

SOUTHEAST METRO STORMWATER AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2021

**SOUTHEAST METRO STORMWATER AUTHORITY
COMPARATIVE BALANCE SHEET (BUDGETARY BASIS)
FOR THE MONTHS ENDED MARCH 31, 2021 AND FEBRUARY 28, 2021**

	March 2021	February 2021
ASSETS		
Current Assets		
Checking/Savings		
Checking - BOK Financial	1,718,261	2,536,914
ICS Savings Account	103,078	103,267
Total Checking/Savings	<u>1,821,339</u>	<u>2,640,181</u>
Other Current Assets		
Investments - ColoTrust	10,203,118	7,842,977
Due from County Treasurer	1,243,226	3,510,016
Total Other Current Assets	<u>11,446,344</u>	<u>11,352,993</u>
Total Current Assets	<u>13,267,683</u>	<u>13,993,174</u>
TOTAL ASSETS	<u>13,267,683</u>	<u>13,993,174</u>
LIABILITIES & FUNDS AVAILABLE		
Liabilities		
Current Liabilities		
Accounts Payable	935,690	961,128
Escrow Deposits/Collateral Held	1,537,382	1,512,974
Total Current Liabilities	<u>2,473,072</u>	<u>2,474,102</u>
Funds Available	<u>10,794,611</u>	<u>11,519,072</u>
TOTAL LIABILITIES & FUNDS AVAILABLE	<u>13,267,683</u>	<u>13,993,174</u>

SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2021

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Fees - Arapahoe County	11,806,933	5,012,692	\$ (6,794,241)
Fees - Douglas County	385,821	1,510	(384,311)
Fees refunds	(7,500)	-	7,500
SDFs and ECFs	250,000	22,538	(227,462)
Permit and Review Fees	317,600	89,476	(228,124)
Interest Income	40,000	972	(39,028)
Miscellaneous Revenues	40,000	20,141	(19,859)
SPLASH Revenues	7,100	5,856	(1,244)
Delinquency charges	3,500	235	(3,265)
Intergovernmental Revenues	-	22,822	22,822
TOTAL REVENUES	<u>12,843,454</u>	<u>5,176,242</u>	<u>(7,667,212)</u>
EXPENDITURES			
Administrative	1,935,246	526,687	1,408,559
Maintenance and Inspection	2,901,677	547,010	2,354,667
Environmental Resources	607,368	124,086	483,282
Engineering	1,654,647	271,848	1,382,799
Building and Space	656,232	132,876	523,356
Capital	956,377	4,120	952,257
Debt Service	1,164,478	273,619	890,859
Asset Maintenance	3,080,434	526,507	2,553,927
CIP Projects	6,637,673	1,944,455	4,693,218
TOTAL EXPENDITURES	<u>19,594,132</u>	<u>4,351,208</u>	<u>15,242,924</u>
NET CHANGE IN FUNDS AVAILABLE	(6,750,678)	825,034	7,575,712
FUNDS AVAILABLE - BEGINNING	9,973,133	9,969,577	(3,556)
FUNDS AVAILABLE - ENDING	<u>3,222,455</u>	<u>10,794,611</u>	<u>7,572,156</u>

