

**TALLYN'S REACH AUTHORITY**

**FINANCIAL STATEMENTS**

**JULY 31, 2022**

TALLYN'S REACH AUTHORITY  
BALANCE SHEET - GOVERNMENTAL FUNDS  
JULY 31, 2022

	General	Capital Projects	Total
ASSETS			
Cash - Checking	\$ 259,747	\$ -	\$ 259,747
Colotrust	675,872	276,988	952,860
Colotrust Edge	-	501,028	501,028
Accounts receivable	538,349	-	538,349
<b>TOTAL ASSETS</b>	<b>\$ 1,473,968</b>	<b>\$ 778,016</b>	<b>\$ 2,251,984</b>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
CURRENT LIABILITIES			
Accounts payable	\$ 373,044	\$ 23,660	\$ 396,704
<b>Total Liabilities</b>	<b>373,044</b>	<b>23,660</b>	<b>396,704</b>
DEFERRED INFLOWS OF RESOURCES			
Prepaid assessments	20,407	-	20,407
<b>Total Deferred Inflows of Resources</b>	<b>20,407</b>	<b>-</b>	<b>20,407</b>
FUND BALANCES			
<b>Total Fund Balances</b>	<b>1,080,517</b>	<b>754,356</b>	<b>1,834,873</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 1,473,968</b>	<b>\$ 778,016</b>	<b>\$ 2,251,984</b>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**TALLYN'S REACH AUTHORITY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN NET POSITION - BUDGET AND ACTUAL**  
**FOR THE SEVEN MONTHS ENDED JULY 31, 2022**

**GENERAL FUND**

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
<b>REVENUE</b>			
General operations fees	\$ 1,587,520	\$ 1,186,806	\$ (400,714)
Sanctuary assessments	285,600	214,200	(71,400)
Transfer from TRMD No. 2	250,000	250,000	-
Transfer from TRMD No. 3	250,000	250,000	-
Clubhouse rental income	2,500	20,555	18,055
Interest income	1,000	1,805	805
Other revenue	1,000	30,746	29,746
Pool keys	500	775	275
Legal/late/collection income	-	9,440	9,440
Penalties	-	18,245	18,245
<b>TOTAL REVENUE</b>	<u>2,378,120</u>	<u>1,982,572</u>	<u>(395,548)</u>
<b>EXPENDITURES</b>			
General and administration	333,200	200,724	132,476
Operations expenses	177,000	94,382	82,618
Grounds expenses	1,059,500	577,377	482,123
Recreation expenses	249,320	167,707	81,613
Utilities expenses	299,000	216,296	82,704
<b>TOTAL EXPENDITURES</b>	<u>2,118,020</u>	<u>1,256,486</u>	<u>861,534</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	260,100	726,086	465,986
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers to other fund	(500,000)	-	(500,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	(500,000)	-	(500,000)
<b>NET CHANGE IN FUND BALANCE</b>	(239,900)	726,086	(34,014)
<b>FUND BALANCE - BEGINNING</b>	<u>399,520</u>	<u>354,432</u>	<u>(45,088)</u>
<b>FUND BALANCE - ENDING</b>	<u>\$ 159,620</u>	<u>\$ 1,080,518</u>	<u>\$ 920,898</u>

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**TALLYN'S REACH AUTHORITY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN NET POSITION - BUDGET AND ACTUAL**  
**FOR THE SEVEN MONTHS ENDED JULY 31, 2022**

**GENERAL FUND**

<b>EXPENDITURES</b>	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
General and administration			
Election expense	\$120,000	\$32,602	\$87,398
Legal services	45,000	46,116	(1,116)
Accounting	44,000	40,401	3,599
Authority management	37,000	21,583	15,417
Billing	26,000	15,167	10,833
Insurance and bonds	26,000	24,570	1,430
Authority mapping services	14,000	6,308	7,692
Auditing	10,700	10,700	-
Miscellaneous	5,000	(287)	5,287
Website/Newsletter	2,500	300	2,200
Dues and licenses	2,500	3,264	(764)
Banking fees	500	-	500
Total General and administration	<u>333,200</u>	<u>200,724</u>	<u>132,476</u>
Operations expenses			
Property management	63,000	36,750	26,250
Operations legal services	40,000	21,238	18,762
Engineering	35,000	9,380	25,620
Legal collections	24,000	9,969	14,031
Direct costs - postage, mailing, mileage, etc.	15,000	17,045	(2,045)
Total Operations expenses	<u>177,000</u>	<u>94,382</u>	<u>82,618</u>
Grounds expenses			
Landscape management	257,000	141,765	115,235
Beautification: flowers & shrubs	200,000	100,945	99,055
Beautification: native grasses management	100,000	19,860	80,140
Tree maintenance	92,000	86,808	5,192
Irrigation management	85,000	62,625	22,375
Snow removal	60,000	53,698	6,302
Irrigation repairs	45,000	56,220	(11,220)
Winter watering	36,000	3,200	32,800
Annual flowers	35,500	35,518	(18)
Perennial bed maintenance	25,000	-	25,000
Seasonal décor	20,000	-	20,000
Retention/Detention ponds maintenance	20,000	-	20,000
Signage maintenance	20,000	1,409	18,591
Beautification: mulch refresh	20,000	-	20,000
Beauty band mowing	10,000	1,984	8,016
Community donations	7,000	-	7,000
Lighting/electrical repairs	6,000	1,800	4,200
Miscellaneous common area maintenance	5,000	3,808	1,192
Retaining walls	5,000	-	5,000
Beautification: wood posts maintenance	5,000	-	5,000
Pest control	3,000	1,192	1,808
Flag maintenance	2,000	6,063	(4,063)
Fountain maintenance	1,000	-	1,000
Landscape improvements	-	484	(484)
Total Grounds expenses	<u>1,059,500</u>	<u>577,379</u>	<u>482,121</u>

