

GATEWAY REGIONAL METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 800-741-3254
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NOTICE OF A REGULAR MEETING AND AGENDA

<u>Board of Directors</u>	<u>Office</u>	<u>Term/Expires</u>
Charles Foster	Treasurer	2025/May 2025
Gregory Berger	Secretary	2025/May 2025
<i>VACANT</i>		2027/May 2025
<i>VACANT</i>		2027/May 2025
<i>VACANT</i>		2027/May 2025

DATE: August 1, 2023

TIME: 2:00 p.m.

PLACE: *This meeting will be held via telephone conference without any individuals (neither District representatives nor the general public) attending in person. The meeting can be joined through the directions below:*

Join Zoom Meeting

<https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUjZzc1VMWTJFZjFHdz09>

Meeting ID: 862 6755 0643

Passcode: 987572

Dial In: 1-719-359-4580

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Approve Agenda, confirm location of meeting and posting of notices and designate 24-hour posting location.

C. Review and approve minutes of the December 7, 2022 Regular Meeting (enclosure).

D. Discuss results of the cancelled of May 2, 2023 Regular Directors' Election (enclosure).

E. Discuss Board vacancies; consider appointments.

F. Consider appointment of Officers:

President _____
 Treasurer _____
 Secretary _____
 Asst. Secretary _____
 Asst. Secretary _____
 Asst. Secretary _____

G. Consider authorizing interested Board Members to attend the 2023 Special District Association’s Annual Conference in Keystone on September 12, 13 and 14, 2023.

II. PUBLIC COMMENTS

A. _____

III. FINANCIAL MATTERS

A. Review and ratify approval of the payment of claims for the periods ending as follows (enclosures):

Fund	Period Ending December 31, 2022	Period Ending January 31, 2023	Period Ending February 28, 2023	Period Ending March 31, 2023
General	\$ 48,582.62	\$ 8,028.97	\$ 3,347.27	\$ 9,694.49
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 48,582.62	\$ 8,028.97	\$ 3,347.27	\$ 9,694.49

Fund	Period Ending April 30, 2023	Period Ending May 31, 2023	Period Ending June 30, 2023	Period Ending July 31, 2023
General	\$ 13,061.71	\$ 8,183.01	\$ 8,521.13	\$ 8,521.02
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 13,061.71	\$ 8,183.01	\$ 8,521.13	\$ 8,521.02

B. Review and accept quarterly unaudited financial statements for the period ending December 31, 2022, March 31, 2023 and June 30, 2023 (enclosures).

C. Review and consider approval of 2022 Audit and authorize execution of Representations Letter (draft audit – enclosed).

D. Discuss System Development Fees.

E. Consider appointment of the District Accountant to prepare the 2024 Budget and set the date for a Public Hearing to adopt the 2024 Budget for December 6, 2023, at 12:30 p.m., to be held via Zoom.

IV. LEGAL MATTERS

A. Discussion on 2021 Short Report from the City of Denver (to be distributed).

V. CAPITAL IMPROVEMENTS / OPERATIONS MATTERS

A. _____

VI. OTHER BUSINESS

A. _____

VII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR
SEPTEMBER 6, 2023.**

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE GATEWAY REGIONAL METROPOLITAN DISTRICT HELD DECEMBER 7, 2022

A Regular Meeting of the Board of Directors (the “Board”) of the Gateway Regional Metropolitan District (the “District”), City and County of Denver, Colorado, was duly posted and held on Wednesday, the 7th day of December, 2022 at 12:30 P.M. This District Board Meeting was held via Zoom without any individuals (neither District Representative nor the general public) attending in person. The meeting was open to the public via Zoom.

ATTENDANCE

Directors In Attendance Were:

Mark Throckmorton
Charles Foster
Gregory Berger

Following discussion, upon motion duly made by Director Berger, seconded by Director Throckmorton and, upon vote, unanimously carried, the absence of Director Lujan was excused.

Also in Attendance:

Peggy Ripko and Larry Loften; Special District Management Services, Inc.

Tom George, Esq.; Spencer Fane, LLP

Kimberly Johans; Simmons & Wheeler

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest to the Board of Directors and to the Secretary of State. Ms. Ripko noted that a quorum was present and requested that members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting, in accordance with the statute. No new disclosures were made. Ms. Ripko noted that all Directors’ Disclosure Statements have been filed.

ADMINISTRATIVE MATTERS

Agenda: Ms. Ripko distributed for the Board’s review and approval a proposed Agenda for the District’s Regular Meeting.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Berger, seconded by Director Throckmorton and, upon vote, unanimously carried, the Agenda was approved, as amended to move the Legal Matters before the Financial Matters.

Approval of Meeting Location and Confirmation of Posting of Notices:

Following discussion, upon motion duly made by Director Berger, seconded by Director Throckmorton and, upon vote, unanimously carried, the Board approved the meeting being conducted via Zoom and confirmed that notice had been properly posted.

May 3, 2022 Regular Election: Ms. Ripko discussed with the Board the results of the May 3, 2022 Regular Election for Directors (“Election”). It was noted that the Election was cancelled, as permitted by statute and that Directors Foster and Berger were each deemed elected to three-year terms ending in 2025.

Appointment of Officers: The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director Foster, seconded by Director Berger and, upon vote, unanimously carried, the following slate of officers was appointed:

President	Mark Throckmorton
Treasurer	Charles Foster
Secretary	Gregory Berger
Assistant Secretary	Marcia Lujan

Minutes: The Board reviewed Minutes of the March 2, 2022 Special Meeting.

Following discussion, upon motion duly made by Director Berger, seconded by Director Foster and, upon vote, unanimously carried, the Minutes of the March 2, 2022 Special Meeting were approved, as presented.

Annual Administrative Resolution for 2023: The Board discussed an Annual Administrative Resolution for 2023.

Following discussion, upon motion duly made by Director Berger, seconded by Director Foster and, upon vote, unanimously carried, the Board adopted the Annual Administrative Resolution for 2023.

PUBLIC COMMENT

Public Comments: There were no public comments.

RECORD OF PROCEEDINGS

FINANCIAL MATTERS

Claims: The Board reviewed the payment of claims for the periods ending as follows:

Fund	Period Ending March 31, 2022	Period Ending April,30, 2022	Period Ending May 31, 2022
General	\$ 6,873.58	\$ 25,028.45	\$ 8,712.85
Debt Service	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 6,873.58	\$ 25,028.45	\$ 8,712.85

Fund	Period Ending June 30, 2022	Period Ending July 31, 2022	Period Ending Aug. 31, 2022
General	\$ 16,276.81	\$ 7,724.50	\$ 9,630.85
Debt Service	\$ -0-	\$ -0-	\$ 5,000.00
Capital Projects	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 16,276.81	\$ 7,724.50	\$ 14,630.85

Fund	Period Ending Sept. 30, 2022	Period Ending Oct. 31, 2022	Period Ending Nov. 30, 2022
General	\$ 8,573.43	\$ 9,708.23	\$ 6,768.98
Debt Service	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 8,573.43	\$ 9,708.23	\$ 6,768.98

Following review, upon motion duly made by Director Throckmorton, seconded by Director Berger and, upon vote, unanimously carried, the Board ratified approval of payment of claims as presented.

Financial Statements: The Board reviewed the quarterly unaudited financial statements of the District for the period ending September 30, 2022.

Following review, upon motion duly made by Director Berger, seconded by Director Foster and, upon vote, unanimously carried, the Board approved the quarterly unaudited financial statements of the District for the period ending September 30, 2022.

2021 Audited Financial Statements: No discussion was needed.

2022 Audit: The Board discussed an engagement letter from McMahan and Associates, LLC for preparation of 2022 Audit.

Following discussion, upon motion duly made by Director Throckmorton, seconded by Director Berger and, upon vote, unanimously carried, the Board approved the engagement letter from McMahan and Associates, LLC for preparation of 2022 Audit, in the amount not to exceed \$9,350.

RECORD OF PROCEEDINGS

System Development Fees: The District Manager will update the report and forward to the Board for review.

2022 Budget Amendment Hearing: The President opened the public hearing to consider a Resolution to Amend the 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

The Board determined that a 2022 Budget Amendment was not necessary at this time.

2023 Budget Hearing: The President opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing.

No public comments were received and the public hearing was closed.

Ms. Johanns reviewed the estimated 2022 expenditures and the proposed 2023 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2022-12-02 to Adopt the 2023 Budget and Appropriate Sums of Money and to Set Mill Levies (for the General Fund at 0.551 mills and the Debt Service Fund at 2.427 mills, and for Contractual Obligations at 13.022, for a total mill levy of 16.000 mills). Upon motion duly made by Director Berger, seconded by Director Throckmorton and, upon vote, unanimously carried, the Resolution was adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2022. Ms. Ripko was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of the City and County of Denver not later than December 15, 2022. Ms. Ripko was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2023. A copy of the adopted Resolution is attached to these Minutes and incorporated herein by this reference.

RECORD OF PROCEEDINGS

LEGAL MATTERS

2021 Short Report from the City of Denver: The Board discussed the 2021 Short Report from the City of Denver.

Following discussion, upon motion duly made by Director Berger, seconded by Director Throckmorton and, upon vote, unanimously carried, the Board appointed directors Throckmorton and Foster as a committee to negotiate with the City.

Resolution No. 2022-12-03; Concerning Regular Election to be held May 2, 2023: The Board discussed Resolution No. 2022-12-03; Concerning Regular Election to be held on May 2, 2023.

Following discussion, upon motion duly made by Director Throckmorton, seconded by Director Berger and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-12-03; Concerning Regular Election to be held on May 2, 2023.

CAPITAL IMPROVEMENTS/ OPERATIONS MATTERS

There was no business to discuss at this time.

