

FINANCIAL STATEMENTS

BEACON POINT MD

JUNE 30, 2024

Beacon Point Metro District
Balance Sheet - Governmental Funds
June 30, 2024

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
Assets				
Checking Account	\$ 242,035.69	\$ -	\$ -	\$ 242,035.69
Alliance Bank Account	51,007.62	-	-	51,007.62
Colostrust	754,611.04	991,736.00	330,847.97	2,077,195.01
Accounts Receivable	40,333.37	-	-	40,333.37
Receivable from County Treasurer	470,529.14	457,960.65	-	928,489.79
Total Assets	<u>\$ 1,558,516.86</u>	<u>\$ 1,449,696.65</u>	<u>\$ 330,847.97</u>	<u>\$ 3,339,061.48</u>
Liabilities				
Accounts Payable	\$ 218,427.61	\$ -	\$ 10,373.00	\$ 228,800.61
Prepaid Assessments and Fees	72,883.08	-	-	72,883.08
Due to SARIA	-	21,526.80	-	21,526.80
Total Liabilities	<u>291,310.69</u>	<u>21,526.80</u>	<u>10,373.00</u>	<u>323,210.49</u>
Fund Balances	<u>1,267,206.17</u>	<u>1,428,169.85</u>	<u>320,474.97</u>	<u>3,015,850.99</u>
Liabilities and Fund Balances	<u>\$ 1,558,516.86</u>	<u>\$ 1,449,696.65</u>	<u>\$ 330,847.97</u>	<u>\$ 3,339,061.48</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.

Beacon Point Metro District
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2024

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 1,248,491.00	\$ 1,224,042.90	\$ 24,448.10
Specific ownership taxes	74,909.00	52,722.35	22,186.65
Operations and maintenance fee	676,800.00	387,904.27	288,895.73
Transfer operation fees	10,000.00	2,250.00	7,750.00
Other income late fees	1,000.00	-	1,000.00
Interest income	2,000.00	11,498.87	(9,498.87)
Total Revenue	<u>2,013,200.00</u>	<u>1,678,418.39</u>	<u>334,781.61</u>
Expenditures			
Accounting	45,000.00	32,228.43	12,771.57
Auditing	6,800.00	-	6,800.00
County Treasurer's Fee	18,727.00	18,599.96	127.04
Dues and membership	4,223.00	1,237.50	2,985.50
Insurance	50,000.00	43,598.00	6,402.00
District management	95,000.00	43,860.00	51,140.00
Covenant enforcement	20,000.00	-	20,000.00
Legal	70,000.00	60,390.94	9,609.06
Miscellaneous	40,000.00	9,557.43	30,442.57
Landscaping	215,000.00	79,709.40	135,290.60
Street Repair and Maintenance	200,000.00	21,904.72	178,095.28
Recreational expense	15,000.00	874.44	14,125.56
Holiday lights	20,000.00	-	20,000.00
Vandalism repair	9,000.00	-	9,000.00
Tree replacement and maintenance	110,000.00	6,240.00	103,760.00
Lighting maintenance	20,000.00	1,811.30	18,188.70
General administration	5,000.00	5,652.67	(652.67)
Clubhouse maintenance	45,000.00	50,160.62	(5,160.62)
Water and sewer clubhouse	7,000.00	335.77	6,664.23
Clubhouse/pool staffing	174,250.00	57,454.00	116,796.00
Recreation amenity maintenance	10,000.00	-	10,000.00
Pool repairs and supplies	50,000.00	40,383.35	9,616.65
Equipment replacement/repair	20,000.00	46,452.61	(26,452.61)
Gas/electric - clubhouse	42,000.00	17,874.95	24,125.05
Architectural Review	5,000.00	1,550.00	3,450.00
Landscape irrigation repair	40,000.00	27,744.34	12,255.66
Landscape irrigation mulch bed	25,000.00	1,520.00	23,480.00
Legal - collections	5,000.00	14,570.40	(9,570.40)
Water	230,000.00	20,788.59	209,211.41
Trash collection	157,000.00	79,679.56	77,320.44
Website	1,000.00	2,361.32	(1,361.32)
Engineering	10,000.00	11,995.00	(1,995.00)
Total Expenditures	<u>1,765,000.00</u>	<u>698,535.30</u>	<u>1,066,464.70</u>
Other Financing Sources (Uses)			
Transfers to other fund	(313,000.00)	-	(313,000.00)
Total Other Financing Sources (Uses)	<u>(313,000.00)</u>	<u>-</u>	<u>(313,000.00)</u>
Net Change in Fund Balances	(64,800.00)	979,883.09	(1,044,683.09)
Fund Balance - Beginning	<u>128,084.00</u>	<u>287,323.08</u>	<u>(159,239.08)</u>

