



Certified Public Accountants and Business Consultants

### Accountant's Compilation Report

Board of Directors  
Gateway Regional Metropolitan District  
City and County of Denver, Colorado

Management is responsible for the accompanying budget of revenues, expenditures and fund balances of Gateway Regional Metropolitan District for the year ending December 31, 2018, including the estimate of comparative information for the year ending December 31, 2017, the actual comparative information for the year ending December 31, 2016, and the adopted budget for the year ending December 31, 2017 in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105. 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 budget 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 the accompanying budget.

We draw attention to the Budget Message included in the budget submission to the State of Colorado which describes that the budgetary basis of accounting is the modified accrual basis in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Gateway Regional Metropolitan District.

*Barnes Griggs & Associates, PC*

Lakewood, Colorado  
January 15, 2018

Barnes Griggs & Associates, PC

**GATEWAY REGIONAL METROPOLITAN DISTRICT**  
**Assessed Value, Property Tax and Mill Levy Information**

	<b>2016 Actual</b>	<b>2017 Adopted Budget</b>	<b>2018 Adopted Budget</b>
<b>Assessed Valuation</b>	\$ 48,242,740	\$ 48,567,280	\$ 73,452,570
<b>Mill Levy</b>			
General Fund	1.000	1.000	1.000
Debt Service Fund	15.000	15.000	15.278
Temporary Mill Levy Reduction	-	-	(0.278)
Refunds and Abatements	-	-	-
<b>Total Mill Levy</b>	<u>16.000</u>	<u>16.000</u>	<u>16.000</u>
<b>Property Taxes</b>			
General Fund	\$ 48,243	\$ 48,567	\$ 73,453
Debt Service Fund	723,641	728,509	1,122,208
Temporary Mill Levy Reduction	-	-	(20,420)
Refunds and Abatements	-	-	-
<b>Actual/Budgeted Property Taxes</b>	<u>\$ 771,884</u>	<u>\$ 777,076</u>	<u>\$ 1,175,241</u>

**GATEWAY REGIONAL METROPOLITAN DISTRICT**

**GENERAL FUND**

**2018 Adopted Budget**

with 2016 Actual, 2017 Adopted Budget, and 2017 Estimated

	<b>2016 Actual</b>	<b>2017 Adopted Budget</b>	<b>2017 Estimated</b>	<b>2018 Adopted Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ 140,998	\$ 109,112	\$ 123,101	\$ 116,942
<b>REVENUE</b>				
Property Tax Revenue	47,605	48,567	48,567	53,033
Specific Ownership Taxes	51,509	46,300	55,000	55,000
Interest Income	361	500	650	650
Denver Highpoint Agreement	5,069	5,100	6,345	5,100
Miscellaneous Income	-	-	4,370	-
<b>Total Revenue</b>	<b>104,544</b>	<b>100,467</b>	<b>114,932</b>	<b>113,783</b>
<b>Total Funds Available</b>	<b>245,541</b>	<b>209,579</b>	<b>238,033</b>	<b>230,725</b>
<b>EXPENDITURES</b>				
Accounting	15,919	12,000	15,000	13,500
Administration	22,255	18,500	15,500	16,000
Audit	6,486	6,500	8,141	6,500
Election	-	-	-	10,000
Insurance and Bonds/SDA	4,671	5,000	5,215	5,300
Legal	25,625	25,000	25,000	25,000
Statutory Compliance	251	-	-	-
Legal Publications/Elections	974	250	250	250
Denver Review Fee	5,000	5,000	5,000	5,000
Miscellaneous	3,462	3,000	3,000	3,000
Treasurer's Fees	476	486	486	530
Landscape Maintenance	22,104	25,000	25,000	25,000
Utilities	15,218	18,500	18,500	18,500
Contingency	-	87,330	-	98,732
Emergency Reserve	-	3,013	-	3,412
<b>Total Expenditures</b>	<b>122,440</b>	<b>209,579</b>	<b>121,092</b>	<b>230,725</b>
<b>Total Expenditures Requiring Appropriation</b>	<b>122,440</b>	<b>209,579</b>	<b>121,092</b>	<b>230,725</b>
<b>ENDING FUND BALANCE</b>	\$ 123,101	\$ -	\$ 116,942	\$ -

