

HIGHWAY 119 METROPOLITAN DISTRICT NO. 2

FINANCIAL STATEMENTS

For Nine Month Period Ended September 30, 2019



SCHILLING & COMPANY, INC.

Certified Public Accountants

P.O. Box 631579
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Accountant's Compilation Report

Board of Directors
Highway 119 Metropolitan District No. 2
Weld County, Colorado

Management is responsible for the accompanying financial statements for the General Fund and Debt Service Fund of the Highway 119 Metropolitan District No. 2 (District), as of and for the nine month period ended September 30, 2019 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, the 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 District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Required Supplementary Information

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.

Supplementary Information

The supplementary information contained on pages 4-5 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 Highway 119 Metropolitan District No. 2.

SCHILLING & COMPANY, INC.

Highlands Ranch, Colorado
October 31, 2019

FINANCIAL STATEMENTS

HIGHWAY 119 METROPOLITAN DISTRICT NO. 2
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2019

	GENERAL FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Current assets			
Cash and investments	\$ 177,724	\$ 60,446	\$ 238,170
Cash with County Treasurer	7,136	-	7,136
TOTAL ASSETS	\$ 184,860	\$ 60,446	\$ 245,306
LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES AND FUND BALANCE			
LIABILITIES			
Due to Highway 119 MD No. 1	\$ 157,860	\$ 60,446	\$ 218,306
	157,860	60,446	218,306
FUND BALANCE			
Restricted:			
Emergency reserves	27,000	-	27,000
	27,000	-	27,000
TOTAL LIABILITIES, DEFERRED OUTFLOWS OF RESOURCES AND FUND BALANCE	\$ 184,860	\$ 60,446	\$ 245,306

These financial statements should be read only in connection
with the accompanying accountant's compilation report.

HIGHWAY 119 METROPOLITAN DISTRICT NO. 2
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GENERAL FUND
For the Nine Month Period Ended September 30, 2019

	NINE MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH ADOPTED BUDGET POSITIVE (NEGATIVE)
REVENUE			
Property tax revenue	\$ 674,441	\$ 674,792	\$ (351)
Specific ownership taxes	57,851	146,001	(88,150)
NFURA taxes	144,496	48,300	96,196
Interest income	2,419	5,000	(2,581)
TOTAL REVENUE	<u>879,207</u>	<u>874,093</u>	<u>5,114</u>
EXPENDITURES			
Intergovernmental expense - District No. 1	852,799	843,468	(9,331)
Treasurer fees	10,118	10,122	4
Bank fees	90	200	110
Contingency and emergency reserves	-	5,000	5,000
Total expenditures	<u>863,007</u>	<u>858,790</u>	<u>(4,217)</u>
NET CHANGE IN FUND BALANCE	16,200	15,303	897
FUND BALANCE - BEGINNING OF PERIOD	<u>10,800</u>	<u>10,920</u>	<u>(120)</u>
FUND BALANCE - END OF PERIOD	<u><u>\$ 27,000</u></u>	<u><u>\$ 26,223</u></u>	<u><u>\$ 777</u></u>

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with the accompanying accountant's compilation report.

SUPPLEMENTAL INFORMATION

HIGHWAY 119 METROPOLITAN DISTRICT NO. 2
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
DEBT SERVICE FUND

For the Nine Month Period Ended September 30, 2019

	NINE MONTHS ENDED ACTUAL	ADOPTED BUDGET	VARIANCE WITH ADOPTED BUDGET POSITIVE (NEGATIVE)
REVENUE			
Property tax revenue	\$ 280,854	\$ 282,375	\$ (1,521)
NFURA taxes	60,318	61,096	(778)
Interest income	1,357	10,000	(8,643)
TOTAL REVENUE	<u>342,529</u>	<u>353,471</u>	<u>(10,942)</u>
EXPENDITURES			
Contractual obligation - District No. 1	338,317	349,235	10,918
Treasurer fees	4,212	4,236	24
Total expenditures	<u>342,529</u>	<u>353,471</u>	<u>10,942</u>
NET CHANGE IN FUND BALANCE	-	-	-
FUND BALANCE - BEGINNING OF PERIOD	-	-	-
FUND BALANCE - END OF PERIOD	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

This schedule should be read only in connection
with the accompanying accountant's compilation report.

HIGHWAY 119 METROPOLITAN DISTRICT NO. 2
SCHEDULE OF CASH POSITION
September 30, 2019

FINANCIAL INSTITUTION

Checking - 1st Bank	\$ 206,313
COLOTRUST	<u>31,857</u>
	<u><u>\$ 238,170</u></u>

General Fund	\$ 177,724
Debt Service Fund	<u>60,446</u>
	<u><u>\$ 238,170</u></u>

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with the accompanying accountant's compilation report.