

TALLYN'S REACH AUTHORITY

FINANCIAL STATEMENTS

MAY 31, 2022

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

	General	Capital Projects	Total
ASSETS			
Cash - Checking	\$ 312,648	\$ -	\$ 312,648
Colotrust	446,579	324,208	770,787
Colotrust Edge	-	500,560	500,560
Accounts receivable	109,252	-	109,252
TOTAL ASSETS	\$ 868,479	\$ 824,768	\$ 1,693,247
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
CURRENT LIABILITIES			
Accounts payable	\$ 258,151	\$ 21,142	\$ 279,293
Total Liabilities	258,151	21,142	279,293
DEFERRED INFLOWS OF RESOURCES			
Prepaid assessments	21,989	-	21,989
Total Deferred Inflows of Resources	21,989	-	21,989
FUND BALANCES			
Total Fund Balances	588,339	803,626	1,391,965
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 868,479	\$ 824,768	\$ 1,693,247

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 FIVE MONTHS ENDED MAY 31, 2022

GENERAL FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUE			
General operations fees	\$ 1,587,520	\$ 792,339	\$ (795,181)
Sanctuary assessments	285,600	142,800	(142,800)
Transfer from TRMD No. 2	250,000	-	(250,000)
Transfer from TRMD No. 3	250,000	-	(250,000)
Clubhouse rental income	2,500	-	(2,500)
Interest income	1,000	514	(486)
Other revenue	1,000	29,652	28,652
Pool keys	500	-	(500)
Legal/late/collection income	-	9,851	9,851
Penalties	-	18,245	18,245
TOTAL REVENUE	<u>2,378,120</u>	<u>993,401</u>	<u>(1,384,719)</u>
EXPENDITURES			
General and administration	333,200	125,367	207,833
Operations expenses	177,000	69,105	107,895
Grounds expenses	1,059,500	415,302	644,198
Recreation expenses	249,320	74,087	175,233
Utilities expenses	299,000	75,634	223,366
TOTAL EXPENDITURES	<u>2,118,020</u>	<u>759,495</u>	<u>1,358,525</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	260,100	233,906	(26,194)
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)	233,906	(526,194)
FUND BALANCE - BEGINNING	<u>399,520</u>	<u>354,432</u>	<u>(45,088)</u>
FUND BALANCE - ENDING	<u>\$ 159,620</u>	<u>\$ 588,338</u>	<u>\$ 428,718</u>

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 FIVE MONTHS ENDED MAY 31, 2022

GENERAL FUND

EXPENDITURES	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
General and administration			
Election expense	\$120,000	\$5,188	\$114,812
Legal services	45,000	29,312	15,688
Accounting	44,000	25,566	18,434
Authority management	37,000	15,417	21,583
Billing	26,000	10,833	15,167
Insurance and bonds	26,000	24,570	1,430
Authority mapping services	14,000	4,913	9,087
Auditing	10,700	-	10,700
Miscellaneous	5,000	6,304	(1,304)
Website/Newsletter	2,500	-	2,500
Dues and licenses	2,500	3,264	(764)
Banking fees	500	-	500
Total General and administration	<u>333,200</u>	<u>125,367</u>	<u>207,833</u>
Operations expenses			
Property management	63,000	26,250	36,750
Operations legal services	40,000	10,725	29,275
Engineering	35,000	9,380	25,620
Legal collections	24,000	9,624	14,376
Direct costs - postage, mailing, mileage, etc.	15,000	13,126	1,874
Total Operations expenses	<u>177,000</u>	<u>69,105</u>	<u>107,895</u>
Grounds expenses			
Landscape management	257,000	100,975	156,025
Beautification: flowers & shrubs	200,000	66,400	133,600
Beautification: native grasses management	100,000	13,253	86,747
Tree maintenance	92,000	54,130	37,870
Irrigation management	85,000	38,603	46,397
Snow removal	60,000	53,698	6,302
Irrigation repairs	45,000	42,797	2,203
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	929	19,071
Beautification: mulch refresh	20,000	-	20,000
Beauty band mowing	10,000	-	10,000
Community donations	7,000	-	7,000
Lighting/electrical repairs	6,000	1,676	4,324
Miscellaneous common area maintenance	5,000	2,092	2,908
Retaining walls	5,000	-	5,000
Beautification: wood posts maintenance	5,000	-	5,000
Pest control	3,000	341	2,659
Flag maintenance	2,000	1,691	309
Fountain maintenance	1,000	-	1,000
Total Grounds expenses	<u>1,059,500</u>	<u>415,303</u>	<u>644,197</u>

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 FIVE MONTHS ENDED MAY 31, 2022