**GATEWAY REGIONAL METROPOLITAN DISTRICT**

**DEBT SERVICE FUND  
2018 Adopted Budget  
with 2016 Actual, 2017 Adopted Budget, and 2017 Estimated**

	<b>2016 Actual</b>	<b>2017 Adopted Budget</b>	<b>2017 Estimated</b>	<b>2018 Adopted Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ 53,257	\$ 506,817	\$ 548,261	\$ 500,001
<b>REVENUE</b>				
Property Tax Revenue-2008 Debt	606,807	470,685	470,685	477,391
Prop Tax Rev-City Note and RFA	106,729	257,824	257,824	644,817
System Development Fees	241,668	-	920,069	-
First Creek Village SDF	-	-	96,778	-
City Note - 2% admin fee	-	-	(20,337)	-
Interest Income	4,688	4,000	14,000	15,000
Bond Proceeds	8,725,000	-	-	-
Transfer from Other Funds	-	-	145,115	-
<b>Total Revenue</b>	<b>9,684,892</b>	<b>732,509</b>	<b>1,884,134</b>	<b>1,137,208</b>
<b>Total Funds Available</b>	<b>9,738,150</b>	<b>1,239,326</b>	<b>2,432,395</b>	<b>1,637,209</b>
<b>EXPENDITURES</b>				
2016 Bonds-Principal	-	190,000	190,000	200,000
2016 Bonds Interest	139,373	268,313	268,313	262,613
Series 2008 Bond Interest	9,891	-	-	-
2007-1 City Note Principal	411,274	80,514	1,292,105	482,960
2007-1 City Note Interest	260,914	177,310	166,691	162,857
Interest Rate SWAP	102,440	-	-	-
Bond Issuance Costs	301,358	-	-	-
Refund 2008 Bond	7,865,000	-	-	-
Bond Discount	27,370	-	-	-
Remarketing Fee	4,698	-	-	-
Letter of Credit Fee	34,416	-	-	-
Paying Agent/Trustee Fees	8,000	8,000	8,000	8,000
Miscellaneous	10,500	-	-	-
Treasurer's Fees	7,144	7,286	7,286	11,297
Transfer to Capital Projects	7,510	-	-	-
<b>Total Expenditures</b>	<b>9,189,888</b>	<b>731,423</b>	<b>1,932,395</b>	<b>1,127,727</b>
<b>Total Expenditures Requiring Appropriation</b>	<b>9,189,888</b>	<b>731,423</b>	<b>1,932,395</b>	<b>1,127,727</b>
<b>ENDING FUND BALANCE</b>	\$ <b>548,261</b>	\$ <b>507,903</b>	\$ <b>500,001</b>	\$ <b>509,482</b>
<b>Debt Service Reserve \$463,162</b>				

**GATEWAY REGIONAL METROPOLITAN DISTRICT**

**CAPITAL PROJECTS FUND**

**2018 Adopted Budget**

**with 2016 Actual, 2017 Adopted Budget, and 2017 Estimated**

	<b>2016 Actual</b>	<b>2017 Adopted Budget</b>	<b>2017 Estimated</b>	<b>2018 Adopted Budget</b>
<b>BEGINNING FUND BALANCE</b>	\$ 153,076	\$ 161,416	\$ 161,503	\$ 17,218
<b>REVENUE</b>				
Interest Income	917	830	830	-
Transfer from Debt Service	7,510	-	-	-
<b>Total Revenue</b>	<b>8,427</b>	<b>830</b>	<b>830</b>	<b>-</b>
<b>Total Funds Available</b>	<b>161,503</b>	<b>162,246</b>	<b>162,333</b>	<b>17,218</b>
<b>EXPENDITURES</b>				
Future Capital Project	-	162,246	-	-
Transfer to Debt Service	-	-	145,115	-
<b>Total Expenditures</b>	<b>-</b>	<b>162,246</b>	<b>145,115</b>	<b>-</b>
<b>Total Expenditures Requiring Appropriation</b>	<b>-</b>	<b>162,246</b>	<b>145,115</b>	<b>-</b>
<b>ENDING FUND BALANCE</b>	<b>\$ 161,503</b>	<b>\$ -</b>	<b>\$ 17,218</b>	<b>\$ 17,218</b>

