



CliftonLarsonAllen

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Accountant's Compilation Report

Advisory Board
City Council, City and County of Denver
Gateway Village General Improvement District
City and County of Denver, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Gateway Village General Improvement District for the year ending December 31, 2017, including the estimate of comparative information for the year ending December 31, 2016, and the actual comparative information for the year ending December 31, 2015, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to the Gateway Village General Improvement District.

Greenwood Village, Colorado
_____, 2016

**GATEWAY VILLAGE GENERAL IMPROVEMENT DISTRICT
SUMMARY**

**2017 BUDGET AS PROPOSED
WITH 2015 ACTUAL AND 2016 ESTIMATED
For the Years Ended and Ending December 31,**

9/22/2016

	ACTUAL 2015	BUDGET 2016	ACTUAL 6/30/2016	ESTIMATED 2016	PROPOSED 2017
BEGINNING FUND BALANCES	\$ 676,921	\$ 482,663	\$ 492,993	\$ 492,993	\$ 312,848
REVENUES					
1 Property taxes	580,773	578,590	368,486	578,590	449,366
2 Specific ownership taxes	43,685	37,608	15,190	36,456	31,456
3 Net investment income	1,488	550	1,475	2,100	3,200
4 Other income	1,502	-	-	-	-
Total revenues	627,448	616,748	385,151	617,146	484,022
TRANSFERS IN	-	-	-	12,336	100,000
Total funds available	1,304,369	1,099,411	878,144	1,122,475	896,870
EXPENDITURES					
5 General and administration					
6 Accounting	20,760	23,000	13,020	23,000	25,000
7 Audit	2,700	2,700	2,700	2,700	2,700
8 City administrative fee	5,000	5,000	5,000	5,000	5,000
9 Contingency	-	15,470	-	-	52,466
10 County Treasurer's fees	5,811	5,786	3,686	5,786	4,494
11 Insurance	10,548	11,000	-	10,100	11,000
12 Legal	17,790	25,000	11,823	25,000	25,000
13 Miscellaneous	150	300	125	300	300
14 Operations and maintenance					
15 Landscape design	-	-	-	-	10,000
16 Landscape improvements/tree replacement	-	-	-	-	50,000
17 Reserve analysis	-	-	-	-	5,000
18 Debt service					
19 Contingency	-	11,242	-	-	-
20 Loan interest	30,644	18,800	9,426	18,800	-
21 Loan principal	315,000	500,000	-	500,000	-
22 Paying agent fees	-	600	150	300	-
23 District property improvements					
24 Electricity	2,071	500	164	400	500
25 Irrigation water	15,311	25,940	3,410	20,000	25,940
26 Landscape contract - Bolling	18,551	19,000	9,276	18,600	19,000
27 Landscape contract - Chambers	11,103	11,500	4,894	11,105	11,500
28 Landscaping repairs	5,085	3,900	1,161	3,900	3,900
29 Repairs and maintenance	1,850	5,000	-	5,000	5,000
30 Snow removal	9,731	8,000	2,944	8,000	8,000
31 Winter watering	-	2,700	-	2,700	2,700
32 HOA property improvements					
33 Electricity	1,191	2,000	572	1,500	2,000
34 Irrigation	13,676	10,000	1,567	8,000	10,000
35 Landscape contract	25,000	30,500	14,981	30,100	30,500
36 Landscaping repairs	12,584	5,000	1,586	5,000	5,000
37 Property improvements	286,820	90,000	58,853	92,000	-
Total expenditures	811,376	832,938	145,338	797,291	315,000
TRANSFERS OUT	-	-	-	12,336	100,000
Total expenditures and transfers out requiring appropriation	811,376	832,938	145,338	809,627	415,000
ENDING FUND BALANCES	\$ 492,993	\$ 266,473	\$ 732,806	\$ 312,848	\$ 481,870
EMERGENCY RESERVE	\$ 8,100	\$ 11,700	\$ 7,200	\$ 11,700	\$ 14,600
DEBT SERVICE RESERVE	173,189	-	173,189	-	-
TOTAL RESERVE	\$ 181,289	\$ 11,700	\$ 180,389	\$ 11,700	\$ 14,600

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's
compilation report and summary of significant assumptions.

