

BEEBE DRAW FARMS AUTHORITY

8390 E. Crescent Pkwy., Suite 300
Greenwood Village, Colorado 80111
Tel: 303-779-5710 Fax: 303-779-0348

**A copy of the agenda/meeting packet is available at the Beebe Draw Farms website at
www.colorado.gov/beebedrawfarms**

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term Expires:</u>
Paul “Joe” Knopinski	President	June 2021
Christine Hethcock	Vice-President	June 2022
Josh Freeman	Treasurer	June 2021
Eric Wernsman	Assistant Secretary	June 2022
Lisa A. Johnson	Secretary	

DATE: July 14, 2021

TIME: 6:00 P.M.

PLACE: **DUE TO CONCERNS REGARDING THE SPREAD OF THE CORONAVIRUS (COVID-19) AND THE BENEFITS TO THE CONTROL OF THE SPREAD OF THE VIRUS BY LIMITING IN-PERSON CONTACT, THE AUTHORITY’S BOARD MEETING WILL BE HELD BY VIDEO/TELEPHONIC MEANS WITHOUT ANY INDIVIDUALS (NEITHER AUTHORITY REPRESENTATIVES NOR THE GENERAL PUBLIC) ATTENDING IN PERSON.**

https://teams.microsoft.com/l/meetup-join/19%3ameeting_N2YxOGU5ZTUtNzllNS00ZTA0LWE5YjltZGY2YmYyYmQwZGE4%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d

Or call in (audio only)

[+1 720-547-5281](tel:+17205475281), 371235433# United States, Denver

Phone Conference ID: 154 767 888#

1. ADMINISTRATIVE MATTERS

- A. Present Disclosures and Potential Conflicts of Interest.
- B. Approve Agenda and confirm posting of meeting notices.
- C. Acknowledge appointment of one Board member from Beebe Draw Farms Metropolitan District No. 1 and one Board member from Beebe Draw Farms Metropolitan District No. 2 to serve on the Authority Board.

D. FIRST READING:

1. Consider sending Board member(s) to the 2021 SDA Conference in Keystone for Hybrid classes (virtual or in person option) on September 14-16, 2021.

E. SECOND READING:

- 1.

F. EMERGENCY READING:

- 1.

2. CONSENT AGENDA

These items are considered to be routine and will be approved and/or ratified by one motion. There will be no separate discussion of these items unless a Board member requests; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

1. Review and approve Minutes of the May 12, 2021 Special Meeting (enclosed 001).
2. Ratify approval of payment of claims through the period ending June 30, 2021, as follows (enclosure - 002):

Total Claims: \$ 38,536.58

3. Consider approval of the Unaudited Financial Statements for the period ending May 31, 2021 (to be distributed).

3. PUBLIC COMMENT

A.

4. FINANCIAL MATTERS

- A. Review and consider acceptance of the 2020 Audited Financial Statements and authorized execution of the representation letter (enclosure – 003).

B. FIRST READING:

1. Discuss an increase to the water tap fee as follows and set date for Special Meeting to adopt fee increase:
½ water tap (Budget) fee to \$27,000
Full water tap fee to \$57,000

C. SECOND READING:

1.

D. EMERGENCY READING

1.

5. OPERATIONS & MAINTENANCE

A. Pool Manager Report (enclosure – 004)

B. Status of Fishing Committee Activities

C. FIRST READING:

1.

D. SECOND READING:

1.

E. EMERGENCY READING:

6. CAPITAL AMENITIES

A. FIRST READING:

1. Discuss construction of walking path along Beebe Draw Parkway (enclosure – 005)

B. SECOND READING:

1.

C. EMERGENCY READING:

1.

7. INFRASTRUCTURE

A. Filing No. 1:

1.

B. FIRST READING:

1. Discuss Rezoning of Undeveloped Land to Estate Zone (enclosure 006).

C. SECOND READING:

- 1.

D. EMERGENCY READING:

- 1.

8. LEGAL MATTERS

A.

B. FIRST READING:

- 1.

C. SECOND READING:

- 1.

D. EMERGENCY READING:

- 1.

9. OTHER BUSINESS

A.

10. ADJOURNMENT:

THE NEXT REGULAR MEETING IS SCHEDULED FOR SEPTEMBER 8, 2021.

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
BEEBE DRAW FARMS AUTHORITY
HELD
MAY 12, 2021**

A special meeting of the Board of Directors (referred to hereafter as the “Board”) of the Beebe Draw Farms Authority (referred to hereafter as the “Authority”) was convened on Wednesday, the 12th day of May, 2021, at 6:00 P.M. Due to the State of Emergency declared by Governor Polis and the threat to health and safety posed by the COVID-19 pandemic, the meeting was held via Microsoft TEAMS Meeting. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Paul “Joe” Knopinski
Christine Hethcock
Josh Freeman
Eric Wernsman

The Directors in attendance confirmed their qualifications to serve.

Also In Attendance Were:

Lisa Johnson & Rebecca Gianarkis; CliftonLarsonAllen LLP

Alan Pogue, Esq.: Icenogle, Seaver, Pogue, P.C.

William “Bill” Caldwell, Mike Welch and Todd Sundeen; Beebe Draw Farms Metropolitan District No. 1 Board Members

Bill Flynn; Simmons & Wheeler, P.C.

Tina Wernsman, Carol Satersmoen, Johni Skalak, Shawn Flanagan, Nathan & Crystal Clark, Deborah Rue, Ryan Kazee, Steve Street and Kim Coleman; Members of the Public

**ADMINISTRATIVE
MATTERS**

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State.

Ms. Johnson noted that a quorum was present and requested members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. It was noted that Directors Freeman, Wernsman, Hethcock and Knopinski’s Disclosure Statements have been filed.

Agenda, Confirmation of Notice Posting: Ms. Johnson distributed for the Board's review and approval a proposed agenda for the Authority's special meeting.

Following discussion, upon motion duly made by President Knopinski, seconded by Director Wernsman and, upon vote, unanimously carried, the agenda was approved as amended. Ms. Johnson noted meeting notices were posted as required.

FIRST READING: None.

SECOND READING: None.

EMERGENCY READING: None.

