BUDGET MESSAGE

Base Village Metropolitan District No. 2 (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on December 07, 2004, and is governed pursuant to provisions of the Colorado Special District Act (Title 32). The District operates under an amended and restated consolidated service plan approved by the Town of Snowmass Village (Town) on October 23, 2006 ("Service Plan"). The Service Plan defines the powers and authorities of, as well as the limitations and restrictions on, the District and Base Village Metropolitan District No. 1 ("BV Metro 1").

The District was established to provide financing for the design, acquisition, construction and installation of streets, drainage, traffic and safety controls, park and recreation, transportation, and mosquito, pest control and other improvements (Public Improvements) within and without the District boundaries that benefit the taxpayers and inhabitants of the District. The District's service area is approximately 25.1 acres and comprised of a mix of condominium housing, hotels and retail shops and commercial development located in Pitkin County, Colorado entirely within the boundaries of the Town.

For the collection year 2023, the District adopted a mill levy of 6.000 for general operations and 43.897 for debt service, with a total budget of $2,343,000. The District's assessed valuation decreased by approximately $1,999,740 (or 4.1%) to $46,958,440 from the prior year.

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

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

CERTIFICATION OF BUDGET FOR BASE VILLAGE METROPOLITAN DISTRICT NO. 2

TO: THE DIVISION OF LOCAL GOVERNMENT

This is to certify that the budget, attached hereto, is a true and accurate copy of the budget for Base Village Metropolitan District No. 2, for the budget year ending December 31, 2023, as adopted on November 16, 2022.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of Base Village Metropolitan District No. 2 in Pitkin County, Colorado, this 16th day of November 2022.

DocuSigned by:

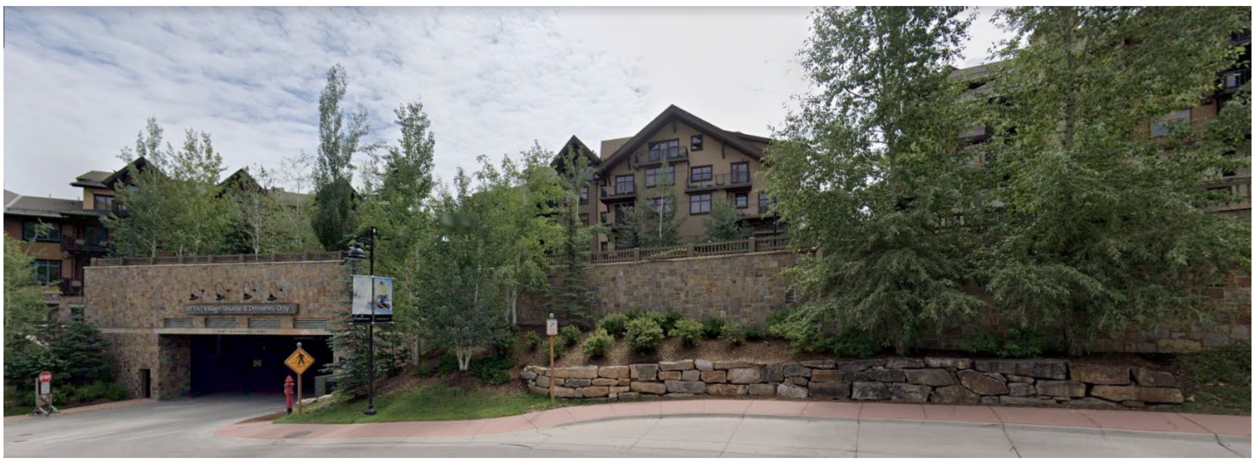
Thomas Kosich

4871974A8A654BD...

Thomas Kosich, Chairman

BASE VILLAGE
METROPOLITAN DISTRICT NO. 2

Snowmass Village
PITKIN COUNTY, COLORADO



2023 Budget

Adopted November 16, 2022

Wolfersberger, LLC
Unlocking Neighborhood Wealth

8354 Northfield Blvd
Building G, Suite 3700
Denver, Colorado 80238
Telephone (720) 541-7725

Accountant's Report

Board of Directors
Base Village Metropolitan District No. 2
Snowmass Village, Colorado

The accompanying forecasted budget of revenues, expenditures and fund balances of the Base Village Metropolitan District No.2 for the General Fund, Debt Service Fund and Capital Project Fund for the year ending December 31, 2023 and the forecasted estimate of comparative information for the year ending December 31, 2022 were not subjected to an audit, review, or compilation engagement by me and, accordingly, I do not express an opinion, a conclusion, nor provide any assurance on them.

Substantially all of the disclosures required by accounting principles generally accepted in the United States of America have been omitted. If the omitted disclosures were included in the forecast, they might influence the user's conclusions about the District's results of operations for the forecasted periods. Accordingly, this forecast is not designed for those who are not informed about such matters.