SUPPLEMENTARY INFORMATION

SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2021

		<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES				
01-0000000-40011	Fees-Arapahoe County-2017	-	(142)	\$ (142)
01-0000000-40013	Fees-Arapahoe County-2019	50,000	19,814	(30,186)
01-0000000-40014	Fees-Arapahoe County-2020	30,000	745	(29,255)
01-0000000-40015	Fees-Arapahoe County-2021	11,726,933	4,992,275	(6,734,658)
01-0000000-40999	Fee Refunds	(7,500)	-	7,500
01-0000000-41014	Fees-Douglas County-2020	-	1,510	1,510
01-0000000-41015	Fees-Douglas County-2021	385,821	-	(385,821)
01-0000000-42001	SDFs & ECFs-SEMSWA	250,000	-	(250,000)
01-0000000-42105	SDFs-Lone Tree	-	305	305
01-0000000-42108	ECFs-Lone Tree	-	1,206	1,206
01-0000000-42112	SDFs-Big Dry	-	17,856	17,856
01-0000000-42118	SDFs-Willow Creek	-	822	822
01-0000000-42131	SDFs-Unnamed Creek Basin	-	2,349	2,349
01-0000000-43003	Other Permits	141,000	61,665	(79,335)
01-0000000-43004	City Collected Review Fees	-	985	985
01-0000000-43006	Other Review Fees	161,600	22,246	(139,354)
01-0000000-43007	Noncompliance Fees	15,000	4,580	(10,420)
01-0000000-44001	Interest Income	40,000	972	(39,028)
01-0000000-44002	Miscellaneous Revenue	40,000	20,141	(19,859)
01-0000000-44003	SPLASH Revenue	7,100	5,856	(1,244)
01-0000000-44004	Delinquency Charges	3,500	235	(3,265)
01-0000000-45001	Douglas County Revenue	-	22,822	22,822
TOTAL REVENUES		<u>12,843,454</u>	<u>5,176,242</u>	<u>(7,667,212)</u>

SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2021

		<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
EXPENDITURES				
Administrative				
01-0000001-51001	Salaries	751,705	169,574	582,131
01-0000001-51005	Director Salaries	8,000	-	8,000
01-0000001-51101	Employer FICA	58,117	12,613	45,504
01-0000001-51102	Employer Retirement	45,102	13,773	31,329
01-0000001-51103	Employer 457 Match	22,551	-	22,551
01-0000001-51104	Employer Unemployment	2,279	495	1,784
01-0000001-51105	Employer Health Insurance	96,275	22,761	73,514
01-0000001-51106	Employer Dental	5,486	1,339	4,147
01-0000001-51107	Employer Vision	1,780	415	1,365
01-0000001-51108	Employer Disability/Life	4,347	1,391	2,956
01-0000001-52002	Stormwater Fee Consulting	35,000	-	35,000
01-0000001-52101	Legal Services	90,000	-	90,000
01-0000001-52102	HR Consulting Services	32,000	4,910	27,090
01-0000001-52103	Audit Services	15,000	-	15,000
01-0000001-52104	Financial Services	100,000	22,500	77,500
01-0000001-52106	County Treasurer's Fees	175,904	75,103	100,801
01-0000001-52107	Benefits Administration	1,000	150	850
01-0000001-52110	Software Maintenance	60,000	1,250	58,750
01-0000001-52112	GIS Management	55,000	33,253	21,747
01-0000001-52115	Payroll Service	10,000	1,427	8,573
01-0000001-52207	Coffee Service	3,000	360	2,640
01-0000001-52401	Mileage Reimbursement	500	53	447
01-0000001-52403	Business Meals	5,000	45	4,955
01-0000001-52405	Training	25,000	4,979	20,021
01-0000001-52501	HR Advertising	6,000	1,006	4,994
01-0000001-52502	Legal Publications	200	129	71
01-0000001-52503	Workers Compensation	35,000	20,188	14,812
01-0000001-52504	Property & Liability Insurance	60,000	65,512	(5,512)
01-0000001-52510	Other Contractual Services	101,000	5,426	95,574
01-0000001-52511	Dues & Subscriptions	15,000	2,947	12,053
01-0000001-52512	Postage	2,500	436	2,064
01-0000001-53007	Computer Software	2,500	-	2,500
01-0000001-53201	Office Supplies	15,000	1,559	13,441
01-0000001-54101	Billing Services	25,000	2,116	22,884
01-0000001-54104	Major Software Systems-Energov	70,000	60,977	9,023
Total Administrative		<u>1,935,246</u>	<u>526,687</u>	<u>1,408,559</u>

SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2021

		Annual Budget	Year to Date Actual	Variance
Maintenance and Inspection				
01-0000003-51001	Salaries	1,396,522	303,002	1,093,520
01-0000003-51101	Employer FICA	106,834	22,339	84,495
01-0000003-51102	Employer Retirement	82,711	24,824	57,887
01-0000003-51103	Employer 457 Match	41,356	-	41,356
01-0000003-51104	Employer Unemployment	4,190	876	3,314
01-0000003-51105	Employer Health Insurance	171,337	36,763	134,574
01-0000003-51106	Employer Dental	8,400	1,929	6,471
01-0000003-51107	Employer Vision	2,862	598	2,264
01-0000003-51108	Employer Disability/Life	6,760	2,003	4,757
01-0000003-52001	Professional Services	50,000	37,054	12,946
01-0000003-52012	Dump Fees	50,000	252	49,748
01-0000003-52013	Mowing, Vegetation & Debris Management	105,000	-	105,000
01-0000003-52032	Weed Control	230,000	-	230,000
01-0000003-52040	811 Contract	225,000	51,425	173,575
01-0000003-52218	Landscape Maint - Drainage Properties	35,000	-	35,000
01-0000003-52219	Prairie Dog Control	3,000	-	3,000
01-0000003-52220	Rodent Control	3,500	-	3,500
01-0000003-52221	High Line Canal Maintenance	25,000	-	25,000
01-0000003-52301	Cellular Telephone	5,400	2,898	2,502
01-0000003-52302	Equipment Rental	55,000	320	54,680
01-0000003-52303	Vehicle Maintenance	20,000	22,176	(2,176)
01-0000003-52307	Equipment Maintenance	15,000	2,955	12,045
01-0000003-52308	Trucking	45,000	-	45,000
01-0000003-52401	Mileage Reimbursement	60	808	(748)
01-0000003-52403	Business Meals	280	-	280
01-0000003-52405	Training	25,000	-	25,000
01-0000003-52510	Other Contractual Services	10,000	64	9,936
01-0000003-52511	Dues & Subscriptions	465	2,400	(1,935)
01-0000003-52513	Utilities & Maint-SEMSWA Owned Property	10,000	1,630	8,370
01-0000003-53002	Field Operating Supplies	30,000	5,389	24,611
01-0000003-53003	Tools	8,000	693	7,307
01-0000003-53006	Uniforms	8,000	948	7,052
01-0000003-53101	Gas & Oil	30,000	5,875	24,125
01-0000003-53102	Vehicle Parts & Supplies	12,000	1,137	10,863
01-0000003-54201	Other Capital Outlay	80,000	18,652	61,348
Total Maintenance and Inspection		2,901,677	547,010	2,354,667

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SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2021

		<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
Environmental Resources				
01-0000004-51001	Salaries	290,533	66,910	223,623
01-0000004-51101	Employer FICA	22,226	4,977	17,249
01-0000004-51102	Employer Retirement	17,432	4,631	12,801
01-0000004-51103	Employer 457 Match	8,716	-	8,716
01-0000004-51104	Employer Unemployment	872	195	677
01-0000004-51105	Employer Health Insurance	24,349	10,563	13,786
01-0000004-51106	Employer Dental	1,427	696	731
01-0000004-51107	Employer Vision	463	216	247
01-0000004-51108	Employer Disability/Life	1,130	723	407
01-0000004-52001	Professional Services	80,000	8,602	71,398
01-0000004-52009	Curbside	75,000	15,037	59,963
01-0000004-52016	Program 1 & 2 Outreach	20,000	-	20,000
01-0000004-52401	Mileage Reimbursement	600	131	469
01-0000004-52403	Business Meals	1,000	-	1,000
01-0000004-52405	Training	8,000	405	7,595
01-0000004-52505	Printing & Publishing	20,000	4,819	15,181
01-0000004-52506	Permit Fees	6,320	-	6,320
01-0000004-52507	Cherry Creek Stewardship Partners	6,500	-	6,500
01-0000004-52508	Colorado Stormwater Council	1,300	1,300	-
01-0000004-52509	SPLASH	5,500	3,072	2,428
01-0000004-52510	Other Contractual Services	10,000	-	10,000
01-0000004-52511	Dues & Subscriptions	2,000	925	1,075
01-0000004-53002	Field Operating Supplies	3,000	884	2,116
01-0000004-53005	Other Operating Equipment	1,000	-	1,000
Total Environmental Resources		<u>607,368</u>	<u>124,086</u>	<u>483,282</u>

SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2021

		Annual Budget	Year to Date Actual	Variance
Engineering and Construction				
01-0000010-51001	Salaries	1,095,266	194,354	900,912
01-0000010-51101	Employer FICA	83,788	14,426	69,362
01-0000010-51102	Employer Retirement	65,716	17,043	48,673
01-0000010-51103	Employer 457 Match	32,858	-	32,858
01-0000010-51104	Employer Unemployment	3,286	566	2,720
01-0000010-51105	Employer Health Insurance	122,771	22,125	100,646
01-0000010-51106	Employer Dental	6,206	1,393	4,813
01-0000010-51107	Employer Vision	2,784	432	2,352
01-0000010-51108	Employer Disability/Life	4,822	1,447	3,375
01-0000010-52001	Professional Services	140,000	16,832	123,168
01-0000010-52006	Master Planning	65,000	-	65,000
01-0000010-52020	Advertising	1,500	-	1,500
01-0000010-52401	Mileage Reimbursement	6,900	741	6,159
01-0000010-52403	Business Meals	500	-	500
01-0000010-52405	Training	18,250	640	17,610
01-0000010-52406	Tuition Reimbursement	1,200	-	1,200
01-0000010-52510	Other Contractual	200	-	200
01-0000010-52511	Dues & Subscriptions	2,400	1,850	550
01-0000010-53003	Tools	1,200	-	1,200
Total Engineering and Construction		<u>1,654,647</u>	<u>271,849</u>	<u>1,382,798</u>
Building and Space				
01-0000006-52105	IT Management	70,000	15,494	54,506
01-0000006-52202	Cleaning Services	30,300	7,296	23,004
01-0000006-52203	Building Maintenance	20,000	-	20,000
01-0000006-52205	Electric and Gas Service	46,000	11,722	34,278
01-0000006-52209	Other Building and Space Costs	20,000	3,110	16,890
01-0000006-52210	New Building Loan	304,682	76,170	228,512
01-0000006-52211	Internet and Telephone	33,000	7,727	25,273
01-0000006-52212	Security System	10,000	685	9,315
01-0000006-52213	Trash Service	4,500	2,360	2,140
01-0000006-52214	Water Service and Sewer	20,000	2,494	17,506
01-0000006-52216	Pest Control Service	750	-	750
01-0000006-52217	HVAC Maintenance	20,000	-	20,000
01-0000006-52218	Landscape Maintenance	35,000	-	35,000
01-0000006-53204	Building Supplies	12,000	1,293	10,707
01-0000006-54105	Office Furniture & Equipment	30,000	4,525	25,475
Total Building and Space		<u>656,232</u>	<u>132,876</u>	<u>523,356</u>

SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2021

		<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
Capital				
01-0000007-52514	Grant Program	20,000	-	20,000
01-0000007-54001	Vehicles	500,000	-	500,000
01-0000007-54202	Building	406,377	-	406,377
01-0000007-54305	Computer/Equipment	30,000	4,120	25,880
Total Capital		<u>956,377</u>	<u>4,120</u>	<u>952,257</u>
Debt Service				
01-0000008-55003	ACWWA Repay Agreements	70,000	-	70,000
01-0000008-55005	Debt Service-Piney Creek Loan	1,094,478	273,619	820,859
Total Debt Service		<u>1,164,478</u>	<u>273,619</u>	<u>890,859</u>
Asset Maintenance				
01-0000011-54471	CIPP	-	356,939	(356,939)
01-0000011-54475	E. Harvard Inlet	-	618	(618)
01-0000011-54478	Jamison Trib. Rehab	-	21,698	(21,698)
01-0000011-54499	Arapahoe Corners	-	137,316	(137,316)
01-0000011-54500	E. Costilla Drainage	-	9,936	(9,936)
01-0000011-55555	Project Budget	3,080,434	-	3,080,434
Total Asset Maintenance		<u>3,080,434</u>	<u>526,507</u>	<u>2,553,927</u>
Total Operating Expenditures		12,956,459	2,406,754	10,549,705

SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2021

		<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
CIP Projects				
01-0719999-55555	Undesignated Projects	29,793	-	29,793
01-1011001-55555	Willow Creek Stream Stabilization - Quebec to Dry Creek	10,000	-	10,000
01-1311005-55555	BDC Otero Tributary at Phillips Crossing	352,000	2,758	349,242
01-1610003-55555	Big Dry Creek at Easter Crossing	500,000	341,211	158,789
01-1610005-55555	Cherry Creek - Iliff to County Line	300,000	-	300,000
01-1610016-55555	Coal Creek at Gun Club	10,000	2,545	7,455
01-1610017-55555	Big Dry Creek at Arapahoe Road Bridge	470,000	-	470,000
01-1610019-55555	Big Dry Creek Stream Stabilization	250,000	-	250,000
01-1610020-55555	Dove Valley - Green Acres Tributary	85,000	2,927	82,073
01-1810002-55555	Orchard at Franklin Storm Sewer	100,000	-	100,000
01-1810008-55555	BDC Reach 12 Downstream of Dry Creek	1,350,000	821,460	528,540
01-1810010-55555	Nobles Tributary Floodplain Analysis	50,000	-	50,000
01-1810011-55555	Little's Creek Floodplain Analysis	115,000	25,523	89,477
01-1810012-55555	Unnamed Creek Reach 9 Stabilization	475,000	475,000	-
01-1810014-55555	East Tollgate Creek Reach 4 - Dove Hill	1,054,880	99,494	955,386
01-1810015-55555	Cottonwood Creek LOMR	40,000	554	39,446
01-1810016-55555	CIP Project Restoration and Monitoring	75,000	-	75,000
01-1900010-55555	Happy Canyon Jordan Rd to Broncos Pkwy	100,000	-	100,000
01-2000003-55555	Unnamed Creek Drop Structure at Quincy	516,000	122,699	393,301
01-2000004-55555	Stonetree Drainage and Pond Retrofit	400,000	30,520	369,480
01-2000007-55555	Dove Creek Otero to Chambers	135,000	19,764	115,236
01-2100001-55555	Willow Creek Stabilization - County Line to Quebec	100,000	-	100,000
01-2100002-55555	Lee Gulch at Clarkson Street	120,000	-	120,000
	Total Projects Expenditures	<u>6,637,673</u>	<u>1,944,455</u>	<u>4,693,218</u>
TOTAL EXPENDITURES		<u>19,594,132</u>	<u>4,351,209</u>	<u>15,242,923</u>
NET CHANGE IN FUNDS AVAILABLE		(6,750,678)	825,033	7,575,711
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**SOUTHEAST METRO STORMWATER AUTHORITY
COMPARATIVE BALANCE SHEET (BUDGETARY BASIS)
FOR THE MONTHS ENDED MARCH 31, 2021 AND FEBRUARY 28, 2021**

