

**TOLLGATE CROSSING METROPOLITAN
DISTRICT #2**

FINANCIAL STATEMENTS

For the One Month Period Ended January 31, 2023



SCHILLING & COMPANY, INC.

Certified Public Accountants

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Accountant's Compilation Report

Board of Directors
Tollgate Crossing Metropolitan District #2
Arapahoe County, Colorado

Management is responsible for the accompanying financial statements of each major fund of the Tollgate Crossing Metropolitan District #2, as of and for the one month period ended January 31, 2023, as listed in the table of contents, in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the government-wide financial statements, statement of revenues, expenditures and changes in fund balances – governmental funds and substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted financial statements and disclosures were included in the financial statements, they might influence the user's conclusions about the Tollgate Crossing Metropolitan District #2's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

The supplementary information contained on page 4-8 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the representation of management. The information was subject to our compilation engagement however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to Tollgate Crossing Metropolitan District #2.

SCHILLING & COMPANY, INC.

February 22, 2023

FINANCIAL STATEMENTS

TOLLGATE CROSSING METROPOLITAN DISTRICT #2
BALANCE SHEET - GOVERNMENTAL FUNDS
January 31, 2023

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL REPLACEMENT</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS				
Current assets				
Cash and investments - unrestricted	\$ 2,465,260	\$ -	\$ 791,751	\$ 3,257,011
Cash and investments - restricted	-	1,108,325	-	1,108,325
Cash with County Treasurer	15,481	4,547	-	20,028
Property taxes receivable	1,654,703	496,411	-	2,151,114
Accounts receivable - COA	17,500	-	-	17,500
Interest receivable	6,292	-	-	6,292
Accounts receivable - fees	4,699	-	-	4,699
TOTAL ASSETS	<u>\$ 4,163,935</u>	<u>\$ 1,609,283</u>	<u>\$ 791,751</u>	<u>\$ 6,564,969</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ 53,720	\$ -	\$ -	\$ 53,720
Assessments payable to customers	1,201	-	-	1,201
Total liabilities	<u>54,921</u>	<u>-</u>	<u>-</u>	<u>54,921</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred assessments	4,699	-	-	4,699
Deferred property taxes	1,654,703	496,411	-	2,151,114
	<u>1,659,402</u>	<u>496,411</u>	<u>-</u>	<u>2,155,813</u>
FUND BALANCES				
Restricted for debt service	-	1,112,872	-	1,112,872
Restricted for landscape mitigation	37,253	-	-	37,253
Restricted for emergencies	54,709	-	-	54,709
Assigned for capital projects	-	-	791,751	791,751
Unassigned	2,357,650	-	-	2,357,650
Total fund balance	<u>2,449,612</u>	<u>1,112,872</u>	<u>791,751</u>	<u>4,354,235</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 4,163,935</u>	<u>\$ 1,609,283</u>	<u>\$ 791,751</u>	<u>\$ 6,564,969</u>

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with the accompanying accountant's compilation report.

TOLLGATE CROSSING METROPOLITAN DISTRICT #2
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL - GENERAL FUND
For the One Month Period Ended January 31, 2023

	ONE MONTH ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE			
Property tax	\$ 7,135	\$ 1,661,838	\$ (1,654,703)
Specific ownership tax	8,378	99,710	(91,332)
Penalties, interest and fees	9	-	9
Uncollected fees	(9)	-	(9)
Clubhouse rental	-	5,000	(5,000)
HOA newsletter reimbursements	-	2,100	(2,100)
Interest income	794	55,000	(54,206)
Interest on investments	1,264	-	1,264
Net increase (decrease) in fair value	13,235	-	13,235
TOTAL REVENUE	30,806	1,823,648	(1,792,842)
EXPENDITURES			
Accounting	1,064	25,000	23,936
Audit	-	5,000	5,000
Legal	1,027	20,000	18,973
Election	-	35,000	35,000
Insurance	39,273	45,000	5,727
Bank fees	39	2,000	1,961
Miscellaneous	29	-	(29)
Landscape maintenance	21,067	400,000	378,933
Structural prune trees	-	50,000	50,000
Landscape projects	-	100,000	100,000
Management			
Management fees - general	5,004	60,000	54,996
Management fees - special	-	20,000	20,000
Newletter costs	372	5,000	4,628
Utilities			
Water usage	682	242,482	241,800
Electric & gas	1,511	38,000	36,489
Telephone and internet	386	5,000	4,614
Clubhouse and park maintenance	968	50,000	49,032
Pool services	-	100,000	100,000
Pool repairs and maintenance	-	35,000	35,000
Holiday lighting	-	25,000	25,000
Utility locates	-	1,800	1,800
Treasurer's fees	32	24,928	24,896
Mitigation grants	-	35,000	35,000
Security System	33,750	18,375	(15,375)
Mailbox replacements	-	200,000	200,000
Security patrols	5,125	150,000	144,875
Clubhouse improvements	-	500,000	500,000
Fence repairs	4,000	40,000	36,000
TOTAL EXPENDITURES	114,329	2,232,585	2,118,256
REVENUES OVER (UNDER) EXPENDITURES	(83,523)	(408,937)	325,414
OTHER FINANCING SOURCES (USES)			
Transfer to Capital Replacement Fund	-	(100,000)	100,000
Total other financing sources (uses)	-	(100,000)	100,000
NET CHANGE IN FUND BALANCE	(83,523)	(508,937)	425,414
FUND BALANCE - BEGINNING OF PERIOD	2,533,135	1,575,350	957,785
FUND BALANCE - END OF PERIOD	\$ 2,449,612	\$ 1,066,413	\$ 1,383,199

These financial statements should be read only in connection
with the accompanying accountant's compilation report.