CONSENT AGENDA

The Board considered the following actions:

- Approve Minutes of the November 11, 2020 and December 2, 2020 Special Meetings.
- Ratify approval of the payment of claims through the period ending April 30, 2021 as follows:

General Fund:	\$ 200,808.89
Infrastructure Fund	\$ 147,115.50
Amenities Fund	<u>\$ -0-</u>
Total:	\$ 347,924.39
Amended to:	\$541,699.99
- Consider approval of the Unaudited Financial Statements for the period ending December 31, 2020.
- Ratify approval of Pool Agreement with Peak One Pool and Spa, LLC.
- Ratify agreement with Acklam Inc. regarding Partial Topographic and Existing Conditions Survey.
- Approval of Professional Services Agreement with Schedio Group LLV for Cost Verification Services in an amount not to exceed \$10,000.
- Ratify approval of Change Order with Contech Engineered Solutions for anchor bolts in an amount not to exceed \$942.
- Approve Resolution No. 2021-05-01 Amended and Restated Public Records Policy.

Following discussion, upon motion duly made by President Knopinski, seconded by Director Wernsman and, upon vote, unanimously carried, the

Board approved and/or ratified approval of the Consent Agenda as amended.

Public Comment: Ms. Satersmoen addressed the Board regarding a request that was made to the POA from residents to have the POA purchase paddleboards, kayaks and innertubes for reservation and use by residents at Lake Christina. The POA would consider gifting the watercraft items to the Authority if the Authority is interested, and can take on the responsibility of reservations, maintenance, etc.

The Board discussed the request and was generally in favor of the request. They determined more discussion is needed related to the reservation system, storage, insurance, etc.

Mr. Flanagan addressed the Board regarding a request to install vending machines at the pool and mail room. He would provide the machines if the Authority would cover the electrical costs. Directors Wernsman and Freeman were not in favor of the Authority paying the electrical costs associated with the request. Ms. Johnson asked Mr. Flanagan to prepare a written proposal of this request including the device that would measure electrical use and present to the Board for consideration at a future meeting.

Ms. Clark shared that she recently attended the Developer's meeting and asked if the Authority Board would be interested in purchasing lots from the Developer to dedicate to open space. She has completed some preliminary research regarding grant opportunities for open space purchase. Director Hethcock indicated she is not interested in selling any lots to the Authority for open space purposes at this time.

Ms. Wernsman addressed the Board regarding a request she received from a resident to hold an event in the community ("Pelican Lake Days") whereby vendors and food trucks could participate and offer their items to residents. If successful, the event could become an annual event. Ms. Johnson asked Ms. Wernsman to have the resident provide a written request to the Authority including details of the event requested, etc. for consideration by the Board at a future meeting.

Ms. Johnson then addressed the public in attendance and thanked them for the creative ideas shared at the meeting. She asked that requests such as those shared should be made in writing and sent to her for staff review prior to consideration by the Board.

FINANCIAL MATTERS

FIRST READING: None.

SECOND READING: None.

EMERGENCY READING: None.

OPERATIONS AND MAINTENANCE

Status of 2021 Pool Season: Ms. Johnson reported that Crystal Clark has been hired as the 2021 Pool Manager. Ms. Clark is working to fill the assistant positions. The pool is scheduled to open on Memorial Day weekend with no restrictions, and she and her staff will follow all the County and Center for Disease Control guidelines related to COVID-19. Memberships will be charged for 2021, and Ms. Clark will be communicating these details to others in the community very soon. She also purchased a domain name for staff emails that the Authority will own and utilize going forward.

FIRST READING: None.

SECOND READING: None.

EMERGENCY READING:

- **Review and consider approval of 2021 fees and associated Resolution:** Director Hethcock presented her suggested revisions to the current fee schedule. Attorney Pogue asked clarifying questions. The Board discussed the recommendations. Upon a motion duly made by Director Wernsman, seconded by Director Hethcock and, upon vote, unanimously carried, the Board approved the 2021 fees and associated Resolution as discussed and amended.
- **Discuss Fishing Committee Recommendations related to Rules and Guidelines and Consider Approval of same:** Director Hethcock presented a draft set of Rules and Guidelines related to fishing at Lake Christina. She is working with a committee of residents to finalize the recommendations and will present at a future meeting.

CAPITAL AMENITIES

FIRST READING: None.

SECOND READING: None.

EMERGENCY READING: None.

INFRASTRUCTURE MATTERS

Filing No. 2: Director Hethcock provided a brief update on the status of development in Filing 2.

FIRST READING: None.

SECOND READING: None.

EMERGENCY READING: None.

LEGAL MATTERS

FIRST READING: None.

SECOND READING: None.

EMERGENCY READING: None.

ADJOURN TO EXECUTIVE SESSION, IF NECESSARY, FOR THE FOLLOWING ITEM(S):

Pursuant to Sections 24-6-402(4)(b) and 24-6-402(4)(e) C.R.S. for the purpose of receiving legal advice and to determine positions relative to matters that may be subject to negotiations concerning FRICO 1985 Canal Right of Way Agreement: Upon a motion duly made by Director Wernsman, seconded by Director Hethcock and, upon vote, unanimously carried, the Board adjourned into Executive Session at 7:58 p.m.

Upon a motion duly made by Director Wernsman, seconded by Director Freeman and, upon vote, unanimously carried, the Board adjourned out Executive Session at 8:39 p.m.

No action was taken.

OTHER BUSINESS

There was no other business discussed.

ADJOURNMENT

There being no further business to come before the Board at this time, upon a motion duly made by Director Wernsman, seconded by Director Freeman and, upon vote, unanimously carried, the meeting was adjourned at 8:39 p.m.