OTHER BUSINESS

There was no other business to discuss at this time.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Foster, seconded by Director Berger and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By _____
Secretary for the Meeting

**NOTICE OF CANCELLATION OF REGULAR ELECTION
BY THE DESIGNATED ELECTION OFFICIAL
GATEWAY REGIONAL METROPOLITAN DISTRICT**

NOTICE IS HEREBY GIVEN by the Gateway Regional Metropolitan District of City and County of Denver, Colorado, that at the close of business on the sixty-third day before the election, there were not more candidates for director than offices to be filled including candidates filing affidavits of intent to be write-in candidates; therefore, the regular election to be held on May 2, 2023, is hereby canceled pursuant to Section 1-13.5-513(6), C.R.S. The following candidates are hereby declared elected:

Vacancy (2023-2027)
Vacancy (2023-2027)
Vacancy (2023-2027)

GATEWAY REGIONAL METROPOLITAN DISTRICT

By: */s/ Robin A. Navant*
Designated Election Official

Published On: March 7, 2023
Published In: The Daily Journal

**Gateway Regional Metropolitan District
December-22**

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
BrightView Landscape Services Inc.	8186851	12/1/2022	12/16/2022	\$ 2,331.00	Landscape Maintenance	1786
BrightView Landscape Services Inc.	8166456	12/13/2022	12/13/2022	\$ 3,349.54	Landscape Maintenance	1786
BrightView Landscape Services Inc.	8164107	11/3/2022	11/18/2022	\$ 4,178.46	Landscape Maintenance	1786
BrightView Landscape Services Inc.	8175578	11/23/2022	12/8/2022	\$20,308.80	Landscape Maintenance	1786
Colorado Special District P&L	23PL-60916-2158	10/29/2022	10/29/2022	\$ 3,754.00	Prepaid Expense	1125
Denver Water	6400 11-2022	11/15/2022	11/15/2022	\$ 34.48	Utilities	1794
Denver Water	7001 11-2022	11/15/2022	11/15/2022	\$ 28.72	Utilities	1794
Denver Water	5801 11-2022	11/15/2022	11/15/2022	\$ 21.52	Utilities	1794
Denver Water	6001 11-2022	11/15/2022	11/15/2022	\$ 17.20	Utilities	1794
Denver Water	6601 11-2022	11/15/2022	11/15/2022	\$ 21.52	Utilities	1794
Denver Water	6800 11-2022	11/15/2022	11/15/2022	\$ 18.64	Utilities	1794
Denver Water	7101 11-2022	11/15/2022	11/15/2022	\$ 17.20	Utilities	1794
Denver Water	18100 11-2022	11/15/2022	11/15/2022	\$ 24.20	Utilities	1794
Denver Water	6701 11-2022	11/15/2022	11/15/2022	\$ 17.20	Utilities	1794
Denver Water	18591 11-2022	11/15/2022	11/15/2022	\$ 20.08	Utilities	1794
Diversified Underground, Inc.	26736	11/30/2022	11/30/2022	\$ 4,580.00	Miscellaneous	1690
Diversified Underground, Inc.	26581	10/31/2022	10/31/2022	\$ 2,640.00	Miscellaneous	1690
Dodge Data & Analytics	A40044322	11/29/2022	11/29/2022	\$ 69.36	Legal Publications/Elections	1680
Simmons & Wheeler, P.C.	34233	10/31/2022	10/31/2022	\$ 961.00	Accounting	1612
Special District Management Services	Nov-22	11/30/2022	11/30/2022	\$ 1,057.00	Administration	1614
Special District Management Services	Nov-22	11/30/2022	11/30/2022	\$ 370.00	Accounting	1612
Special District Management Services	Nov-22	11/30/2022	11/30/2022	\$ 4.40	Miscellaneous	1690
Spencer Fane LLP	1154353	12/13/2022	12/13/2022	\$ 3,865.00	Legal	1675
T Charles Wilson Insurance	12012	11/3/2022	11/3/2022	\$ 775.00	Prepaid Expense	1125
UNCC	222110678	11/30/2022	11/30/2022	\$ 118.30	Miscellaneous	1690
				\$48,582.62		

Gateway Regional Metropolitan District
December-22

	General	Debt	Capital	Totals
Disbursements	\$ 48,582.62		\$ -	\$ 48,582.62
Total Disbursements from Checking Acct	\$ 48,582.62	\$ -	\$ -	\$ 48,582.62

Gateway Regional Metropolitan District
January-23

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
Denver Water	6001 12-2022	12/14/2022	1/4/2023	\$ 17.20	Utilities	1794
Denver Water	18591 12-2022	12/14/2022	1/4/2023	\$ 17.20	Utilities	1794
Denver Water	7001 12-2022	12/14/2022	1/4/2023	\$ 17.20	Utilities	1794
Denver Water	6400 12-2022	12/14/2022	1/4/2023	\$ 17.20	Utilities	1794
Denver Water	6701 12-2022	12/14/2022	1/4/2023	\$ 17.20	Utilities	1794
Denver Water	5801 12-2022	12/14/2022	1/4/2023	\$ 17.20	Utilities	1794
Denver Water	18100 12-2022	12/14/2022	1/4/2023	\$ 24.20	Utilities	1794
Denver Water	7101 12-2022	12/14/2022	1/4/2023	\$ 17.20	Utilities	1794
Denver Water	6800 12-2022	12/14/2022	1/4/2023	\$ 17.20	Utilities	1794
Denver Water	6601 12-2022	12/14/2022	1/4/2023	\$ 17.20	Utilities	1794
Diversified Underground, Inc.	26893	12/31/2022	12/31/2022	\$ 2,425.00	Miscellaneous	1690
Simmons & Wheeler, P.C.	34597	12/31/2022	12/31/2022	\$ 751.50	Accounting	1612
Simmons & Wheeler, P.C.	34371	11/30/2022	11/30/2022	\$ 474.00	Accounting	1612
Special District Management Services	Dec-22	12/31/2022	12/31/2022	\$ 888.00	Administration	1614
Special District Management Services	Dec-22	12/31/2022	12/31/2022	\$ 488.40	Accounting	1612
Special District Management Services	Dec-22	12/31/2022	12/31/2022	\$ 18.27	Miscellaneous	1690
Spencer Fane LLP	1160581	12/31/2022	12/31/2022	\$ 2,745.00	Legal	1675
UNCC	222120643	12/31/2022	12/31/2022	\$ 59.80	Miscellaneous	1690
				\$ 8,028.97		

Gateway Regional Metropolitan District
January-23

	General	Debt	Capital	Totals
Disbursements	\$ 8,028.97		\$ -	\$ 8,028.97
Total Disbursements from Checking Acct	\$ 8,028.97	\$ -	\$ -	\$ 8,028.97

Gateway Regional Metropolitan District
February-23

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
Denver Water	18100	1/17/2023	1/17/2023	\$ 25.70	Utilities	1794
Denver Water	5801 01-2023	1/17/2023	1/17/2023	\$ 17.90	Utilities	1794
Denver Water	6601 01-2023	1/17/2023	1/17/2023	\$ 17.90	Utilities	1794
Denver Water	6800 01-2023	1/17/2023	1/17/2023	\$ 19.43	Utilities	1794
Denver Water	7101 01-2023	1/17/2023	1/17/2023	\$ 17.90	Utilities	1794
Denver Water	6001 01-2023	1/17/2023	1/17/2023	\$ 17.90	Utilities	1794
Denver Water	18591 01-2023	1/17/2023	1/17/2023	\$ 17.90	Utilities	1794
Denver Water	7001 01-2023	1/17/2023	1/17/2023	\$ 17.90	Utilities	1794
Denver Water	6701 01-2023	1/18/2023	1/18/2023	\$ 17.90	Utilities	1794
Denver Water	6400 01-2023	1/17/2023	1/17/2023	\$ 17.90	Utilities	1794
Diversified Underground, Inc.	27040	1/31/2023	1/31/2023	\$ 940.00	Miscellaneous	1690
Special District Association of Colorado	SDA-2023	1/20/2023	1/20/2023	\$ 441.95	Insurance and Bonds/SDA	1670
Special District Management Services	Jan-23	1/31/2023	1/31/2023	\$ 1,126.80	Administration	1614
Special District Management Services	Jan-23	1/31/2023	1/31/2023	\$ 32.00	Election	1635
Special District Management Services	Jan-23	1/31/2023	1/31/2023	\$ 544.00	Accounting	1612
Special District Management Services	Jan-23	1/31/2023	1/31/2023	\$ 8.40	Miscellaneous	1690
UNCC	223010632	1/31/2023	1/31/2023	\$ 65.79	Miscellaneous	1690

\$ 3,347.27

Gateway Regional Metropolitan District
February-23

	General	Debt	Capital	Totals
Disbursements	\$ 3,347.27		\$ -	\$ 3,347.27
<u>Total Disbursements from Checking Acct</u>	<u>\$ 3,347.27</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,347.27</u>

Gateway Regional Metropolitan District
March-23

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
BrighthView Landscape	8278188	1/1/2023	1/1/2023	\$ 2,494.00	Landcape Maintenance	1786
Denver Water	6001 02-2023	2/14/2023	2/14/2023	\$ 17.90	Utilities	1794
Denver Water	18591 02-2023	2/14/2023	2/14/2023	\$ 17.90	Utilities	1794
Denver Water	7001 02-2023	2/14/2023	2/14/2023	\$ 17.90	Utilities	1794
Denver Water	7101 02-2023	2/14/2023	2/14/2023	\$ 17.90	Utilities	1794
Denver Water	6400 02-2023	2/14/2023	2/14/2023	\$ 17.90	Utilities	1794
Denver Water	6800 02-2023	2/14/2023	2/14/2023	\$ 17.90	Utilities	1794
Denver Water	6601 02-2023	2/14/2023	2/14/2023	\$ 17.90	Utilities	1794
Denver Water	5801 02-2023	2/14/2023	2/14/2023	\$ 17.90	Utilities	1794
Denver Water	6701 02-2023	2/14/2023	2/14/2023	\$ 17.90	Utilities	1794
Denver Water	18100 02-2023	2/14/2023	2/14/2023	\$ 25.70	Utilities	1794
Diversified Underground, Inc.	27195	2/28/2023	2/28/2023	\$ 1,995.00	Miscellaneous	1690
Simmons & Wheeler, P.C.	34802	1/31/2023	1/31/2023	\$ 1,207.00	Accounting	1612
Special District Management Services	Feb-23	2/28/2023	2/28/2023	\$ 464.00	Administration	1614
Special District Management Services	Feb-23	2/28/2023	2/28/2023	\$ 32.00	Election	1635
Special District Management Services	Feb-23	2/28/2023	2/28/2023	\$ 352.00	Accounting	1612
Special District Management Services	Feb-23	2/28/2023	2/28/2023	\$ 5.20	Miscellaneous	1690
Spencer Fane LLP	1170160	1/31/2023	1/31/2023	\$ 1,892.78	Legal	1675
Spencer Fane LLP	1173345	2/28/2023	2/28/2023	\$ 989.60	Legal	1675
UNCC	223020629	2/28/2023	2/28/2023	\$ 76.11	Miscellaneous	1690
				\$ 9,694.49		

