

LETTER OF BUDGET TRANSMITTAL

Date: January 30, 2023

To: Division of Local Government
1313 Sherman Street, Room 521
Denver, Colorado 80203

Attached are the 2023 budget and budget message for TALLYN'S REACH AUTHORITY in Arapahoe County, Colorado, submitted pursuant to Section 29-1-113, C.R.S. This budget was adopted on November, 15, 2022. If there are any questions on the budget, please contact:

Celeste Terrell, District Manager
CliftonLarsonAllen LLP
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Telephone number: 303-779-5710
Celeste.Terrell@claconnect.com

I, Celeste Terrell, District Manager of the TALLYN'S REACH AUTHORITY hereby certify that the attached is a true and correct copy of the 2023 budget.

By:

DocuSigned by:

Celeste Terrell

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Celeste Terrell, District Manager

**RESOLUTION
ADOPTING BUDGET AND APPROPRIATING FUNDS
FOR THE CALENDAR YEAR 2023**

The Board of Directors of Tallyn’s Reach Authority (the “**Board**”), City of Aurora, Arapahoe County, Colorado (the “**Authority**”), held a regular meeting, via teleconference and at 24900 E. Park Crescent Dr., Aurora, on November 15, 2022, at the hour of 6:00 p.m.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with §29-1-106, C.R.S.

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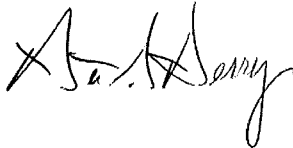
NOTICE AS TO PROPOSED 2023 BUDGET

SENTINEL
PROOF OF PUBLICATION

STATE OF COLORADO
COUNTY OF ARAPAHOE }ss.

I DAVID L. PERRY, do solemnly swear that I am the PUBLISHER of the SENTINEL; that the same is a weekly newspaper published in the County of Arapahoe, State of Colorado and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said County of Arapahoe for a period of more than fifty-two consecutive weeks prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 30, 1923, entitled "Legal Notices and Advertisements," or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado. That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period of 1 consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated October 27 A.D. 2022 and that the last publication of said notice was in the issue of said newspaper dated October 27 A.D. 2022.

I witness whereof I have hereunto set my hand this 27th day of October A.D. 2022.



Subscribed and sworn to before me, a notary public in the County of Arapahoe, State of Colorado, this 27th day of October A.D. 2022.



Notary Public

Isabella Perry
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID# 20194037562
MY COMMISSION EXPIRES 10/1/2023

NOTICE OF PUBLIC HEARING
ON THE AMENDED 2022 BUDGET
AND NOTICE OF PUBLIC HEARING
ON THE PROPOSED 2023 BUDGET

NOTICE IS HEREBY GIVEN that the Board of Directors (the "Board") of the TALLYN'S REACH AUTHORITY (the "Authority"), will hold a meeting at the Tallyn's Reach Clubhouse, 24900 E Park Crescent Drive, Aurora, CO 80016 and via teleconference on Tuesday, November 15, 2022 at 6:00 p.m., for the purpose of conducting such business as may come before the Board including a public hearing on the 2023 proposed budget (the "Proposed Budget"). The necessity may also arise for an amendment to the 2022 budget (the "Amended Budget"). This meeting can be joined using the following teleconference information:

To attend via video conference, email cindy.jenkins@clconnect.com to obtain a link to the video conference or go to the District's website at www.tallynsreachmetrodistrict.com and obtain the link from the Notice of Meeting & Agenda.

To attend via telephone, dial 1-720-547-5281 and enter Phone Conference ID: 453 305 863#

NOTICE IS FURTHER GIVEN that the Proposed Budget and Amended Budget (if applicable) have been submitted to the District. A copy of the Proposed Budget and Amended Budget are on file in the office of CliftonLarsonAllen LLP, 8390 E Crescent Pkwy #300, Greenwood Village, CO 80111, where the same are open for public inspection.

Any interested elector of the District may file any objections to the Proposed Budget and Amended Budget at any time prior to final adoption of the Proposed Budget or the Amended Budget by the Board. This meeting is open to the public and the agenda for any meeting may be obtained by calling (303) 858-1800.

BY ORDER OF THE
BOARD OF DIRECTORS:
TALLYN'S REACH AUTHORITY,
a quasi-municipal corporation and political
subdivision of the State of Colorado
/s/ WHITE BEAR ANKELE TANAKA &
WALDRON
Attorneys at Law