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Beacon Point Metro District
General Fund Statement of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2024

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Fund Balance - Ending	\$ 63,284.00	\$ 1,267,206.17	\$ (1,203,922.17)

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SUPPLEMENTARY INFORMATION

Beacon Point Metro District
Debt Service Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2024

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 1,158,012.00	\$ 1,135,335.65	\$ 22,676.35
Property taxes - regional mill levy	57,748.00	56,617.17	1,130.83
Specific ownership taxes	69,481.00	48,902.03	20,578.97
Interest income	29,000.00	25,304.57	3,695.43
Total Revenue	<u>1,314,241.00</u>	<u>1,266,159.42</u>	<u>48,081.58</u>
Expenditures			
County Treasurer's Fee	17,370.00	17,252.16	117.84
County Treasurer's fees - regional mill levy	866.00	860.12	5.88
Paying agent fees	300.00	-	300.00
Regional mill levy	56,882.00	55,757.05	1,124.95
Bond interest	773,807.00	386,903.12	386,903.88
Bond principal	465,000.00	-	465,000.00
Total Expenditures	<u>1,314,225.00</u>	<u>460,772.45</u>	<u>853,452.55</u>
Net Change in Fund Balances	16.00	805,386.97	(805,370.97)
Fund Balance - Beginning	612,226.00	622,782.88	(10,556.88)
Fund Balance - Ending	<u>\$ 612,242.00</u>	<u>\$ 1,428,169.85</u>	<u>\$ (815,927.85)</u>

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Beacon Point Metro District
Capital Projects Fund Schedule of Revenues, Expenditures and Changes in
Fund Balances - Budget and Actual
For the Period Ending June 30, 2024

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest income	\$ 19,700.00	\$ 10,817.97	\$ 8,882.03
Total Revenue	<u>19,700.00</u>	<u>10,817.97</u>	<u>8,882.03</u>
Expenditures			
Security	-	10,373.00	(10,373.00)
Total Expenditures	<u>-</u>	<u>10,373.00</u>	<u>(10,373.00)</u>
Other Financing Sources (Uses)			
Transfers from other funds	313,000.00	-	313,000.00
Total Other Financing Sources (Uses)	<u>313,000.00</u>	<u>-</u>	<u>313,000.00</u>
Net Change in Fund Balances	332,700.00	444.97	332,255.03
Fund Balance - Beginning	311,877.00	320,030.00	(8,153.00)
Fund Balance - Ending	<u>\$ 644,577.00</u>	<u>\$ 320,474.97</u>	<u>\$ 324,102.03</u>

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BEACON POINT METROPOLITAN DISTRICT
Schedule of Cash Position
June 30, 2024
Updated as of July 17, 2024

