



**Schilling & Company, Inc.**  
Certified Public Accountants

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Board of Directors  
Louviers Water and Sanitation District  
Douglas County, Colorado

We have compiled the accompanying forecasted budget of revenues, expenditures and fund balances of Louviers Water and Sanitation District (District) for the year ending December 31, 2011, including forecasted estimates of comparative information for the year ending December 31, 2010, and the schedule of debt service requirements to maturity which is presented for additional analysis purposes only, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying budget of revenues, expenditures and fund balances or assumptions. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events or circumstances occurring after the date of this report.

The actual historical information for the year 2009 is presented for comparative purposes only. Such information is taken from the audit report of the District for the year ended December 31, 2009.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

We are not independent with respect to Louviers Water and Sanitation District.

*SCHILLING & COMPANY, INC.*

Schilling & Company, Inc.  
January 7, 2011

**LOUVIERS WATER AND SANITATION DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
FORECASTED 2011 BUDGET AS ADOPTED  
WITH 2009 ACTUAL AND 2010 ESTIMATED  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>ACTUAL 2009</u>	<u>BUDGET 2010</u>	<u>ADOPTED BUDGET 2011</u>
Assessed Valuation Douglas County	<u>\$ -</u>	<u>\$ 2,065,500</u>	<u>\$ 2,031,490</u>
Mill Levy General Fund	<u>-</u>	<u>-</u>	<u>10.000</u>
Tax Revenue Douglas County	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,315</u>

This financial information should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

**LOUVIERS WATER AND SANITATION DISTRICT  
OPERATIONS FUND  
FORECASTED 2011 BUDGET AS ADOPTED  
WITH 2009 ACTUAL AND 2010 ESTIMATED  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>ACTUAL 2009</u>	<u>ESTIMATED 2010</u>	<u>ADOPTED BUDGET 2011</u>
<b>BEGINNING FUNDS AVAILABLE</b>	\$ -	\$ 161,088	\$ 149,454
<b>REVENUE</b>			
Operating Revenue:			
Water:			
Water usage fees	12,159	33,507	30,700
Water base charge	-	28,336	23,500
Operations and improvements	-	33,765	28,100
Late charges	-	690	900
Bad debt	-	(1,281)	-
Wastewater:			
Wastewater fees	7,192	9,417	7,800
Operations and improvements	-	33,714	28,100
Late charges	-	626	900
Other income and permit fees	1,369	-	-
Bad debt	-	(1,281)	-
Non-operating Revenue:			
Property taxes	-	-	20,315
Specific ownership taxes	-	-	1,625
Cell tower lease	-	8,650	3,600
Investment income	60	464	700
Bond proceeds	680,000	-	-
Contribution from LMSC	193,978	-	-
<b>TOTAL REVENUE</b>	<u>894,758</u>	<u>146,607</u>	<u>146,240</u>
<b>TOTAL FUNDS AVAILABLE</b>	<u>894,758</u>	<u>307,695</u>	<u>295,694</u>
<b>EXPENDITURES</b>			
Administrative:			
Water administrative expenditures:			
Accounting/bookkeeping	704	6,282	6,500
Audit	-	3,010	2,600
Bank charges	73	174	-
Computer software/support	-	425	425
Consultants	330	2,116	2,500

(continued)

This financial information should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

