
2007 ANNUAL REPORT

FOR

BASE VILLAGE METROPOLITAN DISTRICT

NOS. 1-2

William P. Ankele, Jr.
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BASE VILLAGE METROPOLITAN DISTRICT NOS. 1 - 2

2007 ANNUAL REPORT

Pursuant to the Amended and Restated Consolidated Service Plan for Base Village Metropolitan District No. 1 and Base Village Metropolitan District No. 2 dated October 17, 2006 (the "Service Plan"), and § 32-1-207(3), C.R.S., the Districts are required to file this Annual Report with the Town of Snowmass Village, 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. The Districts submitted a map of its boundaries with the Consolidated Service Plan dated September 1, 2004. On February 7, 2007 the Pitkin County District Court issued an Order of Inclusion of Real Property into the boundaries of District No. 1. On February 7, 2007 the Pitkin County District Court issued an Order Excluding Certain Real Property from the boundaries of District No. 1. The Districts are generally located between Brush Road on the north, the Enclave on the South, the Faraway Subdivision to the east and Lichenhearth and unplatted land to the west. The site consists of approximately 26.1 acres.

B. Intergovernmental Agreements. The Districts are authorized under the Service Plan to enter into Intergovernmental Agreements with other governmental entities. To date, the Districts have entered into four such agreements:

1. Base Village Metropolitan Districts Nos.1 and 2 entered into a District Facilities and Construction and Service Agreement with each other dated September 19, 2005. This Agreement provides for the operation, maintenance, construction and funding of improvements within the Districts and the administration of the daily affairs of the Districts.

2. An Intergovernmental Agreement between the Town of Snowmass Village and the Base Village Metropolitan District Nos. 1 and 2 dated May 4, 2005.

3. Base Village Intergovernmental Agreement between Snowmass Village General Improvement District Nos. 1, Base Village Metropolitan District No. 1 and Base Village Metropolitan District No. 2 dated September 30, 2006.

4. Fire Equipment Conveyance Agreement by and between Base Village Metropolitan District No. 1 and Snowmass-Wildcat Fire Protection District dated April 25, 2007.

C. The Districts' Policies and Operations. As indicated in the Service Plan, the purpose of the Districts is to make certain public improvements that will be either dedicated to the Town of Snowmass Village or retained by the Districts for the use and benefit of the Districts' inhabitants and taxpayers. Since the approval of this Service Plan, there have been no major modifications to the policies and operations of the District.

D. Litigation. Since its inception, none of the Districts have been involved in any litigation. Further, none of the Districts are anticipating any litigation at the time of the submittal of this report.

E. Material Changes in Financial Status. In 2007, there were no material changes in the financial status of the Districts. All funding for the Districts was provided by the master developer of the property (the "Developer"), subject to future reimbursement.

F. Proposed Plans for 2008. Assuming the successful issuance of bonds during 2008, numerous components of the public infrastructure are anticipated to be initiated and/or funded by the District in 2008, with work continuing on these projects into 2009. The improvements are expected to include the following, representing in the aggregate, public expenditures for which the District has budgeted a total of \$37,374,892.00:

- Skier bridges: Funnel Bridge and Skiway under Wood Road
- Trails and sidewalks: Pedestrian sidewalks
- Storm drainage improvements
- Transit center
- Conference center
- Day skier parking

G. Construction of Public Improvements. As of December 31, 2007, the Districts had not completed any public improvements. To date all public improvements have been Developer funded.

H. Budget Information. The Districts have adopted budgets for the 2008 year. The Budgets, as adopted by the Boards of Directors of the Districts are attached as Exhibit A.

The foregoing Annual Report and accompanying exhibits are submitted this 4th day of April, 2008.

White, Bear & Ankele
Professional Corporation

By 
William P. Ankele, Jr., Esq.

EXHIBIT A
2008 BUDGETS FOR
BASE VILLAGE METROPOLITAN
DISTRICT NOS. 1 - 2



Accountant's Report

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

We have compiled the accompanying forecasted budget of revenue, expenditures and fund balance of the Base Village Metropolitan District No. 1 for the General Fund and Capital Projects Fund for the year ending December 31, 2008, including the forecasted estimate of comparative information for the year ending December 31, 2007, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying budget of revenue, expenditures, and fund balance or assumptions. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events or circumstances occurring after the date of this report.

