

**TOLLGATE CROSSING METROPOLITAN
DISTRICT #2**

FINANCIAL STATEMENTS

For the Five Month Period Ended May 31, 2022



SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163
PHONE: 720.348.1086
FAX: 720.348.2920

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



SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
HIGHLANDS RANCH, CO 80163

PHONE: 720.348.1086
FAX: 720.348.2920

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 five month periods ended May 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.

June 20, 2022

FINANCIAL STATEMENTS

TOLLGATE CROSSING METROPOLITAN DISTRICT #2
BALANCE SHEET - GOVERNMENTAL FUNDS
May 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	\$ 2,029,695	\$ -	\$ 635,529	\$ 2,665,224
Cash and investments - restricted	-	1,499,565	-	1,499,565
Cash with County Treasurer	572,055	171,616	-	743,671
Property taxes receivable	715,068	214,520	-	929,588
Interest receivable	1,443	-	-	1,443
Accounts receivable - fees	4,912	-	-	4,912
TOTAL ASSETS	<u>\$ 3,323,173</u>	<u>\$ 1,885,701</u>	<u>\$ 635,529</u>	<u>\$ 5,844,403</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ 37,700	\$ -	\$ -	\$ 37,700
Assessments payable to customers	1,333	-	-	1,333
Total liabilities	<u>39,033</u>	<u>-</u>	<u>-</u>	<u>39,033</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred assessments	4,912	-	-	4,912
Deferred property taxes	715,068	214,520	-	929,588
	<u>719,980</u>	<u>214,520</u>	<u>-</u>	<u>934,500</u>
FUND BALANCES				
Restricted for debt service	-	1,671,181	-	1,671,181
Restricted for landscape mitigation	37,253	-	-	37,253
Restricted for emergencies	35,753	-	-	35,753
Assigned for capital projects	-	-	635,529	635,529
Unassigned	2,491,154	-	-	2,491,154
Total fund balance	<u>2,564,160</u>	<u>1,671,181</u>	<u>635,529</u>	<u>4,870,870</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 3,323,173</u>	<u>\$ 1,885,701</u>	<u>\$ 635,529</u>	<u>\$ 5,844,403</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 Five Month Periods Ended May 31, 2022

	ONE MONTH ENDED ACTUAL	FIVE MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Property tax	\$ 570,308	\$ 1,485,313	\$ 2,200,382	\$ (715,069)
Specific ownership tax	10,244	56,745	143,025	(86,280)
Penalties, interest and fees	1,057	1,345	-	1,345
Uncollected fees	(52)	(181)	-	(181)
Clubhouse rental	200	3,685	5,000	(1,315)
HOA newsletter reimbursements	-	-	2,100	(2,100)
Grants/reimbursements	-	40,476	-	40,476
Interest income	333	1,397	2,091	(694)
Interest on investments	182	182	-	182
Net decrease in fair value of investments	8,681	(752)	-	(752)
Miscellaneous	30	40	-	40
TOTAL REVENUE	590,983	1,588,250	2,352,598	(764,348)
EXPENDITURES				
Accounting	1,369	5,882	20,000	14,118
Audit	-	-	5,000	5,000
Legal	1,064	8,355	19,133	10,778
Legal - collections	50	550	10,000	9,450
Election	7,282	27,646	30,000	2,354
Insurance	-	31,027	36,534	5,507
Bank fees	120	553	2,000	1,447
Miscellaneous	-	374	-	(374)
Landscape maintenance	21,067	105,335	370,440	265,105
Structural prune trees	-	-	108,000	108,000
Landscape projects	-	52,901	200,000	147,099
Management				
Management fees - general	4,751	23,776	60,000	36,224
Management fees - special	-	-	20,000	20,000
Newletter costs	363	1,814	5,000	3,186
Utilities				
Water usage	19,790	22,967	242,482	219,515
Electric & gas	4,370	9,089	27,500	18,411
Telephone and internet	371	1,856	3,000	1,144
Clubhouse and park maintenance	2,230	5,828	50,000	44,172
Pool services	17,265	21,381	90,558	69,177
Pool repairs and maintenance	215	215	35,000	34,785
Holiday lighting	-	-	25,000	25,000
Utility locates	36	106	1,800	1,694
Treasurer's fees	8,556	22,281	33,006	10,725
Mitigation grants	500	1,500	37,253	35,753
Security System	-	-	14,700	14,700
Pool improvements	-	33,860	150,000	116,140
Security patrols	5,325	10,425	150,000	139,575
Prairie dog fencing	-	-	50,000	50,000
Clubhouse improvements	-	-	100,000	100,000
Landscaping - Newbridge area	-	-	150,000	150,000
ET controllers	72,068	225,592	100,000	(125,592)
Park Improvements	-	-	200,000	200,000
TOTAL EXPENDITURES	166,792	613,313	2,346,406	1,733,093
REVENUES OVER (UNDER) EXPENDITURES	424,191	974,937	6,192	968,745
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	424,191	974,937	(143,808)	1,118,745
FUND BALANCE - BEGINNING OF PERIOD	2,139,969	1,589,223	1,540,774	48,449
FUND BALANCE - END OF PERIOD	\$ 2,564,160	\$ 2,564,160	\$ 1,396,966	\$ 1,167,194