SUPPLEMENTAL INFORMATION

TOLLGATE CROSSING METROPOLITAN DISTRICT #2
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL - DEBT SERVICE FUND
For the One Month Period Ended January 31, 2023

	ONE MONTH ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE			
Property tax	\$ 2,141	\$ 498,551	\$ (496,410)
Specific ownership tax	2,513	29,913	(27,400)
Net investment earnings	905	36,000	(35,095)
TOTAL REVENUE	<u>5,559</u>	<u>564,464</u>	<u>(558,905)</u>
EXPENDITURES			
Note principal - 2012A	-	710,000	710,000
Note Interest - 2012A	-	247,016	247,016
Paying agent	-	3,000	3,000
Treasurer fees	107	7,478	7,371
TOTAL EXPENDITURES	<u>107</u>	<u>967,494</u>	<u>967,387</u>
NET CHANGE IN FUND BALANCE	5,452	(403,030)	408,482
FUND BALANCE - BEGINNING OF PERIOD	<u>1,107,420</u>	<u>1,098,776</u>	<u>8,644</u>
FUND BALANCE - END OF PERIOD	<u>\$ 1,112,872</u>	<u>\$ 695,746</u>	<u>\$ 417,126</u>

This schedule should be read only in connection
with the accompanying accountant's compilation report.

TOLLGATE CROSSING METROPOLITAN DISTRICT #2
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL - CAPITAL REPLACEMENT FUND
For the One Month Period Ended January 31, 2023

	<u>ONE MONTH ENDED ACTUAL</u>	<u>ADOPTED BUDGET</u>	<u>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</u>
REVENUE			
Net investment income	\$ 648	\$ 23,778	\$ (23,130)
TOTAL REVENUE	<u>648</u>	<u>23,778</u>	<u>(23,130)</u>
EXPENDITURES			
Capital improvements	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>648</u>	<u>23,778</u>	<u>(23,130)</u>
OTHER FINANCING SOURCES (USES)			
Transfer from General Fund	-	100,000	(100,000)
Total other financing sources (uses)	<u>-</u>	<u>100,000</u>	<u>(100,000)</u>
NET CHANGE IN FUND BALANCE	648	123,778	(123,130)
FUND BALANCE - BEGINNING OF PERIOD	<u>791,103</u>	<u>792,591</u>	<u>(1,488)</u>
FUND BALANCE - END OF PERIOD	<u>\$ 791,751</u>	<u>\$ 916,369</u>	<u>\$ (124,618)</u>

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with the accompanying accountant's compilation report.

TOLLGATE CROSSING METROPOLITAN DISTRICT #2
SCHEDULE OF CASH POSITION
January 31, 2023

FINANCIAL INSTITUTION

Checking - BOK Financial
 Colotrust
 BOK Investment Portfolio

FUNDS

\$ 205,716
 611,556
 3,548,064
\$ 4,365,336

Unrestricted \$ 3,257,011
 Restricted 1,108,325
\$ 4,365,336

General Fund \$ 2,465,260
 Debt Service Fund 1,108,325
 Capital Replacement 791,751
\$ 4,365,336

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TOLLGATE CROSSING METROPOLITAN DISTRICT #2
SCHEDULE OF CHANGES IN LONG-TERM DEBT
For the One Month Period Ended January 31, 2023

	<u>Balance at January 1, 2023</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Balance at January 31, 2023</u>
Tax-Free Note - Series 2012A	\$ 9,115,000	\$ -	\$ -	\$ 9,115,000

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**TOLLGATE CROSSING METROPOLITAN DISTRICT #2
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$10,000,000			
General Obligation Refunding Notes, Series 2012A			
Interest Rate of 2.71%, effective November 30, 2020			
Principal Due on December 1			
Year Ending December 31,	Interest Due on June 1 and December 1		
	Principal	Interest	Total
2023	\$ 710,000	\$ 247,016	\$ 957,016
2024	745,000	227,775	972,775
2025	780,000	207,586	987,586
2026	820,000	186,448	1,006,448
2027	860,000	164,226	1,024,226
2028	900,000	140,920	1,040,920
2029	940,000	116,530	1,056,530
2030	990,000	91,056	1,081,056
2031	1,035,000	64,227	1,099,227
2032	1,335,000	36,179	1,371,179
	\$ 9,115,000	\$ 1,481,963	\$ 10,596,963

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