Respectfully submitted,

By _____
Secretary for the Meeting

Active?	Vendor Name	Vendor Id	Invoice #	Approval S	Invoice Date	Due Date	GL Posting Date	Amount	Bill Amount	Default Invoice h	Bill Line Item Amount	Bill Line Item Account Name
Active	Fairfield and Woods, P.C.	75	196306	Approved	1/22/2020	1/22/2020	5/31/2021	616	No		616	Legal
Active	MLM & Associates LLC	200	1046	Approved	5/1/2021	5/1/2021	5/31/2021	200	No		200	Engineering
Active	United Site Services	14	114-11990	Approved	4/28/2021	4/28/2021	4/28/2021	75.22	No		75.22	Other Repairs/Maintenance
Active	Icenogle Seaver Pogue	48	19898	Approved	4/30/2021	4/30/2021	4/30/2021	5934.5	No		5934.5	Legal
Active	CliftonLarsonAllen	95	2863485	Approved	5/7/2021	5/7/2021	4/30/2021	5574.45	No		5574.45	Admin & Management
Active	Simmons & Wheeler, P.C.	54	30541	Approved	4/30/2021	4/30/2021	4/30/2021	1453.75	No		1453.75	Accounting
Active	B&C Refuse	6	E18461	Approved	5/1/2021	5/1/2021	5/31/2021	67	No		67	Community Center/Gatehouse
Active	Central Weld County	8	04 - 6003-0	Approved	4/30/2021	4/30/2021	4/30/2021	14.83	No		14.83	Utilities
Active	Central Weld County	8	04 6060-01	Approved	4/30/2021	5/15/2021	4/30/2021	18.53	No		18.53	Utilities
Active	Central Weld County	8	04-6053-01	Approved	4/30/2021	4/30/2021	4/30/2021	18.53	No		18.53	Utilities
Active	Central Weld County	8	04-6075-01	Approved	4/30/2021	5/15/2021	4/30/2021	18.53	No		18.53	Utilities
Active	Central Weld County	8	046004-01	Approved	4/30/2021	4/30/2021	4/30/2021	18.53	No		18.53	Utilities
Active	Fairfield and Woods, P.C.	75	213053	Approved	5/11/2021	5/11/2021	4/30/2021	414	No		414	Legal
Active	UNCC	3	2.21E+08	Approved	4/30/2021	4/30/2021	4/30/2021	1.32	No		1.32	Locates
Active	Goodell Machinery & Construction	76	20333	Approved	3/25/2021	3/25/2021	3/31/2021	2400	No		2400	Cap. Rep. & Repl. Res. Fund
Active	United Site Services	14	114-11998	Approved	5/25/2021	5/25/2021	5/31/2021	75.22	No		75.22	Other Repairs/Maintenance
Active	Peak One Pool & Spa, LLC	37	22022	Approved	5/24/2021	5/24/2021	5/31/2021	968.76	No		968.76	Community Pool
Active	Peak One Pool & Spa, LLC	37	22078	Approved	5/31/2021	5/31/2021	5/31/2021	580	No		580	Community Pool
Active	UNCC	3	2.21E+08	Approved	5/31/2021	5/31/2021	5/31/2021	5.28	No		5.28	Locates
Active	Simmons & Wheeler, P.C.	54	30788	Approved	5/31/2021	5/31/2021	5/31/2021	1421.25	No		1421.25	Accounting
Active	Central Weld County	8	6004-01	5/ Approved	5/31/2021	5/31/2021	5/31/2021	18.53	No		18.53	Utilities
Active	Central Weld County	8	6053-01	5/ Approved	5/31/2021	5/31/2021	5/31/2021	18.53	No		18.53	Utilities
Active	Central Weld County	8	6060-01	5/ Approved	5/31/2021	5/31/2021	5/31/2021	18.53	No		18.53	Utilities
Active	Central Weld County	8	6075-01	5/ Approved	5/31/2021	5/31/2021	5/31/2021	18.53	No		18.53	Utilities
Active	B&C Refuse	6	E20479	Approved	6/1/2021	6/1/2021	6/30/2021	67	No		67	Community Center/Gatehouse
Active	Norton & Smith, P.C	93	05 21	Approved	6/11/2021	6/11/2021	5/31/2021	385	No		385	Audit
Active	Icenogle Seaver Pogue	48	20044	Approved	5/31/2021	5/31/2021	5/31/2021	3899	No		3899	Legal
Active	CliftonLarsonAllen	95	2909730	Approved	6/8/2021	6/8/2021	5/31/2021	7066.76	No		7066.76	Admin & Management
Active	First Class Security Systems LLC	184	127594	Approved	6/4/2021	6/4/2021	5/31/2021	466	No		466	Community Pool
Active	Fairfield and Woods, P.C.	75	214204	Approved	6/11/2021	6/11/2021	5/31/2021	3128	No		3128	Infrastructure
Active	Aquatics Associates, Inc.	55	5769	Approved	6/18/2021	6/18/2021	5/31/2021	3575	No		3575	Lake Christina/Fish Stocking

3/31/2021	2,400.00
4/28/2021	75.22
4/30/2021	13,466.97
5/31/2021	22,527.39
6/30/2021	67.00
	<hr/> 38,536.58

BEEBE DRAW FARMS AUTHORITY

Financial Statements

Year Ended December 31, 2020

with

Independent Auditor's Report

CONTENTS

	<u>Page</u>
<u>Independent Auditor's Report</u>	I
<u>Basic Financial Statements</u>	
Balance Sheet/Statement of Net Position - Governmental Funds	1
Statement of Revenues, Expenditures and Changes in Fund Balances/Statement of Activities - Governmental Funds	2
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund	3
Notes to Financial Statements	4
<u>Supplemental Information</u>	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – Capital Infrastructure Fund	16
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Amenities Fund	17

