

**TOLLGATE CROSSING METROPOLITAN
DISTRICT #2**

FINANCIAL STATEMENTS

For the Four Month Period Ended April 30, 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 and four month periods ended April 30, 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.

May 18, 2023

FINANCIAL STATEMENTS

TOLLGATE CROSSING METROPOLITAN DISTRICT #2
BALANCE SHEET - GOVERNMENTAL FUNDS
April 30, 2023

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL REPLACEMENT</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS				
Current assets				
Cash and investments - unrestricted	\$ 3,087,104	\$ -	\$ 797,151	\$ 3,884,255
Cash and investments - restricted	-	1,361,592	-	1,361,592
Cash with County Treasurer	88,159	26,446	-	114,605
Property taxes receivable	780,204	234,061	-	1,014,265
Accounts receivable - COA	17,500	-	-	17,500
Interest receivable	22,074	-	-	22,074
Accounts receivable - fees	4,790	-	-	4,790
TOTAL ASSETS	<u>\$ 3,999,831</u>	<u>\$ 1,622,099</u>	<u>\$ 797,151</u>	<u>\$ 6,419,081</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ 41,857	\$ -	\$ -	\$ 41,857
Assessments payable to customers	1,201	-	-	1,201
Total liabilities	<u>43,058</u>	<u>-</u>	<u>-</u>	<u>43,058</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred assessments	4,790	-	-	4,790
Deferred property taxes	780,204	234,061	-	1,014,265
	<u>784,994</u>	<u>234,061</u>	<u>-</u>	<u>1,019,055</u>
FUND BALANCES				
Restricted for debt service	-	1,388,038	-	1,388,038
Restricted for landscape mitigation	37,253	-	-	37,253
Restricted for emergencies	54,709	-	-	54,709
Assigned for capital projects	-	-	797,151	797,151
Unassigned	3,079,817	-	-	3,079,817
Total fund balance	<u>3,171,779</u>	<u>1,388,038</u>	<u>797,151</u>	<u>5,356,968</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 3,999,831</u>	<u>\$ 1,622,099</u>	<u>\$ 797,151</u>	<u>\$ 6,419,081</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 Four Month Period Ended April 30, 2023

	ONE MONTH ENDED ACTUAL	FOUR MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Property tax	\$ 80,809	\$ 881,633	\$ 1,661,838	\$ (780,205)
Specific ownership tax	8,561	36,074	99,710	(63,636)
Penalties, interest and fees	-	27	-	27
Uncollected fees	-	(27)	-	(27)
Clubhouse rental	2,010	3,495	5,000	(1,505)
HOA newsletter reimbursements	1,858	1,858	2,100	(242)
Interest income	878	4,017	55,000	(50,983)
Interest on investments	7,371	15,777	-	15,777
Net increase (decrease) in fair value	(4,520)	23,630	-	23,630
Miscellaneous	-	10	-	10
TOTAL REVENUE	96,967	966,494	1,823,648	(857,154)
EXPENDITURES				
Accounting	1,502	5,633	25,000	19,367
Audit	-	-	5,000	5,000
Legal	1,051	4,993	20,000	15,007
Election	-	-	35,000	35,000
Insurance	-	40,510	45,000	4,490
Bank fees	59	300	2,000	1,700
Miscellaneous	-	129	-	(129)
Landscape maintenance	21,067	84,267	400,000	315,733
Structural prune trees	-	-	50,000	50,000
Landscape projects	23,875	23,875	100,000	76,125
Management				
Management fees - general	5,000	20,396	60,000	39,604
Management fees - special	-	-	20,000	20,000
Newletter costs	395	1,557	5,000	3,443
Website maintenance	-	7,800	-	(7,800)
Utilities				
Water usage	1,412	3,920	242,482	238,562
Electric & gas	780	4,523	38,000	33,477
Telephone and internet	375	1,524	5,000	3,476
Clubhouse and park maintenance	912	7,195	50,000	42,805
Pool services	4,331	4,331	100,000	95,669
Pool repairs and maintenance	212	212	35,000	34,788
Lighting projects	-	4,400	-	(4,400)
Holiday lighting	-	-	25,000	25,000
Utility locates	25	77	1,800	1,723
Treasurer's fees	1,212	13,225	24,928	11,703
Mitigation grants	-	-	35,000	35,000
Security System	-	33,750	18,375	(15,375)
Mailbox replacements	-	-	200,000	200,000
Security patrols	5,100	20,512	150,000	129,488
Clubhouse improvements	-	17,075	500,000	482,925
Fence repairs	-	4,000	40,000	36,000
TOTAL EXPENDITURES	67,308	304,204	2,232,585	1,928,381
REVENUES OVER (UNDER) EXPENDITURES	29,659	662,290	(408,937)	1,071,227
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	29,659	662,290	(508,937)	1,171,227
FUND BALANCE - BEGINNING OF PERIOD	3,142,120	2,509,489	1,575,350	934,139
FUND BALANCE - END OF PERIOD	\$ 3,171,779	\$ 3,171,779	\$ 1,066,413	\$ 2,105,366

