

**TOLLGATE CROSSING METROPOLITAN  
DISTRICT #2**

**FINANCIAL STATEMENTS**

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

October 23, 2022

## **FINANCIAL STATEMENTS**

**TOLLGATE CROSSING METROPOLITAN DISTRICT #2**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
September 30, 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	\$ 2,842,817	\$ -	\$ 637,056	\$ 3,479,873
Cash and investments - restricted	-	1,895,975	-	1,895,975
Cash with County Treasurer	14,765	4,429	-	19,194
Property taxes receivable	3,351	1,005	-	4,356
Accounts receivable - COA	17,500	-	-	17,500
Interest receivable	3,696	-	-	3,696
Accounts receivable - fees	4,661	-	-	4,661
<b>TOTAL ASSETS</b>	<u>\$ 2,886,790</u>	<u>\$ 1,901,409</u>	<u>\$ 637,056</u>	<u>\$ 5,425,255</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
Current liabilities				
Accounts payable	\$ 77,263	\$ -	\$ -	\$ 77,263
Assessments payable to customers	1,201	-	-	1,201
Total liabilities	<u>78,464</u>	<u>-</u>	<u>-</u>	<u>78,464</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred assessments	4,661	-	-	4,661
Deferred property taxes	3,351	1,005	-	4,356
	<u>8,012</u>	<u>1,005</u>	<u>-</u>	<u>9,017</u>
<b>FUND BALANCES</b>				
Restricted for debt service	-	1,900,404	-	1,900,404
Restricted for landscape mitigation	37,253	-	-	37,253
Restricted for emergencies	35,753	-	-	35,753
Assigned for capital projects	-	-	637,056	637,056
Unassigned	2,727,308	-	-	2,727,308
Total fund balance	<u>2,800,314</u>	<u>1,900,404</u>	<u>637,056</u>	<u>5,337,774</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<u>\$ 2,886,790</u>	<u>\$ 1,901,409</u>	<u>\$ 637,056</u>	<u>\$ 5,425,255</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 Periods Ended September 30, 2022**

	<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	\$ 2,765	\$ 2,197,031	\$ 2,200,382	\$ (3,351)
Specific ownership tax	11,905	104,594	143,025	(38,431)
Penalties, interest and fees	-	1,390	-	1,390
Uncollected fees	64	(27)	-	(27)
Clubhouse rental	800	6,215	5,000	1,215
HOA newsletter reimbursements	-	1,269	2,100	(831)
Grants/reimbursements	-	7,976	-	7,976
Interest income	1,621	6,574	2,091	4,483
Interest on investments	623	2,408	-	2,408
Net decrease in fair value of investments	(18,173)	(45,934)	-	(45,934)
Miscellaneous	10	443	-	443
<b>TOTAL REVENUE</b>	<b>(385)</b>	<b>2,281,939</b>	<b>2,352,598</b>	<b>(70,659)</b>
<b>EXPENDITURES</b>				
Accounting	1,172	11,230	20,000	8,770
Audit	-	4,400	5,000	600
Legal	608	11,861	19,133	7,272
Legal - collections	25	675	10,000	9,325
Election	-	27,688	30,000	2,312
Insurance	-	31,027	36,534	5,507
Bank fees	145	1,041	2,000	959
Miscellaneous	-	375	-	(375)
Landscape maintenance	21,067	169,587	370,440	200,853
Structural prune trees	-	-	108,000	108,000
Landscape projects	14,191	146,396	200,000	53,604
Management				
Management fees - general	4,872	42,888	60,000	17,112
Management fees - special	-	-	20,000	20,000
Newletter costs	372	3,283	5,000	1,717
Utilities				
Water usage	20,576	145,432	242,482	97,050
Electric & gas	4,491	27,903	27,500	(403)
Telephone and internet	743	3,714	3,000	(714)
Clubhouse and park maintenance	10,221	21,467	50,000	28,533
Pool services	10,050	80,826	90,558	9,732
Pool repairs and maintenance	1,334	18,009	35,000	16,991
Holiday lighting	-	-	25,000	25,000
Utility locates	30	234	1,800	1,566
Treasurer's fees	43	32,965	33,006	41
Mitigation grants	-	1,500	37,253	35,753
Security System	-	-	14,700	14,700
Pool improvements	-	33,860	150,000	116,140
Security patrols	5,100	33,220	150,000	116,780
Prairie dog fencing	-	-	50,000	50,000
Clubhouse improvements	13,901	18,365	100,000	81,635
Fence repairs	-	14,710	-	(14,710)
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>108,941</b>	<b>1,108,248</b>	<b>2,346,406</b>	<b>1,238,158</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(109,326)</b>	<b>1,173,691</b>	<b>6,192</b>	<b>1,167,499</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>(109,326)</b>	<b>1,173,691</b>	<b>(143,808)</b>	<b>1,317,499</b>
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<b>2,909,640</b>	<b>1,626,623</b>	<b>1,540,774</b>	<b>85,849</b>
<b>FUND BALANCE - END OF PERIOD</b>	<b>\$ 2,800,314</b>	<b>\$ 2,800,314</b>	<b>\$ 1,396,966</b>	<b>\$ 1,403,348</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 Periods Ended September 30, 2022**