Gateway Regional Metropolitan District
March-23

	General	Debt	Capital	Totals
Disbursements	\$ 9,694.49		\$ -	\$ 9,694.49
<u>Total Disbursements from Checking Acct</u>	<u>\$ 9,694.49</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,694.49</u>

Gateway Regional Metropolitan District
April-23

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
BrightView Landscape Services Inc.	8309672	3/31/2023	3/31/2023	\$ 2,494.00	Landscape Maintenance	1786
BrightView Landscape Services Inc.	8349293	4/1/2023	4/16/2023	\$ 2,494.00	Landscape Maintenance	1786
BrightView Landscape Services Inc.	8278189	2/1/2023	2/16/2023	\$ 2,494.00	Landscape Maintenance	1786
Denver Water	6800 03-2023	3/16/2023	3/16/2023	\$ 19.43	Utilities	1794
Denver Water	6400 03-2023	3/16/2023	3/16/2023	\$ 17.90	Utilities	1794
Denver Water	7001 03-2023	3/16/2023	3/16/2023	\$ 17.90	Utilities	1794
Denver Water	5801 03-2023	3/16/2023	3/16/2023	\$ 17.90	Utilities	1794
Denver Water	6601 03-2023	3/16/2023	3/16/2023	\$ 17.90	Utilities	1794
Denver Water	7101 03-2023	3/16/2023	3/16/2023	\$ 17.90	Utilities	1794
Denver Water	6001 03-2023	3/16/2023	3/16/2023	\$ 17.90	Utilities	1794
Denver Water	6701 03-2023	3/16/2023	3/16/2023	\$ 17.90	Utilities	1794
Denver Water	18591 03-2023	3/16/2023	3/16/2023	\$ 17.90	Utilities	1794
Denver Water	18100 03-2023	3/16/2023	3/16/2023	\$ 25.70	Utilities	1794
Diversified Underground, Inc.	27378	3/31/2023	3/31/2023	\$ 3,055.00	Miscellaneous	1690
Simmons & Wheeler, P.C.	35088	2/28/2023	2/28/2023	\$ 627.00	Accounting	1612
Special District Management Services	Mar-23	3/31/2023	3/31/2023	\$ 469.60	Administration	1614
Special District Management Services	Mar-23	3/31/2023	3/31/2023	\$ 16.00	Election	1635
Special District Management Services	Mar-23	3/31/2023	3/31/2023	\$ 432.00	Accounting	1612
Special District Management Services	Mar-23	3/31/2023	3/31/2023	\$ 5.80	Miscellaneous	1690
Spencer Fane LLP	1181223	3/31/2023	3/31/2023	\$ 700.84	Legal	1675
UNCC	223030663	3/31/2023	3/31/2023	\$ 85.14	Miscellaneous	1690

\$13,061.71

Gateway Regional Metropolitan District
April-23

	General	Debt	Capital	Totals
Disbursements	\$ 13,061.71		\$ -	\$ 13,061.71
Total Disbursements from Checking Acct	\$ 13,061.71	\$ -	\$ -	\$ 13,061.71

Gateway Regional Metropolitan District
May-23

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
BrightView Landscape Services Inc.	8391411	5/1/2023	5/16/2023	\$ 2,494.00	Landscape Maintenance	1786
Denver Water	18591 04-2023	4/17/2023	4/17/2023	\$ 17.90	Utilities	1794
Denver Water	18100 04-2023	4/17/2023	4/17/2023	\$ 25.70	Utilities	1794
Denver Water	6601 04-2023	4/17/2023	4/17/2023	\$ 17.90	Utilities	1794
Denver Water	7001 04-2023	4/17/2023	4/17/2023	\$ 17.90	Utilities	1794
Denver Water	5801 04-2023	4/17/2023	4/17/2023	\$ 17.90	Utilities	1794
Denver Water	6001 04-2023	4/17/2023	4/17/2023	\$ 17.90	Utilities	1794
Denver Water	6800 04-2023	4/17/2023	4/17/2023	\$ 19.43	Utilities	1794
Denver Water	6701 04-2023	4/17/2023	4/17/2023	\$ 17.90	Utilities	1794
Denver Water	7101 04-2023	4/17/2023	4/17/2023	\$ 17.90	Utilities	1794
Denver Water	6400 04-2023	4/17/2023	4/17/2023	\$ 17.90	Utilities	1794
Diversified Underground, Inc.	27554	4/30/2023	4/30/2023	\$ 2,705.00	Miscellaneous	1690
Simmons & Wheeler, P.C.	35274	3/31/2023	3/31/2023	\$ 975.00	Accounting	1612
Special District Management Services	Apr-23	4/30/2023	4/30/2023	\$ 496.00	Administration	1614
Special District Management Services	Apr-23	4/30/2023	4/30/2023	\$ 400.00	Accounting	1612
Special District Management Services	Apr-23	4/30/2023	4/30/2023	\$ 5.60	Miscellaneous	1690
Spencer Fane LLP	1187873	4/30/2023	4/30/2023	\$ 852.00	Legal	1675
UNCC	223040687	4/30/2023	4/30/2023	\$ 67.08	Miscellaneous	1690
				\$8,183.01		

Gateway Regional Metropolitan District
May-23

	General	Debt	Capital	Totals
Disbursements	\$ 8,183.01		\$ -	\$ 8,183.01
Total Disbursements from Checking Acct	\$ 8,183.01	\$ -	\$ -	\$ 8,183.01

Gateway Regional Metropolitan District
June-23

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
BrightView Landscape Services Inc.	5533169	5/17/2023	6/1/2023	\$ 130.00	Landscape Maintenance	1786
BrightView Landscape Services Inc.	5546074	5/30/2023	6/14/2023	\$ 130.00	Landscape Maintenance	1786
BrightView Landscape Services Inc.	5547106	5/31/2023	6/15/2023	\$ 130.00	Landscape Maintenance	1786
BrightView Landscape Services Inc.	5542655	5/25/2023	6/9/2023	\$ 195.00	Landscape Maintenance	1786
BrightView Landscape Services Inc.	5546073	5/30/2023	6/14/2023	\$ 296.78	Landscape Maintenance	1786
BrightView Landscape Services Inc.	5546072	5/30/2023	6/14/2023	\$ 279.02	Landscape Maintenance	1786
BrightView Landscape Services Inc.	8435839	6/1/2023	6/16/2023	\$ 2,494.00	Landscape Maintenance	1786
BrightView Landscape Services Inc.	5542654	5/25/2023	6/9/2023	\$ 285.57	Landscape Maintenance	1786
BrightView Landscape Services Inc.	5525632	5/11/2023	5/26/2023	\$ 237.90	Landscape Maintenance	1786
Denver Water	5801 05-2023	5/17/2023	5/17/2023	\$ 17.90	Utilities	1794
Denver Water	6001 05-2023	5/17/2023	5/17/2023	\$ 17.90	Utilities	1794
Denver Water	6601 05-2023	5/17/2023	5/17/2023	\$ 17.90	Utilities	1794
Denver Water	18591 05-2023	5/17/2023	5/17/2023	\$ 17.90	Utilities	1794
Denver Water	7001 05-2023	5/17/2023	5/17/2023	\$ 195.38	Utilities	1794
Denver Water	7101 05-2023	5/17/2023	5/17/2023	\$ 17.90	Utilities	1794
Denver Water	6800 05-2023	5/17/2023	5/17/2023	\$ 17.90	Utilities	1794
Denver Water	6400 05-2023	5/17/2023	5/17/2023	\$ 36.26	Utilities	1794
Denver Water	6701 05-2023	5/19/2023	5/19/2023	\$ 17.90	Utilities	1794
Denver Water	18100 05-2023	5/17/2023	5/17/2023	\$ 84.98	Utilities	1794
Diversified Underground, Inc.	27738	5/31/2023	5/31/2023	\$ 980.00	Miscellaneous	1690
Simmons & Wheeler, P.C.	35470	4/30/2023	4/30/2023	\$ 839.00	Accounting	1612
Special District Management Services	May-23	5/31/2023	5/31/2023	\$ 1,354.10	Administration	1614
Special District Management Services	May-23	5/31/2023	5/31/2023	\$ 416.00	Accounting	1612
Special District Management Services	May-23	5/31/2023	5/31/2023	\$ 5.60	Miscellaneous	1690
Spencer Fane LLP	1195271	5/31/2023	5/31/2023	\$ 234.00	Legal	1675
UNCC	223050716	5/31/2023	5/31/2023	\$ 72.24	Miscellaneous	1690

\$8,521.13

Gateway Regional Metropolitan District
June-23

	General	Debt	Capital	Totals
Disbursements	\$ 8,521.13		\$ -	\$ 8,521.13
Total Disbursements from Checking Acct	\$ 8,521.13	\$ -	\$ -	\$ 8,521.13

Gateway Regional Metropolitan District
July-23

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number
BrightView Landscape Services Inc.	5572255	6/22/2023	7/7/2023	\$ 260.00	Landscape Maintenance	1786
BrightView Landscape Services Inc.	5588314	7/6/2023	7/14/2023	\$ 65.00	Landscape Maintenance	1786
BrightView Landscape Services Inc.	5572254	6/22/2023	7/7/2023	\$ 292.31	Landscape Maintenance	1786
BrightView Landscape Services Inc.	5589992	7/7/2023	7/14/2023	\$ 291.79	Landscape Maintenance	1786
BrightView Landscape Services Inc.	8480000	7/1/2023	7/16/2023	\$2,494.00	Landscape Maintenance	1786
Denver Water	6800 06-2023	6/15/2023	6/15/2023	\$ 219.86	Utilities	1794
Denver Water	6400 06-2023	6/15/2023	6/15/2023	\$ 79.10	Utilities	1794
Denver Water	5801 06-2023	6/15/2023	6/15/2023	\$ 17.90	Utilities	1794
Denver Water	6001 06-2023	6/15/2023	6/15/2023	\$ 17.90	Utilities	1794
Denver Water	18591 06-2023	6/15/2023	6/15/2023	\$ 91.34	Utilities	1794
Denver Water	6701 06-2023	6/15/2023	6/15/2023	\$ 17.90	Utilities	1794
Denver Water	7001 06-2023	6/15/2023	6/15/2023	\$ 360.62	Utilities	1794
Denver Water	18100 06-2023	6/15/2023	6/15/2023	\$ 123.46	Utilities	1794
Denver Water	7101 06-2023	6/15/2023	6/15/2023	\$ 17.90	Utilities	1794
Denver Water	6601 06-2023	6/15/2023	6/15/2023	\$ 17.90	Utilities	1794
Diversified Underground, Inc.	27923	6/30/2023	6/30/2023	\$2,590.00	Miscellaneous	1690
Simmons & Wheeler, P.C.	35763	5/31/2023	5/31/2023	\$ 582.00	Accounting	1612
Special District Management Services	Jun-23	6/30/2023	6/30/2023	\$ 471.40	Administration	1614
Special District Management Services	Jun-23	6/30/2023	6/30/2023	\$ 432.00	Accounting	1612
Special District Management Services	Jun-23	6/30/2023	6/30/2023	\$ 6.40	Miscellaneous	1690
UNCC	223060709	6/30/2023	6/30/2023	\$ 72.24	Miscellaneous	1690

\$8,521.02

Gateway Regional Metropolitan District
July-23

	General	Debt	Capital	Totals
Disbursements	\$ 8,521.02		\$ -	\$ 8,521.02
Total Disbursements from Checking Acct	\$ 8,521.02	\$ -	\$ -	\$ 8,521.02

Gateway Regional Metropolitan District
Financial Statements

December 31, 2022

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Gateway Regional Metropolitan District

Management is responsible for the accompanying financial statements of each major fund of Gateway Regional Metropolitan District, as of and for the period ended December 31, 2022, 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 Gateway Regional Metropolitan District because we performed certain accounting services that impaired our independence.