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**TALLYN'S REACH AUTHORITY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN NET POSITION - BUDGET AND ACTUAL**  
**FOR THE SEVEN MONTHS ENDED JULY 31, 2022**

**GENERAL FUND**

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
Recreation expenses			
Pool contract	101,520	101,520	-
Pool repairs	20,000	8,868	11,132
Pool chemicals	12,000	8,017	3,983
Pool furniture	15,000	-	15,000
Pool equipment	5,000	581	4,419
Kiddie pool	5,000	-	5,000
Storage building/Pool house	2,000	-	2,000
Security system	6,000	7,975	(1,975)
Clubhouse maintenance supplies	3,000	50	2,950
Indoor building maintenance	12,000	7,719	4,281
Outside building maintenance	10,000	330	9,670
Janitorial/housekeeping	7,000	2,290	4,710
Tennis court maintenance	1,500	-	1,500
Playground equipment	800	-	800
Telephone/access control	5,000	2,876	2,124
Events	3,000	2,863	137
Pool management	29,100	20,446	8,654
Trash removal	6,400	4,170	2,230
Supplies other	5,000	-	5,000
Total Recreation expenses	<u>249,320</u>	<u>167,705</u>	<u>81,615</u>
Utilities expenses			
Water/sewer	286,000	200,849	85,151
Gas/electric	13,000	15,447	(2,447)
Total Utilities expenses	<u>299,000</u>	<u>216,296</u>	<u>82,704</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 2,118,020</u>	<u>\$ 1,256,486</u>	<u>\$ 861,534</u>

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## **SUPPLEMENTARY INFORMATION**

**TALLYN'S REACH AUTHORITY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE SEVEN MONTHS ENDED JULY 31, 2022**

**CAPITAL PROJECTS FUND**

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
<b>REVENUES</b>			
Interest income	\$ 1,000	\$ 2,489	\$ 1,489
<b>TOTAL REVENUES</b>	<u>1,000</u>	<u>2,489</u>	<u>1,489</u>
<b>EXPENDITURES</b>			
Signage	-	25,982	(25,982)
Wood post replacement	30,000	-	30,000
Xeriscaping	150,000	-	150,000
Monuments	60,000	6,068	53,932
Tree replacements	265,000	-	265,000
Picnic tables & park benches	10,000	7,337	2,663
Trails upgrades	5,000	-	5,000
Pool repairs	15,000	7,800	7,200
Pool improvements	10,000	-	10,000
Clubhouse improvements	5,000	11,505	(6,505)
Irrigation upgrades	30,000	13,500	16,500
Retaining walls	5,000	2,300	2,700
Native grass maintenance/upgrades	50,000	13,860	36,140
Streets	10,000	9,800	200
<b>TOTAL EXPENDITURES</b>	<u>645,000</u>	<u>98,152</u>	<u>546,848</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(644,000)	(95,663)	548,337
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds	500,000	-	(500,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>500,000</u>	<u>-</u>	<u>(500,000)</u>
<b>NET CHANGE IN FUND BALANCES</b>	(144,000)	(95,663)	48,337
<b>FUND BALANCES - BEGINNING</b>	<u>862,994</u>	<u>850,018</u>	<u>(12,976)</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 718,994</u>	<u>\$ 754,355</u>	<u>\$ 35,361</u>

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**TALLYNS REACH AUTHORITY  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The Tallyns Reach Authority (Authority) was organized for the purpose of planning, financing, designing, constructing, installing, operating, maintaining, repairing and replacing public improvements and facilities and providing services to the residents of the Tallyn's Reach districts. The authority was established on February 12, 2018, pursuant to the Tallyn's Reach Authority Establishment Agreement whereby the Tallyn's Reach Metropolitan District No. 2 and Tallyn's Reach Metropolitan District No. 3 agreed to establish the Authority.

