

SOUTHEAST METRO STORMWATER AUTHORITY

FINANCIAL STATEMENTS

MARCH 31, 2022

**SOUTHEAST METRO STORMWATER AUTHORITY
COMPARATIVE BALANCE SHEET (BUDGETARY BASIS)
FOR THE MONTHS ENDED MARCH 31, 2022 AND FEBRUARY 28, 2022**

	March 2022	February 2022
ASSETS		
Current Assets		
Checking/Savings		
Checking - BOK Financial	3,236,182	3,239,410
ICS Savings Account	102,504	102,548
Total Checking/Savings	3,338,686	3,341,958
Other Current Assets		
Investments - ColoTrust	10,506,224	8,057,626
Due from County Treasurer	1,055,214	3,807,984
Total Other Current Assets	11,561,438	11,865,610
Total Current Assets	14,900,124	15,207,568
TOTAL ASSETS	14,900,124	15,207,568
LIABILITIES & FUNDS AVAILABLE		
Liabilities		
Current Liabilities		
Other Current Liabilities		
Accounts Payable	963,642	73,639
Escrow Deposits/Collateral Held	2,624,951	3,115,949
Accrued Fee Refund	1,000	485,847
Total Current Liabilities	3,589,593	3,675,435
Funds Available	11,310,531	11,532,133
TOTAL LIABILITIES & FUNDS AVAILABLE	14,900,124	15,207,568

SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Fees - Arapahoe County	12,123,795	5,236,451	\$ (6,887,344)
Fees - Douglas County	396,246	1,695	(394,551)
Fees refunds	(7,500)	-	7,500
SDFs and ECFs	270,000	76,917	(193,083)
Permit and Review Fees	355,000	132,007	(222,993)
Interest Income	8,000	1,686	(6,314)
Miscellaneous Revenues	25,000	8,580	(16,420)
SPLASH Revenues	10,000	8,050	(1,950)
Delinquency charges	3,500	-	(3,500)
Intergovernmental Revenues	800,000	798,154	(1,846)
TOTAL REVENUES	<u>13,984,041</u>	<u>6,263,540</u>	<u>(7,720,501)</u>
EXPENDITURES			
Administrative	2,039,968	531,975	1,507,993
Maintenance and Inspection	3,070,619	626,101	2,444,518
Environmental Resources	558,958	86,065	472,893
Engineering	1,690,552	305,055	1,385,497
Building and Space	688,782	132,587	556,195
Capital	1,091,377	7,353	1,084,024
Debt Service	1,194,478	273,619	920,859
Asset Maintenance	3,826,335	43,830	3,782,505
CIP Projects	4,675,884	789,754	3,886,130
TOTAL EXPENDITURES	<u>18,836,953</u>	<u>2,796,339</u>	<u>16,040,614</u>
NET CHANGE IN FUNDS AVAILABLE	(4,852,912)	3,467,201	8,320,113
FUNDS AVAILABLE - BEGINNING	7,851,806	7,843,330	(8,476)
FUNDS AVAILABLE - ENDING	<u>2,998,894</u>	<u>11,310,531</u>	<u>8,311,637</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, 2022

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
01-0000000-40013 Fees-Arapahoe County-2019	-	186	\$ 186
01-0000000-40014 Fees-Arapahoe County-2020	50,000	26,794	(23,206)
01-0000000-40015 Fees-Arapahoe County-2021	30,000	114,640	84,640
01-0000000-40016 Fees-Arapahoe County-2022	12,043,795	5,094,832	(6,948,963)
01-0000000-40999 Fee Refunds	(7,500)	-	7,500
01-0000000-41016 Fees-Douglas County-2022	396,246	1,695	(394,551)
01-0000000-42001 SDFs & ECFs-SEMSWA	270,000	-	(270,000)
01-0000000-42107 SDFs-Dove	-	(2,577)	(2,577)
01-0000000-42110 ECFs-Dove	-	(7,800)	(7,800)
01-0000000-42111 SDFs-Cottonwood	-	23,365	23,365
01-0000000-42113 SDFs-Little Dry Creek	-	59,520	59,520
01-0000000-42125 SDFs-Piney Creek	-	402	402
01-0000000-42130 SDFs-Murphy Creek Basin	-	4,006	4,006
01-0000000-43001 Floodplain Permits	5,000	-	(5,000)
01-0000000-43002 GESC Permits	100,000	(1,760)	(101,760)
01-0000000-43003 Other Permits	36,000	75,238	39,238
01-0000000-43004 City Collected Review Fees	70,000	20,465	(49,535)
01-0000000-43006 Other Review Fees	135,000	31,945	(103,055)
01-0000000-43007 Noncompliance Fees	9,000	6,120	(2,880)
01-0000000-44001 Interest Income	8,000	1,686	(6,314)
01-0000000-44002 Miscellaneous Revenue	25,000	8,580	(16,420)
01-0000000-44003 SPLASH Revenue	10,000	8,050	(1,950)
01-0000000-44004 Delinquency Charges	3,500	-	(3,500)
01-0000000-45099 Other Intergovernmental Revenues	800,000	798,154	(1,846)
TOTAL REVENUES	<u>13,984,041</u>	<u>6,263,540</u>	<u>(7,720,500)</u>

SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022

EXPENDITURES	Annual Budget	Year to Date Actual	Variance
Administrative			
01-0000001-51001 Salaries	770,758	215,063	555,695
01-0000001-51003 Salaries-Overtime	8,000	-	8,000
01-0000001-51005 Director Salaries	8,000	1,700	6,300
01-0000001-51101 Employer FICA	60,187	15,685	44,502
01-0000001-51102 Employer Retirement	69,368	18,065	51,303
01-0000001-51104 Employer Unemployment	2,360	615	1,745
01-0000001-51105 Employer Health Insurance	93,905	20,910	72,995
01-0000001-51106 Employer Dental	5,352	1,113	4,239
01-0000001-51107 Employer Vision	1,672	304	1,368
01-0000001-51108 Employer Disability/Life	5,009	1,206	3,803
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	3,220	28,780
01-0000001-52103 Audit Services	15,000	-	15,000
01-0000001-52104 Financial Services	110,000	21,406	88,594
01-0000001-52106 County Treasurer's Fees	180,657	76,445	104,212
01-0000001-52107 Benefits Administration	1,000	212	788
01-0000001-52110 Software Maintenance	65,000	39,570	25,430
01-0000001-52112 GIS Management	60,000	-	60,000
01-0000001-52115 Payroll Service	10,000	1,857	8,143
01-0000001-52207 Coffee Service	3,000	747	2,253
01-0000001-52401 Mileage Reimbursement	500	14	486
01-0000001-52403 Business Meals	5,000	-	5,000
01-0000001-52405 Training	25,000	4,199	20,801
01-0000001-52501 HR Advertising	10,000	-	10,000
01-0000001-52502 Legal Publications	200	40	160
01-0000001-52503 Workers Compensation	35,000	24,290	10,710
01-0000001-52504 Property & Liability Insurance	70,000	53,730	16,270
01-0000001-52505 Printing & Publishing	2,000	-	2,000
01-0000001-52510 Other Contractual Services	101,000	20,611	80,389
01-0000001-52511 Dues & Subscriptions	15,000	2,638	12,362
01-0000001-52512 Postage	2,500	236	2,264
01-0000001-53007 Computer Software	2,500	-	2,500
01-0000001-53201 Office Supplies	15,000	1,168	13,832
01-0000001-54101 Billing Services	60,000	4,264	55,736
01-0000001-54104 Major Software Systems-Energov	70,000	2,667	67,333
Total Administrative	2,039,968	531,975	1,507,993

No assurance is provided on these financial statements. Substantially all required disclosures and the statement of cash flows have been omitted.

SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022

		<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
Maintenance and Inspection				
01-0000003-51001	Salaries	1,470,245	392,105	1,078,140
01-0000003-51002	Salaries-Seasonal/Intern	10,000	-	10,000
01-0000003-51003	Salaries-Overtime	8,000	-	8,000
01-0000003-51101	Employer FICA	113,851	28,772	85,079
01-0000003-51102	Employer Retirement	132,322	32,910	99,412
01-0000003-51104	Employer Unemployment	4,465	1,128	3,337
01-0000003-51105	Employer Health Insurance	158,831	49,359	109,472
01-0000003-51106	Employer Dental	8,208	2,783	5,425
01-0000003-51107	Employer Vision	2,706	760	1,946
01-0000003-51108	Employer Disability/Life	7,711	3,052	4,659
01-0000003-52001	Professional Services	70,000	1,131	68,869
01-0000003-52012	Dump Fees	50,000	-	50,000
01-0000003-52013	Mowing, Vegetation & Debris Management	125,000	53,000	72,000
01-0000003-52032	Weed Control	240,000	-	240,000
01-0000003-52040	811 Contract	225,000	31,487	193,513
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	1,440	2,060
01-0000003-52221	High Line Canal Maintenance	35,000	-	35,000
01-0000003-52301	Cellular Telephone	9,000	3,043	5,957
01-0000003-52302	Equipment Rental	55,000	-	55,000
01-0000003-52303	Vehicle Maintenance	25,000	7,305	17,695
01-0000003-52307	Equipment Maintenance	15,000	693	14,307
01-0000003-52308	Trucking	45,000	-	45,000
01-0000003-52401	Mileage Reimbursement	2,500	-	2,500
01-0000003-52403	Business Meals	280	-	280
01-0000003-52405	Training	25,000	227	24,773
01-0000003-52510	Other Contractual Services	10,000	-	10,000
01-0000003-52511	Dues & Subscriptions	3,000	-	3,000
01-0000003-52513	Utilities & Maint-SEMSWA Owned Property	10,000	1,190	8,810
01-0000003-53002	Field Operating Supplies	30,000	1,562	28,438
01-0000003-53003	Tools	8,000	-	8,000
01-0000003-53006	Uniforms	8,000	930	7,070
01-0000003-53101	Gas & Oil	30,000	10,337	19,663
01-0000003-53102	Vehicle Parts & Supplies	12,000	2,885	9,115
01-0000003-54201	Other Capital Outlay	80,000	-	80,000
Total Maintenance and Inspection		<u>3,070,619</u>	<u>626,101</u>	<u>2,444,520</u>

SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022

		<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
Environmental Resources				
01-0000004-51001	Salaries	206,945	56,669	150,276
01-0000004-51101	Employer FICA	15,831	4,057	11,774
01-0000004-51102	Employer Retirement	18,625	4,967	13,658
01-0000004-51104	Employer Unemployment	621	159	462
01-0000004-51105	Employer Health Insurance	43,458	5,519	37,939
01-0000004-51106	Employer Dental	2,784	278	2,506
01-0000004-51107	Employer Vision	870	76	794
01-0000004-51108	Employer Disability/Life	2,604	301	2,303
01-0000004-52001	Professional Services	102,000	1,599	100,401
01-0000004-52009	Curbside	80,000	7,723	72,277
01-0000004-52016	Program 1 & 2 Outreach	20,000	3,597	16,403
01-0000004-52401	Mileage Reimbursement	600	75	525
01-0000004-52403	Business Meals	1,000	-	1,000
01-0000004-52405	Training	8,000	-	8,000
01-0000004-52505	Printing & Publishing	20,000	-	20,000
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	1,014	4,486
01-0000004-52510	Other Contractual Services	10,000	-	10,000
01-0000004-52511	Dues & Subscriptions	5,000	-	5,000
01-0000004-53005	Other Operating Equipment	1,000	30	970
Total Environmental Resources		<u>558,958</u>	<u>86,065</u>	<u>472,894</u>

SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
Engineering and Construction			
01-0000010-51001 Salaries	1,069,738	237,704	832,034
01-0000010-51101 Employer FICA	81,835	17,142	64,693
01-0000010-51102 Employer Retirement	96,276	20,853	75,423
01-0000010-51104 Employer Unemployment	3,209	672	2,537
01-0000010-51105 Employer Health Insurance	103,176	22,212	80,964
01-0000010-51106 Employer Dental	6,066	1,252	4,814
01-0000010-51107 Employer Vision	2,784	342	2,442
01-0000010-51108 Employer Disability/Life	5,508	1,319	4,189
01-0000010-52001 Professional Services	146,000	-	146,000
01-0000010-52006 Master Planning	150,000	-	150,000
01-0000010-52020 Advertising	1,500	-	1,500
01-0000010-52401 Mileage Reimbursement	1,700	34	1,666
01-0000010-52403 Business Meals	500	-	500
01-0000010-52405 Training	15,750	1,525	14,225
01-0000010-52406 Tuition Reimbursement	1,200	-	1,200
01-0000010-52510 Other Contractual	200	-	200
01-0000010-52511 Dues & Subscriptions	3,110	2,000	1,110
01-0000010-53003 Tools	2,000	-	2,000
Total Engineering and Construction	<u>1,690,552</u>	<u>305,055</u>	<u>1,385,497</u>
Building and Space			
01-0000006-52105 IT Management	85,000	11,058	73,942
01-0000006-52202 Cleaning Services	30,300	7,296	23,004
01-0000006-52203 Building Maintenance	20,000	4,036	15,964
01-0000006-52205 Electric and Gas Service	46,000	12,910	33,090
01-0000006-52209 Other Building and Space Costs	20,000	965	19,035
01-0000006-52210 New Building Loan	304,682	76,170	228,512
01-0000006-52211 Internet and Telephone	35,000	9,015	25,985
01-0000006-52212 Security System	10,000	465	9,535
01-0000006-52213 Trash Service	9,600	612	8,988
01-0000006-52214 Water Service and Sewer	20,000	3,653	16,347
01-0000006-52216 Pest Control Service	1,200	-	1,200
01-0000006-52217 HVAC Maintenance	20,000	-	20,000
01-0000006-52218 Landscape Maintenance	45,000	-	45,000
01-0000006-53204 Building Supplies	12,000	1,164	10,836
01-0000006-54105 Office Furniture & Equipment	30,000	5,243	24,757
Total Building and Space	<u>688,782</u>	<u>132,587</u>	<u>556,195</u>

