

BASE VILLAGE METROPOLITAN DISTRICT NO. 2

Regular Board Meeting Minutes

Meeting Date: Wednesday, November 15, 2023

Meeting Time: 7:00am to 7:15am

Meeting Location: Online video conference held at the following site:

<https://www.gotomeet.me/Wolfersberger> Members of the public could also participate via phone using the dial-in number (571) 317-3112 and access code #937-865-597.

I. Call to Order (7:00am)

A regular meeting of the Board of Directors of Base Village Metropolitan District No 2 (District) was called and held as shown above and in accordance with the statutes of the State of Colorado. The following Directors were in attendance:

Directors	Office	Attendance
Thomas Kosich	President	Present
Vacancy		
Vacancy		
Vacancy		
Vacancy		

Also, in attendance was Charles Wolfersberger (District Manager) with Wolfersberger, LLC. No homeowners were in attendance.

II. Roll Call

The meeting was called to order by Director Kosich. Director Kosich noted that a quorum of the Board was present, and all directors confirmed their qualification to serve and, therefore, called the regular meeting of the Board of Directors of the District to order.

III. Present Disclosures of Potential Conflicts of Interest

Director Kosich reviewed the agenda for the meeting, following which Director Kosich disclosed no conflicts of interest with the business to be discussed and conducted at the meeting.

IV. Director Matters – None

V. Public Comments – None

VI. Administrative Matters

- 1) Meeting Agenda: Director Kosich reviewed the agenda as presented by the District Manager. Director Kosich approved the agenda as presented.

- 2) Review and consider September 20, 2023 board meeting minutes: Director Kosich reviewed the draft of the meeting minutes and approved the minutes as presented.
- 3) Review and consider 2024 Administrative Resolution: The District Manager presented and reviewed with Director Kosich the 2024 administrative resolution. Director Kosich approved the 2024 Administrative Resolution as presented.

Action Item #1: The District Manager will post the 2024 administrative resolution on the District's website.

VII. Financial/Contractual Matters:

- 1) Review and consider payment of claims: Director Kosich reviewed the schedule of check payments (checks #100039) totaling \$6,398.33. Director Kosich approved the payment of claims as presented.
- 2) Review and consider audit engagement letter from BF Borgers: The District Manager reviewed the engagement letter submitted by BF Borgers CPA to audit the District's 2023 annual financial statements. Director Kosich approved the engagement letter as presented.
- 3) Review and consider 2024 management/accounting contract w Wolfersberger, LLC: Director Kosich reviewed and discussed the 2024 service contract submitted by Wolfersberger, LLC. Director Kosich approved the 2024 service contract as submitted.
- 4) Public hearing on District's proposed 2024 budget: Director Kosich opened the public hearing at 7:06am regarding the proposed 2024 Budget. The District Manager reviewed the proposed 2023 budget. Highlights from the review included the following:
 - The taxable value of property within the District in 2023 is \$78.6 million – a 67.4% increase over the taxable value of property for 2022.
 - The 2024 budget reflects a decrease in the operating mill levy for 2024 from 6 mills down to 0 mills.
 - Direct and indirect collection costs charged to the debt fund is budgeted at \$241,600, which is comprised of \$172,500 for County Treasurer collection fees and \$69,100 for all other expenses necessary to operate the District – which provides no services to property owners.
 - The 2024 budget reflects a \$512,900 transfer from the general fund to the debt fund causing the balance in the general fund to be \$0 by the end of 2024.
 - The District Manager noted that BVMD1's 2024 budget includes \$66,150 in accounting, legal, audit and insurance expenses to be incurred by the District. Budgeting expenses to be incurred by another District appears to be a violation of US Generally Accepted Accounting Principles. The District Manager also noted that BVMD1 has budgeted (1) HOA assessment expenses for the Conference Center and the Parking Garage to be

\$158,131 or 36.5% higher in 2024 compared to 2022 and (3) management fees for the Conference Center to increase 345% to \$74,824 in 2024 compared to \$16,835 for 2022. The District Manager noted the HOA and the management company are controlled by the directors serving on the BVMD1 board. Excluding these increases, BVMD1's budgeted revenue for 2024 (excluding any amounts budgeted to be received from the District) would be larger than budgeted expenditures.

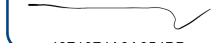
Director Kosich closed the 2024 Budget public hearing at 7:14am.

- 5) Consider resolution to adopt 2024 budget, appropriate funds, set mill levies: The District Manager presented the resolution to adopt the 2024 budget, set mill levies and appropriate funds. Director Kosich approved the resolution as presented.

Action Item #2: District Manager will file the 2024 budget with the State of Colorado and the mill levy certification with the County Treasurer.

VIII. Adjournment (7:15am)

There being no further business to come before the Board, and upon motion duly made by Director Kosich, the meeting was adjourned. The next board meeting is scheduled for Wednesday March 27, 2024 at 8:00am online at the following 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

DocuSigned by:

4871974A3A654BD...
Secretary

3/27/2024

Date