Simmons & Wheeler P.C.

January 19, 2023
Englewood, Colorado

Gateway Regional Metropolitan District
Balance Sheet - Governmental Funds and Account Groups
December 31, 2022

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets					
Current assets					
Checking	\$ 62,663	\$ -	\$ 6,332	\$ -	\$ 68,995
Colostrust	398,636	18,000	5,916,297	-	6,332,933
Wells Fargo Bond Funds	-	-	465,000	-	465,000
Taxes due from County	9,018	-	-	-	9,018
Prepaid Expenses	4,979	-	-	-	4,979
	<u>475,296</u>	<u>18,000</u>	<u>6,387,629</u>	<u>-</u>	<u>6,880,925</u>
Other assets					
Fixed assets (net of depreciation)	-	-	-	424,769	424,769
Amount available in debt service fund	-	-	-	6,387,629	6,387,629
Amount to be provided for retirement of debt	-	-	-	1,490,784	1,490,784
	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,303,182</u>	<u>8,303,182</u>
	<u>\$ 475,296</u>	<u>\$ 18,000</u>	<u>\$ 6,387,629</u>	<u>\$ 8,303,182</u>	<u>\$ 15,184,107</u>
Liabilities and Equity					
Current liabilities					
Accounts Payable	\$ 10,669	\$ -	\$ -	\$ -	\$ 10,669
Taxes due to County	8,212	-	-	-	8,212
	<u>18,881</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,881</u>
Long Term liabilities					
General Obligation Bonds	-	-	-	7,480,000	7,480,000
First Creek Note	-	-	-	398,413	398,413
	<u>18,881</u>	<u>-</u>	<u>-</u>	<u>7,878,413</u>	<u>7,897,294</u>
Fund Equity					
Investment in fixed assets	-	-	-	424,769	424,769
Fund balance (deficit)	456,415	18,000	6,387,629	-	6,862,044
	<u>456,415</u>	<u>18,000</u>	<u>6,387,629</u>	<u>424,769</u>	<u>7,286,813</u>
	<u>\$ 475,296</u>	<u>\$ 18,000</u>	<u>\$ 6,387,629</u>	<u>\$ 8,303,182</u>	<u>\$ 15,184,107</u>

Gateway Regional Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For The Twelve Months Ended December 31, 2022
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property Taxes	\$ 96,426	\$ 94,687	\$ (1,739)
Specific Ownership Taxes	139,853	144,488	4,635
Interest Income	14,000	7,644	(6,356)
Miscellaneous Income	5,000	-	(5,000)
Denver Highpoint Agreement	10,000	10,643	643
	<u>265,279</u>	<u>257,462</u>	<u>(7,817)</u>
Expenditures			
Accounting	32,000	12,849	19,151
Administration	30,000	21,274	8,726
Election Expense	15,000	1,597	13,403
Audit	9,300	8,900	400
Denver Review Fee	3,000	3,000	-
Insurance/SDA	6,000	5,883	117
Legal	20,000	12,238	7,762
Legal publications	2,300	137	2,163
Landscape Maintenance	60,000	72,157	(12,157)
Utilities	11,000	9,488	1,512
Utility locates	1,500	10,754	(9,254)
Treasurer's Fees	1,444	947	497
Miscellaneous Expense	3,000	2,164	836
Contingency	372,098	-	372,098
Emergency reserve	5,836	-	5,836
	<u>572,478</u>	<u>161,388</u>	<u>411,090</u>
Excess (deficiency) of revenues over expenditures	(307,199)	96,074	403,273
Fund balance beginning	<u>307,199</u>	<u>360,341</u>	<u>53,142</u>
Fund balance ending	<u>\$ -</u>	<u>\$ 456,415</u>	<u>\$ 456,415</u>

Gateway Regional Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For The Twelve Months Ended December 31, 2022
Capital Projects Fund
See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Interest Income	\$ 200	\$ 310	\$ 110
	<u>200</u>	<u>310</u>	<u>110</u>
Expenditures			
Miscellaneous Improvements	<u>18,081</u>	<u>-</u>	<u>18,081</u>
	<u>18,081</u>	<u>-</u>	<u>18,081</u>
Excess (deficiency) of revenues over expenditures	(17,881)	310	18,191
Fund balance beginning	<u>17,881</u>	<u>17,690</u>	<u>(191)</u>
Fund balance (deficit) ending	<u>\$ -</u>	<u>\$ 18,000</u>	<u>\$ 18,000</u>

Gateway Regional Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For The Twelve Months Ended December 31, 2022
Debt Service Fund
See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property Taxes - 2016 Bonds	\$ 459,163	\$ 450,791	\$ (8,372)
Property Taxes - City Note and RFA	2,244,434	2,204,046	(40,388)
System Development Fees	-	553,962	553,962
Interest Income and miscellaneous	3,884	106,511	102,627
	<u>2,707,481</u>	<u>3,315,310</u>	<u>607,829</u>
Expenditures			
Bond Principal - 2016 Bonds	215,000	225,000	(10,000)
Bond Interest - 2016 Bonds	244,163	237,713	6,450
Paying Agent Fees	5,000	5,000	-
Treasurer's Fees	33,605	26,545	7,060
	<u>497,768</u>	<u>494,258</u>	<u>3,510</u>
Excess (deficiency) of revenues over expenditures	2,209,713	2,821,052	611,339
Fund balance beginning	<u>3,266,333</u>	<u>3,566,577</u>	<u>300,244</u>
Fund balance (deficit) ending	<u>\$ 5,476,046</u>	<u>\$ 6,387,629</u>	<u>\$ 911,583</u>

Gateway Regional Metropolitan District
Financial Statements

March 31, 2023

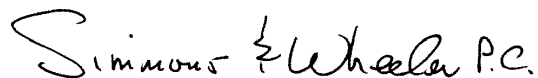
ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Gateway Regional Metropolitan District

Management is responsible for the accompanying financial statements of each major fund of Gateway Regional Metropolitan District, as of and for the period ended March 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 three 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 Gateway Regional Metropolitan District because we performed certain accounting services that impaired our independence.



April 25, 2023
Englewood, Colorado

**Gateway Regional Metropolitan District
Balance Sheet - Governmental Funds and Account Groups
March 31, 2023**

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets					
Current assets					
Checking	\$ 38,703	\$ -	\$ 6,332	\$ -	\$ 45,035
Colostrust	463,098	18,210	6,826,145	-	7,307,453
Wells Fargo Bond Funds	-	-	469,539	-	469,539
Taxes due from County	32,975	-	461,758	-	494,733
	534,776	18,210	7,763,774	-	8,316,760
Other assets					
Fixed assets (net of depreciation)	-	-	-	402,773	402,773
Amount available in debt service fund	-	-	-	7,763,774	7,763,774
Amount to be provided for retirement of debt	-	-	-	117,627	117,627
	-	-	-	8,284,174	8,284,174
	\$ 534,776	\$ 18,210	\$ 7,763,774	\$ 8,284,174	\$ 16,600,934
Liabilities and Equity					
Current liabilities					
Accounts Payable	\$ 11,543	\$ -	\$ -	\$ -	\$ 11,543
Taxes due to County	2,053	-	-	-	2,053
	13,596	-	-	-	13,596
Long Term liabilities					
General Obligation Bonds	-	-	-	7,480,000	7,480,000
First Creek Note	-	-	-	401,401	401,401
	13,596	-	-	7,881,401	7,894,997
Fund Equity					
Investment in fixed assets	-	-	-	402,773	402,773
Fund balance (deficit)	521,180	18,210	7,763,774	-	8,303,164
	521,180	18,210	7,763,774	402,773	8,705,937
	\$ 534,776	\$ 18,210	\$ 7,763,774	\$ 8,284,174	\$ 16,600,934

**Gateway Regional Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For The Three Months Ended March 31, 2023
General Fund**

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property Taxes	\$ 104,648	\$ 46,318	\$ (58,330)
Specific Ownership Taxes	149,000	45,943	(103,057)
Interest Income	3,000	2,787	(213)
Miscellaneous Income	5,000	-	(5,000)
Denver Highpoint Agreement	11,000	-	(11,000)
	<u>272,648</u>	<u>95,048</u>	<u>(177,600)</u>
Expenditures			
Accounting	27,000	4,137	22,863
Administration	33,000	2,060	30,940
Election Expense	15,000	1,498	13,502
Audit	9,200	-	9,200
Denver Review Fee	3,000	-	3,000
Insurance/SDA	6,000	5,421	579
Legal	16,000	2,165	13,835
Legal publications	2,300	-	2,300
Landscape Maintenance	66,000	7,482	58,518
Utilities	12,000	564	11,436
Utility locates	2,000	6,217	(4,217)
Treasurer's Fees	1,046	463	583
Miscellaneous Expense	3,000	276	2,724
Contingency	523,682	-	523,682
Emergency reserve	5,866	-	5,866
	<u>725,094</u>	<u>30,283</u>	<u>694,811</u>
Excess (deficiency) of revenues over expenditures	(452,446)	64,765	517,211
Fund balance beginning	<u>452,446</u>	<u>456,415</u>	<u>3,969</u>
Fund balance ending	<u>\$ -</u>	<u>\$ 521,180</u>	<u>\$ 521,180</u>

