

**TOLLGATE CROSSING METROPOLITAN  
DISTRICT #2**

**FINANCIAL STATEMENTS**

**For the Nine Month Period Ended September 30, 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 nine month periods ended September 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.*

October 17, 2023

## **FINANCIAL STATEMENTS**

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

	<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	\$ 3,328,452	\$ -	\$ 810,657	\$ 4,139,109
Cash and investments - restricted	-	1,528,172	-	1,528,172
Cash with County Treasurer	11,196	3,359	-	14,555
Property taxes receivable	4,985	1,495	-	6,480
Accounts receivable - COA	4,683	-	-	4,683
Interest receivable	2,266	-	-	2,266
Prepaid expense	500	-	-	500
Accounts receivable - fees	17,500	-	-	17,500
<b>TOTAL ASSETS</b>	<u>\$ 3,369,582</u>	<u>\$ 1,533,026</u>	<u>\$ 810,657</u>	<u>\$ 5,713,265</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Current liabilities				
Accounts payable	\$ 46,845	\$ -	\$ -	\$ 46,845
Assessments payable to customers	1,201	-	-	1,201
Total liabilities	<u>48,046</u>	<u>-</u>	<u>-</u>	<u>48,046</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred assessments	4,683	-	-	4,683
Deferred property taxes	4,985	1,495	-	6,480
	<u>9,668</u>	<u>1,495</u>	<u>-</u>	<u>11,163</u>
<b>FUND BALANCES</b>				
Nonspendable for prepaid items	500	-	-	500
Restricted for debt service	-	1,531,531	-	1,531,531
Restricted for landscape mitigation	37,253	-	-	37,253
Restricted for emergencies	54,709	-	-	54,709
Assigned for capital projects	-	-	810,657	810,657
Unassigned	3,219,406	-	-	3,219,406
Total fund balance	<u>3,311,868</u>	<u>1,531,531</u>	<u>810,657</u>	<u>5,654,056</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 3,369,582</u>	<u>\$ 1,533,026</u>	<u>\$ 810,657</u>	<u>\$ 5,713,265</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 Nine Month Period Ended September 30, 2023**

	<b>ONE MONTH ENDED ACTUAL</b>	<b>NINE MONTHS ENDED ACTUAL</b>	<b>ADOPTED BUDGET</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
<b>REVENUE</b>				
Property tax	\$ 2,417	\$ 1,656,852	\$ 1,661,838	\$ (4,986)
Reserve for abatements		-		-
Specific ownership tax	8,720	82,746	99,710	(16,964)
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)
Grants/reimbursements	2,958	2,958	-	2,958
Interest income	311	15,804	55,000	(39,196)
Interest on investments	13,593	49,815	-	49,815
Net increase (decrease) in fair value	(19,337)	94	-	94
Miscellaneous	155	912	-	912
<b>TOTAL REVENUE</b>	<b>8,817</b>	<b>1,815,136</b>	<b>1,823,648</b>	<b>(8,512)</b>
<b>EXPENDITURES</b>				
Accounting	1,793	16,790	25,000	8,210
Audit	-	4,800	5,000	200
Legal	271	9,969	20,000	10,031
Election	-	-	35,000	35,000
Insurance	-	40,510	45,000	4,490
Bank fees	65	698	2,000	1,302
Miscellaneous	-	129	-	(129)
Landscape maintenance	21,067	189,602	400,000	210,398
Structural prune trees	-	-	50,000	50,000
Landscape projects	25,204	171,307	100,000	(71,307)
Management				
Management fees - general	6,017	46,413	60,000	13,587
Management fees - special	-	-	20,000	20,000
Newletter costs	399	3,539	5,000	1,461
Website maintenance	-	7,800	-	(7,800)
Utilities				
Water usage	26,776	131,070	242,482	111,412
Electric & gas	4,019	21,702	38,000	16,298
Telephone and internet	376	3,406	5,000	1,594
Clubhouse and park maintenance	314	12,500	50,000	37,500
Pool services	18,443	96,418	100,000	3,582
Pool repairs and maintenance	3,175	38,360	35,000	(3,360)
Lighting projects	-	21,513	-	(21,513)
Holiday lighting	-	-	25,000	25,000
Utility locates	14	166	1,800	1,634
Treasurer's fees	38	24,864	24,928	64
Mitigation grants	-	-	35,000	35,000
Security System	-	53,750	18,375	(35,375)
Mailbox replacements	-	-	200,000	200,000
Pool improvements	-	32,836	-	(32,836)
Security patrols	5,125	46,087	150,000	103,913
Clubhouse improvements	2,105	45,080	500,000	454,920
Fence repairs	-	4,350	40,000	35,650
<b>TOTAL EXPENDITURES</b>	<b>115,201</b>	<b>1,023,659</b>	<b>2,232,585</b>	<b>1,208,926</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(106,384)</b>	<b>791,477</b>	<b>(408,937)</b>	<b>1,200,414</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>(106,384)</b>	<b>791,477</b>	<b>(508,937)</b>	<b>1,300,414</b>
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<b>3,418,252</b>	<b>2,520,391</b>	<b>1,575,350</b>	<b>945,041</b>
<b>FUND BALANCE - END OF PERIOD</b>	<b>\$ 3,311,868</b>	<b>\$ 3,311,868</b>	<b>\$ 1,066,413</b>	<b>\$ 2,245,455</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 Nine Month Period Ended September 30, 2023**

