

**TOLLGATE CROSSING METROPOLITAN
DISTRICT #2**

FINANCIAL STATEMENTS

For the Four Month Period Ended April 30, 2022



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, 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.

May 19, 2022

FINANCIAL STATEMENTS

TOLLGATE CROSSING METROPOLITAN DISTRICT #2
BALANCE SHEET - GOVERNMENTAL FUNDS
April 30, 2022

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>CAPITAL REPLACEMENT</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS				
Current assets				
Cash and investments - unrestricted	\$ 2,081,601	\$ -	\$ 635,388	\$ 2,716,989
Cash and investments - restricted	-	1,602,595	-	1,602,595
Cash with County Treasurer	97,824	29,348	-	127,172
Property taxes receivable	1,285,377	385,612	-	1,670,989
Interest receivable	1,976	-	-	1,976
Accounts receivable - fees	5,944	-	-	5,944
TOTAL ASSETS	<u>\$ 3,472,722</u>	<u>\$ 2,017,555</u>	<u>\$ 635,388</u>	<u>\$ 6,125,665</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Current liabilities				
Accounts payable	\$ 38,273	\$ -	\$ -	\$ 38,273
Assessments payable to customers	1,333	-	-	1,333
Total liabilities	<u>39,606</u>	<u>-</u>	<u>-</u>	<u>39,606</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred assessments	5,944	-	-	5,944
Deferred property taxes	1,285,377	385,612	-	1,670,989
	<u>1,291,321</u>	<u>385,612</u>	<u>-</u>	<u>1,676,933</u>
FUND BALANCES				
Restricted for debt service	-	1,631,943	-	1,631,943
Restricted for landscape mitigation	37,253	-	-	37,253
Restricted for emergencies	35,753	-	-	35,753
Assigned for capital projects	-	-	635,388	635,388
Unassigned	2,068,789	-	-	2,068,789
Total fund balance	<u>2,141,795</u>	<u>1,631,943</u>	<u>635,388</u>	<u>4,409,126</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	<u>\$ 3,472,722</u>	<u>\$ 2,017,555</u>	<u>\$ 635,388</u>	<u>\$ 6,125,665</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 Periods Ended April 30, 2022

	ONE MONTH ENDED ACTUAL	FOUR MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Property tax	\$ 88,466	\$ 915,005	\$ 2,200,382	\$ (1,285,377)
Specific ownership tax	10,684	46,501	143,025	(96,524)
Penalties, interest and fees	25	288	-	288
Uncollected fees	22	(129)	-	(129)
Clubhouse rental	1,175	3,485	5,000	(1,515)
HOA newsletter reimbursements	-	-	2,100	(2,100)
Grants/reimbursements	1,728	40,476	-	40,476
Interest income	407	1,064	2,091	(1,027)
Net decrease in fair value of investments	(9,433)	(9,433)	-	(9,433)
Miscellaneous	-	10	-	10
TOTAL REVENUE	93,074	997,267	2,352,598	(1,355,331)
EXPENDITURES				
Accounting	854	4,513	20,000	15,487
Audit	-	-	5,000	5,000
Legal	9,601	15,102	19,133	4,031
Legal - collections	100	500	10,000	9,500
Election	-	12,553	30,000	17,447
Insurance	255	31,282	36,534	5,252
Bank fees	98	433	2,000	1,567
Miscellaneous	-	374	-	(374)
Landscape maintenance	21,067	84,268	370,440	286,172
Structural prune trees	-	-	108,000	108,000
Landscape projects	-	52,901	200,000	147,099
Management				
Management fees - general	4,745	19,025	60,000	40,975
Management fees - special	-	-	20,000	20,000
Newletter costs	363	1,451	5,000	3,549
Utilities				
Water usage	4,672	3,177	242,482	239,305
Electric & gas	700	2,638	27,500	24,862
Telephone and internet	-	1,485	3,000	1,515
Clubhouse and park maintenance	1,167	3,598	50,000	46,402
Pool services	4,116	4,116	90,558	86,442
Pool repairs and maintenance	-	-	35,000	35,000
Holiday lighting	-	-	25,000	25,000
Utility locates	29	70	1,800	1,730
Treasurer's fees	1,327	13,725	33,006	19,281
Mitigation grants	1,000	1,000	37,253	36,253
Security System	-	-	14,700	14,700
Pool improvements	-	33,860	150,000	116,140
Security patrols	5,100	5,100	150,000	144,900
Prairie dog fencing	-	-	50,000	50,000
Clubhouse improvements	-	-	100,000	100,000
Landscaping - Newbridge area	-	-	150,000	150,000
ET controllers	-	153,524	100,000	(53,524)
Park Improvements	-	-	200,000	200,000
TOTAL EXPENDITURES	55,194	444,695	2,346,406	1,901,711
REVENUES OVER (UNDER) EXPENDITURES	37,880	552,572	6,192	546,380
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	37,880	552,572	(143,808)	696,380
FUND BALANCE - BEGINNING OF PERIOD	2,103,915	1,589,223	1,540,774	48,449
FUND BALANCE - END OF PERIOD	\$ 2,141,795	\$ 2,141,795	\$ 1,396,966	\$ 744,829

