

**TOLLGATE CROSSING METROPOLITAN  
DISTRICT #2**

**FINANCIAL STATEMENTS**

**For the Three Month Period Ended March 31, 2024**



**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, 2024, 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 17, 2024

## **FINANCIAL STATEMENTS**

**TOLLGATE CROSSING METROPOLITAN DISTRICT #2**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**March 31, 2024**

|   | <u>GENERAL</u>      | <u>DEBT<br/>SERVICE</u> | <u>CAPITAL<br/>REPLACEMENT</u> | <u>TOTAL<br/>GOVERNMENTAL<br/>FUNDS</u> |
|---|---------------------|-------------------------|--------------------------------|---|
| <b>ASSETS</b>   |                     |                         |                                |   |
| Current assets  |                     |                         |                                |   |
| Cash and investments - unrestricted   | \$ 2,806,302        | \$ -                    | \$ 933,225                     | \$ 3,739,527                            |
| Cash and investments - restricted   | -                   | 1,019,105               | -                              | 1,019,105                               |
| Cash with County Treasurer  | 72,224              | 28,212                  | -                              | 100,436                                 |
| Property taxes receivable   | 869,273             | 339,559                 | -                              | 1,208,832                               |
| Prepaid expense   | 24,852              | -                       | -                              | 24,852                                  |
| Accounts receivable - fees  | 4,793               | -                       | -                              | 4,793                                   |
| <b>TOTAL ASSETS</b>   | <u>\$ 3,777,444</u> | <u>\$ 1,386,876</u>     | <u>\$ 933,225</u>              | <u>\$ 6,097,545</u>                     |
| <b>LIABILITIES, DEFERRED INFLOWS OF<br/>RESOURCES AND FUND BALANCES</b>       |                     |                         |                                |   |
| Current liabilities   |                     |                         |                                |   |
| Accounts payable  | \$ 248,447          | \$ -                    | \$ -                           | \$ 248,447                              |
| Assessments payable to customers  | 1,202               | -                       | -                              | 1,202                                   |
| Retainage Payable   | 28,059              | -                       | -                              | 28,059                                  |
| Total liabilities   | <u>277,708</u>      | <u>-</u>                | <u>-</u>                       | <u>277,708</u>                          |
| <b>DEFERRED INFLOWS OF RESOURCES</b>  |                     |                         |                                |   |
| Deferred assessments  | 4,793               | -                       | -                              | 4,793                                   |
| Deferred property taxes   | 869,273             | 339,559                 | -                              | 1,208,832                               |
|   | <u>874,066</u>      | <u>339,559</u>          | <u>-</u>                       | <u>1,213,625</u>                        |
| <b>FUND BALANCES</b>  |                     |                         |                                |   |
| Nonspendable for prepaid items  | 24,852              | -                       | -                              | 24,852                                  |
| Restricted for debt service   | -                   | 1,047,317               | -                              | 1,047,317                               |
| Restricted for landscape mitigation   | 36,753              | -                       | -                              | 36,753                                  |
| Restricted for emergencies  | 55,381              | -                       | -                              | 55,381                                  |
| Assigned for capital projects   | -                   | -                       | 933,225                        | 933,225                                 |
| Unassigned  | 2,508,684           | -                       | -                              | 2,508,684                               |
| Total fund balance  | <u>2,625,670</u>    | <u>1,047,317</u>        | <u>933,225</u>                 | <u>4,606,212</u>                        |
| <b>TOTAL LIABILITIES, DEFERRED INFLOWS<br/>OF RESOURCES AND FUND BALANCES</b> | <u>\$ 3,777,444</u> | <u>\$ 1,386,876</u>     | <u>\$ 933,225</u>              | <u>\$ 6,097,545</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 Period Ended March 31, 2024**