Charles Wolfersberger

Charles Wolfersberger, CPA
Henderson, CO
September 08, 2022

BASE VILLAGE METROPOLITAN DISTRICT NO. 2

SUMMARY
FORECASTED 2022 BUDGET AS PROPOSED
WITH 2020 ACTUAL AND 2021 ESTIMATED

For the Years Ended and Ending December 31,

	ACTUAL 2021	ESTIMATED 2022	ADOPTED 2023
BEGINNING FUND BALANCE	$ 1,884,042	$ 1,730,110	$ 1,953,200
REVENUES			
Property taxes	1,900,208	2,337,600	2,343,000
Specific ownership taxes	69,363	81,800	82,000
Capital facilities fees	131,496	103,000	103,000
Interest income	2,371	8,090	9,000
Total Revenues	2,103,438	2,530,490	2,537,000
Interfund transfers	5,043	93,300	58,200
Total Funds Available	3,992,523	4,353,900	4,548,400
EXPENDITURES			
General and administration	2,286	14,700	414,800
Legal fees – settlement agreement	40,000	-	-
Debt service			
a) Bond principal – Series 2016A Bonds	285,000	385,000	410,000
b) Bond interest – Series 2016A Bonds	1,763,313	1,747,700	1,726,500
c) Direct and indirect collection costs	166,771	160,000	167,000
Total Expenditures Requiring Appropriation	2,257,370	2,307,400	2,718,300
OTHER FINANCING USES			
Transfers to BVMD1	-	-	-
Inter-fund transfers	5,043	93,300	58,200
Total expenditures and transfers out requiring appropriation	2,262,413	2,400,700	2,776,500
ENDING FUND BALANCE	**$ 1,730,110**	**$ 1,953,200**	**$ 1,771,900**
EMERGENCY RESERVE	$ -	$ 14,700	$ 14,700
SERIES 2016A BONDS – RESERVE FUND	654,240	654,200	654,200
SERIES 2016A BONDS – SURPLUS FUND	897,772	1,000,000	1,000,000
OTHER RESTRICTED CASH BALANCES	46,946	-	-
TOTAL DEBT RESERVES	**$ 1,598,958**	**$ 1,668,900**	**$ 1,668,900**

This financial information should be read only in connection with the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2

PROPERTY TAX SUMMARY INFORMATION

For the Years Ended and Ending December 31,

	ADOPTED 2021	ADOPTED 2022	ADOPTED 2023
CERTIFIED ASSESSED VALUATION – PITKIN COUNTY	$ 44,457,740	$ 48,958,180	$ 46,958,440
MILL LEVY			
GENERAL FUND	-	6.000	6.000
CONTRACTUAL OBLIGATIONS	1.028	-	-
DEBT SERVICE FUND	41.748	41.748	43.897
Total Mill Levy	42.776	47.748	49.897
PROPERTY TAXES			
GENERAL FUND	$ -	$ 293,700	$ 281,800
CONTRACTUAL OBLIGATIONS	45,700	-	-
DEBT SERVICE FUND	1,856,000	2,043,900	2,061,200
Total Property Tax Revenue	$ 1,901,700	$ 2,337,600	$ 2,343,000

This financial information should be read only in connection with the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2

GENERAL FUND
FORECASTED 2023 BUDGET AS PROPOSED
WITH 2021 ACTUAL AND 2022 ESTIMATED

For the Years Ended and Ending December 31,

	ACTUAL 2021	ESTIMATED 2022	ADOPTED 2023
BEGINNING FUND BALANCE	**$ -**	**$ -**	**$ 196,000**
REVENUES			
Property taxes	-	293,700	281,800
Specific ownership taxes	-	10,300	9,900
Interest income	-	-	-
Total Revenues	-	304,000	291,700
Total Funds Available	-	304,000	487,700
EXPENDITURES			
General and administration	-	14,700	414,800
Other expenses	-	-	-
Total Expenditures	-	14,700	414,800
OTHER FINANCING USES			
Transfers to BVMD1	-	-	-
Transfers to debt fund	-	93,300	58,200
Total other financing sources (uses)	-	-	-
Total Expenditures Requiring Appropriation	-	108,000	473,000
ENDING FUND BALANCE	**$ -**	**$ 196,000**	**$ 14,700**
EMERGENCY RESERVE	$ -	$ 14,700	$ 14,700

This financial information should be read only in connection with the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2

GENERAL FUND EXPENDITURE DETAILS
FORECASTED 2023 BUDGET AS PROPOSED
WITH 2021 ACTUAL AND 2022 ESTIMATED

For the Years Ended and Ending December 31,

	ACTUAL 2021	ESTIMATED 2022	ADOPTED 2023
GENERAL AND ADMINISTRATION			
Management and accounting fees	$ -	$ -	$ -
Administrative costs	-	-	-
Audit fees	-	-	-
Collection fees – County Treasurer (5% of property taxes)	-	14,700	14,100
Insurance	-	-	-
Legal fees – general	-	-	-
Election costs	-	-	-
Contingency	-	-	400,700
Total General and Administration	**$ -**	**$ 14,700**	**$ 414,800**

This financial information should be read only in connection with the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2

CONTRACTUAL OBLIGATIONS FUND
FORECASTED 2023 BUDGET AS PROPOSED
WITH 2021 ACTUAL AND 2022 ESTIMATED

For the Years Ended and Ending December 31,

	ACTUAL 2021	ESTIMATED 2022	ADOPTED 2023
BEGINNING FUND BALANCE	$ -	$ -	$ -
REVENUES			
Property taxes	45,666	-	-
Specific ownership taxes	1,663	-	-
Total Revenues	47,329	-	-
Total Funds Available	47,329	-	-
EXPENDITURES			
Legal fees – settlement agreement	40,000	-	-
Collection fees – County Treasurer	2,286	-	-
Total Expenditures Requiring Appropriation	42,286	-	-
OTHER FINANCING SOURCES (USES)			
Fund transfers out	(5,043)	-	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	-	-	-
ENDING FUND BALANCE	**$ -**	**$ -**	**$ -**

