

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 WATER AND SANITATION 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 Water and Sanitation 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 WATER AND SANITATION 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 WATER AND SANITATION 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 Water and Sanitation 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 its 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 WATER AND SANITATION 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 Water and Sanitation 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.

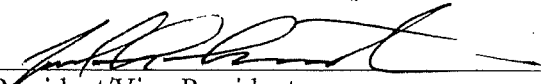
Section 3. 2021 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

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 WATER AND
SANITATION DISTRICT



President/Vice-President

ATTEST:



Secretary

**INVERNESS WATER AND SANITATION 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 WATER AND SANITATION DISTRICT, ARAPAHOE AND DOUGLAS COUNTIES, COLORADO, FOR THE 2020 BUDGET YEAR.

WHEREAS, the Board of Directors of the Inverness Water And Sanitation 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 \$ 0; and

WHEREAS, the amount of money necessary to balance the budget for voter approved bonds and interest is \$ 1,524,873; and

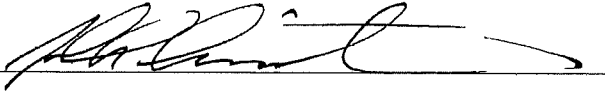
WHEREAS, the 2021 valuation for assessment for the District as certified by the Arapahoe and Douglas County Assessors is \$ 338,860,693.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE INVERNESS WATER AND SANITATION 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 0 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 bonds and interest 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 assessment of all taxable property fully included within the District for the year 2020.
3. That Randall 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.
4. 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 WATER AND SANITATION DISTRICT



**INVERNESS WATER AND SANITATION DISTRICT
2021 BUDGET MESSAGE**

The attached 2021 Budget for the Inverness Water and Sanitation District (the “District”), approved by the Board of Directors, includes the budget for the District’s Operating or Enterprise Fund and the budget for the District’s Debt Fund. The Districts used the modified accrual basis of accounting to prepare these budgets.

The District provides the water supply and sanitary sewer services for the residents and businesses within the District. The enterprise fund relies upon customer water and sewer service fees to cover the operating expenses of the District. The District’s budget projects unrestricted end of year Operating Fund balances well in excess of statutory reserve requirements.

The District’s Debt Fund budget reflects property tax revenues from the District’s debt service mill levy adequate to meet the 2021 debt service obligations of the District.

**Inverness Water & Sanitation District
2021 Enterprise Operating Fund Budget**

	2019 Actual	2020 Projected	2020 Budget	2021 Budget
Operating Revenues				
Water service fees	1,830,199	2,514,587	1,945,000	2,163,000
Sewer service fees	1,276,912	1,144,489	1,321,000	1,215,000
Other revenues	267,187	230,702	266,000	231,000
Total Operating Revenue	3,374,298	3,889,777	3,532,000	3,609,000
Operating expenditures				
Denver water purchases	743,555	709,499	700,000	724,000
WISE water purchase costs	412,172	797,592	600,000	700,000
Utilities	203,941	168,873	190,000	170,000
ACWWA treatment costs	723,738	469,195	744,000	650,000
Repairs and maintenance	163,958	345,215	200,000	255,000
Chemicals, supplies & materials	84,987	91,023	119,000	88,000
Salaries	215,382	246,120	234,000	246,000
Payroll taxes and benefits	67,783	83,843	77,000	82,000
District management	201,796	210,000	210,000	210,000
District operator administration	48,000	36,000	36,000	36,000
District billing & accounting	96,000	108,000	108,000	108,000
Legal & other professional services	46,278	48,079	51,000	50,000
Insurance	63,645	65,215	65,000	67,000
Rent	27,172	25,685	30,000	26,000
Office expenses	37,281	36,158	35,000	37,000
Landscaping & snow removal	21,009	27,916	21,000	28,000
Vehicle expenses	16,827	17,926	16,000	18,000
Other professional, education, administration	16,718	27,766	35,000	28,000
Contingency	-	-	50,000	100,000
Total operating expenditures	3,190,240	3,514,104	3,521,000	3,623,000
Operating revenues less expenditures	184,057	375,673	11,000	(14,000)
Non-operating revenues & expenditures				
Tap & development fees	346,833	158,920	191,000	80,000
Net investment income	130,626	57,280	100,000	40,000
Investment in authority (CCPWA)	1,907,714	-	(2,977,059)	(2,670,000)
Investment in authority (SMSWA-WISE)	(90,222)	(1,810,600)	(2,296,138)	(215,000)
CCPWA/SMSWA operating costs	(98,559)	(25,000)	(96,000)	(100,000)
Capital expenditures	(444,912)	(1,145,370)	(2,390,000)	(2,055,000)
Other	37,444	-	-	-
Total non-operating revenues & expenditures	1,788,924	(2,764,770)	(7,468,197)	(4,920,000)
Transfers debt fund to operating fund	-	644,392	1,704,000	1,058,000
Net operating revenues, expenses & transfers	1,972,981	(1,744,705)	(5,753,197)	(3,876,000)
Net debt revenues, expenses, & transfers	1,032,821	(714,208)	(732,000)	(707,000)
Funds available beginning of year	6,389,943	9,395,745	9,395,745	6,936,832
Funds available for debt & general purposes	9,395,745	6,936,832	2,910,549	2,353,832
Less funds restricted for debt service	(1,944,980)	(1,230,772)	(1,212,980)	(523,772)
Net enterprise funds available	7,450,765	5,706,060	1,697,569	1,830,060

Inverness Water & Sanitation District
2021 Debt Fund Budget

	2019 Actual	2020 Projected	2020 Budget	2021 Budget
Revenues				
Property taxes	1,516,936	1,514,889	1,550,000	1,548,000
Tax equivalent fees	188,349	214,399	215,000	240,000
Specific ownership	132,440	132,642	134,000	135,000
Loan proceeds	37,444	644,392	1,704,000	1,078,000
Other revenues	-	-	-	-
Total fund revenues	1,875,169	2,506,322	3,603,000	3,001,000
Expenditures				
2012 issue interest	152,363	140,652	141,000	88,000
2012 issue required principal	490,000	2,210,000	2,210,000	2,260,000
2012 issue prepaid principal	-	-	-	-
Colo Conservation Loan interest	65,444	56,650	93,000	109,000
Colo Conservation Loan principal	74,364	92,896	93,000	96,000
Colo Conservation Loan fees	37,444	-	19,000	20,000
County Treasurer fees	22,733	25,939	24,000	27,000
Paying agent fees	-	-	1,000	-
Other expenses/contingency	-	50,000	50,000	50,000
Total fund expenses	842,348	2,576,137	2,631,000	2,650,000
Transfers to enterprise fund	-	644,392	1,704,000	1,058,000
Revenues over(under) expenditures & transfers	1,032,821	(714,208)	(732,000)	(707,000)
Beginning of period fund balance	912,159	1,944,980	1,944,980	1,230,772
End of period fund balance	1,944,980	1,230,772	1,212,980	523,772