The actual historical information for the year 2006 is presented for comparative purposes only. Such information is taken from the Application for Exemption from Audit prepared for the year ended December 31, 2006.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. 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.

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

Clifton Gunderson LLP

Greenwood Village, Colorado
December 1, 2007

BASE VILLAGE METROPOLITAN DISTRICT NO. 1
SUMMARY
FORECASTED 2008 BUDGET AS ADOPTED
WITH 2006 ACTUAL AND 2007 ESTIMATED
For the Years Ended and Ending December 31,

12/1/2007

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	ACTUAL 2006	ESTIMATED 2007	ADOPTED 2008
BEGINNING FUND BALANCES	\$ (6,634)	\$ 14,430	\$ 94,518
REVENUE			
Transfer from Base Village #2	114,095	414,987	38,995,450
Investment income	1,704	10,000	15,000
Developer advance - operations	65,000	21,101	-
Developer advance - capital	-	1,055,108	37,374,892
Total revenue	180,799	1,501,196	76,385,342
TRANSFERS IN			
	-	130,000	-
Total funds available	174,165	1,645,626	76,479,860
EXPENDITURES			
General			
Accounting	18,411	50,000	50,000
Audit	-	-	8,000
Engineering	-	15,000	20,000
Financial modeling	-	30,000	-
Insurance	4,128	4,409	5,000
Legal	137,196	245,000	130,000
Conference center operating costs	-	-	169,977
Parking garage maintenance	-	-	14,332
Organization costs	-	168,685	-
Bond issue costs	-	15,000	-
Repay developer advance	-	-	38,430,000
Miscellaneous	-	6,000	5,000
Contingency	-	591	111,991
Capital outlay	-	886,423	37,374,892
Total expenditures	159,735	1,421,108	76,319,192
TRANSFERS OUT			
	-	130,000	-
Total expenditures and transfers out requiring appropriation	159,735	1,551,108	76,319,192
ENDING FUND BALANCES	\$ 14,430	\$ 94,518	\$ 160,668

This financial information should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

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

12/1/2007

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	ACTUAL 2006	ESTIMATED 2007	ADOPTED 2008
ASSESSED VALUATION			
Pitkin County			
Residential	\$ -	\$ -	\$ -
Commercial	-	-	-
State assessed	-	-	-
Vacant land	13,920	13,920	2,087,650
Personal property	-	-	-
	13,920	13,920	2,087,650
Adjustments	-	-	-
Certified Assessed Value	\$ 13,920	\$ 13,920	\$ 2,087,650
 MILL LEVY			
General	0.000	0.000	0.000
Debt Service	0.000	0.000	0.000
Temporary Mill Levy Reduction (pursuant to C.R.S.39-5-121)	0.000	0.000	0.000
Refund and abatements	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000
 PROPERTY TAXES			
General	\$ -	\$ -	\$ -
Debt Service	-	-	-
Temporary Mill Levy Reduction	-	-	-
Refund and abatements	-	-	-
Levied property taxes	-	-	-
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	\$ -	\$ -	\$ -
 BUDGETED PROPERTY TAXES			
General	\$ -	\$ -	\$ -
Debt Service	-	-	-
	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 1
GENERAL FUND
FORECASTED 2008 BUDGET AS ADOPTED
WITH 2006 ACTUAL AND 2007 ESTIMATED
For the Years Ended and Ending December 31,

12/1/2007

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	ACTUAL 2006	ESTIMATED 2007	ADOPTED 2008
BEGINNING FUND BALANCE	\$ (6,634)	\$ 14,430	\$ 94,518
REVENUE			
Investment income	1,704	10,000	15,000
Developer advance - operations	65,000	21,101	-
Transfer from Base Village #2	114,095	414,987	495,450
Total revenue	180,799	446,088	510,450
Total funds available	174,165	460,518	604,968
EXPENDITURES			
Accounting	18,411	30,000	30,000
Audit	-	-	8,000
Insurance	4,128	4,409	5,000
Legal	137,196	195,000	100,000
Conference center operating costs	-	-	169,977
Parking garage maintenance	-	-	14,332
Miscellaneous	-	6,000	5,000
Contingency	-	591	111,991
Total expenditures	159,735	236,000	444,300
TRANSFERS OUT			
Capital Projects Fund	-	130,000	-
Total transfers out	-	130,000	-
Total expenditures and transfers out requiring appropriation	159,735	366,000	444,300
ENDING FUND BALANCE	\$ 14,430	\$ 94,518	\$ 160,668
EMERGENCY RESERVE	\$ 3,500	\$ 12,700	\$ 15,300