This financial information should be read only in connection with the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2

DEBT SERVICE FUND
FORECASTED 2023 BUDGET AS PROPOSED
WITH 2021 ACTUAL AND 2022 ESTIMATED

For the Years Ended and Ending December 31,

	ACTUAL 2021	ESTIMATED 2022	ADOPTED 2023
BEGINNING FUND BALANCE	**$ 1,884,042**	**$ 1,730,110**	**$ 1,757,200**
REVENUES			
Property taxes	1,854,542	2,043,900	2,061,200
Specific ownership taxes	67,700	71,500	72,100
Capital Facilities Fees	131,496	103,000	103,000
Interest income	2,371	8,090	9,000
Total Revenues	2,056,109	2,226,490	2,245,300
OTHER FINANCING SOURCES			
Fund transfers in	5,043	93,300	58,200
Total Funds Available	3,945,194	4,049,900	4,060,700
EXPENDITURES			
Direct and indirect collection costs	166,771	160,000	167,000
Bond principal – Series 2016A Bonds	285,000	385,000	410,000
Interest payments – Series 2016A Bonds	1,763,313	1,747,700	1,726,500
Total Expenditures	2,215,084	2,292,700	2,303,500
OTHER FINANCING USES			
Fund transfers out	-	-	-
Total Expenditures Requiring Appropriation	2,215,084	2,292,700	2,303,500
ENDING FUND BALANCE	**$ 1,730,110**	**$ 1,757,200**	**$ 1,757,200**
SERIES 2016A BONDS – RESERVE FUND	$ 654,240	$ 654,200	$ 654,200
SERIES 2016A BONDS – SURPLUS FUND	897,772	1,000,000	1,000,000
OTHER RESTRICTED CASH BALANCES	46,946	-	-
TOTAL DEBT RESERVE	**$ 1,598,958**	**$ 1,654,200**	**$ 1,654,200**

This financial information should be read only in connection with the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2

DEBT SERVICE FUND
FORECASTED 2023 BUDGET AS PROPOSED
WITH 2021 ACTUAL AND 2022 ESTIMATED

For the Years Ended and Ending December 31,

	ACTUAL 2021	ESTIMATED 2022	ADOPTED 2023
DIRECT AND INDIRECT COLLECTION COSTS			
Management and accounting fees	$ 28,400	$ 38,000	$ 38,000
Administrative costs	20,118	3,000	3,000
Collection fees – County Treasurer (5% of property taxes)	92,011	102,200	103,100
Audit fees	5,940	7,100	7,100
Bond trustee fees	6,100	6,100	6,100
Board of directors' fees	-	-	-
Insurance	2,590	2,600	2,700
Legal fees – general	11,612	1,000	3,000
Contingency	-	-	4,000
Total Direct and Indirect Collection Costs	**$ 166,771**	**$ 160,000**	**$ 167,000**

This financial information should be read only in connection with the summary of significant assumptions.

2023 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Definition of Reporting Entity and Description of Services Provided

Base Village Metropolitan District No. 2 (District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on December 07, 2004, and is governed pursuant to provisions of the Colorado Special District Act (Title 32). The District operates under an amended and restated consolidated service plan approved by the Town of Snowmass Village (Town) on October 23, 2006 ("Service Plan"). The Service Plan defines the powers and authorities of, as well as the limitations and restrictions on, the District and Base Village Metropolitan District No. 1 ("BV Metro 1").

The District was established to provide financing for the design, acquisition, construction and installation of streets, drainage, traffic and safety controls, park and recreation, transportation, and mosquito, pest control and other improvements (Public Improvements) within and without the District boundaries that benefit the taxpayers and inhabitants of the District. The District's service area is approximately 25.1 acres and comprised of a mix of condominium housing, hotels and retail shops and commercial development located in Pitkin County, Colorado entirely within the boundaries of the Town.

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

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 boundaries of BV Metro 1 and the District do not overlap and, therefore, each District is controlled by and responsible to a separate group of voters. Thus, the voters and taxpayers within the District do not have the ability to elect directors to serve on the board of BV Metro 1 and the voters and taxpayers within BV Metro 1 do not have the ability to elect directors to serve on the board of the District.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity, including the Town and BV Metro 1.

Accounting Basis

The District prepares its budget on the modified accrual basis of accounting.

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.

On November 7,2006, District voters authorized the District to assess a mill levy not to exceed 6 mills annually on all taxable real property within the District to pay the District's administration, operations and maintenance expenses (TABOR Imposed General Fund Mill Levy Maximum). Additionally, the District voters authorized the District to retain and spend all revenue collected from this mill levy regardless of any TABOR spending, revenue raising or other limitations.

The Service Plan establishes a Maximum Mill Levy of 49.5 mills that can collectively be assessed on property owners within the District, BV Metro 1 and Snowmass Village General Improvement District No. 1 ("GID") to fund the debt service and operational costs of these three entities. The Maximum Mill Levy may be adjusted for changes in the ratio of taxable valuation to assessed valuation of real property since October 23, 2006 (the date the Service Plan was approved by the Town). As of October 23, 2006, the ratio was 7.96%. The ratio for 2023 is 6.80%, which causes the Maximum Mill Levy for 2023 to be 57.944.