	<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	\$ 829	\$ 659,109	\$ 660,114	\$ (1,005)
Specific ownership tax	3,572	31,379	42,907	(11,528)
Net investment earnings	1,422	5,760	1,340	4,420
<b>TOTAL REVENUE</b>	<u>5,823</u>	<u>696,248</u>	<u>704,361</u>	<u>(8,113)</u>
<b>EXPENDITURES</b>				
Note principal - 2012A	-	-	680,000	680,000
Note Interest - 2012A	-	132,722	265,445	132,723
Paying agent	-	-	3,000	3,000
Treasurer fees	13	9,890	9,902	12
<b>TOTAL EXPENDITURES</b>	<u>13</u>	<u>142,612</u>	<u>958,347</u>	<u>815,735</u>
<b>NET CHANGE IN FUND BALANCE</b>	5,810	553,636	(253,986)	807,622
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<u>1,894,594</u>	<u>1,346,768</u>	<u>1,340,345</u>	<u>6,423</u>
<b>FUND BALANCE - END OF PERIOD</b>	<u>\$ 1,900,404</u>	<u>\$ 1,900,404</u>	<u>\$ 1,086,359</u>	<u>\$ 814,045</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 Periods Ended September 30, 2022**

	<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	\$ 465	\$ 2,046	\$ 635	\$ 1,411
<b>TOTAL REVENUE</b>	<u>465</u>	<u>2,046</u>	<u>635</u>	<u>1,411</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>465</u>	<u>2,046</u>	<u>635</u>	<u>1,411</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>	465	2,046	150,635	(148,589)
<b>FUND BALANCE - BEGINNING OF PERIOD</b>	<u>636,591</u>	<u>635,010</u>	<u>635,062</u>	<u>(52)</u>
<b>FUND BALANCE - END OF PERIOD</b>	<u>\$ 637,056</u>	<u>\$ 637,056</u>	<u>\$ 785,697</u>	<u>\$ (148,641)</u>

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**TOLLGATE CROSSING METROPOLITAN DISTRICT #2**  
**SCHEDULE OF CASH POSITION**  
**September 30, 2022**

<b>FINANCIAL INSTITUTION</b>	<b>FUNDS</b>
Checking - BOK Financial	\$ 69,832
Colotrust	1,529,011
BOK Investment Portfolio	3,777,005
	<b>\$ 5,375,848</b>
	Unrestricted
	\$ 3,479,873
	Restricted
	1,895,975
	<b>\$ 5,375,848</b>
	General Fund
	\$ 2,842,817
	Debt Service Fund
	1,895,975
	Capital Replacement
	637,056
	<b>\$ 5,375,848</b>

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**TOLLGATE CROSSING METROPOLITAN DISTRICT #2**  
**SCHEDULE OF CHANGES IN LONG-TERM DEBT**  
**For the Nine Month Period Ended September 30, 2022**

	<u>Balance at January 1, 2022</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Balance at September 30, 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
	<u>\$ 9,795,000</u>	<u>\$ 1,747,408</u>	<u>\$ 11,542,408</u>

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