

**TOLLGATE CROSSING METROPOLITAN  
DISTRICT #2**

**FINANCIAL STATEMENTS**

**For the Ten Month Period Ended October 31, 2023**



**SCHILLING & COMPANY, INC.**

*Certified Public Accountants*

P.O. Box 631579  
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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 and ten month periods ended October 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.*

November 15, 2023

## **FINANCIAL STATEMENTS**

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

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL REPLACEMENT</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>ASSETS</b>				
Current assets				
Cash and investments - unrestricted	\$ 2,972,590	\$ -	\$ 813,188	\$ 3,785,778
Cash and investments - restricted	-	1,536,306	-	1,536,306
Cash with County Treasurer	10,440	3,132	-	13,572
Property taxes receivable	4,171	1,251	-	5,422
Accounts receivable - COA	4,683	-	-	4,683
Interest receivable	2,266	-	-	2,266
Prepaid expense	500	-	-	500
Accounts receivable - fees	17,500	-	-	17,500
<b>TOTAL ASSETS</b>	<u>\$ 3,012,150</u>	<u>\$ 1,540,689</u>	<u>\$ 813,188</u>	<u>\$ 5,366,027</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Current liabilities				
Accounts payable	\$ 87,559	\$ -	\$ -	\$ 87,559
Assessments payable to customers	1,201	-	-	1,201
Retainage Payable	21,847	-	-	21,847
Total liabilities	<u>110,607</u>	<u>-</u>	<u>-</u>	<u>110,607</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred assessments	4,683	-	-	4,683
Deferred property taxes	4,171	1,251	-	5,422
	<u>8,854</u>	<u>1,251</u>	<u>-</u>	<u>10,105</u>
<b>FUND BALANCES</b>				
Nonspendable for prepaid items	500	-	-	500
Restricted for debt service	-	1,539,438	-	1,539,438
Restricted for landscape mitigation	37,253	-	-	37,253
Restricted for emergencies	54,709	-	-	54,709
Assigned for capital projects	-	-	813,188	813,188
Unassigned	2,800,227	-	-	2,800,227
Total fund balance	<u>2,892,689</u>	<u>1,539,438</u>	<u>813,188</u>	<u>5,245,315</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 3,012,150</u>	<u>\$ 1,540,689</u>	<u>\$ 813,188</u>	<u>\$ 5,366,027</u>

These financial statements should be read only in connection  
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 and Ten Month Period Ended October 31, 2023**

	<b>ONE MONTH ENDED ACTUAL</b>	<b>TEN MONTHS ENDED ACTUAL</b>	<b>ADOPTED BUDGET</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
<b>REVENUE</b>				
Property tax	\$ 813	\$ 1,657,666	\$ 1,661,838	\$ (4,172)
Specific ownership tax	9,599	92,345	99,710	(7,365)
Penalties, interest and fees	-	27	-	27
Uncollected fees	-	75	-	75
Clubhouse rental	-	3,995	5,000	(1,005)
HOA newsletter reimbursements	-	1,858	2,100	(242)
Grants/reimbursements	-	2,958	-	2,958
Interest income	3,095	18,899	55,000	(36,101)
Interest on investments	6,750	56,566	-	56,566
Net increase (decrease) in fair value	879	973	-	973
Miscellaneous	-	912	-	912
<b>TOTAL REVENUE</b>	<u>21,136</u>	<u>1,836,274</u>	<u>1,823,648</u>	<u>12,626</u>
<b>EXPENDITURES</b>				
Accounting	1,830	18,620	25,000	6,380
Audit	-	4,800	5,000	200
Legal	693	10,664	20,000	9,336
Election	-	-	35,000	35,000
Insurance	-	40,510	45,000	4,490
Bank fees	41	739	2,000	1,261
Miscellaneous	-	129	-	(129)
Landscape maintenance	21,066	210,668	400,000	189,332
Structural prune trees	-	-	50,000	50,000
Landscape projects	44,837	216,144	100,000	(116,144)
Management				
Management fees - general	5,000	50,396	60,000	9,604
Management fees - special	-	-	20,000	20,000
Newletter costs	399	3,935	5,000	1,065
Website maintenance	-	7,800	-	(7,800)
Utilities				
Water usage	6,988	138,058	242,482	104,424
Electric & gas	1,247	22,948	38,000	15,052
Telephone and internet	376	3,784	5,000	1,216
Clubhouse and park maintenance	896	13,396	50,000	36,604
Pool services	4,331	100,749	100,000	(749)
Pool repairs and maintenance	-	39,377	35,000	(4,377)
Lighting projects	-	21,513	-	(21,513)
Holiday lighting	-	-	25,000	25,000
Utility locates	8	177	1,800	1,623
Treasurer's fees	13	24,877	24,928	51
Mitigation grants	-	-	35,000	35,000
Security System	-	53,750	18,375	(35,375)
Mailbox replacements	62,747	62,747	200,000	137,253
Pool improvements	1,000	33,836	-	(33,836)
Security patrols	5,100	51,187	150,000	98,813
Clubhouse improvements	283,848	328,822	500,000	171,178
Fence repairs	-	4,350	40,000	35,650
<b>TOTAL EXPENDITURES</b>	<u>440,420</u>	<u>1,463,976</u>	<u>2,232,585</u>	<u>768,609</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(419,284)</u>	<u>372,298</u>	<u>(408,937)</u>	<u>781,235</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer to Capital Replacement Fund	-	-	(100,000)	100,000
Total other financing sources (uses)	-	-	(100,000)	100,000
<b>NET CHANGE IN FUND BALANCE</b>	<u>(419,284)</u>	<u>372,298</u>	<u>(508,937)</u>	<u>881,235</u>
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<u>3,311,973</u>	<u>2,520,391</u>	<u>1,575,350</u>	<u>945,041</u>
<b>FUND BALANCE - END OF PERIOD</b>	<u>\$ 2,892,689</u>	<u>\$ 2,892,689</u>	<u>\$ 1,066,413</u>	<u>\$ 1,826,276</u>

