

**TOLLGATE CROSSING METROPOLITAN  
DISTRICT #2**

**FINANCIAL STATEMENTS**

**For the Ten Month Period Ended October 31, 2022**



**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, 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.*

November 14, 2022

## **FINANCIAL STATEMENTS**

**TOLLGATE CROSSING METROPOLITAN DISTRICT #2**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
October 31, 2022

	<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	\$ 2,738,337	\$ -	\$ 638,031	\$ 3,376,368
Cash and investments - restricted	-	1,903,059	-	1,903,059
Cash with County Treasurer	14,862	4,459	-	19,321
Property taxes receivable	-	-	-	-
Accounts receivable - COA	17,500	-	-	17,500
Interest receivable	1,586	-	-	1,586
Prepaid expense	500	-	-	500
Accounts receivable - fees	4,657	-	-	4,657
<b>TOTAL ASSETS</b>	<u>\$ 2,777,442</u>	<u>\$ 1,907,518</u>	<u>\$ 638,031</u>	<u>\$ 5,322,991</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Current liabilities				
Accounts payable	\$ 25,494	\$ -	\$ -	\$ 25,494
Assessments payable to customers	1,201	-	-	1,201
Total liabilities	<u>26,695</u>	<u>-</u>	<u>-</u>	<u>26,695</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred assessments	4,657	-	-	4,657
Deferred property taxes	-	-	-	-
	<u>4,657</u>	<u>-</u>	<u>-</u>	<u>4,657</u>
<b>FUND BALANCES</b>				
Nonspendable for prepaid items	500	-	-	500
Restricted for debt service	-	1,907,518	-	1,907,518
Restricted for landscape mitigation	37,253	-	-	37,253
Restricted for emergencies	35,753	-	-	35,753
Assigned for capital projects	-	-	638,031	638,031
Unassigned	2,672,584	-	-	2,672,584
Total fund balance	<u>2,746,090</u>	<u>1,907,518</u>	<u>638,031</u>	<u>5,291,639</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 2,777,442</u>	<u>\$ 1,907,518</u>	<u>\$ 638,031</u>	<u>\$ 5,322,991</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 Periods Ended October 31, 2022**

	<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	\$ 3,327	\$ 2,200,358	\$ 2,200,382	\$ (24)
Specific ownership tax	11,376	115,970	143,025	(27,055)
Penalties, interest and fees	-	1,390	-	1,390
Uncollected fees	-	(27)	-	(27)
Clubhouse rental	-	6,215	5,000	1,215
HOA newsletter reimbursements	-	1,269	2,100	(831)
Grants/reimbursements	-	7,976	-	7,976
Interest income	470	7,044	2,091	4,953
Interest on investments	4,016	6,424	-	6,424
Net decrease in fair value of investments	(2,718)	(48,652)	-	(48,652)
Miscellaneous	-	443	-	443
<b>TOTAL REVENUE</b>	<b>16,471</b>	<b>2,298,410</b>	<b>2,352,598</b>	<b>(54,188)</b>
<b>EXPENDITURES</b>				
Accounting	1,434	12,664	20,000	7,336
Audit	-	4,400	5,000	600
Legal	1,151	13,012	19,133	6,121
Legal - collections	-	675	10,000	9,325
Election	-	27,688	30,000	2,312
Insurance	-	31,027	36,534	5,507
Bank fees	96	1,137	2,000	863
Miscellaneous	-	375	-	(375)
Landscape maintenance	21,067	190,654	370,440	179,786
Structural prune trees	-	-	108,000	108,000
Landscape projects	4,924	151,320	200,000	48,680
Management				
Management fees - general	4,729	47,617	60,000	12,383
Management fees - special	-	-	20,000	20,000
Newletter costs	372	3,655	5,000	1,345
Utilities				
Water usage	7,367	152,799	242,482	89,683
Electric & gas	859	28,762	27,500	(1,262)
Telephone and internet	371	4,085	3,000	(1,085)
Clubhouse and park maintenance	620	22,087	50,000	27,913
Pool services	4,116	84,942	90,558	5,616
Pool repairs and maintenance	11	18,020	35,000	16,980
Lighting projects	5,669	5,669	-	(5,669)
Holiday lighting	-	-	25,000	25,000
Utility locates	31	265	1,800	1,535
Treasurer's fees	53	33,018	33,006	(12)
Mitigation grants	-	1,000	37,253	36,253
Security System	-	-	14,700	14,700
Pool improvements	-	33,860	150,000	116,140
Security patrols	5,100	38,320	150,000	111,680
Prairie dog fencing	-	-	50,000	50,000
Clubhouse improvements	5,965	24,330	100,000	75,670
Fence repairs	7,260	21,970	-	(21,970)
Landscaping - Newbridge area	-	-	150,000	150,000
ET controllers	-	225,592	100,000	(125,592)
Park Improvements	-	-	200,000	200,000
<b>TOTAL EXPENDITURES</b>	<b>71,195</b>	<b>1,178,943</b>	<b>2,346,406</b>	<b>1,167,463</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(54,724)</b>	<b>1,119,467</b>	<b>6,192</b>	<b>1,113,275</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfer to Capital Projects Fund	-	-	(150,000)	150,000
Total other financing sources (uses)	-	-	(150,000)	150,000
<b>NET CHANGE IN FUND BALANCE</b>	<b>(54,724)</b>	<b>1,119,467</b>	<b>(143,808)</b>	<b>1,263,275</b>
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<b>2,800,814</b>	<b>1,626,623</b>	<b>1,540,774</b>	<b>85,849</b>
<b>FUND BALANCE - END OF PERIOD</b>	<b>\$ 2,746,090</b>	<b>\$ 2,746,090</b>	<b>\$ 1,396,966</b>	<b>\$ 1,349,124</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 Ten Month Periods Ended October 31, 2022**