Beebe Draw Farms Authority

BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2020

	General	Capital Infrastructure	Amenities	Total	Adjustments	Statement of Net Position
ASSETS						
Cash	\$ 32,353	\$ -	\$ -	\$ 32,353	\$ -	\$ 32,353
Cash - restricted	12,316	5,990,534	959,961	6,962,811	-	6,962,811
Due from District No. 1	239,323	71,042	31,995	342,360	-	342,360
Due from District No. 2	380,188	228,107	65,137	673,432	-	673,432
Tap fee receivable	-	144,000	-	144,000	-	144,000
Prepaid expenses	24,233	-	-	24,233	-	24,233
Capital assets not being depreciated	-	-	-	-	4,378,449	4,378,449
Capital assets, net of accumulated depreciation	-	-	-	-	5,459,699	5,459,699
Total Assets	\$ 688,413	\$ 6,433,683	\$ 1,057,093	\$ 8,179,189	9,838,148	18,017,337
LIABILITIES						
Accounts payable	\$ 100,790	\$ -	\$ -	\$ 100,790	-	100,790
Total Liabilities	100,790	-	-	100,790	-	100,790
FUND BALANCES/NET POSITION						
Fund Balances:						
Nonspendable:						
Prepays	24,233	-	-	24,233	(24,233)	-
Restricted:						
Emergencies	12,316	-	-	12,316	(12,316)	-
Capital infrastructure	-	6,433,683	-	6,433,683	(6,433,683)	-
Amenities	-	-	1,057,093	1,057,093	(1,057,093)	-
Assigned:						
Repair and replacement reserve	260,878	-	-	260,878	(260,878)	-
Discretionary Fund	129,209	-	-	129,209	(129,209)	-
O&M Reserve Fund	350,000	-	-	350,000	(350,000)	-
Unassigned	(189,013)	-	-	(189,013)	189,013	-
Total Fund Balances	587,623	6,433,683	1,057,093	8,078,399	(8,078,399)	-
Total Liabilities and Fund Balances	\$ 688,413	\$ 6,433,683	\$ 1,057,093	\$ 8,179,189		
Net Position:						
Net investment in capital assets					9,838,148	9,838,148
Restricted for:						
Emergencies					12,316	12,316
Capital infrastructure					6,433,683	6,433,683
Amenities					1,057,093	1,057,093
Unrestricted					575,307	575,307
Total Net Position					\$ 17,916,547	\$ 17,916,547

The notes to the financial statements are an integral part of these statements.

Beebe Draw Farms Authority

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2020

	<u>General</u>	<u>Capital Infrastructure</u>	<u>Amenities</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
EXPENDITURES						
General and Administration						
Accounting and audit	\$ 40,885	\$ -	\$ -	\$ 40,885	\$ -	\$ 40,885
Depreciation	-	-	-	-	270,944	270,944
Directors fees	1,200	-	-	1,200	-	1,200
Payroll taxes	15,396	-	-	15,396	-	15,396
Miscellaneous	4,432	-	-	4,432	-	4,432
Insurance and bonds	(25,825)	-	-	(25,825)	-	(25,825)
Legal FRICO	81,190	-	-	81,190	-	81,190
Legal	46,241	11,776	-	58,017	-	58,017
Management	55,167	-	-	55,167	-	55,167
Property management	39,406	-	-	39,406	-	39,406
Physical facilities	40,736	-	-	40,736	-	40,736
Aquatic facilities	26,657	-	-	26,657	-	26,657
Parks and open space	16,629	-	-	16,629	-	16,629
Roads trails and ditches	34,698	-	-	34,698	-	34,698
Other	75,329	-	-	75,329	-	75,329
Capital replacement and reserve	41,655	-	-	41,655	-	41,655
Infrastructure	-	67,575	-	67,575	(67,575)	-
Engineering and Planning	-	20,272	-	20,272	-	20,272
Total Expenditures	<u>493,796</u>	<u>99,623</u>	<u>-</u>	<u>593,419</u>	<u>203,369</u>	<u>796,788</u>
GENERAL REVENUES						
Transfer from District No. 1	178,346	20,919	28,044	227,309	-	227,309
Transfer from District No. 2	208,583	145,135	45,608	399,326	-	399,326
Transfer from District No. 2 - Cap Pledge 2051	-	8,427	3,097	11,524	-	11,524
Transfer from District No. 2 - Cap Pledge 2055	-	5,315	1,132	6,447	-	6,447
Developer rent	1,626	-	-	1,626	-	1,626
Pool fees	-	-	-	-	-	-
Rv Parking fees	150	-	-	150	-	150
Interest income	1,380	10,932	3,363	15,675	-	15,675
Right of way revenue	-	1,611	403	2,014	-	2,014
Water Tap fees	-	432,000	-	432,000	-	432,000
Other income	1,878	-	-	1,878	-	1,878
Total General Revenues	<u>391,963</u>	<u>624,339</u>	<u>81,647</u>	<u>1,097,949</u>	<u>-</u>	<u>1,097,949</u>
NET CHANGES IN FUND BALANCES	(101,833)	524,716	81,647	504,530	(504,530)	
CHANGE IN NET POSITION					301,161	301,161
FUND BALANCES/NET POSITION:						
BEGINNING OF YEAR	<u>689,456</u>	<u>5,908,967</u>	<u>975,446</u>	<u>7,573,869</u>	<u>10,041,517</u>	<u>17,615,386</u>
END OF YEAR	<u>\$ 587,623</u>	<u>\$ 6,433,683</u>	<u>\$ 1,057,093</u>	<u>\$ 8,078,399</u>	<u>\$ 9,838,148</u>	<u>\$ 17,916,547</u>

The notes to the financial statements are an integral part of these statements.

Beebe Draw Farms Authority

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND

For the Year Ended December 31, 2020

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES				
Transfer from District No. 1	\$ 178,059	\$ 187,577	\$ 178,346	\$ (9,231)
Transfer from District No. 2	237,805	208,980	208,583	(397)
Developer rent	1,626	1,626	1,626	-
Pool fees	7,600	-	-	-
RV Parking fees	3,000	150	150	-
Interest income	3,000	543	1,380	837
Other income	-	1,598	1,878	280
Total Revenues	<u>431,090</u>	<u>400,474</u>	<u>391,963</u>	<u>(8,511)</u>
EXPENDITURES				
Administration				
Accounting and audit	33,000	36,000	40,885	4,885
Directors fees	3,300	3,000	1,200	(1,800)
Payroll taxes	4,965	14,000	15,396	1,396
Miscellaneous	2,000	5,000	4,432	(568)
Training	6,000	-	-	-
Insurance and bonds	22,000	25,922	(25,825)	(51,747)
Legal FRICO	-	65,000	81,190	16,190
Legal	27,000	35,000	46,241	11,241
Legal oil and gas	2,000	10,000	-	(10,000)
Management	33,000	22,000	55,167	33,167
Project management	1,000	500	-	(500)
Property managemnt	60,000	50,000	39,406	(10,594)
Physical facilities	39,634	38,384	40,736	2,352
Aquatic facilities	37,000	27,055	26,657	(398)
Parks and open space	24,250	9,550	16,629	7,079
Roads trails and ditches	16,500	63,000	34,698	(28,302)
Other	88,000	73,100	75,329	2,229
Capital replacement and reserve	5,000	111,000	41,655	(69,345)
Capital repair & replacement contingency	25,000	2,123	-	(2,123)
Emergency Reserve	11,656	-	-	-
Total Expenditures	<u>441,305</u>	<u>590,634</u>	<u>493,796</u>	<u>(96,838)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(10,215)	(190,160)	(101,833)	(105,349)
FUND BALANCE:				
BEGINNING OF YEAR	<u>750,302</u>	<u>689,456</u>	<u>689,456</u>	<u>-</u>
END OF YEAR	<u>\$ 750,302</u>	<u>\$ 499,296</u>	<u>\$ 587,623</u>	<u>\$ (105,349)</u>