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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 Four Month Period Ended April 30, 2023

	ONE MONTH ENDED ACTUAL	FOUR MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Property tax	\$ 24,243	\$ 264,491	\$ 498,551	\$ (234,060)
Specific ownership tax	2,566	10,819	29,913	(19,094)
Net investment earnings	3,563	9,275	36,000	(26,725)
TOTAL REVENUE	<u>30,372</u>	<u>284,585</u>	<u>564,464</u>	<u>(279,879)</u>
EXPENDITURES				
Note principal - 2012A	-	-	710,000	710,000
Note Interest - 2012A	-	-	247,016	247,016
Paying agent	-	-	3,000	3,000
Treasurer fees	364	3,967	7,478	3,511
TOTAL EXPENDITURES	<u>364</u>	<u>3,967</u>	<u>967,494</u>	<u>963,527</u>
NET CHANGE IN FUND BALANCE	30,008	280,618	(403,030)	683,648
FUND BALANCE - BEGINNING OF PERIOD	<u>1,358,030</u>	<u>1,107,420</u>	<u>1,098,776</u>	<u>8,644</u>
FUND BALANCE - END OF PERIOD	<u>\$ 1,388,038</u>	<u>\$ 1,388,038</u>	<u>\$ 695,746</u>	<u>\$ 692,292</u>

This schedule should be read only in connection
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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 Four Month Period Ended April 30, 2023

	ONE MONTH ENDED ACTUAL	FOUR MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Net investment income	\$ 2,099	\$ 6,048	\$ 23,778	\$ (17,730)
TOTAL REVENUE	<u>2,099</u>	<u>6,048</u>	<u>23,778</u>	<u>(17,730)</u>
EXPENDITURES				
Capital improvements	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>2,099</u>	<u>6,048</u>	<u>23,778</u>	<u>(17,730)</u>
OTHER FINANCING SOURCES (USES)				
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>
NET CHANGE IN FUND BALANCE	2,099	6,048	123,778	(117,730)
FUND BALANCE - BEGINNING OF PERIOD	<u>795,052</u>	<u>791,103</u>	<u>792,591</u>	<u>(1,488)</u>
FUND BALANCE - END OF PERIOD	<u><u>\$ 797,151</u></u>	<u><u>\$ 797,151</u></u>	<u><u>\$ 916,369</u></u>	<u><u>\$ (119,218)</u></u>

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TOLLGATE CROSSING METROPOLITAN DISTRICT #2
SCHEDULE OF CASH POSITION
April 30, 2023

FINANCIAL INSTITUTION

Checking - BOK Financial
Colotrust
BOK Investment Portfolio

FUNDS

\$ 106,009
1,173,226
3,966,612
\$ 5,245,847

Unrestricted \$ 3,884,255
Restricted 1,361,592
\$ 5,245,847

General Fund \$ 3,087,104
Debt Service Fund 1,361,592
Capital Replacement 797,151
\$ 5,245,847

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TOLLGATE CROSSING METROPOLITAN DISTRICT #2
SCHEDULE OF CHANGES IN LONG-TERM DEBT
For the Four Month Period Ended April 30, 2023

	<u>Balance at January 1, 2023</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Balance at April 30, 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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