

TALLYN'S REACH AUTHORITY

FINANCIAL STATEMENTS

SEPTEMBER 30, 2022

TALLYN'S REACH AUTHORITY
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	General	Capital Projects	Total
ASSETS			
Cash - Checking	\$ 132,932	\$ -	\$ 132,932
Colotrust	242,808	714,635	957,443
Colotrust Edge	-	502,634	502,634
Accounts receivable	522,690	-	522,690
Prepaid insurance	5,232	-	5,232
TOTAL ASSETS	\$ 903,662	\$ 1,217,269	\$ 2,120,931
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
CURRENT LIABILITIES			
Accounts payable	\$ 263,113	\$ 119,607	\$ 382,720
Total Liabilities	263,113	119,607	382,720
DEFERRED INFLOWS OF RESOURCES			
Prepaid assessments	11,598	-	11,598
Deferred revenue	467,840	-	467,840
Total Deferred Inflows of Resources	479,438	-	479,438
FUND BALANCES			
Total Fund Balances	161,111	1,097,662	1,258,773
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 903,662	\$ 1,217,269	\$ 2,120,931

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 NINE MONTHS ENDED SEPTEMBER 30, 2022

GENERAL FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUE			
General operations fees	\$ 1,587,520	\$ 1,183,689	\$ (403,831)
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	19,110	16,610
Interest income	1,000	5,196	4,196
Other revenue	1,000	30,896	29,896
Pool keys	500	775	275
Legal/late/collection income	-	10,515	10,515
Penalties	-	18,245	18,245
TOTAL REVENUE	<u>2,378,120</u>	<u>1,982,626</u>	<u>(395,494)</u>
EXPENDITURES			
General and administration	333,200	269,607	63,593
Operations expenses	177,000	115,854	61,146
Grounds expenses	1,059,500	822,810	236,690
Recreation expenses	249,320	196,864	52,456
Utilities expenses	299,000	270,811	28,189
TOTAL EXPENDITURES	<u>2,118,020</u>	<u>1,675,946</u>	<u>442,074</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	260,100	306,680	46,580
OTHER FINANCING SOURCES (USES)			
Transfers to other fund	(500,000)	(500,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(500,000)	(500,000)	-
NET CHANGE IN FUND BALANCE	(239,900)	(193,320)	46,580
FUND BALANCE - BEGINNING	<u>399,520</u>	<u>354,432</u>	<u>(45,088)</u>
FUND BALANCE - ENDING	<u>\$ 159,620</u>	<u>\$ 161,112</u>	<u>\$ 1,492</u>

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TALLYN'S REACH AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

GENERAL FUND

EXPENDITURES	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
General and administration			
Election expense	\$120,000	\$66,617	\$53,383
Legal services	45,000	64,581	(19,581)
Accounting	44,000	42,881	1,119
Authority management	37,000	27,750	9,250
Billing	26,000	19,500	6,500
Insurance and bonds	26,000	24,570	1,430
Authority mapping services	14,000	9,732	4,268
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>269,608</u>	<u>63,592</u>
Operations expenses			
Property management	63,000	47,250	15,750
Operations legal services	40,000	27,475	12,525
Engineering	35,000	9,380	25,620
Legal collections	24,000	10,289	13,711
Direct costs - postage, mailing, mileage, etc.	15,000	21,460	(6,460)
Total Operations expenses	<u>177,000</u>	<u>115,854</u>	<u>61,146</u>
Grounds expenses			
Landscape management	257,000	182,555	74,445
Beautification: flowers & shrubs	200,000	140,123	59,877
Beautification: native grasses management	100,000	63,254	36,746
Tree maintenance	92,000	102,811	(10,811)
Irrigation management	85,000	86,647	(1,647)
Snow removal	60,000	53,698	6,302
Irrigation repairs	45,000	88,030	(43,030)
Winter watering	36,000	3,200	32,800
Annual flowers	35,500	44,938	(9,438)
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	19,984	16
Beauty band mowing	10,000	1,984	8,016
Community donations	7,000	-	7,000
Lighting/electrical repairs	6,000	2,838	3,162
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	1,468	1,532
Flag maintenance	2,000	6,063	(4,063)
Fountain maintenance	1,000	-	1,000
Total Grounds expenses	<u>1,059,500</u>	<u>822,810</u>	<u>236,690</u>