The Service Plan allows for an exception to the Maximum Mill Levy. The District may establish a mill levy for debt service in any year that is sufficient to fund the annual principal and interest payments due on the District's general obligation debt even if the District's debt mill levy causes the Maximum Mill Levy that is collectively imposed across all three entities to be exceeded.

Entities Subject to Maximum Mill Levy Restriction	**2021 (Actual)**	**2022 (Actual)**	**2023 (Budget)**
District – debt mill levy	41.748	41.748	43.897
District – op mill levy	-	6.000	6.000
District – contractual obligations	1.028	-	-
GID mill levy	6.000	6.000	6.000
Collective Mill Levy	48.776	53.748	55.897
Maximum Mill Levy (as adjusted)	55.108	55.108	57.944
(Over) / Under Max Mill Levy	**6.332**	**1.360**	**2.047**

For the collection year 2023, the District adopted a mill levy of 6.000 for operations and 43.897 (Senior Required Mill Levy – defined below) for debt service. The calculation is reflected on page 2 of the budget.

Specific Ownership Taxes

Beginning in 1937, the State of Colorado began assessing a tax annually on motor vehicles (aka Specific Ownership Tax). The Specific Ownership Tax is graduated based on a vehicle's age and original value. Specific Ownership Tax revenue collected by the State is apportioned among the 64 counties based on the number of state highway miles within each county. Each county allocates its respective share of specific ownership tax revenue proportionally among the various property-taxing governmental entities on the basis of total property taxes assessed by each entity in relation to total property taxes assessed by all entities within the county. The 2023 budget projects the District's share of specific ownership taxes received from the State will be equal to approximately 3.5% of total property taxes collected.

The District allocates specific ownership tax revenue proportionally between each fund based on the ratio of property tax revenue collected for each fund compared to total property revenue collected by the District.

Capital Facility Fees

On November 28, 2016, the District passed a resolution imposing a one-time Capital Facilities Fee on each Residential Unit which is payable to the District on the date each Residential Unit is sold by a Builder to an End User. The Capital Facilities Fee is $5,150 per constructed Residential Unit. Capital Facilities Fees are included in the definition of Senior Pledged Revenue and are pledged towards the repayment of the Series 2016A Senior Bonds. The District estimates 20 Residential Units will be sold in 2022 and 20 Residential Units will be sold in 2023.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.5%.

Expenditures

General and Administrative Expenditures

General and administrative expenditures include legal, management, accounting, insurance, banking, and board meeting expenses necessary to ensure the District continues to provide services to District residents. Per the November 28, 2016 IGA between the District and BV Metro 1 (see below), the District reimburses BV Metro 1 for providing all general and administrative services to the District.

Direct and Indirect Collection Costs

The District provides no services to District residents and property owners. The District's sole function is to manage the repayment of the District's debts. Consequently, all costs incurred by the District are considered direct or indirect collection costs supporting the repayment of the District's debts.

Collection costs incurred by the District related to the collection of property taxes includes all costs incurred by the District that enable and support the District's ability to collect property taxes revenue. Generally, such costs include (a) operating and reporting compliance costs that protect the District's right to collect property taxes (e.g. financial statement audit fees, fees paid to professionals to prepare mandatory periodic financial and operational reports to the City and State, etc), (b) professional fees related to applying and monitoring accounting controls over the collection of District revenues, (c) costs related to managing the District's annual property tax assessment process and (d) insurance protecting the District from liability exposure that potentially could arise from performing these activities.

IGA With BV Metro 1

BV Metro 1 owns and operates certain public facilities within the boundaries of the District (i.e. conference center, transit center and parking garage) and generates fee revenue from operating these public facilities. Fee revenue generated by BV Metro 1 from operating these public facilities has historically not been sufficient to cover the costs of operating and maintaining such facilities within the District.

On November 28, 2016, the District and BV Metro 1 entered into an Operations, Maintenance and Administrative Service Agreement (OMA Agreement). Per the OMA Agreement:

- BV Metro 1 provides all operating and administrative functions for the District;
- BV Metro 1 commits to generating property tax revenue to fund its operations and services with a mill levy of no less than 43.5 mills (Minimum BVMD1 Mill Levy). Because all real property within BV Metro 1 is commercial property, the Minimum BVMD1 Mill Levy is not adjusted annually for any changes in the ratio of taxable valuation to assessed valuation of real residential property.
- The District commits to levying a general fund mill levy that is sufficient to cover BV Metro 1's expenses net of property tax revenue generated from the Minimum BVMD1 Mill Levy and fee revenue generated from the operation of public facilities owned by BV Metro 1. The mill levy under this commitment cannot be adjusted to exceed the voter-imposed 6-mill maximum levy to fund the administration, maintenance and capital replacement of the District's facilities and operations;
- The District's commitment to provide funding to BV Metro 1 terminates when BV Metro 1's revenues exceeds its expenditures;
- BV Metro 1 is committed to continue operating the public facilities located within the District and providing operating and administrative functions for the District after the District's funding commitment to BV Metro 1 is terminated.

Historic and projected funding by the District to BV Metro 1 under this IGA is provided on page 17.

Per the Senior Indenture of Trust, the mill levy generated by the District under this IGA is a component of the Senior Required Mill Levy (defined below).

Related Parties to the IGA: When the IGA was executed, all directors serving on the District's board were also serving on BV Metro 1's board at the same time. All directors at that time reported potential conflicts of interest related to their service as directors on both districts. Both districts had contractual relationships with entities that were owned by or employers of the directors.

