

# BASE VILLAGE METROPOLITAN DISTRICT NO. 1

## SPECIAL MEETING

Wednesday, December 5, 2018 at 1:00 PM  
Base Village Conference Center  
110 Carriage Way, Snowmass Village, Colorado

### BOARD MEMBERS

District No. 1	
Andy Gunion, President	May 2020
Peter Goergen, Treasurer	May 2020
Will Little, Assistant Secretary	May 2022

### AGENDA

1. Call to Order
2. Declaration of Quorum
3. Consider Appointment of Directors/Administer Oaths/Certificate of Appointment/Affidavits of Qualification
4. Appointment of Officers
5. Director Conflict of Interest Disclosures
6. Approval of Agenda
7. Approval of Minutes from September 26, 2018 Meeting Minutes (**enclosure**)
8. Public Comment – Members of the public may express their views to the Board on matters that affect the District that are not otherwise on the agenda. Comments will be limited to three (3) minutes per person. Comments will be taken in the order reflected on the sign in sheet.
9. Consent Agenda - (Note: all items listed under Consent Agenda are considered to be routine and will be approved by one motion and vote. There will be no separate discussion of these items unless a Board Member so requests.) Brief Discussion – If discussion is needed in detail, the specific item will be moved to the appropriate place in the agenda.
  - a. 2019 Annual Administrative Resolution (**enclosure**)
  - b. Resolution Designating 24-Hour Posting Locations for 2018 (**enclosure**)
  - c. 2017 Annual Report (**enclosure**)
  - d. Ratification of 2017 Audit (**enclosure**)
  - e. Engagement Letter with White Bear Ankele Tanaka & Waldron for Legal Services (**enclosure**)
  - f. Approval of Insurance Renewal/Property Schedule (**enclosure**)
10. Legal Matters
  - a. Consider Approval of the 2019 Extension to the Second Amended and Restated Public Facilities Management Agreement with SV Snowmass Hospitality (**enclosure**)

- b. Discuss Change to Consumer Data Privacy Statute and Consider Approval of Resolution Adopting Personal Data Privacy Policy (**enclosure**)
- 11. Financial Matters
  - a. Financial Schedules/Payables Review
  - b. Public Hearing on 2019 Budget
    - i. Consider Adoption of Resolution Approving 2019 Budget (**enclosure**)
  - c. Consider Approval of Engagement Letter for the 2018 Audit (**enclosure**)
- 12. Management
  - a. Conference Center Report
  - b. Parking Garage Report
    - i. Commercial Voucher Approval
  - c. Transit Center Update
- 13. Other Business
  - a. Next Meeting – March 27, 2019
- 14. Executive Session (if needed)
- 15. Adjourn

MINUTES OF THE REGULAR MEETING OF THE BOARD  
OF DIRECTORS

OF

BASE VILLAGE METROPOLITAN DISTRICT NO. 1

Held: Wednesday, September 26, 2018 at 1:00 p.m. at  
Viceroy Summit Room, 110 Carriage Way, Snowmass Village,  
Colorado

Attendance

A regular meeting of the Board of Directors of Base Village Metropolitan District No. 1 was called and held as shown above and in accordance with the applicable law of the State of Colorado. The following directors, having confirmed their qualification to serve on the Boards, were in attendance:

Andy Gunion  
Will Little

Also present was Kelly Brockett, District Manager; Scott Williams; Riley Evans; Katie Besch. Present by telephone were William P. Ankele, Jr. of White Bear Ankele Tanaka & Waldron, general counsel to the District, Jon Erickson of Marchetti & Weaver, accountants to the District; Alan Pogue, District No. 2 Legal Counsel; Andrew Nolan, Property Owner; Pat Keefer, Property Owner (via telephone).

Call to Order/Declaration of  
Quorum

Mr. Gunion chaired the meeting, noted that a quorum of the Board was present, and called the regular meeting of the Board of Directors of Base Village Metropolitan District No. 1 to order.

Appointment of Director

Following discussion, a member of the Board from Aspen Ski Co. will be appointed as Director at the December 5, 2018 Special Meeting.

Director Conflict of Interest  
Disclosures

Mr. Gunion advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Ankele reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. Gunion noted that a quorum was present and inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The Board determined that the participation of the members present

was necessary to obtain a quorum or to otherwise enable the Board to act.

Approval of Agenda

Mr. Gunion presented the proposed agenda to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda.

Approval of Minutes June 27, 2018 Meeting Minutes

The minutes from the regular meeting for District No. 1 held on June 27, 2018 were reviewed. Upon motion duly made and seconded, the Board unanimously approved the minutes.

Public Comment

Ms. Keefer submitted questions by email to be addressed at the meeting. Ms. Keefer noted that some owners will need bike storage. The Board engaged in a general discussion and noted that there was bike storage available but needed to be opened up.

**Financial Matters**

Financial Schedules/Payables

Mr. Erickson presented the Board with the payables/financials for approval. Director Gunion noted that there is an operating deficit primarily due to District No. 2's legal costs. The Board asked for review of legal expenses by category and \_\_\_\_\_ going forward. Director Gunion also noted certain other categories of expenses were over budget. Following discussion, and upon motion the Board approved the financials and ratified payables.

**Management**

Conference Center Report

Ms. Besch presented the report based on materials presented at the meeting. Director Gunion asked for a booking comparison from year to year to see how trends are developing.

Parking Garage Report

Mr. Williams gave the report to the Board on the Parking Garage. The Board noted that improvement to access gates and related systems are underway. Mr. Gunion discussed changing free parking hours in the winter to two hours from one hour. He also noted that District No. 1 is not inclined to raise rates in summer but that if the Town started changing for parking, this might change. The current District spaces for the winter is 250, but efforts are underway to increase this to 300.

Transit Center Update

Mr. Williams reported based on written materials presented at the meeting.

**Legal**

License Agreements

The Board engaged in discussion regarding the License Agreements for between the District and Mawa and State 38 for use of kitchen and/or refrigerator space and/or freezer space in the Conference Center. Following discussion, upon a motion duly

made and seconded, the Board unanimously approved the license agreement and approved that same to be posted on the website.

Other Business

The Board engaged in a general discussion regarding proactively seeking bids for the Conference Center management.

Adjourn

There being no further business to come before the Board, and upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

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Secretary for the Meeting

The foregoing minutes were approved on the 5<sup>th</sup> day of December, 2018.

**BASE VILLAGE METROPOLITAN DISTRICT NO. 1**  
**ANNUAL ADMINISTRATIVE RESOLUTION**  
**(2019)**

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At the special meeting of the Board of Directors (“Board”) of the Base Village Metropolitan District No. 1 (“District”), Pitkin County, Colorado, held at 1:00 P.M., on December 5, 2018, at 110 Carriage Way, Snowmass Village, Colorado, it was moved to adopt the following Resolution:

WHEREAS, the District was organized as a special district pursuant to an Order and Decree of the District Court in and for the County of Pitkin, Colorado (the “County”) and is located entirely within the Town of Snowmass, Colorado; and

WHEREAS, the Board has a duty to perform certain obligations in order to assure the efficient operation of the District and hereby directs its consultants to take the following actions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. The Board directs legal counsel to cause an accurate map of the District’s boundaries to be prepared in accordance with the standards specified by the Division of Local Government (“Division”) and to be filed in accordance with § 32-1-306, C.R.S.
2. The Board directs legal counsel to notify the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, the governing body of any municipality in which the District is located, and the Division of the name of the chairman of the Board, the contact person, telephone number and business address of the District, as required by § 32-1-104(2), C.R.S.
3. The Board directs legal counsel to prepare and file with the Division, within thirty (30) days of a written request from the Division, an informational listing of all contracts in effect with other political subdivisions, in accordance with § 29-1-205, C.R.S.
4. The Board directs the District’s accountant to cause the preparation of and to file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the District within sixty (60) days of the close of the fiscal year, as required by §§ 11-58-101, *et seq.*, C.R.S.
5. The Board directs the District’s accountant to: 1) obtain proposals for auditors to be presented to the Board; 2) to cause an audit of the annual financial statements of the District to be prepared and submitted to the Board on or before June 30; and 3) to cause the audit to be filed with the State Auditor by July 31, or by the filing deadline permitted under any extension thereof, all in accordance with §§ 29-1-603(1) and 29-1-606, C.R.S. Alternatively, if warranted by § 29-1-604, C.R.S., the Board directs the District’s accountant to apply for and obtain an audit exemption from the State Auditor on or before March 31 in accordance with § 29-1-604, C.R.S.

6. The Board directs legal counsel, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, to cause to be submitted to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, the District's audit report or a copy of its application for exemption from audit in accordance with § 29-1-606(7), C.R.S.

7. The Board directs the District's accountant to submit a proposed budget to the Board by October 15, to prepare the final budget and budget message, including any amendments thereto, if necessary, and directs legal counsel to schedule a public hearing on the proposed budget and/or amendments, and to post or publish notices thereof, to prepare all budget resolutions and to file the budget, budget resolution and budget message with the Division on or before January 30, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

8. The Board directs legal counsel to cause the preparation of the Unclaimed Property Act report and submission of the same to the State Treasurer by November 1 if there is property presumed abandoned and subject to custody as unclaimed property, in accordance with § 38-13-110, C.R.S.

9. The Board directs the District's accountant to prepare the mill levy certification form and directs the District's the accountant to file the mill levy certification forms with the Board of County Commissioners on or before December 15, in accordance with § 39-5-128, C.R.S.

10. The Board designates the *Snowmass Sun* as a newspaper of general circulation within the boundaries of the District and directs that all legal notices shall be published in accordance with § 32-1-103(15), C.R.S., in the *Snowmass Sun*, unless otherwise designated by the Board or legal counsel.

11. The Board determines that each director shall not receive compensation for their services as directors subject to the limitations set forth in §§ 32-1-902(3)(a)(I) & (II), C.R.S.

12. The District hereby acknowledges, in accordance with § 32-1-902, C.R.S., the following officers for the District:

Chairman/President: Andy Gunion  
Vice President: Peter Goergen  
Assistant Secretary: Will Little  
Assistant Secretary: Vacant  
Assistant Secretary: Vacant  
Recording Secretary: Legal Counsel

13. The Board hereby determines that each member of the Board shall, for any potential or actual conflicts of interest, complete conflicts of interest disclosures and directs legal counsel to file the conflicts of interest disclosures with the Board and with the Colorado Secretary of State at least seventy-two (72) hours prior to every regular and special meeting of the Board, in

accordance with §§ 32-1-902(3)(b) and 18-8-308, C.R.S. Written disclosures provided by Board members required to be filed with the governing body in accordance with § 18-8-308, C.R.S. shall be deemed filed with the Board when filed with the Secretary of State. Additionally, at the beginning of each year, each Board member shall submit information to legal counsel regarding any actual or potential conflicts of interest and, throughout the year, each Board member shall provide legal counsel with any revisions, additions, corrections or deletions to said conflicts of interest disclosures.

14. The Board confirms its obligations under § 24-10-110(1), C.R.S., with regards to the defense and indemnification of its public employees, which, by definition, includes elected and appointed officers.

15. The Board hereby appoints the District's legal counsel as the official custodian for the maintenance, care and keeping of all public records of the District, in accordance with §§ 24-72-202, *et seq.*, C.R.S.

16. Pursuant to § 24-6-402(2)(c), C.R.S., the Board hereby designates the Snowmass Hospitality Office located at 60 Carriage Way, Suite 3120, Snowmass Village, Colorado as the District's 24-hour posting place for notices of meetings.

17. The Board determines to hold regular meetings on fourth Wednesday of the last month of each quarter, at 1:00 P.M. at 110 Carriage Way, Snowmass Village, Colorado. Notice of the time and place for all regular meetings shall be posted in accordance with § 32-1-903, C.R.S.

18. In the event of an emergency, the Board may conduct a meeting outside of the limitations prescribed in § 24-6-402(2)(c), C.R.S., provided that any actions taken at such emergency meeting are ratified at the next regular meeting of the Board or at a special meeting conducted after proper notice has been given to the public.

19. For the convenience of the electors of the District, and pursuant to its authority set forth in § 1-13.5-1101, C.R.S., the Board hereby deems that all regular and special elections of the District shall be conducted as independent mail ballot elections in accordance with §§ 1-13.5-1101, *et seq.*, C.R.S., unless otherwise deemed necessary and expressed in a separate election resolution adopted by the Board.

20. Pursuant to the authority set forth in § 1-1-111, C.R.S., the Board hereby appoints the law firm of WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at Law, as the Designated Election Official (the "DEO") of the District for any elections called by the Board, or called on behalf of the Board by the DEO, and hereby authorizes and directs the DEO to take all actions necessary for the proper conduct of the election, including, if applicable, cancellation of the election in accordance with § 1-13.5-513, C.R.S.

21. In accordance with § 1-11-103(3), C.R.S., the Board hereby directs the DEO to certify to the Division the results of any elections held by the District and, pursuant to § 32-1-1101.5(1), C.R.S., to certify results of any ballot issue election to incur general obligation



indebtedness to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the district and file a copy of such certification with the Division of Securities.

22. The Board directs legal counsel to cause a notice of authorization of or notice to incur general obligation debt to be recorded with the County Clerk and Recorder within thirty (30) days of authorizing or incurring any indebtedness, in accordance with § 32-1-1604, C.R.S.

23. The Board directs legal counsel to cause the preparation of and filing with the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, if requested, the application for quinquennial finding of reasonable diligence in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S.

24. The Board directs legal counsel to cause the preparation of and the filing with the Board of County Commissioners or the governing body of any municipality in which the District is located, the Division, the State Auditor, the County Clerk and Recorder and any interested parties entitled to notice pursuant to § 32-1-204(1), C.R.S., an annual report, if requested, in accordance with § 32-1-207(3)(c), C.R.S.

25. The Board directs legal counsel to obtain proposals and/or renewals for insurance, as applicable, to insure the District against all or any part of the District's liability, in accordance with §§ 24-10-115, *et seq.*, C.R.S. The Board directs the District's accountant to pay the annual SDA membership dues, agency fees and insurance premiums, as applicable, in a timely manner. The Board appoints legal counsel as its proxy for the SDA Annual meeting for voting and quorum purposes.

26. The Board hereby opts to exclude elected or appointed officials as employees within the meaning of § 8-40-202(1)(a)(I)(A), C.R.S., and hereby directs legal counsel to file a statement with the Division of Workers' Compensation in the Department of Labor and Employment not less than forty-five (45) days before the start of the policy year for which the option is to be exercised, in accordance with § 8-40-202(1)(a)(I)(B), C.R.S.

27. The Board hereby directs legal counsel to prepare the disclosure notice required by § 32-1-809, C.R.S., and to disseminate the information to the electors of the District accordingly.

28. The Board hereby directs its legal counsel, accountant, manager and all other consultants to adhere to the Colorado Special District Records Retention Schedule as adopted by the District.

29. The Board hereby directs legal counsel to prepare and record with the County Clerk and Recorder updates to the disclosure statement notice and map required by § 32-1-104.8, C.R.S., if additional property is included within the District's boundaries.

30. The Board directs the District's accountant to prepare and submit the documentation required by any continuing disclosure obligation signed in conjunction with the issuance of debt by the District.

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ADOPTED this 5<sup>th</sup> day of December, 2018.

BASE VILLAGE METROPOLITAN DISTRICT  
NO. 1

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Officer of the District

ATTEST:

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APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

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General Counsel to the District

**CERTIFICATION OF RESOLUTION**

I hereby certify that the foregoing constitutes a true and correct copy of the resolution of the Board adopted at a meeting held on December 5, 2018, at 110 Carriage Way, Snowmass Village, Colorado.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 5<sup>th</sup> day of December, 2018.

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Signature

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Printed Name

**RESOLUTION  
OF THE BOARDS OF DIRECTORS OF THE  
BASE VILLAGE METROPOLITAN DISTRICT NO. 1**

**DESIGNATING THE DISTRICT'S 24-HOUR POSTING LOCATIONS**

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WHEREAS, the Base Village Metropolitan District No. 1 (the "District") is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, pursuant to § 24-6-402(1)(a), C.R.S., the District is a local public body and subject to the provisions of §§ 24-6-401, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 32-1-903(2), C.R.S., notice of the time and place for meetings of the Board of Directors of the District (the "Board") is required to be posted in three (3) public locations within the boundaries of the District at least seventy-two (72) hours before any regular or special meeting; and

WHEREAS, § 24-6-402(2)(c), C.R.S., provides that, in addition to any other means of full and timely notice, a local public body shall be deemed to have given full and timely notice if the notice of the meeting is posted in a designated public place within the boundaries of the local public body no less than twenty-four (24) hours prior to the holding of the meeting; and

WHEREAS, pursuant to § 24-6-402(2)(c), C.R.S., the public place or places for posting such notice shall be designated annually at the local public body's first regular meeting of each calendar year; and

WHEREAS, the Board has determined to designate one of the three posting locations used for meeting notices in satisfaction of § 32-1-903(2), C.R.S. as its designated posting location for notices under § 24-6-402(2)(c), C.R.S.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. Pursuant to § 24-6-402(2)(c), C.R.S., the Board hereby designates the following location for the posting of its twenty-four (24) hour meeting notices:

Snowmass Hospitality Office – 60 Carriage Way, Suite 3120, Snowmass Village, CO

ADOPTED this 5<sup>th</sup> day of December, 2018.

BASE VILLAGE METROPOLITAN DISTRICT  
NO. 1

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Officer of the District

ATTEST:

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APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

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General Counsel to the District

*[Signature Page to Resolution Designating the 24-Hour Posting Location.]*

**2017 ANNUAL REPORT**

**FOR**

**BASE VILLAGE METROPOLITAN DISTRICT**

**NO. 1**

## BASE VILLAGE METROPOLITAN DISTRICT NO. 1

### 2017 ANNUAL REPORT

Pursuant to the Amended and Restated Consolidated Service Plan for Base Village Metropolitan District No. 1 (“the District ”) dated October 17, 2006 (the “Service Plan”), and § 32-1-207(3), C.R.S., the District is required to file this Annual Report with the Town of Snowmass Village, the Pitkin County Board of County Commissioners, the Division of Local Government, and the State Auditor. This report shall also be deposited with the office of the Pitkin County Clerk & Recorder for public inspection.

- A. District Boundaries. There were no District boundary changes in 2017.
- B. Intergovernmental Agreements. During 2017, the District did not enter into any intergovernmental agreements.
- C. The District Policies and Operations. During 2017, the District policies and operations remained substantially in accord with prior years.
- D. Litigation. The District was not a party to any litigation matter in 2017.
- E. Material Changes in Financial Status. The 2017 annual audit is in process and the Audit Report will be furnished following approval. See **Exhibit A** for a copy of the District’s 2018 budget.
- F. Proposed Plans for 2018. The District will continue to conduct its affairs in accordance with the adopted 2018 Budget.
- G. Construction of Public Improvements. The District undertook no construction projects in 2017.
- H. Budget Information. The District has adopted a budget for the 2018 year. The Budget, as adopted by the Boards of Directors of the District is attached as **Exhibit A**.
- I. Further Information. For further information, please contact:

Scott Williams CAM, AMS, PCAM  
Director of Operations|  
Snowmass Base Village  
PO Box 5550  
Snowmass Village, CO 81615  
p: 970.924.6102 | m: 970.922.8152  
swilliams@eastwestdh.com

**EXHIBIT A**  
**2018 BUDGET**



**RESOLUTION**  
**ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS**  
**(2018)**

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The Board of Directors of the Base Village Metropolitan District No. 1 (the “Board”), County of Pitkin, Colorado (the “District”) held a special meeting at 110 Carriage Way, Snowmass, Colorado, on December 8, 2017, at the hour of 8:00 A.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with §29-1-106, C.R.S.

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## NOTICE AS TO PROPOSED 2018 BUDGET

Ad #: 0000146778-01

Customer: WHITE BEAR ANKELE TANAKA & WALDRO

Your account number is: 1009752

**PROOF OF PUBLICATION  
SNOWMASS SUN  
STATE OF COLORADO  
COUNTY OF PITKIN**

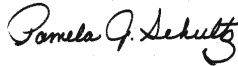
I, Samantha Johnston, do solemnly swear that I am Associate General Manager of the SNOWMASS SUN, that the same weekly newspaper printed, in whole or in part and published in the County of Pitkin, State of Colorado, and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said County of Pitkin for a period of more than fifty-two consecutive weeks next prior to the first publication of the annexed legal notice or advertisement; that said newspaper has been admitted to the United States mails as a periodical under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado. That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period of 1 insertion; and that the first publication of said notice was in the issue of said newspaper dated 11/29/2017 and that the last publication of said notice was dated 11/29/2017 in the issue of said newspaper.

In witness whereof, I have here unto set my hand this day, 1/31/2018.



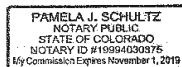
Samantha Johnston, Associate General Manager

Subscribed and sworn to before me, a notary public in and for the County of Pitkin, State of Colorado this day 1/31/2018.



Pamela J. Schultz, Notary Public

My Commission Expires: November 1, 2019



**NOTICE OF PUBLIC HEARING ON THE  
PROPOSED 2018 BUDGET  
AND  
NOTICE OF PUBLIC HEARING ON THE  
AMENDED 2017 BUDGET**

NOTICE IS HEREBY GIVEN that the proposed 2018 budget has been submitted to the Board of Directors (the "Board") of BASE VILLAGE METROPOLITAN DISTRICT NO. 1 (the "District"). Copies of the proposed budget are on file in the office of CliffordLarsonAllen at 8390 E Crescent Parkway, Suite 600, Greenwood Village, Colorado, where the same are open for public inspection.

NOTICE IS FURTHER GIVEN that an amendment to the 2017 budget has been submitted to the District. Copies of the proposed amended budget are on file in the office of CliffordLarsonAllen, at 8390 E Crescent Parkway, Suite 600, Greenwood Village, Colorado, where the same are open for public inspection.

Such proposed budget and amended budget will be considered at a public hearing during a meeting of the District to be held at 110 Carriage Way, Snowmass Village, Colorado, on December 8, 2017 at 8:00 A.M. Any interested elector of the District may file any objections to the proposed budget or amended budget at any time prior to final adoption of the budget and amended budget by the governing body of the District.

BY ORDER OF THE BOARD OF DIRECTORS:  
BASE VILLAGE METROPOLITAN DISTRICT NO. 1

/s/ WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

Published in: The Snowmass Sun  
Published on: November 29, 2017 0000146778

Thereupon, Director Gunion introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2018 AND ENDING ON THE LAST DAY OF DECEMBER 2018.

WHEREAS, the Board has authorized its treasurer, accountant and/or legal counsel to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 8, 2017, interested electors were given the opportunity to file or register any objections to said proposed budget and no written objections were filed prior to the public hearing; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of § 29-1-101, *et seq.*, C.R.S., as applicable, and Article X, § 20 of the Colorado Constitution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1.     Summary of 2018 Revenues and 2018 Expenditures.     The estimated revenues and expenditures for each fund for fiscal year 2018, as more specifically set forth in the budget attached hereto, are accepted and approved.

Section 2.     Adoption of Budget.     The budget as submitted, amended, attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year

2018. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 2 shall be deemed ratified by the Board.

Section 3. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2018 budget year, there is hereby levied a tax of forty-three and one-half (43.500) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2018 budget year, there is hereby levied a tax of zero (0.000) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2018 budget year, there is hereby levied a tax of zero (0.000) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2018 budget year, there is hereby levied a tax of zero (0.000) mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Pitkin County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 8. Appropriations. The amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached hereto and incorporated herein, are hereby appropriated for the purposes thereof and no other.

Section 9. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

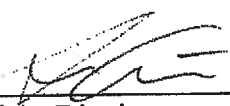
Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

The foregoing Resolution was seconded by Director Sewell.

*[Remainder of page intentionally left blank.]*

ADOPTED this 8<sup>th</sup> day of December, 2017.

BASE VILLAGE METROPOLITAN DISTRICT  
NO. 1

  
\_\_\_\_\_  
Officer of the District

ATTEST:

  
\_\_\_\_\_  
APPROVED AS TO FORM:

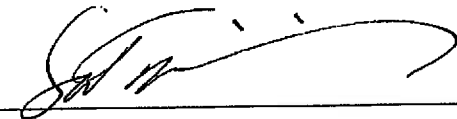
WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

  
\_\_\_\_\_  
General Counsel to the District

STATE OF COLORADO  
COUNTY OF PITKIN  
BASE VILLAGE METROPOLITAN DISTRICT NO. 1

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a District meeting held on December 8, 2017, at 110 Carriage Way, Snowmass, Colorado, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 8<sup>th</sup> day of December, 2017.

