

**TOLLGATE CROSSING METROPOLITAN
DISTRICT #2**

FINANCIAL STATEMENTS

For the Two Month Period Ended February 28, 2022



SCHILLING & COMPANY, INC.

Certified Public Accountants

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TABLE OF CONTENTS

	PAGE
Accountant's Compilation Report	1
Financial Statements	
Balance Sheet – Governmental Funds	2
Statement of Revenue, Expenditures and Changes in Fund Balance – Budget to Actual – General Fund	3
Supplemental Information	
Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget to Actual – Debt Service Fund	4
Schedule of Revenue, Expenditures and Changes in Fund Balance – Budget to Actual – Capital Replacement Fund	5
Schedule of Cash Position	6
Schedule of Changes in Long-Term Debt	7
Schedule of Debt Service Requirements to Maturity	8



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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 two month periods ended February 28, 2022, 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.

March 16, 2022

FINANCIAL STATEMENTS

TOLLGATE CROSSING METROPOLITAN DISTRICT #2
BALANCE SHEET - GOVERNMENTAL FUNDS
February 28, 2022

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL REPLACEMENT</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS				
Current assets				
Cash and investments - unrestricted	\$ 1,502,037	\$ -	\$ 635,098	\$ 2,137,135
Cash and investments - restricted	-	1,354,041	-	1,354,041
Cash with County Treasurer	756,468	226,941	-	983,409
Property taxes receivable	1,432,165	429,649	-	1,861,814
Accounts receivable - fees	5,776	-	-	5,776
TOTAL ASSETS	<u>\$ 3,696,446</u>	<u>\$ 2,010,631</u>	<u>\$ 635,098</u>	<u>\$ 6,342,175</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ 5,470	\$ -	\$ -	\$ 5,470
Assessments payable to customers	1,333	-	-	1,333
Total liabilities	<u>6,803</u>	<u>-</u>	<u>-</u>	<u>6,803</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred assessments	5,776	-	-	5,776
Deferred property taxes	1,432,165	429,649	-	1,861,814
	<u>1,437,941</u>	<u>429,649</u>	<u>-</u>	<u>1,867,590</u>
FUND BALANCES				
Restricted for debt service	-	1,580,982	-	1,580,982
Restricted for landscape mitigation	37,253	-	-	37,253
Restricted for emergencies	53,200	-	-	53,200
Assigned for capital projects	-	-	635,098	635,098
Unassigned	2,161,249	-	-	2,161,249
Total fund balance	<u>2,251,702</u>	<u>1,580,982</u>	<u>635,098</u>	<u>4,467,782</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 3,696,446</u>	<u>\$ 2,010,631</u>	<u>\$ 635,098</u>	<u>\$ 6,342,175</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 Two Month Periods Ended February 28, 2022

	ONE MONTH ENDED ACTUAL	TWO MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Property tax	\$ 755,276	\$ 768,217	\$ 2,200,382	\$ (1,432,165)
Specific ownership tax	12,521	23,403	143,025	(119,622)
Penalties, interest and fees	24	51	-	51
Uncollected fees	13	21	-	21
Clubhouse rental	800	1,710	5,000	(3,290)
HOA newsletter reimbursements	-	-	2,100	(2,100)
Grants	6,248	6,248	-	6,248
Interest income	112	206	2,091	(1,885)
TOTAL REVENUE	774,994	799,856	2,352,598	(1,552,742)
EXPENDITURES				
Accounting	966	2,873	20,000	17,127
Audit	-	-	5,000	5,000
Legal	1,286	2,232	19,133	16,901
Legal - collections	-	125	10,000	9,875
Election	1,695	2,036	30,000	27,964
Insurance	-	31,027	36,534	5,507
Bank fees	125	236	2,000	1,764
Landscape maintenance	-	21,067	370,440	349,373
Structural prune trees	-	-	108,000	108,000
Landscape projects	21,067	21,067	200,000	178,933
Management				
Management fees - general	4,756	9,513	60,000	50,487
Management fees - special	-	-	20,000	20,000
Newletter costs	363	725	5,000	4,275
Utilities				
Water usage	(2,499)	(2,155)	242,482	244,637
Electric & gas	1,005	1,005	27,500	26,495
Telephone and internet	371	742	3,000	2,258
Clubhouse and park maintenance	780	1,485	50,000	48,515
Pool services	-	-	90,558	90,558
Pool repairs and maintenance	-	-	35,000	35,000
Holiday lighting	-	-	25,000	25,000
Utility locates	8	16	1,800	1,784
Treasurer's fees	11,329	11,523	33,006	21,483
Mitigation grants	-	-	37,253	37,253
Security System	-	-	14,700	14,700
Pool improvements	-	33,860	150,000	116,140
Security patrols	-	-	150,000	150,000
Prairie dog fencing	-	-	50,000	50,000
Clubhouse improvements	-	-	100,000	100,000
Landscaping - Newbridge area	-	-	150,000	150,000
ET controllers	-	-	100,000	100,000
Park Improvements	-	-	200,000	200,000
TOTAL EXPENDITURES	41,252	137,377	2,346,406	2,209,029
REVENUES OVER (UNDER) EXPENDITURES	733,742	662,479	6,192	656,287
OTHER FINANCING SOURCES (USES)				
Transfer to Capital Projects Fund	-	-	(150,000)	150,000
Total other financing sources (uses)	-	-	(150,000)	150,000
NET CHANGE IN FUND BALANCE	733,742	662,479	(143,808)	806,287
FUND BALANCE - BEGINNING OF PERIOD	1,517,960	1,589,223	1,540,774	48,449
FUND BALANCE - END OF PERIOD	\$ 2,251,702	\$ 2,251,702	\$ 1,396,966	\$ 854,736

