

**TOLLGATE CROSSING METROPOLITAN
DISTRICT #2**

FINANCIAL STATEMENTS

For the Three Month Period Ended March 31, 2022



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 three month periods ended March 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.

April 20, 2022

FINANCIAL STATEMENTS

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

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL REPLACEMENT</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS				
Current assets				
Cash and investments - unrestricted	\$ 2,258,833	\$ -	\$ 635,243	\$ 2,894,076
Cash and investments - restricted	-	1,581,318	-	1,581,318
Cash with County Treasurer	69,881	20,964	-	90,845
Property taxes receivable	1,373,843	412,153	-	1,785,996
Accounts receivable - fees	5,948	-	-	5,948
TOTAL ASSETS	<u>\$ 3,708,505</u>	<u>\$ 2,014,435</u>	<u>\$ 635,243</u>	<u>\$ 6,358,183</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ 223,466	\$ -	\$ -	\$ 223,466
Assessments payable to customers	1,333	-	-	1,333
Total liabilities	<u>224,799</u>	<u>-</u>	<u>-</u>	<u>224,799</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred assessments	5,948	-	-	5,948
Deferred property taxes	1,373,843	412,153	-	1,785,996
	<u>1,379,791</u>	<u>412,153</u>	<u>-</u>	<u>1,791,944</u>
FUND BALANCES				
Restricted for debt service	-	1,602,282	-	1,602,282
Restricted for landscape mitigation	37,253	-	-	37,253
Restricted for emergencies	53,200	-	-	53,200
Assigned for capital projects	-	-	635,243	635,243
Unassigned	2,013,462	-	-	2,013,462
Total fund balance	<u>2,103,915</u>	<u>1,602,282</u>	<u>635,243</u>	<u>4,341,440</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 3,708,505</u>	<u>\$ 2,014,435</u>	<u>\$ 635,243</u>	<u>\$ 6,358,183</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 Three Month Periods Ended March 31, 2022

	ONE MONTH ENDED ACTUAL	THREE MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Property tax	\$ 58,322	\$ 826,539	\$ 2,200,382	\$ (1,373,843)
Specific ownership tax	12,414	35,817	143,025	(107,208)
Penalties, interest and fees	212	263	-	263
Uncollected fees	(172)	(151)	-	(151)
Clubhouse rental	600	2,310	5,000	(2,690)
HOA newsletter reimbursements	-	-	2,100	(2,100)
Grants/reimbursements	32,500	38,748	-	38,748
Interest income	451	657	2,091	(1,434)
Miscellaneous	10	10	-	10
TOTAL REVENUE	104,337	904,193	2,352,598	(1,448,405)
EXPENDITURES				
Accounting	786	3,659	20,000	16,341
Audit	-	-	5,000	5,000
Legal	3,269	5,501	19,133	13,632
Legal - collections	275	400	10,000	9,600
Election	10,517	12,553	30,000	17,447
Insurance	-	31,027	36,534	5,507
Bank fees	99	335	2,000	1,665
Miscellaneous	374	374	-	(374)
Landscape maintenance	21,067	63,201	370,440	307,239
Structural prune trees	-	-	108,000	108,000
Landscape projects	52,901	52,901	200,000	147,099
Management				
Management fees - general	4,767	14,280	60,000	45,720
Management fees - special	-	-	20,000	20,000
Newletter costs	363	1,088	5,000	3,912
Utilities				
Water usage	660	(1,495)	242,482	243,977
Electric & gas	933	1,938	27,500	25,562
Telephone and internet	743	1,485	3,000	1,515
Clubhouse and park maintenance	946	2,431	50,000	47,569
Pool services	-	-	90,558	90,558
Pool repairs and maintenance	-	-	35,000	35,000
Holiday lighting	-	-	25,000	25,000
Utility locates	25	41	1,800	1,759
Treasurer's fees	875	12,398	33,006	20,608
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	153,524	153,524	100,000	(53,524)
Park Improvements	-	-	200,000	200,000
TOTAL EXPENDITURES	252,124	389,501	2,346,406	1,956,905
REVENUES OVER (UNDER) EXPENDITURES	(147,787)	514,692	6,192	508,500
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	(147,787)	514,692	(143,808)	658,500
FUND BALANCE - BEGINNING OF PERIOD	2,251,702	1,589,223	1,540,774	48,449
FUND BALANCE - END OF PERIOD	\$ 2,103,915	\$ 2,103,915	\$ 1,396,966	\$ 706,949

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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 Three Month Periods Ended March 31, 2022

	ONE MONTH ENDED ACTUAL	THREE MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Property tax	\$ 17,497	\$ 247,962	\$ 660,114	\$ (412,152)
Specific ownership tax	3,724	10,745	42,907	(32,162)
Net investment earnings	342	527	1,340	(813)
TOTAL REVENUE	<u>21,563</u>	<u>259,234</u>	<u>704,361</u>	<u>(445,127)</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	263	3,720	9,902	6,182
TOTAL EXPENDITURES	<u>263</u>	<u>3,720</u>	<u>958,347</u>	<u>954,627</u>
NET CHANGE IN FUND BALANCE	21,300	255,514	(253,986)	509,500
FUND BALANCE - BEGINNING OF PERIOD	<u>1,580,982</u>	<u>1,346,768</u>	<u>1,340,345</u>	<u>6,423</u>
FUND BALANCE - END OF PERIOD	<u>\$ 1,602,282</u>	<u>\$ 1,602,282</u>	<u>\$ 1,086,359</u>	<u>\$ 515,923</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 Three Month Periods Ended March 31, 2022

	ONE MONTH ENDED ACTUAL	THREE MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Net investment income	\$ 145	\$ 233	\$ 635	\$ (402)
TOTAL REVENUE	<u>145</u>	<u>233</u>	<u>635</u>	<u>(402)</u>
EXPENDITURES				
Capital improvements	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>145</u>	<u>233</u>	<u>635</u>	<u>(402)</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	145	233	150,635	(150,402)
FUND BALANCE - BEGINNING OF PERIOD	<u>635,098</u>	<u>635,010</u>	<u>635,062</u>	<u>(52)</u>
FUND BALANCE - END OF PERIOD	<u>\$ 635,243</u>	<u>\$ 635,243</u>	<u>\$ 785,697</u>	<u>\$ (150,454)</u>

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

FINANCIAL INSTITUTION	FUNDS
Checking - BOK Financial Colotrust	\$ 57,590 4,417,804 <u>\$ 4,475,394</u>
Unrestricted	\$ 2,894,076
Restricted	1,581,318
	<u>\$ 4,475,394</u>
General Fund	\$ 2,258,833
Debt Service Fund	1,581,318
Capital Replacement	635,243
	<u>\$ 4,475,394</u>

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

	Balance at January 1, 2022	Issuances	Retirements	Balance at March 31, 2022
Tax-Free Note - Series 2012A	\$ 9,795,000	\$ -	\$ -	\$ 9,795,000

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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
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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