

**TOLLGATE CROSSING METROPOLITAN
DISTRICT #2**

FINANCIAL STATEMENTS

For the Four Month Period Ended April 30, 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 four month periods ended April 30, 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.

May 20, 2024

FINANCIAL STATEMENTS

TOLLGATE CROSSING METROPOLITAN DISTRICT #2
BALANCE SHEET - GOVERNMENTAL FUNDS
April 30, 2024

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL REPLACEMENT</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS				
Current assets				
Cash and investments - unrestricted	\$ 2,584,757	\$ -	\$ 936,687	\$ 3,521,444
Cash and investments - restricted	-	1,051,150	-	1,051,150
Cash with County Treasurer	185,667	72,526	-	258,193
Property taxes receivable	742,512	290,043	-	1,032,555
Accounts receivable - fees	4,793	-	-	4,793
TOTAL ASSETS	<u>\$ 3,517,729</u>	<u>\$ 1,413,719</u>	<u>\$ 936,687</u>	<u>\$ 5,868,135</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ 107,248	\$ -	\$ -	\$ 107,248
Assessments payable to customers	1,202	-	-	1,202
Retainage Payable	23,529	-	-	23,529
Total liabilities	<u>131,979</u>	<u>-</u>	<u>-</u>	<u>131,979</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred assessments	4,793	-	-	4,793
Deferred property taxes	742,512	290,043	-	1,032,555
	<u>747,305</u>	<u>290,043</u>	<u>-</u>	<u>1,037,348</u>
FUND BALANCES				
Restricted for debt service	-	1,123,676	-	1,123,676
Restricted for landscape mitigation	36,753	-	-	36,753
Restricted for emergencies	55,381	-	-	55,381
Assigned for capital projects	-	-	936,687	936,687
Unassigned	2,546,311	-	-	2,546,311
Total fund balance	<u>2,638,445</u>	<u>1,123,676</u>	<u>936,687</u>	<u>4,698,808</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 3,517,729</u>	<u>\$ 1,413,719</u>	<u>\$ 936,687</u>	<u>\$ 5,868,135</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 Four Month Period Ended April 30, 2024

	ONE MONTH ENDED ACTUAL	FOUR MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET
REVENUE				
Property tax	\$ 180,102	\$ 972,193	\$ 1,661,363	\$ (689,170)
Specific ownership tax	8,265	32,144	99,682	(67,538)
Clubhouse rental	1,050	3,800	5,000	(1,200)
HOA newsletter reimbursements	-	-	2,100	(2,100)
Interest income	13,182	41,412	-	41,412
Interest on investments	(3,169)	(12,060)	80,000	(92,060)
Net increase (decrease) in fair value	(12,388)	(26,475)	-	(26,475)
TOTAL REVENUE	187,042	1,011,014	1,848,145	(837,131)
EXPENDITURES				
Accounting	2,700	8,385	26,250	17,865
Audit	-	-	5,300	5,300
Legal	2,528	10,658	20,000	9,342
Insurance	-	39,033	48,000	8,967
Bank fees	127	255	2,000	1,745
Miscellaneous	79	3,351	-	(3,351)
Landscape maintenance	24,852	99,408	280,000	180,592
Structural prune trees	-	-	50,000	50,000
Landscape projects	1,688	17,596	100,000	82,404
Management				
Management fees - general	7,098	27,387	60,000	32,613
Management fees - special	-	-	20,000	20,000
Newletter costs	408	1,613	5,000	3,387
Website maintenance	-	-	5,000	5,000
Utilities				
Water usage	5,195	7,549	242,482	234,933
Electric & gas	873	4,400	38,000	33,600
Telephone and internet	380	1,520	5,500	3,980
Clubhouse and park maintenance	4,145	6,540	50,000	43,460
Pool services	5,150	5,150	110,000	104,850
Pool repairs and maintenance	-	2,485	38,500	36,015
Irrigation repair/maintenance	300	300	-	(300)
Lighting projects	-	-	40,000	40,000
Holiday lighting	-	-	25,000	25,000
Utility locates	9	31	1,800	1,769
Treasurer's fees	2,702	14,584	24,920	10,336
Mitigation grants	-	-	35,000	35,000
Security System	-	12,000	40,000	28,000
Mailbox replacements	88,825	146,655	150,000	3,345
Pool improvements	-	-	75,000	75,000
Security patrols	5,100	20,425	80,000	59,575
Park Improvements	-	187,401	66,000	(121,401)
Clubhouse improvements	22,265	66,721	600,000	533,279
TOTAL EXPENDITURES	174,424	683,447	2,283,752	1,600,305
REVENUES OVER (UNDER) EXPENDITURES	12,618	327,567	(435,607)	763,174
OTHER FINANCING SOURCES (USES)				
Transfer to Capital Replacement Fund	-	-	(100,000)	100,000
Total other financing sources (uses)	-	-	(100,000)	100,000
NET CHANGE IN FUND BALANCE	12,618	327,567	(535,607)	863,174
FUND BALANCE - BEGINNING OF PERIOD	2,625,827	2,310,878	1,917,818	393,060
FUND BALANCE - END OF PERIOD	\$ 2,638,445	\$ 2,638,445	\$ 1,382,211	\$ 1,256,234