**LOUVIERS WATER AND SANITATION DISTRICT  
OPERATIONS FUND  
FORECASTED 2011 BUDGET AS ADOPTED  
WITH 2009 ACTUAL AND 2010 ESTIMATED  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>ACTUAL 2009</u>	<u>ESTIMATED 2010</u>	<u>ADOPTED BUDGET 2011</u>
(continued)			
Insurance	-	2,012	2,100
Legal fees	4,695	1,252	1,200
Miscellaneous	-	254	250
Office supplies/expenditures	357	957	1,100
Memberships, dues and subscriptions	-	1,418	1,300
Utilities - telephone	100	589	500
Property taxes	-	672	-
Wastewater administrative expenditures:			
Accounting/bookkeeping	703	6,522	6,500
Audit	-	4,030	3,500
Bank charges	73	174	-
Computer software/support	-	425	425
Consultants	331	72	100
Election	-	-	-
Insurance	-	2,012	2,100
Legal fees	4,695	1,252	1,200
Miscellaneous	-	203	250
Office supplies/expenditures	356	958	1,100
Memberships, dues and subscriptions	-	783	700
Utilities - telephone	101	589	500
Property taxes	-	1,183	-
Operations:			
Water operations:			
Chemicals	24	595	700
Operations	834	4,800	4,800
Meter reading	935	1,200	1,200
Repairs and maintenance:			
Infrastructure	1,938	2,636	5,000
Parts and minor equipment	141	1,105	1,000
Supply/distribution study	23,775	7,038	-
Unscheduled:			
Water main breaks	-	7,049	10,000
Miscellaneous	-	648	1,000
Utility locates	4	209	200
Testing - Water	249	1,383	1,000

(continued)

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**LOUVIERS WATER AND SANITATION DISTRICT  
OPERATIONS FUND  
FORECASTED 2011 BUDGET AS ADOPTED  
WITH 2009 ACTUAL AND 2010 ESTIMATED  
FOR THE YEARS ENDED AND ENDING DECEMBER 31,**

	<u>ACTUAL 2009</u>	<u>ESTIMATED 2010</u>	<u>ADOPTED BUDGET 2011</u>
	(continued)		
Utilities - infrastructure	981	8,161	8,500
Water meters	-	459	2,500
Mowing	-	1,714	1,500
Miscellaneous	-	1,936	2,000
Wastewater operations:			
Chemicals	-	1,491	1,800
Operations	834	4,800	4,800
Repairs and maintenance:			
Infrastructure	1,937	-	5,000
Parts and minor equipment	141	-	1,000
Unscheduled:			
Sewer main breaks	-	400	5,000
Miscellaneous	-	1,014	500
Utility locates	4	209	200
Testing - Sewer	249	8,614	8,400
Utilities - infrastructure	152	1,041	1,200
Mowing	-	1,458	1,500
Miscellaneous	-	181	100
Capital Outlay - Water			
Water supply upgrades	-	18,602	-
Capital Outlay - Sewer			
WWTP	-	1,049	-
Debt Service - Sewer:			
Loan principal	-	10,264	7,183
Loan interest	5,120	32,821	27,665
LMSC infrastructure reimbursement	672,841	-	-
Bond issue costs	10,993	-	-
Contingency	-	-	30,000
<b>TOTAL EXPENDITURES REQUIRING APPROPRIATION</b>	<u>733,670</u>	<u>158,241</u>	<u>168,598</u>
<b>ENDING FUNDS AVAILABLE</b>	<u>\$ 161,088</u>	<u>\$ 149,454</u>	<u>\$ 127,096</u>

This financial information should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

**LOUVIERS WATER AND SANITAION DISTRICT  
2011 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Disclosures contained in this summary as presented by management, are those that are believed to be significant as of the date of the compilation report and are not intended to be all-inclusive. The disclosures are intended to describe assumptions used during the preparation of the 2011 annual budget. Actual results may differ from the prospective results contained in the budget.

**SERVICES PROVIDED**

The District was organized in 2008 and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Douglas County, Colorado. The District was organized to provide water and sanitation to the District's residents.

The District obtained voter approval to retain and spend any excess revenues collected under Article X, Section 20 of the Colorado Constitution.

The District prepares its budget on the modified accrual basis of accounting.

**REVENUE**

*Water and Sanitation Fees*

District residents are charged bi-monthly for water and sanitation service. The charges consist of base fee plus a fee per 1,000 gallons of water used. Sanitation charges consist of a base fee.

*Property Taxes*

For 2011 the District is levying a property tax mill levy of 10.000 mills upon all taxable property within Louviers Water and Sanitation District to be used to defray the operational costs of the District.

*Specific Ownership Taxes*

This revenue is based on a sharing of the collection of vehicle ownership taxes pooled by the County.

*Other Revenues*

The District receives income on the investment of District funds. Interest income is based on historical interest earnings (2011 rates are expected to be comparable to 2010) and cash balances.