Gateway Regional Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For The Three Months Ended March 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	\$ 200	\$ 210	\$ 10
	<u>200</u>	<u>210</u>	<u>10</u>
Expenditures			
Miscellaneous Improvements	<u>18,090</u>	<u>-</u>	<u>18,090</u>
	<u>18,090</u>	<u>-</u>	<u>18,090</u>
Excess (deficiency) of revenues over expenditures	(17,890)	210	18,100
Fund balance beginning	<u>17,890</u>	<u>18,000</u>	<u>110</u>
Fund balance (deficit) ending	<u>\$ -</u>	<u>\$ 18,210</u>	<u>\$ 18,210</u>

Gateway Regional Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For The Three Months Ended March 31, 2023
Debt Service Fund
See Accountant's Compilation Report

	Annual <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
Revenues			
Property Taxes - 2016 Bonds	\$ 460,963	\$ 204,022	\$ (256,941)
Property Taxes - City Note and RFA	2,473,182	1,094,651	(1,378,531)
System Development Fees	-	13,920	13,920
Interest Income and miscellaneous	55,000	76,519	21,519
	<u>2,989,145</u>	<u>1,389,112</u>	<u>(1,600,033)</u>
Expenditures			
Bond Principal - 2016 Bonds	230,000	-	230,000
Bond Interest - 2016 Bonds	230,963	-	230,963
Contractual debt payment - short report	7,600,000	-	7,600,000
Paying Agent Fees	5,000	-	5,000
Treasurer's Fees	29,341	12,967	16,374
	<u>8,095,304</u>	<u>12,967</u>	<u>8,082,337</u>
Excess (deficiency) of revenues over expenditures	(5,106,159)	1,376,145	6,482,304
Fund balance beginning	<u>6,330,426</u>	<u>6,387,629</u>	<u>57,203</u>
Fund balance (deficit) ending	<u>\$ 1,224,267</u>	<u>\$ 7,763,774</u>	<u>\$ 6,539,507</u>

Gateway Regional Metropolitan District
Financial Statements

June 30, 2023

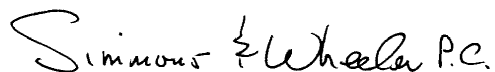
ACCOUNTANT'S COMPILATION REPORT

Board of Directors
Gateway Regional Metropolitan District

Management is responsible for the accompanying financial statements of each major fund of Gateway Regional Metropolitan District, as of and for the period ended June 30, 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 six 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 Gateway Regional Metropolitan District because we performed certain accounting services that impaired our independence.



July 25, 2023
Englewood, Colorado

Gateway Regional Metropolitan District
Balance Sheet - Governmental Funds and Account Groups
June 30, 2023

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets					
Current assets					
Checking	\$ 8,688	\$ -	\$ 6,332	\$ -	\$ 15,020
Colostrust	555,289	18,445	7,973,781	-	8,547,515
Wells Fargo Bond Funds	-	-	465,349	-	465,349
Taxes due from County	41,710	-	823,690	-	865,400
	<u>605,687</u>	<u>18,445</u>	<u>9,269,152</u>	<u>-</u>	<u>9,893,284</u>
Other assets					
Fixed assets (net of depreciation)	-	-	-	402,773	402,773
Amount available in debt service fund	-	-	-	9,269,152	9,269,152
Amount to be provided for retirement of debt	-	-	-	(1,384,763)	(1,384,763)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,287,162</u>	<u>8,287,162</u>
	<u>\$ 605,687</u>	<u>\$ 18,445</u>	<u>\$ 9,269,152</u>	<u>\$ 8,287,162</u>	<u>\$ 18,180,446</u>
Liabilities and Equity					
Current liabilities					
Accounts Payable	\$ 7,422	\$ -	\$ -	\$ -	\$ 7,422
Taxes due to County	2,053	-	-	-	2,053
	<u>9,475</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,475</u>
Long Term liabilities					
General Obligation Bonds	-	-	-	7,480,000	7,480,000
First Creek Note	-	-	-	404,389	404,389
	<u>9,475</u>	<u>-</u>	<u>-</u>	<u>7,884,389</u>	<u>7,893,864</u>
Fund Equity					
Investment in fixed assets	-	-	-	402,773	402,773
Fund balance (deficit)	596,212	18,445	9,269,152	-	9,883,809
	<u>596,212</u>	<u>18,445</u>	<u>9,269,152</u>	<u>402,773</u>	<u>10,286,582</u>
	<u>\$ 605,687</u>	<u>\$ 18,445</u>	<u>\$ 9,269,152</u>	<u>\$ 8,287,162</u>	<u>\$ 18,180,446</u>

**Gateway Regional Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For The Six Months Ended June 30, 2023
General Fund**

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property Taxes	\$ 104,648	\$ 99,519	\$ (5,129)
Specific Ownership Taxes	149,000	84,349	(64,651)
Interest Income	3,000	12,643	9,643
Miscellaneous Income	5,000	-	(5,000)
Denver Highpoint Agreement	11,000	-	(11,000)
	<u>272,648</u>	<u>196,511</u>	<u>(76,137)</u>
Expenditures			
Accounting	27,000	7,172	19,828
Administration	33,000	4,382	28,618
Election Expense	15,000	1,498	13,502
Audit	9,200	-	9,200
Denver Review Fee	3,000	-	3,000
Insurance/SDA	6,000	5,421	579
Legal	16,000	4,345	11,655
Legal publications	2,300	-	2,300
Landscape Maintenance	66,000	17,492	48,508
Utilities	12,000	2,158	9,842
Utility locates	2,000	12,704	(10,704)
Treasurer's Fees	1,046	996	50
Miscellaneous Expense	3,000	546	2,454
Contingency	523,682	-	523,682
Emergency reserve	5,866	-	5,866
	<u>725,094</u>	<u>56,714</u>	<u>668,380</u>
Excess (deficiency) of revenues over expenditures	(452,446)	139,797	592,243
Fund balance beginning	<u>452,446</u>	<u>456,415</u>	<u>3,969</u>
Fund balance ending	<u>\$ -</u>	<u>\$ 596,212</u>	<u>\$ 596,212</u>

Gateway Regional Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For The Six Months Ended June 30, 2023
Capital Projects Fund
See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Interest Income	\$ 200	\$ 445	\$ 245
	<u>200</u>	<u>445</u>	<u>245</u>
Expenditures			
Miscellaneous Improvements	<u>18,090</u>	<u>-</u>	<u>18,090</u>
	<u>18,090</u>	<u>-</u>	<u>18,090</u>
 Excess (deficiency) of revenues over expenditures	 (17,890)	 445	 18,335
 Fund balance beginning	 <u>17,890</u>	 <u>18,000</u>	 <u>110</u>
 Fund balance (deficit) ending	 <u>\$ -</u>	 <u>\$ 18,445</u>	 <u>\$ 18,445</u>

Gateway Regional Metropolitan District
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - Governmental Funds
For The Six Months Ended June 30, 2023
Debt Service Fund
See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Property Taxes - 2016 Bonds	\$ 460,963	\$ 438,358	\$ (22,605)
Property Taxes - City Note and RFA	2,473,182	2,351,955	(121,227)
System Development Fees	-	56,403	56,403
Interest Income and miscellaneous	55,000	178,205	123,205
	<u>2,989,145</u>	<u>3,024,921</u>	<u>35,776</u>
Expenditures			
Bond Principal - 2016 Bonds	230,000	-	230,000
Bond Interest - 2016 Bonds	230,963	115,481	115,482
Contractual debt payment - short report	7,600,000	-	7,600,000
Paying Agent Fees	5,000	-	5,000
Treasurer's Fees	29,341	27,917	1,424
	<u>8,095,304</u>	<u>143,398</u>	<u>7,951,906</u>
Excess (deficiency) of revenues over expenditures	(5,106,159)	2,881,523	7,987,682
Fund balance beginning	<u>6,330,426</u>	<u>6,387,629</u>	<u>57,203</u>
Fund balance (deficit) ending	<u>\$ 1,224,267</u>	<u>\$ 9,269,152</u>	<u>\$ 8,044,885</u>

GATEWAY REGIONAL METROPOLITAN DISTRICT

Financial Statements

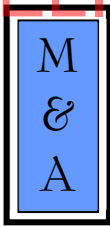
Year Ended December 31, 2022

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Independent Auditors' Report

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors
Gateway Regional Metropolitan District**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Gateway Regional Metropolitan District (the "District"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, based on our audit, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Gateway Regional Metropolitan District, as of December 31, 2022, and the respective changes in financial position thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year after the date that the financial statements are issued.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
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**INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Gateway Regional Metropolitan District**

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's financial statements as a whole. The individual fund budgetary schedules listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The individual fund budgetary schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements.

PRELIMINARY DRAFT

INDEPENDENT AUDITOR'S REPORT
To the Board of Directors
Gateway Regional Metropolitan District

Supplementary Information (continued)

The budgetary schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary schedules are fairly stated in all material respects in relation to the financial statements as a whole.