Of the four directors serving on the board of BV Metro 1 (Director Blasberg, Director Goergen, Director Gunion and Director Singer) in 2022, three such directors reported potential conflicts of interest related to their service on the BV Metro 1 board.

Director Blasberg is an employee of East West Partners, Inc., director on the Capitol Peak Lodge HOA board (which is partially funded by BV Metro 1 and in which the conference center operated by BV Metro 1 is located), president of the One Snowmass HOA board (which is partially funded by BV Metro 1, in which the transit center operated by BV Metro 1 is located) and director on the Master Association board.

Director Gunion is president of Snowmass Ventures, LLC, which owns and operates various subsidiaries that operate within BV Metro 1, and is an employee of East West Partners, Inc.

Although Director Singer has filed no conflicts of interest disclosures with the State of Colorado regarding his service on the BV Metro 1 board, he is an officer of Snowmass Ventures, LLC.

BV Metro 1 has contracted with SV Snowmass Hospitality, LLC to (1) operate and maintain BV Metro 1's conference center, (2) operate and maintain BV Metro 1's transit center, (3) administer parking fees for BV Metro 1's parking garage and (4) provide general management services to BV Metro 1 and the District. For 2022, BV Metro 1 budgeted paying SV Snowmass Hospitality, LLC $98,989 in management fees to operate the three facilities. SV Snowmass Hospitality, LLC is owned by Snowmass Ventures, LLC.

BV Metro 1 also pays monthly dues to the Capitol Peak Lodge Condo Association, BV Garage Condo Association and One Snowmass HOA. For 2022, 34.5% or $453,306 of the BV Metro 1's total budgeted cost of $1,313,628 to operate the three facilities was comprised of HOA dues paid to these three HOA entities. The boards of all three HOAs are controlled by a majority of directors who are owners or employees of Snowmass Ventures, LLC and/or its subsidiaries or affiliates.

The District and Snowmass Ventures, LLC (Snowmass Ventures) a party related to Snowmass Ventures, LLC) 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 BV Metro 1 incurred pursuant to the IGA. Snowmass Ventures is obligated to provide operating funds to BV Metro 1 provided that both BV Metro 1 and the District 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. BV Metro 1 is obligated to reimburse Snowmass Ventures such advances from available funds, subject to annual appropriation.

Debt and Leases

Series 2016A Senior Bonds

On December 22, 2016, the District issued $31,260,000 General Obligation Limited Tax Refunding Bonds, Series 2016A ("Senior Bonds"). The Senior Bonds were issued as two term bonds that bear interest at 5.50% (on $11,785,000 principal) and 5.75% (on $19,475,000 principal), and are payable semi-annually on June 1 and December 1, beginning on December 1, 2017. Annual mandatory sinking fund principal payments are due on December 1, beginning on June 01, 2017. The Senior Bonds mature on December 01, 2046.

The Senior Bonds are secured by and payable solely from Senior Pledged Revenue, net of any costs of collection, which is comprised of the following:

a) all Senior Property Tax Revenues (generated by the imposition of the Senior Required Mill Levy);
b) all Senior Specific Ownership Taxes (attributable to the Senior Required Mill Levy);
c) all Capital Facility Fees;
d) all Capital Levy Revenue (from which Shortfalls shall be paid); and
e) any other legally available amounts that the District determines, in its absolute discretion, to credit to the Senior Bond Fund.

The Senior Required Mill Levy is defined as the mill levy necessary to generate sufficient property tax revenue during the year to (1) fully pay the annual principal and interest payment due on the Senior Bonds, (2) ensure the Senior Reserve Fund is replenished to $654,168 (the Senior Reserve Requirement), and (3) the Surplus Fund is fully funded at the Maximum Surplus Amount. The Senior Required Mill Levy is either 37.5 mills or, if 37.5 mills combined with certain other revenue sources does not generate sufficient revenue to fully fund the annual principal and interest payment due on the Senior Bonds, 43.5 mills. The Senior Required Mill Levy is adjusted for changes in the ratio of taxable valuation to assessed valuation of real property since October 23, 2006 (the date the Service Plan was approved by the Town). As of October 23, 2006, the ratio was 7.96%. The ratio for 2023 is 6.80%, which caused the Senior Required Mill Levy for 2023 to be either 43.897 mills or 50.921 mills.

Per Section 3.06 of the Senior Indenture of Trust, the District will be applying "Level B" Revenue to the Annual Debt Service Requirements in 2023. Level B Revenue consists of (1) property tax revenue generated from the Required Mill Levy of 43.897 mills net of any costs of collection, (2) related specific ownership tax revenue, (3) capital facility fee revenue and (4) amounts on deposit in the Surplus Fund in excess of $1 million.

Amounts on deposit in the Senior Reserve Fund and in the Senior Surplus Fund also secure payment of the Senior Bonds. Available Senior Pledged Revenue, if any, is to be accumulated in the Senior Reserve Fund and the Senior Surplus Fund in accordance with the Senior Indenture up to the Senior Reserve Requirement and the Maximum Surplus Amount, respectively.