The District has entered into a master lease agreement to lease space on the District's water tank for use by cellular service providers. The District's base rental revenue is \$3,600 per year plus a percentage of additional rental payments when the cellular providers are using the water tank for cellular towers. As there are no current cellular providers using the space, the revenue has been budgeted at the base annual rental revenue.

**LOUVIERS WATER AND SANITAION DISTRICT  
2011 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**EXPENDITURES**

District expenditures are forecasted based on prior years' amounts expended adjusted for known variations. The District has budgeted inflationary increases for 2011 with no significant changes in the level of services provided.

**DEBT AND LEASES**

The District issued \$680,000 of General Obligation Bonds, Series 2009 during 2009. As of December 31, 2010 the general obligation bonds outstanding is \$673,105.

The District has no leases outstanding.

This information is an integral part of the accompanying forecasted budget.

**LOUVIERS WATER AND SANITATION DISTRICT  
DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$680,000 General Obligation Bond, Series 2009**

**Bearing Interest at 4.125%**

**Principal and Interest Payable Semi-annually**

**On May 4 and November 4 of Each Year**

**Through November 4, 2049**

<u>Date</u>	<u>Payment</u>	<u>Interest</u>	<u>Principal</u>	<u>Outstanding Balance</u>
5/4/2011	\$ 17,436.00	\$ 13,768.68	\$ 3,667.32	\$ 669,437.36
11/4/2011	17,436.00	13,920.63	3,515.37	665,921.99
5/4/2012	17,436.00	13,697.01	3,738.99	662,183.00
11/4/2012	17,436.00	13,769.78	3,666.22	658,516.78
5/4/2013	17,436.00	13,470.28	3,965.72	654,551.06
11/4/2013	17,436.00	13,611.08	3,824.92	650,726.14
5/4/2014	17,436.00	13,310.92	4,125.08	646,601.06
11/4/2014	17,436.00	13,445.76	3,990.24	642,610.82
5/4/2015	17,436.00	13,144.91	4,291.09	638,319.73
11/4/2015	17,436.00	13,273.55	4,162.45	634,157.28
5/4/2016	17,436.00	13,043.66	4,392.34	629,764.94
11/4/2016	17,436.00	13,095.66	4,340.34	625,424.60
5/4/2017	17,436.00	12,793.36	4,642.64	620,781.96
11/4/2017	17,436.00	12,908.86	4,527.14	616,254.82
5/4/2018	17,436.00	12,605.79	4,830.21	611,424.61
11/4/2018	17,436.00	12,714.28	4,721.72	606,702.89
5/4/2019	17,436.00	12,410.40	5,025.60	601,677.29
11/4/2019	17,436.00	12,511.59	4,924.41	596,752.88
5/4/2020	17,436.00	12,274.31	5,161.69	591,591.19
11/4/2020	17,436.00	12,301.86	5,134.14	586,457.05
5/4/2021	17,436.00	11,996.26	5,439.74	581,017.31
11/4/2021	17,436.00	12,081.98	5,354.02	575,663.29
5/4/2022	17,436.00	11,775.47	5,660.53	570,002.76
11/4/2022	17,436.00	11,852.93	5,583.07	564,419.69
5/4/2023	17,436.00	11,545.48	5,890.52	558,529.17
11/4/2023	17,436.00	11,614.35	5,821.65	552,707.52
5/4/2024	17,436.00	11,368.36	6,067.64	546,639.88
11/4/2024	17,436.00	11,367.11	6,068.89	540,570.99
5/4/2025	17,436.00	11,057.64	6,378.36	534,192.63
11/4/2025	17,436.00	11,108.28	6,327.72	527,864.91
5/4/2026	17,436.00	10,797.73	6,638.27	521,226.64
11/4/2026	17,436.00	10,838.66	6,597.34	514,629.30

(continued)

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**LOUVIERS WATER AND SANITATION DISTRICT  
DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$680,000 General Obligation Bond, Series 2009  
Bearing Interest at 4.125%  
Principal and Interest Payable Semi-annually  
On May 4 and November 4 of Each Year  
Through November 4, 2049**