GENERAL FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
Recreation expenses			
Pool contract	101,520	33,840	67,680
Pool repairs	20,000	16,668	3,332
Pool chemicals	12,000	-	12,000
Pool furniture	15,000	-	15,000
Pool equipment	5,000	-	5,000
Kiddie pool	5,000	-	5,000
Storage building/Pool house	2,000	-	2,000
Security system	6,000	6,354	(354)
Clubhouse maintenance supplies	3,000	50	2,950
Indoor building maintenance	12,000	722	11,278
Outside building maintenance	10,000	-	10,000
Janitorial/housekeeping	7,000	1,390	5,610
Tennis court maintenance	1,500	-	1,500
Playground equipment	800	-	800
Telephone/access control	5,000	2,099	2,901
Events	3,000	-	3,000
Pool management	29,100	10,171	18,929
Trash removal	6,400	2,793	3,607
Supplies other	5,000	-	5,000
Total Recreation expenses	<u>249,320</u>	<u>74,087</u>	<u>175,233</u>
Utilities expenses			
Water/sewer	286,000	68,452	217,548
Gas/electric	13,000	7,182	5,818
Total Utilities expenses	<u>299,000</u>	<u>75,634</u>	<u>223,366</u>
TOTAL EXPENDITURES	<u>\$ 2,118,020</u>	<u>\$ 759,496</u>	<u>\$ 1,358,524</u>

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.

SUPPLEMENTARY INFORMATION

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

CAPITAL PROJECTS FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Interest income	\$ 1,000	\$ 1,241	\$ 241
TOTAL REVENUES	<u>1,000</u>	<u>1,241</u>	<u>241</u>
EXPENDITURES			
Signage	-	12,991	(12,991)
Wood post replacement	30,000	-	30,000
Xeriscaping	150,000	-	150,000
Monuments	60,000	-	60,000
Tree replacements	125,000	-	125,000
Picnic tables & park benches	10,000	7,337	2,663
Trails upgrades	5,000	-	5,000
Pool repairs	15,000	-	15,000
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	-	50,000
Streets	150,000	-	150,000
TOTAL EXPENDITURES	<u>645,000</u>	<u>47,633</u>	<u>597,367</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(644,000)	(46,392)	597,608
OTHER FINANCING SOURCES (USES)			
Transfers from other funds	500,000	-	(500,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>500,000</u>	<u>-</u>	<u>(500,000)</u>
NET CHANGE IN FUND BALANCES	(144,000)	(46,392)	97,608
FUND BALANCES - BEGINNING	<u>862,994</u>	<u>850,018</u>	<u>(12,976)</u>
FUND BALANCES - ENDING	<u>\$ 718,994</u>	<u>\$ 803,626</u>	<u>\$ 84,632</u>

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.

**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 July 11, 2022

	<u>General Fund</u>	<u>Capital Fund</u>	<u>Total</u>
<u>1st Bank Checking</u>			
Balance as of 05/31/22	\$ 312,648.11	\$ -	\$ 312,648.11
Subsequent activities:			
06/01/22 - Aurora Water autopay	(21,864.76)	-	(21,864.76)
06/03/22 - Bill.com Payables	(42,653.61)	-	(42,653.61)
06/21/22 - Bill.com Payables	(1,453.21)	-	(1,453.21)
06/22/22 - Bill.com Payables	(121,233.21)	(7,090.00)	(128,323.21)
06/22/22 - Bill.com Payables	-	(6,068.00)	(6,068.00)
06/23/22 - Deposit Correction	(15.00)	-	(15.00)
06/30/22 - June Assessments	49,339.45	-	49,339.45
06/30/22 - June PNP Deposits in-transit	9,493.30	-	9,493.30
07/01/22 - Aurora Water autopay	(43,023.51)	-	(43,023.51)
07/07/22 - Bill.com Void	200.00	-	200.00
07/11/22 - July Assessments, Net	15,537.48	-	15,537.48
<i>Anticipated Transfer from ColoTrust</i>	<i>72,346.00</i>	<i>37,654.00</i>	<i>110,000.00</i>
<i>Anticipated Bill.Com Payables</i>	<i>(174,385.40)</i>	<i>(24,496.00)</i>	<i>(198,881.40)</i>
<i>Anticipated Balance</i>	<u>\$ 54,935.64</u>	<u>\$ -</u>	<u>\$ 54,935.64</u>
 <u>ColoTrust</u>			
Balance as of 05/31/22	\$ 446,578.72	\$ 324,207.84	\$ 770,786.56
Subsequent activities:			
06/29/22 - Transfer from TRMD 3	150,000.00	-	150,000.00
06/30/22 - Interest income	437.03	317.27	754.30
<i>Anticipated Transfer to Checking</i>	<i>(72,346.00)</i>	<i>(37,654.00)</i>	<i>(110,000.00)</i>
<i>Anticipated Transfer from Tallyn's Reach MD No. 3</i>	<i>100,000.00</i>	<i>-</i>	<i>100,000.00</i>
<i>Anticipated Balance</i>	<u>\$ 624,669.75</u>	<u>\$ 286,871.11</u>	<u>\$ 911,540.86</u>
 <u>ColoTrust Edge</u>			
Balance as of 05/31/22	\$ -	\$ 500,560.03	\$ 500,560.03
Subsequent activities:			
06/30/22 - Interest income (loss)	-	(591.30)	(591.30)
<i>Anticipated Balance</i>	<u>\$ -</u>	<u>\$ 499,968.73</u>	<u>\$ 499,968.73</u>
<i>Total Anticipated Balances</i>	<u>\$ 679,605.39</u>	<u>\$ 786,839.84</u>	<u>\$ 1,466,445.23</u>

Yield Information @ 05/31/22:

Colostrust Plus - 0.7911%

Colostrust Plus - 0.7642%