Publication: October 27, 2022
Sentinel

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

TALLYN'S REACH AUTHORITY

ANNUAL BUDGET

FOR THE YEAR ENDING DECEMBER 31, 2023

**TALLYN'S REACH AUTHORITY
SUMMARY
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 1,220,119	\$ 1,204,450	\$ 1,270,275
REVENUES			
General operations fees - Homes	1,443,149	1,587,520	1,695,760
General operations fees - Apartments	204,000	285,600	434,520
Clubhouse rental	315	25,000	25,000
Interest income	630	9,400	20,000
Legal/late/collection income	6,417	15,000	-
Other revenue	1,247	30,746	1,000
Penalties	25,557	30,000	-
Pool keys	-	1,000	1,000
Transfer from TRMD No. 2	250,000	250,000	250,000
Transfer from TRMD No. 3	-	250,000	250,000
Total revenues	<u>1,931,315</u>	<u>2,484,266</u>	<u>2,677,280</u>
TRANSFERS IN	<u>250,000</u>	<u>500,000</u>	<u>300,000</u>
Total funds available	<u>3,401,434</u>	<u>4,188,716</u>	<u>4,247,555</u>
EXPENDITURES			
Administration expenses	210,292	315,134	244,650
Operation expenses	128,334	162,000	235,000
Grounds expenses	994,572	1,044,019	1,199,492
Recreation expenses	226,221	250,583	352,033
Utilities expenses	274,671	346,000	345,000
Capital projects	112,894	300,705	715,000
Total expenditures	<u>1,946,984</u>	<u>2,418,441</u>	<u>3,091,175</u>
TRANSFERS OUT	<u>250,000</u>	<u>500,000</u>	<u>300,000</u>
Total expenditures and transfers out requiring appropriation	<u>2,196,984</u>	<u>2,918,441</u>	<u>3,391,175</u>
ENDING FUND BALANCES	<u>\$ 1,204,450</u>	<u>\$ 1,270,275</u>	<u>\$ 856,380</u>

**TALLYN'S REACH AUTHORITY
GENERAL FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,**

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 507,575	\$ 354,432	\$ 215,562
REVENUES			
General operations fees - Homes	1,443,149	1,587,520	1,695,760
General operations fees - Apartments	204,000	285,600	434,520
Clubhouse rental	315	25,000	25,000
Interest income	262	4,000	10,000
Legal/late/collection income	6,417	15,000	-
Other revenue	1,247	30,746	1,000
Penalties	25,557	30,000	-
Pool keys	-	1,000	1,000
Transfer from TRMD No. 2	250,000	250,000	250,000
Transfer from TRMD No. 3	-	250,000	250,000
Total revenues	<u>1,930,947</u>	<u>2,478,866</u>	<u>2,667,280</u>
Total funds available	<u>2,438,522</u>	<u>2,833,298</u>	<u>2,882,842</u>
EXPENDITURES			
Administration expenses	210,292	315,134	244,650
Operation expenses	128,334	162,000	235,000
Grounds expenses	994,572	1,044,019	1,199,492
Recreation expenses	226,221	250,583	352,033
Utilities expenses	274,671	346,000	345,000
Total expenditures	<u>1,834,090</u>	<u>2,117,736</u>	<u>2,376,175</u>
TRANSFERS OUT			
Transfers to other fund	<u>250,000</u>	<u>500,000</u>	<u>300,000</u>
Total expenditures and transfers out requiring appropriation	<u>2,084,090</u>	<u>2,617,736</u>	<u>2,676,175</u>
ENDING FUND BALANCES	<u>\$ 354,432</u>	<u>\$ 215,562</u>	<u>\$ 206,667</u>

TALLYN'S REACH AUTHORITY
GENERAL FUND - OPERATING EXPENSE DETAILS
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
EXPENDITURES			
Administration			
Accounting	\$ 43,832	\$ 58,000	\$ 48,400
Billing	24,000	26,000	28,600
Auditing	9,750	10,700	12,000
Banking fees	312	-	-
Authority management	28,584	37,000	40,700
Dues and licenses	2,057	3,264	3,500
Election expense	-	70,000	18,950
Insurance and bonds	23,870	24,570	26,000
Administrative legal services	54,688	75,000	50,000
Authority mapping services	16,032	10,000	10,000
Miscellaneous	6,567	-	5,000
Website/Newsletter	600	600	1,500
Total Administration	<u>210,292</u>	<u>315,134</u>	<u>244,650</u>
Operations			
Property management	52,814	63,000	90,000
Operations legal services	33,617	35,000	50,000
Legal collections	25,073	17,000	20,000
Direct costs - postage, mailing, mileage, etc	10,762	30,000	25,000
Engineering	6,068	17,000	50,000
Total Operations	<u>128,334</u>	<u>162,000</u>	<u>235,000</u>
Grounds			
Flag maintenance	2,281	10,000	5,000
Fountain maintenance	-	500	1,000
Seasonal decor	15,168	10,000	20,000
Lighting/electrical repairs	4,404	3,500	5,000
Landscape management	278,400	243,025	291,338
Annual flowers	20,514	45,000	30,000
Irrigation repairs	84,716	100,000	75,000
Irrigation management	120,926	95,000	92,904
Pest control	3,580	2,500	23,000
Miscellaneous common area maintenance	2,650	6,000	7,000
Retaining walls	-	-	5,000
Retention/Detention ponds maintenance	-	20,000	25,000
Tree maintenance	282,530	120,000	110,000
Perennial bed maintenance	28,184	10,000	30,000
Beauty band mowing	-	4,000	-
Landscape improvements	83,996	-	-
Snow removal	53,823	75,000	83,250
Signage maintenance	-	28,512	-
Winter watering	13,400	10,000	36,000
Beautification: native grasses management	-	75,000	100,000
Beautification: flowers & shrubs	-	150,000	200,000
Beautification: wood posts maintenance	-	25,982	30,000
Beautification: mulch refresh	-	10,000	30,000
Community donations	-	-	-
Total Grounds expenses	<u>994,572</u>	<u>1,044,019</u>	<u>1,199,492</u>
Recreation			
Pool contract	135,060	101,520	165,738
Pool repairs	799	15,000	20,000
Pool chemicals	23,335	20,000	15,000
Pool furniture	-	-	60,000
Pool equipment	-	2,000	5,000
Kiddie pool	-	-	5,000
Clubhouse management	21,493	30,000	33,295
Storage building/Pool house	-	1,000	2,000
Security system	16,933	40,000	-
Clubhouse maintenance supplies	299	500	3,000
Indoor building maintenance	3,141	15,000	5,000
Outside building maintenance	8,858	2,000	5,000
Trash removal	8,004	7,200	8,000
Janitorial/housekeeping	2,607	5,000	7,000
Playground equipment	425	500	1,000
Telephone/access control	5,134	5,000	6,000
Supplies other	133	2,000	5,000
Tennis court maintenance	-	1,000	2,000
Events	-	2,863	4,000
Total Recreational expenses	<u>226,221</u>	<u>250,583</u>	<u>352,033</u>
Utilities			
Water/sewer	259,807	320,000	325,000
Gas/electric	14,864	26,000	20,000
Total Utilities expenses	<u>274,671</u>	<u>346,000</u>	<u>345,000</u>