<u>Date</u>	<u>Payment</u>	<u>Interest</u> (continued)	<u>Principal</u>	<u>Outstanding Balance</u>
5/4/2027	17,436.00	10,526.99	6,909.01	507,720.29
11/4/2027	17,436.00	10,557.80	6,878.20	500,842.09
5/4/2028	17,436.00	10,301.57	7,134.43	493,707.66
11/4/2028	17,436.00	10,266.41	7,169.59	486,538.07
5/4/2029	17,436.00	9,952.37	7,483.63	479,054.44
11/4/2029	17,436.00	9,961.71	7,474.29	471,580.15
5/4/2030	17,436.00	9,646.40	7,789.60	463,790.55
11/4/2030	17,436.00	9,644.30	7,791.70	455,998.85
5/4/2031	17,436.00	9,327.68	8,108.32	447,890.53
11/4/2031	17,436.00	9,313.67	8,122.33	439,768.20
5/4/2032	17,436.00	9,045.37	8,390.63	431,377.57
11/4/2032	17,436.00	8,970.29	8,465.71	422,911.86
5/4/2033	17,436.00	8,650.86	8,785.14	414,126.72
11/4/2033	17,436.00	8,611.57	8,824.43	405,302.29
5/4/2034	17,436.00	8,290.65	9,145.35	396,156.94
11/4/2034	17,436.00	8,237.89	9,198.11	386,958.83
5/4/2035	17,436.00	7,915.43	9,520.57	377,438.26
11/4/2035	17,436.00	7,848.65	9,587.35	367,850.91
5/4/2036	17,436.00	7,566.14	9,869.86	357,981.05
11/4/2036	17,436.00	7,444.04	9,991.96	347,989.09
5/4/2037	17,436.00	7,118.28	10,317.72	337,671.37
11/4/2037	17,436.00	7,021.71	10,414.29	327,257.08
5/4/2038	17,436.00	6,694.20	10,741.80	316,515.28
11/4/2038	17,436.00	6,581.78	10,854.22	305,661.06
5/4/2039	17,436.00	6,252.44	11,183.56	294,477.50
11/4/2039	17,436.00	6,123.52	11,312.48	283,165.02
5/4/2040	17,436.00	5,824.28	11,611.72	271,553.30
11/4/2040	17,436.00	5,646.82	11,789.18	259,764.12
5/4/2041	17,436.00	5,313.60	12,122.40	247,641.72
11/4/2041	17,436.00	5,149.59	12,286.41	235,355.31
5/4/2042	17,436.00	4,814.31	12,621.69	222,733.62

(continued)

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**LOUVIERS WATER AND SANITATION DISTRICT  
DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$680,000 General Obligation Bond, Series 2009  
Bearing Interest at 4.125%  
Principal and Interest Payable Semi-annually  
On May 4 and November 4 of Each Year  
Through November 4, 2049**

<u>Date</u>	<u>Payment</u>	<u>Interest</u> (continued)	<u>Principal</u>	<u>Outstanding Balance</u>
11/4/2042	17,436.00	4,631.64	12,804.36	209,929.26
5/4/2043	17,436.00	4,294.20	13,141.80	196,787.46
11/4/2043	17,436.00	4,092.10	13,343.90	183,443.56
5/4/2044	17,436.00	3,773.16	13,662.84	169,780.72
11/4/2044	17,436.00	3,530.51	13,905.49	155,875.23
5/4/2045	17,436.00	3,188.50	14,247.50	141,627.73
11/4/2045	17,436.00	2,945.08	14,490.92	127,136.81
5/4/2046	17,436.00	2,600.64	14,835.36	112,301.45
11/4/2046	17,436.00	2,335.25	15,100.75	97,200.70
5/4/2047	17,436.00	1,988.29	15,447.71	81,752.99
11/4/2047	17,436.00	1,700.01	15,735.99	66,017.00
5/4/2048	17,436.00	1,357.87	16,078.13	49,938.87
11/4/2048	17,436.00	1,038.45	16,397.55	33,541.32
5/4/2049	17,436.00	686.10	16,749.90	16,791.42
11/4/2049	17,140.59	349.17	16,791.42	-
Grand Totals	<u>\$ 1,359,712.59</u>	<u>\$ 686,607.91</u>	<u>\$ 673,104.68</u>	<u>\$ -</u>

This financial information should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

*RESOLUTION 10-11003*  
**RESOLUTION TO ADOPT BUDGET**  
(Pursuant to 29-1-108, C.R.S.)