The Senior Bonds are subject to redemption prior to maturity, at the option of the District on December 01, 2021, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

Date of Redemption	Redemption Premium (%)	Redemption Premium ($)
December 01, 2021, to November 30, 2022	3.0%	$ 937,800
December 01, 2022, to November 30, 2023	2.0%	$ 625,200
December 01, 2023, to November 30, 2024	1.0%	$ 312,600
December 01, 2024, and thereafter	0.0%	$ -

The District's debt service schedule for its Senior Bonds is provided on page 16.

Capital Pledge Agreement between the District and BV Metro 1

On December 22, 2016, the District entered into a Capital Pledge Agreement with BV Metro 1 by which BV Metro 1 has pledged the Capital Levy Revenue to the District for payment of the Bonds (subject to the limitations as outlined in the Agreement). BV Metro 1 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 the District. The Capital Levy shall not exceed 43.5 mills, as adjusted for changes in the ratio of taxable valuation to assessed valuation of real property since October 23, 2006. 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 BV Metro 1 to make Shortfall payments in accordance with the Capital Pledge Agreement. The annual Shortfall is determined when the sum of the District Required Mill Levy – net of all collection costs, 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 is projected to occur in 2023.

Series 2016B Subordinate Bonds

On December 22, 2016, the District issued $13,330,000 Subordinate General Obligation Limited Tax Refunding Bonds, Series 2016B ("Subordinate Bonds"). The Subordinate Bonds were issued at the rate of 6.500% per annum and are payable annually on December 15, beginning December 15, 2017, from, and to the extent of, Subordinate Pledged Revenue available, if any, and mature on December 15, 2048. The Subordinate Bonds are structured as cash flow bonds meaning that there are no scheduled payments of principal or interest prior to the final maturity date. Unpaid interest on the Subordinate Bonds compounds annually on each December 15.

The Subordinate Bonds are secured by and payable from Subordinate Pledged Revenue, net of any costs of collection, which includes:

a) all Subordinate Property Taxes (generated by the imposition of the Subordinate Required Mill Levy);
b) all Subordinate Specific Ownership Taxes (attributable to the Subordinate Required Mill Levy);
c) all Subordinate Capital Facility Fee Revenue (meaning any Capital Facility Fee Revenue remaining after deduction of any amounts applied to the payment of the Senior Bonds);
d) any amounts released from the Senior Surplus Fund pursuant to the terms of the Senior Indenture; and

e) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

The Subordinate Bonds are subject to redemption prior to maturity, at the option of the District on December 01, 2021, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

Date of Redemption	Redemption Premium (%)	Redemption Premium ($)
December 15, 2021, to December 14, 2022	3.0%	$ 399,900
December 15, 2022, to December 14, 2023	2.0%	$ 266,600
December 15, 2023, to December 14, 2024	1.0%	$ 133,000
December 15, 2024, and thereafter	0.0%	$ -

In the event any amount of principal or interest on the Subordinate Bonds remains unpaid on December 15, 2048, the Subordinate Bonds will be discharged and the bondholders will have no recourse against the District.

Payments toward interest and principal on the Subordinate Bonds can be made provided the Series 2018A Bonds are current and the Reserve Fund and Surplus Fund for the Series 2018A Bonds are fully funded. The District is required to impose the minimum required mill levy of 37.5 mills until the Subordinate Series 2018B Bonds are fully paid or discharged on December 15, 2048; however, only revenues resulting from the number of mills equal to 37.5 mills less the Senior Required Mill Levy are pledged to payment of the Subordinate Series 2018B Bonds.

The Subordinate Required Mill Levy is adjusted for changes in the ratio of taxable valuation to assessed valuation of real property since October 23, 2006. The Subordinate Required Mill Levy for 2023 is 0.000 mills (i.e. 43.897 mills less the Senior Required Mill Levy).

Leases

The District has no operating or capital leases.

Reserve Funds

Emergency Reserve

The District has provided for an emergency reserve equal to at least 3% of the fiscal year spending, excluding spending appropriations for bonded debt service, for 2023 as defined under TABOR.

Senior Bond Fund – Reserve Fund

The Senior Bond Reserve Fund was established as additional security for the bonds and will be used to fund any deficiencies in the amounts required to pay bond principal and interest when due. The Reserve Fund was initially funded from the proceeds of the Senior Bonds. In accordance with the Senior Indenture, the Senior Reserve Fund must be funded up to the Maximum Reserve Amount of $654,168.

Senior Bond Fund – Surplus Fund

The Senior Bond Surplus Fund was established as additional security for the bonds and will be used to fund any deficiencies in the amounts required to pay bond principal and interest when due. The Surplus Fund will be funded solely from any Pledged Revenue remaining after annual payments on the Senior Bonds are fully satisfied and the Reserve Fund is fully funded. In accordance with the Senior Indenture, the Surplus Fund must be funded up to the Maximum Surplus Amount of $2,000,000. The Maximum Surplus Amount will decrease to $1,000,000 when the District's debt to assessed valuation ratio drops below 50%. Pursuant to the Subordinate Bond Indenture of Trust, any moneys released from the Senior Surplus Fund will be classified as Subordinate Pledged Revenue.

SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY

The District's repayment schedule for its Series 2016A Senior Bonds is as follows:

Year Ended December 31,	Principal	Interest	Interest Rate	Total
2023	$ 410,000	$ 1,726,463	5.50% – 5.75%	$ 2,136,463
2024	475,000	1,703,912	5.50% – 5.75%	2,178,912
2025	500,000	1,677,788	5.50% – 5.75%	2,177,788
2026	570,000	1,650,287	5.50% – 5.75%	2,220,287
2027	600,000	1,618,938	5.50% – 5.75%	2,218,938
2028	680,000	1,585,937	5.50% – 5.75%	2,265,937
2029	715,000	1,548,538	5.50% – 5.75%	2,263,538
2030	800,000	1,509,213	5.50% – 5.75%	2,309,213
2031	845,000	1,465,212	5.50% – 5.75%	2,310,212
2032	940,000	1,418,738	5.50% – 5.75%	2,358,738
2033	990,000	1,367,037	5.50% – 5.75%	2,357,037
2034	1,090,000	1,312,587	5.50% – 5.75%	2,402,587
2035	1,150,000	1,252,637	5.50% – 5.75%	2,402,637
2036	1,265,000	1,189,388	5.50% – 5.75%	2,454,388
2037	1,330,000	1,119,812	5.75%	2,449,812
2038	1,455,000	1,043,338	5.75%	2,498,338
2039	1,540,000	959,674	5.75%	2,499,674
2040	1,680,000	871,125	5.75%	2,551,125
2041	1,775,000	774,524	5.75%	2,549,524
2042	1,930,000	672,462	5.75%	2,602,462
2043	2,040,000	561,488	5.75%	2,601,488
2044	2,210,000	444,188	5.75%	2,654,188
2045	2,335,000	317,113	5.75%	2,652,113
2046	3,180,000	182,850	5.75%	3,362,850
	$ 30,505,000	**$27,973,249**		**$ 58,478,249**

The original face value of the Series 2016A Senior Bonds totaled $31,260,000. Interest is payable each year on June 1st and December 1st, and principal payments are due each year on December 1st.

No debt-to-maturity schedule is provided for the Series 2016B Subordinate Bonds because such obligations are payable from Subordinate Pledged Revenue, if and when such revenue is available to repay these bonds.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2

FUNDING PROVIDED TO BV METRO 1 UNDER NOVEMBER 28, 2016 IGA

Historic and projected funding by the District to BV Metro 1 under this IGA is as follows:

	2017 (Actual)	2018 (Actual)	2019 (Actual)	2020 (Actual)	2021 (Actual)	2022 (Estimated)	2023 (Estimated)	Total (Note B)
Gross revenue – BV Metro 1 (Note A)	$ 605,561	$ 844,210	$ 1,031,929	$ 941,884	$ 952,277	$ 966,984		
BV Metro 1 expenditures	(1,096,756)	(952,690)	(1,163,785)	(1,088,367)	(1,101,340)	(1,259,098)		
BVMD1 net (expense)/revenue	**(491,195)**	**(108,480)**	**(131,856)**	**(146,483)**	**(149,063)**	**(292,114)**		
District funding provided to BV Metro 1	219,543	191,977	215,987	247,900	-	-		
Funds provided to BV Metro 1 in excess of IGA funding commitment	**$ -**	**$ 83,497**	**$ 84,131**	**$ 101,417**	**($ 149,063)**	**($ 292,114)**		

Note A – Because all taxable real property within the boundaries of BV Metro 1 is commercial property, BV Metro 1 is not required to adjust its Minimum Mill Levy Commitment for changes in the ratio of taxable valuation to assessed valuation of real property since October 23, 2006 (the date the Service Plan was approved by the Town).

Note B – Because the District over-funded BV Metro 1 in 2018 and 2019 by approximately $167,628, the District provided no funds to BV Metro 1 in 2021 or 2022. The District is not budgeting any funds to be transferred to BV Metro 1 for 2023.

Ad #: JRUYT8a2RXh6I5MVTlS3
Customer: Jennifer Brink
8CD06 Proposed Budget 2023 Base Village

PROOF OF PUBLICATION
ASPEN TIMES

STATE OF COLORADO }   SS
COUNTY OF PITKIN }

I, Allison Pattillo, do solemnly swear that I am Publisher of , says: The Aspen Times, 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 21 Dec 2022 in the issue of said newspaper.

Total cost for publication: **$27.12**

That said newspaper was regularly issued and circulated on those dates.

Allison Pattillo
Publisher

Subscribed to and sworn to me this date, 12/21/2022

Dennel S Rivera
Notary Public, Pitkin County, Colorado

My commission expires: August 19, 2024

DENNEL S RIVERA
Notary Public
State of Colorado
Notary ID # 20224007214
My Commission Expires 02-22-2026

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NOTICE CONCERNING PROPOSED 2023 BUDGET OF BASE VILLAGE METROPOLITAN DISTRICT NO. 2

NOTICE is hereby given that a proposed budget has been submitted to the Board of Directors of Base Village Metropolitan District No. 2 for the ensuing year of 2023; that a copy of such proposed budget has been filed in the office of Wolfersberger, LLC, 8354 Northfield Blvd, Building G, Suite 3700, Denver, Colorado 80238, where the same is open for public inspection; and that such proposed budget will be considered at a public hearing of the Board of Directors of the District to be held on Wednesday November 16, 2022 at 8:00 a.m. online location: https://www.gotomeet.me/Wolfersberger Members of the public may also participate via phone using the dial-in number (571) 317-3112 and access code #937-865-597. Any elector within the District may, at any time prior to the final adoption of the budget, inspect the budget and file or register any objections thereto.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2
By: Charles Wolfersberger District Manager