# GATEWAY REGIONAL METROPOLITAN DISTRICT

## 2018 Budget Message

### **Introduction**

The District was formed in 1998 for the purpose of providing design, financing, acquisition, and construction, of certain infrastructure improvements including, streets, storm sewer and drainage, park and recreation facilities, and a regional fire station. When appropriate, these improvements have been dedicated to the City and County of Denver, or such other entities as appropriate for the use and benefit of the District taxpayers and service users.

The 2018 budget was prepared in accordance with the Local Budget Law of Colorado. The budget reflects the projected spending plan for the 2018 fiscal year based on available revenues. This budget provides for the annual debt service on the District's general obligation debt as well as the general operation of the District and capital improvements.

The District's assessed value increased 51% to \$ 73,452,570, in 2017. The District's mill levy has remained at 16.000 mills certified for taxes to be collected in the 2018 fiscal year with 1.000 mills certified in the General Fund, 15.278 mills certified in the Debt Service Fund, and 0.278 mills for a Temporary Mill Levy Reduction.

### **Budgetary Basis of Accounting**

The District uses funds to budget and report on the financial position and results of operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions. The various funds determine the total District budget. All of the District's funds are considered Governmental Funds and are reported using the current financial resources and the modified accrual basis of accounting. Revenues are recognized when they are measurable and available. Revenues are considered available when they are collectible within the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures, other than the interest on long term obligations, are recorded when the liability is incurred or the long-term obligation paid.

### **Fund Summaries**

The **General Fund** is used to account for revenue traditionally associated with government such as property taxes and specific ownership tax. Expenditures which include district administration, legal services, landscape maintenance and other expenses related to statutory operations of a local government. The General Fund's primary sources of revenue are property taxes and specific ownership taxes.

**Debt Service Fund** is used to account for the issuance of General Obligation Bonds and a note to the City and County of Denver for regional infrastructure improvements. In June of 2016, the District refunded the Series 2008 General Obligation Bonds and issued \$8,725,000 in long-term General Obligation Refunding Bonds.

In March of 2009 the District issued the 2007-1 City Note to the City and County of Denver in the principal amount of \$5,689,520 at 4.47% interest per annum and a twenty year term. The balance at December 31, 2017 was \$2,434,639. The City Note is subordinate to the District’s bonds and is payable from System Development Fees and the debt service mill levy limited to 15 mills.

Below is a summary of the District’s long-term General Obligation debt.

**Summary of General Obligation Debt Outstanding**

**Gateway Regional Metropolitan District**

Bonds Principal and Interest Maturing in the Year Ending December 31,	\$8,725,000 Series 2016 General Obligation Limited Tax Refunding Bonds		
	Principal	Interest	Total
2018	200,000	262,613	462,613
2019	205,000	256,613	461,613
2020	210,000	250,463	460,463
2021	215,000	244,163	459,163
2022	225,000	237,713	462,713
2023-2027	1,220,000	1,083,863	2,303,863
2028-2032	1,415,000	889,463	2,304,463
2033-2037	1,640,000	663,713	2,303,713
2038-2042	1,910,000	395,625	2,305,625
2043-2045	1,295,000	84,988	1,379,988
<b>Total</b>	<b>8,535,000</b>	<b>4,369,213</b>	<b>12,904,213</b>

**Capital Projects Fund** is used to account for revenues and expenditures to complete capital projects such as new improvements and upgrades to existing infrastructure. The major revenue source is prior year’s fund balance.

**Emergency Reserve**

As required by Section 20 of Article X of the Colorado Constitution (“TABOR”), the District has provided for an Emergency Reserve in the amount of 3% of the total fiscal year revenue in the General Fund.