The property tax information and the statistical data in the continuing disclosure annual financial information section on pages 24, 25, 26, and 27 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

McMahan and Associates, L.L.C.
Avon, Colorado

GATEWAY REGIONAL METROPOLITAN DISTRICT

BALANCE SHEET/STATEMENT OF NET POSITION GOVERNMENTAL FUNDS December 31, 2022

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	Statement of <u>Net Position</u>
ASSETS						
Cash and investments	\$ 455,433	\$ -	\$ -	\$ 455,433	\$ -	\$ 455,433
Cash and investments - restricted	5,866	6,387,629	18,000	6,411,495	-	6,411,495
Receivable - County Treasurer	806	-	-	806	-	806
Property taxes receivable	104,648	2,934,145	-	3,038,793	-	3,038,793
Prepaid expenses	4,979	-	-	4,979	-	4,979
Capital assets not being depreciated	-	-	-	-	402,773	402,773
Total Assets	<u>\$ 571,732</u>	<u>\$ 9,321,774</u>	<u>\$ 18,000</u>	<u>\$ 9,911,506</u>	<u>402,773</u>	<u>10,314,279</u>
LIABILITIES						
Accounts payable	\$ 10,669	\$ -	\$ -	\$ 10,669	-	10,669
Accrued interest on bonds	-	-	-	-	19,247	19,247
Long-term liabilities:						
Due within one year	-	-	-	-	230,000	230,000
Due in more than one year	-	-	-	-	7,630,467	7,630,467
Total Liabilities	<u>10,669</u>	<u>-</u>	<u>-</u>	<u>10,669</u>	<u>7,879,714</u>	<u>7,890,383</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred property taxes	<u>104,648</u>	<u>2,934,145</u>	<u>-</u>	<u>3,038,793</u>	<u>-</u>	<u>3,038,793</u>
Total Deferred Inflows of Resources	<u>104,648</u>	<u>2,934,145</u>	<u>-</u>	<u>3,038,793</u>	<u>-</u>	<u>3,038,793</u>
FUND BALANCES/NET POSITION						
Fund Balances:						
Nonspendable:						
Prepays	4,979	-	-	4,979	(4,979)	-
Restricted:						
Emergencies	5,866	-	-	5,866	(5,866)	-
Debt service	-	6,387,629	-	6,387,629	(6,387,629)	-
Capital projects	-	-	18,000	18,000	(18,000)	-
Unassigned	<u>445,570</u>	<u>-</u>	<u>-</u>	<u>445,570</u>	<u>(445,570)</u>	<u>-</u>
Total Fund Balances	<u>456,415</u>	<u>6,387,629</u>	<u>18,000</u>	<u>6,862,044</u>	<u>(6,862,044)</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 571,732</u>	<u>\$ 9,321,774</u>	<u>\$ 18,000</u>	<u>\$ 9,911,506</u>		
Net Position:						
Restricted for:						
Emergencies					5,866	5,866
Debt service					6,368,382	6,368,382
Capital projects					18,000	18,000
Unrestricted					<u>(7,007,145)</u>	<u>(7,007,145)</u>
Total Net Position					<u>\$ (614,897)</u>	<u>\$ (614,897)</u>

The notes to the financial statements are an integral part of these statements.

GATEWAY REGIONAL METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES GOVERNMENTAL FUNDS

For the Year Ended December 31, 2022

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
EXPENDITURES						
Accounting	\$ 12,849	\$ -	\$ -	\$ 12,849	\$ -	\$ 12,849
Administration	21,274	-	-	21,274	-	21,274
Election expense	1,597	-	-	1,597	-	1,597
Audit	8,900	-	-	8,900	-	8,900
Denver review fee	3,000	-	-	3,000	-	3,000
Insurance/SDA	5,883	-	-	5,883	-	5,883
Legal	12,238	-	-	12,238	-	12,238
Legal publications	137	-	-	137	-	137
Landscape maintenance	72,157	-	-	72,157	-	72,157
Utilities	9,488	-	-	9,488	-	9,488
Utility locates	10,754	-	-	10,754	-	10,754
Treasurer's fees	947	26,545	-	27,492	-	27,492
Miscellaneous expense	2,164	-	-	2,164	-	2,164
2016 Bond principal	-	225,000	-	225,000	(225,000)	-
2016 Bond interest expense	-	237,713	-	237,713	806	238,519
First Creek note interest	-	-	-	-	11,604	11,604
Trustee fees	-	5,000	-	5,000	-	5,000
Depreciation	-	-	-	-	21,996	21,996
Total Expenditures	161,388	494,258	-	655,646	(190,594)	465,052
PROGRAM REVENUES						
System development fees	-	553,962	-	553,962	-	553,962
Total Program Revenues	-	553,962	-	553,962	-	553,962
Net Program Income (Expenses)	(161,388)	59,704	-	(101,684)	190,594	88,910
GENERAL REVENUES						
Property taxes	94,687	2,654,837	-	2,749,524	-	2,749,524
Specific ownership taxes	144,488	-	-	144,488	-	144,488
Denver HighPoint Revenue	10,643	-	-	10,643	-	10,643
Interest income	7,644	106,510	310	114,464	-	114,464
Total General Revenues	257,462	2,761,347	310	3,019,119	-	3,019,119
NET CHANGES IN FUND BALANCES	96,074	2,821,051	310	2,917,435	(2,917,435)	
CHANGE IN NET POSITION					3,108,029	3,108,029
FUND BALANCES/NET POSITION:						
BEGINNING OF YEAR	360,341	3,566,578	17,690	3,944,609	(7,667,535)	(3,722,926)
END OF YEAR	\$ 456,415	\$ 6,387,629	\$ 18,000	\$ 6,862,044	\$ (7,476,941)	\$ (614,897)

The notes to the financial statements are an integral part of these statements.

GATEWAY REGIONAL METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

For the Year Ended December 31, 2022

	Original & Final		Variance
	<u>Budget</u>	<u>Actual</u>	<u>Favorable (Unfavorable)</u>
REVENUES			
Property taxes	\$ 96,426	\$ 94,687	\$ (1,739)
Specific ownership taxes	139,853	144,488	4,635
Denver HighPoint Revenue	10,000	10,643	643
Interest income	14,000	7,644	(6,356)
Miscellaneous income	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
Total Revenues	<u>265,279</u>	<u>257,462</u>	<u>(7,817)</u>
EXPENDITURES			
Accounting	32,000	12,849	19,151
Administration	30,000	21,274	8,726
Election expense	15,000	1,597	13,403
Audit	9,300	8,900	400
Denver review fee	3,000	3,000	-
Insurance/SDA	6,000	5,883	117
Legal	20,000	12,238	7,762
Legal publications	2,300	137	2,163
Landscape maintenance	60,000	72,157	(12,157)
Utilities	11,000	9,488	1,512
Utility Locates	1,500	10,754	(9,254)
Treasurer's fees	1,444	947	497
Miscellaneous expense	3,000	2,164	836
Contingency	372,098	-	372,098
Emergency reserve	<u>5,836</u>	<u>-</u>	<u>5,836</u>
Total Expenditures	<u>572,478</u>	<u>161,388</u>	<u>411,090</u>
NET CHANGE IN FUND BALANCE	(307,199)	96,074	403,273
FUND BALANCE:			
BEGINNING OF YEAR	<u>307,199</u>	<u>360,341</u>	<u>53,142</u>
END OF YEAR	<u>\$ -</u>	<u>\$ 456,415</u>	<u>\$ 456,415</u>

The notes to the financial statements are an integral part of these statements.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2022

Note 1: Summary of Significant Accounting Policies

The accounting policies of the Gateway Regional Metropolitan District, located in the City and County of Denver, Colorado, conform to the accounting principles generally accepted in the United States of America (“GAAP”) as applicable to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

Definition of Reporting Entity

The District was organized on May 11, 1998, as a quasi-municipal organization established under the State of Colorado Special District Act. The District was established to provide for the design, acquisition, construction, installation and financing of regional facilities which include storm drainage, streets, sanitation and related improvements, park and recreation and a fire station. The District's primary revenues are property taxes. The District is governed by an elected Board of Directors.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows the GASB which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

The District has no employees and all operations and administrative functions are contracted.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2022

Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are collected.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2022

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of 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. The material sources of revenue subject to accrual are property taxes and interest. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs.

Capital Projects Fund – The Capital Projects Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets.

Budgetary Accounting

Budgets are adopted on a non-GAAP basis for the governmental funds. In accordance with the State Budget Law of Colorado, the District's Board of Directors holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. The appropriation is at the total fund expenditures level and lapses at year end.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2022

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position Fair Value of Financial Instruments

The District's financial instruments include cash and investments, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2022, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

Deposits and Investments

The District's cash and investments are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a minimum number of bank accounts. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

Interfund Balances

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". These amounts are eliminated in the Statement of Net Position.

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has no items that qualify for reporting in this category.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2022

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Deferred property taxes are deferred and recognized as an inflow of resources in the period that the amounts become available.

Original Issue Discount

Original issue discount from the Series 2016 Bonds are being amortized over the term of the bonds using the interest method. Accumulated amortization of original issue discount amounted to \$9,424 at December 31, 2022.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of at least three years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable using the straight-line method. Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land is not depreciated.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Landscape improvements	40 years
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GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2022

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April 30 or if in equal installments, at the taxpayers' election, in February and June. Delinquent taxpayers are notified in July or August and the sales of the resultant tax liens on delinquent properties are generally held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows in the year they are levied and measurable since they are not normally available nor are they budgeted as a resource until the subsequent year. The deferred property taxes are recorded as revenue in the subsequent year when they are available or collected.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact.

The nonspendable fund balance in the General Fund in the amount of \$4,979 represents prepaid expenditures.

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2022

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of \$5,866 of the General Fund balance has been restricted in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of \$6,387,629 is restricted for the payment of the debt service costs associated with the General Obligation Refunding Bonds Series 2016 (see Note 4).

The restricted fund balance in the Capital Projects Fund in the amount of \$18,000 is restricted for the payment of the costs for capital improvements within the District.

Committed Fund Balance

The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by a formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned Fund Balance

Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all other funds can report negative amounts.

For the classification of Governmental Fund balances, the District considers an expenditure to be made from the most restrictive first when more than one classification is available.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2022

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District reports three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows or resources related to those assets.

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

Note 2: Cash and Investments

As of December 31, 2022, cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and investments	\$ 455,433
Cash and investments - Restricted	<u>6,411,495</u>
Total	\$ <u>6,866,928</u>

Cash and investments as of December 31, 2022, consist of the following:

Deposits with financial institutions	\$ 533,996
Investments - COLOTRUST	<u>6,332,932</u>
	\$ <u>6,866,928</u>

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2022

Deposits

Custodial Credit Risk

The Colorado Public Deposit Protection Act, (“PDPA”) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized.

The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The District follows state statutes for deposits. None of the District’s deposits were exposed to custodial credit risk.

Investments

Investment Valuation

Certain investments are measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District’s investment is not required to be categorized within the fair value hierarchy. This investment’s value is calculated using the net asset value method (NAV) per share.

Credit Risk

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

Custodial and Concentration of Credit Risk

None of the District’s investments are subject to custodial or concentration of credit risk.

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2022

As of December 31, 2022, the District had the following investments:

COLOTRUST

As of December 31, 2022, the District invested in the Colorado Local Governmental Liquid Asset Trust (“COLOTRUST”), a local governmental investment vehicle established for local governmental entities in Colorado to pool surplus funds. COLOTRUST offers three investment options, one of which is COLOTRUST PLUS+. As an investment pool, COLOTRUST operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. COLOTRUST PLUS+ may invest in U.S. Treasuries, government agencies, the highest-rated commercial paper, certain corporate securities, certain money market funds, and certain repurchase agreements, and limits its investments to those allowed by State statutes. Purchases and redemptions are available daily at a net asset value (“NAV”) of \$1.00. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. The custodian’s internal records identify the investments owned by participating governments. COLOTRUST PLUS+ records its investment at fair value and the District records its investment in COLOTRUST PLUS+ using the net asset value. There are no unfunded commitments and there is no redemption notice period. The weighted average maturity is 60 days or less and is rated AAAM by Standard & Poor’s. At December 31, 2022, the District had \$6,332,932 invested in COLOTRUST PLUS+.