  
\_\_\_\_\_

**EXHIBIT A**

**BUDGET DOCUMENT**

**BUDGET MESSAGE**





CliftonLarsonAllen LLP  
CLAAconnect.com

## Accountant's Compilation Report

Board of Directors  
Base Village Metropolitan District No. 1  
Pitkin County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Base Village Metropolitan District No. 1 for the year ending December 31, 2018, including the estimate of comparative information for the year ending December 31, 2017, and the actual comparative information for the year ending December 31, 2016, 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 Base Village Metropolitan District No. 1.

Greenwood Village, Colorado  
\_\_\_\_\_, 2017

**BASE VILLAGE METROPOLITAN DISTRICT NO. 1  
SUMMARY**

**2018 BUDGET AS PROPOSED  
WITH 2016 ACTUAL AND 2017 ESTIMATED  
For the Years Ended and Ending December 31,**

12/1/2017

	ACTUAL 2016	BUDGET 2017	ACTUAL 9/30/2017	ESTIMATED 2017	PROPOSED 2018
BEGINNING FUND BALANCES	\$ 139,108	\$ 5,996	\$ 48,723	\$ 48,723	\$ 18,423
REVENUES					
1 Property taxes	114,600	112,268	111,369	112,268	284,265
2 Specific ownership taxes	3,789	3,370	2,821	4,231	11,370
3 Developer advance	176,000	143,000	-	285,000	-
4 Net investment income	1,385	2,000	548	700	1,000
5 Other income	-	-	1,077	477	-
6 Intergovernmental - D#2	218,039	215,956	215,309	218,558	193,053
7 Transit center	297	15,929	131	9,115	13,524
8 Parking garage user fees	421,287	419,973	369,242	419,973	429,894
9 Conference Center	25,000	25,000	16,667	25,000	25,000
Total revenues	960,397	937,496	717,164	1,075,322	958,106
Total funds available	1,099,505	943,492	765,887	1,124,045	976,529
EXPENDITURES					
10 General and administration					
11 Accounting	51,705	38,000	57,696	65,000	45,000
12 Administrative fee	25,000	25,750	10,417	25,750	26,523
13 Audit	9,700	10,000	10,175	10,175	10,800
14 Bank service charges	521	700	396	700	700
15 Conference center operating charges	120,911	126,788	84,461	126,788	135,917
16 Contingency	-	8,946	-	-	38,853
17 County Treasurer's fees	5,730	5,613	5,568	5,730	14,213
18 Insurance	43,110	45,200	47,560	47,560	49,938
19 Legal	112,140	40,000	102,461	140,000	-
20 Legal District #1	-	-	-	-	40,000
21 Legal District #2	-	-	-	-	25,000
22 Miscellaneous	136	-	6,453	8,000	-
23 Parking garage operating costs	404,212	401,525	235,782	401,525	350,166
24 Transit center	213,102	207,478	133,332	207,478	209,890
25 Utilities	5,811	8,000	287	8,000	-
26 Capital projects					
27 Capital outlay	58,704	-	-	58,916	-
Total expenditures	1,050,782	918,000	694,588	1,105,622	947,000
Total expenditures and transfers out requiring appropriation	1,050,782	918,000	694,588	1,105,622	947,000
ENDING FUND BALANCES	\$ 48,723	\$ 25,492	\$ 71,299	\$ 18,423	\$ 29,529
EMERGENCY RESERVE	\$ 24,000	\$ 23,900	\$ 21,600	\$ 23,800	\$ 28,800
TOTAL RESERVE	\$ 24,000	\$ 23,900	\$ 21,600	\$ 23,800	\$ 28,800

**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.

**BASE VILLAGE METROPOLITAN DISTRICT NO. 1**  
**PROPERTY TAX SUMMARY INFORMATION**  
**For the Years Ended and Ending December 31,**

12/1/2017

	ACTUAL 2016	BUDGET 2017	ACTUAL 9/30/2017	ESTIMATED 2017	PROPOSED 2018
ASSESSED VALUATION - PITKIN					
Commercial	\$ 2,631,070	\$ 2,576,140	\$ 2,576,140	\$ 2,576,140	\$ 6,530,080
State Assessed	3,410	4,740	4,740	4,740	4,750
Certified Assessed Value	<u>\$ 2,634,480</u>	<u>\$ 2,580,880</u>	<u>\$ 2,580,880</u>	<u>\$ 2,580,880</u>	<u>\$ 6,534,830</u>
MILL LEVY					
GENERAL FUND	43.500	43.500	43.500	43.500	43.500
Total Mill Levy	<u>43.500</u>	<u>43.500</u>	<u>43.500</u>	<u>43.500</u>	<u>43.500</u>
PROPERTY TAXES					
GENERAL FUND	\$ 114,600	\$ 112,268	\$ 112,268	\$ 112,268	\$ 284,265
Levied property taxes	114,600	112,268	112,268	112,268	284,265
Adjustments to actual/rounding	-	-	(899)	-	-
Budgeted Property Taxes	<u>\$ 114,600</u>	<u>\$ 112,268</u>	<u>\$ 111,369</u>	<u>\$ 112,268</u>	<u>\$ 284,265</u>
BUDGETED PROPERTY TAXES					
GENERAL FUND	\$ 114,600	\$ 112,268	\$ 111,369	\$ 112,268	\$ 284,265
	<u>\$ 114,600</u>	<u>\$ 112,268</u>	<u>\$ 111,369</u>	<u>\$ 112,268</u>	<u>\$ 284,265</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.

**BASE VILLAGE METROPOLITAN DISTRICT NO. 1**  
**GENERAL FUND**  
**2018 BUDGET AS PROPOSED**  
**WITH 2016 ACTUAL AND 2017 ESTIMATED**  
**For the Years Ended and Ending December 31,**

12/1/2017

	ACTUAL 2016	BUDGET 2017	ACTUAL 9/30/2017	ESTIMATED 2017	PROPOSED 2018
BEGINNING FUND BALANCES	\$ 21,488	\$ 5,996	\$ (10,193)	\$ (10,193)	\$ 18,423
REVENUES					
1 Property taxes	114,600	112,268	111,369	112,268	284,265
2 Specific ownership taxes	3,789	3,370	2,821	4,231	11,370
3 Developer advance	176,000	143,000	-	285,000	-
4 Net investment income	1,385	2,000	548	700	1,000
5 Other income	-	-	1,077	477	-
6 Intergovernmental - D#2	218,039	215,956	215,309	218,558	193,053
7 Transit center	297	15,929	131	9,115	13,524
8 Parking garage user fees	421,287	419,973	369,242	419,973	429,894
9 Conference Center	25,000	25,000	16,667	25,000	25,000
Total revenues	960,397	937,496	717,164	1,075,322	958,106
Total funds available	981,885	943,492	706,971	1,065,129	976,529
EXPENDITURES					
General and administration					
10 Accounting	51,705	38,000	57,696	65,000	45,000
11 Administrative fee	25,000	25,750	10,417	25,750	26,523
12 Audit	9,700	10,000	10,175	10,175	10,800
13 Bank service charges	521	700	396	700	700
14 Conference center operating charges	120,911	126,788	84,461	126,788	135,917
15 Contingency	-	8,946	-	-	38,853
16 County Treasurer's fees	5,730	5,613	5,568	5,730	14,213
17 Insurance	43,110	45,200	47,560	47,560	49,938
18 Legal	112,140	40,000	102,461	140,000	-
19 Legal District #1	-	-	-	-	40,000
20 Legal District #2	-	-	-	-	25,000
21 Miscellaneous	136	-	6,453	8,000	-
22 Parking garage operating costs	404,212	401,525	235,782	401,525	350,166
23 Transit center	213,102	207,478	133,332	207,478	209,890
24 Utilities	5,811	8,000	287	8,000	-
Total expenditures	992,078	918,000	694,588	1,046,706	947,000
Total expenditures and transfers out requiring appropriation	992,078	918,000	694,588	1,046,706	947,000
ENDING FUND BALANCES	\$ (10,193)	\$ 25,492	\$ 12,383	\$ 18,423	\$ 29,529
EMERGENCY RESERVE	\$ 24,000	\$ 23,900	\$ 21,600	\$ 23,800	\$ 28,800
TOTAL RESERVE	\$ 24,000	\$ 23,900	\$ 21,600	\$ 23,800	\$ 28,800
ANNUAL SURPLUS (DEFICIT)	\$ (31,681)	\$ 19,496	\$ 22,576	\$ 28,616	\$ 11,106

**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.

**BASE VILLAGE METROPOLITAN DISTRICT NO. 1**  
**CAPITAL PROJECTS FUND**  
**2018 BUDGET AS PROPOSED**  
**WITH 2016 ACTUAL AND 2017 ESTIMATED**  
**For the Years Ended and Ending December 31,**

12/1/2017

	ACTUAL 2016	BUDGET 2017	ACTUAL 9/30/2017	ESTIMATED 2017	PROPOSED 2018
BEGINNING FUND BALANCES	\$ 117,620	\$ -	\$ 58,916	\$ 58,916	\$ -
REVENUES					
Total revenues	-	-	-	-	-
Total funds available	117,620	-	58,916	58,916	-
EXPENDITURES					
Capital projects					
1 Capital outlay	58,704	-	-	58,916	-
Total expenditures	58,704	-	-	58,916	-
Total expenditures and transfers out requiring appropriation	58,704	-	-	58,916	-
ENDING FUND BALANCES	\$ 58,916	\$ -	\$ 58,916	\$ -	\$ -

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.

**BASE VILLAGE METROPOLITAN DISTRICT NO. 1**  
**2018 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized by Court Order in December 2004, to provide financing for the design, acquisition, installation and construction of streets, drainage, traffic and safety controls, park and recreation, transportation, and mosquito and pest control. The District's service area is located entirely within the Town of Snowmass Village (the "Town"), in Pitkin County, Colorado. Under the Consolidated Service Plan, the District is the Service District and is related to Base Village Metropolitan District No. 2 (Base Village No. 2), which serves as the Financing District. Together, the Districts are parties to an Operation, Maintenance and Administrative Services Agreement (the "Operations Agreement") dated November 28, 2016 and effective December 22, 2016.

The Operations Agreement replaces an Amended and Restated District Public Improvements Joint Financing, Construction, and Service Agreement dated June 25, 2008. The Operations Agreement establishes certain rights and obligations of the Districts with respect to the provision of operations, maintenance and administrative services of the Districts. The Operations Agreement obligates the District to continue to serve as the administrative agent for District No. 2 with respect to statutory annual requirements that are required of District No. 2, and also to operate and maintain public infrastructure owned by the District and/or as to which the District has operations and maintenance responsibilities pursuant to easements or other property interests. The Operations Agreement will obligate District No. 2 to levy six mills until such time as the District mill levy is sufficient to meet a single year's operations, maintenance and administrative expenses, at which point District No. 2 will no longer be obligated to fund any such expenses.

The District has no employees and all administrative employees 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 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 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 County Treasurer remits the taxes collected monthly to the District.

The District adopted a mill levy as displayed on the property tax page of the budget.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The estimate is based on a ratio of prior year's specific ownership taxes to

**BASE VILLAGE METROPOLITAN DISTRICT NO. 1  
2018 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

property taxes as experienced by the District. The budget assumes that the District's share will be equal to approximately 4% of the property taxes collected.

**Revenues - (continued)**

**Intergovernmental Revenue**

Under the Operations Agreement, Base Village No. 2 is anticipated to transfer revenues to the District to provide for administrative and operations costs.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.00%.

**Parking Garage User Fees**

These fees are collected to offset the associated expenditures for operations and maintenance of the parking garage.

**Conference Center Revenue**

The revenue will be used to offset the associated expenditures for operations and maintenance of the conference center.

**Transit Center**

The revenue will be used to offset the associated expenditures for operations and maintenance of the transit center.

**Developer Advance**

Developer advances are expected to fund a portion of the general fund expenditures. Developer advances are to be recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to issue bonds to reimburse the Developer.

**Expenditures**

**Administrative and Operating Expenditures**

Administrative and operating expenditures have been provided based on estimates of the District's Board of Directors and consultants and include the services necessary to maintain the District's administrative viability such as legal, accounting, insurance and other administrative expenses. Operating expenditures include the necessary costs to operate and maintain the conference center and parking garage, including management fees.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 5% of property tax collections.

**BASE VILLAGE METROPOLITAN DISTRICT NO. 1  
2018 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases**

**Capital Pledge Agreement**

The District entered into a Capital Pledge Agreement with Base Village No. 2 on December 22, 2016 by which the District has pledged the Capital Levy Revenue to the District for payment of District No. 2's Bonds (subject to the limitations of the Capital Pledge Agreement). The District will impose a capital levy each year in the number of mills necessary to produce the Capital Levy Revenue in an amount at least equal to the amount required to cover the annual Shortfall (defined below) through a pledge of the Capital Levy Revenue to Base Village No. 2. The Capital Levy shall not exceed 43.5 mills, as adjusted. The Capital Levy Revenue includes the property tax revenue derived from the imposition of the Capital Levy plus specific ownership tax revenue allocable to such Capital Levy, less costs of collection.

The pledge of the Capital Levy Revenue secures the obligation of the District to make Shortfall payments in accordance with the Capital Pledge Agreement. The annual Shortfall is determined when the sum of the District No. 2 Required Mill Levy, the proportionate share of Specific Ownership Taxes, the Capital Facility Fees received, and the moneys in the Surplus Fund in excess of \$1,000,000, are less than the Senior Debt Service Requirements for the same Bond Year. Such insufficiency shall constitute a "Shortfall" and a Shortfall shall be deemed to occur with respect to such Bond Year. No Shortfall payment is anticipated from the District.

The District has no outstanding debt and no operating or capital leases.

**Reserve Funds**

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

**This information is an integral part of the accompanying budget.**



**Base Village Metropolitan District No.1  
Pitkin County, Colorado**

**FINANCIAL STATEMENTS**

**December 31, 2017**

**Base Village Metropolitan District No. 1**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Base Village Metropolitan District No. 1  
Pitkin County, Colorado

We have audited the accompanying financial statements of the governmental activities and each major fund of Base Village Metropolitan District No. 1 (the District) as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

### **Auditor's Responsibility**

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Base Village Metropolitan District No. 1, as of December 31, 2017, and the respective changes in financial position thereof, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages I through III be presented to supplement the basic financial statements. Such information, although not 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of legal compliance and additional analysis and is not a required part of the basic financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Fiscal Focus Partners, LLC*

Lakewood, Colorado  
September 28, 2018

## **Base Village Metropolitan District No. 1**

### **Management's Discussion and Analysis December 31, 2017**

As management of Base Village Metropolitan District No. 1 (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended December 31, 2017.

#### **Overview of the Financial Statements**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are composed of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements.

**Government-wide financial statements.** The government-wide financial statements are designed to provide readers with an overview of the District's finances, from both a short-term fund perspective and a long-term economic perspective.

The Statement of Net Position presents information on all the District's assets, deferred outflows, liabilities, and deferred inflows with the difference between the amounts reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The Statement of Activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The governmental activity of the District is primarily construction, operation, and maintenance of public improvements. There are no business-type activities within the District.

The District's government-wide and fund financial statements can be found on pages 1 through 6 of this report.

**Fund financial statements.** A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with legal requirements. The District currently has one fund, the General Fund, which is a governmental fund.

**Governmental funds.** Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. A reconciliation of the fund balance as reported in the governmental funds to the net position reported in the government-wide financial statements and a reconciliation of the net change in fund balance to the change in net position has been provided to facilitate the comparison between governmental funds and governmental activities.

**Notes to the financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 7 through 24 of this report.

**Government-wide Financial Analysis.** A condensed summary of the District's government-wide assets, deferred outflows, liabilities, net position, revenues and expenses follows:

### Statement of Net Position

	<b>Governmental Activities</b>	
	<b>2017</b>	<b>2016</b>
Current and other assets	\$ 549,997	\$ 352,636
Capital and long term assets	22,026,356	22,537,574
<b>Total Assets</b>	<b>22,576,353</b>	<b>22,890,210</b>
<b>Liabilities:</b>		
Current liabilities	203,661	191,645
Long-term obligations payable	9,987,620	9,266,711
<b>Total Liabilities</b>	<b>10,191,281</b>	<b>9,458,356</b>
<b>Deferred Inflows</b>		
Property Taxes	284,265	112,268
<b>Total Deferred Inflows</b>	<b>284,265</b>	<b>112,268</b>
<b>Net position:</b>		
Net investment in capital assets, net of debt	16,998,650	17,737,212
Restricted for TABOR	10,200	24,000
Restricted for Capital Projects	211	58,916
Unrestricted	(4,908,254)	(4,500,542)
<b>Total Net position</b>	<b>\$ 12,100,807</b>	<b>\$ 13,319,586</b>

### Statement of Activities

<b>Revenues:</b>		
Program Revenues		
Operating grants and contributions	\$ 219,543	218,039
Charges for Services	487,350	446,584
Capital Grants and contributions	0	0
General revenue:		
Property Taxes	112,261	114,600
Interest and other revenue	5,950	5,174
<b>Total Revenue</b>	<b>825,104</b>	<b>784,397</b>
<b>Expenses:</b>		
General government	1,607,974	1,575,397
Interest on long-term debt	435,909	424,170
<b>Total Expenses</b>	<b>2,043,883</b>	<b>1,999,567</b>
<b>Change in Net position</b>	<b>(1,218,779)</b>	<b>(1,215,170)</b>
<b>Net position - Beginning</b>	<b>13,319,586</b>	<b>14,534,756</b>
<b>Net position - Ending</b>	<b>\$ 12,100,807</b>	<b>\$ 13,319,586</b>

The District is the "service district" in a dual district structure whereby the District constructed the public infrastructure and provides certain services for Base Village Metropolitan District No. 2. Pursuant to the consolidated service plan for the Districts, the District is obligated to provide certain capital facilities and operational services and obligates Base Village Metropolitan District No. 2 (the "financing district") to fund the District's cost of constructing the facilities and operations.

**Government-wide Financial Analysis.** The District's primary activity in 2017 has been the operation of the public improvements owned by the District. The District's primary revenue sources are property taxes, intergovernmental revenues from Base Village Metropolitan District No. 2, and charges for services. The decrease in net position is primarily the result of depreciation expense and interest expense on long-term debt.

### **Financial Analysis of the District's Funds**

As mentioned earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$62,071, which is the result of a cumulative surplus of revenues in excess of expenditures.

The District adopts budgets for each fund on an annual basis. Budgetary comparisons have been provided on page 6 for the General Fund.

**Capital assets.** The District invested \$85,896 in capital asset additions. This investment includes a new entry control system for the parking garage. Overall, total capital assets, after depreciation, decreased from \$22,537,574 to \$22,026,356 during 2017 due to depreciation expense. Additional information as well as a detailed classification of the District's net capital assets can be found in the Notes to the Financial Statement on page 14 of this report.

### **Request for Information**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to Marchetti & Weaver, LLC, 28 Second Street, Suite 213, Edwards, CO 81632 or you may call (970) 926-6060.

## **BASIC FINANCIAL STATEMENTS**



**Base Village Metropolitan District No. 1**

**STATEMENT OF NET POSITION**

**December 31, 2017**

	<b>Governmental Activities</b>
<b>ASSETS</b>	
Cash and investments	\$ 230,843
Cash and investments - Restricted	10,200
Accounts receivable	15,093
Receivable from County Treasurer	619
Property taxes receivable	284,265
Prepaid expense	7,077
Due from other governments	1,900
Capital assets, net	22,026,356
<b>Total assets</b>	<b>22,576,353</b>
<b>LIABILITIES</b>	
Accounts payable	172,761
Due to other governments	30,900
Noncurrent liabilities	
Due in more than one year	9,987,620
<b>Total liabilities</b>	<b>10,191,281</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property tax revenue	284,265
<b>Total deferred inflows of resources</b>	<b>284,265</b>
<b>NET POSITION</b>	
Net investment in capital assets	16,998,650
Restricted for:	
Emergency reserves	10,200
Capital projects	211
Unrestricted	(4,908,254)
<b>Total net position</b>	<b>\$ 12,100,807</b>

*The accompanying Notes to the Financial Statements are an integral part of these statements.*

Base Village Metropolitan District No. 1

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2017

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>			<u>Net (Expense)</u> <u>Revenue and</u> <u>Changes in</u> <u>Net Position</u>
		<u>Charges for</u> <u>Services</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	<u>Capital Grants</u> <u>and</u> <u>Contributions</u>	<u>Governmental</u> <u>Activities</u>
<b>Primary government</b>					
General government	\$ 1,607,974	\$ 487,350	\$ 219,543	\$ -	\$ (901,081)
Interest on long-term debt and related costs	435,909	-	-	-	(435,909)
<b>Total governmental activities</b>	<u>\$ 2,043,883</u>	<u>\$ 487,350</u>	<u>\$ 219,543</u>	<u>\$ -</u>	<u>(1,336,990)</u>
<b>General revenues:</b>					
Property taxes					112,261
Specific ownership taxes					4,106
Investment income					1,844
<b>Total general revenues</b>					<u>118,211</u>
<b>Change in net position</b>					(1,218,779)
Net position - beginning					13,319,586
Net position - ending					<u>\$ 12,100,807</u>

The accompanying Notes to the Financial Statements are an integral part of these statements.

