

LETTER OF BUDGET TRANSMITTAL

Date: January 3, 2019

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

Attached are the 2019 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 5, 2018. If there are any questions on the budget, please contact

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

I, Randall Warren, General Manager for the Inverness Metropolitan Improvement District, hereby certify that the attached is a true and correct copy of the 2019 budget.

By: 
Randall S. Warren

**RESOLUTION
TO ADOPT 2019 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, 2019, AND ENDING ON THE LAST DAY OF DECEMBER, 2019,

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 5, 2018, 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 2019.

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.

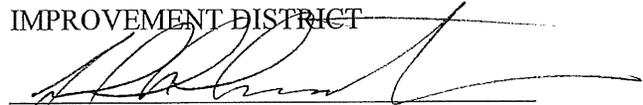
Section 3. 2019 Budget Expenditures. That the estimated expenditures for each fund as more specifically set out in the budget attached hereto are accepted and approved.

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 5th day of December, 2018.

INVERNESS METROPOLITAN
IMPROVEMENT DISTRICT



President/Vice President

ATTEST:



Secretary

**INVERNESS METROPOLITAN IMPROVEMENT DISTRICT
2019 BUDGET MESSAGE**

The 2019 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 sources for the District's 2019 general and debt fund budgets are property taxes. The District has assessed value of \$330,817,854. The general fund 4.35 mill levy is estimated to produce revenues of \$1,439,058 and the debt service fund 1.80 mill levy is estimated to produce revenues of \$595,472. The capital fund budget revenues included expected property sales of \$2,000,000 and development fees and contributions of \$425,000.

The 2019 budget projects a year-end fund balance for the general fund of \$1,347,743, \$97,016 in the debt fund, and \$0 in the capital fund.

**Inverness Metropolitan Improvement District
General Fund 2019 Budget**

	2017 Actual	2018 Projected	2018 Budget	2019 Budget
Revenue				
Property Taxes	1,347,858	1,407,206	1,423,537	1,439,000
Specific Ownership Tax	185,496	166,721	169,000	171,000
Tax Equivalency Fees	158,337	168,715	171,550	173,000
Interest & Other	20,829	43,345	15,000	30,000
Recreation Fees	14,275	19,325	15,000	19,000
IPACC Review Fees	10,744	3,600	15,000	4,000
Total Revenue	1,737,539	1,808,912	1,809,086	1,836,000
Expenditures				
Treasurer's Fees	20,251	21,138	21,353	22,000
Legal	14,421	24,584	30,000	30,000
Audit	7,500	7,500	8,000	8,000
Consulting/Engineering	4,653	24,019	6,000	12,000
District Management - MMRE	141,900	160,800	160,000	164,000
District Mgmt - IPLLC	48,799	48,900	50,000	25,000
Accounting/Finance - MMRE	46,101	47,004	47,000	48,000
Covenant Enforcement/IPACC	106,030	92,368	75,000	80,000
Director Fees	2,500	2,315	3,000	3,000
Insurance	19,509	19,902	20,000	20,000
Office Operating	21,124	3,628	12,000	12,000
Landscape Contract	207,988	224,263	233,000	229,000
Landscape Extras	131,522	84,257	80,000	90,000
Annual Flowers	62,591	62,591	50,000	64,000
General R&M (sidewalks/bridges/walls)	57,033	82,807	28,000	84,000
Trash Patrol	47,688	48,996	49,000	50,000
Snow Removal	113,929	174,931	210,000	200,000
Lighting (electricity & repairs)	91,849	72,664	62,000	80,000
Signage R&M	22,745	18,202	23,000	23,000
Street potholes & repairs	31,879	14,250	60,000	30,000
Street Striping	18,258	3,974	19,000	15,000
Irrigation Water	82,318	73,362	80,000	82,000
Holiday Lights	10,136	6,225	23,000	10,000
Recreation program costs	11,905	10,414	12,000	11,000
Contingency			50,000	50,000
Total Expenditures	1,322,629	1,329,093	1,411,353	1,442,000
Excess (Deficit) of Revenue over Expenditures before Transfers	414,910	479,819	397,733	394,000
Transfer to Capital Projects	(199,963)	(251,925)	(40,000)	(470,000)
Excess (Deficit) of Revenue over Expenditures after Transfers	214,947	227,894	357,733	(76,000)
Fund Balance - Beg. of year	980,902	1,195,849	1,195,849	1,423,743
Fund Balance - End of year	1,195,849	1,423,743	1,553,582	1,347,743