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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 Two Month Periods Ended February 28, 2022

	ONE MONTH ENDED ACTUAL	TWO MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Property tax	\$ 226,583	\$ 230,465	\$ 660,114	\$ (429,649)
Specific ownership tax	3,756	7,021	42,907	(35,886)
Net investment earnings	102	185	1,340	(1,155)
TOTAL REVENUE	<u>230,441</u>	<u>237,671</u>	<u>704,361</u>	<u>(466,690)</u>
EXPENDITURES				
Note principal - 2012A & 2012B	-	-	680,000	680,000
Note Interest - 2012A & 2012B	-	-	265,445	265,445
Paying agent	-	-	3,000	3,000
Treasurer fees	3,399	3,457	9,902	6,445
TOTAL EXPENDITURES	<u>3,399</u>	<u>3,457</u>	<u>958,347</u>	<u>954,890</u>
NET CHANGE IN FUND BALANCE	227,042	234,214	(253,986)	488,200
FUND BALANCE - BEGINNING OF PERIOD	<u>1,353,940</u>	<u>1,346,768</u>	<u>1,340,345</u>	<u>6,423</u>
FUND BALANCE - END OF PERIOD	<u><u>\$ 1,580,982</u></u>	<u><u>\$ 1,580,982</u></u>	<u><u>\$ 1,086,359</u></u>	<u><u>\$ 494,623</u></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 Two Month Periods Ended February 28, 2022

	ONE MONTH ENDED ACTUAL	TWO MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Net investment income	\$ 48	\$ 88	\$ 635	\$ (547)
TOTAL REVENUE	<u>48</u>	<u>88</u>	<u>635</u>	<u>(547)</u>
EXPENDITURES				
Capital improvements	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>48</u>	<u>88</u>	<u>635</u>	<u>(547)</u>
OTHER FINANCING SOURCES (USES)				
Transfer from General Fund	-	-	150,000	(150,000)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>150,000</u>	<u>(150,000)</u>
NET CHANGE IN FUND BALANCE	48	88	150,635	(150,547)
FUND BALANCE - BEGINNING OF PERIOD	<u>635,010</u>	<u>635,010</u>	<u>635,062</u>	<u>(52)</u>
FUND BALANCE - END OF PERIOD	<u>\$ 635,058</u>	<u>\$ 635,098</u>	<u>\$ 785,697</u>	<u>\$ (150,599)</u>

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TOLLGATE CROSSING METROPOLITAN DISTRICT #2
SCHEDULE OF CASH POSITION
February 28, 2022

FINANCIAL INSTITUTION	FUNDS
Checking - BOK Financial	\$ 42,692
Colotrust	<u>3,448,484</u>
	<u><u>\$ 3,491,176</u></u>
Unrestricted	\$ 2,137,135
Restricted	<u>1,354,041</u>
	<u><u>\$ 3,491,176</u></u>
General Fund	\$ 1,502,037
Debt Service Fund	1,354,041
Capital Replacement	<u>635,098</u>
	<u><u>\$ 3,491,176</u></u>

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TOLLGATE CROSSING METROPOLITAN DISTRICT #2
SCHEDULE OF CHANGES IN LONG-TERM DEBT
For the Two Month Period Ended February 28, 2022

	<u>Balance at January 1, 2022</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Balance at February 28, 2022</u>
Tax-Free Note - Series 2012A	<u>\$ 9,795,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,795,000</u>

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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
Interest Due on June 1 and December 1

Year Ending December 31,	Principal	Interest	Total
2022	\$ 680,000	\$ 265,445	\$ 945,445
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
	\$ 9,795,000	\$ 1,747,408	\$ 11,542,408

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