**GATEWAY VILLAGE GENERAL IMPROVEMENT DISTRICT
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,**

9/22/2016

	ACTUAL 2015	BUDGET 2016	ACTUAL 6/30/2016	ESTIMATED 2016	PROPOSED 2017
ASSESSED VALUATION - DENVER					
Residential	\$ 12,231,090	\$ 16,333,980	\$ 16,333,980	\$ 16,333,980	\$ 16,338,320
Commercial	3,298,180	4,270,890	4,270,890	4,270,890	4,248,820
Vacant Land	590	150	150	150	150
Personal Property	795,110	935,470	935,470	935,470	833,230
State Assessed	1,537,000	972,750	972,750	972,750	1,047,800
Certified Assessed Value	<u>\$ 17,861,970</u>	<u>\$ 22,513,240</u>	<u>\$ 22,513,240</u>	<u>\$ 22,513,240</u>	<u>\$ 22,468,320</u>
MILL LEVY					
GENERAL FUND	12.500	15.500	15.500	15.500	20.000
DEBT SERVICE FUND	20.000	10.200	10.200	10.200	-
Total Mill Levy	<u>32.500</u>	<u>25.700</u>	<u>25.700</u>	<u>25.700</u>	<u>20.000</u>
PROPERTY TAXES					
GENERAL FUND	\$ 223,275	\$ 348,955	\$ 348,955	\$ 348,955	\$ 449,366
DEBT SERVICE FUND	357,239	229,635	229,635	229,635	-
Levied property taxes	580,514	578,590	578,590	578,590	449,366
Adjustments to actual/rounding	259	-	(210,104)	-	-
Budgeted Property Taxes	<u>\$ 580,773</u>	<u>\$ 578,590</u>	<u>\$ 368,486</u>	<u>\$ 578,590</u>	<u>\$ 449,366</u>
BUDGETED PROPERTY TAXES					
GENERAL FUND	\$ 223,365	\$ 348,955	\$ 222,233	\$ 348,955	\$ 449,366
DEBT SERVICE FUND	357,408	229,635	146,253	229,635	-
	<u>\$ 580,773</u>	<u>\$ 578,590</u>	<u>\$ 368,486</u>	<u>\$ 578,590</u>	<u>\$ 449,366</u>

PRELIMINARY DRAFT - SUBJECT TO REVISION

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**GATEWAY VILLAGE GENERAL IMPROVEMENT DISTRICT
GENERAL FUND
2017 BUDGET AS PROPOSED
WITH 2015 ACTUAL AND 2016 ESTIMATED
For the Years Ended and Ending December 31,**

9/22/2016

	ACTUAL 2015	BUDGET 2016	ACTUAL 6/30/2016	ESTIMATED 2016	PROPOSED 2017
BEGINNING FUND BALANCES	\$ 381,563	\$ 179,410	\$ 189,396	\$ 189,396	\$ 312,848
REVENUES					
1 Property taxes	223,365	348,955	222,233	348,955	449,366
2 Specific ownership taxes	43,685	37,608	15,190	36,456	31,456
3 Net investment income	1,437	500	1,296	1,600	3,200
4 Other income	1,502	-	-	-	-
Total revenues	<u>269,989</u>	<u>387,063</u>	<u>238,719</u>	<u>387,011</u>	<u>484,022</u>
TRANSFERS IN					
DEBT SERVICE FUND	-	-	-	12,336	-
Total transfers in	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,336</u>	<u>-</u>
Total funds available	<u>651,552</u>	<u>566,473</u>	<u>428,115</u>	<u>588,743</u>	<u>796,870</u>
EXPENDITURES					
General and administration					
5 Accounting	20,760	23,000	13,020	23,000	25,000
6 Audit	2,700	2,700	2,700	2,700	2,700
7 City administrative fee	5,000	5,000	5,000	5,000	5,000
8 Contingency	-	15,470	-	-	17,466
9 County Treasurer's fees	2,235	3,490	2,223	3,490	4,494
10 Insurance	10,548	11,000	-	10,100	11,000
11 Legal	17,790	25,000	11,823	25,000	25,000
12 Miscellaneous	150	300	125	300	300
District property improvements					
13 Electricity	2,071	500	164	400	500
14 Irrigation water	15,311	25,940	3,410	20,000	25,940
15 Landscape contract - Bolling	18,551	19,000	9,276	18,600	19,000
16 Landscape contract - Chambers	11,103	11,500	4,894	11,105	11,500
17 Landscaping repairs	5,085	3,900	1,161	3,900	3,900
18 Repairs and maintenance	1,850	5,000	-	5,000	5,000
19 Snow removal	9,731	8,000	2,944	8,000	8,000
20 Winter watering	-	2,700	-	2,700	2,700
HOA property improvements					
21 Electricity	1,191	2,000	572	1,500	2,000
22 Irrigation	13,676	10,000	1,567	8,000	10,000
23 Landscape contract	25,000	30,500	14,981	30,100	30,500
24 Landscaping repairs	12,584	5,000	1,586	5,000	5,000
25 Property improvements	286,820	90,000	58,853	92,000	-
Total expenditures	<u>462,156</u>	<u>300,000</u>	<u>134,299</u>	<u>275,895</u>	<u>215,000</u>
TRANSFERS OUT					
CAPITAL PROJECTS FUND	-	-	-	-	100,000
Total transfers out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>100,000</u>
Total expenditures and transfers out requiring appropriation	<u>462,156</u>	<u>300,000</u>	<u>134,299</u>	<u>275,895</u>	<u>315,000</u>
ENDING FUND BALANCES	<u>\$ 189,396</u>	<u>\$ 266,473</u>	<u>\$ 293,816</u>	<u>\$ 312,848</u>	<u>\$ 481,870</u>
EMERGENCY RESERVE	<u>\$ 8,100</u>	<u>\$ 11,700</u>	<u>\$ 7,200</u>	<u>\$ 11,700</u>	<u>\$ 14,600</u>
TOTAL RESERVE	<u>\$ 8,100</u>	<u>\$ 11,700</u>	<u>\$ 7,200</u>	<u>\$ 11,700</u>	<u>\$ 14,600</u>