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SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022

	Annual Budget	Year to Date Actual	Variance
Capital			
01-0000007-52514 Grant Program	50,000	-	50,000
01-0000007-54001 Vehicles	600,000	-	600,000
01-0000007-54202 Building	406,377	-	406,377
01-0000007-54305 Computer/Equipment	35,000	7,353	27,647
Total Capital	<u>1,091,377</u>	<u>7,353</u>	<u>1,084,024</u>
Debt Service			
01-0000008-55003 ACWWA Repay Agreements	100,000	-	100,000
01-0000008-55005 Debt Service-Piney Creek Loan	1,094,478	273,619	820,859
Total Debt Service	<u>1,194,478</u>	<u>273,619</u>	<u>920,859</u>
Asset Maintenance			
01-0000011-54471 CIPP	2,228,181	-	2,228,181
01-0000011-54500 E. Costilla Drainage	-	4,995	(4,995)
01-0000011-54503 W-8	-	2,255	(2,255)
01-0000011-54504 Pond D-0	-	18,645	(18,645)
01-0000011-54512 Yosemite-Resolute Tributary	-	1,702	(1,702)
01-0000011-54514 Jamison Trib. Rehab Phase 2	-	216	(216)
01-0000011-54516 Noble Inlets at Arapahoe	-	9,189	(9,189)
01-0000011-54520 Dallas St. Channel	-	1,965	(1,965)
01-0000011-54522 Georgetown Village	-	4,019	(4,019)
01-0000011-54525 Lower Rampart pond retrofit	-	845	(845)
01-0000011-55555 Project Budget	1,598,154	-	1,598,154
Total Asset Maintenance	<u>3,826,335</u>	<u>43,831</u>	<u>3,782,504</u>
Total Operating Expenditures	14,161,069	2,006,583	12,154,486

SOUTHEAST METRO STORMWATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL
FOR THE THREE MONTHS ENDED MARCH 31, 2022

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
CIP Projects			
01-1311005-55555 BDC Otero Tributary at Phillips Crossing	992,000	336,238	655,762
01-1610003-55555 Big Dry Creek at Easter Crossing	9,000	1,500	7,500
01-1610017-55555 Big Dry Creek at Arapahoe Road Bridge	365,000	365,000	-
01-1610019-55555 Big Dry Creek Stream Stabilization	250,000	-	250,000
01-1610020-55555 Dove Valley - Green Acres Tributary	10,000	4,041	5,959
01-1810002-55555 Orchard at Franklin Storm Sewer	500,000	-	500,000
01-1810008-55555 BDC Reach 12 Downstream of Dry Creek	14,000	-	14,000
01-1810012-55555 Unnamed Creek Reach 9 Stabilization	200,000	-	200,000
01-1810014-55555 East Tollgate Creek Reach 4 - Dove Hill	47,000	7,964	39,036
01-1810015-55555 Cottonwood Creek LOMR	10,000	-	10,000
01-1810016-55555 CIP Project Restoration and Monitoring	100,000	-	100,000
01-1900010-55555 Happy Canyon Jordan Rd to Broncos Pkwy	200,000	-	200,000
01-2000004-55555 Stonetree Drainage and Pond Retrofit	1,300,000	7,950	1,292,050
01-2000007-55555 Dove Creek Otero to Chambers	200,000	18,880	181,120
01-2100001-55555 Willow Creek Stabilization - County Line to Quebec	100,000	-	100,000
01-2100002-55555 Lee Gulch at Clarkson Street	155,000	28,181	126,819
01-2100004-55555 Cherry Creek Reaches 3 and 4	70,000	20,000	50,000
01-2200000-55555 Other Projects	13,884	-	13,884
01-2200001-55555 Little Dry Creek - Easter Place to Holly Dam	100,000	-	100,000
01-2200002-55555 Piney Creek Reaches 1 and 2 - Parker Rd to Confluence	40,000	-	40,000
Total Projects Expenditures	<u>4,675,884</u>	<u>789,754</u>	<u>3,886,130</u>
TOTAL EXPENDITURES	<u>18,836,953</u>	<u>2,796,337</u>	<u>16,040,616</u>
NET CHANGE IN FUNDS AVAILABLE	(4,852,912)	3,467,201	8,320,113
FUNDS AVAILABLE - BEGINNING	7,851,806	7,843,330	(8,476)
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**SOUTHEAST METRO STORMWATER AUTHORITY
COMPARATIVE BALANCE SHEET (BUDGETARY BASIS)
FOR THE MONTHS ENDED MARCH 31, 2022 AND FEBRUARY 28, 2022**