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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 Four Month Period Ended April 30, 2024

	ONE MONTH ENDED ACTUAL	FOUR MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET
REVENUE				
Property tax	\$ 70,353	\$ 379,764	\$ 648,970	\$ (269,206)
Specific ownership tax	3,228	12,556	38,938	(26,382)
Net investment earnings	3,833	12,316	45,000	(32,684)
TOTAL REVENUE	<u>77,414</u>	<u>404,636</u>	<u>732,908</u>	<u>(328,272)</u>
EXPENDITURES				
Note principal - 2012A	-	-	745,000	745,000
Note Interest - 2012A	-	-	227,775	227,775
Paying agent	-	-	3,500	3,500
Treasurer fees	1,055	5,696	9,735	4,039
TOTAL EXPENDITURES	<u>1,055</u>	<u>5,696</u>	<u>986,010</u>	<u>980,314</u>
NET CHANGE IN FUND BALANCE	76,359	398,940	(253,102)	652,042
FUND BALANCE - BEGINNING OF PERIOD	<u>1,047,317</u>	<u>724,736</u>	<u>712,312</u>	<u>12,424</u>
FUND BALANCE - END OF PERIOD	<u>\$ 1,123,676</u>	<u>\$ 1,123,676</u>	<u>\$ 459,210</u>	<u>\$ 664,466</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 Four Month Period Ended April 30, 2024

	ONE MONTH ENDED ACTUAL	FOUR MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET
REVENUE				
Net investment income	\$ 3,462	\$ 13,679	\$ 45,767	\$ (32,088)
TOTAL REVENUE	<u>3,462</u>	<u>13,679</u>	<u>45,767</u>	<u>(32,088)</u>
EXPENDITURES				
Capital improvements	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>3,462</u>	<u>13,679</u>	<u>45,767</u>	<u>(32,088)</u>
OTHER FINANCING SOURCES (USES)				
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>
NET CHANGE IN FUND BALANCE	3,462	13,679	145,767	(132,088)
FUND BALANCE - BEGINNING OF PERIOD	<u>933,225</u>	<u>923,008</u>	<u>915,334</u>	<u>7,674</u>
FUND BALANCE - END OF PERIOD	<u><u>\$ 936,687</u></u>	<u><u>\$ 936,687</u></u>	<u><u>\$ 1,061,101</u></u>	<u><u>\$ (124,414)</u></u>

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TOLLGATE CROSSING METROPOLITAN DISTRICT #2
SCHEDULE OF CASH POSITION
April 30, 2024

FINANCIAL INSTITUTION

Checking - BOK Financial
Colotrust
BOK Investment Portfolio

FUNDS

\$ 86,523
2,858,105
1,627,966
\$ 4,572,594

Unrestricted \$ 3,521,444
Restricted 1,051,150
\$ 4,572,594

General Fund \$ 2,584,757
Debt Service Fund 1,051,150
Capital Replacement 936,687
\$ 4,572,594

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TOLLGATE CROSSING METROPOLITAN DISTRICT #2
SCHEDULE OF CHANGES IN LONG-TERM DEBT
For the four Month Period Ended April 30, 2024

	Balance at January 1, 2024	Issuances	Retirements	Balance at April 30, 2024
Tax-Free Note - Series 2012A	\$ 8,405,000	\$ -	\$ -	\$ 8,405,000

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

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