**Base Village Metropolitan District No. 1**

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

**December 31, 2017**

	<u>General Fund</u>	<u>Capital projects</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>			
Cash and investments	\$ 230,632	\$ 211	\$ 230,843
Cash and investments - Restricted	10,200	-	10,200
Accounts receivable	15,093	-	15,093
Receivable from county treasurer	619	-	619
Property taxes receivable	284,265	-	284,265
Prepaid expense	7,077	-	7,077
Due from other governments	1,900	-	1,900
<b>Total assets</b>	<u>\$ 549,786</u>	<u>\$ 211</u>	<u>\$ 549,997</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 172,761	\$ -	\$ 172,761
Due to other governments	30,900	-	30,900
Total liabilities	<u>203,661</u>	<u>-</u>	<u>203,661</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property tax revenue	284,265	-	284,265
<b>Total deferred inflows of resources</b>	<u>284,265</u>	<u>-</u>	<u>284,265</u>
<b>FUND BALANCES</b>			
Nonspendable:			
Prepaid amounts	7,077	-	7,077
Restricted for:			
Emergencies	10,200	-	10,200
Capital projects	-	211	211
Unassigned	44,583	-	44,583
<b>Total fund balances</b>	<u>61,860</u>	<u>211</u>	<u>62,071</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 549,786</u>	<u>\$ 211</u>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital assets, net 22,026,356

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Developer advance payable (5,719,730)

Accrued interest on developer advance (4,267,890)

Net position of governmental activities \$ 12,100,807

*The accompanying Notes to the Financial Statements are an integral part of these statements.*

**Base Village Metropolitan District No. 1**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**For the Year Ended December 31, 2017**

	<u>General Fund</u>	<u>Capital projects</u>	<u>Total Governmental Funds</u>
<b>Revenues</b>			
Property taxes	\$ 112,261	\$ -	\$ 112,261
Specific ownership taxes	4,106	-	4,106
Intergovernmental revenue	219,543	-	219,543
Investment income	1,844	-	1,844
Transit center revenue	9,153	-	9,153
Parking garage user fees	453,197	-	453,197
Conference center revenue	25,000	-	25,000
<b>Total revenues</b>	<u>825,104</u>	<u>-</u>	<u>825,104</u>
<b>Expenditures</b>			
Current			
Accounting	68,707	-	68,707
Administrative	23,367	-	23,367
Audit	10,175	-	10,175
County Treasurer's fees	5,614	-	5,614
Insurance and bonds	47,560	-	47,560
Legal services	149,472	-	149,472
Utilities	340	-	340
Bank and Merchant fees	505	-	505
Miscellaneous	7,314	-	7,314
Conference center operations	120,478	-	120,478
Parking garage operations	376,659	-	376,659
Transit center operations	200,669	-	200,669
Capital outlay	27,191	58,705	85,896
<b>Total expenditures</b>	<u>1,038,051</u>	<u>58,705</u>	<u>1,096,756</u>
<b>Excess of revenues over (under) expenditures</b>	<u>(212,947)</u>	<u>(58,705)</u>	<u>(271,652)</u>
<b>Other financing sources (uses)</b>			
Developer advance (repayment)	285,000	-	285,000
<b>Total other financing sources and (uses)</b>	<u>285,000</u>	<u>-</u>	<u>285,000</u>
<b>Net change in fund balances</b>	72,053	(58,705)	13,348
<b>Fund balances - beginning</b>	<u>(10,193)</u>	<u>58,916</u>	<u>48,723</u>
<b>Fund balances - ending</b>	<u><u>\$ 61,860</u></u>	<u><u>\$ 211</u></u>	<u><u>\$ 62,071</u></u>

*The accompanying Notes to the Financial Statements are an integral part of these statements.*

**Base Village Metropolitan District No. 1**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND  
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

**For the Year Ended December 31, 2017**

Net change in fund balances - governmental funds: \$ 13,348

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Depreciation	(597,114)
Capital outlay	85,896

Long-term debt (e.g. Developer advances) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term debt is as follow:

Developer operations advance	(285,000)
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued interest on Developer advance payable	<u>(435,909)</u>
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Change in net position of governmental activities	<u><u>\$ (1,218,779)</u></u>
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**Base Village Metropolitan District No. 1**

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

**For the Year Ended December 31, 2017**

	<b>Budget Amounts</b>		<b>Actual</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Amounts</b>	<b>Final Budget - Positive (Negative)</b>
<b>REVENUES</b>				
Property taxes	\$ 112,268	\$ 112,268	\$ 112,261	\$ (7)
Specific ownership taxes	3,370	3,370	4,106	736
Intergovernmental revenue	215,956	215,956	219,543	3,587
Investment income	2,000	2,000	1,844	(156)
Transit center revenue	15,929	15,929	9,153	(6,776)
Parking garage revenue	419,973	419,973	453,197	33,224
Conference center revenue	25,000	25,000	25,000	-
<b>Total revenues</b>	<u>794,496</u>	<u>794,496</u>	<u>825,104</u>	<u>30,608</u>
<b>EXPENDITURES</b>				
Accounting	38,000	65,000	68,707	(3,707)
Administrative	25,750	25,750	23,367	2,383
Audit	10,000	10,175	10,175	-
County Treasurer's fees	5,613	5,613	5,614	(1)
Contingency	8,946	-	-	-
Insurance and bonds	45,200	47,560	47,560	-
Legal services	40,000	140,000	149,472	(9,472)
Utilities	8,000	8,000	340	7,660
Bank and Merchant fees	700	642	505	137
Miscellaneous	-	8,000	7,314	686
Conference center operations	126,788	126,788	120,478	6,310
Parking garage operations	401,525	401,525	376,659	24,866
Transit center operations	207,478	207,478	200,669	6,809
Capital outlay - parking	-	-	27,191	(27,191)
<b>Total expenditures</b>	<u>918,000</u>	<u>1,046,531</u>	<u>1,038,051</u>	<u>8,480</u>
<b>Excess of revenues over expenditures</b>	<u>(123,504)</u>	<u>(252,035)</u>	<u>(212,947)</u>	<u>39,088</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Developer advance	143,000	285,000	285,000	-
<b>Total other financing sources (uses)</b>	<u>143,000</u>	<u>285,000</u>	<u>285,000</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>19,496</u>	<u>32,965</u>	<u>72,053</u>	<u>39,088</u>
<b>Fund balances - beginning</b>	<u>5,996</u>	<u>(10,193)</u>	<u>(10,193)</u>	<u>-</u>
<b>Fund balances - ending</b>	<u>\$ 25,492</u>	<u>\$ 22,772</u>	<u>\$ 61,860</u>	<u>\$ 39,088</u>

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*The accompanying Notes to the Financial Statements are an integral part of these statements.*

## **Base Village Metropolitan District No.1**

### **NOTES TO FINANCIAL STATEMENTS**

**December 31, 2017**

#### **NOTE 1 – DEFINITION OF REPORTING ENTITY**

Base Village Metropolitan District (the District) was organized by Court Order in December 2004, to provide financing for the design, acquisition installation and construction of streets, drainage, traffic and safety controls, parks and recreation, transportation, and mosquito and pest control. The District's service area is located entirely within the Town of Snowmass Village (the Town), in Pitkin County, Colorado. Under the consolidated Service Plan (Amended and Restated Consolidated Service Plan approved October 17, 2006), the District is the Service District and is related to Base Village Metropolitan District No. 2 (Base Village No. 2), which serves as the Financing District. The Service District is responsible for management of the construction of all facilities and improvements and for operation and maintenance of all improvements and not conveyed to the Town. The Service District, together with the Financing District, provides the funding for infrastructure improvements and the tax base needed to support ongoing operations.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set 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 District has no employees and all operations and administrative functions are contracted.

As of December 31, 2017 no component unit has been identified as reportable to the District, nor is the District a component unit of any other primary governmental entity.

#### **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### **Government-wide and fund financial statements**

The government-wide financial statements include the statement of net position and statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial resources of the District. The difference between the assets, deferred outflows of resources, liabilities and deferred inflows of resources of the District is reported as net position.

## Base Village Metropolitan District No. 1

### NOTES TO FINANCIAL STATEMENTS (continued)

December 31, 2017

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 customer 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.

Separate financial statements are provided for the governmental funds. 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 related cash flows. Depreciation is computed and recorded as an operating expense. Expenditures for capital outlay are shown as increases in assets and repayment of developer advances are recorded as a reduction in liabilities.

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 revenue to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes, and intergovernmental revenues. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

*The general fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be reported in another fund.

*The capital projects fund* accounts for financial resources to be used for the acquisition or construction of major capital facilities.



## **Base Village Metropolitan District No. 1**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**December 31, 2017**

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

#### **Use of estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires District management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

#### **Pooled cash and investments**

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 single bank account. 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.

#### **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 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 County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflows of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

#### **Budgetary information**

In accordance with the Colorado State Budget Law, the District's Board of Directors (the Board) holds public hearings in the fall of each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year end. The Board 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

## **Base Village Metropolitan District No. 1**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**December 31, 2017**

requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its annual budget for the year ended December 31, 2017.

#### **Fund balances**

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

*Non-spendable fund balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory) or is legally or contractually required to be maintained intact.

*Restricted fund balance* – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.

*Committed fund balance* – The portion of fund balance constrained for specific purposes according to limitations imposed by the District's highest level of decision making authority, the Board of Directors prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Board of Directors.

*Assigned fund balance* – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

*Unassigned fund balance* – The residual portion of fund balance that does not meet any of the above criteria.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

## **Base Village Metropolitan District No. 1**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**December 31, 2017**

#### **Capital Assets**

Capital assets, which include property and infrastructure assets (e.g. roads, bridges, sidewalks, facilities and similar items), are reported 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. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress, and are not included in the calculation of net investment in capital assets.

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Equipment	5 years
Conference Center	39 years
Parking garage	50 years
Main Street Bridge	50 years
Skier Funnel Bridge	50 years
Transit Center	39 years

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements that will be dedicated to other governmental entities are not depreciated.

#### **Deferred inflow of Resources**

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows or resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

#### **Net Position**

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

**Base Village Metropolitan District No. 1**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2017**

**NOTE 3 – CASH AND INVESTMENTS**

Cash and investments as of December 31, 2017 are classified in the accompanying financial statements as follows:

Statement of net position:

Cash and investments	\$ 230,843
Cash and investments - Restricted	10,200
Total cash and investments	<u>\$ 241,043</u>

Cash and investments as of December 31, 2017 consist of the following:

Cash on hand	\$ 1,500
Deposits with financial institutions	211,953
Investments	27,590
Total cash and investments	<u>\$ 241,043</u>

**Deposits with Financial Institutions**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. 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 for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. 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.

At December 31, 2017, the District's cash deposits had a bank balance of \$343,963 and a carrying balance of \$211,953.

**Investments**

The District has not adopted a formal investment policy; however the District follows state statutes regarding investments.

The District generally limits its investment to those which are believed to have minimal interest rate risk and no foreign currency risk. Additionally, the district is not subject to

**Base Village Metropolitan District No. 1**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2017**

concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to three or five years or less (depending upon the type of investment) unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

As of December 31, 2017, the District had the following investment:

<b>Investment</b>	<b>Maturity</b>	<b>Fair Value</b>
Colorado Surplus Asset Fund Trust (CSAFE)	Less than 1 year	<u>\$ 27,590</u>
Total investments		<u><u>\$ 27,590</u></u>

**CSAFE**

The District invested in the Colorado Surplus Asset Fund Trust (CSAFE), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all State statutes governing CSAFE. CSAFE is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, certain money market funds and highest rated commercial paper, and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to custodian agreements. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE records its investments at amortized cost and the District records its investment in CSAFE using the amortized cost method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period. CSAFE is rated AAAM by Standard and Poor's.

**Base Village Metropolitan District No. 1**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2017**

**NOTE 4 – CAPITAL ASSETS**

An analysis of the changes in capital assets for the year ended December 31, 2017, follows:

	Balance at December 31, 2016	Additions	Deletions	Balance at December 31, 2017
Capital assets, being depreciated:				
Conference center	\$ 3,668,310	\$ -	\$ -	\$ 3,668,310
Parking garage	14,332,136	85,896	-	\$ 14,418,032
Main Street bridge	3,279,140	-	-	\$ 3,279,140
Skier funnel bridge	1,750,157	-	-	\$ 1,750,157
Transit center	3,913,294	-	-	\$ 3,913,294
Total capital assets, being depreciated	<u>26,943,037</u>	<u>85,896</u>	<u>-</u>	<u>27,028,933</u>
Less accumulated depreciations for:				
Conference center	(746,538)	(95,434)	-	(841,972)
Parking garage	(2,283,640)	(300,753)	-	(2,584,393)
Main Street bridge	(426,289)	(65,583)	-	(491,872)
Skier funnel bridge	(297,526)	(35,003)	-	(332,529)
Transit center	(651,470)	(100,341)	-	(751,811)
Total accumulated depreciation	<u>(4,405,463)</u>	<u>(597,114)</u>	<u>-</u>	<u>(5,002,577)</u>
Governmental activities capital assets, net	<u>\$ 22,537,574</u>	<u>\$ (511,218)</u>	<u>\$ -</u>	<u>\$ 22,026,356</u>

Capital assets were paid for, acquired by, or reimbursed by the District and a portion of the assets were conveyed to other governmental entities. Costs are recorded as construction in progress until placed in service by the District or conveyed to other governmental entities. The costs of all capital assets transferred to other governmental entities were removed from the District's financial records.

**Base Village Metropolitan District No. 1**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2017**

**NOTE 5 – LONG-TERM OBLIGATIONS**

Following is an analysis of changes in long-term obligations for the year ended December 31, 2017:

	Balance at December 31, 2016	Additions	Reductions	Balance at December 31, 2017	Due Within One Year
Developer advances:					
Advance and Reimbursement Agreement	\$ 952,288	\$ 285,000	\$ -	\$ 1,237,288	\$ -
Infrastructure Acquisition and Reimbursement Agreement	4,482,442	-	-	4,482,442	
Accrued interest	3,831,981	435,909	-	\$ 4,267,890	
	<u>\$ 9,266,711</u>	<u>\$ 720,909</u>	<u>\$ -</u>	<u>\$ 9,987,620</u>	<u>\$ -</u>

**Advance and Reimbursement Agreement**

The District entered into that certain "Advance and Reimbursement Agreement" dated July 27, 2005, which was amended on April 3, 2008 (First Amendment), and June 25, 2008 (Second Amendment)(collectively, "the Agreement"), with Intrawest/Brush Creek Development Company, LLC (Intrawest), whereby Intrawest agreed to advance funds for costs associated with the organization and development of the District and for the services and improvements related to the construction of capital infrastructure for which the District is authorized. The District was to reimburse Intrawest, subject to annual appropriation and budget approval, from funds available within any fiscal year and not otherwise required for operations, capital improvements and debt service costs and expenses of the District. Reimbursement was to include interest at the rate of 8% per annum. The obligation was declared to be subordinate to any District bonded indebtedness.

On March 1, 2007, Intrawest assigned the Agreement to Base Village Owner LLC. Under this assignment, all prior amounts due to Intrawest were payable to Base Village Owner LLC. On September 28, 2012, the Agreement was assigned to Snowmass Acquisition Company LLC (SAC).

On December 22, 2016, the amounts owing under the Agreement were assigned to SV Bond Holdings, LLC (SV Bond), an affiliate of the Developer (see Note 7) pursuant to the Omnibus Reimbursement Agreement whereby Base Village No. 2 is no longer obligated to repay the advances.

## **Base Village Metropolitan District No. 1**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**December 31, 2017**

As of December 31, 2017, outstanding advances under the Agreement totaled \$1,237,288 for operations and accrued interest totaled \$362,515.

#### **Infrastructure Acquisition and Reimbursement Agreement**

The District entered into that certain “Infrastructure Acquisition and Reimbursement Agreement” (IARA) dated October 19, 2007, with Base Village Owner LLC. Base Village No. 2 was a party to the IARA for purposes of providing funding for payment of obligations to the Developer. On September 28, 2012, the obligations were assigned to Snowmass Acquisition Company LLC. Per the IARA, the District was obligated to reimburse the Developer for those improvements that are determined to be “District Eligible Costs”. District Eligible Costs was defined to mean any and all costs that may be lawfully funded by the District under the Special District Act and the Districts’ Service Plan. District Eligible Costs would be accepted by the District after cost and engineer certifications are issued. With respect to District Eligible Costs for which the District became obligated to reimburse the Developer but which remained unpaid, interest would accrue at 8% per annum from the date of acceptance.

Under the Omnibus Reimbursement Agreement (described below), District No. 2 was released from the reimbursement obligation under the IARA, and the District is the sole entity obligated to make reimbursement. Also, pursuant to the Omnibus Reimbursement Agreement, the party entitled to be reimbursed was established as SV Bond.

As of December 31, 2017, outstanding obligations totaled \$4,482,442 and accrued interest totaled \$3,905,375.

#### **D. Omnibus Funding and Reimbursement Agreement**

On November 28, 2016, the District and SV Bond entered into that certain “Omnibus Funding and Reimbursement Agreement” effective December 22, 2016, the date of issuance Base Village No. 2’s bonds, (the “Omnibus Reimbursement Agreement”) which consolidates the reimbursement agreements previously described. In the Agreement, the District agreed to repay amounts due under these agreements, and Base Village No. 2 was relieved of its repayment obligation. The Agreement provides that from the date thereof, interest shall accrue at the rate of 8% per annum simple interest, to the earlier of the date a reimbursement obligation is issued or repayment is made. The obligation to pay these amounts terminates 40 years from the date of the agreement. The Agreement states that it evidences the District’s intent to repay SV Bond, but that the obligation shall not constitute a debt or indebtedness of the District within the meaning of any constitutional or statutory provision. The District’s agreement to repay SV Bond is subject to annual appropriation by the District. However, the Agreement does contemplate the issuance of long-term debt obligations to SV Bond to provide for payment (Reimbursement Obligations).



**Base Village Metropolitan District No. 1**

**NOTES TO FINANCIAL STATEMENTS**  
**(continued)**

**December 31, 2017**

Reimbursement Obligations may only be issued in accordance with the limitations of the Capital Pledge Agreement (see Note 7). In the Capital Pledge Agreement, the District acknowledges and agrees that its obligations under the Capital Pledge Agreement are prior and superior to all obligations of the District under the Omnibus Reimbursement Agreement.

**Debt Authorization**

On November 7, 2006, a majority of the qualified electors of the District authorized the issuance of indebtedness in an amount not to exceed \$112,000,000 at an interest rate not to exceed 12% per annum. At December 31, 2016, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	<b>Authorized November 6, 2007 Election</b>	<b>Authorization Used</b>	<b>Remaining at December 31, 2017</b>
Streets	\$ 20,000,000		\$ 20,000,000
Public Transportation	6,000,000		6,000,000
Fire protection	2,000,000		2,000,000
Traffic and safety	28,000,000		28,000,000
Parks and recreation	28,000,000		28,000,000
Mosquito control	28,000,000		28,000,000
	<u>\$ 112,000,000</u>	<u>\$ -</u>	<u>\$ 112,000,000</u>

Pursuant to the Amended and Restated Consolidated Service Plan, the Districts are permitted to issue bond indebtedness of up to \$48,700,000 in par-amount, excluding underwriter discount, credit enhancement costs, other costs of issuance, and payments made by guarantors under any pledge agreement or for direct bond payments. As of December 31, 2012, Base Village No. 2 has issued \$47,750,000 (inclusive of \$4,179,943 of costs excludable as described above) of General Obligation Bonds and \$2,200,000 in the form of a Developer Subordinate Note.

During 2013, Base Village No. 2 refunded its Series 2008A bonds, repaid its Developer Subordinate Note, and reduced its 2011 Guarantor Bond obligation through the issuance of the Series 2013A Senior Limited Tax Refunding Loan and the Series 2013B Subordinate Limited Tax Refunding Bonds. No additional authorization was used as Base Village No. 2 issued less debt than was previously issued with the 2008 obligations and Subordinate Note.

During 2016, Base Village No. 2 refunded its outstanding 2013 A Bonds and a portion of its 2013B Bonds with the issuance of its 2016A General Obligation Limited Tax Refunding Bonds and its 2016B General Obligation Limited Tax Subordinate Bonds. The 2011 Guarantor Bonds and the remaining portion of the 2013B Bonds were

## **Base Village Metropolitan District No. 1**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**December 31, 2017**

forgiven by the Bondholders and are deemed canceled and paid in full. No additional authorization was used by Base Village No. 2.

#### **NOTE 6 – NET POSITION**

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, developer advances, note, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2017, the District had net investment in capital assets in the amount of \$16,998,650.

Restricted assets include net position that are restricted for use either externally by creditors, grantors, contributors, or laws and regulations of other governments; or imposed by law through constitutional provisions or enabling legislation. As of December 31, 2017, the District had restricted net position of \$10,200 for Emergency Reserves and \$211 for Capital Projects.

The District has a deficit in unrestricted net position. The deficit is primarily due to the District being responsible for the repayment of debt issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

#### **NOTE 7 – RELATED PARTIES**

On September 22, 2016, SAC (the "Prior Developer") entered into a purchase and sale contract with East West Partners, Inc., a Colorado corporation ("East West") for the sale of the Prior Developer's interest. East West formed of a joint venture to acquire the Prior Developer's interest, the members of which is expected an affiliate of Aspen Skiing Company and an affiliate of KSL Capital Partners, LLC ("KSL"). The joint venture is Snowmass Ventures, LLC (the "Developer"). East West assigned its interest in the Purchase Agreement to the Developer on December 7, 2016. The Developer also acquired Snowmass Hospitality, LLC ("SH") which provides property management services and created a new entity to provide such services in the future, SV Snowmass Hospitality, LLC. During 2017, the District paid SH for management services in the amount of \$100,693.

The five positions on the Board of Directors are occupied by Developer representatives. Such Board members may have potential conflict of interest with respect to actions taken in their capacity as Board members. Disclosure of any potential conflicts of interest is made in accordance with Colorado law, in advance of each Board meeting.

**Base Village Metropolitan District No. 1**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2017**

**NOTE 8 – DISTRICT AGREEMENTS**

**Intergovernmental Agreement with Base Village No. 2**

In connection with the issuance of the Series 2008A and Series 2008B bonds by Base Village No. 2, the District and Base Village No. 2 entered into that certain “Amended and Restated District Public Improvements Joint Financing, Construction and Service Agreement” (the “Joint Financing Agreement”) dated June 25, 2008. The Joint Financing Agreement superseded and replaced an earlier agreement between the parties providing for District to coordinate the financing, construction, operation and maintenance of public improvements and services of benefit to the Districts. The Joint Financing Agreement made certain changes to accommodate the issuance of the Series 2008A and Series 2008B bonds, and the issuance of additional debt, including the 2013A Loan and 2013B bonds of District No. 2. The Districts terminated this Agreement on November 28, 2016 and now operate under the Operations Agreement.

**Operations Agreement**

The District and Base Village No. 2 entered into an Operation, Maintenance and Administrative Services Agreement dated as of November 28, 2016 and effective December 22, 2016 (the “Operations Agreement”). The Operations Agreement replaces the Joint Financing Agreement.

The Operations Agreement establishes certain rights and obligations of the Districts with respect to the provision of operations, maintenance and administrative services of the Districts. The Operations Agreement obligates the District to continue to serve as the administrative agent for Base Village No. 2 with respect to statutory annual requirements that are required of Base Village No. 2, and also to operate and maintain public infrastructure owned by the District and/or as to which the District has operations and maintenance responsibilities pursuant to easements or other property interests. The Operations Agreement obligates Base Village No. 2 to levy six mills until such time as the District mill levy (in the amount of 43.5 mills less the Capital Levy under the Capital Pledge Agreement) is sufficient to meet a single year’s operations, maintenance and administrative expenses, at which point Base Village No. 2 will no longer be obligated to fund any such expenses. During 2017, the District received \$219,543 of net property taxes from Base Village No. 2 to pay for the costs of operations associated with public infrastructure.

**Base Village Intergovernmental Agreement**

On September 30, 2006, the Districts and Snowmass Village General Improvement District No. 1 (the GID) entered into that certain “Base Village Intergovernmental Agreement” dated as of September 30, 2006 (the Base Village IGA) in order to

## **Base Village Metropolitan District No. 1**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**December 31, 2017**

establish the total aggregate mill levies that are to be imposed by the Districts and the GID, and certain other related matters. Under the Base Village IGA, the mill levies of the Districts may not exceed 49.500 mills annually. Base Village No. 2 was allowed to levy 29.500 mills in 2006, 2007, and 2008 for operations and maintenance and thereafter no more than 6.000 mills. Commencing in 2009, Base Village District No. 2 was to levy 37.5 mills until certain subordinate debt expected to be issued to the Developer and the Town was paid (only the Developer Subordinate Note was issued however). The Developer Subordinate Note was paid in connection with the issuance of the 2013 bonds. Accordingly, under the Base Village IGA, Base Village District No. 2 is allowed to levy up to 37.5 mills for debt service. 2014, Base Village No. 2 levied a debt service mill levy of 37.5 mills. The GID was permitted to levy 20.000 mills in 2006, 2007, and 2008 for operations and maintenance expenses and thereafter not more than 10.000 mills thereafter.

#### **Capital Pledge Agreement Between the District and Base Village No. 2**

On December 22, 2016, the District and Base Village No. 2 entered into an agreement (the "Capital Pledge Agreement") in connection with Base Village No. 2's issuance of its 2016A and 2016B Bonds. In the Capital Pledge Agreement, the District acknowledges and agrees that its obligations under the Capital Pledge Agreement are prior and superior to all obligations under the Operations Agreement, and that the District will first determine and impose ad valorem property taxes for Shortfall Payments in satisfaction of its Payment Obligation under the Capital Pledge Agreement up to the maximum mill levy required thereunder, without taking into account any mill levy to be imposed under the Operations Agreement. In addition, the Base Village No. 2's pledge of revenue under the Operations Agreement derived from its imposition of six mills is fully subordinate to the pledge of such revenue to its outstanding Bonds.

In the event of a Shortfall, the District is obligated by the Capital Pledge Agreement to pay to Base Village No. 2 an amount equal to the lesser of (i) the amount of the Shortfall for the applicable Senior Bond year or (ii) the Capital Levy Revenue received by the District in such Senior Bond Year. If a Shortfall occurs, the Base Village No. 2 will be depending on the District to comply with the terms of the Capital Pledge Agreement in order to fund the Shortfall.

#### **Transit Center Joint Operating Agreement**

On November 1, 2010, the District entered into an operating agreement with the Town of Snowmass Village, Colorado, with regard to the Metro District Transit Center Facilities (Facilities).

Per the agreement, the District shall be responsible for the operation and maintenance of the Facilities, and the Town shall be responsible for the operation and maintenance costs associated with the Transit Office. The Town will manage bus

## **Base Village Metropolitan District No. 1**

### **NOTES TO FINANCIAL STATEMENTS (continued)**

**December 31, 2017**

operations in the Facilities for the purposes of carrying out public transportation, which is limited to the Town's shuttles and Roaring Fork Transportation Authority buses, and those otherwise allowed by written consent from the Town.

#### **Conference Center Management Agreement**

On October 9, 2013, the District entered into an Independent Contract Agreement with the Snowmass Acquisition Company, LLC, dba Viceroy Snowmass, for the purpose of providing services to the Conference Center, including sales, marketing, booking and operations. This agreement renews automatically unless terminated by parties. The contract was assigned to SW Snowmass Hospitality, LLC on December 22, 2016.