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 Five Month Periods Ended May 31, 2022

	ONE MONTH ENDED ACTUAL	FIVE MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Property tax	\$ 171,092	\$ 445,594	\$ 660,114	\$ (214,520)
Specific ownership tax	3,073	17,024	42,907	(25,883)
Net investment earnings	362	1,202	1,340	(138)
TOTAL REVENUE	<u>174,527</u>	<u>463,820</u>	<u>704,361</u>	<u>(240,541)</u>
EXPENDITURES				
Note principal - 2012A	-	-	680,000	680,000
Note Interest - 2012A	132,722	132,722	265,445	132,723
Paying agent	-	-	3,000	3,000
Treasurer fees	2,567	6,685	9,902	3,217
TOTAL EXPENDITURES	<u>135,289</u>	<u>139,407</u>	<u>958,347</u>	<u>818,940</u>
NET CHANGE IN FUND BALANCE	39,238	324,413	(253,986)	578,399
FUND BALANCE - BEGINNING OF PERIOD	<u>1,631,943</u>	<u>1,346,768</u>	<u>1,340,345</u>	<u>6,423</u>
FUND BALANCE - END OF PERIOD	<u>\$ 1,671,181</u>	<u>\$ 1,671,181</u>	<u>\$ 1,086,359</u>	<u>\$ 584,822</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 Five Month Periods Ended May 31, 2022

	ONE MONTH ENDED ACTUAL	FIVE MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Net investment income	\$ 141	\$ 519	\$ 635	\$ (116)
TOTAL REVENUE	<u>141</u>	<u>519</u>	<u>635</u>	<u>(116)</u>
EXPENDITURES				
Capital improvements	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>141</u>	<u>519</u>	<u>635</u>	<u>(116)</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	141	519	150,635	(150,116)
FUND BALANCE - BEGINNING OF PERIOD	<u>635,388</u>	<u>635,010</u>	<u>635,062</u>	<u>(52)</u>
FUND BALANCE - END OF PERIOD	<u>\$ 635,529</u>	<u>\$ 635,529</u>	<u>\$ 785,697</u>	<u>\$ (150,168)</u>

This schedule should be read only in connection
with the accompanying accountant's compilation report.

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

FINANCIAL INSTITUTION	FUNDS
Checking - BOK Financial	\$ 52,124
Colotrust	979,724
BOK Investment Portfolio	3,132,941
	\$ 4,164,789
Unrestricted	\$ 2,665,224
Restricted	1,499,565
	\$ 4,164,789
General Fund	\$ 2,029,695
Debt Service Fund	1,499,565
Capital Replacement	635,529
	\$ 4,164,789

This schedule should be read only in connection
with the accompanying accountant's compilation report.

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

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

This schedule should be read only in connection
with the accompanying accountant's compilation report.

**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
	<u>\$ 9,795,000</u>	<u>\$ 1,747,408</u>	<u>\$ 11,542,408</u>

This schedule should be read only in connection
with the accompanying accountant's compilation report.