The Authority has no employees and all administrative functions are contracted.

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 District 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.

**Revenues**

**General Operations Fees**

The general operations fee is a fee billed quarterly to residential units at a rate of \$220 per lot per quarter. The fee is used to pay for services provided in connection with the construction, operations, and maintenance of public facilities within the Legal Boundaries, including recreational facilities, landscaping and common areas.

**Sanctuary assessments**

The sanctuary assessments are a fee billed to apartments at a rate of \$71,400 per quarter. These fees are also used to pay for services provided in connection with the construction, operations, and maintenance of public facilities within the Legal Boundaries, including recreational facilities, landscaping and common areas.

**Intergovernmental revenue**

During 2022, the Authority anticipates receiving \$250,000 from Tallyn's Reach Metropolitan District No. 2 and \$250,000 from Tallyn's Reach Metropolitan District No. 3 which will be used to pay for the Authority's Administrative expenses.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.25%.

**TALLYNS REACH AUTHORITY  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**Administrative and Operating Expenditures**

Administrative and operations expenditures have been provided based on estimates of the Authority's Board of Directors and consultants and include the services necessary to maintain the Authority's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses.

**Grounds and Recreation Expenses**

Grounds and recreation expenses have been estimated by the Authority's management. The estimated expenditures include maintenance of certain facilities and improvements throughout the Authority including but not limited to the grounds, pool, and clubhouse.

**Capital Outlay**

The Authority anticipates infrastructure improvements as noted in the Capital Projects fund.

**Debt and Leases**

The District has no capital or operating leases.

**TALLYNS REACH AUTHORITY**  
Schedule of Cash Position  
Updated as of September 8, 2022

	<u>General Fund</u>	<u>Capital Fund</u>	<u>Total</u>
<b><u>1st Bank Checking</u></b>			
Balance as of 07/31/22	\$ 259,746.92	\$ -	\$ 259,746.92
Subsequent activities:			
08/02/22 - Aurora Water autopay	(71,218.35)	-	(71,218.35)
08/05/22 - Bill.com Payables	(114,838.75)	-	(114,838.75)
08/10/22 - Bill.com Payables	(9,137.75)	-	(9,137.75)
08/11/22 - Bill.com Void	360.33	-	360.33
08/22/22 - Bill.com Payables	(102,919.03)	-	(102,919.03)
08/31/22 - Aurora Water autopay	(61,026.29)	-	(61,026.29)
08/31/22 - August Assessments	185,173.91	-	185,173.91
08/31/22 - August PNP Deposits in-transit	695.00	-	695.00
<i>Anticipated Transfer from ColoTrust</i>	<i>194,020.00</i>	<i>5,980.00</i>	<i>200,000.00</i>
<i>Anticipated Bill.Com Payables</i>	<i>(246,881.82)</i>	<i>(5,980.00)</i>	<i>(252,861.82)</i>
<b><i>Anticipated Balance</i></b>	<b><u>\$ 33,974.17</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 33,974.17</u></b>
 <b><u>ColoTrust</u></b>			
Balance as of 07/31/22	\$ 675,871.76	\$ 276,988.42	\$ 952,860.18
Subsequent activities:			
08/03/22 - Transfer from TRMD 2	250,000.00	-	250,000.00
08/31/22 - Interest income	1,621.95	648.62	2,270.57
<i>Anticipated Transfer to Checking</i>	<i>(194,020.00)</i>	<i>(5,980.00)</i>	<i>(200,000.00)</i>
<b><i>Anticipated Balance</i></b>	<b><u>\$ 733,473.71</u></b>	<b><u>\$ 271,657.04</u></b>	<b><u>\$ 1,005,130.75</u></b>
 <b><u>ColoTrust Edge</u></b>			
Balance as of 07/31/22	\$ -	\$ 501,028.40	\$ 501,028.40
Subsequent activities:			
08/31/22 - Interest income	-	1,245.23	1,245.23
<b><i>Anticipated Balance</i></b>	<b><u>\$ -</u></b>	<b><u>\$ 502,273.63</u></b>	<b><u>\$ 502,273.63</u></b>
<b><i>Total Anticipated Balances</i></b>	<b><u>\$ 767,447.88</u></b>	<b><u>\$ 773,930.67</u></b>	<b><u>\$ 1,541,378.55</u></b>

**Yield Information @ 08/31/22:**

Colotrust Plus - 2.2488%  
Colotrust Edge - 1.7415%