	<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	\$ 998	\$ 660,107	\$ 660,114	\$ (7)
Specific ownership tax	3,413	34,792	42,907	(8,115)
Net investment earnings	2,969	8,729	1,340	7,389
<b>TOTAL REVENUE</b>	<u>7,380</u>	<u>703,628</u>	<u>704,361</u>	<u>(733)</u>
<b>EXPENDITURES</b>				
Note principal - 2012A	-	-	680,000	680,000
Note Interest - 2012A	-	132,722	265,445	132,723
Paying agent	250	250	3,000	2,750
Treasurer fees	16	9,906	9,902	(4)
<b>TOTAL EXPENDITURES</b>	<u>266</u>	<u>142,878</u>	<u>958,347</u>	<u>815,469</u>
<b>NET CHANGE IN FUND BALANCE</b>	7,114	560,750	(253,986)	814,736
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<u>1,900,404</u>	<u>1,346,768</u>	<u>1,340,345</u>	<u>6,423</u>
<b>FUND BALANCE - END OF PERIOD</b>	<u>\$ 1,907,518</u>	<u>\$ 1,907,518</u>	<u>\$ 1,086,359</u>	<u>\$ 821,159</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 Periods Ended October 31, 2022

	<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	\$ 975	\$ 3,021	\$ 635	\$ 2,386
<b>TOTAL REVENUE</b>	<u>975</u>	<u>3,021</u>	<u>635</u>	<u>2,386</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>975</u>	<u>3,021</u>	<u>635</u>	<u>2,386</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
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>
<b>NET CHANGE IN FUND BALANCE</b>	975	3,021	150,635	(147,614)
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<u>637,056</u>	<u>635,010</u>	<u>635,062</u>	<u>(52)</u>
<b>FUND BALANCE - END OF PERIOD</b>	<u>\$ 638,031</u>	<u>\$ 638,031</u>	<u>\$ 785,697</u>	<u>\$ (147,666)</u>

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**TOLLGATE CROSSING METROPOLITAN DISTRICT #2**  
**SCHEDULE OF CASH POSITION**  
**October 31, 2022**

<u><b>FINANCIAL INSTITUTION</b></u>	<u><b>FUNDS</b></u>
Checking - BOK Financial	\$ 55,642
Colotrust	1,452,343
BOK Investment Portfolio	3,771,442
	<u>\$ 5,279,427</u>
	<u><u>\$ 5,279,427</u></u>
Unrestricted	\$ 3,376,368
Restricted	1,903,059
	<u>\$ 5,279,427</u>
	<u><u>\$ 5,279,427</u></u>
General Fund	\$ 2,738,337
Debt Service Fund	1,903,059
Capital Replacement	638,031
	<u>\$ 5,279,427</u>
	<u><u>\$ 5,279,427</u></u>

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**TOLLGATE CROSSING METROPOLITAN DISTRICT #2**  
**SCHEDULE OF CHANGES IN LONG-TERM DEBT**  
**For the Ten Month Period Ended October 31, 2022**

	<u>Balance at January 1, 2022</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Balance at October 31, 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**

<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>
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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