

**TOLLGATE CROSSING METROPOLITAN  
DISTRICT #2**

**FINANCIAL STATEMENTS**

**For the Eight Month Period Ended August 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 eight month periods ended August 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.*

September 20, 2023

## **FINANCIAL STATEMENTS**

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

	<b>GENERAL</b>	<b>DEBT SERVICE</b>	<b>CAPITAL REPLACEMENT</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
<b>ASSETS</b>				
Current assets				
Cash and investments - unrestricted	\$ 3,533,114	\$ -	\$ 807,257	\$ 4,340,371
Cash and investments - restricted	-	1,516,796	-	1,516,796
Cash with County Treasurer	17,418	5,225	-	22,643
Property taxes receivable	7,402	2,221	-	9,623
Accounts receivable - COA	4,683	-	-	4,683
Interest receivable	2,265	-	-	2,265
Prepaid expense	500	-	-	500
Accounts receivable - fees	17,500	-	-	17,500
<b>TOTAL ASSETS</b>	<b><u>\$ 3,582,882</u></b>	<b><u>\$ 1,524,242</u></b>	<b><u>\$ 807,257</u></b>	<b><u>\$ 5,914,381</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Current liabilities				
Accounts payable	\$ 151,344	\$ -	\$ -	\$ 151,344
Assessments payable to customers	1,201	-	-	1,201
Total liabilities	<u>152,545</u>	<u>-</u>	<u>-</u>	<u>152,545</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred assessments	4,683	-	-	4,683
Deferred property taxes	7,402	2,221	-	9,623
	<u>12,085</u>	<u>2,221</u>	<u>-</u>	<u>14,306</u>
<b>FUND BALANCES</b>				
Nonspendable for prepaid items	500	-	-	500
Restricted for debt service	-	1,522,021	-	1,522,021
Restricted for landscape mitigation	37,253	-	-	37,253
Restricted for emergencies	54,709	-	-	54,709
Assigned for capital projects	-	-	807,257	807,257
Unassigned	3,325,790	-	-	3,325,790
Total fund balance	<u>3,418,252</u>	<u>1,522,021</u>	<u>807,257</u>	<u>5,747,530</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b><u>\$ 3,582,882</u></b>	<b><u>\$ 1,524,242</u></b>	<b><u>\$ 807,257</u></b>	<b><u>\$ 5,914,381</u></b>

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 Eight Month Period Ended August 31, 2023**

	<b>ONE MONTH ENDED ACTUAL</b>	<b>EIGHT MONTHS ENDED ACTUAL</b>	<b>ADOPTED BUDGET</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
<b>REVENUE</b>				
Property tax	\$ 6,731	\$ 1,654,435	\$ 1,661,838	\$ (7,403)
Specific ownership tax	10,523	74,026	99,710	(25,684)
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)
Interest income	208	15,493	55,000	(39,507)
Interest on investments	15,847	36,222	-	36,222
Net increase (decrease) in fair value	3,492	19,431	-	19,431
Miscellaneous	250	757	-	757
<b>TOTAL REVENUE</b>	<b>37,051</b>	<b>1,806,319</b>	<b>1,823,648</b>	<b>(17,329)</b>
<b>EXPENDITURES</b>				
Accounting	1,907	14,997	25,000	10,003
Audit	4,800	4,800	5,000	200
Legal	712	9,698	20,000	10,302
Election	-	-	35,000	35,000
Insurance	-	40,510	45,000	4,490
Bank fees	76	633	2,000	1,367
Miscellaneous	-	129	-	(129)
Landscape maintenance	21,067	168,535	400,000	231,465
Structural prune trees	-	-	50,000	50,000
Landscape projects	77,127	146,103	100,000	(46,103)
Management				
Management fees - general	5,000	40,396	60,000	19,604
Management fees - special	-	-	20,000	20,000
Newletter costs	399	3,140	5,000	1,860
Website maintenance	-	7,800	-	(7,800)
Utilities				
Water usage	33,107	104,294	242,482	138,188
Electric & gas	3,408	17,683	38,000	20,317
Telephone and internet	376	3,030	5,000	1,970
Clubhouse and park maintenance	534	12,186	50,000	37,814
Pool services	17,325	77,975	100,000	22,025
Pool repairs and maintenance	12,379	35,185	35,000	(185)
Lighting projects	-	21,513	-	(21,513)
Holiday lighting	-	-	25,000	25,000
Utility locates	15	152	1,800	1,648
Treasurer's fees	105	24,826	24,928	102
Mitigation grants	-	-	35,000	35,000
Security System	20,000	53,750	18,375	(35,375)
Mailbox replacements	-	-	200,000	200,000
Pool improvements	32,836	32,836	-	(32,836)
Security patrols	5,100	40,962	150,000	109,038
Clubhouse improvements	6,128	42,975	500,000	457,025
Fence repairs	-	4,350	40,000	35,650
<b>TOTAL EXPENDITURES</b>	<b>242,401</b>	<b>908,458</b>	<b>2,232,585</b>	<b>1,324,127</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(205,350)</b>	<b>897,861</b>	<b>(408,937)</b>	<b>1,306,798</b>
<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>	<b>(205,350)</b>	<b>897,861</b>	<b>(508,937)</b>	<b>1,406,798</b>
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<b>3,623,602</b>	<b>2,520,391</b>	<b>1,575,350</b>	<b>945,041</b>
<b>FUND BALANCE - END OF PERIOD</b>	<b>\$ 3,418,252</b>	<b>\$ 3,418,252</b>	<b>\$ 1,066,413</b>	<b>\$ 2,351,839</b>

