

RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS

(2017)

The Board of Directors of Base Village Metropolitan District No. 1 (the “Board”), of Pitkin County, Colorado (the “District”) held a special meeting at 110 Carriage Way, Snowmass Village, Colorado on November 28, 2016, 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.

[Remainder of Page Intentionally Left Blank.]

NOTICE AS TO PROPOSED 2017 BUDGET

Ad Name: 12433232A
Customer: WHITE BEAR ANKELE TANAKA & WAL-
DRON WHITE
Your account number is: 1009752

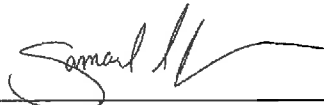
PROOF OF PUBLICATION

Snowmass Sun
STATE OF COLORADO, COUNTY OF PITKIN

I, Samantha Johnston, do solemnly swear that I am 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 second class matter 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.

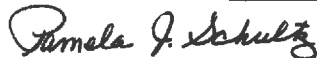
That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period of 1 consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated 10/19/2016 and that the last publication of said notice was dated 10/19/2016 in the issue of said newspaper.

In witness whereof, I have here unto set my hand this 01/27/2017.



Samantha Johnston, General Manager

Subscribed and sworn to before me, a notary public in and for the County of Garfield, State of Colorado this 01/27/2017.



Pamela J. Schultz, Notary Public
My Commission expires: November 1, 2019.

NOTICE OF PUBLIC HEARING
ON THE PROPOSED 2017 BUDGET
AND
NOTICE OF PUBLIC HEARING ON THE
AMENDED 2016 BUDGET

NOTICE IS HEREBY GIVEN that proposed 2017 budgets have been submitted to the Boards of Directors (the "Boards") of the BASE VILLAGE METROPOLITAN DISTRICT NOS. 1-2 (the "Districts"). Copies of the proposed budgets are on file in the office of CliftonLarsonAllen at 8390 East Crescent Parkway, Suite 600, Greenwood Village, Colorado, where the same are open for public inspection.

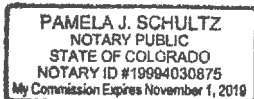
NOTICE IS FURTHER GIVEN that amendments to the 2016 budgets have been submitted to the Districts. Copies of the proposed amended budgets are on file in the office of CliftonLarsonAllen at 8390 East Crescent Parkway, Suite 600, Greenwood Village, Colorado, where the same are open for public inspection.

Such proposed budgets and amended budgets will be considered at a public hearing during a joint meeting of the Districts to be held at 110 Carriage Way, Snowmass Village, Colorado, on Wednesday, October 26, 2016 at 1:00 P.M. Any interested elector of the Districts may file any objections to the proposed budgets or amended budgets at any time prior to final adoption of the budgets and amended budgets by the governing body of the District.

BY ORDER OF THE BOARD OF DIRECTORS:
BASE VILLAGE METROPOLITAN DISTRICT
NOS. 1-2

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

Published in: The Snowmass Sun
Published on: October 19, 2016
Published in the Snowmass Sun October 19, 2016.
(12433232)



Thereupon, Director Sewell 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 2017 AND ENDING ON THE LAST DAY OF DECEMBER 2017.

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 October 26, 2016 and continued on November 28, 2016 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 2017 Revenues and 2017 Expenditures. The estimated revenues and expenditures for each fund for fiscal year 2017, 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

2017. 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 2017 budget year, there is hereby levied a tax of forty-three and one-half (43.5000) 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 2017 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 2017 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 2017 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 Foley.

[Remainder of page intentionally left blank.]

ADOPTED THIS 28th DAY OF NOVEMBER, 2016.

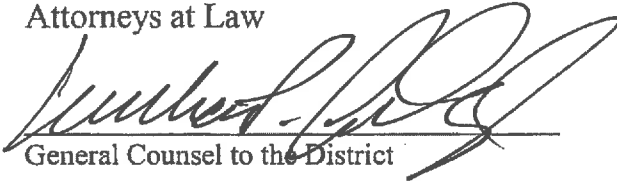
BASE VILLAGE METROPOLITAN DISTRICT NO. 1



Officer of District

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law



General Counsel to the District

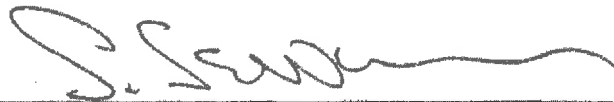
STATE OF COLORADO

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 November 28, 2016, 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 28th day of November, 2016.



Signature

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE



CliftonLarsonAllen

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

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

We are not independent with respect to Base Village Metropolitan District No. 1.

Greenwood Village, Colorado
January 24, 2017

**BASE VILLAGE METROPOLITAN DISTRICT NO. 1
SUMMARY
2017 BUDGET AS ADOPTED
WITH 2015 ACTUAL AND 2016 ESTIMATED
For the Years Ended and Ending December 31,**

