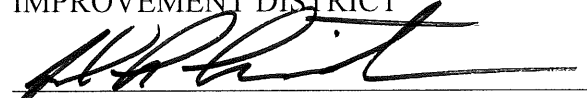
Section 3. 2017 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

Section 4. Property Tax and Fiscal Year Spending Limits. That, being fully informed, the Board finds that the foregoing budget does not result in a violation of any applicable property tax or fiscal year spending limitation.

Section 5. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

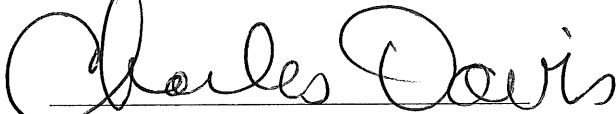
ADOPTED this 7th day of December, 2016.

INVERNESS METROPOLITAN
IMPROVEMENT DISTRICT



President/Vice President

ATTEST:



Secretary


LETTER OF BUDGET TRANSMITTAL

Date: January 21, 2017
To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2016 budget and budget message for INVERNESS METROPOLITAN IMPROVEMENT DISTRICT in Arapahoe and Douglas Counties, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on December 7, 2016. If there are any questions on the budget, please contact

Randall Warren
Mulhern MRE, Inc.
2 Inverness Drive East, #2
Englewood, CO 80112
Telephone number: (303) 799-9595

I, Randall Warren, General Manager for the Inverness Metropolitan Improvement District, hereby certify that the attached is a true and correct copy of the 2017 budget.

By: 
Randall S. Warren

INVERNESS METROPOLITAN IMPROVEMENT DISTRICT BUDGET MESSAGE

The 2017 budget for the Inverness Metropolitan Improvement District has been approved by the Board of Directors and is attached. The following constitutes the written budget message for this budget:

- I. Important Features of the Budget
 - The General Fund has budgeted \$1,716,189 of revenue and \$1,541,112 of expenditures with an ending fund balance of \$1,050,808.
 - The Debt Service Fund has budgeted \$2,336,451 of revenue and \$2,354,962 of expenditures with an ending fund balance of \$20,914.
 - The Capital Projects Fund has budgeted \$2,526,800 of revenue and \$2,150,000 of expenditures with an ending fund balance of \$624,243.

- II. Budgetary Basis of Accounting
 - The budgetary basis of accounting is modified accrual.

- III. Services to be delivered
 - The District provides maintenance services and improvement projects for common areas, roadways, landscaping and a recreational park within the Inverness Business Park. In addition, the District participates in regional transportation projects.

2017 BUDGET SUMMARY

	2015 Actual	2016 Projected	2016 Budget	2017 Budget
General Fund:				
Property Taxes	1,109,276	1,321,971	1,297,200	1,368,248
Other Income	261,508	323,587	294,183	347,940
Total Expenses	(1,401,998)	(1,248,010)	(1,526,058)	(1,541,112)
Net Operating Income (Expense)	(31,214)	397,548	65,325	175,077
Transfer to Capital Fund	(1,500,000)	(950,000)	(880,000)	-
Net General Fund Income (Expense)	(1,531,214)	(552,452)	(814,675)	175,077
Debt Service Fund:				
Property Taxes	621,900	619,975	629,662	617,919
Other Income	40,933	53,703	1,284,728	1,718,533
Debt Service Expenses	(655,910)	(667,566)	(733,533)	(2,354,962)
New Loan Interest				
Net Operating Income (Expense)	6,923	6,112	1,180,857	(18,511)
Transfer to Capital Fund				(1,650,000)
Net Debt Fund Income (Expense)	6,923	6,112	1,180,857	(1,668,511)
Capital Projects Fund:				
Property Taxes	-			
Other Income	599,060	251,073	349,400	2,526,800
Total Expenses	(3,779,418)	(1,329,215)	(2,675,000)	(2,150,000)
Net Operating Income (Expense)	(3,180,358)	(1,078,142)	(2,325,600)	376,800
Transfer from Debt Fund				1,650,000
Transfer from General Fund	1,500,000	950,000	880,000	-
Net Capital Fund Income (Expense)	(1,680,358)	(128,142)	(1,445,600)	2,026,800
Ending Fund Balances:				
General	1,428,183	875,731	660,771	1,050,808
Debt	33,313	39,425	13,820	20,914
Capital	375,585	247,443	3,109	624,243
	1,837,081	1,162,599	677,700	1,695,965
Assessed Value	272,289,640	292,162,120	292,162,120	294,246,921
Mill Levies:				
General	4.30	4.44	4.44	4.65
Debt	2.35	2.06	2.06	2.10
Capital	-	-	-	-
	6.65	6.50	6.50	6.75