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET FOR THE LOUVIERS WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2011, AND ENDING ON THE LAST DAY OF DECEMBER 2011.

WHEREAS, the Board of Directors of Louviers Water and Sanitation District has appointed a Budget Officer to prepare and submit a proposed budget to said governing body at the proper time, and;

WHEREAS, the Budget Officer has submitted a proposed budget to this governing body on October 28, 2010, for its consideration, and;

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 18, 2010 and interested taxpayers 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 revenues or planned to be expended from reserves/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 LOUVIERS WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO:

Section 1. That the budget as submitted, amended and summarized by fund, hereby is approved and adopted as the budget of the Louviers Water and Sanitation District for the year stated above.

Section 2. That the budget hereby approved and adopted shall be signed by the President and Treasurer and made a part of the public records of the District.

ADOPTED, this 18th day of November, A.D., 2010.

Attest:

\_\_\_\_\_  
Treasurer

  
\_\_\_\_\_  
President

*RESOLUTION 10-11004*  
**RESOLUTION TO APPROPRIATE SUMS OF MONEY**  
(Pursuant to Section 29-1-108, C.R.S)

A RESOLUTION APPROPRIATING SUMS OF MONEY TO THE VARIOUS FUNDS IN THE AMOUNT AND FOR THE PURPOSE AS SET FORTH BELOW, FOR THE LOUVIERS WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO, FOR THE 2010 BUDGET YEAR.

WHEREAS, the Board of Directors of Louviers Water and Sanitation District has adopted the annual budget in accordance with the Local Government Budget Law, on November 18th, 2010, and;

WHEREAS, the Board of Directors had made provision therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget, and;

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues and reserves or fund balances provided in the budget to and for the purposes described below, thereby establishing a limitation on expenditures for the operations of the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOUVIERS WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO:

Section 1. That the following sums are hereby appropriated from the revenue of the fund for purposes stated:

Operations Fund	\$168,598
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ADOPTED, this 18th day of November, A.D. 2010.

Attest:

\_\_\_\_\_  
Treasurer

  
\_\_\_\_\_  
President

*RESOLUTION 10-11005*  
**RESOLUTION TO APPROPRIATE SUMS OF MONEY**  
(Pursuant to Section 29-1-108, C.R.S)

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR TAX YEAR 2010 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE LOUVIERS WATER AND SANITATION DISTRICT FOR THE 2011 BUDGET YEAR.

WHEREAS, the Board of Directors of Louviers Water and Sanitation District has adopted the annual budget in accordance with the Local Government Budget Law, on November 18th, 2010, and;

WHEREAS, the approved budget for 2011 contemplates funding a portion of the anticipated expenses with certification of a property tax mill levy to be assessed upon all taxable property within Louviers Water and Sanitation District, and;

WHEREAS, the amount of money necessary to balance the budget for general operating purposes from property tax revenue is TWENTY THOUSAND THREE HUNDRED FIFTEEN AND NO/100 DOLLARS (\$20,315), and;

WHEREAS, the tax year 2010 valuation for assessment for the Louviers Water and Sanitation District as certified by the County Assessor of Douglas County is \$2,031,490,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOUVIERS WATER AND SANITATION DISTRICT, DOUGLAS COUNTY, COLORADO that for the purpose of meeting all general operating expenses of Louviers Water and Sanitation District during the 2011 budget year there is hereby levied a tax of 10.000 mills upon each dollar of total valuation for assessment for the year 2010, said 10.000 mill levy being certified for assessment as follows:

General Operating Expenses

10.000 mills

ADOPTED, this 18th day of November, A.D. 2010.

Attest:

\_\_\_\_\_  
Treasurer

  
\_\_\_\_\_  
President