

LETTER OF BUDGET TRANSMITTAL

Date: December 15, 2020

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2021 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 3, 2020. If there are any questions on the budget, please contact

Randall S. Warren
Mulhern MRE, Inc.
188 Inverness Drive West, #150
Englewood, CO 80112
Telephone number: (303) 649-9857

I, Randall S. Warren, General Manager for the Inverness Metropolitan Improvement District, hereby certify that the attached is a true and correct copy of the 2021 budget.

By:


Randall S. Warren, General Manager

**RESOLUTION
TO ADOPT 2021 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, 2021, AND ENDING ON THE LAST DAY OF DECEMBER, 2021,

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 3, 2020, 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 2021.

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.

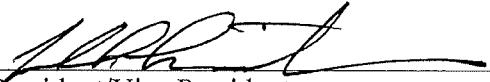
Section 3. 2021 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

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.

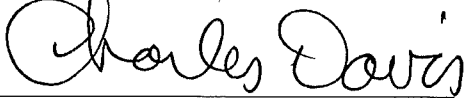
ADOPTED this 3rd day of December, 2020.

INVERNESS METROPOLITAN
IMPROVEMENT DISTRICT



President/Vice President

ATTEST:



Secretary

**INVERNESS METROPOLITAN IMPROVEMENT DISTRICT
2021 RESOLUTION TO SET MILL LEVIES**

A RESOLUTION LEVYING PROPERTY TAXES FOR THE YEAR 2020, TO HELP DEFRAID THE COSTS OF GOVERNMENT FOR THE INVERNESS METROPOLITAN IMPROVEMENT DISTRICT, ARAPAHOE AND DOUGLAS COUNTIES, COLORADO, FOR THE 2021 BUDGET YEAR.

WHEREAS, the Board of Directors of the Inverness Metropolitan Improvement District (the "District") has adopted the annual budget in accordance with Local Government Budget Law on December 3, 2020; and

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is \$ 1,576,313 .

WHEREAS, the amount of money necessary to balance the budget for capital expenditure purposes from property tax revenues is \$ 0 ; and

WHEREAS, the amount of money necessary to balance the budget for voter approved bonds and interest is \$ 577,981 ; and

WHEREAS, the 2021 valuation for assessment for the District as certified by Arapahoe County and Douglas County Assessors is \$ 350,219,697 .

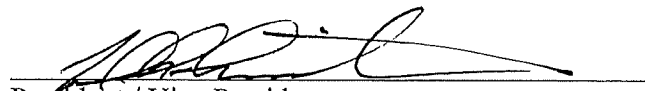
NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE INVERNESS METROPOLITAN IMPROVEMENT DISTRICT, ARAPAHOE AND DOUGLAS COUNTIES, COLORADO:

1. That for the purpose of meeting general operating expenses of the District during the 2021 budget year, there is hereby levied a tax of 4.500 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2020.
2. That for the purpose of meeting payments for capital expenditures of the District during the 2021 budget year, there is hereby levied a tax of 0 mills upon each dollar of the total valuation assessment of all taxable property within the District for the year 2020.
3. That for the purpose of meeting payments for bonds and interest of the District during the 2021 budget year, there is hereby levied a tax of 1.650 mills upon each dollar of the total valuation for assessment of all taxable property within the District for the year 2020.

4. That Randall S Warren, District Manager, is hereby authorized and directed to certify to the County Commissioners of Arapahoe and Douglas Counties, Colorado, the mill levies for the District as herein above determined and set.
5. The District expects the assessed value and total revenue to change nominally upon final certification and authorizes the District Manager to incorporate these changes on the County Mill Levy Certification.

The foregoing resolution was approved and adopted by a unanimous vote of the District's Board of Directors on December 3, 2020.

INVERNESS METROPOLITAN IMPROVEMENT DISTRICT



President / Vice President

**INVERNESS METROPOLITAN IMPROVEMENT DISTRICT
2021 BUDGET MESSAGE**

The 2021 budget for the Inverness Metropolitan Improvement District has been approved by the Board of Directors and is attached. The budgetary basis of accounting is modified accrual.

The District provides maintenance services and improvement projects for common areas, road-ways, landscaping and a recreational park within the Inverness Park. Portions of the District are in both Arapahoe and Douglas Counties. The District also participates in regional transportation projects.

The District accounts for its operations in three funds – a general fund, a debt fund and a capital fund. Budgets for each of the funds are attached. The primary revenue source for the District is property taxes.

The District's Debt Fund budget includes property tax revenues from the District's debt service mill levy adequate to meet the 2021 debt service cash requirements.

The District's General Fund budget includes property tax revenues from the District's General Operating Expenses mill levy. The projected property tax revenues exceed projected operating expenses. The budget anticipates a positive end of year fund balance in excess of statutorily required reserves.

The District's Capital Fund sources of funds include development fees and transfers from either the Debt or General Fund.