Published In: The Snowmass Sun / Aspen Times

PUBLISHED IN THE ASPEN TIMES ON WEDNESDAY, DECEMBER 21, 2022.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2
RESOLUTION TO ADOPT 2023 BUDGET

WHEREAS, the Board of Directors ("Board") of Base Village Metropolitan District No. 2 ("District") has appointed Wolfersberger, LLC ("District Manager") to prepare and submit a proposed 2023 budget to the Board at the proper time; and

WHEREAS, the District Manager has submitted the proposed budget to the Board for its consideration on October 15; and

WHEREAS, upon due and proper notice, posted in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on November 16, 2022, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Base Village Metropolitan District No. 2:

1. That estimated expenditures for each fund are as follows:

General Fund	$	414,800
Debt Service Fund		2,303,500

2. That estimated revenues for each fund are as follows:

General Fund:		
From unappropriated surpluses	$	196,000
From sources other than general property tax		9,900
From general property tax		281,800
Subtotal	**$**	**487,700**

Debt Service Fund:	
From unappropriated surpluses	$ 1,757,200
From sources other than general property tax	184,100
Fund transfers in	58,200
From general property tax	2,061,200
Subtotal	**$ 4,060,700**

3. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of Base Village Metropolitan District No. 2 for the 2023 fiscal year.

4. That the budget, as hereby approved and adopted, shall be certified by the District Manager to all appropriate agencies and is made a part of the public records of the District.

TO SET MILL LEVIES

WHEREAS, the amount of tax revenues necessary to balance the budget for general operating expenses is $281,800; and

WHEREAS, the amount of tax revenues necessary to balance the budget for debt service expenses is $2,061,200; and

WHEREAS, the 2023 valuation for assessment of the District to fund general operating expenses, contractual obligation expenses and debt costs as certified by the County Assessor, is $46,958,440.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Base Village Metropolitan District No. 2:

1. That for the purpose of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a property tax of 6.000 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise $281,800.

2. That for the purpose of meeting all debt retirement expenses of the District during the 2023 budget year, there is hereby levied a property tax of 43.897 mills upon each dollar of the total valuation for assessment of all taxable property within the District to raise $2,061,200.

3. That the District Manager is hereby authorized and directed to immediately certify to the County Commissioners of Pitkin County, Colorado, the mill levies for the District as hereinabove determined and set.

TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the District has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Base Village Metropolitan District No. 2 that the following sums are hereby appropriated from the revenues of each fund, to each fund, for the purposes stated in the budget:

General Fund	$	414,800
Debt Service Fund		2,303,500

Adopted this 16th day of November 2022.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2

DocuSigned by:

By: Thomas Kosich

4871974A8A654BD...

Thomas Kosich, Chairman

V029919 County Tax Entity Code DOLA LGID/SID 65346 / 6

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: The County Commissioners of PITKIN COUNTY , Colorado

On behalf of the BASE VILLAGE METROPOLITAN DISTRICT NO. 2
(taxing entity)

the BOARD OF DIRECTORS
(governing body)

of the BASE VILLAGE METROPOLITAN DISTRICT NO. 2
(local government)

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS assessed valuation of: $ 46,958,440
(GROSS assessed valuation, Line 2 of the Certification of Valuation Form DLG 57)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area, the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: $ 46,958,440
(NET assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)

Submitted: 12/02/2022 for the budget/fiscal year 2023
(not later than Dec. 15) (mm/dd/yyyy) (yyyy)

	PURPOSE (see end notes for definitions and examples)	LEVY		REVENUE
1.	General Operating Expenses	6.000	mills	$ 281,800
2.	**<Minus>** Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction	n/a	mills	n/a
	SUBTOTAL FOR GENERAL OPERATING:	6.000	**mills**	281,800
3.	General Obligation Bonds and Interest	43.897	mills	2,061,200
4.	Contractual Obligations	n/a	mills	n/a
5.	Capital Expenditures	n/a	mills	n/a
6.	Refunds/Abatements	n/a	mills	n/a
7.	Other (specify):	n/a	mills	n/a
	TOTAL: Sum of General Operating Subtotal and Lines 3 to 7	49.897	**mills**	$ 2,343,000

Contact person: (print) Charles Wolfersberger Daytime phone: (720) 541-7725

Signed: Charles Wolfersberger Title: District Manager

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 866-2156.

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS:

1. Purpose of Issue: Refund the District's series 2013 debt and series 2011 bonds
   Series: Series 2016A GO Limited Tax Refunding Bonds ($31.26 million)
   Date of Issue: December 22, 2016
   Coupon Rate: 5.50% to 5.75%
   Maturity Date: December 01, 2046
   Levy: 43.897
   Revenue: $2,061,200

2. Purpose of Issue: Refund the District's series 2013 debt and series 2011 bonds
   Series: Series 2016B GO Limited Tax Refunding Bonds ($13.33 million)
   Date of Issue: December 22, 2016
   Coupon Rate: 6.5%
   Maturity Date: December 15, 2048
   Levy: 0.000
   Revenue: $0

CONTRACTS:

1. Purpose of Contract: n/a
   Title: n/a
   Date: n/a
   Principal Amount: n/a
   Maturity Date: n/a
   Levy: n/a
   Revenue: n/a

2. Purpose of Contract: n/a
   Title: n/a
   Date: n/a
   Principal Amount: n/a
   Maturity Date: n/a
   Levy: n/a
   Revenue: n/a

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.