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<u>1st Bank - Checking</u>				
Balance as of 6/30/24	\$ 242,035.69	\$ -	\$ -	\$ 242,035.69
Subsequent activities:				
07/01/24 Bill.com Payables	(44,698.29)	-	-	(44,698.29)
07/02/24 Waste Connection ACH	(13,083.26)	-	-	(13,083.26)
07/02/24 City of Aurora	(17,412.02)	-	-	(17,412.02)
07/05/24 Excel	(605.22)	-	-	(605.22)
07/09/24 Bill.com Payables	(468.39)	-	-	(468.39)
07/11/24 Excel	(5,475.43)	-	-	(5,475.43)
<i>Anticipated Activities:</i>				
<i>Anticipated Saria Payment</i>	-	(21,526.80)	-	(21,526.80)
<i>Anticipated transfer from Alliance</i>	48,000.00	-	-	48,000.00
<i>Anticipated transfer from CT</i>	-	21,526.80	-	21,526.80
<i>Anticipated Bill.com Payables</i>	(84,270.74)	-	-	(84,270.74)
<i>Anticipated Balance</i>	<u>124,022.34</u>	<u>-</u>	<u>-</u>	<u>124,022.34</u>
<u>Alliance - Checking</u>				
Balance as of 6/30/24	\$ 51,007.62	\$ -	\$ -	\$ 51,007.62
Subsequent activities:				
<i>Anticipated Activities:</i>				
<i>Anticipated Transfer to 1st Bank</i>	(48,000.00)	-	-	(48,000.00)
<i>Anticipated Balance</i>	<u>3,007.62</u>	<u>-</u>	<u>-</u>	<u>3,007.62</u>
				c
<u>ColoTrust</u>				
Balance as of 6/30/24	\$ 754,611.04	\$ 991,736.00	\$ 330,847.97	\$ 2,077,195.01
Subsequent activities:				
<i>Anticipated Activities:</i>				
<i>Anticipated Transfer to 1st Bank</i>	-	(21,526.80)	-	(21,526.80)
<i>Anticipated Balance</i>	<u>754,611.04</u>	<u>970,209.20</u>	<u>330,847.97</u>	<u>2,055,668.21</u>
<i>Anticipated Total Balances</i>	<u>\$ 881,641.00</u>	<u>\$ 970,209.20</u>	<u>\$ 330,847.97</u>	<u>\$ 2,182,698.17</u>

Yield Information

Colostrust Prime (June 2024) - 5.2486%

**Beacon Point Metropolitan District
Property Taxes Reconciliation
2024**

	Current Year							Prior Year			
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
							Monthly	Y-T-D		Monthly	Y-T-D
January	\$ 5,191.49	\$ -	\$ 13,871.93	\$ -	\$ (77.87)	\$ 18,985.55	0.21%	0.21%	\$ 26,428.85	0.83%	0.83%
February	999,544.12	-	11,128.53	(237.42)	(14,989.60)	995,445.63	40.56%	40.77%	842,823.47	42.40%	43.24%
March	167,031.17	-	10,419.03	31.16	(2,505.93)	174,975.43	6.78%	47.55%	111,259.87	5.01%	48.25%
April	227,967.70	-	43,521.94	64.77	(3,889.42)	267,664.99	9.25%	56.80%	140,992.66	6.65%	54.90%
May	83,659.11	-	12,976.21	195.70	(1,257.82)	95,573.20	3.39%	60.20%	137,841.77	6.43%	61.33%
June	932,602.14	-	9,706.75	172.52	(13,991.62)	928,489.79	37.85%	98.04%	731,399.56	36.70%	98.03%
July	-	-	-	-	-	-	0.00%	98.04%	25,840.61	0.75%	98.78%
August	-	-	-	-	-	-	0.00%	98.04%	27,229.68	0.72%	99.49%
September	-	-	-	-	-	-	0.00%	98.04%	16,923.00	0.31%	99.81%
October	-	-	-	-	-	-	0.00%	98.04%	13,909.79	0.12%	99.92%
November	-	-	-	-	-	-	0.00%	98.04%	13,017.26	0.08%	100.00%
December	-	-	-	-	-	-	0.00%	98.04%	8,459.14	0.00%	100.00%
Total	\$ 2,415,995.73	\$ -	\$ 101,624.39	\$ 226.73	\$ (36,712.26)	\$ 2,481,134.59	98.04%	98.04%	\$ 2,096,125.66	100.00%	100.00%

Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
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Property Tax

General Fund	\$ 1,248,491.00	50.66%	\$ 1,224,042.89	98.04%
Debt Service Fund	1,158,012.00	46.99%	1,135,335.66	98.04%
SARIA	57,748.00	2.34%	56,617.17	98.04%
Total	\$ 2,464,251.00	100.00%	\$ 2,415,995.73	98.04%

Specific Ownership Tax

General Fund	\$ 74,909.00	51.88%	\$ 52,722.36	70.38%
Debt Service Fund	69,481.00	48.12%	48,902.03	70.38%
Total	\$ 144,390.00	100.00%	\$ 101,624.39	70.38%

Treasurer's Fees

General Fund	\$ 18,727.00	50.66%	\$ 18,599.94	99.32%
Debt Service Fund	17,370.00	46.99%	17,251.99	99.32%
SARIA	866.00	2.34%	860.33	99.34%
Total	\$ 36,963.00	100.00%	\$ 36,712.26	99.32%

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.

**BEACON POINT METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized on November 27, 2002, and is governed pursuant to provisions of the Colorado Special District Act. The District was established to provide sanitation, water, streets, traffic and safety controls, parks and recreation, storm drainage, transportation, and other related public improvements for the benefit of the residents, taxpayers and service users within the District's boundaries. The District's service area is located in Arapahoe County, Colorado.

On November 2, 2004, a majority of the eligible electors of the District who voted in the election authorized the issuance of \$1,967,250,000 in general obligation bonds, revenue bonds, refunding bonds, or other financial obligations to finance the improvements above. As of December 31, 2019, the District had remaining voted debt authorization of approximately \$1,317,070,000. Per the District's Service Plan, the District cannot issue debt in excess of \$100,000,000.

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

The District 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

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August, and generally, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The District's Service Plan provides that the District's operational and debt mill levies may be adjusted to take into account legislative or constitutionally imposed adjustments in assessed values or the method of their calculation, so that, to the extent possible, the actual revenues generated are neither diminished nor enhanced as a result of such changes. Among other adjustments, a change in the ratio of actual valuation of assessable property (assessment ratio) shall be deemed a change in the method of calculating assessed valuation.

**BEACON POINT METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Property Taxes- (continued)

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

For property tax collection year 2024, SB22-238 and SB23B-001 set the assessment rates and actual value reductions as follows:

Category	Rate		Category	Rate	Actual Value Reduction	Amount
Single-Family Residential	6.70%		Agricultural Land	26.40%	Single-Family Residential	\$55,000
Multi-Family Residential	6.70%		Renewable Energy Land	26.40%	Multi-Family Residential	\$55,000
Commercial	27.90%		Vacant Land	27.90%	Commercial	\$30,000
Industrial	27.90%		Personal Property	27.90%	Industrial	\$30,000
Lodging	27.90%		State Assessed	27.90%	Lodging	\$30,000
			Oil & Gas Production	87.50%		

Aurora Regional Improvements Mill Levy

Pursuant to the Service Plan, and an Intergovernmental Agreement with the City, the District is required to levy a regional mill levy and to remit it to an Aurora Regional Improvement Authority or to the City under certain circumstances. On July 10, 2017, the District became a member of the South Aurora Regional Improvement Authority, to which the District remits the proceeds of its Aurora Regional Improvements mill levy.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 5%

Operations and Maintenance Fee

The District collects a \$200 quarterly fee from each residence of the District for the purposes of operations and maintenance of the public improvements of the District.

**BEACON POINT METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Other Income Late Fees

The District assesses a late fee to operations and maintenance fees not remitted within the allotted time. The District anticipates receiving \$1,000 in such late fees in 2024.