**Inverness Metropolitan Improvement District
General Fund 2019 Budget**

	2017 Actual	2018 Projected	2018 Budget	2019 Budget
Assessed valuations	2017		2018	2019
Arapahoe County	190,273,151		219,464,736	220,608,994
Douglas County	103,973,770		115,485,070	110,208,860
	294,246,921		334,949,806	330,817,854
Mills	2017		2018	2019
General	4.65		4.25	4.35
Debt Service	2.10		1.80	1.80
	6.75		6.05	6.15
Taxes				
General	1,368,248		1,423,537	1,439,058
Debt Service	617,919		602,910	595,472
	1,986,167		2,026,446	2,034,530

**Inverness Metropolitan Improvement District
Debt Fund 2019 Budget**

	2017 Actual	2018 Projected	2018 Budget	2019 Budget
Revenue				
Property Taxes	612,527	595,993	602,910	595,000
Excluded Property Fees	71,492	71,456	72,656	72,000
Interest Income	603	346	1,000	1,000
Loan Proceeds	-	-	-	-
Total Revenue	684,622	667,795	676,566	668,000
Expenditures				
Treasurer's Fees	9,147	8,952	9,044	9,000
Bond Interest	85,443	72,058	72,059	58,316
Bond Principal	560,000	575,000	575,000	590,000
Paying Agent Fees	200	200	500	200
Contingency	-	-	25,000	25,000
Total Expenditures	654,790	656,210	681,603	682,516
Excess (Deficit) of Revenue over Expenditures & transfers	29,832	11,584	(5,037)	(14,516)
Fund Balance - Beg. of year	70,116	99,948	99,948	111,532
Fund Balance - End of year	99,948	111,532	94,911	97,016

Assessed valuations	2017	2018	2019
Arapahoe County	190,273,151	219,464,736	220,608,994
Douglas County	103,973,770	115,485,070	110,208,860
	<u>294,246,921</u>	<u>334,949,806</u>	<u>330,817,854</u>

Mills	2017	2018	2019
General	4.65	4.25	4.35
Debt Service	2.10	1.80	1.80
	<u>6.75</u>	<u>6.05</u>	<u>6.15</u>

Taxes	2017	2018	2019
General	1,368,248	1,423,537	1,439,058
Debt Service	617,919	602,910	595,472
	<u>1,986,167</u>	<u>2,026,446</u>	<u>2,034,530</u>

**Inverness Metropolitan Improvement District
Capital Projects Fund 2019 Budget**

	2017 Actual	2018 Projected	2018 Budget	2019 Budget
Revenue				
Development Fees	231,335	54,508	50,000	25,000
Developer Contributions			400,000	400,000
Bldg #1 Sale proceeds		-	2,000,000	2,000,000
Total Revenue	231,335	54,508	2,450,000	2,425,000
Expenditures				
Branding - signage				
Admin & Design	53,891	30,486	30,000	-
Entryway signage	301,498	-	400,000	500,000
Electrical, landscape, other		190,465	170,000	100,000
Total Branding Projects	355,389	220,951	600,000	600,000
Other Projects:				
J Derry Park Bridge	1,054		425,000	425,000
J Derry Park paths & sidewalks			250,000	400,000
J Derry Park irrigation improvements			100,000	50,000
J Derry Park other improvements	33,868		25,000	25,000
J Derry Park recreation facilities			-	25,000
Light Rail Ped Access	5,524		250,000	150,000
Phase III sidewalk	60,590		-	-
Street overlays & improvements	220	60,054	150,000	650,000
Building #1 improvements			120,000	10,000
Bldg #1/County Line Interchange	711		200,000	250,000
Bicycle & pedestrian projects		563	20,000	20,000
Street Light painting & replacement	980	-	125,000	100,000
Sign additions & replacements		24,865	25,000	25,000
Median & cul de sac improvements	1,050	-	25,000	40,000
General Landscaping		-	25,000	25,000
Utility Box Painting		-	50,000	-
Contingency		-	100,000	100,000
Total Other Projects	103,997	85,482	1,890,000	2,295,000
Total Expenditures	459,386	306,433	2,490,000	2,895,000
Transfers (to) from General Fund	199,963	251,925	40,000	470,000
Transfers (to) from Debt Service Fund	-	-	-	-
Net transfers (to) from funds	199,963	251,925	40,000	470,000
Excess (Deficit) of Revenue over Expenditures & transfers	(28,088)	-	-	-
Fund Balance - Beg. of year	28,088	-	-	-
Fund Balance - End of year	-	-	-	-