Note 3: Capital Assets

An analysis of the changes in capital assets for the year ended December 31, 2022, follows:

<u>Governmental Type Activities:</u>	<u>Balance 1/1/2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2021</u>
<u>Capital assets being depreciated:</u>				
Landscape improvements	879,849	-	-	879,849
Total capital assets being depreciated	879,849	-	-	879,849
<u>Accumulated Depreciation:</u>				
Landscape improvements	(455,080)	(21,996)	-	(477,076)
Total accumulated depreciation	(455,080)	(21,996)	-	(477,076)
Net capital assets being depreciated	424,769	(21,996)	-	402,773
Government type assets, net	<u>\$ 424,769</u>	<u>\$ (21,996)</u>	<u>\$ -</u>	<u>\$ 402,773</u>

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2022

Upon completion, the regional facilities (storm drainage, streets, sanitation and related improvements, park and recreation, and a fire station) are to be transferred to the City of Denver for ownership and maintenance, except that the District will be responsible for maintenance of limited regional drainage infrastructure improvements and landscaping within public right-of-ways.

Note 4: Long Term Debt

A description of the long-term obligations as of December 31, 2022, is as follows:

2007-1 City Note

On March 19, 2009, the District issued the 2007-1 City Note to the City and County of Denver (with an effective date for accrual of interest of January 14, 2008), in the principal amount of \$5,689,519.52 at 4.47% interest per annum and a twenty year term as required by the 2007 RFA . The 2007-1 City Note will be subordinate to the District's bonds and payable from System Development Fees and the debt service mill levy limited to 15 mills, less mills required for debt service on senior bonds. Additional notes to the City may be incurred by the District if the City incurs regional improvement costs attributable to the District and the District is unable to issue bonds. If the District's assessed valuation increases, the District shall pay the 2007-1 City Note (first accrued interest, then principal) and any subsequent notes (first old notes, then newer notes) or pay for more regional improvements requested by the City.

On December 7, 2016, and effective January 1, 2017, the District passed a resolution to collect and use certain drainage fees ("First Creek Fees") based on a certain First Creek Restoration Project Short Report dated as of January 12, 2016, which provides the cost of furnishing the First Creek Improvements that have resolved drainage and flood problems of the property impacted. The First Creek Improvements allocable to the District under the Short Report total \$1,600,000. The First Creek Fee will include interest on the First Creek portion of the City Note initially at 3% and later at a different rate based on the terms of the First Creek Note. The First Creek Fee will also include the actual costs of collection of the First Creek Fee or 2% of the amount of the First Creek Fee plus interest as provided in the resolution, collected as an administrative charge. The resolution sets out specific estimates of the fees to be imposed on First Creek property.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2022

\$8,725,000 General Obligation Limited Tax Refunding Bonds, Series 2016

On June 24, 2016, the District issued \$8,725,000 General Obligation Limited Tax Refunding Bonds, Series 2016, (“Series 2016 Bonds”) to refund its Series 2008 bonds. The bonds accrue interest at 3% annually through 2036; 3.125% from 2037 through 2041; and 3.25% from 2042 through 2045.

The Series 2016 Bonds are payable solely from and to the extent of the Pledged Revenue (as defined in the Official Statement), which is generally, moneys derived from the following sources, net of costs of collection: 1) the Required Mill Levy; 2) a reserve fund; 3) the portion of Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy; and 4) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

A Reserve Fund equal to \$463,163 is required to be maintained by the Trustee in accordance with the provisions of the Indenture for so long as any bond is outstanding.

The District realized a net present value savings on the refunding of \$1,334,001.

Events of Default as defined in the Series 2016 Bond Indenture are 1) the failure of the District to impose the Required Mill levy, or to apply the Pledged Revenue as required by the Indenture, 2) the default by the District in the performance or observance of any other of the covenants, agreements, or conditions of the Indenture or the Bond Resolution, and failure to remedy the same after notice thereof pursuant to the Indenture, and 3) the filing of a petition under the federal bankruptcy laws or other applicable laws seeking to adjust the obligations represented by the Bonds. Failure to pay the principal of or interest on the Series 2016 Bonds when due shall not, of itself, constitute an Event of Default under the Indenture. Remedies available in the Event of Default include 1) receivership, 2) suit for judgment, and 3) other suits. Acceleration of the Series 2016 Bonds is not an available remedy for an Event of Default.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2022

The following is a summary of the annual long-term debt principal and interest requirements of the Series 2016 Bonds.

	Principal	Interest	Total
2023	\$ 230,000	\$ 230,963	\$ 460,963
2024	235,000	224,063	459,063
2025	245,000	217,013	462,013
2026	250,000	209,663	459,663
2027	260,000	202,163	462,163
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	<u>1,295,000</u>	<u>84,988</u>	<u>1,379,988</u>
	<u>\$ 7,480,000</u>	<u>\$ 3,117,650</u>	<u>\$10,597,650</u>

Regional Facilities Agreement

In 1998 the District and the City entered into a Regional Facilities Agreement (the “Original RFA”) which was amended in 2001 and defines the District’s responsibilities to provide for the design, acquisition, construction, installation and financing of regional facilities. The Regional Facilities Agreement was amended again, dated January 14, 2008, as a result of negotiations during 2007 with the City and County of Denver and the owners of the High Point project (the “2007 RFA”). Pursuant to the 2007 RFA, the District will pay the City 83%, and High Point will pay the remaining 17%, of the actual capital costs paid by the City to construct Tower Road and 56th Avenue Lanes 3 and 4, plus simple interest on the unpaid principal balance at a rate of 4.47%.

During 2008, the District issued General Obligation Limited Tax Variable Rate Refunding and Improvement Bonds, Series 2008, in the amount of \$8,805,000, refunded by General Obligation Limited Tax Refunding Bonds, Series 2016. The proceeds of the Series 2008 Bonds were applied to the District’s share of the Tower Road Bridge Improvements and the 56th Avenue Improvements (approximately \$1.5 million to date) and to obligations of the District incurred prior to July 2007, the outstanding portion consisting of approximately \$3.4 million incurred in connection with the 1998 56th and Tower Road Improvements and approximately \$7.35 million incurred in connection with a 2007-1 Short Report from the City.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2022

Unpaid amounts from the 2007-1 Short Report (the \$7.35 million obligation) will be due to the City from the District pursuant to a “2007-1 City Note”, which will be subordinate to the District’s bonds and payable from System Development Fees and the debt service mill levy limited to 15 mills, less the mills required for debt service on the senior bonds. Additional notes to the City may be incurred by the District if the City incurs regional improvement costs attributable to the District and the District is unable to issue bonds. If the District’s assessed valuation increases, the District shall pay the 2007-1 City Note (first accrued interest, then principal) and any subsequent notes (first old notes, then newer notes) or pay for more regional improvements requested by the City.

The System Development Fees (“SDF”) shall continue to be collected and disbursed to pay for the District’s obligations, including the bonds, notes, and regional improvement projects. The SDFs shall be collected at a level at least equal to the aggregate potential of the City impact fees then currently imposed under the Impact Fee Ordinance.

Series 2018-1 General Obligation Limited Tax Note

As of January 1, 2018, the balance of the 2007-1 City Note was transferred in its entirety to the General Obligation Limited Tax Note Series 2018-1 (“Series 2018-1 GO Note”) and effective as of that date will accrue interest at a rate of 3% per annum. The principal and interest on the Series 2018-1 GO Note were paid in full on March 5, 2021.

2017 Short Report – Gateway Regional Metropolitan District

On December 5, 2017, Denver Public Works issued the 2017 Short Report – Gateway Regional Metropolitan District which was issued pursuant to the Amended and Restated Regional Facilities Agreement (“Restated RFA”) dated as of January 14, 2008. The purpose of the report was to accomplish four things; 1) memorialize the results of reconciliation activities which occurred after the execution of the Restated RFA, 2) provide final reconciliations for the Tower Road Bridge Project and the 56th Ave. Project, 3) request the District’s share of funding for a number of projects that have been completed between 2007 and 2015, and 4) Agreement and terms for a new Note to replace the maturing 2007-1 Note (Series 2018-1 Go Note). Pursuant to this agreement, it was agreed that the amount due from the District for the projects completed between 2007 and 2015 totaled \$1,783,786. This principal balance plus accrued interest through December 31, 2017, of \$526,537 were determined to be obligations of the District and have been added to the 2018-1 GO Note effective January 1, 2018 and accrue interest at 3% per annum. The related assets are owned by the City of Denver and are not included in the District’s records.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2022

First Creek Revenue Note, Series 2018-1

On December 7, 2016, the District passed a resolution, effective January 1, 2017, to accept a First Creek Note in the amount of \$1,011,578 to reimburse the City for certain First Creek Improvements that removed certain property identified in the resolution from a flood plain. To pay the First Creek Note, the District agreed to impose a First Creek Fee on certain property owners in the area that the improvements benefited. The First Creek Note bears interest at 3% per annum.

The following is an analysis of changes in long-term debt for the period ending December 31, 2022:

	Balance 1/1/2022	Additions	Deletions	Balance 12/31/2022	Current Portion
<u>General Obligation Bonds:</u>					
2016 General Obligation Bonds	\$ 7,705,000	\$ -	\$ 225,000	\$ 7,480,000	\$ 230,000
2016 Bond Discount	(19,314)	-	(1,368)	(17,946)	-
	7,685,686	-	223,632	7,462,054	230,000
<u>Notes from direct borrowing and direct placements:</u>					
First Creek Revenue Note					
Series 2018-1	380,343		-	380,343	-
Accrued Interest on					
First Creek Revenue Note					
Series 2018-1	6,466	11,604	-	18,070	-
	386,809	11,604	-	398,413	-
Total	\$ 8,072,495	\$ 11,604	\$ 223,632	\$ 7,860,467	\$ 230,000

Debt Authorization

As of December 31, 2022, the District had remaining voted debt authorization of approximately \$24,078,680. The District has not budgeted to issue any new debt during 2023. Per the District's Service Plan, the District can not issue debt in excess of \$48,603,200.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2022

Note 5: Other Agreements

First Creek Intergovernmental Agreement

On January 1, 2001, the District entered into an intergovernmental agreement with Urban Drainage and Flood Control District, City and County of Denver, City of Aurora, and Town Center Metropolitan District whereby the District agreed to fund 12.6% of the construction costs for Detention Ponds 808 and 305 in accordance with the Upper Basin Plan as stated in the agreement. Pond 808 was constructed at a cost of \$597,343 and the District paid its 12.6% share, amounting to \$75,265. The agreement sets forth an estimated cost of \$2,204,188 for Pond 305. The exclusion of the High Point property included provisions for that property to pay 17% of the District's share of the costs of Pond 305. The District is expected to pay approximately 10.458% or up to \$230,514 upon completion of the pond.

