

BASE VILLAGE METROPOLITAN DISTRICT NO. 2

Special Board Meeting Minutes

Meeting Date: Thursday, November 21, 2024

Meeting Time: 8:30am to 8:41am

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

<https://www.gotomeet.me/Wolfersberger>

I. Call to Order (8:30am)

A special 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. One homeowner was also in attendance: Pat Keefer.

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 special 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

Ms. Keefer stated that she was pleased to see the District's 2023 annual financial statements included disclosures regarding the conflicts of interest of the directors serving on the Base Village Metro No 1 board.

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 25, 2024 board meeting minutes: Director Kosich reviewed the draft of the meeting minutes and approved the minutes as presented.
- 3) Review and consider 2025 Election Resolution: The District Manager presented and reviewed with Director Kosich the 2025 Election Resolution. Director Kosich approved the 2025 Administrative Resolution as presented.
- 4) Review and consider 2025 Administrative Resolution: The District Manager presented and reviewed with Director Kosich the 2025 Administrative Resolution. Director Kosich approved the 2025 Administrative Resolution as presented.

Action Item #1: The District Manager will post the 2025 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 Flynn CPA: The District Manager reviewed the engagement letter submitted by Flynn CPA to audit the District's 2024 annual financial statements. Director Kosich approved the engagement letter as presented.
- 3) Review 2023 Audit Report: The District Manager reported the District's auditors issued a clean opinion regarding the District's 2023 financial statements and reported no difficulties or disagreements with management during the conduct of the audit. Director Kosich approved the District's 2023 audited financial statements as presented.
- 4) Public hearing on District's proposed 2025 budget: Director Kosich opened the public hearing at 8:36am regarding the proposed 2025 Budget. The District Manager reviewed the proposed 2025 budget. Highlights from the review included the following:
 - The taxable value of property within the District in 2024 is \$84.1 million – a 13.3% increase over the taxable value of property for 2023. Approximately 100% of the valuation increase is due to new construction.
 - The 2025 budget reflects a decrease in the debt mill levy for 2025 from 44.502 mills down to 44.506 mills. The decrease is primarily due to the change in the composition of property values across property valuation categories.

- Direct and indirect collection costs charged to the debt fund is budgeted at \$272,400, which is comprised of \$187,200 for County Treasurer collection fees and \$85,200 for all other expenses necessary to operate the District and comply with the bond indentures of trust.
- The 2025 budget reflects no financial activity in the District's General Fund.
- The District Manager noted that BVMD1 provides no accounting or administrative services to the District. Due to (1) the multiple related party relationships among the directors serving on the BVMD1 board, the directors serving on the HOAs (which charge fees/dues to BVMD1) and director-affiliated companies providing management services to BVMD1 and (2) the apparent common control that exists among all such entities which allows expenses and revenues to be shifted among all such entities at other than "arms-length" terms, the terminating event for the 2016 IGA may have already occurred (i.e. BVMD1 annual revenues exceed BVMD1 annual expenditures) had all entities conducted transactions (e.g. HOA dues assessments charged to BVMD1, management fees charged to BVMD1 and service fees charged by BVMD1) among themselves on "arms-length" terms.

Director Kosich closed the 2025 Budget public hearing at 8:41am.

- 5) Consider resolution to adopt 2025 budget, appropriate funds, set mill levies: The District Manager presented the resolution to adopt the 2025 budget, set mill levies and appropriate funds. Director Kosich approved the resolution as presented.

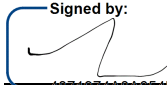
Action Item #2: District Manager will file the 2025 budget with the State of Colorado and the mill levy certification with the County Treasurer.

VIII. Adjournment (8:41am)

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 26, 2025 at 8:00am online at the following location:

<https://www.gotomeet.me/Wolfersberger>

Signed by:



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Secretary

Thomas Kosich

3/29/2025

Date