INVERNESS METROPOLITAN IMPROVEMENT DISTRICT						FINAL	
2017 GENERAL FUND BUDGET							
----- 2016 -----							
	2015	JAN-AUG	SEPT-DEC	Total	2016	2017	
	ACTUAL	ACTUAL	PROJECTED	PROJECTED	Budget	Budget	
REVENUE							
Property Taxes	1,109,276	1,321,971		1,321,971	1,297,200	1,368,248	
Specific Ownership Tax	150,365	106,115	53,058	159,173	150,000	164,190	
Tax Equivalency Fees	76,365	115,498		115,498	120,183	151,751	
Interest & Other	10,021	9,051	4,526	13,577	4,000	7,000	
Recreation Fees	6,890	8,020		8,020	10,000	10,000	
IPACC Review Fees	17,867	27,320		27,320	10,000	15,000	
TOTAL REVENUE	1,370,784	1,587,975	57,583	1,645,558	1,591,383	1,716,189	
EXPENDITURES							
Treasurer's Fees	16,653	19,835		19,835	19,458	20,524	
Legal	38,634	6,511	5,000	11,511	36,000	36,000	
Audit	7,500	7,500		7,500	8,000	8,000	
Consulting/Engineering	2,047	196	1,000	1,196	3,000	3,000	
District Management - MMRE	130,992	100,000	50,000	150,000	150,000	155,000	
District Mgmt - IPLLC	41,600	28,533	14,267	42,800	42,800	42,800	
Accounting/Finance - IPLLC	44,780	30,733	15,367	46,100	46,100	46,100	
Covenant Enforcement / IPACC Review	71,631	57,391	15,000	72,391	72,000	75,000	
Director Fees	2,800	1,700	1,000	2,700	3,000	3,000	
Insurance	13,185	14,054		14,054	14,000	15,000	
Office Operating	9,279	3,423	1,712	5,135	15,000	10,000	
Landscape Contract	221,004	148,667	74,334	223,001	223,000	223,000	
Landscape Extras	54,795	34,612	70,000	104,612	115,000	100,000	
Annual Flowers	60,177	61,233		61,233	70,000	70,000	
General R&M (sidewalks/bridges/walls)	24,888	9,683	10,000	19,683	75,000	75,000	
Trash Patrol	46,300	31,792	15,896	47,688	47,700	47,688	
Snow Removal	214,304	127,467	75,000	202,467	175,000	210,000	
Lighting (electricity & repairs)	72,942	41,486	20,743	62,229	80,000	70,000	
Signage R&M	5,867		5,000	5,000	10,000	10,000	
Street Repair	223,172	3,797	25,000	28,797	150,000	150,000	
Street Sweeping					2,000		
Street Striping	16,792				18,000	18,000	
Irrigation Water	66,865	57,571	20,000	77,571	80,000	80,000	
Holiday Lights	10,028	12,638		12,638	10,000	10,000	
Recreation program costs	5,763	9,871		9,871	8,000	10,000	
Contingency			20,000	20,000	50,000	50,000	
TOTAL EXPENDITURES	1,401,998	808,693	439,317	1,248,010	1,526,058	1,541,112	
Excess (Deficit) of Revenue over							

INVERNESS METROPOLITAN IMPROVEMENT DISTRICT							FINAL
2017 GENERAL FUND BUDGET							
	2016			2017			
	JAN-AUG	SEPT-DEC	Total	Projected	Budget	Budget	
	ACTUAL	PROJECTED	Projected				
Expenditures before Transfers	(31,214)	(381,734)	397,548		65,325	175,077	
Transfer to Capital Projects	(1,500,000)	(450,000)	(950,000)		(880,000)		
Transfer to Debt Service							
Excess (Deficit) of Revenue over Expenditures after Transfers	(1,531,214)	(831,734)	(552,452)		(814,675)	175,077	
FUND BALANCE - BEG OF YEAR	2,959,397	1,707,465	1,428,183		1,475,446	875,731	
FUND BALANCE - END OF YEAR	1,428,183	875,731	875,731		660,771	1,050,808	
ASSESSED VALUATIONS:							
ARAPAHOE COUNTY	181,381,390	189,289,580	190,273,151				
DOUGLAS COUNTY	90,908,250	102,872,540	103,973,770				
	272,289,640	292,162,120	294,246,921				
MILLS:							
GENERAL	4.30	4.44	4.65				
DEBT SERVICE	2.35	2.06	2.10				
CAPITAL PROJECTS	-	-	-				
	6.65	6.50	6.75				