#### **Management Agreement**

The District and SH were parties to that certain "Second Amended and Restated Public Facilities Management Agreement" dated January 1, 2014, as extended on November 18, 2015, and on November 28, 2016 (the "Management Agreement"). Pursuant to this agreement, SH agreed to operate and maintain the Main Parking Garage, Transit Center and other public improvements owned, leased or controlled by the District. SH was an entity that was affiliated with the Prior Developer. The Management Agreement was assigned to SV Snowmass Hospitality, LLC in connection with the acquisition of the project by the Developer in December of 2016. The current agreement expired on December 31, 2017. Under the Management Agreement, SV Bond is paid a fixed fee (subject to increase each January 1 by the greater of 2% or the Consumer Price Index) in the amount of \$45,000 for administering parking fees, \$10,000 for maintaining the Conference Center, \$15,000 for managing the Transit Center and \$25,000 for administering the Districts. In addition, the District agrees to pay the costs of third party contractors and suppliers engaged by SV Bond to perform any management services.

#### **Operations Guaranty Agreement**

The District and Snowmass Ventures, LLC (Snowmass Ventures) a party related to the current Developer) entered into that certain "Operations Guaranty Agreement," dated as of November 28, 2016 for the purpose of establishing a source of supplemental funding for operating costs of the Districts incurred pursuant to the Operations Agreement. Snowmass Ventures is obligated to provide operating funds to the District provided that the Districts certify the full amount of the property tax mill levy required and authorized to be levied by the Districts for operating costs, and otherwise use every reasonable effort to collect other revenues to fund such costs. The District is obligated to reimburse such advances from available funds, subject to annual appropriation.

**Base Village Metropolitan District No. 1**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2017**

**Exclusion Agreement**

The Districts and Snowmass Ventures entered into that certain “Exclusion Agreement” dated as of November 28, 2016 by which the parties agreed to certain procedures to be followed to ensure that future commercial development was considered within the taxing boundaries of the District, and not part of the taxing boundaries of Base Village No. 2.

**NOTE 9 – RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets, errors or omissions, injuries to personnel, or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials’ liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property, public officials’ liability and worker’s compensation coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool 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 10 – TAX, SPENDING AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, referred to as the Taxpayer’s 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.

**Base Village Metropolitan District No. 1**

**NOTES TO FINANCIAL STATEMENTS  
(continued)**

**December 31, 2017**

On November 4, 2004, 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 TABOR.

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

\* \* \* \* \*

## SUPPLEMENTARY INFORMATION



**Base Village Metropolitan District No. 1**

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

**For the Year Ended December 31, 2017**

	<b>Original Amounts</b>	<b>Final Amounts</b>	<b>Actual Amounts</b>	<b>Variance with Final Budget - Positive (Negative)</b>
<b>REVENUES</b>				
<b>Total revenues</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>EXPENDITURES</b>				
Current				
Contingency	-	-	-	-
Legal Services	-	-	-	-
Capital outlay	-	58,916	58,705	211
<b>Total expenditures</b>	<u>-</u>	<u>58,916</u>	<u>58,705</u>	<u>211</u>
<b>Excess of expenditures over (under) revenues</b>	-	(58,916)	(58,705)	211
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers in	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>(58,916)</u>	<u>(58,705)</u>	<u>211</u>
<b>Fund balances - beginning</b>	<u>-</u>	<u>58,916</u>	<u>58,916</u>	<u>-</u>
<b>Fund balances - ending</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 211</u></u>	<u><u>\$ 211</u></u>

**Base Village Metropolitan District No. 1**

**FIVE-YEAR SUMMARY OF ASSESSED VALUATION,  
MILL LEVY, AND PROPERTY TAXES COLLECTED**

**December 31, 2017**

Year ended December 31,	Prior year assessed valuation for current year property tax levy	Mills levied for General fund	Mills levied for Debt Service fund	Total property taxes		Percent collected to levied
	General			Levied	Collected	
2013	\$ 3,604,940	43.500	-	\$ 156,815	\$ 155,616	99.24%
2014	\$ 2,874,520	43.500	-	\$ 125,042	\$ 123,735	98.95%
2015	\$ 2,858,120	43.500	-	\$ 124,328	\$ 124,328	100.0%
2016	\$ 2,634,480	43.500	-	\$ 114,600	\$ 114,600	100.0%
2017	\$ 2,580,880	43.500	-	\$ 112,268	\$ 112,261	100.0%
Estimated for calendar year ending December 31, 2018	\$ 6,534,830	43.500	-	\$ 284,265		

*Note:*

Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy if delinquent taxes are collect.

WILLIAM P. ANKELE, JR.  
JENNIFER GRUBER TANAKA  
CLINT C. WALDRON  
KRISTIN BOWERS TOMPKINS  
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MEGAN J. MURPHY  
EVE M. GRINA  
JENNIFER F. KEMP  
ALLISON C. FOGG

December 5, 2018

Board of Directors  
Base Village Metropolitan District No. 1  
c/o Snowmass Hospitality  
P.O. Box 5550  
Snowmass Village, Colorado 81615

RE: Engagement of WHITE BEAR ANKELE TANAKA & WALDRON

Dear Directors:

We are pleased to confirm our continued engagement as general counsel to the Base Village Metropolitan District No. 1 (the "District").

This engagement letter provides the terms upon which White Bear Ankele Tanaka & Waldron ("WBA") will provide legal services to the District and is intended to formalize our continued engagement as general counsel, as required by the applicable Rules of Professional Conduct. This letter sets forth details of the engagement, including how we propose to staff the matter, billing arrangements and certain conflict of interest understandings, with the terms of this engagement letter superseding the terms of all prior letters. Additional information about WBA can be found at [www.whitebearankele.com](http://www.whitebearankele.com).

**1. Personnel.** Legal services provided under this engagement may be performed by any lawyer at WBA. We will also use paralegals and/or other support staff as we believe to be necessary and effective in providing you with legal services.

**2. Fees, Expenses and Retainer.** Our fees for services rendered on the District's behalf will be based upon time charged using the hourly rates charged by each attorney or paralegal working on the matter. WBA's legal services are billed on an hourly basis, in increments of one-tenth of an hour, and are not contingent. Hourly rates for professionals in WBA currently range from \$200.00 to \$475.00 (attorneys) and from \$130.00 to \$200.00 (paralegals). Hourly rates are revised periodically to reflect the current cost for delivery of legal services and the fees charged for services under this engagement may change without notice. From time to time WBA prepares memoranda, agreements or other documents based upon current legislative, State and Federal law concerns that are the subject of common interest and benefit to our clients. WBA allocates the fees for this work on an equitable basis to clients who benefit from this legal work by WBA's personnel. If you do not wish to receive this information, please advise us accordingly. WBA contracts with other law firms for the performance of specialized services. In the event that these services are rendered on behalf of the Client, the fees and costs associated with those services will be reflected on WBA's bill.

Board of Directors

Base Village Metropolitan District No. 1

RE: Engagement of WHITE BEAR ANKELE TANAKA & WALDRON

December 5, 2018

Page 2 of 5

In addition to legal fees, WBA also charges for certain out-of-pocket costs incurred by us in representing you. Charges for long distance telephone calls (domestic only), conference calling services (domestic only), facsimiles (domestic only), in-office copying, ordinary postage (under \$10.00), and deliveries made by in-house staff are covered by an administrative fee, currently equal to 2.5% of the legal fees charged. This administrative fee is in lieu of itemizing those expenses and may be adjusted over time. If there are other expenses, such as filing and recording fees, computer-assisted research fees, mileage, delivery service fees, travel, meals or hotel accommodation charges, those will be billed separately. These costs are subject to the same payment terms as legal fees and are your responsibility. WBA's policy is to advance or incur expenses on a discretionary basis up to \$1,000.00, subject to your reimbursement of them in the next bill. If an expense will exceed that amount, we will ask you to pay it directly to us in advance or have you contract directly with the vendor.

WBA will not require the payment of a retainer at this time, but we reserve the right to require a retainer if deemed necessary by WBA or if you fail to timely pay invoices.

**3. Billing.** Generally, invoices for fees and expenses will be submitted to you monthly and are due upon receipt. If an invoice remains unpaid after thirty (30) days, we will consider it in default and you agree that we may charge a late fee on all amounts due and owing at the rate of one percent (1%) compounded monthly. By signature below, you agree to pay all fees, costs and expenses billed by WBA for the legal services. If payments as described above are not paid on a timely basis, WBA may withdraw from the representation in accordance with the Rules of Professional Conduct. In the event that WBA is compelled to resort to collection of your account, which may or may not include litigation, you agree that your obligations to WBA shall include payment of all costs and expenses of such collection efforts, including court fees and costs, attorneys' fees and out-of-pocket expenses.

**4. Attorney-Client Relationship.** In performing our services as general counsel to the District, the District will be our client. We will represent the interests of the District, acting through its duly authorized management and at the Board of Directors' (the "Board" of "Directors") direction. We do not represent the interests of any of the Board, the Directors individually, or the District's employees. Nothing in this engagement agreement and nothing in our statements to you will be construed as a guarantee or promise about the outcome of any matter which WBA may handle on your behalf. Our comments about the outcome of your matters or any phase thereof are expressions of opinion only. Further, neither WBA nor any of its attorneys or employees shall be employed, retained, or otherwise categorized as a "municipal advisor" to the District as such term is defined in the 15 U.S.C. 78o-4(e)(4)(c), as amended by the Dodd/Frank Act (the "Act"), or any rules promulgated by the Securities and Exchange Commission under the Act. Any comments or advice provided by WBA or its attorneys regarding the issuance of securities by the District shall be solely of a "traditional legal nature", as permitted under the Act. Throughout the attorney-client relationship, the District consents to the use of the District's name and public information relating to the District's transactions on WBA's website or in other marketing materials.

Board of Directors

Base Village Metropolitan District No. 1

RE: Engagement of WHITE BEAR ANKELE TANAKA & WALDRON

December 5, 2018

Page 3 of 5

**5. Conflicts of Interest.** We have performed an internal review for potential conflicts of interest based upon information you have provided to us and we find none at this time. If any are discovered in the future, we will discuss our continued engagement with you.

WBA represents many other local governments and municipal clients that may be viewed as competing with the District. Simultaneous representation in unrelated matters of clients whose interests are only economically adverse, such as representation of competing economic enterprises in unrelated transactions, does not ordinarily constitute a conflict of interest that requires consent of the respective clients.

**6. Document Retention.** WBA maintains its client files electronically and ordinarily does not keep separate paper files. We will scan documents you or others send to us related to your work to our electronic file and will ordinarily maintain the electronic version throughout the term of our engagement or, in some instances, while a particular matter or project is pending. Unless you instruct us otherwise, with limited exceptions for certain documents such as original real property deeds and promissory notes, once such documents have been scanned to our electronic file, we will destroy all paper documents provided to us. Following the conclusion of our services, we will return the District's files to the District upon request, unless WBA has not received payment of all outstanding fees and costs, in which case WBA reserves the right to withhold them until payment is made. Otherwise, no sooner than thirty (30) days after the conclusion of our services, we may destroy the files. Please note that if WBA is designated as the public records custodian for the District pursuant to §§24-72-202, *et seq.*, C.R.S., WBA will maintain all public records in accordance with any duly approved and adopted retention and destruction policy of the District and the Colorado State Archives or similar regulatory body.

**7. Termination.** You will have the right to terminate our representation at any time. Whether you terminate the representation or we terminate the representation for reasons set forth in the Rules of Professional Conduct, including nonpayment of legal fees and expenses, all fees incurred for services rendered through the date of termination, as well as all costs and expenses incurred by us on your behalf, must be paid within ten days of receipt of our final statement. We reserve the right to charge for any extraordinary work required in connection with the orderly transition of pending matters to new counsel. Upon conclusion of our services, whether due to termination or completion of the work, we will not thereafter be responsible for legal matters for which our services have not been specifically requested and we have agreed to perform in writing.

**8. Arbitration of Disputes.** If a dispute arises regarding our services or fees set forth in this engagement letter or any prior engagement letter between you and WBA, any fee dispute will be decided by the Colorado Bar Association Legal Fee Arbitration Committee in Denver, Colorado. There is no charge for the dispute resolution services provided by the Legal Fee Arbitration Committee and each party will pay its own costs and expenses. If, either in addition to a pending fee dispute or in the absence of one, any other dispute or claim of any type or nature arises with respect to services rendered pursuant to this engagement agreement set forth in this engagement letter or any prior engagement letter between you and WBA, including, without

limitation, a claim for legal malpractice, it will be decided by the Judicial Arbitrator Group in Denver, Colorado by a single arbitrator to be mutually agreed to by the parties. Each party will be responsible for paying one half of all fees and expenses charged by the arbitrator. The parties recognize that by agreeing to arbitration as the method for dispute resolution, they: relinquish the right to bring an action in court and seek remedies available in court proceedings, including the extensive discovery rights typically permitted in judicial proceedings; waive the right to a jury trial acknowledge the arbitrator's award is not required to include factual findings or legal reasoning; and acknowledge that any party's right to appeal or seek modification of the award is strictly limited and the award is final and binding on the parties.

**9. Employment Eligibility.** WBA hereby states that it does not knowingly employ or contract with an illegal alien, and that WBA has participated in or has attempted to participate in the E-Verify program pursuant to §§8-17.5-101, *et seq.*, C.R.S., in order to verify that it does not employ any illegal aliens.

**10. Representative Client Lists.** WBA currently maintains a website, firm résumé, and other materials for use with current and potential clients and for marketing purposes. Execution of this engagement letter provides your consent to WBA's use of the District's name as a representative client of WBA on our website, firm résumé, and other materials.

If you are in agreement with the foregoing terms of this engagement and it meets your understanding of the professional relationship we have established, please have an authorized representative of the District sign and return a copy of this letter to our office at your earliest convenience. By signing below, you acknowledge that you have been given the opportunity to discuss this engagement letter with another attorney or any other person of your choosing.

We look forward to working with you and will commit the necessary resources of WBA to meet your needs. Our efforts will always be to ensure that our relationship is based on open and honest communication regarding these matters. If at any time you have questions concerning our representation, please feel free to contact us immediately.

Sincerely,

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

*White Bear Ankele Tanaka & Waldron*

Board of Directors

Base Village Metropolitan District No. 1

RE: Engagement of WHITE BEAR ANKELE TANAKA & WALDRON

December 5, 2018

Page 5 of 5

APPROVED, ACCEPTED AND AGREED TO BY:

Base Village Metropolitan District No. 1

---

Signature

Printed Name: \_\_\_\_\_

Position: \_\_\_\_\_

Date: \_\_\_\_\_

**Colorado Special Districts Property and Liability Pool****Date:** 06-Nov-18**Named Member**

Base Village Metropolitan District No. 1  
c/o White, Bear, Ankele, Tanaka, & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122

**Broker**

Shelly Caudillo  
T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Suite 170  
Englewood, CO 80112

Invoice #:	Entity ID:	Effective Date:	Expiration Date:	Invoice Date:	
32C60196-821	60196	01-Jan-19	01-Jan-20	06-Nov-18	
Coverage:			Contribution:		
General Liability			\$3,945.27		
Public Officials Liability			\$1,163.00		
Auto Liability			\$0.00		
Non-Owned / Hired Auto Liability			\$132.00		
Auto Physical Damage			\$0.00		
Hired Auto Physical Damage			\$65.00		
Excess Liability			\$1,048.05		
Property			\$31,640.70		
Earthquake			\$0.00		
Flood			\$0.00		
Equipment Breakdown			\$8,448.45		
Comprehensive Crime and ID Recovery Extension			\$140.09		
Ancillary Lines and/or Reinstatement Charge			\$0.00		
<b>Total Contribution</b>			<b>\$46,582.56</b>		

*(Includes 10% commission paid to the broker)*

*The following discounts are applied (Not applicable to minimum contributions):*

- An 8% credit is available when you participate in both the Pool's Property/Liability and Workers' Compensation Programs.
- A 5.84% Continuity Credit has been applied

**Please Remit to:** Colorado Special Districts Property and Liability Pool  
PO Box 1539  
Portland, OR 97207-1539  
Toll Free: 800-318-8870 / Fax: 503-943-6622

**Please include a copy of the  
invoice with your check.**

**Payment Due Upon Receipt**

**Payment evidences acceptance of this coverage. NOTE: Terms of the Intergovernmental Agreement require timely payment to prevent automatic cancellation of coverage. Only the Colorado Special Districts Property and Liability Pool Board of Directors can extend the cancellation provision.**



**Colorado Special Districts Property and Liability Pool****Date:** 06-Nov-18**Named Member**

Base Village Metropolitan District No. 1  
c/o White, Bear, Ankele, Tanaka, & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122

**Broker**

Shelly Caudillo  
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384 Inverness Parkway  
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Invoice #:	Entity ID:	Effective Date:	Expiration Date:	Invoice Date:	
32C60196-821	60196	01-Jan-19	01-Jan-20	06-Nov-18	
Coverage:				Contribution:	
General Liability				\$3,945.27	
Public Officials Liability				\$1,163.00	
Auto Liability				\$0.00	
Non-Owned / Hired Auto Liability				\$132.00	
Auto Physical Damage				\$0.00	
Hired Auto Physical Damage				\$65.00	
Excess Liability				\$1,048.05	
Property				\$31,640.70	
Earthquake				\$0.00	
Flood				\$0.00	
Equipment Breakdown				\$8,448.45	
Comprehensive Crime and ID Recovery Extension				\$140.09	
Ancillary Lines and/or Reinstatement Charge				\$0.00	
Total Contribution				\$46,582.56	

*(Includes 10% commission paid to the broker)*

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**Please Remit to:** Colorado Special Districts Property and Liability Pool  
PO Box 1539  
Portland, OR 97207-1539  
Toll Free: 800-318-8870 / Fax: 503-943-6622



**Annual Comparison of 2019 and 2018 contributions.  
Loss Ratios based on participation years from 2011 to 2018**

**Base Village Metropolitan District No. 1**

Year	Contribution
2019	\$46,582.56
2018	\$44,807.81
Difference	\$1,774.75
% Difference	3.96%

General Liability	Contribution	TOE
Yr. 2019	\$3,945.27	\$1,145,502.00
Yr. 2018	\$3,993.18	\$1,145,502.00
Difference	(\$47.91)	\$0.00
% Difference	-1.20%	0.00%
Loss Ratio	0.00%	

Equipment Breakdown	Contribution
Yr. 2019	\$8,448.45
Yr. 2018	\$8,083.19
Difference	\$365.26
% Difference	4.52%
Loss Ratio	0.00%

Auto Liability	Contribution	Auto Count
Yr. 2019	\$132.00	
Yr. 2018	\$132.00	
Difference	\$0.00	
% Difference	0.00%	
Loss Ratio	0.00%	

Crime	Contribution
Yr. 2019	\$140.09
Yr. 2018	\$140.09
Difference	\$0.00
% Difference	0.00%
Loss Ratio	0.00%

Auto Physical Damage	Contribution	TIV
Yr. 2019	\$65.00	
Yr. 2018	\$65.00	
Difference	\$0.00	
% Difference	0.00%	
Loss Ratio	0.00%	

Public Officials Liability	Contribution	EE Count
Yr. 2019	\$1,163.00	0
Yr. 2018	\$1,163.00	0
Difference	\$0.00	0
% Difference	0.00%	
Loss Ratio	0.00%	

Property incl IM	Contribution	TIV
Yr. 2019	\$31,640.70	\$18,695,400.45
Yr. 2018	\$30,173.71	\$17,887,122.44
Difference	\$1,466.99	\$808,278.01
% Difference	4.86%	4.52%
Loss Ratio	0.00%	

Excess Liability	Contribution
Yr. 2019	\$1,048.05
Yr. 2018	\$1,057.64
Difference	(\$9.59)
% Difference	-0.91%
Loss Ratio	0.00%

Earthquake	Contribution
Yr. 2019	\$0.00
Yr. 2018	\$0.00
Difference	\$0.00
% Difference	
Loss Ratio	0.00%

Flood	Contribution
Yr. 2019	\$0.00
Yr. 2018	\$0.00
Difference	\$0.00
% Difference	
Loss Ratio	0.00%

No Fault	Contribution
Yr. 2019	\$295.28
Yr. 2018	\$285.49
Difference	\$9.79
% Difference	3.43%
Loss Ratio	0.00%

## Excess Liability Options Proposal For 2019

### This Proposal Does Not Bind Coverage

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This report demonstrates what it would cost your district to increase coverage from your current limit of liability to higher coverage limit(s). For questions please call 800-318-8870.

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**Named Member:** Base Village Metropolitan District No. 1

**Certificate Number:** 32C60196-821

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<u>Excess Limit</u>	<u>Annual Excess Contribution</u>	<u>Change in Contribution</u>
\$1,000,000.00	\$723.16	(\$324.89)
\$2,000,000.00 *	\$1,048.05	\$0.00
\$3,000,000.00	\$1,205.26	\$157.21
\$4,000,000.00	\$1,260.29	\$212.24
\$5,000,000.00	\$1,362.47	\$314.42
\$6,000,000.00	\$1,500.00	\$451.95
\$7,000,000.00	\$1,750.00	\$701.95
\$8,000,000.00	\$2,000.00	\$951.95

\* This is your current excess limit

**Note: This is not your Coverage Document. It was created solely for informational purposes.**



**Colorado Special Districts Property and Liability Pool**  
**Public Entity Liability and Auto Physical Damage Certificate Holder Declaration**

**Master Coverage Document Number:** PEL 01 01 16

**Certificate Number:** 32C60196-821

**Coverage Period:** 1/1/2019 to 1/1/2020

**Named Member:**

Base Village Metropolitan District No. 1  
c/o White, Bear, Ankele, Tanaka, & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122

**Broker of Record**

T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Englewood, CO 80112

**Coverage is provided only for those coverages indicated below for which a contribution is shown.**

Coverage	Per Occurrence	Annual Aggregate	Deductible	Contribution
<b>Public Entity Liability Coverage incl:</b>	\$2,000,000	None		
General Liability	Included	None	\$1,000	\$3,945.27
Medical Payments - Premises	\$10,000	None	None	Included
Employee Benefits Admin. Liability	Included	None	\$1,000	Included
Public Officials Liability	Included	None	\$1,000	\$1,163.00
Employment Practices Liability	Included	None	*\$100,000	Included
Pre Loss Legal Assistance	\$3,500	\$7,000	None	Included
No-Fault Water & Sewer Backup	\$10,000 Per Premises, \$200,000 Per Occurrence	***\$1,000,000	\$500	Included
Cyber Liability	\$200,000	**\$200,000	\$1,000	Included
Fiduciary Liability	\$200,000	**\$200,000	\$1,000	Included
Excess Liab - Coverage agreements A,B,C,D	\$2,000,000	None	None	\$1,048.05
Auto Liability	No Coverage	No Coverage	N/A	No Coverage
Medical Payments - Auto	No Coverage	No Coverage	N/A	No Coverage
Non-Owned/Hired Auto Liability	Included	None	None	\$132.00
Uninsured/Underinsured Motorist	No Coverage	No Coverage	N/A	No Coverage
<b>Auto Physical Damage</b>	No Coverage	No Coverage	N/A	No Coverage
Hired Auto Physical Damage	\$50,000	N/A	\$500/\$500	\$65.00
Auto Physical Damage - Employee Deductible Reimbursement	\$2,500	N/A	None	Included
<b>Total Contribution</b>				<b>\$6,353.32</b>


\*Employment Practices Liability Deductible: 50% of loss including Indemnity and Legal Expenses subject to a maximum deductible of \$100,000 each occurrence.

\*\*A \$1,000,000 All Member Annual Aggregate Limit shall apply to: Cyber Liability and Fiduciary Liability.

\*\*\*No-Fault Water & Sewer Backup has \$1,000,000 All Member Annual Aggregate Limit.