This financial information should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
FORECASTED 2008 BUDGET AS ADOPTED
WITH 2006 ACTUAL AND 2007 ESTIMATED
For the Years Ended and Ending December 31,

12/1/2007

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	ACTUAL 2006	ESTIMATED 2007	ADOPTED 2008
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
<hr/>			
REVENUE			
Transfer from Base Village #2	-	-	38,500,000
Developer advance - captial	-	1,055,108	37,374,892
Total revenue	-	1,055,108	75,874,892
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TRANSFERS IN			
General Fund	-	130,000	-
Total transfers in	-	130,000	-
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Total funds available	-	1,185,108	75,874,892
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EXPENDITURES			
General			
Accounting	-	20,000	20,000
Legal	-	50,000	30,000
Engineering	-	15,000	20,000
Financial modeling	-	30,000	-
Organization costs	-	168,685	-
Bond issue costs	-	15,000	-
Repay developer advance	-	-	38,430,000
Capital outlay	-	886,423	37,374,892
Total expenditures	-	1,185,108	75,874,892
<hr/>			
Total expenditures and transfers out requiring appropriation	-	1,185,108	75,874,892
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ENDING FUND BALANCE	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

**BASE VILLAGE METROPOLITAN DISTRICT NO. 1
2008 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. The Service District is responsible for management of the construction of all facilities and improvements and for operation and maintenance of all improvements not conveyed to the Town. The Financing District provides the funding for infrastructure improvements and the tax base needed to support ongoing operations.

The District entered into a funding agreement on July 27, 2005 with the Developer to fund operating and administrative costs and capital costs until other revenues are available to the District. The advances recognized under this agreement will bear simple interest at a rate of 8%. The construction of District facilities is expected to be financed by the issuance of bonded debt.

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

Revenue

Transfer from Base Village No. 2

Under the intergovernmental agreement, the Financing District is obligated to transfer revenues to the Service District to provide for administrative, debt service, and capital infrastructure costs.

Interest Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4%.

Developer Advances

Operating and administrative costs, as well as capital costs for 2008, are to be partially funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer.

**BASE VILLAGE METROPOLITAN DISTRICT NO. 1
2008 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

(Continued)

Expenditures

Administrative Expenditures

Administrative 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.

Capital Outlay

Anticipated expenditures for capital outlay in 2008 are detailed on page 6 of the budget.

Debt and Leases

The District has no outstanding debt nor any 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 2008, defined under TABOR.

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



Accountant's Report

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

We have compiled the accompanying forecasted budget of revenue, expenditures, and fund balance of the Base Village Metropolitan District No. 2 for the General Fund, Debt Service Fund and Capital Projects Fund for the year ending December 31, 2008, including the forecasted estimate of comparative information for the year ending December 31, 2007, in accordance with attestation standards established by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of a forecast information that is the representation of management and does not include evaluation of the support for the assumptions underlying the forecast. We have not examined the forecast and, accordingly, do not express an opinion or any other form of assurance on the accompanying budget of revenue, expenditures, and fund balance or assumptions. Furthermore, there will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material. We have no responsibility to update this report for events or circumstances occurring after the date of this report.

The actual historical information for the year 2006 is presented for comparative purposes only. Such information is taken from the Application for Exemption from Audit prepared for the year ended December 31, 2006.

Management has elected to omit the summary of significant accounting policies required by the guidelines for presentation of a forecast established by the American Institute of Certified Public Accountants. 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.

We are not independent with respect to Base Village Metropolitan District No. 2.