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's
compilation report and summary of significant assumptions.

**GATEWAY VILLAGE GENERAL IMPROVEMENT DISTRICT
DEBT SERVICE FUND
2017 BUDGET AS PROPOSED
WITH 2015 ACTUAL AND 2016 ESTIMATED
For the Years Ended and Ending December 31,**

9/22/2016

	ACTUAL 2015	BUDGET 2016	ACTUAL 6/30/2016	ESTIMATED 2016	PROPOSED 2017
BEGINNING FUND BALANCES	\$ 295,358	\$ 303,253	\$ 303,597	\$ 303,597	\$ -
REVENUES					
1 Property taxes	357,408	229,635	146,253	229,635	-
2 Net investment income	51	50	179	500	-
Total revenues	357,459	229,685	146,432	230,135	-
Total funds available	652,817	532,938	450,029	533,732	-
EXPENDITURES					
General and administration					
3 County Treasurer's fees	3,576	2,296	1,463	2,296	-
Debt service					
4 Contingency	-	11,242	-	-	-
5 Loan interest	30,644	18,800	9,426	18,800	-
6 Loan principal	315,000	500,000	-	500,000	-
7 Paying agent fees	-	600	150	300	-
Total expenditures	349,220	532,938	11,039	521,396	-
TRANSFERS OUT					
GENERAL FUND	-	-	-	12,336	-
Total transfers out	-	-	-	12,336	-
Total expenditures and transfers out requiring appropriation	349,220	532,938	11,039	533,732	-
ENDING FUND BALANCES	\$ 303,597	\$ -	\$ 438,990	\$ -	\$ -
DEBT SERVICE RESERVE	\$ 173,189	\$ -	\$ 173,189	\$ -	\$ -
TOTAL RESERVE	\$ 173,189	\$ -	\$ 173,189	\$ -	\$ -

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**GATEWAY VILLAGE GENERAL IMPROVEMENT DISTRICT
CAPITAL PROJECTS FUND
FORECASTED 2017 BUDGET AS PROPOSED
WITH 2015 ACTUAL AND 2016 ESTIMATED
For the Years Ended and Ending December 31,**