**Additional Endorsements applicable to Member:**

**This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Public Entity Liability Coverage Document. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage Document for actual coverage, terms, conditions, and exclusions.**

Countersigned by:   
Authorized Representative

Tuesday, November 06, 2018

**Entity ID#: 60196**



**Colorado Special Districts Property and Liability Pool  
Property Certificate Holder Declaration**

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**Master Coverage Document Number:** CSDPL ARP 01 01 16

**Certificate Number:** 32C60196-821

**Coverage Period:** 1/1/2019 to 1/1/2020

**Named Member:**

Base Village Metropolitan District No. 1  
c/o White, Bear, Ankele, Tanaka, & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122

**Broker of Record:**

T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Englewood, CO 80112

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**Limit of Coverage Per Occurrence:**

- \$18,695,400 Reported Buildings, Business Personal Property, Other Scheduled Item, and EDP per Schedule.
  - \$250,000 Business Income including Extra Expense/Rental Income unless a higher limit is specified on Schedule.
  - \$0 Portable Equipment, Mobile Equipment, and other Inland Marine Scheduled items.
  - \$0 Excess of \$2,000,000 Earthquake Limit per occurrence and annual aggregate per Property Schedule.
  - \$0 Excess of \$2,000,000 Flood Limit per occurrence and annual aggregate per Property Schedule. Flood Zone A and Flood Zone V are subject to \$50,000,000 per occurrence and all member annual aggregate limit.
- 

**Locations Covered:** Per Schedules on file. Property in Course of Construction must be shown on the Schedule to be covered.

**Report of Values:** Annual Statement of Values must be submitted and additions/deletions are to be reported as they occur.

**Perils Covered:** Risk of Direct Physical Loss subject to the terms, conditions, and exclusions in the Master Property Coverage Document.

**Deductibles:** \$10,000 Per Occurrence, except where noted on Member's Schedules

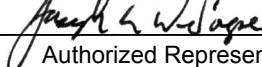
Earthquake - 2% Per Occurrence of the value of the covered damaged property at the time of loss, subject to a \$5,000 minimum and \$50,000 maximum.

Flood - 2% Per Occurrence of the value of the covered damaged property at the time of loss, subject to a \$5,000 minimum and \$50,000 maximum.

**Contribution:** \$31,640.70      22% Hail Surcharge Applies

**Additional Endorsements applicable to Member:**

**This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Property Coverage Document. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage Document for actual coverage, terms, conditions, and exclusions.**

Countersigned by:   
Authorized Representative

Tuesday, November 06, 2018

**Entity ID#: 60196**



**Colorado Special Districts Property and Liability Pool**  
**Equipment Breakdown Certificate Holder Declaration**

**Master Coverage Policy Number:** CSDPL EB 01 01 16

**Certificate Number:** 32C60196-821

**Coverage Period:** 1/1/2019 to 1/1/2020

**Named Member:**

Base Village Metropolitan District No. 1  
c/o White, Bear, Ankele, Tanaka, & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122

**Broker of Record:**

T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Englewood, CO 80112

**Covered Equipment:** Equipment that (1) generates, transmits or utilizes energy, including electronic communications and data processing equipment; or (2) which during normal usage, operates under vacuum or pressure, other than the weight of its contents.

**Limits:** \$18,695,400 Scheduled Property

<b>Sub Limits:</b>	90 Day Reporting for Newly Acquired Locations	\$2,500,000
	Business Income / Extra Expense	\$1,000,000
	Expediting Expenses	\$1,000,000
	Rental Income	\$1,000,000
	Demolition & Increased Cost of Construction	\$1,000,000
	Off-Premises Property Damage	\$500,000
	Equipment Breakdown Service Interruption	\$250,000
	Hazardous Substances	\$250,000
	Perishable Goods / Spoilage	\$250,000
	Equipment Breakdown Data Restoration	\$250,000
	Cloud Computing Service Interruption	\$250,000
	Service Interruption Data Restoration	\$250,000
	Green Construction Upgrade	\$100,000
	Public Relations Coverage	\$5,000
	Microelectronics Coverage	Included
	Off-Premises Business Income, Extra Expense and Data Restoration Coverage	Included
	Computer Equipment	Included
	Flood Drying Out	Included
	Portable Equipment	Included
	CFC Refrigerants	Included
	Defense	Included

**Deductibles:** \$1,000 Each Occurrence, except:

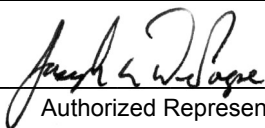
24-Hour Waiting Period for BI/EE/Perishable Goods and for Service Interruption.

**Locations:** Property must be at a location described in the Named Member's current Property Schedule with the CSD Pool and must be owned, leased, or operated under the control of the Named Member (except for Service Interruption).

**Contribution:** \$8,448.45

**This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Equipment Breakdown Coverage Document. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage Document for actual coverage, terms, conditions, and exclusions.**

Countersigned by: \_\_\_\_\_

  
Authorized Representative

Tuesday, November 06, 2018

**Entity ID#: 60196**



**Colorado Special Districts Property and Liability Pool  
Comprehensive Crime Certificate Holder Declaration**

Master Coverage Policy Number CCP0037259

**Certificate Number:** 32C60196-821

**Coverage Period:** 1/1/2019 Until Cancelled

**Named Member:**

Base Village Metropolitan District No. 1  
c/o White, Bear, Ankele, Tanaka, & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122

**Broker of Record:**

T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Englewood, CO 80112

**Covered ERISA Plan:**

**Covered Designated Agent(s):**

**Coverage Limits and Deductibles**

**Limits**

**Public Employee Dishonesty Coverage:**

\$5,000

- Limit is Per Loss
- Faithful Performance of Duty
- Officers, Directors, and Trustees
- Welfare and Pension Plan ERISA Compliance  
if Covered Plan is shown on application
- Volunteer Workers as Employees

**Forgery or Alteration Coverage:**

\$5,000

**Theft, Disappearance, and Destruction Coverage:**

Inside Premises

\$5,000

Outside Premises

\$5,000

**Computer and Funds Transfer Fraud Coverage:**

\$5,000

**Debit, Credit or Charge Card Forgery Coverage:**

\$5,000

**Money Orders and Counterfeit Paper Currency Coverage:**

\$5,000

**Fraudulent Impersonation Coverage:**

\$5,000

**Crime Deductible:**

\$100

**Fraudulent Impersonation Deductible:** 20% of Fraudulent Impersonation Limit

**Contribution:**


\$140.09

**Policy Forms:**

CR 00260506 Government Crime Policy  
CR 25070300 Include Specified Directors or Trustees on Committee as Employees  
CR 25080300 Include Specified Non-Compensated Officers as Employees  
CR 25090300 Include Volunteer Workers as Employees  
CR 25190506 Add Faithful Performance of Duty  
CR 25120300 Include Treasurers or Tax Collectors as Employees  
CR 02151104 Colorado Changes  
CR 25200300 Debit, Credit or Charge Card Forgery  
CR 25020506 Include Designated Agents as Employees, when listed  
CR 04171115 Fraudulent Impersonation

**This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Master Comprehensive Crime Policy. This Certificate represents only a brief summary of coverages. Please refer to the Master Policy Document for actual coverage, terms, conditions, and exclusions.**

Countersigned by: \_\_\_\_\_

  
Authorized Representative

Tuesday, November 06, 2018

Entity ID#: 60196



**Colorado Special Districts Property and Liability Pool**  
**Identity Recovery Certificate Holder Declaration**

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**Master Coverage Policy Number:** CP IDR Form 2008-034-05

**Certificate Number:** 32C60196-821

**Coverage Period:** 1/1/2019 Until Cancelled

**Named Member:**

Base Village Metropolitan District No. 1  
c/o White, Bear, Ankele, Tanaka, & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122

**Broker of Record:**

T. Charles Wilson Insurance Service  
384 Inverness Parkway  
Englewood, CO 80112

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**Member:** All permanent employees and District Board members participating in the Colorado Special Districts Property and Liability Pool; Special District Association of Colorado staff and Board of Directors.

**Coverage:** Reimbursement coverage for expenses arising from a defined "Identity Theft" event. Including: legal fees for answer of civil judgements and defense of criminal charges; phone, postage, shipping fees; notary and filing fees; credit bureau reports; lost wages; child/elder care and mental health counseling.

This coverage does not reimburse the member for monies stolen or fraudulently charged to the member, and excludes loss arising from the members fraudulent, dishonest or criminal act.

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<b>Limits:</b>	\$25,000	Annual Aggregate Limit Per Member
	Case Management Service Expenses	Does not reduce the limit available
	Legal Costs	Reduces the limit available

<b>Sub Limits:</b>	\$5,000	Lost Wages and Child/Elder Care
	\$1,000	Mental Health Counseling
	\$1,000	Miscellaneous Expenses

**Coverage Trigger:** Coverage is provided on a discovery basis with a 60-day reporting requirement

**Claims:** For Recovery Assistance and Counseling, please call 1-800-945-4617

**Insurance Carrier:** The Hartford Steam Boiler Inspection and Insurance Company

**This Certificate Holder Declaration is made and is mutually accepted by the CSD Pool and the Named Member subject to all terms which are made a part of the Identity Recovery Coverage Policy. This Certificate represents only a brief summary of coverages. Please refer to the Master Coverage document for actual coverage, terms, conditions, and exclusions.**

Countersigned by: \_\_\_\_\_

Authorized Representative

Tuesday, November 06, 2018

**Entity ID#: 60196**



**Colorado Special Districts Property and Liability Pool**

General Liability Schedule

Coverage Period: 1/1/2019 to 1/1/2020

32C60196-821

**Base Village Metropolitan District No. 1**

Per Occurrence Deductible: \$1,000.00

Agent: T. Charles Wilson Insurance Service

Code	Description	Unit	Amount	Effective Date	Expiration Date
1	Number of Skate Board Parks	Total		1/1/2019	1/1/2020
2	Number of Diving Boards	Total		1/1/2019	1/1/2020
3	Number of Water Slides	Total		1/1/2019	1/1/2020
4	Maximum Bond Issued	Dollars		1/1/2019	1/1/2020
5	Number of Bonds Issued	Total		1/1/2019	1/1/2020
20	Day Care Operations - Total Annual Payroll	Dollars	0	1/1/2019	1/1/2020
30	Number of EMT Personnel	Total		1/1/2019	1/1/2020
31	Number of Non-EMT Volunteers	Total		1/1/2019	1/1/2020
32	Paid Firefighters - (Not EMT)	Total		1/1/2019	1/1/2020
37	Pipe Line - Under Drain	Miles	0	1/1/2019	1/1/2020
39	Pipe Line	Miles		1/1/2019	1/1/2020
43	Pipe Line - Sewer / Storm Drainage Combined	Miles		1/1/2019	1/1/2020
50	Number of Teachers	Total		1/1/2019	1/1/2020
70	Number of Golf Courses	Total		1/1/2019	1/1/2020
80	Number of Go Cart Tracks	Total	0	1/1/2019	1/1/2020
98	Additional First Named Members	Total	0	1/1/2019	1/1/2020
105	Total Operating Expenses - Any other	Dollars	931,000	1/1/2019	1/1/2020
130	Total Operating Expenses - Park & Recreation	Dollars		1/1/2019	1/1/2020
131	Total Operating Expenses - Cemetery	Dollars		1/1/2019	1/1/2020
132	Total Operating Expenses - Soil & Water Conse	Dollars		1/1/2019	1/1/2020
133	Total Operating Expenses - Pest Control	Dollars		1/1/2019	1/1/2020
134	Total Operating Expenses - Hospital / Health	Dollars		1/1/2019	1/1/2020
135	Total Operating Expenses - Drainage	Dollars		1/1/2019	1/1/2020
136	Total Operating Expenses - Library	Dollars		1/1/2019	1/1/2020
137	Total Operating Expenses - Water Control	Dollars		1/1/2019	1/1/2020
138	Total Operating Expenses - Fire / Ambulance	Dollars		1/1/2019	1/1/2020
139	Total Operating Expenses - Water	Dollars		1/1/2019	1/1/2020
140	Total Operating Expenses - Irrigation	Dollars		1/1/2019	1/1/2020
141	Total Operating Expenses - Sanitation	Dollars		1/1/2019	1/1/2020
142	Total Operating Expenses - Transit	Dollars	214,502	1/1/2019	1/1/2020
143	Total Operating Expenses - Improvement	Dollars		1/1/2019	1/1/2020
151	Total Operating Expenses - Sanitation MW Discounted	Dollars	0	1/1/2019	1/1/2020
215	Buildings & Premises Occupied by District	Sq. Ft.		1/1/2019	1/1/2020
250	Number of Homes in Home Owner's Association	Total		1/1/2019	1/1/2020
270	Number of Aboveground Storage Tanks (excluding water tanks)	Total	0	1/1/2019	1/1/2020
331	Number of Paid Firefighters - Full-Time	Total		1/1/2019	1/1/2020
332	Number of Paid Firefighters - Part-Time	Total		1/1/2019	1/1/2020
333	Number of Volunteer Firefighters	Total		1/1/2019	1/1/2020
334	Number of Paid EMT - Full-Time	Total	0	1/1/2019	1/1/2020
335	Number of Paid EMT - Part-Time	Total	0	1/1/2019	1/1/2020

## Colorado Special Districts Property and Liability Pool

General Liability Schedule

Coverage Period: 1/1/2019 to 1/1/2020

32C60196-821

348	Number of Board Members	Total	5	1/1/2019	1/1/2020
350	Number of Permanent Employees - Full-Time	Total		1/1/2019	1/1/2020
351	Number of Permanent Employees - Part-Time	Total	0	1/1/2019	1/1/2020
366	Total Payroll	Dollars		1/1/2019	1/1/2020
400	Class 1 Boats - Under 26'	Total		1/1/2019	1/1/2020
411	Total Water Delivered Annually - Millions of Gallons	MGAL		1/1/2019	1/1/2020
414	Playground/parks (Area)	Acres		1/1/2019	1/1/2020
415	Number of Grandstands/Stadiums	Total		1/1/2019	1/1/2020
420	Vacant Land	Acres		1/1/2019	1/1/2020
450	Miles of Road Maintained	Miles	0	1/1/2019	1/1/2020
522	Number of Ponds, Lakes & Reservoirs	Total		1/1/2019	1/1/2020
550	Fire Department Area Served	Sq Miles		1/1/2019	1/1/2020
671	Number of Parks	Total		1/1/2019	1/1/2020
710	Dams - Class 1 - Low Hazard - Total Acre-Feet	Acre Ft.	0	1/1/2019	1/1/2020
712	Dams - Class 1 - Low Hazard - Number of Dams	Count	0	1/1/2019	1/1/2020
720	Dams - Class 2 - Med Hazard - Total Acre-Feet	Acre Ft.	0	1/1/2019	1/1/2020
722	Dams - Class 2 - Med Hazard - Number of Dams	Count	0	1/1/2019	1/1/2020
730	Dams - Class 3 - High Hazard - Total Acre-Feet	Acre Ft.	0	1/1/2019	1/1/2020
732	Dams - Class 3 - High Hazard - Number of Dams	Count	0	1/1/2019	1/1/2020
811	Number of Spillways	Total		1/1/2019	1/1/2020
900	Services Contracted out to Others	Dollars	88,000	1/1/2019	1/1/2020
924	Revenue from use of Swimming Pools	Dollars		1/1/2019	1/1/2020
925	Number of Swimming Pools	Total		1/1/2019	1/1/2020
945	Number of Sewage Taps	Total		1/1/2019	1/1/2020
946	Number of Water Mains or Connections	Total		1/1/2019	1/1/2020
947	Sewer and/or Sanitation Line Maintenance (budget)	Dollars		1/1/2019	1/1/2020
948	Water Line Maintenance (budget)	Dollars		1/1/2019	1/1/2020
997	Number of district sponsored Events/Fundraisers - No Alcohol Served	Total		1/1/2019	1/1/2020
998	Number of District sponsored Events/Fundraisers – With Alcohol Served	Total		1/1/2019	1/1/2020
999	Prior Acts Coverage Under a Previous "Claims Made" Policy	Premium		1/1/2019	1/1/2020

If your district has exposures not listed on the General Liability schedule above, such as airplanes, security staff, bridges, drones, etc, please furnish details. Certain activities may be excluded or restricted.

**Colorado Special Districts Property and Liability Pool**

Property Schedule

Coverage Period

1/1/2019 to 1/1/2020

32C60196-821

**Base Village Metropolitan District No. 1**

Per Occurrence Deductible: \$10,000.00

Agent: T. Charles Wilson Insurance Service

Location/Premise Address / Description		Construction Class		Prot. Class	Valuation	Values		Property Contrib.	Quake Contrib.	Flood Contrib.			
<b>Location/Premise#:</b>	01-01	<b>Unique #:</b>	60196P8694	Joisted Masonry		4	Replacement	<b>Buildings:</b>	\$5,743,643.33	\$9,215	\$0	\$0	
Conference Center		<b>Year Built:</b>	2008	<b>Term:</b>		1/1/2019 to 1/1/2020		<b>Contents:</b>	\$526,116.26				
110 Carriage Way (Base Village)		<b>Sq. Feet:</b>	15,483	<b>County:</b>		Pitkin	<b>Ded:</b>	\$10,000.00	<b>EDP:</b>				
Snowmass Village CO 81615		<b># Stories:</b>		<b>Flood Zone:</b>		X		<b>Business Inc:</b>	\$0.00				
								<b>UG Pipes:</b>					
NOC Equipment Breakdown Applies <input type="checkbox"/> Excess Quake Applies <input type="checkbox"/> Excess Flood Applies <input type="checkbox"/>										<b>Otherwise Classified:</b>			

<b>Location/Premise#:</b>	02-01	<b>Unique #:</b>	60196P8568	Noncombustible		4	Replacement	<b>Buildings:</b>	\$0.00	\$6,190	\$0	\$0	
Skier Funnel Bridge		<b>Year Built:</b>		<b>Term:</b>		1/1/2019 to 1/1/2020		<b>Contents:</b>	\$0.00				
380 Wood Road		<b>Sq. Feet:</b>		<b>County:</b>		Pitkin	<b>Ded:</b>	\$10,000.00	<b>EDP:</b>				
Snowmass Village CO 81615		<b># Stories:</b>		<b>Flood Zone:</b>		X		<b>Business Inc:</b>					
								<b>UG Pipes:</b>	\$0.00				
NOC Equipment Breakdown Applies <input checked="" type="checkbox"/> Excess Quake Applies <input type="checkbox"/> Excess Flood Applies <input type="checkbox"/>										<b>Otherwise Classified:</b>			

<b>Location/Premise#:</b>	03-01	<b>Unique #:</b>	60196P10050	Masonry Noncombustible		4	Replacement	<b>Buildings:</b>	\$2,884,100.81	\$3,162	\$0	\$0	
Transit Center		<b>Year Built:</b>	2010	<b>Term:</b>		1/1/2019 to 1/1/2020		<b>Contents:</b>	\$189,628.49				
45 Wood Road		<b>Sq. Feet:</b>	5,400	<b>County:</b>		Pitkin	<b>Ded:</b>	\$10,000.00	<b>EDP:</b>				
Snowmass CO 81615		<b># Stories:</b>	3	<b>Flood Zone:</b>		X		<b>Business Inc:</b>	\$0.00				
								<b>UG Pipes:</b>					
NOC Equipment Breakdown Applies <input type="checkbox"/> Excess Quake Applies <input type="checkbox"/> Excess Flood Applies <input type="checkbox"/>										<b>Otherwise Classified:</b>			

<b>Location/Premise#:</b>	03-02	<b>Unique #:</b>	60196P10051	Masonry Noncombustible		4	Replacement	<b>Buildings:</b>	\$3,103,917.79	\$3,193	\$0	\$0	
Transit Center Garage		<b>Year Built:</b>	2010	<b>Term:</b>		1/1/2019 to 1/1/2020		<b>Contents:</b>					
45 Wood Road		<b>Sq. Feet:</b>	20,000	<b>County:</b>		Pitkin	<b>Ded:</b>	\$10,000.00	<b>EDP:</b>				
Snowmass CO 81615		<b># Stories:</b>	1	<b>Flood Zone:</b>		X		<b>Business Inc:</b>	\$0.00				
								<b>UG Pipes:</b>					
NOC Equipment Breakdown Applies <input type="checkbox"/> Excess Quake Applies <input type="checkbox"/> Excess Flood Applies <input type="checkbox"/>										<b>Otherwise Classified:</b>			

Colorado Special Districts Property and Liability Pool

Property Schedule

Coverage Period

1/1/2019 to 1/1/2020

32C60196-821

Base Village Metropolitan District No. 1

Per Occurrence Deductible: \$10,000.00

Agent: T. Charles Wilson Insurance Service

Location/Premise Address / Description				Construction Class	Prot. Class	Valuation	Values	Property Contrib.	Quake Contrib.	Flood Contrib.	
Location/Premise#:	04-01	Unique #:	60196P10584	Noncombustible	4	Replacement	Buildings:	\$0.00	\$9,881	\$0	\$0
Main Skier Bridge		Year Built:	2008	Term:	1/1/2019 to 1/1/2020		Contents:	\$0.00			
		Sq. Feet:		County:	Pitkin	Ded:	\$10,000.00	EDP:			
73 Wood Road		# Stories:		Flood Zone:	X		Business Inc:	\$0.00			
		Snowmass CO 81615				UG Pipes:	\$0.00				
				Otherwise Classified:	\$3,841,503.77						

NOC Equipment Breakdown Applies

☒

Excess Quake Applies

☐

Excess Flood Applies

☐

Totals:	Buildings:	\$11,731,661.93	\$31,641	\$0	\$0
	Contents:	\$715,744.75			
	EDP:				
	Business Inc:	\$0.00			
	UG Pipes:	\$0.00			
	Otherwise Classified:	\$6,247,993.76			

Minimum Property Contribution:

\$400.00

# CERTIFICATE OF COVERAGE

Certificate #: 2935

## ADMINISTRATOR

Colorado Special Districts Property and Liability Pool  
PO Box 1539  
Portland, OR 97207-1539

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE COVERAGE DOCUMENT. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE COVERAGE DOCUMENTS LISTED HEREIN.

## COMPANIES AFFORDING COVERAGE

## NAMED MEMBER

Base Village Metropolitan District No. 1  
c/o White, Bear, Ankele, Tanaka, & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122

COMPANY A Colorado Special Districts Property and Liability Pool  
COMPANY B General Reinsurance Corporation  
COMPANY C Colorado Special Districts Property and Liability Pool  
COMPANY D

## COVERAGES

This is to certify that coverage documents listed herein have been issued to the Named Member herein for the Coverage period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which the certificate may be issued or may pertain, the coverage afforded by the coverage documents listed herein is subject to all the terms, conditions and exclusions of such coverage documents.

CO LTR	Type of Coverage	Coverage #	Effective Date	Expiration Date	Limits	
A, B	<b>General Liability</b>	32C60196-821	1/1/2019	1/1/2020	General Aggregate	Unlimited
	<input checked="" type="checkbox"/> Commercial General Liability	* Except that for claims, occurrences or suits to which the monetary limits of the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et. seq., as amended, apply, there shall be a further sublimit of (a) \$387,000 for an injury to any one person in any single occurrence; and (b) \$1,093,000 for an injury to two or more persons in any single occurrence; but in the event of an injury to two or more persons in any single occurrence, the sublimit shall not exceed \$387,000 for each injured person.			Each Occurrence *	\$2,000,000
	<input checked="" type="checkbox"/> Public Officials Liability					
	<input checked="" type="checkbox"/> Employment Practices					
	<input checked="" type="checkbox"/> Occurrence					
A, B	<b>Automobile Liability</b>	32C60196-821	1/1/2019	1/1/2020	Each Occurrence *	\$2,000,000
	<input type="checkbox"/> Scheduled Autos					
	<input checked="" type="checkbox"/> Hired Autos					
	<input checked="" type="checkbox"/> Non-Owned Autos					
A, C	<b>Auto Physical Damage</b>	32C60196-821	1/1/2019	1/1/2020	See below if applicable.	
	<input type="checkbox"/> Scheduled Autos					
	<input checked="" type="checkbox"/> Hired Autos					
B	<b>Excess Liability</b>	32C60196-821	1/1/2019	1/1/2020	General Aggregate	Unlimited
	<input checked="" type="checkbox"/> Other Than Umbrella Form				Each Occurrence *	\$2,000,000
C	<b>Property</b>	32C60196-821	1/1/2019	1/1/2020	See below if applicable.	
	<input checked="" type="checkbox"/>					

## DESCRIPTION:

Certificate Holder is named as an additional covered Member for those coverages noted hereunder but only with respect to those liabilities that are covered by the Pool's coverage document for the Member District. Subject to the provisions and limitations contained in C.R.S. 24-10-101. The Pool will limit any amounts to the monetary limits and sublimits of the Colorado Governmental Immunity Act, C.R.S. 24-10-101 et. Seq., as amended, would apply to the Covered Member.