1/24/2017

	ACTUAL 2015	ESTIMATED 2016	ADOPTED 2017
BEGINNING FUND BALANCES	\$ 211,511	\$ 139,108	\$ 5,996
REVENUES			
1 Property taxes	124,328	114,600	112,268
2 Specific ownership taxes	3,954	3,440	3,370
3 Developer advance	85,000	176,000	143,000
4 Net investment income	1,244	1,675	2,000
5 Other income	541	-	-
6 Intergovernmental - D#2	220,106	217,701	215,956
7 Transit center	181	607	15,929
8 Parking garage user fees	421,965	407,741	419,973
9 Conference Center	25,000	25,000	25,000
Total revenues	<u>882,319</u>	<u>946,764</u>	<u>937,496</u>
Total funds available	<u>1,093,830</u>	<u>1,085,872</u>	<u>943,492</u>
EXPENDITURES			
10 General and administration			
11 Accounting	31,429	42,000	38,000
12 Administrative fee	25,000	25,000	25,750
13 Audit	9,300	9,700	10,000
14 Bank service charges	547	700	700
15 Conference center operating charges	120,185	117,966	126,788
16 Contingency	-	-	8,946
17 County Treasurer's fees	6,216	5,730	5,613
18 Insurance	41,471	43,110	45,200
19 Legal	52,314	73,000	40,000
20 Miscellaneous	-	76	-
21 Parking garage operating costs	400,141	428,718	401,525
22 Transit center	180,068	208,256	207,478
23 Utilities	3,051	8,000	8,000
24 Debt service			
25 Repay developer advance	85,000	-	-
26 Capital projects			
27 Parking system	-	117,620	-
Total expenditures	<u>954,722</u>	<u>1,079,876</u>	<u>918,000</u>
Total expenditures and transfers out requiring appropriation	<u>954,722</u>	<u>1,079,876</u>	<u>918,000</u>
ENDING FUND BALANCES	<u>\$ 139,108</u>	<u>\$ 5,996</u>	<u>\$ 25,492</u>
EMERGENCY RESERVE	<u>\$ 24,000</u>	<u>\$ 23,200</u>	<u>\$ 23,900</u>
TOTAL RESERVE	<u>\$ 24,000</u>	<u>\$ 23,200</u>	<u>\$ 23,900</u>

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,

1/24/2017

	ACTUAL 2015	ESTIMATED 2016	ADOPTED 2017
ASSESSED VALUATION - PITKIN			
Commercial	\$ 2,854,680	\$ 2,631,070	\$ 2,576,140
State Assessed	3,440	3,410	4,740
Certified Assessed Value	\$ 2,858,120	\$ 2,634,480	\$ 2,580,880
MILL LEVY			
GENERAL FUND	43.500	43.500	43.500
Total Mill Levy	43.500	43.500	43.500
PROPERTY TAXES			
GENERAL FUND	\$ 124,328	\$ 114,600	\$ 112,268
Budgeted Property Taxes	\$ 124,328	\$ 114,600	\$ 112,268
BUDGETED PROPERTY TAXES			
GENERAL FUND	\$ 124,328	\$ 114,600	\$ 112,268
	\$ 124,328	\$ 114,600	\$ 112,268

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

1/24/2017

	ACTUAL 2015	ESTIMATED 2016	ADOPTED 2017
BEGINNING FUND BALANCES	\$ 8,891	\$ 21,488	\$ 5,996
REVENUES			
1 Property taxes	124,328	114,600	112,268
2 Specific ownership taxes	3,954	3,440	3,370
3 Developer advance	85,000	176,000	143,000
4 Net investment income	1,244	1,675	2,000
5 Other income	541	-	-
6 Intergovernmental - D#2	220,106	217,701	215,956
7 Transit center	181	607	15,929
8 Parking garage user fees	421,965	407,741	419,973
9 Conference Center	25,000	25,000	25,000
Total revenues	882,319	946,764	937,496
Total funds available	891,210	968,252	943,492
EXPENDITURES			
General and administration			
10 Accounting	31,429	42,000	38,000
11 Administrative fee	25,000	25,000	25,750
12 Audit	9,300	9,700	10,000
13 Bank service charges	547	700	700
14 Conference center operating charges	120,185	117,966	126,788
15 Contingency	-	-	8,946
16 County Treasurer's fees	6,216	5,730	5,613
17 Insurance	41,471	43,110	45,200
18 Legal	52,314	73,000	40,000
19 Miscellaneous	-	76	-
20 Parking garage operating costs	400,141	428,718	401,525
21 Transit center	180,068	208,256	207,478
22 Utilities	3,051	8,000	8,000
Total expenditures	869,722	962,256	918,000
Total expenditures and transfers out requiring appropriation	869,722	962,256	918,000
ENDING FUND BALANCES	\$ 21,488	\$ 5,996	\$ 25,492
EMERGENCY RESERVE	\$ 24,000	\$ 23,200	\$ 23,900
TOTAL RESERVE	\$ 24,000	\$ 23,200	\$ 23,900

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

1/24/2017

	ACTUAL 2015	ESTIMATED 2016	ADOPTED 2017
BEGINNING FUND BALANCES	\$ 202,620	\$ 117,620	\$ -
REVENUES			
Total revenues	-	-	-
Total funds available	202,620	117,620	-
EXPENDITURES			
General and administration			
1 Contingency	-	-	-
Debt Service			
2 Repay developer advance	85,000	-	-
Capital projects			
3 Parking system	-	117,620	-
Total expenditures	85,000	117,620	-
Total expenditures and transfers out requiring appropriation	85,000	117,620	-
ENDING FUND BALANCES	\$ 117,620	\$ -	\$ -

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
2017 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 as of November 28, 2016 and effective as of the date of issuance of Base Village No. 2 Series 2016A and Series 2016B Bonds on 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 District No. 1 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 District No. 1 and/or as to which District No. 1 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 No. 1 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 functions are contracted.

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

Revenues

Property Taxes

Property taxes are levied by the District's Board 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.

For collection year 2017, the District adopted a total mill levy of 43.500 mills for operations. The calculation of the taxes levied is displayed on page 3 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 property taxes as experienced by the District. The budget assumes that the District's share will be equal to approximately 3% of the property taxes collected.

**BASE VILLAGE METROPOLITAN DISTRICT NO. 1
2017 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

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 0.50%.

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

In 2017, 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
2017 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 (defined below) 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 in 2017.

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 for 2017, as defined under TABOR.

This information is an integral part of the accompanying budget.