9/22/2016

	ACTUAL 2015	BUDGET 2016	ACTUAL 6/30/2016	ESTIMATED 2016	PROPOSED 2017
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Total revenues	-	-	-	-	-
TRANSFERS IN					
GENERAL FUND	-	-	-	-	100,000
Total transfers in	-	-	-	-	100,000
Total funds available	-	-	-	-	100,000
EXPENDITURES					
General and administration					
1 Contingency	-	-	-	-	35,000
Operations and maintenance					
2 Landscape design	-	-	-	-	10,000
3 Landscape improvements/tree replacement	-	-	-	-	50,000
4 Reserve analysis	-	-	-	-	5,000
Total expenditures	-	-	-	-	100,000
Total expenditures and transfers out requiring appropriation	-	-	-	-	100,000
ENDING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -

PRELIMINARY DRAFT - SUBJECT TO REVISION

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**GATEWAY VILLAGE GENERAL IMPROVEMENT DISTRICT
2017 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

The budget has been reviewed by the Advisory Board and submitted to the Members of City Council, City and County of Denver, with the recommendation for their approval.

Services Provided

Gateway Village General Improvement District (District), a quasi-municipal corporation, was organized by Ordinance 551, Series of 1994 of the City Council of the City and County of Denver (the City Council) and is governed pursuant to provisions of the Improvement District Act. The District's service area is located entirely in the City and County of Denver (the City). The City Council constitutes the ex-officio Board of Directors of the District (the Board). At the time of the District's formation, the Board established an advisory board (the Advisory Board) to manage the financial and legal affairs of the District. The composition of the Advisory Board was modified beginning on January 1, 2017. The Advisory Board is composed of the Council Member from the Councilperson District, one City employee and three landowners from properties within the District.

The District was established to provide financing for construction of streets, drainage, safety, parks and recreation facilities, landscaping and police or fire facilities improvements.

On November 8, 1994, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$2,000,000 at an interest rate not to exceed 15% per annum and a mill levy of 20.000 mills for operational and maintenance expense beginning in 1995 and each year thereafter. On November 3, 1998, the electors authorized an additional \$1,000,000 at an effective interest not to exceed 10% per annum. At December 31, 2016, the District has no remaining authorized but unissued indebtedness.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105.

Revenues

Property Taxes

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

In accordance with its organization documents and election questions, the District requests that the City Treasurer collect in 2017 the revenue from a total of 20.000 mills. The calculation of taxes is displayed on page 3 of the budget.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the City Treasurer primarily on vehicle licensing within the City as a whole. The taxes are allocated by the City Treasurer to all taxing entities within the City. The budget assumes that the District's share will be equal to approximately 7% of the total property taxes collected.

**GATEWAY VILLAGE GENERAL IMPROVEMENT DISTRICT
2017 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 0.75%.

Expenditures

Administrative and Operating Expenditures

Operating and administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, and insurance.

Operations and maintenance

The land included within the District is subject to a Memorandum of Agreement dated June 30, 1995, related to the annexation of the property to the City. Provisions of the Agreement provide that the City agrees to maintain the streets, storm drainage, and parks within the annexed area at the City's expense. However, the District has budgeted to maintain the storm drainage canal and certain streetscapes within the District at the conclusion of the construction warranty period, which began in 2001. Beginning in 2006, the District agreed to pay certain landscaping costs maintained by the Home Owners' Association (HOA). Those costs include monthly landscaping maintenance and repairs, sprinkler repairs, snow removal, water and electricity.

County Treasurer's Fees

County Treasurer's fees have been computed at 1.0 % of property tax collections.

Debt Service

There are no debt service payments in 2017. All debt was paid off on December 1, 2016.

Capital Outlay

Anticipated expenditures for capital projects for 2017 are outlined on page 6 of the Budget.

Debt and Leases

The \$2,215,000 General Obligation Refunding Bonds, Series 2009, dated November 20, 2009, bear an interest rate of 3.76%, and consist of serial bonds due annually through 2016. The bonds are subject to redemption prior to maturity at the option of the District on any date without premium. The Bonds are secured by the Pledged Revenues and all moneys and earnings thereon held in the Funds or accounts created under the terms of the Indenture. Pledged Revenues consists of revenues derived from the imposition of the Required Mill Levy, the specific ownership tax which is collected as a result of the imposed mill levy, and any other legally available funds. The final payment was made on December 1, 2016.

The District has no capital or operating leases.

**GATEWAY VILLAGE GENERAL IMPROVEMENT DISTRICT
2017 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Reserves

Emergency Reserves

The District has provided an emergency reserve fund equal to at least 3% of fiscal year spending for 2017, as defined under TABOR.

This information is an integral part of the accompanying budget.