Transfer Operations Fee

The District collects a \$150 fee at the closing of each transfer of residential property. The District anticipates receiving \$10,000 in such fees in 2024.

Expenditures

General, Administrative and Operating

General, administrative and operating expenditures include the estimated costs of services necessary to maintain the District's administrative viability such as legal, accounting, audit, insurance, management and the maintenance and operations of the District's property and amenities.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

Debt Service

Principal and interest payments in 2024 are provided based on the debt amortization schedule from the General Obligation Refunding Bonds, Series 2015 (discussed under Debt and Leases).

**BEACON POINT METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On June 17, 2015, the District issued \$21,170,000 of General Obligation Refunding Bonds, Series 2015 ("Series 2015 Bonds") for the purpose of advance refunding all of the District's outstanding Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2005A ("Series 2005A Bonds"), refunding on a current basis the District's Subordinate Limited Tax General Obligation Bonds, Series 2014 ("Series 2014 Bonds," together with the Series 2005A Bonds, the "Refunded Bonds"), and paying the costs of issuance of the Series 2015 Bonds. The Series 2015 Bonds bear interest between the rates of 3.0% - 5.0%, payable semiannually on each June 1 and December 1, commencing on December 1, 2015. The Series 2015 Bonds are due December 1, 2044, and the Bonds maturing on or after December 1, 2026, are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$5,000, in any order of maturity and in whole or partial maturities, and if in part, in such order of maturities as the District shall determine and by lot within bonds of the same maturity and bearing the same interest rate on December 1, 2025, and on any date thereafter, at a redemption price equal to the par amount thereof (with no redemption premium) plus interest to the redemption date. The Bonds maturing on December 1, 2030, are subject to mandatory redemption, prior to maturity, in part, by lot in such manner as the paying agent shall determine, on December 1 of each year. Concurrently with the issuance of the Series 2015 Bonds, Assured Guaranty Municipal Corp ("AGM") issued a Municipal Bond Insurance Policy guaranteeing the scheduled payment of principal and interest payments when due. AGM's financial strength is rates "AA" (stable outlook) by S& P Global Ratings. The insurance extends over the life of the issue and cannot be canceled by AGM. The Series 2015 Bonds are secured by ad valorem taxes on all of the taxable property within the District and specific ownership taxes associated with the debt service mills.

The District has no operating or capital leases.

Reserves

Emergency Reserve

TABOR requires local governments to establish an Emergency Reserve. This reserve must be at least 3% of Fiscal Year Spending (excluding bonded debt service). The District has provided for this reserve.

**BEACON POINT METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$21,170,000

General Obligation Limited Tax Refunding Bonds

Dated June 17, 2015

Series 2017

Interest Rate of 3.000% - 5.000%

Payable June 1 and December 1

Principal Due December 1

Bonds and Interest Maturing in the Year Ending December 31,	Principal	Interest	Total
2024	\$ 465,000	\$ 773,807	\$ 1,238,807
2025	475,000	759,856	1,234,856
2026	515,000	745,606	1,260,606
2027	540,000	719,856	1,259,856
2028	595,000	692,856	1,287,856
2029	625,000	663,107	1,288,107
2030	680,000	631,856	1,311,856
2031	715,000	597,856	1,312,856
2032	770,000	569,256	1,339,256
2033	800,000	538,456	1,338,456
2034	860,000	506,457	1,366,457
2035	895,000	472,056	1,367,056
2036	955,000	436,257	1,391,257
2037	995,000	398,056	1,393,056
2038	1,060,000	358,256	1,418,256
2039	1,105,000	314,532	1,419,532
2040	1,180,000	268,950	1,448,950
2041	1,230,000	220,275	1,450,275
2042	1,305,000	169,537	1,474,537
2043	1,360,000	115,706	1,475,706
2044	1,445,000	59,607	1,504,607
	\$18,570,000	\$10,012,201	\$ 28,582,201