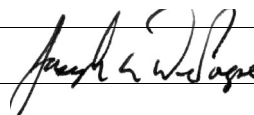
## CERTIFICATE HOLDER

Destination Snowmass Services, Inc.  
11777 San Vicente Blvd., Suite 900  
  
Los Angeles, CO 90049

## CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED COVERAGES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE COVERAGE FORM PROVISIONS.

By: Joseph E. DePaepe



Date: 11/6/2018

*Linked Properties*

Property Code	Location	Address	Value
01-01	Conference Center	110 Carriage Way (Base Village)	\$6,269,759.59
02-01	Skier Funnel Bridge	380 Wood Road	\$2,406,490.00

# CERTIFICATE OF COVERAGE

Certificate #: 2936

## ADMINISTRATOR

Colorado Special Districts Property and Liability Pool  
PO Box 1539  
Portland, OR 97207-1539

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER OTHER THAN THOSE PROVIDED IN THE COVERAGE DOCUMENT. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE COVERAGE DOCUMENTS LISTED HEREIN.

## COMPANIES AFFORDING COVERAGE

## NAMED MEMBER

Base Village Metropolitan District No. 1  
c/o White, Bear, Ankele, Tanaka, & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122

COMPANY A Colorado Special Districts Property and Liability Pool  
COMPANY B General Reinsurance Corporation  
COMPANY C Colorado Special Districts Property and Liability Pool  
COMPANY D

## COVERAGES

This is to certify that coverage documents listed herein have been issued to the Named Member herein for the Coverage period indicated. Notwithstanding any requirement, term or condition of any contract or other document with respect to which the certificate may be issued or may pertain, the coverage afforded by the coverage documents listed herein is subject to all the terms, conditions and exclusions of such coverage documents.

CO LTR	Type of Coverage	Coverage #	Effective Date	Expiration Date	Limits	
A, B	<b>General Liability</b>	32C60196-821	1/1/2019	1/1/2020	General Aggregate	Unlimited
	<input checked="" type="checkbox"/> Commercial General Liability	* Except that for claims, occurrences or suits to which the monetary limits of the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et. seq., as amended, apply, there shall be a further sublimit of (a) \$387,000 for an injury to any one person in any single occurrence; and (b) \$1,093,000 for an injury to two or more persons in any single occurrence; but in the event of an injury to two or more persons in any single occurrence, the sublimit shall not exceed \$387,000 for each injured person.			Each Occurrence *	\$2,000,000
	<input checked="" type="checkbox"/> Public Officials Liability					
	<input checked="" type="checkbox"/> Employment Practices					
	<input checked="" type="checkbox"/> Occurrence					
	<b>Automobile Liability</b>				Each Occurrence *	
	<input type="checkbox"/> Scheduled Autos					
	<input type="checkbox"/> Hired Autos					
	<input type="checkbox"/> Non-Owned Autos					
	<b>Auto Physical Damage</b>					
	<input type="checkbox"/> Scheduled Autos					
	<input type="checkbox"/> Hired Autos					
	<b>Excess Liability</b>				General Aggregate	
	<input type="checkbox"/> Other Than Umbrella Form				Each Occurrence *	
	<b>Property</b>					
	<input type="checkbox"/>					

## DESCRIPTION:

Certificate Holder is named as an additional covered Member for those coverages noted hereunder but only with respect to those liabilities that are covered by the Pool's coverage document for the Member District. Subject to the provisions and limitations contained in C.R.S. 24-10-101. The Pool will limit any amounts to the monetary limits and sublimits of the Colorado Governmental Immunity Act, C.R.S. 24-10-101 et. Seq., as amended, would apply to the Covered Member.

## CERTIFICATE HOLDER

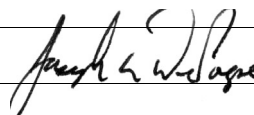
Lowe Enterprises Real Estate Services, Inc.  
11777 San Vicente Blvd., Suite 900

Los Angeles, CA 90049

## CANCELLATION:

SHOULD ANY OF THE ABOVE DESCRIBED COVERAGES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE COVERAGE FORM PROVISIONS.

By: Joseph E. DePaepe



Date: 11/6/2018

*Linked Properties*

Property Code	Location	Address	Value
01-01	Conference Center	110 Carriage Way (Base Village)	\$6,269,759.59
02-01	Skier Funnel Bridge	380 Wood Road	\$2,406,490.00



**EXTENSION OF SECOND AMENDED AND RESTATED  
PUBLIC FACILITIES MANAGEMENT AGREEMENT  
(2019)**

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**THIS EXTENSION OF THE SECOND AMENDED AND RESTATED PUBLIC FACILITIES MANAGEMENT AGREEMENT** (the “Extension”) is made and entered into as of the 5<sup>th</sup> day of December, 2018, by and between **BASE VILLAGE METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), and **SV SNOWMASS HOSPITALITY, LLC**, a Colorado limited liability company (the “Manager”). The District and the Manager are sometimes referred to herein as a “Party” and collectively as the “Parties.”

**RECITALS**

WHEREAS, the District and Snowmass Hospitality, LLC, a Delaware limited liability company (the “**Prior Manager**”) entered into the Second Amended and Restated Public Facilities Management Agreement dated as of January 1, 2104, by which the Prior Manager agreed to provide certain services for the District as described therein (the “Agreement”); and

WHEREAS, the Prior Manager assigned its rights and obligations under the Agreement to the Manager, as consented to by the District in the Extension of Second Amended and Restated Public Facilities Management Agreement (2017), dated November 11, 2016; and

WHEREAS, Article V, Section 5.1 of the Agreement provides that the Manager has the right to renew the Agreement for additional one (1) year terms, effective on January 1 of each succeeding year; and

WHEREAS, the Parties now desire to acknowledge the extension of the term of the Agreement for fiscal year 2019.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

**TERMS AND CONDITIONS**

1. **EXTENSION; ASSIGNMENT.** The Parties acknowledge and agree to the renewal and extension of the Agreement, which term shall be deemed to commence on January 1, 2019 and shall extend through the December 31, 2019 (the “Extension Term”).

2. PRIOR PROVISIONS EFFECTIVE. Except as specifically provided herein and amended hereby, all the terms and provisions of the Agreement, as amended, shall remain in full force and effect throughout the duration of the Extension Term.

3. COUNTERPART EXECUTION. This Extension may be executed in several counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

*[Signature Page Follows.]*

IN WITNESS WHEREOF, the Parties have executed this Extension as of the day and year first above written.

**BASE VILLAGE METROPOLITAN DISTRICT  
NO. 1**

\_\_\_\_\_  
Officer of the District

ATTEST:

\_\_\_\_\_

**SV SNOWMASS HOSPITALITY, LLC**

\_\_\_\_\_  
By:\_\_\_\_\_

Its:\_\_\_\_\_

WILLIAM P. ANKELE, JR.  
JENNIFER GRUBER TANAKA  
CLINT C. WALDRON  
KRISTIN BOWERS TOMPKINS  
ROBERT G. ROGERS

OF COUNSEL:  
KRISTEN D. BEAR  
BLAIR M. DICKHONER



SEAN ALLEN  
ZACHARY P. WHITE  
CASEY K. LEKAHAL  
TRISHA K. HARRIS  
HEATHER L. HARTUNG  
MEGAN J. MURPHY  
KRISTIN J. SCHLEDORN  
EVE M. GRINA  
JENNIFER F. KEMP  
ALLISON C. FOGG

## **MEMORANDUM**

TO: Base Village Metropolitan District No. 1

FROM: WHITE BEAR ANKELE TANAKA & WALDRON

RE: HB 18-1128 Concerning Strengthening Protections for Consumer Data Privacy

DATE: 11-26-2018

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### **1. Overview**

HB 18-1128 established a new statutory provision under Title 24, Article 73 entitled “Security Breaches and Personal Information” which creates new requirements for the protection of personal information of Colorado residents collected and maintained by governmental entities. The Bill also created new notification procedures in the event of a data breach. The changes went into effect on September 1, 2018.

### **2. Definitions**

“Government Entity” means the state and any state agency or institution including cities, counties, towns, school districts, special improvement districts, authorities and any other political subdivision of the state organized pursuant to the law, including Title 32 special districts.

“Personal Identifying Information” (PII) means any of the following data elements:

- Biometric data
- Email address and password
- Employer, student, or military ID number
- Financial transaction device (bank account, credit card, or debit card number in combination with a security code, access code, or password)
- Passport number
- Passwords and passcodes
- Social security number
- State or government issued driver’s license number or identification card number

“Personal Information” (PI) means a Colorado resident’s first initial or name and last name in combination with one or more types of PII.

### **3. New requirements enacted by HB 18-1128**

**A. Reasonable security procedures and practices:** Government Entities must establish practices for storage and security that are appropriate to the type of PII and the nature and size of the Government Entity and its operations. Further, Government Entities must require that third-party service providers with access to PII establish like practices.

**B. Disposal requirements for PII:** Government Entities are required to maintain a written policy for the destruction of PII once the information is no longer needed. PII must be destroyed in a manner that renders the information unreadable or indecipherable through any means. Entities that are regulated by state or federal law and maintain procedures for disposal of PII pursuant to state or federal law are in compliance with the requirements outlined above.

**C. Disclosure in the event of a data breach:** Should a data breach occur, Government Entities must conduct an investigation to determine the likelihood that personal information was or will be misused. If such misuse is discovered, Government Entities must notify all affected Colorado residents within 30 days of the breach. Requirements for the contents of such notice are detailed in C.R.S. § 24-73-103. If the breach affects more than 500 Colorado residents, Government Entities must also notify the Attorney General within 30 days of the breach. If the breach affects more than 1,000 Colorado residents, Government Entities must also notify all consumer reporting agencies that operate nationwide.

### **4. Enforcement**

The Attorney General may bring an action for injunctive relief to enforce the provisions of Title 24, Article 73. The Attorney General also has the authority to prosecute any criminal violations of the same.

**RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
BASE VILLAGE METROPOLITAN DISTRICT NO. 1**

**Adopting a Personal Data Privacy Policy**

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WHEREAS, the Base Village Metropolitan District No. 1 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado and a duly organized and existing special district pursuant to Title 32, Colorado Revised Statutes; and

WHEREAS, the Colorado General Assembly adopted House Bill 18-1128 concerning strengthening protections for consumer data privacy (the “**Bill**”) with an effective date of September 1, 2018; and

WHEREAS, the Bill added Article 73 to Title 24, Colorado Revised Statutes known as “Security Breaches and Personal Information” (“**Article 73**”) which requires each Governmental Entity in the state that maintains paper or electronic documents during the course of business that contain Personal Identifying Information to develop a written policy for the destruction or proper disposal of such paper and electronic documents; and

WHEREAS, § 24-73-101(4)(a), C.R.S., defines a “Governmental Entity” as the state and any state agency or institution, including the judicial department, county, city and county, incorporated city or town, school district, special improvement district, authority, and every other kind of district, instrumentality, or political subdivision of the state organized pursuant to law. “Governmental Entity” includes entities governed by home rule charters; and

WHEREAS, the District is a Governmental Entity under Article 73 as it is a political subdivision of the state organized pursuant to law; and

WHEREAS, § 24-73-101(4)(b), C.R.S., defines “Personal Identifying Information” as a social security number; a personal identification number; a password; a pass code; an official state or government-issued driver’s license or identification card number; a government passport number; biometric data, as defined in § 24-73-103(1)(a), C.R.S.; an employer, student, or military identification number; or a financial transaction device, as defined in § 18-5-701(3), C.R.S.; and

WHEREAS, the District may maintain paper or electronic documents that contain Personal Identifying Information; and

WHEREAS, the District has developed and desires to adopt a written policy for the destruction or proper disposal of paper and electronic documents containing Personal Identifying Information, in conformance with Article 73.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. Adoption of Personal Data Privacy Policy. The District hereby adopts the Personal Data Privacy Policy set forth in **Exhibit A**, attached hereto and incorporated herein.

2. Preambles Incorporated. The preambles to this Resolution are hereby incorporated into this Resolution as if set out fully herein.

3. Severability. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

4. Effective Date. This Resolution shall become effective as of September 1, 2018, shall be enforced immediately thereafter and shall supersede any previous policy related to disposal of paper and electronic documents containing Personal Identifying Information. This Resolution shall be implemented and administered by the District to conform with all requirements of Article 73, as modified from time to time.

*[Signature page follows.]*

ADOPTED this 5<sup>th</sup> day of December, 2018.

BASE VILLAGE METROPOLITAN DISTRICT  
NO. 1, a quasi-municipal corporation and political  
subdivision of the State of Colorado

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Officer of the District

ATTEST:

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APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys At Law

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General Counsel to the District

*Signature page to Resolution Adopting Personal Data Privacy Policy*



## **EXHIBIT A**

### **Personal Data Privacy Policy**

The purpose of this Personal Data Privacy Policy is to comply with § 24-73-101 (1), C.R.S., which requires a Governmental Entity that maintains paper or electronic documents during the course of business that contain Personal Identifying Information to develop a written policy for the destruction or proper disposal of such paper and electronic documents.

#### Section 1. Definitions

- (1) “District” means the Base Village Metropolitan District No. 1
- (2) All defined terms in sections 2-5, unless otherwise noted, shall be defined as in § 24-73-101, C.R.S.
- (3) All defined terms in section 6 shall be defined as in § 24-73-103, C.R.S.

#### Section 2. Protection of Personal Identifying Information

- (1) The District may collect the following Personal Identifying Information over the course of normal business:
  - a. Bank account numbers;
  - b. Credit card numbers;
  - c. Driver’s license or government identification card numbers;
  - d. Employer identification number; and
  - e. Social Security Numbers.

#### Section 3. Security Procedures and Practices

- (1) The District will store paper documents containing Personal Identifying Information in a locked cabinet or locked office. Only employees who must use Personal Identifying Information to conduct District business will have access to the storage location.
- (2) The District will take appropriate measures to protect Personal Identifying Information stored as digital media. These protections may include firewalls and encryption software. Only those employees who must use the Personal Identifying Information to conduct District business will have access to the electronic storage system(s).

(3) In the event the District discloses Personal Identifying Information to a Third-party Service Provider, as that term is defined in § 24-73-102, C.R.S., the District will require the Third-party Service Provider to verify they have implemented and maintained reasonable security procedures and practices appropriate to the nature of the Personal Identifying Information.

#### Section 4. Records Management and Destruction

(1) Records maintaining Personal Identifying Information should be retained in accordance with the District's Records Retention Policy. Retention periods vary based on the type of record. All records must be disposed of in a manner that renders the records unreadable or indecipherable through any means.

#### Section 5. Open Records Disclosure

(1) The District is governed by the Colorado Open Records Act ("CORA"). Any records maintained by the District may be subject to inspection and copying by members of the public, unless an exemption in the law exists. In the event the District must release records containing Personal Identifying Information, sensitive data will be redacted or otherwise removed to protect the privacy of the individual(s).

(2) The District will not otherwise release Personal Identifying Information unless legally required to do so in connection with legal proceedings or law enforcement investigations. The District will not sell Personal Identifying Information to any outside organization.

#### Section 6. Notification of Security Breach

(1) In the event the District becomes aware that a Security Breach may have occurred, the District will conduct in good faith a prompt investigation to determine the likelihood that Personal Information has been or will be misused. The District will notify the affected Colorado residents in accordance with the notice requirements set forth in § 24-73-103, C.R.S., unless the investigation determines that the misuse of information about a Colorado resident has not occurred and is not reasonably likely to occur.

<b>BASE VILLAGE METRO DISTRICT #1</b> <b>COMBINED BALANCE SHEET/STATEMENT OF NET POSTION</b> <b>10/31/18</b>					
	2017	2018			
	<u>Total</u>	<u>General Fund</u>	<u>Capital Projects</u>	<u>Capital Assets &amp; LT Debt</u>	<u>Total</u>
<b>ASSETS</b>					
CASH - US BANK CHECKING	125,458	29,935			29,935
CASH - ALPINE BANK CHECKING	86,495	223,341			223,341
CASH - CSAFE	27,590	7,613			7,613
CASH - PETTY CASH	1,500	1,500			1,500
POOLED CASH	0	(211)	211		0
TOTAL CASH	241,043	262,177	211	0	262,389
ACCOUNTS RECEIVABLE	15,093	7,069			7,069
DUE FROM DISTRICT #2	1,900	6,100			6,100
DUE FROM COUNTY TREASURER	619	0			0
PROPERTY TAXES RECEIVABLE	284,265	36,683			36,683
PREPAID EXPENSES	7,077	6,062			6,062
PROPERTY AND EQUIPMENT	22,537,574			22,537,574	22,537,574
<b>TOTAL ASSETS</b>	<b>23,087,571</b>	<b>318,091</b>	<b>211</b>	<b>22,537,574</b>	<b>22,855,876</b>
<b>LIABILITIES</b>					
ACCOUNTS PAYABLE	172,761	60,164			60,164
DUE TO DISTRICT #2	30,900	51,500			51,500
DEVELOPER ADVANCE PAYABLE	952,288			952,288	952,288
INFRASTRUCTURE ACQUISITION PAYB	4,482,442			4,482,442	4,482,442
ACCRUED INTEREST PAYABLE	3,831,981			3,831,981	3,831,981
<b>TOTAL LIABILITIES</b>	<b>9,470,372</b>	<b>111,664</b>	<b>0</b>	<b>9,266,711</b>	<b>9,378,375</b>
<b>DEFERRED INFLOWS</b>					
DEFERRED PROP TAX REV	284,265	36,683			36,683
<b>NET POSITION</b>					
NET INVESTED IN CAPITAL ASSETS	22,537,574			22,537,574	22,537,574
AMT PROVIDE FOR LONG-TERM DEBT	(9,266,711)			(9,266,711)	(9,266,711)
FUND BALANCE	62,071	169,744	211		169,956
<b>TOTAL FUND EQUITY</b>	<b>13,332,934</b>	<b>169,744</b>	<b>211</b>	<b>13,270,863</b>	<b>13,440,819</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY</b>	<b>23,087,571</b>	<b>318,091</b>	<b>211</b>	<b>22,537,574</b>	<b>22,855,876</b>

**BASE VILLAGE METRO DISTRICT #1**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

All Funds Combined Summary		2017	2018 ANNUAL			2018 YTD					
Account No.		Cal Yr Prelim Actual	Cal Yr '18 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2018 Forecast	Ended 10/31/18 Actual	Ended 10/31/18 Budget	Variance Favorable (Unfavor)	Cal Yr '19 Prelim Budget	'19 Budget vs '18 Forecast	Percent
	<b>REVENUES:</b>			153%							
	Total Assessed Value	2,580,880	6,534,830		6,534,830				6,444,230	(90,600)	-1%
	Mill Levy Rate - General	43.500	43.500		43.500				43.500	0.000	0%
	Property Taxes - General Fund	112,261	284,265	0	284,265	247,582	247,576	6	280,324	(3,941)	-1%
	SO Taxes - General Fund	4,106	11,370	0	11,370	7,095	7,095	0	11,370	0	0%
	Contribution from BVMD #2	219,543	193,053	0	193,053	188,413	120,461	67,952	217,357	24,304	13%
	Miscellaneous & Other	1,843	1,000	500	1,500	948	833	115	1,000	(500)	-33%
	Parking Garage Revenues	453,197	429,894	23,084	452,978	364,135	339,616	24,519	452,978	0	0%
	Conference Center Revenues	25,000	25,000	0	25,000	18,750	20,833	(2,083)	25,000	0	0%
	Transit Center Revenues	9,153	13,524	4,392	17,916	14,653	8,114	6,539	0	(17,916)	-100%
	Capital Fund Revenues	0	0	0	0	0	0	0	0	0	NA
	<b>TOTAL REVENUES</b>	<b>825,103</b>	<b>958,106</b>	<b>27,976</b>	<b>986,082</b>	<b>841,577</b>	<b>744,529</b>	<b>97,048</b>	<b>988,029</b>	<b>1,947</b>	<b>0%</b>
			=	=	=	=	=	=	=	=	
	<b>EXPENDITURES:</b>										
	General and Administrative	313,053	251,027	(21,562)	272,589	230,244	187,819	(42,425)	231,140	41,449	-15%
	Parking Garage	403,850	350,166	(9,721)	359,887	273,629	320,629	47,001	382,265	(22,378)	6%
	Conference Center	120,478	135,917	(24,815)	160,732	129,691	120,064	(9,627)	174,950	(14,218)	9%
	Transit Center	200,669	209,890	60,357	149,533	100,130	174,963	74,834	199,568	(50,035)	33%
	Capital	58,704	0	0	0	0	0	0	0	0	NA
	<b>TOTAL EXPENDITURES</b>	<b>1,096,755</b>	<b>947,000</b>	<b>4,259</b>	<b>942,741</b>	<b>733,693</b>	<b>803,475</b>	<b>69,782</b>	<b>987,923</b>	<b>(45,182)</b>	<b>5%</b>
			=	=	=	=	=	=	=	=	
	<b>EXCESS REVENUES OVER EXPEND</b>	<b>(271,652)</b>	<b>11,106</b>	<b>32,235</b>	<b>43,341</b>	<b>107,884</b>	<b>(58,946)</b>	<b>166,830</b>	<b>106</b>	<b>(43,235)</b>	<b>-100%</b>
	Other Financing Sources	285,000	0	0	0	0	0	0	0	0	NA
	Other Financing Uses								0	0	NA
	<b>Combined Fund Balances - Beginning</b>	<b>48,723</b>	<b>18,423</b>	<b>43,648</b>	<b>62,071</b>	<b>62,071</b>	<b>18,423</b>	<b>43,648</b>	<b>105,412</b>	<b>43,341</b>	<b>70%</b>
	<b>Combined Fund Balances - End</b>	<b>62,071</b>	<b>29,529</b>	<b>75,883</b>	<b>105,412</b>	<b>169,956</b>	<b>(40,523)</b>	<b>210,479</b>	<b>105,519</b>	<b>106</b>	<b>0%</b>
			=	=	=	=	=	=	=	=	

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

**BASE VILLAGE METRO DISTRICT #1**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

General Fund		2017	2018 ANNUAL			2018 YTD					
Account No.		Cal Yr Prelim Actual	Cal Yr '18 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2018 Forecast	Ended 10/31/18 Actual	Ended 10/31/18 Budget	Variance Favorable (Unfavor)	Cal Yr '19 Prelim Budget	'19 Budget vs '18 Forecast	Percent
	<b>GENERAL REVENUES:</b>										
	Assessed Value - BVMD #1	2,580,880	6,534,830	153%	6,534,830				6,444,230	(90,600)	-1%
	Assessed Value - BVMD #2	32,332,190	32,332,190	0%	32,332,190				36,423,750	4,091,560	13%
	Mill Levy Rate - BVMD #1	43.500	43.500		43.500				43.500	0	0%
	Property Taxes Levied - BVMD #1	112,268	284,265		284,265				280,324	(3,941)	-1%
1-4000	Property Taxes	112,261	284,265	0	284,265	247,582	247,576	6	280,324	(3,941)	-1%
1-4010	Specific Ownership Tax	4,106	11,370	0	11,370	7,095	7,095	0	11,370	0	0%
1-4100	Interest Income	766	1,000	0	1,000	717	833	(116)	1,000	0	0%
	Parking Garage Revenues	453,197	429,894	23,084	452,978	364,135	339,616	24,519	452,978	0	0%
	Conference Center Revenues	25,000	25,000	0	25,000	18,750	20,833	(2,083)	25,000	0	0%
	Transit Center Revenues	9,153	13,524	4,392	17,916	14,653	8,114	6,539	0	(17,916)	-100%
1-4110	Contribution from BVMD #2	219,543	193,053	0	193,053	188,413	120,461	67,952	217,357	24,304	13%
1-4200	Other	1,077	0	500	500	231	0	231	0	(500)	-100%
	<b>TOTAL GENERAL REVENUES</b>	<b>825,103</b>	<b>958,106</b>	<b>27,976</b>	<b>986,082</b>	<b>841,577</b>	<b>744,529</b>	<b>97,048</b>	<b>988,029</b>	<b>1,947</b>	<b>0%</b>

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**BASE VILLAGE METRO DISTRICT #1**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