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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 Periods Ended April 30, 2022

	ONE MONTH ENDED ACTUAL	FOUR MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Property tax	\$ 26,540	\$ 274,502	\$ 660,114	\$ (385,612)
Specific ownership tax	3,206	13,951	42,907	(28,956)
Net investment earnings	313	840	1,340	(500)
TOTAL REVENUE	<u>30,059</u>	<u>289,293</u>	<u>704,361</u>	<u>(415,068)</u>
EXPENDITURES				
Note principal - 2012A & 2012B	-	-	680,000	680,000
Note Interest - 2012A & 2012B	-	-	265,445	265,445
Paying agent	-	-	3,000	3,000
Treasurer fees	398	4,118	9,902	5,784
TOTAL EXPENDITURES	<u>398</u>	<u>4,118</u>	<u>958,347</u>	<u>954,229</u>
NET CHANGE IN FUND BALANCE	29,661	285,175	(253,986)	539,161
FUND BALANCE - BEGINNING OF PERIOD	<u>1,602,282</u>	<u>1,346,768</u>	<u>1,340,345</u>	<u>6,423</u>
FUND BALANCE - END OF PERIOD	<u>\$ 1,631,943</u>	<u>\$ 1,631,943</u>	<u>\$ 1,086,359</u>	<u>\$ 545,584</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 Periods Ended April 30, 2022

	ONE MONTH ENDED ACTUAL	FOUR MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUE				
Net investment income	\$ 145	\$ 378	\$ 635	\$ (257)
TOTAL REVENUE	<u>145</u>	<u>378</u>	<u>635</u>	<u>(257)</u>
EXPENDITURES				
Capital improvements	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>145</u>	<u>378</u>	<u>635</u>	<u>(257)</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	145	378	150,635	(150,257)
FUND BALANCE - BEGINNING OF PERIOD	<u>635,243</u>	<u>635,010</u>	<u>635,062</u>	<u>(52)</u>
FUND BALANCE - END OF PERIOD	<u>\$ 635,388</u>	<u>\$ 635,388</u>	<u>\$ 785,697</u>	<u>\$ (150,309)</u>

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

FINANCIAL INSTITUTION	FUNDS
Checking - BOK Financial	\$ 50,809
Colotrust	1,144,515
BOK Investment Portfolio	3,124,260
	\$ 4,319,584
Unrestricted	\$ 2,716,989
Restricted	1,602,595
	\$ 4,319,584
General Fund	\$ 2,081,601
Debt Service Fund	1,602,595
Capital Replacement	635,388
	\$ 4,319,584

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

	<u>Balance at January 1, 2022</u>	<u>Issuances</u>	<u>Retirements</u>	<u>Balance at April 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**

\$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
	\$ 9,795,000	\$ 1,747,408	\$ 11,542,408

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