	March 2021	February 2021
RESERVES & DESIGNATIONS		
Reserves		
Emergency Reserve	1,000,000	1,000,000
Vehicle replacement	500,000	500,000
Computer Replacement	26,143	26,143
Total Reserves	1,526,143	1,526,143
Designations--CIP Projects		
Willow Creek Stream Stabilization - Quebec to Dry Creek	10,000	10,000
BDC Otero Tributary	349,242	349,242
BDC at Easter	158,789	380,778
Cherry Creek Iliff to County Line	300,000	300,000
Coal Creek at Gun Club Road	7,455	7,455
BDC at Arapahoe Rd Bridge	470,000	470,000
BDC Stream Stabilization	250,000	250,000
Dove Valley-Green Acres Tributary	82,073	82,073
Orchard at Franklin Storm Sewer	100,000	100,000
BDC Reach 12 Downstream of Dry Creek Rd	528,540	695,291
Nobles Tributary Floodplain Analysis	50,000	50,000
Little's Creek Floodplain Analysis	89,477	99,272
Unnamed Creek Reach 9 Stabilization	-	475,000
East Tollgate Creek Reach 4 - Dove Hill	955,386	1,052,941
Cottonwood Creek LOMR	39,446	40,000
CIP Project Restoration and Monitoring	75,000	75,000
Unamed Creek Drop Structure at Quincy	393,301	509,808
Stonetree Storm Sewer and Pond Retrofit	369,480	393,085
Dove Creek Otero to Chambers	115,236	120,911
Willow Creek Stabilization - County Line to Quebec	100,000	100,000
Lee Gulch at Clarkson Street	120,000	120,000
Happy Canyon Jordan Rd to Broncos Pkwy	100,000	100,000
Other Projects	29,793	29,793
Total CIP Projects Designations	4,693,217	5,810,649
Designations--Other		
Asset Maintenance Projects		
Pipeline Repair/Replacement	1,613,844	1,617,795
Contract Maintenance	940,083	1,032,136
2021 Operations	2,021,324	1,532,349
Total Other Designations	4,575,251	4,182,280
Total Reserves and Designations	10,794,611	11,519,072

**SOUTHEAST METRO STORMWATER AUTHORITY
COMPARATIVE BALANCE SHEET (BUDGETARY BASIS)
FOR THE MONTHS ENDED MARCH 31, 2021 AND FEBRUARY 28, 2021**

	2021 Budget	YTD Expenditures
Analysis of Contract Maintenance		
Contract Maintenance - Contracts Approved		
Inverness outfall repairs	65,000	-
Arapahoe Corners	250,000	137,316
Havana Tributary A	50,000	-
D-0	50,000	-
Franklin Elementary	35,000	-
Highline Canal Maintenance	25,000	-
Little Dry Creek @ Arapahoe Road Underpass	50,000	-
E. Costilla Blvd drainage	50,000	9,936
L-3 outlet structure	30,000	-
ECCV & APRD - Maintenance access	15,000	-
Parkbourough Trail Crossing	100,000	-
County Line & Yosemite & I-25	208,923	-
Jamison Trib Rehab - Phase 1	24,200	21,698
Jamison Trib Rehab - Phase 1	50,000	-
Peoria Trib B Pipe Cleaning	40,000	-
W-9 Retrofit	15,910	-
W-8	50,000	-
E. Harvard Inlet	618	618
Total	1,109,651	169,568
Budget Remaining	940,083	

**SOUTHEAST METRO STORMWATER AUTHORITY
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Formation of the Authority

The Authority was formed on September 19, 2006, pursuant to section 29-1-204.2, C.R.S., by an Intergovernmental Agreement between Arapahoe County, the City of Centennial, the Arapahoe County Water and Wastewater Authority, the East Cherry Creek Valley Water and Sanitation District, and the Inverness Water and Sanitation District. The purpose of the Authority is to plan, fund, construct, acquire, operate and maintain drainage and flood control facilities as determined by the Authority's board of directors through a coordinated and cooperative intergovernmental effort.

Enterprise Designation

Pursuant to Resolution 1, Series of 2006, the board of directors established the Authority as an enterprise as defined in Article X, Section 20 of the State of Colorado Constitution.

Budgetary Basis of Accounting

The Authority prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the Authority believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Significant Assumptions

- Stormwater utility fees are calculated based on impervious areas of all parcels within the boundaries of the Authority.
- Operating expenses were budgeted based upon prior year budgets with increases in certain personnel related expenses such as payroll, benefits, training, dues, and other professional services.
- Capital improvement project costs are prioritized through careful considerations by the Authority's engineering team and can be funded with the assistance of other governmental agencies through intergovernmental agreements.
- Reserves have been established for vehicle replacement, major building repairs, and computer replacements in 2021.

COVID-19 Impact

At the time of the adoption of the budget, management does not believe the COVID-19 pandemic will have a significant financial impact on the organization. However, if unanticipated COVID-related events or circumstances occur during 2021, management has developed contingency plans for such events or occurrences.