The notes to the financial statements are an integral part of these statements.

BEEBE DRAW FARMS AUTHORITY

Notes to Financial Statements
December 31, 2020Note 1: Summary of Significant Accounting Policies

The accounting policies of the Beebe Draw Farms Authority (“Authority”), located in Weld County, Colorado, conform to the accounting principles generally accepted in the United States of America (“GAAP”) as applicable to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

Definition of Reporting Entity

The Authority was established pursuant to C.R.S. 29-1-203. The service area of the Authority consists of the boundaries of Beebe Draw Farms Metropolitan District No. 1 (“District No. 1”) and Beebe Draw Farms Metropolitan District No. 2 (“District No. 2”), collectively the “Districts”. The purpose of the Authority is to effect the development and operations and maintenance of the public improvements for the benefit of the Districts, the residents and property owners within the Districts. The Authority is governed by a Board of Directors consisting of four members of which two members are appointed by District No. 1 and District No. 2. Each director shall serve a term of two years. The Authority’s primary source of revenue is transfers from the Districts.

As required by GAAP, these financial statements present the activities of the Authority, which is legally separate and financially independent of other state and local governments. The Authority follows the GASB pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization’s elected governing body as the basic criterion for including a possible component governmental organization in a primary government’s legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization’s governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

The Authority is not financially accountable for any other organization. The Authority has no component units as defined by the GASB.

Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

BEEBE DRAW FARMS AUTHORITY

Notes to Financial Statements
December 31, 2020

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the Authority. The statement of net position reports all financial and capital resources of the Authority. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the Authority is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Authority considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The material sources of revenue subject to accrual are transfers from the Districts and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The Authority reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the Authority. It is used to account for all financial resources not accounted for and reported in another fund.

BEEBE DRAW FARMS AUTHORITY

Notes to Financial Statements
December 31, 2020

Capital Project Infrastructure Fund – The Capital Project Infrastructure Fund is used to account for the costs incurred by the Authority for planning, designing, constructing, financing and acquiring public improvements on the undeveloped projects.

Capital Project Amenities Fund – The Capital Project Amenities Fund is used to account for the costs incurred by the Authority for planning, designing, constructing, financing and acquiring public improvements or enhancement to developed projects.

Budgetary Accounting

Budgets are adopted on a non-GAAP basis for the governmental funds. In accordance with the State Budget Law of Colorado, the Authority's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The Authority's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. The appropriation is at the total fund expenditures level and lapses at year end.

During 2020, the District amended its General Fund budget from \$441,305 to \$590,634 mainly due to legal and capital replacement expenditures.

Assets, Liabilities and Net PositionFair Value of Financial Instruments

The Authority's financial instruments include cash and cash equivalents, accounts receivable and accounts payable. The Authority estimates that the fair value of all financial instruments at December 31, 2020, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

Deposits and Investments

The Authority's cash and cash equivalents are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

The Authority follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

BEEBE DRAW FARMS AUTHORITY

Notes to Financial Statements
December 31, 2020Estimates

The preparation of these financial statements in conformity with GAAP requires the Authority management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Authority has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Authority has no items that qualify for reporting in this category.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the Authority as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable using the straight-line method. Depreciation on property that will remain assets of the Authority is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Roads	35 years
Recreation Facilities	20 - 40 years
Water Distribution System	20 - 30 years
Irrigation improvements	20 years
Maintenance Facility	40 years

Depreciation expense for the year ended December 31, 2020 was \$270,944.

BEEBE DRAW FARMS AUTHORITY

Notes to Financial Statements
December 31, 2020Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact. The Nonspendable Fund Balance of \$24,233 in the General Fund relates to prepaid expenses.

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of \$12,316 of the General Fund balance has been reserved in compliance with this requirement.

The restricted fund balance in the Capital Infrastructure Fund in the amount of \$6,433,683 is restricted for the payment of the costs for infrastructure capital improvements within the Authority.

The restricted fund balance in the Amenities Fund in the amount of \$1,057,093 is restricted for the payment of the costs for amenity capital improvements within the Authority.

Committed Fund Balance

The committed fund balance is the portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by a formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance

Assigned fund balance includes amounts the Authority intends to use for a specific purpose. Intent can be expressed by the Authority's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all funds can report negative amounts.

BEEBE DRAW FARMS AUTHORITY

Notes to Financial Statements
December 31, 2020Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The Authority reports three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the Authority.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the Authority will use the most restrictive net position first.

Note 2: Cash and investments

As of December 31, 2020, cash is classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash	\$ 32,353
Cash - restricted	<u>6,962,811</u>
Total	<u>\$ 6,995,164</u>

Cash and cash equivalents as of December 31, 2020, consist of the following:

Deposits with financial institutions	<u>\$ 6,995,164</u>
--------------------------------------	---------------------

DepositsCustodial Credit Risk

The Colorado Public Deposit Protection Act, (“PDPA”) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

BEEBE DRAW FARMS AUTHORITY

Notes to Financial Statements
December 31, 2020

The Authority follows state statutes for deposits. None of the Authority's deposits were exposed to custodial credit risk.

Investments

As of December 31, 2020, the Authority had no investments.