General Fund (Continued)		2017	2018 ANNUAL			2018 YTD					
Account No.		Cal Yr 0 Actual	Cal Yr '18 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2018 Forecast	Ended 10/31/18 Actual	Ended 10/31/18 Budget	Variance Favorable (Unfavor)	Cal Yr '19 Prelim Budget	'19 Budget vs '18 Forecast	Percent
	<b>EXPENDITURES:</b>										
	<b>General and Administrative</b>										
1-5100	Accounting - District #1	68,707	41,000	(4,000)	45,000	40,046	34,167	(5,879)	42,250	2,750	-6%
1-5101	Accounting - District #2	0	4,000	(2,000)	6,000	2,394	3,333	940	6,000	0	0%
1-5110	Administrative Fee	23,367	26,523	0	26,523	22,853	22,443	(410)	27,478	(955)	4%
1-5120	Audit - District #1	10,175	7,500	453	7,047	7,047	7,500	454	7,250	(203)	3%
1-5121	Audit - District #2	0	3,300	(1,900)	5,200	1,900	3,300	1,400	5,200	0	0%
1-5130	Bank Service Charges	505	700	(250)	950	777	592	(185)	700	250	-26%
1-5140	Elections	0	0	0	0	0	0	0	0	0	NA
1-5150	Insurance - District #1	47,560	45,230	(1,486)	46,716	46,716	45,230	(1,486)	48,117	(1,401)	3%
1-5151	Insurance - District #2	0	4,708	0	4,708	4,708	4,708	0	4,728	(20)	0%
1-5160	Legal - District #1	124,596	40,000	(10,000)	50,000	45,555	33,333	(12,222)	30,000	20,000	-40%
1-5170	Legal - District #2	24,876	25,000	(30,000)	55,000	41,719	20,833	(20,886)	25,000	30,000	-55%
1-5171	Legal - District #2 PUD Amendment	0	0	(10,000)	10,000	3,076	0	(3,076)	0	10,000	-100%
1-5180	Miscellaneous	7,314	0	(829)	829	829	0	(829)	0	829	-100%
1-5190	Utilities	340	0	(403)	403	245	0	(245)	400	3	-1%
1-5200	Treasurer's Fees - Pitkin County	5,614	14,213	0	14,213	12,380	12,379	(1)	14,016	197	-1%
	Contingency		38,853	38,853	0		0	0	20,000	(20,000)	NA
	<b>Total General &amp; Administrative</b>	<b>313,053</b>	<b>251,027</b>	<b>(21,562)</b>	<b>272,589</b>	<b>230,244</b>	<b>187,819</b>	<b>(42,425)</b>	<b>231,140</b>	<b>41,449</b>	<b>-15%</b>
	Parking Garage Expenditures	403,850	350,166	(9,721)	359,887	273,629	320,629	47,001	382,265	(22,378)	6%
	Conference Center Expenditures	120,478	135,917	(24,815)	160,732	129,691	120,064	(9,627)	174,950	(14,218)	9%
	Transit Center Expenditures	200,669	209,890	60,357	149,533	100,130	174,963	74,834	199,568	(50,035)	33%
	<b>TOTAL EXPENDITURES</b>	<b>1,038,051</b>	<b>947,000</b>	<b>4,259</b>	<b>942,741</b>	<b>733,693</b>	<b>803,475</b>	<b>69,782</b>	<b>987,923</b>	<b>(45,182)</b>	<b>5%</b>
	<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(212,947)</b>	<b>11,106</b>	<b>32,235</b>	<b>43,341</b>	<b>107,884</b>	<b>(58,946)</b>	<b>166,830</b>	<b>106</b>	<b>(43,235)</b>	<b>-100%</b>
	<b>OTHER FINANCING SOURCES (USES):</b>										
	Developer Advance	285,000	0	0	0	0	0	0	0	0	NA
	Transfers in (out)			0		0	0	0	0	0	NA
	Shortfall Payment to BVMD #2								0	0	NA
	<b>TOTAL OTHER FINANCING</b>	<b>285,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
	<b>Surplus(Deficit) w/ Othr Fin Sources</b>	<b>72,053</b>	<b>11,106</b>	<b>32,235</b>	<b>43,341</b>	<b>107,884</b>	<b>(58,946)</b>	<b>166,830</b>	<b>106</b>	<b>(43,235)</b>	<b>-100%</b>
37001	<b>FUND BALANCE - BEGINNING</b>	<b>(10,193)</b>	<b>18,423</b>	<b>43,437</b>	<b>61,860</b>	<b>61,860</b>	<b>18,423</b>	<b>43,437</b>	<b>105,201</b>	<b>43,341</b>	<b>70%</b>
	<b>FUND BALANCE - END</b>	<b>61,860</b>	<b>29,529</b>	<b>75,672</b>	<b>105,201</b>	<b>169,744</b>	<b>(40,523)</b>	<b>210,267</b>	<b>105,307</b>	<b>106</b>	<b>0%</b>

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**BASE VILLAGE METRO DISTRICT #1**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

Capital Projects Fund		2017	2018 ANNUAL			2018 YTD					
Account No.		Cal Yr Prelim Actual	Cal Yr '18 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2018 Forecast	Ended 10/31/18 Actual	Ended 10/31/18 Budget	Variance Favorable (Unfavor)	Cal Yr '19 Prelim Budget	'19 Budget vs '18 Forecast	Percent
	<b>REVENUE:</b>										
			0	0	0		0	0	0	0	NA
	<b>TOTAL REVENUE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
	<b>EXPENDITURES:</b>										
	Capital Outlay	58,704	0	0	0	0	0	0	0	0	NA
	<b>TOTAL EXPENDITURES</b>	<b>58,704</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
	<b>Excess Rev Over (Under) Exp</b>	<b>(58,704)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
	<b>OTHER FINANCING SOURCES (USES):</b>										
46704	Transfer In From General Fund		0	0	0	0	0	0	0	0	NA
	<b>TOTAL OTHER FINANCING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
	<b>Surplus(Deficit) w/ Othr Fin Sources</b>	<b>(58,704)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
37004	<b>FUND BALANCE - BEGINNING</b>	<b>58,916</b>	<b>0</b>	<b>211</b>	<b>211</b>	<b>211</b>	<b>0</b>	<b>211</b>	<b>211</b>	<b>0</b>	<b>0%</b>
	<b>FUND BALANCE - END</b>	<b>211</b>	<b>0</b>	<b>211</b>	<b>211</b>	<b>211</b>	<b>0</b>	<b>211</b>	<b>211</b>	<b>0</b>	<b>0%</b>

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**BASE VILLAGE METRO DISTRICT #1**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

PARKING GARAGE		2017	2017 ANNUAL			2018 YTD					
Account No.		Cal Yr Prelim Actual	Cal Yr '18 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2018 Forecast	Ended 10/31/18 Actual	Ended 10/31/18 Budget	Variance Favorable (Unfavor)	Cal Yr '19 Prelim Budget	'19 Budget vs '18 Forecast	Percent
1-4300	<b>REVENUES:</b>										
	Parking Garage Revenues	453,197	429,894	23,084	452,978	364,135	339,616	24,519	452,978	0	0%
	<b>TOTAL REVENUES</b>	<b>453,197</b>	<b>429,894</b>	<b>23,084</b>	<b>452,978</b>	<b>364,135</b>	<b>339,616</b>	<b>24,519</b>	<b>452,978</b>	<b>0</b>	<b>0%</b>
	<b>EXPENDITURES:</b>										
1-5500	Administrative Expenses	129	192	96	96	0	160	160	0	96	-100%
1-5510	Advertising & Promo	0	200	200	0	0	169	169	200	(200)	NA
1-5520	CC & Banking Fees	11,616	13,561	(5,100)	18,661	17,950	10,713	(7,237)	18,599	62	0%
1-5530	Contract Services	0	0	(599)	599	599	0	(599)	0	599	-100%
1-5540	Electrical Contractor	0	500	500	0	0	417	417	500	(500)	NA
1-5550	Equipment	28,847	500	(2,201)	2,701	2,701	417	(2,284)	500	2,201	-81%
1-5560	Garage Attendent Labor	91,058	69,300	8,168	61,132	43,132	51,282	8,150	60,900	232	0%
1-5570	HOA Assessments	223,075	215,265	(10,912)	226,177	167,166	215,265	48,099	249,095	(22,918)	10%
1-5580	Management Fee	49,125	50,648	127	50,521	42,080	42,207	127	52,471	(1,950)	4%
	<b>TOTAL EXPENDITURES</b>	<b>403,850</b>	<b>350,166</b>	<b>(9,721)</b>	<b>359,887</b>	<b>273,629</b>	<b>320,629</b>	<b>47,001</b>	<b>382,265</b>	<b>(22,378)</b>	<b>6%</b>
	<b>PARKING GARAGE SURPLUS (DEFICIT)</b>	<b>49,347</b>	<b>79,728</b>	<b>13,363</b>	<b>93,091</b>	<b>90,506</b>	<b>18,987</b>	<b>71,519</b>	<b>70,713</b>	<b>(22,378)</b>	<b>-24%</b>

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.



**BASE VILLAGE METRO DISTRICT #1**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

CONFERENCE CENTER		2017	2017 ANNUAL			2018 YTD					
Account No.		Cal Yr Prelim Actual	Cal Yr '18 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2018 Forecast	Ended 10/31/18 Actual	Ended 10/31/18 Budget	Variance Favorable (Unfavor)	Cal Yr '19 Prelim Budget	'19 Budget vs '18 Forecast	Percent
1-4310	<b>REVENUES:</b>										
	Conference Center Rental Revenue	25,000	25,000	0	25,000	18,750	20,833	(2,083)	25,000	0	0%
	<b>TOTAL REVENUES</b>	<b>25,000</b>	<b>25,000</b>	<b>0</b>	<b>25,000</b>	<b>18,750</b>	<b>20,833</b>	<b>(2,083)</b>	<b>25,000</b>	<b>0</b>	<b>0%</b>
	<b>EXPENDITURES:</b>										
1-6000	Administrative Expenses	324	300	222	78	28	250	222	300	(222)	285%
1-6010	Alsco Mats	671	900	3	897	747	750	3	900	(3)	0%
1-6020	HOA Assessments	42,667	40,805	(447)	41,252	41,252	40,804	(448)	44,885	(3,633)	9%
1-6030	Maintenance	9,992	12,200	1,120	11,080	8,870	10,167	1,297	12,200	(1,120)	10%
1-6040	Maintenance Supplies	453	1,800	959	841	541	1,500	959	8,650	(7,809)	929%
1-6050	Management Fee	11,826	11,255	(99)	11,354	9,478	9,379	(99)	11,661	(307)	3%
1-6060	Outside Vendor	869	4,800	192	4,608	4,608	4,000	(608)	4,800	(192)	4%
1-6070	Security	5,599	7,280	0	7,280	6,020	6,067	47	7,280	0	0%
1-6080	Utilities - Central Plant & Gas	27,807	33,713	(12,058)	45,771	40,255	28,094	(12,161)	46,790	(1,019)	2%
1-6090	Utilities - Electricity	15,212	16,684	99	16,585	13,935	13,903	(31)	16,684	(99)	1%
1-6100	Utilities - TV & Internet	5,058	6,180	1,194	4,986	3,956	5,150	1,194	4,800	186	-4%
	Utilities - Water & Sanitation				16,000				16,000	0	0%
	<b>TOTAL EXPENDITURES</b>	<b>120,478</b>	<b>135,917</b>	<b>(8,815)</b>	<b>160,732</b>	<b>129,691</b>	<b>120,064</b>	<b>(9,627)</b>	<b>174,950</b>	<b>(14,218)</b>	<b>9%</b>
	<b>CONFERENCE CENTER SURPLUS (DEF)</b>	<b>(95,478)</b>	<b>(110,917)</b>	<b>(8,815)</b>	<b>(135,732)</b>	<b>(110,941)</b>	<b>(99,231)</b>	<b>(11,710)</b>	<b>(149,950)</b>	<b>(14,218)</b>	<b>10%</b>

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

Viceroy Conference Revenues

185,394

99,196

Thru June 2018

**BASE VILLAGE METRO DISTRICT #1**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

TRANSIT CENTER		2017	2017 ANNUAL			2018 YTD					
Account No.		Cal Yr Prelim Actual	Cal Yr '18 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2018 Forecast	Ended 10/31/18 Actual	Ended 10/31/18 Budget	Variance Favorable (Unfavor)	Cal Yr '19 Prelim Budget	'19 Budget vs '18 Forecast	Percent
1-4320	<b>REVENUES:</b>										
	Transit Center Revenue	9,153	13,524	4,392	17,916	14,653	8,114	6,539	0	(17,916)	-100%
	<b>TOTAL REVENUES</b>	<b>9,153</b>	<b>13,524</b>	<b>4,392</b>	<b>17,916</b>	<b>14,653</b>	<b>8,114</b>	<b>6,539</b>	<b>0</b>	<b>(17,916)</b>	<b>-100%</b>
	<b>EXPENDITURES:</b>										
1-7000	Administrative Expenses	129	300	300	0	0	250	250	0	0	NA
1-7010	AlSCO Mats	4,382	4,390	1,913	2,477	1,977	2,927	950	3,341	(864)	35%
1-7020	Doors	0	2,500	1,000	1,500	0	950	950	2,500	(1,000)	67%
1-7030	Elevator	27,824	30,754	(1,235)	31,989	5,989	30,754	24,765	30,754	1,235	-4%
1-7160	HOA Assessments								12,133	(12,133)	NA
1-7040	Housekeeping	42,038	41,896	26,412	15,484	12,984	34,913	21,929	30,880	(15,396)	99%
1-7045	Housekeeping Supplies	5,915	5,500	4,235	1,265	1,065	4,583	3,518	4,000	(2,735)	216%
1-7050	Maintenance	20,805	21,996	13,741	8,255	8,155	18,330	10,175	13,735	(5,480)	66%
1-7060	Maintenance Supplies	1,205	3,400	2,931	469	469	2,833	2,364	2,100	(1,631)	348%
1-7070	Management Fee	16,375	16,883	0	16,883	14,069	14,069	0	17,490	(607)	4%
1-7080	Outside Vendor	0	600	600	0	0	450	450	600	(600)	NA
1-7090	Security	4,165	7,280	(63)	7,343	6,020	6,067	47	7,644	(301)	4%
1-7100	Telephone	2,088	2,064	147	1,917	1,573	1,720	147	2,064	(147)	8%
1-7110	Traffic Control	8,843	13,524	(4,392)	17,916	14,696	8,114	(6,582)	13,524	4,392	-25%
1-7120	Transit Lane Clearing	21,061	18,113	5,169	12,944	9,684	15,094	5,410	18,113	(5,169)	40%
1-7130	Utilities - Central Plant & Gas	34,582	25,952	3,500	22,452	16,726	21,627	4,901	25,952	(3,500)	16%
1-7140	Utilities - Electricity	10,075	12,230	3,591	8,639	6,723	10,192	3,469	12,230	(3,591)	42%
1-7150	Utilities - Water & Sanitation	1,182	2,508	2,508	0	0	2,090	2,090	2,508	(2,508)	NA
	<b>TOTAL EXPENDITURES</b>	<b>200,669</b>	<b>209,890</b>	<b>60,357</b>	<b>149,533</b>	<b>100,130</b>	<b>174,963</b>	<b>74,834</b>	<b>199,568</b>	<b>(50,035)</b>	<b>33%</b>
	<b>TRANSIT CENTER SURPLUS (DEFICIT)</b>	<b>(191,516)</b>	<b>(196,366)</b>	<b>64,749</b>	<b>(131,617)</b>	<b>(85,476)</b>	<b>(166,849)</b>	<b>81,373</b>	<b>(199,568)</b>	<b>(67,951)</b>	<b>52%</b>

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

**MEMORANDUM**

To: Base Village Metropolitan District No. 1 Board  
Base Village Constituents

From: Jon Erickson

Date: November 30, 2018

Subject: Preliminary 2019 Budget

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Included below for your consideration is a preliminary 2019 budget for Base Village Metropolitan District No. 1. This budget is principally the same as was presented to the Board on October 15. However, the final assessed value has been received from Pitkin County and other small changes have occurred as noted below.

Highlights of the Base Village Metro District No. 1 2019 budget are:

1. The District's operations are primarily funded with property taxes levied by District No. 1 and contractual obligations paid by District No. 2. District No. 1's final assessed value has decreased to \$6,444,230 from \$6,450,440 as shown in the October 15 budget. The assessed value, mill levy rates and property taxes compared to 2018 are:

	<b>2018</b>	<b>2019</b>		
	Forecast	Budget	Change	Percent
Assessed Value (Preliminary)	6,534,830	6,444,230	(90,600)	-1%
Operating Mill Rate	43.500	43.500	0.000	--
Operating Property Taxes	284,265	280,324	(3,941)	-1%

2. Overall revenues are flat and expenditures are up about 5% compared to the 2018 forecast, resulting in an operating surplus before capital on Page 3-B of approximately \$106.
3. Expense items that have changed significantly from the previous preliminary budget are:
  - a. Insurance – District #2 on page 3-B decreased from \$4,849 to \$4,728
  - b. Contingency on page 3-B decreased from \$50,000 to \$20,000
  - c. HOA Assessments – Parking Garage on page 5-A increased from \$248,415 to \$249,095
  - d. Utilities – Central Plant & Gas – Conference Center on page 5-B increased from \$45,290 to \$46,790
  - e. A new line for Utilities – Water & Sanitation – Conference Center was added on page 5-B for \$16,000
  - f. Traffic Control – Transit Center on page 5-C was increased from \$0 to \$13,524
4. No expenditures are expected in the Capital Fund (Page 4) in 2019.

**RESOLUTION**  
**ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS**  
**(2019)**

---

The Board of Directors of Base Village Metropolitan District No. 1 (the “Board”), Town of Snowmass Village, of Pitkin County, Colorado (the “District”) held a regular meeting at 110 Carriage Way, Snowmass Village, Colorado, on Wednesday, December 5, 2018, at the hour of 1:00 P.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

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## NOTICE AS TO PROPOSED 2019 BUDGET

**NOTICE OF PUBLIC HEARING ON THE PRO-  
POSED 2019 BUDGET  
AND  
NOTICE OF PUBLIC HEARING ON THE  
AMENDED 2018 BUDGET**

NOTICE IS HEREBY GIVEN that a proposed 2019 budget has been submitted to the Board of Directors (the "Board") of the BASE VILLAGE METROPOLITAN DISTRICT NO. 1 (the "District"). A copy of the proposed budget is on file in the office of Marchetti & Weaver, LLC, 28 Second Street, Suite 213, Edwards, Colorado, where the same is open for public inspection.

NOTICE IS FURTHER GIVEN that an amendment to the 2018 budget has been submitted to the District. A copy of the proposed amended budget is on file in the office of Marchetti & Weaver, LLC, 28 Second Street, Suite 213, Edwards, Colorado, where the same is open for public inspection. Such proposed budget and amended budget will be considered at a public hearing during a meeting of the District to be held at 110 Carriage Way, Snowmass Village, Colorado, on Wednesday, December 5, 2018 at 1:00 P.M. Any interested elector of the District may file any objections to the proposed budget or amended budget at any time prior to final adoption of the budget and amended budget by the governing body of the District.

BY ORDER OF THE BOARD OF  
DIRECTORS:

BASE VILLAGE METROPOLITAN  
DISTRICT NO. 1

/s/ WHITE BEAR ANKELE TANAKA &  
WALDRON  
Attorneys at Law

Published in: The Snowmass Sun  
Published on: November 21, 2018  
0000337936

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2019 AND ENDING ON THE LAST DAY OF DECEMBER 2019.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 5, 2018, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1.     Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2019. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2.     Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2019 budget year, there is hereby levied a tax of 43.500 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3.     Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2019 budget year, there is hereby levied a tax of 0.000

mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4.     Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2019 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5.     Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2019 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6.     Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Pitkin County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7.     Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8.     Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9.     Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

*[Remainder of page intentionally left blank.]*



ADOPTED THIS 5<sup>TH</sup> DAY OF DECEMBER, 2018.

BASE VILLAGE METROPOLITAN DISTRICT NO. 1

---

Officer of the District

ATTEST:

---

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

---

General Counsel to the District

STATE OF COLORADO  
COUNTY OF \_\_\_\_\_  
BASE VILLAGE METROPOLITAN DISTRICT NO. 1

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Wednesday, December 5, 2018, at 110 Carriage Way, Snowmass Village, Colorado, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 5<sup>th</sup> day of December, 2018.

---

**EXHIBIT A**

**BUDGET DOCUMENT**

**BUDGET MESSAGE**

<b>BASE VILLAGE METRO DISTRICT #1</b> <b>COMBINED BALANCE SHEET/STATEMENT OF NET POSTION</b> <b>10/31/18</b>					
	2017	2018			
	<u>Total</u>	<u>General Fund</u>	<u>Capital Projects</u>	<u>Capital Assets &amp; LT Debt</u>	<u>Total</u>
<b>ASSETS</b>					
CASH - US BANK CHECKING	125,458	29,935			29,935
CASH - ALPINE BANK CHECKING	86,495	223,341			223,341
CASH - CSAFE	27,590	7,613			7,613
CASH - PETTY CASH	1,500	1,500			1,500
POOLED CASH	0	(211)	211		0
TOTAL CASH	241,043	262,177	211	0	262,389
ACCOUNTS RECEIVABLE	15,093	7,069			7,069
DUE FROM DISTRICT #2	1,900	6,100			6,100
DUE FROM COUNTY TREASURER	619	0			0
PROPERTY TAXES RECEIVABLE	284,265	36,683			36,683
PREPAID EXPENSES	7,077	6,062			6,062
PROPERTY AND EQUIPMENT	22,537,574			22,537,574	22,537,574
<b>TOTAL ASSETS</b>	<b>23,087,571</b>	<b>318,091</b>	<b>211</b>	<b>22,537,574</b>	<b>22,855,876</b>
<b>LIABILITIES</b>					
ACCOUNTS PAYABLE	172,761	60,164			60,164
DUE TO DISTRICT #2	30,900	51,500			51,500
DEVELOPER ADVANCE PAYABLE	952,288			952,288	952,288
INFRASTRUCTURE ACQUISITION PAYB	4,482,442			4,482,442	4,482,442
ACCRUED INTEREST PAYABLE	3,831,981			3,831,981	3,831,981
<b>TOTAL LIABILITIES</b>	<b>9,470,372</b>	<b>111,664</b>	<b>0</b>	<b>9,266,711</b>	<b>9,378,375</b>
<b>DEFERRED INFLOWS</b>					
DEFERRED PROP TAX REV	284,265	36,683			36,683
<b>NET POSITION</b>					
NET INVESTED IN CAPITAL ASSETS	22,537,574			22,537,574	22,537,574
AMT PROVIDE FOR LONG-TERM DEBT	(9,266,711)			(9,266,711)	(9,266,711)
FUND BALANCE	62,071	169,744	211		169,956
<b>TOTAL FUND EQUITY</b>	<b>13,332,934</b>	<b>169,744</b>	<b>211</b>	<b>13,270,863</b>	<b>13,440,819</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY</b>	<b>23,087,571</b>	<b>318,091</b>	<b>211</b>	<b>22,537,574</b>	<b>22,855,876</b>