Note 6: Related Party

All of the Board of Directors are employees, owners or are otherwise associated with the Developer and may have conflicts of interest in dealing with the District. Management believes that all potential conflicts, if any, have been disclosed to the Board.

Note 7: Tax, Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer Bill of Rights ("TABOR"), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements December 31, 2022

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

On May 5, 1998, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under Article X, Section 20 of the Colorado Constitution.

Note 8: Risk Management

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool ("Pool") which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for auto, public officials' liability, and property and general liability coverage. In the event aggregated losses incurred by the Pool exceed its amounts recoverable from reinsurance contracts and its accumulated reserves, the District may be called upon to make additional contributions to the Pool on the basis proportionate to other members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

Note 9: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The Governmental Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

- 1) capital improvements used in government activities are not financial resources and, therefore are not reported in the funds; and
- 2) long-term liabilities such as bonds payable and accrued bond interest payable are not due and payable in the current period and, therefore, are not in the funds.

GATEWAY REGIONAL METROPOLITAN DISTRICT

Notes to Financial Statements
December 31, 2022

The Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

- 1) governmental funds report capital outlays as expenditures, however, in the statement of activities, the costs of those assets are held as construction in process pending transfer to other governmental entities or depreciated over their useful lives;
- 2) governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method on the Statement of Activities;
- 3) governmental funds report developer advances and/or bond proceeds as revenue; and,
- 4) governmental funds report long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

SUPPLEMENTAL INFORMATION

GATEWAY REGIONAL METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
DEBT SERVICE FUND

For the Year Ended December 31, 2022

	Original & Final		Variance
	<u>Budget</u>	<u>Actual</u>	Favorable (Unfavorable)
REVENUES			
Property taxes	\$ 2,703,597	\$ 2,654,837	\$ (48,760)
System development fees	-	553,962	553,962
Interest income	<u>3,884</u>	<u>106,510</u>	<u>102,626</u>
Total Revenues	<u>2,707,481</u>	<u>3,315,309</u>	<u>607,828</u>
EXPENDITURES			
2016 Bond principal	215,000	225,000	(10,000)
2016 Bond interest expense	244,163	237,713	6,450
Trustee fees	5,000	5,000	-
Treasurer's fees	<u>33,605</u>	<u>26,545</u>	<u>7,060</u>
Total Expenditures	<u>497,768</u>	<u>494,258</u>	<u>3,510</u>
NET CHANGE IN FUND BALANCE	2,209,713	2,821,051	611,338
FUND BALANCE:			
BEGINNING OF YEAR	<u>3,266,333</u>	<u>3,566,578</u>	<u>300,245</u>
END OF YEAR	<u>\$ 5,476,046</u>	<u>\$ 6,387,629</u>	<u>\$ 911,583</u>

The notes to the financial statements are an integral part of these statements.

GATEWAY REGIONAL METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND

For the Year Ended December 31, 2022

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Interest income	\$ <u>200</u>	\$ <u>310</u>	\$ <u>110</u>
Total Revenues	<u>200</u>	<u>310</u>	<u>110</u>
EXPENDITURES			
Capital improvements	<u>18,081</u>	<u>-</u>	<u>18,081</u>
Total Expenditures	<u>18,081</u>	<u>-</u>	<u>18,081</u>
NET CHANGE IN FUND BALANCE	(17,881)	310	18,191
FUND BALANCE:			
BEGINNING OF YEAR	<u>17,881</u>	<u>17,690</u>	<u>(191)</u>
END OF YEAR	<u>\$ -</u>	<u>\$ 18,000</u>	<u>\$ 18,000</u>

The notes to the financial statements are an integral part of these statements.

GATEWAY REGIONAL METROPOLITAN DISTRICT

SUMMARY OF ASSESSED VALUATION, MILL LEVY AND PROPERTY TAXES COLLECTED

December 31, 2022

(Unaudited)

<u>Year Ended</u> <u>December 31,</u>	<u>Prior</u> <u>Year Assessed</u> <u>Valuation</u> <u>for Current</u> <u>Year Property</u> <u>Tax Levy</u>	<u>Denver Highpoint</u> <u>Exclusion</u>	<u>Mills Levied</u>			<u>Total Property Tax</u>		<u>Percent</u> <u>Collected</u> <u>to Levied</u>
			<u>General Fund</u>	<u>Debt Service</u>	<u>Denver Highpoint</u>	<u>Levied</u>	<u>Collected</u>	
2010	\$ 51,213,560	\$ 5,431,290	1.000	15.000	1.631	\$ 828,275	\$ 751,835	90.77%
2011	\$ 48,880,990	\$ 10,838,930	1.000	15.000	1.739	\$ 800,945	\$ 798,422	99.68%
2012	\$ 37,285,650	\$ 9,119,820	1.000	15.000	2.577	\$ 620,073	\$ 608,422	98.12%
2013	\$ 38,953,790	\$ 8,858,140	1.000	15.000	2.817	\$ 648,214	\$ 648,120	99.99%
2014	\$ 35,171,700	\$ -	1.000	15.000	0.000	\$ 562,748	\$ 562,232	99.91%
2015	\$ 34,962,090	\$ -	1.000	15.000	0.000	\$ 559,393	\$ 558,778	99.89%
2016	\$ 48,242,740	\$ -	1.000	15.000	0.000	\$ 771,884	\$ 761,141	98.61%
2017	\$ 48,567,280	\$ -	1.000	15.000	0.000	\$ 777,076	\$ 776,571	99.94%
2018	\$ 73,452,570	\$ -	0.722	15.278	0.000	\$ 1,175,241	\$ 1,174,488	99.94%
2019	\$ 89,389,450	\$ -	0.579	15.421	0.000	\$ 1,430,231	\$ 1,423,037	99.50%
2020	\$ 132,455,990	\$ -	0.551	15.449	0.000	\$ 2,119,296	\$ 2,030,899	95.83%
2021	\$ 168,622,700	\$ -	0.551	15.449	0.000	\$ 2,697,963	\$ 2,750,332	101.94%
2022	\$ 175,001,430	\$ -	0.551	15.449	0.000	\$ 2,800,023	\$ 2,749,524	98.20%
Estimated for year ending December 31, 2023	\$ 189,924,560	\$ -	0.551	15.449	0.000	\$ 3,038,793		

NOTE

Property taxes collected in any one year include collection of delinquent property taxes levied and/or abatements or valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.

PRELIMINARY DRAFT

CONTINUING DISCLOSURE ANNUAL FINANCIAL INFORMATION – UNAUDITED

GATEWAY REGIONAL METROPOLITAN DISTRICT

TEN LARGEST OWNERS OF TAXABLE PROPERTY WITHIN THE DISTRICT

December 31, 2022

UNAUDITED

<u>Taxpayer Name</u>	<u>2022 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation</u>
Flight Safety International	\$ 9,306,740	4.90%
Yampa Hotel Owner LLC	8,586,900	4.52%
Flightsafety Intl, Inc.	6,933,760	3.65%
Argonne Partners LLC	6,345,220	3.34%
HH Denver LLC	6,237,030	3.28%
NSP-PNA Co LLC	5,471,460	2.88%
Pena MH LLC	4,968,490	2.62%
Camber Ivy Owner LLC	4,292,980	2.26%
KG Elevate Investors LLC	4,085,750	2.15%
18400 Elmendorf (CO) Owner LLC	4,062,320	2.14%
Total	<u>\$ 60,290,650</u>	<u>31.74%</u>

NOTE

Assessed Valuations were obtained from the Denver County website.

GATEWAY REGIONAL METROPOLITAN DISTRICT

ASSESSED VALUATION OF CLASSES OF PROPERTY IN THE DISTRICT

December 31, 2022

UNAUDITED

<u>Class</u>	<u>2022 Assessed Valuation</u>	<u>Percent of Assessed Valuation</u>
Commercial	\$ 84,774,510	44.64%
Residential	69,199,010	36.43%
Vacant Land	14,946,410	7.87%
Agricultural	22,150	0.01%
Personal Property	20,982,480	11.05%
Total	<u>\$ 189,924,560</u>	<u>100.00%</u>

GATEWAY REGIONAL METROPOLITAN DISTRICT

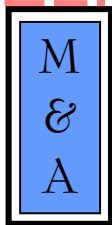
ESTIMATED OVERLAPPING GENERAL OBLIGATION DEBT

December 31, 2022

UNAUDITED

	Revenue from <u>Property Taxes</u>	Outstanding General Obligation <u>Debt</u>
Denver School District No. 1	1,026,245,124	2,192,172,000
City and County of Denver	533,823,000	751,066,000
Denver International Business Center Metropolitan District No. 1	2,382,891	47,655,000
Denver Gateway Center Metropolitan District	504,057	26,815,000
Ebert Metropolitan District Nos. 1 & 2	8,234,496	100,965,000
	<u>1,571,189,568</u>	<u>3,118,673,000</u>

Chart is provided for informational purposes only and should not be relied upon as information provided by other entities has not been verified and can not be assumed accurate. Further, approved but not yet issued debt will not be reflected.



MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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To the Board of Directors Gateway Regional Metropolitan District

We have audited the financial statements of Gateway Regional Metropolitan District for the year ended December 31, 2022. Professional standards require that we provide you with the following information related to our audit.

Qualitative Aspects of Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Gateway Regional Metropolitan District are described in the Notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate(s) affecting the financial statements was:

Estimated useful lives for depreciation on capital assets: Management's estimate is based on industry practice and experience. We evaluated the key factors and assumptions used to develop the useful lives used in determining depreciation and found that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We noted no such misstatements.

Member: American Institute of Certified Public Accountants

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

As is required in an audit engagement we have requested certain representations from management that are included in the management representation letter.

This report is intended solely for the information and use of the Board of Directors, management, and others within the organization and is not intended to be, and should not be, used by anyone other than those specified parties.

Sincerely,

McMahan and Associates, L.L.C.
Avon, Colorado