Note 3: Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2020, follows:

	Balance 1/1/2020	Additions	Deletions	Balance 12/31/2020
<u>Capital assets not being depreciated:</u>				
Construction in progress	\$ 1,855,454	\$ 67,575	\$ -	\$ 1,923,029
Water Capacity	815,660	-	-	815,660
Land	1,639,760	-	-	1,639,760
Total capital assets not being depreciated	4,310,874	67,575	-	4,378,449
<u>Capital assets being depreciated</u>				
Roads	4,418,415	-	-	4,418,415
Water distribution Facilities	1,292,161	-	-	1,292,161
Offsite water facilities	300,000	-	-	300,000
Maintenance Facility Building	1,021,530	-	-	1,021,530
Recreation facilities/ equipment	2,671,102	-	-	2,671,102
Irrigation and landscape	143,085	-	-	143,085
Total capital assets being depreciated	9,846,293	-	-	9,846,293
Less accumulated depreciation	(4,115,650)	(270,944)	-	(4,386,594)
Net capital assets being depreciated	5,730,643	(270,944)	-	5,459,699
Government type assets, net	\$ 10,041,517	\$ (203,369)	\$ -	\$ 9,838,148

Depreciation expense for the year 2020 is \$270,944.

Water system capacity is provided for 204 water taps of which 147 have been connected as of December 31, 2020, leaving 57 available to connect for future lots.

BEEBE DRAW FARMS AUTHORITY

Notes to Financial Statements
December 31, 2020

As of December 31, 2020, the Authority had a total of 49 prepaid Colorado Big-Thompson (CBT) water shares that can be utilized for 49 taps that can be purchased from Central Weld County Water District (CWCWD) by end users. As water taps are purchased by lot owners from CWCWD, CWCWD remits to the Authority an amount specified by the Authority. During 2020 the amount the Authority charged for tap hook-ups was \$12,000.

Note 4: Other AgreementsBeebe Draw Farms Authority Establishment Agreement (AEA)

Effective April 12, 2011 that certain Authority Establishment Agreement (“AEA”), as amended December 11, 2012, was entered into by and between District No. 1 and District No. 2, whereby the Authority was created. The Districts, through the Authority, will provide for financing the operations and maintenance of the existing public improvements as well as providing for financing, constructing and operating and maintaining additional public improvements. In no case shall the mill levy imposed by the Districts for debt service and operations and maintenance exceed their respective mill levy caps.

As a part of the AEA, District No. 1 has agreed to impose the District Required Mill Levy until 2018 and to transfer such revenues to the Authority for deposit into either the Infrastructure Account or the Amenities Account. For tax collection year 2011 and thereafter the Districts shall transfer all revenues from the operations and maintenance mill levy less the Districts direct operations and maintenance costs to the Authority.

Commencing in tax collection year 2011 and each year thereafter, District No. 2 shall transfer revenues from the Required O&M Mill Levy into the Authority O&M Account, less the Direct District No. 2 Administrative Costs. For tax collection year 2011 and each year thereafter, District No. 2 shall transfer 100% of all revenues from the Development Fees (if any) into the Infrastructure Account and 80% of all revenues from the District No. 2 Required Mill Levy and Specific Ownership Tax Revenues into the Authority Infrastructure Account. Also for tax collection year 2011 and each year thereafter, District No. 2 shall transfer 20% of all revenues from the District No. 2 Required Mill Levy and Specific Ownership Tax Revenues into the Authority Amenity Account. Upon consent of both District No. 1 and District No. 2, the 80%/20% split described above may be adjusted upward or downward in any given year.

District No. 2 shall be authorized to provide for the financing, design, acquisition, construction and operations and maintenance of additional public improvements the estimated costs which approximate \$26,125,508 and as adjusted for inflation approximate \$36,000,000 which would be financed through Bonds issued by District No. 2 in an amount not to exceed \$36,000,000.

BEEBE DRAW FARMS AUTHORITY

Notes to Financial Statements
December 31, 2020Right of Way Grant

On August 15, 2019, the District entered into a Pipeline Right of Way purchase agreement with DCP Operating Company, LP (Grantee) allowing the Grantee the right, privilege, and easement for the purpose of a pipeline for the transportation of oil, gas, petroleum products, water, and other products deemed necessary by the Grantee at the cost of \$30 per linear foot and \$1,000 per bore pit. As of December 31, 2020, the District has collected \$2,014 on behalf of this agreement.

Capital Pledge Agreement

District No. 1 and District No. 2 have an Amended and Restated Consolidated Service Plan for Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2 approved by the Weld County Board of County Commissioners on March 16, 2011 (“Amended and Restated Service Plan”). Pursuant to the Amended and Restated Service Plan, and subject to the conditions of the Amended and Restated Service Plan, on June 14, 2011, District No. 1 entered into an Initial District No. 1 Capital Pledge Agreement with the Authority and with the support of District No. 2 (the “Initial District No. 1 Capital Pledge Agreement”), and District No. 2 entered into an Initial District No. 2 Capital Pledge Agreement with the Authority (the “Initial District No. 2 Capital Pledge Agreement” and collectively with the Initial District No. 1 Capital Pledge Agreement, the “Original Capital Pledge Agreements”).

The Original Capital Pledge Agreements are debt instruments with a principal amount of \$1,500,000 on behalf of District No. 1 and \$26,125,508 on behalf of District No. 2 plus an interest rate of fifteen percent (15%). The mill levy for payment of this obligation is capped at forty (40) mills for District No. 1 and fifty (50) mills for District No. 2, minus the 1998 Bond Mill Levy for each year and less the Operating and Maintenance Mill Levy for each year, to be imposed for collection beginning in 2012 and ending in tax collection year 2018 for District No. 1 and tax collection year 2051 for District No. 2. The total debt repayment will be the lesser of the \$1,500,000 for District No. 1 (“District No. 1 Payment Obligation”) and the lesser of the \$26,125,508 for District No. 2 (“District No. 2 Payment Obligation”), plus 15% interest accrued per annum or the total revenue that flows from the imposition of the forty (40) or fifty (50) mills, minus the 1998 Bond Mill Levy and the Operating and Maintenance Mill Levy, over the term of the mill levy imposition.