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TALLYN'S REACH AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN NET POSITION - BUDGET AND ACTUAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 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	18,548	(6,548)
Pool furniture	15,000	-	15,000
Pool equipment	5,000	1,728	3,272
Kiddie pool	5,000	-	5,000
Storage building/Pool house	2,000	882	1,118
Security system	6,000	9,628	(3,628)
Clubhouse maintenance supplies	3,000	134	2,866
Indoor building maintenance	12,000	11,193	807
Outside building maintenance	10,000	725	9,275
Janitorial/housekeeping	7,000	3,510	3,490
Tennis court maintenance	1,500	-	1,500
Playground equipment	800	-	800
Telephone/access control	5,000	3,628	1,372
Events	3,000	2,863	137
Pool management	29,100	28,296	804
Trash removal	6,400	5,340	1,060
Supplies other	5,000	-	5,000
Total Recreation expenses	<u>249,320</u>	<u>196,863</u>	<u>52,457</u>
Utilities expenses			
Water/sewer	286,000	250,367	35,633
Gas/electric	13,000	20,444	(7,444)
Total Utilities expenses	<u>299,000</u>	<u>270,811</u>	<u>28,189</u>
TOTAL EXPENDITURES	<u>\$ 2,118,020</u>	<u>\$ 1,675,946</u>	<u>\$ 442,074</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 NINE MONTHS ENDED SEPTEMBER 30, 2022

CAPITAL PROJECTS FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Interest income	\$ 1,000	\$ 5,289	\$ 4,289
TOTAL REVENUES	<u>1,000</u>	<u>5,289</u>	<u>4,289</u>
EXPENDITURES			
Signage	-	27,103	(27,103)
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	22,638	7,362
Retaining walls	5,000	8,050	(3,050)
Native grass maintenance/upgrades	50,000	154,354	(104,354)
Streets	10,000	11,870	(1,870)
Storm drainage	-	920	(920)
TOTAL EXPENDITURES	<u>645,000</u>	<u>257,645</u>	<u>387,355</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(644,000)	(252,356)	391,644
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	500,000	500,000	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>500,000</u>	<u>500,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(144,000)	247,644	391,644
FUND BALANCES - BEGINNING	<u>862,994</u>	<u>850,018</u>	<u>(12,976)</u>
FUND BALANCES - ENDING	<u>\$ 718,994</u>	<u>\$ 1,097,662</u>	<u>\$ 378,668</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 October 27, 2022

	<u>General Fund</u>	<u>Capital Fund</u>	<u>Total</u>
<u>1st Bank Checking</u>			
Balance as of 09/30/22	\$ 132,931.64	\$ -	\$ 132,931.64
Subsequent activities:			
10/04/22 - Aurora Water autopay	(49,389.28)	-	(49,389.28)
10/19/22 - Bill.com Void	140.27	-	140.27
10/20/22 - Transfer from Colotrust	161,514.03	118,485.97	280,000.00
10/24/22 - Bill.com Payables	(116,259.99)	(115,725.97)	(231,985.96)
10/27/22 - Bill.com Payables	(112,216.00)	(2,760.00)	(114,976.00)
10/27/22 - October Assessments, net	128,531.68	-	128,531.68
<i>Anticipated Balance</i>	<u>\$ 145,252.35</u>	<u>\$ -</u>	<u>\$ 145,252.35</u>
<u>ColoTrust</u>			
Balance as of 09/30/22	\$ 742,807.83	\$ 214,634.99	\$ 957,442.82
Subsequent activities:			
10/20/22 - Transfer to Checking	(161,514.03)	(118,485.97)	(280,000.00)
<i>Anticipated Balance</i>	<u>\$ 581,293.80</u>	<u>\$ 96,149.02</u>	<u>\$ 677,442.82</u>
<u>ColoTrust Edge</u>			
Balance as of 09/30/22	\$ -	\$ 502,634.37	\$ 502,634.37
Subsequent activities: None			
<i>Anticipated Balance</i>	<u>\$ -</u>	<u>\$ 502,634.37</u>	<u>\$ 502,634.37</u>
<i>Total Anticipated Balances</i>	<u>\$ 726,546.15</u>	<u>\$ 598,783.39</u>	<u>\$ 1,325,329.54</u>

Yield Information @ 09/30/22:
Colotrust Plus - 2.6205%
Colotrust Edge - 2.0978%