No assurance provided. See summary of significant assumptions.

TALLYN'S REACH AUTHORITY
CAPITAL PROJECTS FUND
2023 BUDGET
WITH 2021 ACTUAL AND 2022 ESTIMATED
For the Years Ended and Ending December 31,

1/27/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 712,544	\$ 850,018	\$ 1,054,713
REVENUES			
Interest income	368	5,400	10,000
Total revenues	<u>368</u>	<u>5,400</u>	<u>10,000</u>
TRANSFERS IN			
Transfers from other funds	<u>250,000</u>	<u>500,000</u>	<u>300,000</u>
Total funds available	<u>962,912</u>	<u>1,355,418</u>	<u>1,364,713</u>
EXPENDITURES			
Capital Projects			
Clubhouse improvements	-	11,505	10,000
Hammerhead	15,800	-	-
Irrigation updates	67,397	25,000	70,000
Monuments	-	20,000	-
Native grass maintenance/upgrades	-	60,000	50,000
Picnic tables & park benches	-	10,000	5,000
Pool improvements	-	15,000	10,000
Pool repairs	-	15,000	10,000
Retaining walls	19,110	1,000	150,000
Retention/Detention ponds	-	1,200	-
Signage	10,587	-	30,000
Streets	-	20,000	100,000
Trails upgrades	-	2,000	5,000
Tree replacements	-	-	200,000
Turf conversions to natives/xeriscaping	-	120,000	75,000
Total expenditures	<u>112,894</u>	<u>300,705</u>	<u>715,000</u>
Total expenditures and transfers out requiring appropriation	<u>112,894</u>	<u>300,705</u>	<u>715,000</u>
ENDING FUND BALANCES	<u>\$ 850,018</u>	<u>\$ 1,054,713</u>	<u>\$ 649,713</u>

**TALLYNS REACH AUTHORITY
2023 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 - Homes

The general operations fee is a fee billed quarterly to residential units at a rate of \$235 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.

General Operations Fees - Apartments

The sanctuary assessments are a fee billed to apartments at a rate of \$108,630 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. Apartments receive a fee discount from residential units to account for lack of pool access.

Intergovernmental revenue

During 2023, 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 as required by law and to supplement the contribution to the Authority Capital Fund (Reserves).

Net Investment Income

Interest earned on the District's available funds has been estimated at historical interest rates earnings.

**TALLYNS REACH AUTHORITY
2023 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.

This information is an integral part of the accompanying budget.

WHEREAS, the Board has designated its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held and interested electors were given the opportunity to register their protest to the proposed budget prior to the adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the Authority for fiscal year 2023. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 3. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 4. Budget Certification. The budget shall be certified by a member of the Authority, or a person appointed by the Authority, and made a part of the public records of the Authority.

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ADOPTED NOVEMBER 15, 2022.

AUTHORITY:

TALLYN'S REACH AUTHORITY

By: DocuSigned by:
David Patterson
7BD319407C7A455...
Officer of the Authority

Attest:

By: DocuSigned by:
BJ Bell
5D0F27EA0668456...

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

DocuSigned by:
Blair M. Dickhoner
DECBCE3D5CA84CA...
General Counsel to the Authority

STATE OF COLORADO
COUNTY OF ARAPAHOE
TALLYN'S REACH AUTHORITY

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a Authority meeting held at 24900 E. Park Crescent Dr., Aurora, Colorado and via teleconference on Tuesday, November 15, 2022, as recorded in the official record of the proceedings of the Authority.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 30th day of January 2023.

DocuSigned by:
BJ Bell
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