On December 20, 2012, with the support of District No. 2, District No. 1 and the Authority entered into that certain First Amendment to District No. 1 Capital Pledge Agreement (“First Amended Capital Pledge Agreement”), wherein the Authority consented to the issuance of District No. 1’s 2012 Bonds and waived any limitations set forth in the Original Capital Pledge Agreement to the extent necessary for District No. 1 to issue its 2012 Bonds.

BEEBE DRAW FARMS AUTHORITY

Notes to Financial Statements
December 31, 2020

As contemplated in the AEA, on August 4, 2016, District No. 2 and the Authority entered into that certain District No. 2 Capital Pledge Agreement (First Exclusion) (“First Exclusion Capital Pledge Agreement”) for the purpose of refunding in full District No. 2’s Payment Obligation under the District No. 2 Initial Capital Pledge Agreement and continuing to provide for the funding of Actual Capital Costs (as defined in the First Exclusion Capital Pledge Agreement) through the imposition by District No. 2 of an ad valorem property tax mill levy of fifty (50) mills, minus the 1998 Bond Mill Levy and the Operating and Maintenance Mill Levy, over the term of the mill levy imposition.

The principal portion of the Payment Obligation represented by the First Exclusion Capital Pledge Agreement bears an interest rate that is lower than the rate of interest borne by the Principal Portion of the Payment Obligation represented by the District No. 2 Initial Capital Pledge Agreement, and as a result, no additional electoral authorization was required with respect to the First Exclusion Capital Pledge Agreement.

Developer Fee and Water Tap Fee Agreement

On December 8, 1998, District No. 1 entered into a Developer Fee and Water Tap Fee Agreement with the Developer pursuant to which the Developer shall pay certain fees to District No. 2 (as assignee of District No. 1) on or before the date of transfer or sale of a lot.

On December 5, 2000, this agreement was amended (collectively with the December 8, 1998 Agreement, the “Developer and Water Tap Fee Agreement”) pursuant to which the Developer agreed to prepay up to \$627,500 in fees at the rate of \$16,000 per lot, to District No. 2 (as assignee of District No. 1) by December 31, 2001 or, if later, within 10 days of a written demand by the District to the Developer for such funds as needed to make all required construction payments for improvements to Milton Lake.

In November 2016, the Board of Directors determined to eliminate the developer fee at this time provided that any previous payments received be retained by the District, and assigned to the Authority.

Pursuant to the AEA, all fees collected pursuant to this agreement for tax year 2011 and each year thereafter, shall be collected by District No. 2, 100% of which shall be transferred into the Authority’s Capital Infrastructure Account. Pursuant to the AEA, fees collected from this agreement are not subject to the 80/20 split further described in the AEA.

BEEBE DRAW FARMS AUTHORITY

Notes to Financial Statements
December 31, 2020Note 5: Related Parties

The primary developer of real property within the service area of the Authority is R.E.I. Limited Liability Company (“Developer”), successor in interest to Beebe Draw Farms, Ltd. Certain members of the Board are associated with the Developer. On November 9, 2011, the Authority entered into a five year ground lease with the Developer for the equestrian facility commencing January 1, 2011 and ending on December 31, 2016 in the amount of \$2,500 per year.

Note 6: Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer Bill of Rights (“TABOR”), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year’s Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The Authority’s management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

On November 7, 2006, and November 3, 2015, a majority of the Authority’s electors authorized the Authority to collect and spend or retain in a reserve all currently levied taxes and fees of the Authority without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

BEEBE DRAW FARMS AUTHORITY

Notes to Financial Statements
December 31, 2020Note 7: Risk Management

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the Authority may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The Authority has elected to participate in the Colorado Special Authoritys Property and Liability Pool (“Pool”) which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The Authority pays annual premiums to the Pool for auto, public officials’ liability, and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the Authority may be called upon to make additional contributions to the Pool on the basis proportionate to other members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

Note 8: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The Government Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

- 1) Capital improvements used in government activities are not financial resources and, therefore are not reported in the funds.

The Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

- 1) Governmental funds report capital outlays as expenditures; however, in the statement of activities, the costs of those assets are held as construction in progress pending transfer to other governmental entities or depreciated over their useful lives;

SUPPLEMENTAL INFORMATION

Beebe Draw Farms Authority

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
CAPITAL INFRASTRUCTURE FUND
For the Year Ended December 31, 2020

	Original & Final		Variance
	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
REVENUES			
Transfer from District No. 1	\$ 20,886	\$ 20,919	\$ 33
Transfer from District No. 2	129,320	145,135	15,815
Transfer from District No. 2 - Cap Pledge 2051	8,576	8,427	(149)
Transfer from District No. 2 - Cap Pledge 2055	5,299	5,315	16
Water Tap fees	450,000	432,000	(18,000)
Interest income	40,000	10,932	(29,068)
Right of way revenue	-	1,611	1,611
Total Revenues	<u>654,081</u>	<u>624,339</u>	<u>(29,742)</u>
EXPENDITURES			
Engineering and Planning	100,000	20,272	79,728
Infrastructure	250,000	67,575	182,425
Legal	75,000	11,776	63,224
Contingency	<u>1,000,000</u>	<u>-</u>	<u>1,000,000</u>
Total Expenditures	<u>1,425,000</u>	<u>99,623</u>	<u>1,325,377</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(770,919)	524,716	1,295,635
FUND BALANCE:			
BEGINNING OF YEAR	<u>5,371,276</u>	<u>5,908,967</u>	<u>537,691</u>
END OF YEAR	<u>\$ 4,600,357</u>	<u>\$ 6,433,683</u>	<u>\$ 1,833,326</u>

The notes to the financial statements are an integral part of these statements.