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 and Ten Month Period Ended October 31, 2023**

	<b>ONE MONTH ENDED ACTUAL</b>	<b>TEN MONTHS ENDED ACTUAL</b>	<b>ADOPTED BUDGET</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
<b>REVENUE</b>				
Property tax	\$ 244	\$ 497,302	\$ 498,551	\$ (1,249)
Specific ownership tax	2,881	27,701	29,913	(2,212)
Net investment earnings	4,788	38,236	36,000	2,236
<b>TOTAL REVENUE</b>	<u>7,913</u>	<u>563,239</u>	<u>564,464</u>	<u>(1,225)</u>
<b>EXPENDITURES</b>				
Note principal - 2012A	-	-	710,000	710,000
Note Interest - 2012A	-	123,508	247,016	123,508
Paying agent	-	250	3,000	2,750
Treasurer fees	6	7,463	7,478	15
<b>TOTAL EXPENDITURES</b>	<u>6</u>	<u>131,221</u>	<u>967,494</u>	<u>836,273</u>
<b>NET CHANGE IN FUND BALANCE</b>	7,907	432,018	(403,030)	835,048
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<u>1,531,531</u>	<u>1,107,420</u>	<u>1,098,776</u>	<u>8,644</u>
<b>FUND BALANCE - END OF PERIOD</b>	<u>\$ 1,539,438</u>	<u>\$ 1,539,438</u>	<u>\$ 695,746</u>	<u>\$ 843,692</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 and Ten Month Period Ended October 31, 2023

	<b>ONE MONTH ENDED ACTUAL</b>	<b>TEN MONTHS ENDED ACTUAL</b>	<b>ADOPTED BUDGET</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
<b>REVENUE</b>				
Net investment income	\$ 2,531	\$ 22,085	\$ 23,778	\$ (1,693)
<b>TOTAL REVENUE</b>	<u>2,531</u>	<u>22,085</u>	<u>23,778</u>	<u>(1,693)</u>
<b>EXPENDITURES</b>				
Capital improvements	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>2,531</u>	<u>22,085</u>	<u>23,778</u>	<u>(1,693)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer from General Fund	-	-	100,000	(100,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>(100,000)</u>
<b>NET CHANGE IN FUND BALANCE</b>	2,531	22,085	123,778	(101,693)
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<u>810,657</u>	<u>791,103</u>	<u>792,591</u>	<u>(1,488)</u>
<b>FUND BALANCE - END OF PERIOD</b>	<u><u>\$ 813,188</u></u>	<u><u>\$ 813,188</u></u>	<u><u>\$ 916,369</u></u>	<u><u>\$ (103,181)</u></u>

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

**FINANCIAL INSTITUTION**

Checking - BOK Financial  
Colotrust  
BOK Investment Portfolio

**FUNDS**

\$ 387,089  
2,213,668  
2,721,327  
\$ 5,322,084

Unrestricted \$ 3,785,778  
Restricted 1,536,306  
\$ 5,322,084

General Fund \$ 2,972,590  
Debt Service Fund 1,536,306  
Capital Replacement 813,188  
\$ 5,322,084

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

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

This schedule should be read only in connection  
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**TOLLGATE CROSSING METROPOLITAN DISTRICT #2  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<b>\$10,000,000</b>			
<b>General Obligation Refunding Notes, Series 2012A</b>			
<b>Interest Rate of 2.71%, effective November 30, 2020</b>			
<b>Principal Due on December 1</b>			
<b>Year Ending December 31,</b>	<b>Interest Due on June 1 and December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
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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