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 Eight Month Period Ended August 31, 2023**

	<b>ONE MONTH ENDED ACTUAL</b>	<b>EIGHT MONTHS ENDED ACTUAL</b>	<b>ADOPTED BUDGET</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
<b>REVENUE</b>				
Property tax	\$ 2,019	\$ 496,332	\$ 498,551	\$ (2,219)
Specific ownership tax	3,157	22,204	29,913	(7,709)
Net investment earnings	6,705	27,019	36,000	(8,981)
<b>TOTAL REVENUE</b>	<u>11,881</u>	<u>545,555</u>	<u>564,464</u>	<u>(18,909)</u>
<b>EXPENDITURES</b>				
Note principal - 2012A	-	-	710,000	710,000
Note Interest - 2012A	-	123,508	247,016	123,508
Paying agent	-	-	3,000	3,000
Treasurer fees	31	7,446	7,478	32
<b>TOTAL EXPENDITURES</b>	<u>31</u>	<u>130,954</u>	<u>967,494</u>	<u>836,540</u>
<b>NET CHANGE IN FUND BALANCE</b>	11,850	414,601	(403,030)	817,631
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<u>1,510,171</u>	<u>1,107,420</u>	<u>1,098,776</u>	<u>8,644</u>
<b>FUND BALANCE - END OF PERIOD</b>	<u>\$ 1,522,021</u>	<u>\$ 1,522,021</u>	<u>\$ 695,746</u>	<u>\$ 826,275</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 Eight Month Period Ended August 31, 2023**

	<b>ONE MONTH ENDED ACTUAL</b>	<b>EIGHT MONTHS ENDED ACTUAL</b>	<b>ADOPTED BUDGET</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
<b>REVENUE</b>				
Net investment income	\$ 3,531	\$ 16,154	\$ 23,778	\$ (7,624)
<b>TOTAL REVENUE</b>	<u>3,531</u>	<u>16,154</u>	<u>23,778</u>	<u>(7,624)</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>3,531</u>	<u>16,154</u>	<u>23,778</u>	<u>(7,624)</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>	3,531	16,154	123,778	(107,624)
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<u>803,726</u>	<u>791,103</u>	<u>792,591</u>	<u>(1,488)</u>
<b>FUND BALANCE - END OF PERIOD</b>	<u><u>\$ 807,257</u></u>	<u><u>\$ 807,257</u></u>	<u><u>\$ 916,369</u></u>	<u><u>\$ (109,112)</u></u>

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

<u><b>FINANCIAL INSTITUTION</b></u>	<u><b>FUNDS</b></u>
Checking - BOK Financial	\$ 390,693
Colotrust	2,191,095
BOK Investment Portfolio	3,275,379
	<u>\$ 5,857,167</u>
	<u><u>\$ 5,857,167</u></u>
Unrestricted	\$ 4,340,371
Restricted	1,516,796
	<u>\$ 5,857,167</u>
	<u><u>\$ 5,857,167</u></u>
General Fund	\$ 3,533,114
Debt Service Fund	1,516,796
Capital Replacement	807,257
	<u>\$ 5,857,167</u>
	<u><u>\$ 5,857,167</u></u>

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

	<b>Balance at January 1, 2023</b>	<b>Issuances</b>	<b>Retirements</b>	<b>Balance at August 31, 2023</b>
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**

<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
	<b>\$ 9,115,000</b>	<b>\$ 1,481,963</b>	<b>\$ 10,596,963</b>

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