

MidCities Metropolitan District No. 2
Financial Statements

December 31, 2023

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
MidCities Metropolitan District No. 2

Management is responsible for the accompanying financial statements of each major fund of MidCities Metropolitan District No. 2, as of and for the period ended December 31, 2023, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the twelve months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the 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 Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted 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.

We are not independent with respect to MidCities Metropolitan District No. 2 because we performed certain accounting services that impaired our independence.

Simmons & Wheeler P.C.

February 22, 2024
Englewood, Colorado

MidCities Metropolitan District No. 2
Balance Sheet - Governmental Funds and Account Groups
December 31, 2023

See Accountant's Compilation Report

	General <u>Fund</u>	Capital Projects <u>Fund</u>	Debt Service <u>Fund</u>	Account <u>Groups</u>	Total <u>All Funds</u>
Assets					
Current assets					
Checking	\$ 21,357	\$ 876	\$ 13,359	\$ -	\$ 35,592
Colostrust	1,977,815	195	-	-	1,978,010
UMB	-	-	250,062	-	250,062
Taxes due from County	9,999	-	-	-	9,999
Sales Taxes Receivable	-	-	426,295	-	426,295
Prepaid expenses	18,346	-	-	-	18,346
	<u>2,027,517</u>	<u>1,071</u>	<u>689,716</u>	<u>-</u>	<u>2,718,304</u>
Other assets					
Fixed assets	-	-	-	11,383,187	11,383,187
Amount available in debt service fund	-	-	-	679,921	679,921
Amount to be provided for retirement of debt	-	-	-	42,008,079	42,008,079
	<u>-</u>	<u>-</u>	<u>-</u>	<u>54,071,187</u>	<u>54,071,187</u>
	<u>\$ 2,027,517</u>	<u>\$ 1,071</u>	<u>\$ 689,716</u>	<u>\$ 54,071,187</u>	<u>\$ 56,789,491</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 1,995	\$ 1,071	\$ -	\$ -	\$ 3,066
Taxes due to County	-	-	9,795	-	9,795
Payroll taxes payable	138	-	-	-	138
	<u>2,133</u>	<u>1,071</u>	<u>9,795</u>	<u>-</u>	<u>12,999</u>
Long Term liabilities					
General Obligation Bonds - 2022	-	-	-	42,688,000	42,688,000
Total liabilities	<u>2,133</u>	<u>1,071</u>	<u>9,795</u>	<u>42,688,000</u>	<u>42,700,999</u>
Fund Equity					
Investment in fixed assets	-	-	-	11,383,187	11,383,187
Fund balance (deficit)	2,025,384	-	679,921	-	2,705,305
	<u>2,025,384</u>	<u>-</u>	<u>679,921</u>	<u>11,383,187</u>	<u>14,088,492</u>
	<u>\$ 2,027,517</u>	<u>\$ 1,071</u>	<u>\$ 689,716</u>	<u>\$ 54,071,187</u>	<u>\$ 56,789,491</u>

MidCities Metropolitan District No. 2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Twelve Months Ended December 31, 2023
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property taxes	\$ 155,134	\$ 153,679	\$ (1,455)
Specific ownership taxes	135,000	130,421	(4,579)
PILOT revenue	120,000	135,500	15,500
Interest Income	16,000	98,884	82,884
Miscellaneous Income	1,000	250	(750)
	<u>427,134</u>	<u>518,734</u>	<u>91,600</u>
Expenditures			
Accounting	27,000	20,792	6,208
District Management	35,000	22,368	12,632
Audit	5,000	5,000	-
Director's Fees	3,600	2,300	1,300
Election Expense	3,000	955	2,045
Insurance/SDA	30,000	29,495	505
Legal	30,000	17,369	12,631
Engineering	10,000	-	10,000
Miscellaneous Expense	1,000	692	308
Payroll Taxes	300	176	124
Treasurer's fees	2,327	2,303	24
Property Mgt/FOA	100,000	79,942	20,058
Repairs and Maintenance	50,000	-	50,000
Contingency	477,851	-	477,851
Emergency reserve	8,917	-	8,917
Transfer to Capital Projects Fund	1,150,000	29,414	1,120,586
	<u>1,933,995</u>	<u>210,806</u>	<u>1,723,189</u>
Excess (deficiency) of revenues over expenditures	(1,506,861)	307,928	1,814,789
Fund balance beginning	<u>1,506,861</u>	<u>1,717,456</u>	<u>210,595</u>
Fund balance ending	<u>\$ -</u>	<u>\$ 2,025,384</u>	<u>\$ 2,025,384</u>

MidCities Metropolitan District No. 2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Twelve Months Ended December 31, 2023
Capital Projects Fund
See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Interest Income	\$ -	\$ 10	\$ 10
Transfer from General Fund	<u>1,150,000</u>	<u>29,414</u>	<u>(1,120,586)</u>
	<u>1,150,000</u>	<u>29,424</u>	<u>(1,120,576)</u>
Expenditures			
Trails	900,000	4,440	895,560
Engineering	-	13,113	(13,113)
Parking Garage Structure	-	7,990	(7,990)
Retaining Wall - 505 Zang Street	200,000	3,881	196,119
Miscellaneous Improvements	<u>50,000</u>	<u>-</u>	<u>50,000</u>
	<u>1,150,000</u>	<u>29,424</u>	<u>1,120,576</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance (deficit) ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MidCities Metropolitan District No. 2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For the Twelve Months Ended December 31, 2023
Debt Service Fund
See Accountant's Compilation Report

	<u>Amended</u> <u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
Revenues			
Property Taxes	\$ 1,718,623	\$ 1,700,925	\$ (17,698)
Property Taxes - Greystar	291,356	291,356	-
Property Taxes - Pathfinder Exclusion	134,816	134,816	-
Property Taxes - Filing 15	81,747	81,747	-
Property Taxes - CPIII Exclusion	153,565	153,565	-
Sales Tax Revenue	2,700,000	2,746,666	46,666
Interest Income	100,000	117,391	17,391
Other income	1,600	1,581	(19)
	<u>5,181,707</u>	<u>5,228,047</u>	<u>46,340</u>
Expenditures			
2022 Bond Interest	2,072,520	2,072,520	-
2022 Bond Principal	3,085,000	3,355,000	(270,000)
Trustee/Paying Agent Fees	6,000	4,000	2,000
Miscellaneous	100,778	-	100,778
Treasurer's Fees	35,702	35,410	292
	<u>5,300,000</u>	<u>5,466,930</u>	<u>(166,930)</u>
Excess (deficiency) of revenues over expenditures	(118,293)	(238,883)	(120,590)
Fund balance beginning	<u>918,804</u>	<u>918,804</u>	<u>-</u>
Fund balance (deficit) ending	<u>\$ 800,511</u>	<u>\$ 679,921</u>	<u>\$ (120,590)</u>