INVERNESS METROPOLITAN IMPROVEMENT DISTRICT							FINAL
2017 CAPITAL PROJECTS FUND BUDGET							
		2016					
		JAN-AUG	SEPT-DEC	Total	2016	2017	
		ACTUAL	PROJECTED	PROJECTED	Budget	Budget	
REVENUE							
Property Taxes							
Development Fees	165,242		-		104,400		
County/SPMD Contributions	400,000		208,800	208,800	200,000	226,800	
Views Contributions						300,000	
Bldg #1 Sale proceeds						2,000,000	
Bldg #1 Rental Income	33,818	42,273	-	42,273	45,000		
TOTAL REVENUE	599,060	42,273	208,800	251,073	349,400	2,526,800	
EXPENDITURES							
Branding Projects:							
Admin & Design	92,616	20,382	10,000	30,382	50,000	50,000	
Wayfinding Signage	23,434	10,669		10,669	-	-	
Street Finding Signage							
Regulatory Signage	46,550						
I-25 Monument Signage			70,000	70,000	300,000	250,000	
Entry Monument Signage			30,000	30,000	250,000	200,000	
Entry Pylons	27,180	950	170,000	170,950	450,000	350,000	
Building Monument Signs	28,586	7,500		7,500			
Bridge Rehabilitation							
Total Branding Projects	218,366	39,501	280,000	319,501	1,050,000	850,000	
Other Projects:							
Sidewalk additions/repairs	1,066,836	718,060	150,000	868,060	650,000	100,000	
Light Rail Ped Access	42,481	1,284	15,000	16,284	200,000	250,000	
Traffic Signal Rehab	330	89,650	-	89,650	200,000	-	
IDW Traffic Signal Contrib							
Bldg #1/County Line Interchange	2,116,553	13,004	2,500	15,504	50,000	150,000	
Bicycle/Traffic Study	17,478	10,002	10,000	20,002	50,000	25,000	
Street Lighting	23,027				25,000	25,000	
John Derry Park Improvements	91,234				200,000	200,000	
John Derry Park Walkways/Bridge						300,000	
General Landscaping (I25/Cty Line)	401						
Dry Creek Medians	195,822	214		214	100,000	100,000	
Street Light Painting							
Utility Box Painting					50,000	50,000	

INVERNESS METROPOLITAN IMPROVEMENT DISTRICT

2017 CAPITAL PROJECTS FUND BUDGET

2016

	2015 ACTUAL	JAN-AUG ACTUAL	SEPT-DEC PROJECTED	Total Projected	2016 Budget	2017 Budget
Holiday Lighting						
Equipment	6,890					
Retaining Walls					100,000	100,000
Contingency						
Treasurers Fees						
Total Other Projects	3,561,052	832,214	177,500	1,009,714	1,625,000	1,300,000
TOTAL EXPENDITURES	3,779,418	871,715	457,500	1,329,215	2,675,000	2,150,000
Transfer from General Fund	1,500,000	500,000	450,000	950,000	880,000	
Transfer from Debt Service Fund					1,210,000	1,650,000
Transfer to Debt Service Fund						(1,650,000) Loan Payoff - if Building 1 Sells
Excess (Deficit) of Revenue over Expenditures	(1,680,358)	(329,442)	201,300	(128,142)	(235,600)	376,800
FUND BALANCE - BEG OF YEAR	2,055,943	375,585	46,143	375,585	238,709	247,443
FUND BALANCE - END OF YEAR	375,585	46,143	247,443	247,443	3,109	624,243

FINAL

INVERNESS METROPOLITAN IMPROVEMENT DISTRICT

2017 CAPITAL PROJECTS FUND BUDGET

----- 2016 -----

	2015 ACTUAL	JAN-AUG ACTUAL	SEPT-DEC PROJECTED	Total Projected	2016 Budget	2017 Budget
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INVERNESS METROPOLITAN IMPROVEMENT DISTRICT

FINAL

	2017 DEBT SERVICE FUND BUDGET				Total Projected	2016 Budget	2017 Budget
	2015		2016				
	ACTUAL	JAN-AUG ACTUAL	SEPT-DEC PROJECTED	PROJECTED			
REVENUE							
Property Taxes	621,900	619,975	-	619,975	629,662	617,919	
Excluded Property Fees	40,419	53,586	-	53,586	34,728	68,533	
Interest Income	514	57	60	117			
Loan Proceeds	-	-			1,250,000	1,650,000	
						W&S Loan in case Building does not sell	
TOTAL REVENUE	662,833	673,618	60	673,678	1,914,390	2,336,451	
EXPENDITURES							
Treasurer's Fees	9,336	9,290	9,290	18,580	9,445	9,269	
Bond Interest	111,374	49,293	49,293	98,586	98,588	85,443	
Bond Principal	535,000		550,000	550,000	550,000	560,000	
New Loan Interest					10,000	24,750	
New Loan Principal						1,650,000	
Loan Costs					40,000		
Paying Agent Fees	200	200	200	400	500	500	
Contingency					25,000	25,000	
TOTAL EXPENDITURES	655,910	58,783	608,783	667,566	733,533	2,354,962	
Transfer from General Fund							
Transfer to Capital Projects Fund					(1,210,000)	(1,650,000)	
Transfer from Capital Projects Fund						1,650,000	
						Loan Payoff - if Building 1 Sells	
Excess (Deficit) of Revenue over Expenditures	6,923	614,835	(608,723)	6,112	(29,143)	(18,511)	
FUND BALANCE - BEG OF YEAR	26,390	33,313	648,148	33,313	42,963	39,425	
FUND BALANCE - END OF YEAR	33,313	648,148	39,425	39,425	13,820	20,914	
ASSESSED VALUATIONS:							
ARAPAHOE COUNTY		2015	2016	2017			
		181,381,390	189,289,580	190,273,151			
DOUGLAS COUNTY		90,908,250	102,872,540	103,973,770			
		272,289,640	292,162,120	294,246,921			
MILLS:							
GENERAL		2015	2016	2017			
		4.30	4.44	4.65			
DEBT SERVICE		2.35	2.06	2.10			
CAPITAL PROJECTS		-	-	-			
		6.65	6.50	6.75			