|   | <b>ONE<br/>MONTH<br/>ENDED<br/>ACTUAL</b> | <b>THREE<br/>MONTHS<br/>ENDED<br/>ACTUAL</b> | <b>ADOPTED<br/>BUDGET</b> | <b>VARIANCE<br/>WITH FINAL<br/>BUDGET</b> |
|---|---|--|---------------------------|---|
| <b>REVENUE</b>                            |   |  |                           |   |
| Property tax                              | \$ 66,175                                 | \$ 792,089                                   | \$ 1,661,363              | \$ (869,274)                              |
| Specific ownership tax                    | 7,024                                     | 23,879                                       | 99,682                    | (75,803)                                  |
| Clubhouse rental                          | 550                                       | 2,750  | 5,000                     | (2,250)                                   |
| HOA newsletter reimbursements             | -   | -  | 2,100                     | (2,100)                                   |
| Interest income                           | 13,241                                    | 28,230                                       | -                         | 28,230                                    |
| Interest on investments                   | (5,463)                                   | 543  | 80,000                    | (79,457)                                  |
| Net increase (decrease) in fair value     | 3,731                                     | (14,087)                                     | -                         | (14,087)                                  |
| <b>TOTAL REVENUE</b>                      | <b>85,258</b>                             | <b>833,404</b>                               | <b>1,848,145</b>          | <b>(1,014,741)</b>                        |
| <b>EXPENDITURES</b>                       |   |  |                           |   |
| Accounting                                | 1,625                                     | 5,685  | 26,250                    | 20,565                                    |
| Audit                                     | -   | -  | 5,300                     | 5,300                                     |
| Legal                                     | 913                                       | 8,130  | 20,000                    | 11,870                                    |
| Insurance                                 | -   | 39,033                                       | 48,000                    | 8,967                                     |
| Bank fees                                 | 128                                       | 128  | 2,000                     | 1,872                                     |
| Miscellaneous                             | 250                                       | 3,272  | -                         | (3,272)                                   |
| Landscape maintenance                     | 24,852                                    | 74,556                                       | 280,000                   | 205,444                                   |
| Structural prune trees                    | -   | -  | 50,000                    | 50,000                                    |
| Landscape projects                        | 15,908                                    | 15,908                                       | 100,000                   | 84,092                                    |
| Management                                |   |  |                           |   |
| Management fees - general                 | 6,663                                     | 20,289                                       | 60,000                    | 39,711                                    |
| Management fees - special                 | -   | -  | 20,000                    | 20,000                                    |
| Newletter costs                           | 408                                       | 1,205  | 5,000                     | 3,795                                     |
| Website maintenance                       | -   | -  | 5,000                     | 5,000                                     |
| Utilities                                 |   |  |                           |   |
| Water usage                               | 1,170                                     | 2,354  | 242,482                   | 240,128                                   |
| Electric & gas                            | 998                                       | 3,527  | 38,000                    | 34,473                                    |
| Telephone and internet                    | 380                                       | 1,140  | 5,500                     | 4,360                                     |
| Clubhouse and park maintenance            | 1,149                                     | 2,395  | 50,000                    | 47,605                                    |
| Pool services                             | -   | -  | 110,000                   | 110,000                                   |
| Pool repairs and maintenance              | -   | 2,485  | 38,500                    | 36,015                                    |
| Lighting projects                         | -   | -  | 40,000                    | 40,000                                    |
| Holiday lighting                          | -   | -  | 25,000                    | 25,000                                    |
| Utility locates                           | 9   | 22   | 1,800                     | 1,778                                     |
| Treasurer's fees                          | 993                                       | 11,882                                       | 24,920                    | 13,038                                    |
| Mitigation grants                         | -   | -  | 35,000                    | 35,000                                    |
| Security System                           | -   | 12,000                                       | 40,000                    | 28,000                                    |
| Mailbox replacements                      | -   | 57,830                                       | 150,000                   | 92,170                                    |
| Pool improvements                         | -   | -  | 75,000                    | 75,000                                    |
| Security patrols                          | 5,100                                     | 15,325                                       | 80,000                    | 64,675                                    |
| Park Improvements                         | 142,278                                   | 187,401                                      | 66,000                    | (121,401)                                 |
| Clubhouse improvements                    | 1,293                                     | 44,612                                       | 600,000                   | 555,388                                   |
| Fence repairs                             | -   | -  | 40,000                    | 40,000                                    |
| <b>TOTAL EXPENDITURES</b>                 | <b>204,117</b>                            | <b>509,179</b>                               | <b>2,283,752</b>          | <b>1,774,573</b>                          |
| <b>REVENUES OVER (UNDER) EXPENDITURES</b> | <b>(118,859)</b>                          | <b>324,225</b>                               | <b>(435,607)</b>          | <b>759,832</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>(118,859)</b>                          | <b>324,225</b>                               | <b>(535,607)</b>          | <b>859,832</b>                            |
| <b>FUND BALANCE - BEGINNING OF PERIOD</b> | <b>2,744,529</b>                          | <b>2,301,445</b>                             | <b>1,917,818</b>          | <b>383,627</b>                            |
| <b>FUND BALANCE - END OF PERIOD</b>       | <b>\$ 2,625,670</b>                       | <b>\$ 2,625,670</b>                          | <b>\$ 1,382,211</b>       | <b>\$ 1,243,459</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 Three Month Period Ended March 31, 2024**