Beebe Draw Farms Authority

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
AMENITIES FUND

For the Year Ended December 31, 2020

	Original & Final		Variance
	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
REVENUES			
Transfer from District No. 1	\$ 27,999	\$ 28,044	\$ 45
Transfer from District No. 2	32,330	45,608	13,278
Transfer from District No. 2 - Cap Pledge 2051	2,144	3,097	953
Transfer from District No. 2 - Cap Pledge 2055	1,325	1,132	(193)
Right of way revenue	-	403	403
Interest income	<u>10,000</u>	<u>3,363</u>	<u>(6,637)</u>
Total Revenues	<u>73,798</u>	<u>81,647</u>	<u>7,849</u>
EXPENDITURES			
Fitness center	80,000	-	80,000
ATV/gun range	80,000	-	80,000
Trail along Beebe Draw Parkway	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Total Expenditures	<u>210,000</u>	<u>-</u>	<u>210,000</u>
NET CHANGE IN FUND BALANCE	(136,202)	81,647	217,849
FUND BALANCE:			
BEGINNING OF YEAR	<u>994,723</u>	<u>975,446</u>	<u>(19,277)</u>
END OF YEAR	<u>\$ 858,521</u>	<u>\$ 1,057,093</u>	<u>\$ 198,572</u>

The notes to the financial statements are an integral part of these statements.

2021 PLR Pool Season

Status report as of 7/1/2021

Collections:

Pool Memberships	\$	10,050
Pool Parties	\$	400
Pool Pavilion Rental	\$	25
Replacement keycard(s)	\$	25
Fishing Licenses	\$	190
Total	\$	10,690

Memberships Issued:

Resident Memberships	65
Non-resident memberships	1
Employees*	6
Bartered**	2
Total	74

*Free passes issued to 5 part-time pool employees working avg 8-15/hrs a week and 1 pool consultant hired to train in beginning of season.

**Two passes traded for services. One to Ft Lupton Rec Center Mgr (PLR resident) for CPR training. We paid for the cost of Red Cross certifications and manikin rental, and she taught class for trade. The second was given to the Ft Lupton Aquatics Manager (nonresident) in exchange for him reviewing our pool, advising and his continued support as issues arise.

Additional Info:

There have been 1,342 visitors to pool (not including party guests and those not signing in). The average per day is 39 with the peak being 85 in one day. One pavilion party and two private pool parties have been held. With two more confirmed parties coming up and three more tentative ones on the books. Nineteen fishing passes have been sold.

Immediate Repair/Replacement Requests:

Fix gate locking system: Kantech door locking system is a top-of-the-line system and in good condition other than the outlying gates. The electrical lines to the gates have been cut and the back gate lock is stuck and won't lock. This presents a liability issue as children can wander in anytime and the pool cannot be secured. The repairs were quoted at likely \$500 but could go up to \$2,600 worst case scenario if they get in there and find unexpected issues and all components have to be replaced. They do not believe that will be the case and said we could authorize a two-hour limit so they can get in there and fix the system or determine if greater issues exist.

Replace Umbrellas: Out of eleven umbrellas only two are usable and those two have damage. Instead of replacing all at once, my suggestion would be to purchase 2 – 3 umbrellas a year, so that we consistently put new in with the old. The downside of this is potential for mis-matching colors and patterns, but the upside is that each year we will have working umbrellas constantly replacing the ones that break. Cost can vary greatly on these from \$50-\$1,000s, but I believe we can reasonably expect to get decent quality umbrellas for \$150/ea. (we already have stands).

AED Update: The AED is in good condition and up to date. However, it was suggested by CPR trainer that we purchase child/infant pads for the system and put together a goody bag (e.g. scissors, towel, shaver, face shields, etc.) to be used in emergency. Cost \$150-\$200 with potential for 50% to be refunded through grant/credit program.

Goals Prior To End of Season:

- Document operation procedures and best practices so that anyone can step into manager position and have some guidance.
- Identify and evaluate major repairs and improvements that likely will be coming up within next 1-5yrs, get estimates, present to Board.
- Provide list of suggested adjustments to pool policies and operations to create efficiencies and close gaps in interpretation.
- Provide suggestions for potential programs and revenue producing items that would pay for themselves.

Brandenburger, Sandy

From: Johnson, Lisa
Sent: Thursday, July 1, 2021 10:13 AM
To: Eric Stewart
Cc: AMOS KELLY; Brandenburger, Sandy
Subject: RE: [External] Re: Walking path

Eric – thank you for the correspondence. I have added this to the Authority Board’s July agenda for discussion. The meeting will be held on July 14th via Teams at 6 pm.

Sandy – can you forward Eric and Amos the meeting information once it is finalized so they can attend if they choose?



Lisa. A. Johnson
 Public Manager, Business Operations (BizOps)
 CLA (CliftonLarsonAllen LLP)

Direct 303-439-6029
lisa.johnson@CLAconnect.com

From: Eric Stewart <estewart996@gmail.com>
Sent: Tuesday, June 29, 2021 12:15 PM
To: Johnson, Lisa <Lisa.Johnson@claconnect.com>
Cc: AMOS KELLY <amoskelly@msn.com>
Subject: [External] Re: Walking path

Think Security – This email originated from an external source. Be cautious with any links or attachments.

Lisa,

I am assisting Amos with trying to see what needs to be done to get the ball moving on getting a walking trail installed from the gatehouse down to the maintenance building. There has been numerous complaints and even a few close calls of cars driving a little too fast or distracted thru the neighborhood with residents walking on the edge of the road. The sheriffs presence has been nice but I think a walk path off the main road would help alleviate the concerns for the residents for PLR. Please let us know what we can do to help out.

On Mon, Jun 28, 2021 at 12:03 Josh Freeman <Joshua.Freeman@abcsupply.com> wrote:

Hi Amos,

Things are well and the same to you hoping things find you well. I have cc'd (so you'll have it for future reference) Lisa Johnson whom manages the Authority. All requests need to come through her, and she will present them to the entire board. Thanks for reaching out.

-----Original Message-----

From: AMOS KELLY <amoskelly@msn.com>
Sent: Saturday, June 26, 2021 9:07 AM
To: Josh Freeman <Joshua.Freeman@abcsupply.com>
Cc: Eric Stewart <estewart996@gmail.com>
Subject: [EXTERNAL] Walking path

Morning Josh! I hope all is well with you and yours! I'm reaching out to see what, if any plans there are to put in a

walking path along Beebe Draw? The concerns about this have been expressed for a while, but have increased lately. I'm curious how the POA Board can help in moving this forward? Also, if there is another point of contact I need to reach out to please let me know.

Thanks!

Amos Kelly
Axe Construction LLC
303-596-0817

--

Regards,

Eric Stewart
720-775-5313