	<b>ONE MONTH ENDED ACTUAL</b>	<b>NINE MONTHS ENDED ACTUAL</b>	<b>ADOPTED BUDGET</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
<b>REVENUE</b>				
Property tax	\$ 726	\$ 497,058	\$ 498,551	\$ (1,493)
Specific ownership tax	2,616	24,820	29,913	(5,093)
Net investment earnings	6,429	33,448	36,000	(2,552)
<b>TOTAL REVENUE</b>	<u>9,771</u>	<u>555,326</u>	<u>564,464</u>	<u>(9,138)</u>
<b>EXPENDITURES</b>				
Note principal - 2012A	-	-	710,000	710,000
Note Interest - 2012A	-	123,508	247,016	123,508
Paying agent	250	250	3,000	2,750
Treasurer fees	11	7,457	7,478	21
<b>TOTAL EXPENDITURES</b>	<u>261</u>	<u>131,215</u>	<u>967,494</u>	<u>836,279</u>
<b>NET CHANGE IN FUND BALANCE</b>	9,510	424,111	(403,030)	827,141
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<u>1,522,021</u>	<u>1,107,420</u>	<u>1,098,776</u>	<u>8,644</u>
<b>FUND BALANCE - END OF PERIOD</b>	<u><u>\$ 1,531,531</u></u>	<u><u>\$ 1,531,531</u></u>	<u><u>\$ 695,746</u></u>	<u><u>\$ 835,785</u></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 Nine Month Period Ended September 30, 2023**

	<b>ONE MONTH ENDED ACTUAL</b>	<b>NINE MONTHS ENDED ACTUAL</b>	<b>ADOPTED BUDGET</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
<b>REVENUE</b>				
Net investment income	\$ 3,400	\$ 19,554	\$ 23,778	\$ (4,224)
<b>TOTAL REVENUE</b>	<u>3,400</u>	<u>19,554</u>	<u>23,778</u>	<u>(4,224)</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>3,400</u>	<u>19,554</u>	<u>23,778</u>	<u>(4,224)</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>	3,400	19,554	123,778	(104,224)
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<u>807,257</u>	<u>791,103</u>	<u>792,591</u>	<u>(1,488)</u>
<b>FUND BALANCE - END OF PERIOD</b>	<u>\$ 810,657</u>	<u>\$ 810,657</u>	<u>\$ 916,369</u>	<u>\$ (105,712)</u>

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

<u><b>FINANCIAL INSTITUTION</b></u>	<u><b>FUNDS</b></u>
Checking - BOK Financial	\$ 624,268
Colotrust	2,223,752
BOK Investment Portfolio	2,819,261
	<u>\$ 5,667,281</u>
	<u><u>\$ 5,667,281</u></u>
Unrestricted	\$ 4,139,109
Restricted	1,528,172
	<u>\$ 5,667,281</u>
	<u><u>\$ 5,667,281</u></u>
General Fund	\$ 3,328,452
Debt Service Fund	1,528,172
Capital Replacement	810,657
	<u>\$ 5,667,281</u>
	<u><u>\$ 5,667,281</u></u>

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

	<u>Balance at January 1, 2023</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Balance at September 30, 2023</u>
Tax-Free Note - Series 2012A	<u>\$ 9,115,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,115,000</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>
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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