**Inverness Metropolitan Improvement District
General Fund Budget 2021**

	2019 Actual	2020 Projection	2020 Budget	2021 Budget
Revenue				
Property Taxes	1,412,467	1,543,711	1,578,000	1,576,000
Specific Ownership Tax	174,202	186,188	175,000	180,000
Tax Equivalency Fees	187,612	236,305	237,000	262,000
Interest & Other	60,189	34,230	60,000	20,000
Landscape reimbursement	-	38,570	40,000	41,000
Recreation Fees	24,950	15,485	22,000	22,000
IPACC Review Fees	16,235	2,957	10,000	10,000
Total Revenue	1,875,655	2,057,448	2,122,000	2,111,000
Expenditures				
Treasurer's Fees	21,159	26,563	24,000	27,600
Legal	21,869	8,406	30,000	30,000
Audit	5,500	5,000	6,000	6,000
Building utilities and management	12,781	-	-	-
Consulting/Engineering	4,628	8,828	13,000	10,000
District Management - MMRE	164,004	174,000	175,000	175,000
Consulting Management	22,050	22,270	22,900	22,900
Accounting/Finance - MMRE	48,000	50,400	50,000	50,400
Covenant Enforcement/IPACC	63,488	59,064	80,000	70,000
Director Fees	2,200	2,500	3,000	3,000
Insurance	16,878	20,724	21,800	22,000
Office Operating	3,278	1,645	8,000	5,000
Landscape Contract	227,045	227,484	231,600	234,400
I-25 intersection landscaping	-	35,064	36,000	37,000
Landscape Extras	119,793	120,486	101,000	124,000
Annual Flowers	62,514	68,864	64,000	68,000
General R&M (sidewalks/bridges/walls)	79,017	111,473	92,400	100,000
Trash Patrol	50,000	51,708	52,000	54,000
Snow Removal	338,042	185,724	250,000	250,000
Lighting (electricity & repairs)	131,639	111,408	100,000	120,000
Signage R&M	25,013	14,009	23,000	25,000
Street potholes, repairs & striping	77,335	15,150	50,000	50,000
Irrigation Water	53,424	93,872	75,000	80,000
Holiday Lights	28,634	21,556	20,000	25,000
Recreation program costs	11,246	13,232	10,900	15,000
Contingency	-	-	100,000	100,000
Total Expenditures	1,589,537	1,449,430	1,639,600	1,704,300
Net revenues less expenditures	286,118	608,018	482,400	406,700
Transfer to Capital Projects	-	-	(1,103,940)	(1,672,528)
Transfer to Debt Service	-	-	-	-
Net transfers	-	-	(1,103,940)	(1,672,528)
Net change in fund balance	286,118	608,018	(621,540)	(1,265,828)
Fund Balance - Beg. of year	1,195,848	1,481,966	1,481,966	2,089,984
Fund Balance - End of year	1,481,966	2,089,984	860,426	824,156

**Inverness Metropolitan Improvement District
Debt Fund Budget 2021**

	2019 Actual	2020 Projection	2020 Budget	2021 Budget
Revenue				
Property Taxes	584,172	566,193	581,000	572,000
Excluded Property Fees	78,052	86,645	87,000	96,000
Interest Income	-	-	-	-
Loan Proceeds	-	-	-	-
Total Revenue	662,224	652,838	668,000	668,000
Expenditures				
Treasurer's Fees	8,756	9,740	10,000	10,100
Bond Interest	58,316	44,215	44,215	29,755
Bond Principal	590,000	605,000	605,000	615,000
Administrative Fees	-	-	5,000	-
Paying Agent Fees	200	200	200	5,200
Contingency	-	-	20,000	20,000
Total Expenditures	657,272	659,155	684,415	680,055
Transfers (to) from General Fund	-	-	-	-
Transfers (to) from Capital Fund	-	-	-	-
Net transfers (to) from	-	-	-	-
Net change in debt fund balance	4,952	(6,317)	(16,415)	(12,055)
Fund Balance - Beg. of year	114,837	119,789	119,789	113,472
Fund Balance - End of year	119,789	113,472	103,374	101,417

**Inverness Metropolitan Improvement District
Capital Fund Budget 2021**

	2019 Actual	2020 Projection	2020 Budget	2021 Budget
Revenue				
Development Fees	22,424	4,281	20,000	20,000
Developer contributions		400,000	400,000	-
Bldg #1 Sale proceeds	2,064,942	-	-	-
Total Revenue	2,087,366	404,281	420,000	20,000
Expenditures				
Branding - signage	369,595	8,867	250,000	200,000
J Derry Park Bridge	6,523	400,852	400,000	-
J Derry Park paths & sidewalks	3,386	125,000	300,000	100,000
J Derry Park Amenities	16,375	-	150,000	100,000
J Derry Park Improvements	-	21,104	150,000	150,000
J Derry Park Irrigation Improvements		197,156	-	-
Light Rail Ped Access	-	-	50,000	-
Street overlays & improvements	401,145	-	250,000	150,000
Dry Creek road improvements	-	24,000	250,000	100,000
Retaining Wall	8,500	-	-	-
Bldg #1/County Line Interchange	10,919	20,211	250,000	200,000
Bicycle & pedestrian projects	20,664	127,252	50,000	600,000
Street light improvements	-	38,930	100,000	250,000
Sign additions & replacements	-	-	25,000	-
Sidewalks	66,876	-	-	-
Landscaping Improvements	-	-	100,000	50,000
Road improvements - crosswalks	21,856	36,570	50,000	25,000
Contingency		-	50,000	75,000
Total Other Expenditures	925,838	999,941	2,425,000	2,000,000
Total Expenditures	925,838	999,941	2,425,000	2,000,000
Transfers (to) from General Fund	-	-	1,101,867	1,672,528
Transfers (to) from Debt Service Fund	-	-	-	-
Net transfers (to) from funds	-	-	1,101,867	1,672,528
Excess (Deficit) of Revenue over Expenditures & transfers	1,161,528	(595,660)	(903,133)	(307,472)
Fund Balance - Beg. of year	(258,395)	903,133	903,133	307,472
Fund Balance - End of year	903,133	307,472	-	-