**BASE VILLAGE METRO DISTRICT #1**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

<b>All Funds Combined Summary</b>		<b>2017</b>	<b>2018 ANNUAL</b>			<b>2018 YTD</b>					
<b>Account No.</b>		<b>Cal Yr Prelim Actual</b>	<b>Cal Yr '18 Adopted Budget</b>	<b>Variance Favorable (Unfavor)</b>	<b>Cal Yr 2018 Forecast</b>	<b>Ended 10/31/18 Actual</b>	<b>Ended 10/31/18 Budget</b>	<b>Variance Favorable (Unfavor)</b>	<b>Cal Yr '19 Prelim Budget</b>	<b>'19 Budget vs '18 Forecast</b>	<b>Percent</b>
	<b>REVENUES:</b>			153%							
	Total Assessed Value	2,580,880	6,534,830		6,534,830				6,444,230	(90,600)	-1%
	Mill Levy Rate - General	43.500	43.500		43.500				43.500	0.000	0%
	Property Taxes - General Fund	112,261	284,265	0	284,265	247,582	247,576	6	280,324	(3,941)	-1%
	SO Taxes - General Fund	4,106	11,370	0	11,370	7,095	7,095	0	11,370	0	0%
	Contribution from BVMD #2	219,543	193,053	0	193,053	188,413	120,461	67,952	217,357	24,304	13%
	Miscellaneous & Other	1,843	1,000	500	1,500	948	833	115	1,000	(500)	-33%
	Parking Garage Revenues	453,197	429,894	23,084	452,978	364,135	339,616	24,519	452,978	0	0%
	Conference Center Revenues	25,000	25,000	0	25,000	18,750	20,833	(2,083)	25,000	0	0%
	Transit Center Revenues	9,153	13,524	4,392	17,916	14,653	8,114	6,539	0	(17,916)	-100%
	Capital Fund Revenues	0	0	0	0	0	0	0	0	0	NA
	<b>TOTAL REVENUES</b>	<b>825,103</b>	<b>958,106</b>	<b>27,976</b>	<b>986,082</b>	<b>841,577</b>	<b>744,529</b>	<b>97,048</b>	<b>988,029</b>	<b>1,947</b>	<b>0%</b>
			=	=	=	=	=	=	=	=	
	<b>EXPENDITURES:</b>										
	General and Administrative	313,053	251,027	(21,562)	272,589	230,244	187,819	(42,425)	231,140	41,449	-15%
	Parking Garage	403,850	350,166	(9,721)	359,887	273,629	320,629	47,001	382,265	(22,378)	6%
	Conference Center	120,478	135,917	(24,815)	160,732	129,691	120,064	(9,627)	174,950	(14,218)	9%
	Transit Center	200,669	209,890	60,357	149,533	100,130	174,963	74,834	199,568	(50,035)	33%
	Capital	58,704	0	0	0	0	0	0	0	0	NA
	<b>TOTAL EXPENDITURES</b>	<b>1,096,755</b>	<b>947,000</b>	<b>4,259</b>	<b>942,741</b>	<b>733,693</b>	<b>803,475</b>	<b>69,782</b>	<b>987,923</b>	<b>(45,182)</b>	<b>5%</b>
			=	=	=	=	=	=	=	=	
	<b>EXCESS REVENUES OVER EXPEND</b>	<b>(271,652)</b>	<b>11,106</b>	<b>32,235</b>	<b>43,341</b>	<b>107,884</b>	<b>(58,946)</b>	<b>166,830</b>	<b>106</b>	<b>(43,235)</b>	<b>-100%</b>
	Other Financing Sources	285,000	0	0	0	0	0	0	0	0	NA
	Other Financing Uses								0	0	NA
	<b>Combined Fund Balances - Beginning</b>	<b>48,723</b>	<b>18,423</b>	<b>43,648</b>	<b>62,071</b>	<b>62,071</b>	<b>18,423</b>	<b>43,648</b>	<b>105,412</b>	<b>43,341</b>	<b>70%</b>
	<b>Combined Fund Balances - End</b>	<b>62,071</b>	<b>29,529</b>	<b>75,883</b>	<b>105,412</b>	<b>169,956</b>	<b>(40,523)</b>	<b>210,479</b>	<b>105,519</b>	<b>106</b>	<b>0%</b>
			=	=	=	=	=	=	=	=	

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

**BASE VILLAGE METRO DISTRICT #1**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

General Fund		2017	2018 ANNUAL			2018 YTD					
Account No.		Cal Yr Prelim Actual	Cal Yr '18 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2018 Forecast	Ended 10/31/18 Actual	Ended 10/31/18 Budget	Variance Favorable (Unfavor)	Cal Yr '19 Prelim Budget	'19 Budget vs '18 Forecast	Percent
	<b>GENERAL REVENUES:</b>										
	Assessed Value - BVMD #1	2,580,880	6,534,830	153%	6,534,830				6,444,230	(90,600)	-1%
	Assessed Value - BVMD #2	32,332,190	32,332,190	0%	32,332,190				36,423,750	4,091,560	13%
	Mill Levy Rate - BVMD #1	43.500	43.500		43.500				43.500	0	0%
	Property Taxes Levied - BVMD #1	112,268	284,265		284,265				280,324	(3,941)	-1%
1-4000	Property Taxes	112,261	284,265	0	284,265	247,582	247,576	6	280,324	(3,941)	-1%
1-4010	Specific Ownership Tax	4,106	11,370	0	11,370	7,095	7,095	0	11,370	0	0%
1-4100	Interest Income	766	1,000	0	1,000	717	833	(116)	1,000	0	0%
	Parking Garage Revenues	453,197	429,894	23,084	452,978	364,135	339,616	24,519	452,978	0	0%
	Conference Center Revenues	25,000	25,000	0	25,000	18,750	20,833	(2,083)	25,000	0	0%
	Transit Center Revenues	9,153	13,524	4,392	17,916	14,653	8,114	6,539	0	(17,916)	-100%
1-4110	Contribution from BVMD #2	219,543	193,053	0	193,053	188,413	120,461	67,952	217,357	24,304	13%
1-4200	Other	1,077	0	500	500	231	0	231	0	(500)	-100%
	<b>TOTAL GENERAL REVENUES</b>	<b>825,103</b>	<b>958,106</b>	<b>27,976</b>	<b>986,082</b>	<b>841,577</b>	<b>744,529</b>	<b>97,048</b>	<b>988,029</b>	<b>1,947</b>	<b>0%</b>

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

**BASE VILLAGE METRO DISTRICT #1**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

General Fund (Continued)		2017	2018 ANNUAL			2018 YTD					
Account No.		Cal Yr 0 Actual	Cal Yr '18 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2018 Forecast	Ended 10/31/18 Actual	Ended 10/31/18 Budget	Variance Favorable (Unfavor)	Cal Yr '19 Prelim Budget	'19 Budget vs '18 Forecast	Percent
	<b>EXPENDITURES:</b>										
	<b>General and Administrative</b>										
1-5100	Accounting - District #1	68,707	41,000	(4,000)	45,000	40,046	34,167	(5,879)	42,250	2,750	-6%
1-5101	Accounting - District #2	0	4,000	(2,000)	6,000	2,394	3,333	940	6,000	0	0%
1-5110	Administrative Fee	23,367	26,523	0	26,523	22,853	22,443	(410)	27,478	(955)	4%
1-5120	Audit - District #1	10,175	7,500	453	7,047	7,047	7,500	454	7,250	(203)	3%
1-5121	Audit - District #2	0	3,300	(1,900)	5,200	1,900	3,300	1,400	5,200	0	0%
1-5130	Bank Service Charges	505	700	(250)	950	777	592	(185)	700	250	-26%
1-5140	Elections	0	0	0	0	0	0	0	0	0	NA
1-5150	Insurance - District #1	47,560	45,230	(1,486)	46,716	46,716	45,230	(1,486)	48,117	(1,401)	3%
1-5151	Insurance - District #2	0	4,708	0	4,708	4,708	4,708	0	4,728	(20)	0%
1-5160	Legal - District #1	124,596	40,000	(10,000)	50,000	45,555	33,333	(12,222)	30,000	20,000	-40%
1-5170	Legal - District #2	24,876	25,000	(30,000)	55,000	41,719	20,833	(20,886)	25,000	30,000	-55%
1-5171	Legal - District #2 PUD Amendment	0	0	(10,000)	10,000	3,076	0	(3,076)	0	10,000	-100%
1-5180	Miscellaneous	7,314	0	(829)	829	829	0	(829)	0	829	-100%
1-5190	Utilities	340	0	(403)	403	245	0	(245)	400	3	-1%
1-5200	Treasurer's Fees - Pitkin County	5,614	14,213	0	14,213	12,380	12,379	(1)	14,016	197	-1%
	Contingency		38,853	38,853	0		0	0	20,000	(20,000)	NA
	<b>Total General &amp; Administrative</b>	<b>313,053</b>	<b>251,027</b>	<b>(21,562)</b>	<b>272,589</b>	<b>230,244</b>	<b>187,819</b>	<b>(42,425)</b>	<b>231,140</b>	<b>41,449</b>	<b>-15%</b>
	Parking Garage Expenditures	403,850	350,166	(9,721)	359,887	273,629	320,629	47,001	382,265	(22,378)	6%
	Conference Center Expenditures	120,478	135,917	(24,815)	160,732	129,691	120,064	(9,627)	174,950	(14,218)	9%
	Transit Center Expenditures	200,669	209,890	60,357	149,533	100,130	174,963	74,834	199,568	(50,035)	33%
	<b>TOTAL EXPENDITURES</b>	<b>1,038,051</b>	<b>947,000</b>	<b>4,259</b>	<b>942,741</b>	<b>733,693</b>	<b>803,475</b>	<b>69,782</b>	<b>987,923</b>	<b>(45,182)</b>	<b>5%</b>
	<b>EXCESS REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(212,947)</b>	<b>11,106</b>	<b>32,235</b>	<b>43,341</b>	<b>107,884</b>	<b>(58,946)</b>	<b>166,830</b>	<b>106</b>	<b>(43,235)</b>	<b>-100%</b>
	<b>OTHER FINANCING SOURCES (USES):</b>										
	Developer Advance	285,000	0	0	0	0	0	0	0	0	NA
	Transfers in (out)			0		0	0	0	0	0	NA
	Shortfall Payment to BVMD #2								0	0	NA
	<b>TOTAL OTHER FINANCING</b>	<b>285,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
	<b>Surplus(Deficit) w/ Othr Fin Sources</b>	<b>72,053</b>	<b>11,106</b>	<b>32,235</b>	<b>43,341</b>	<b>107,884</b>	<b>(58,946)</b>	<b>166,830</b>	<b>106</b>	<b>(43,235)</b>	<b>-100%</b>
37001	<b>FUND BALANCE - BEGINNING</b>	<b>(10,193)</b>	<b>18,423</b>	<b>43,437</b>	<b>61,860</b>	<b>61,860</b>	<b>18,423</b>	<b>43,437</b>	<b>105,201</b>	<b>43,341</b>	<b>70%</b>
	<b>FUND BALANCE - END</b>	<b>61,860</b>	<b>29,529</b>	<b>75,672</b>	<b>105,201</b>	<b>169,744</b>	<b>(40,523)</b>	<b>210,267</b>	<b>105,307</b>	<b>106</b>	<b>0%</b>

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**BASE VILLAGE METRO DISTRICT #1**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

<b>Capital Projects Fund</b>		<b>2017</b>	<b>2018 ANNUAL</b>			<b>2018 YTD</b>					
Account No.		Cal Yr Prelim Actual	Cal Yr '18 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2018 Forecast	Ended 10/31/18 Actual	Ended 10/31/18 Budget	Variance Favorable (Unfavor)	Cal Yr '19 Prelim Budget	'19 Budget vs '18 Forecast	Percent
	<b>REVENUE:</b>										
			0	0	0		0	0	0	0	NA
	<b>TOTAL REVENUE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
	<b>EXPENDITURES:</b>										
	Capital Outlay	58,704	0	0	0	0	0	0	0	0	NA
	<b>TOTAL EXPENDITURES</b>	<b>58,704</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
	<b>Excess Rev Over (Under) Exp</b>	<b>(58,704)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
	<b>OTHER FINANCING SOURCES (USES):</b>										
46704	Transfer In From General Fund		0	0	0	0	0	0	0	0	NA
	<b>TOTAL OTHER FINANCING</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
	<b>Surplus(Deficit) w/ Othr Fin Sources</b>	<b>(58,704)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
37004	<b>FUND BALANCE - BEGINNING</b>	<b>58,916</b>	<b>0</b>	<b>211</b>	<b>211</b>	<b>211</b>	<b>0</b>	<b>211</b>	<b>211</b>	<b>0</b>	<b>0%</b>
	<b>FUND BALANCE - END</b>	<b>211</b>	<b>0</b>	<b>211</b>	<b>211</b>	<b>211</b>	<b>0</b>	<b>211</b>	<b>211</b>	<b>0</b>	<b>0%</b>

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**BASE VILLAGE METRO DISTRICT #1**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

PARKING GARAGE		2017	2017 ANNUAL			2018 YTD					
Account No.		Cal Yr Prelim Actual	Cal Yr '18 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2018 Forecast	Ended 10/31/18 Actual	Ended 10/31/18 Budget	Variance Favorable (Unfavor)	Cal Yr '19 Prelim Budget	'19 Budget vs '18 Forecast	Percent
1-4300	<b>REVENUES:</b>										
	Parking Garage Revenues	453,197	429,894	23,084	452,978	364,135	339,616	24,519	452,978	0	0%
	<b>TOTAL REVENUES</b>	<b>453,197</b>	<b>429,894</b>	<b>23,084</b>	<b>452,978</b>	<b>364,135</b>	<b>339,616</b>	<b>24,519</b>	<b>452,978</b>	<b>0</b>	<b>0%</b>
	<b>EXPENDITURES:</b>										
1-5500	Administrative Expenses	129	192	96	96	0	160	160	0	96	-100%
1-5510	Advertising & Promo	0	200	200	0	0	169	169	200	(200)	NA
1-5520	CC & Banking Fees	11,616	13,561	(5,100)	18,661	17,950	10,713	(7,237)	18,599	62	0%
1-5530	Contract Services	0	0	(599)	599	599	0	(599)	0	599	-100%
1-5540	Electrical Contractor	0	500	500	0	0	417	417	500	(500)	NA
1-5550	Equipment	28,847	500	(2,201)	2,701	2,701	417	(2,284)	500	2,201	-81%
1-5560	Garage Attendent Labor	91,058	69,300	8,168	61,132	43,132	51,282	8,150	60,900	232	0%
1-5570	HOA Assessments	223,075	215,265	(10,912)	226,177	167,166	215,265	48,099	249,095	(22,918)	10%
1-5580	Management Fee	49,125	50,648	127	50,521	42,080	42,207	127	52,471	(1,950)	4%
	<b>TOTAL EXPENDITURES</b>	<b>403,850</b>	<b>350,166</b>	<b>(9,721)</b>	<b>359,887</b>	<b>273,629</b>	<b>320,629</b>	<b>47,001</b>	<b>382,265</b>	<b>(22,378)</b>	<b>6%</b>
	<b>PARKING GARAGE SURPLUS (DEFICIT)</b>	<b>49,347</b>	<b>79,728</b>	<b>13,363</b>	<b>93,091</b>	<b>90,506</b>	<b>18,987</b>	<b>71,519</b>	<b>70,713</b>	<b>(22,378)</b>	<b>-24%</b>

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**BASE VILLAGE METRO DISTRICT #1**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

CONFERENCE CENTER		2017	2017 ANNUAL			2018 YTD					
Account No.		Cal Yr Prelim Actual	Cal Yr '18 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2018 Forecast	Ended 10/31/18 Actual	Ended 10/31/18 Budget	Variance Favorable (Unfavor)	Cal Yr '19 Prelim Budget	'19 Budget vs '18 Forecast	Percent
1-4310	<b>REVENUES:</b>										
	Conference Center Rental Revenue	25,000	25,000	0	25,000	18,750	20,833	(2,083)	25,000	0	0%
	<b>TOTAL REVENUES</b>	<b>25,000</b>	<b>25,000</b>	<b>0</b>	<b>25,000</b>	<b>18,750</b>	<b>20,833</b>	<b>(2,083)</b>	<b>25,000</b>	<b>0</b>	<b>0%</b>
	<b>EXPENDITURES:</b>										
1-6000	Administrative Expenses	324	300	222	78	28	250	222	300	(222)	285%
1-6010	Alsco Mats	671	900	3	897	747	750	3	900	(3)	0%
1-6020	HOA Assessments	42,667	40,805	(447)	41,252	41,252	40,804	(448)	44,885	(3,633)	9%
1-6030	Maintenance	9,992	12,200	1,120	11,080	8,870	10,167	1,297	12,200	(1,120)	10%
1-6040	Maintenance Supplies	453	1,800	959	841	541	1,500	959	8,650	(7,809)	929%
1-6050	Management Fee	11,826	11,255	(99)	11,354	9,478	9,379	(99)	11,661	(307)	3%
1-6060	Outside Vendor	869	4,800	192	4,608	4,608	4,000	(608)	4,800	(192)	4%
1-6070	Security	5,599	7,280	0	7,280	6,020	6,067	47	7,280	0	0%
1-6080	Utilities - Central Plant & Gas	27,807	33,713	(12,058)	45,771	40,255	28,094	(12,161)	46,790	(1,019)	2%
1-6090	Utilities - Electricity	15,212	16,684	99	16,585	13,935	13,903	(31)	16,684	(99)	1%
1-6100	Utilities - TV & Internet	5,058	6,180	1,194	4,986	3,956	5,150	1,194	4,800	186	-4%
	Utilities - Water & Sanitation				16,000				16,000	0	0%
	<b>TOTAL EXPENDITURES</b>	<b>120,478</b>	<b>135,917</b>	<b>(8,815)</b>	<b>160,732</b>	<b>129,691</b>	<b>120,064</b>	<b>(9,627)</b>	<b>174,950</b>	<b>(14,218)</b>	<b>9%</b>
	<b>CONFERENCE CENTER SURPLUS (DEF)</b>	<b>(95,478)</b>	<b>(110,917)</b>	<b>(8,815)</b>	<b>(135,732)</b>	<b>(110,941)</b>	<b>(99,231)</b>	<b>(11,710)</b>	<b>(149,950)</b>	<b>(14,218)</b>	<b>10%</b>

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

Viceroy Conference Revenues

185,394

99,196

Thru June 2018

**BASE VILLAGE METRO DISTRICT #1**
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**
**ACTUAL, BUDGET AND FORECAST FOR THE PERIODS INDICATED**

Printed: 11/30/18

TRANSIT CENTER		2017	2017 ANNUAL			2018 YTD					
Account No.		Cal Yr Prelim Actual	Cal Yr '18 Adopted Budget	Variance Favorable (Unfavor)	Cal Yr 2018 Forecast	Ended 10/31/18 Actual	Ended 10/31/18 Budget	Variance Favorable (Unfavor)	Cal Yr '19 Prelim Budget	'19 Budget vs '18 Forecast	Percent
1-4320	<b>REVENUES:</b>										
	Transit Center Revenue	9,153	13,524	4,392	17,916	14,653	8,114	6,539	0	(17,916)	-100%
	<b>TOTAL REVENUES</b>	<b>9,153</b>	<b>13,524</b>	<b>4,392</b>	<b>17,916</b>	<b>14,653</b>	<b>8,114</b>	<b>6,539</b>	<b>0</b>	<b>(17,916)</b>	<b>-100%</b>
	<b>EXPENDITURES:</b>										
1-7000	Administrative Expenses	129	300	300	0	0	250	250	0	0	NA
1-7010	AlSCO Mats	4,382	4,390	1,913	2,477	1,977	2,927	950	3,341	(864)	35%
1-7020	Doors	0	2,500	1,000	1,500	0	950	950	2,500	(1,000)	67%
1-7030	Elevator	27,824	30,754	(1,235)	31,989	5,989	30,754	24,765	30,754	1,235	-4%
1-7160	HOA Assessments								12,133	(12,133)	NA
1-7040	Housekeeping	42,038	41,896	26,412	15,484	12,984	34,913	21,929	30,880	(15,396)	99%
1-7045	Housekeeping Supplies	5,915	5,500	4,235	1,265	1,065	4,583	3,518	4,000	(2,735)	216%
1-7050	Maintenance	20,805	21,996	13,741	8,255	8,155	18,330	10,175	13,735	(5,480)	66%
1-7060	Maintenance Supplies	1,205	3,400	2,931	469	469	2,833	2,364	2,100	(1,631)	348%
1-7070	Management Fee	16,375	16,883	0	16,883	14,069	14,069	0	17,490	(607)	4%
1-7080	Outside Vendor	0	600	600	0	0	450	450	600	(600)	NA
1-7090	Security	4,165	7,280	(63)	7,343	6,020	6,067	47	7,644	(301)	4%
1-7100	Telephone	2,088	2,064	147	1,917	1,573	1,720	147	2,064	(147)	8%
1-7110	Traffic Control	8,843	13,524	(4,392)	17,916	14,696	8,114	(6,582)	13,524	4,392	-25%
1-7120	Transit Lane Clearing	21,061	18,113	5,169	12,944	9,684	15,094	5,410	18,113	(5,169)	40%
1-7130	Utilities - Central Plant & Gas	34,582	25,952	3,500	22,452	16,726	21,627	4,901	25,952	(3,500)	16%
1-7140	Utilities - Electricity	10,075	12,230	3,591	8,639	6,723	10,192	3,469	12,230	(3,591)	42%
1-7150	Utilities - Water & Sanitation	1,182	2,508	2,508	0	0	2,090	2,090	2,508	(2,508)	NA
	<b>TOTAL EXPENDITURES</b>	<b>200,669</b>	<b>209,890</b>	<b>60,357</b>	<b>149,533</b>	<b>100,130</b>	<b>174,963</b>	<b>74,834</b>	<b>199,568</b>	<b>(50,035)</b>	<b>33%</b>
	<b>TRANSIT CENTER SURPLUS (DEFICIT)</b>	<b>(191,516)</b>	<b>(196,366)</b>	<b>64,749</b>	<b>(131,617)</b>	<b>(85,476)</b>	<b>(166,849)</b>	<b>81,373</b>	<b>(199,568)</b>	<b>(67,951)</b>	<b>52%</b>

No assurance is provided on these financial statements; substantially all disclosures required by GAAP omitted.

October 30, 2018

To the Board of Directors and Management  
Base Village Metropolitan District No. 1  
Pitkin County, Colorado

We are pleased to confirm our understanding of the services we are to provide Base Village Metropolitan District No. 1 (the District) for the year ended December 31, 2018. We will audit the financial statements of the governmental activities and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of the District as of and for the year ended December 31, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such 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. As part of our engagement, if the District includes MD&A, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the MD&A, if included, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. If the District elects to omit MD&A, our report will contain a statement that the District has omitted MD&A. The Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, will be subjected to the auditing procedures applied in the audit of the financial statements.

We have also been engaged to report on supplementary information other than RSI that accompanies the District's financial statements. We will subject the following supplementary information, as applicable, to the auditing procedures applied in our audit of the 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, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- 1) Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Capital Projects Fund
- 2) Summary of Assessed Valuation, Mill Levy and Property Tax Collected.

#### **Audit Objective**

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of the District's financial statements. Our report will be addressed to the Board of Directors of the District. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

**Fiscal Focus Partners, LLC**

### **Audit Procedures—General**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

### **Audit Procedures—Internal Control**

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

### **Other Services**

We will prepare the financial statements of the District in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

### **Management Responsibilities**

Management is responsible for designing, implementing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

You agree to assume all management responsibilities for any nonattest services we may provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

#### **Engagement Administration, Fees, and Other**

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare the financial statements and all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Fiscal Focus Partners, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to an applicable regulator or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Fiscal Focus Partners, LLC personnel. The applicable regulator or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

We expect to begin our audit on a date mutually agreed to by your accountants and our firm, and to issue our reports no later than July 31, 2019, or September 30, 2019 if management requests an extension of time from state auditor. Eric Barnes or Susan Opalinski will be the engagement partner and will be responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be \$6,950 plus out-of-pocket costs (such as postage, mileage, etc.). Our invoice for these fees will be rendered upon completion of fieldwork and in-house review and is payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes thirty days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel, contractors, and professionals, and the assumption that unexpected circumstances will not be encountered during the

audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

**Contractor Certification Regarding Illegal Aliens – Public Contracts for Services**

Pursuant to the requirements of Section 8-17.5–102(1), C.R.S., we hereby certify to the District that we do not knowingly employ or contract with an illegal alien who will perform work under the Agreement and that we participate in the E-Verify Program or Department Program (as defined in Sections 8-17.5-101(3.3) and (3.7), C.R.S.) in order to confirm the employment eligibility of all employees of Fiscal Focus Partners, LLC who are newly hired to perform work under the Agreement.

In accordance with Section 8-17.5-102(2)(a), C.R.S., we shall not:

- 1) Knowingly employ or contract with an illegal alien to perform work under the Agreement; or
- 2) Enter into a contract with a subcontractor that fails to certify to us that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.

We represent and warrant that we have confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program or the Department Program.

We are prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the Agreement is in effect.

If we obtain actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, we shall:

- 1) Notify the subcontractor and the District within three days that we have actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
- 2) Terminate the subcontract with the subcontractor if within three days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that we shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

We shall comply with any reasonable request by the Colorado Department of Labor and Employment ("Department") made in the course of an investigation that the Department is undertaking, pursuant to the law.

If we violate any provision of Section 8-17.5–102(1), C.R.S., the District may terminate the Agreement immediately and we shall be liable to the District for actual and consequential damages of the District resulting from such termination, and the District shall report such violation by us to the Colorado Secretary of State, as required by law.

We appreciate the opportunity to be of service to Base Village Metropolitan District No. 1 and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,



Fiscal Focus Partners, LLC

**RESPONSE:**

This letter correctly sets forth the understanding of Base Village Metropolitan District No. 1.

Authorized signature: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_