	March 2022	February 2022
RESERVES & DESIGNATIONS		
Reserves		
Grant Program	50,000	50,000
Emergency Reserve	1,000,000	1,000,000
Vehicle Replacement	600,000	600,000
Computer Replacement	27,647	35,000
SPLASH Reserve	43,887	40,187
Total Reserves	1,671,534	1,675,187
Designations--CIP Projects		
BDC Otero Tributary	655,762	836,737
BDC at Easter	7,500	7,500
BDC at Arapahoe Rd Bridge	-	365,000
BDC Stream Stabilization	250,000	250,000
Dove Valley-Green Acres Tributary	5,959	5,959
Orchard at Franklin Storm Sewer	500,000	500,000
BDC Reach 12 Downstream of Dry Creek Rd	14,000	14,000
Unnamed Creek Reach 9 Stabilization	200,000	200,000
East Tollgate Creek Reach 4 - Dove Hill	39,036	39,546
Cottonwood Creek LOMR	10,000	10,000
CIP Project Restoration and Monitoring	100,000	100,000
Stonetree Storm Sewer and Pond Retrofit	1,292,050	1,292,050
Dove Creek Otero to Chambers	181,120	181,120
Willow Creek Stabilization - County Line to Quebec	100,000	100,000
Lee Gulch at Clarkson Street	126,819	127,729
Happy Canyon Jordan Rd to Broncos Pkwy	200,000	200,000
Cherry Creek Reaches 3 and 4	50,000	50,000
Little Dry Creek - Easter Place to Holly Dam	100,000	100,000
Piney Creek Reaches 1 and 2 - Parker Rd to Confluence	40,000	40,000
Other Projects	13,884	13,884
Total CIP Projects Designations	3,886,130	4,433,525
Designations--Other		
Asset Maintenance Projects		
Pipeline Repair/Replacement	2,228,180	2,228,180
Contract Maintenance	1,554,324	1,581,949
2022 Operations	1,970,363	1,613,292
Total Other Designations	5,752,867	5,423,421
Total Reserves and Designations	11,310,531	11,532,133

**SOUTHEAST METRO STORMWATER AUTHORITY
COMPARATIVE BALANCE SHEET (BUDGETARY BASIS)
FOR THE MONTHS ENDED MARCH 31, 2022 AND FEBRUARY 28, 2022**

	<u>2022 Budget</u>	<u>YTD Expenditures</u>
Analysis of Contract Maintenance		
D-0 outfall to Dove Creek	60,000	18,645
Yosemite-Resolute Tributary	100,000	1,702
E. Costilla Blvd Drainage	30,000	4,995
Jamison Trib Rehab - Phase 2	90,000	216
W-8 Forebay	20,000	2,255
Arapahoe Rd inlets	80,000	9,189
2022 Concrete Replacement	25,000	-
Huntington Estates (Dallas St. Channel)	100,000	1,965
Georgetown Village drainage study	30,000	4,019
Bank stabilization design	20,000	
Inlet at Holly to Little Dry Creek	30,000	
Noble grate removals	150,000	-
Willow Creek 2 drainage study at Mineral	15,000	
Tributary C Inverness Forebay and Channel design	50,000	
Lower Rampart pond retrofit	798,154	845
Total	<u>1,598,154</u>	<u>43,830</u>
 Budget Remaining	 <u>1,554,324</u>	

**SOUTHEAST METRO STORMWATER AUTHORITY
2022 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 2022.

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 2022, management has developed contingency plans for such events or occurrences.