



January 24, 2024

Inverness Water and Sanitation District
Arapahoe and Douglas Counties, Colorado

Colorado Water Conservation Board
Denver, Colorado

We have reviewed the District's outstanding CWCB Loan Contracts C150409A, C150409B, C150409C and C150409D (the "2014 Loans") adopted and approved on October 1, 2014 between the Department of Natural Resources, Colorado Water Conservation Board ("CWCB") and Inverness Water and Sanitation District (the "District") as to the voter approved water improvement authorization used and annual repayment of principal and interest through maturity.

We have analyzed the proposed additional amount the District anticipates to be added to the CWCB Loan Contract C150409C based on District management's information provided to us.

To summarize, on November 1, 2005 a majority of the qualified electors of the District who voted in the election authorized the issuance of general obligation indebtedness in an amount not to exceed \$20,000,000 for the extension and improvement of the existing potable and non-potable water supply, storage transmission and distribution system of the District. The election further limited the annual repayment cost for such debt to be no more than \$3,300,000 and the total repayment costs to not be more than \$99,000,000.

In addition, on November 1, 2005 a majority of the qualified electors of the District who voted in the election authorized the issuance of general obligation indebtedness in an amount not to exceed \$10,000,000 for the extension and improvement of the existing sanitary sewer system of the District. The election further limited the annual repayment cost for such debt to be no more than \$1,700,000 and the total repayment costs to not be more than \$51,000,000.

The District issued its General Obligation Bonds, Series 2006B in the amount of \$10,000,000 on June 2, 2006 of which \$6,000,000 was used for water system improvements and the balance of \$4,000,000 was allocated for sewer system improvements.

On October 21, 2008 the outstanding Series 2006B in the amount of \$7,710,000 were current refunded by the General Obligation Refunding and Improvement Bonds Series 2008 in the amount of \$10,000,000. \$790,000 of voted authorization was used for water system improvements and \$1,500,000 for sewer system improvements.

On April 3, 2012, the District current refunded the \$10,000,000 of Series 2008 Bonds with General Obligation Refunding Bonds, Series 2012 in the amount of \$10,000,000. During 2022, these bonds were paid in full by the District.

On October 1, 2014 the District entered into the 2014 Loans with the CWCB in the total amount of \$4,908,600. As of January 24, 2024, the District has drawn \$4,034,659 on the 2014 Loans. In anticipation of amending the CWCB Loan C150409C by \$608,619, the District's revised total amount of the 2014 Loans will be \$5,517,219.

As of January 24, 2024, the District has used \$11,698,600 of its \$20,000,000 voted authorized debt for water system improvements. After the issuance of the proposed amended CWCB Loan the District will have used \$11,557,433 of its voted authorized debt for water system improvements and will have the authority to issue additional obligations for water system improvements in the amount of \$8,442,567.

We hereby certify that the debt service requirements related to the water portion of the District's existing debt and the proposed amended CWCB Loans (as further described in Exhibit 1) do not exceed the maximum annual and total repayment cost parameters approved by the voters of the District at an election held on November 1, 2005 and that the District has sufficient authorization for water system improvements with the issuance of the proposed amended CWCB Loans.

A handwritten signature in black ink that reads "Logan and Associates, LLC". The script is cursive and fluid.

Logan and Associates, LLC

INVERNESS WATER AND SANITATION DISTRICT

Certain Tests for Existing Loans and Proposed Loans Compared with November 1, 2005 Election Results

		Previous General Obligation Bonds Paid-in-Full (a)	Existing 2014 Loans				Total	Per 11/1/2005 Election	Unused Voted Authorization
			Loan (b) C150409A	Loan (b) C150409B	Loan (c) C150409C	Loan (d) C150409D			
Voted Authorization Used	1	6,790,000	1,845,270	431,914	2,035,749	454,500	11,557,433	20,000,000	8,442,567
Maximum Annual Repayment	2	-	121,182	28,364	133,691	29,754	312,991	3,300,000	
Total Repayment Cost		6,593,391	2,423,642	802,498	2,673,823	659,485	13,152,839	99,000,000	

(a) - Series 2012 Bonds were paid in full in 2022, therefore the Maximum Annual Repayment is \$0.

(b) - Loan C150409A and C150409B have been finalized between CWCB and the District.

(c) - Loan C150409C has been adjusted to include the estimated additional loan amount to be requested in 2024 by the District, of \$608,619.

(d) - Loan C150409D is based on the original loan amount.

		Water	Sewer
Voted Authorization Used:			
Series 2006B		6,000,000	4,000,000
Series 2008		790,000	1,500,000
Series 2012		-	-
	1	6,790,000	5,500,000

Percentage 55.25% 44.75%

Maximum annual payment
for Series 2012 Bonds 2 2,372,162

Percentage related to Water 1,310,576

Total repayment cost for
Series 2012 Bonds 11,934,134

Percentage related to Water 6,593,391