|   | <b>ONE<br/>MONTH<br/>ENDED<br/>ACTUAL</b> | <b>THREE<br/>MONTHS<br/>ENDED<br/>ACTUAL</b> | <b>ADOPTED<br/>BUDGET</b> | <b>VARIANCE<br/>WITH FINAL<br/>BUDGET</b> |
|---|---|--|---------------------------|---|
| <b>REVENUE</b>                            |   |  |                           |   |
| Property tax                              | \$ 25,850                                 | \$ 309,411                                   | \$ 648,970                | \$ (339,559)                              |
| Specific ownership tax                    | 2,744                                     | 9,328  | 38,938                    | (29,610)                                  |
| Net investment earnings                   | 2,656                                     | 8,483  | 45,000                    | (36,517)                                  |
| <b>TOTAL REVENUE</b>                      | <u>31,250</u>                             | <u>327,222</u>                               | <u>732,908</u>            | <u>(405,686)</u>                          |
| <b>EXPENDITURES</b>                       |   |  |                           |   |
| Note principal - 2012A                    | -   | -  | 745,000                   | 745,000                                   |
| Note Interest - 2012A                     | -   | -  | 227,775                   | 227,775                                   |
| Paying agent                              | -   | -  | 3,500                     | 3,500                                     |
| Treasurer fees                            | 388                                       | 4,641  | 9,735                     | 5,094                                     |
| <b>TOTAL EXPENDITURES</b>                 | <u>388</u>                                | <u>4,641</u>                                 | <u>986,010</u>            | <u>981,369</u>                            |
| <b>NET CHANGE IN FUND BALANCE</b>         | 30,862                                    | 322,581                                      | (253,102)                 | 575,683                                   |
| <b>FUND BALANCE - BEGINNING OF PERIOD</b> | <u>1,016,455</u>                          | <u>724,736</u>                               | <u>712,312</u>            | <u>12,424</u>                             |
| <b>FUND BALANCE - END OF PERIOD</b>       | <u>\$ 1,047,317</u>                       | <u>\$ 1,047,317</u>                          | <u>\$ 459,210</u>         | <u>\$ 588,107</u>                         |

This schedule should be read only in connection  
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**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 Period Ended March 31, 2024

|   | <b>ONE<br/>MONTH<br/>ENDED<br/>ACTUAL</b> | <b>THREE<br/>MONTHS<br/>ENDED<br/>ACTUAL</b> | <b>ADOPTED<br/>BUDGET</b>  | <b>VARIANCE<br/>WITH FINAL<br/>BUDGET</b> |
|---|---|--|----------------------------|---|
| <b>REVENUE</b>                            |   |  |                            |   |
| Net investment income                     | \$ 2,814                                  | \$ 10,217                                    | \$ 45,767                  | \$ (35,550)                               |
| <b>TOTAL REVENUE</b>                      | <u>2,814</u>                              | <u>10,217</u>                                | <u>45,767</u>              | <u>(35,550)</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>2,814</u>                              | <u>10,217</u>                                | <u>45,767</u>              | <u>(35,550)</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>         | 2,814                                     | 10,217                                       | 145,767                    | (135,550)                                 |
| <b>FUND BALANCE - BEGINNING OF PERIOD</b> | <u>930,411</u>                            | <u>923,008</u>                               | <u>915,334</u>             | <u>7,674</u>                              |
| <b>FUND BALANCE - END OF PERIOD</b>       | <u><u>\$ 933,225</u></u>                  | <u><u>\$ 933,225</u></u>                     | <u><u>\$ 1,061,101</u></u> | <u><u>\$ (127,876)</u></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**  
**March 31, 2024**

| <u><b>FINANCIAL INSTITUTION</b></u> | <u><b>FUNDS</b></u>        |
|-------------------------------------|----------------------------|
| Checking - BOK Financial            | \$ 123,790                 |
| Colotrust                           | 2,994,487                  |
| BOK Investment Portfolio            | 1,640,355                  |
|                                     | <u>\$ 4,758,632</u>        |
|                                     | <u><u>\$ 4,758,632</u></u> |
| Unrestricted                        | \$ 3,739,527               |
| Restricted                          | 1,019,105                  |
|                                     | <u>\$ 4,758,632</u>        |
|                                     | <u><u>\$ 4,758,632</u></u> |
| General Fund                        | \$ 2,806,302               |
| Debt Service Fund                   | 1,019,105                  |
| Capital Replacement                 | 933,225                    |
|                                     | <u>\$ 4,758,632</u>        |
|                                     | <u><u>\$ 4,758,632</u></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, 2024**

|                              | <u>Balance at<br/>January<br/>1, 2024</u> | <u>Issuances</u> | <u>Retirements</u> | <u>Balance at<br/>March<br/>31, 2024</u> |
|------------------------------|---|------------------|--------------------|--|
| Tax-Free Note - Series 2012A | \$ 8,405,000                              | \$ -             | \$ -               | \$ 8,405,000                             |

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with the accompanying accountant's compilation report.

**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<br/>December 31,</b>                        | <b>Interest Due on June 1 and December 1</b> |                     |                     |
|  | <b>Principal</b>                             | <b>Interest</b>     | <b>Total</b>        |
| 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>\$ 8,405,000</b>                          | <b>\$ 1,234,947</b> | <b>\$ 9,639,947</b> |

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