Clifton Gunderson LLP

Greenwood Village, Colorado
December 1, 2007

BASE VILLAGE METROPOLITAN DISTRICT NO. 2
SUMMARY
FORECASTED 2008 BUDGET AS ADOPTED
WITH 2006 ACTUAL AND 2007 ESTIMATED
For the Years Ended and Ending December 31,

12/1/2007

Page 2

	ACTUAL 2006	ESTIMATED 2007	ADOPTED 2008
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -
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REVENUE			
Property taxes	114,004	414,973	495,450
Specific ownership tax	5,791	20,750	24,773
Bond Issuance	-	-	47,750,000
Investment income	-	-	302,570
Capital facility fee	-	-	396,550
Total revenue	119,795	435,723	48,969,343
TRANSFERS IN	-	-	7,485,454
Total funds available	119,795	435,723	56,454,797
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EXPENDITURES			
General			
County Treasurer's fees	5,700	20,736	24,773
Bond issue costs	-	-	1,764,546
Contingency	-	-	2,918
Debt Service			
Paying agent fees	-	-	92,950
Bond interest	-	-	1,951,635
Letter of credit fees	-	-	693,497
Transfer to Base Village #1	114,095	414,987	38,995,450
Total expenditures	119,795	435,723	43,525,769
TRANSFERS OUT	-	-	7,485,454
Total expenditures and transfers out requiring appropriation	119,795	435,723	51,011,223
ENDING FUND BALANCES	\$ -	\$ -	\$ 5,443,574

This financial information should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2
PROPERTY TAX SUMMARY INFORMATION
For the Years Ended and Ending December 31,

12/1/2007

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ACTUAL 2006	ESTIMATED 2007	ADOPTED 2008
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ASSESSED VALUATION

Pitkin County

Residential	\$ -	\$ -	\$ 1,445,430
Commercial	-	-	3,209,450
State assessed	-	-	-
Vacant land	13,785,250	14,066,870	12,140,050
Personal property	-	-	-
	<u>13,785,250</u>	<u>14,066,870</u>	<u>16,794,930</u>
Adjustments	-	-	-
Certified Assessed Value	<u>\$ 13,785,250</u>	<u>\$ 14,066,870</u>	<u>\$ 16,794,930</u>

MILL LEVY

General	8.270	29.500	29.500
Debt Service	0.000	0.000	0.000
Temporary Mill Levy Reduction (pursuant to C.R.S.39-5-121)	0.000	0.000	0.000
Refund and abatements	0.000	0.000	0.000
Total mill levy	<u>8.270</u>	<u>29.500</u>	<u>29.500</u>

PROPERTY TAXES

General	\$ 114,004	\$ 414,973	\$ 495,450
Debt Service	-	-	-
Temporary Mill Levy Reduction	-	-	-
Refund and abatements	-	-	-
Levied property taxes	<u>114,004</u>	<u>414,973</u>	<u>495,450</u>
Adjustments to actual/rounding	-	-	-
Budgeted property taxes	<u>\$ 114,004</u>	<u>\$ 414,973</u>	<u>\$ 495,450</u>

BUDGETED PROPERTY TAXES

General	\$ 114,004	\$ 414,973	\$ 495,450
Debt Service	-	-	-
	<u>\$ 114,004</u>	<u>\$ 414,973</u>	<u>\$ 495,450</u>

This financial information should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2
GENERAL FUND
FORECASTED 2008 BUDGET AS ADOPTED
WITH 2006 ACTUAL AND 2007 ESTIMATED
For the Years Ended and Ending December 31,

12/1/2007

Page 4

	ACTUAL 2006	ESTIMATED 2007	ADOPTED 2008
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUE			
Property taxes	114,004	414,973	495,450
Specific ownership tax	5,791	20,750	24,773
Total revenue	119,795	435,723	520,223
Total funds available	119,795	435,723	520,223
EXPENDITURES			
County Treasurer's fees	5,700	20,736	24,773
Transfer to Base Village #1	114,095	414,987	495,450
Total expenditures	119,795	435,723	520,223
Total expenditures and transfers out requiring appropriation	119,795	435,723	520,223
ENDING FUND BALANCE	\$ -	\$ -	\$ -
EMERGENCY RESERVE	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2
DEBT SERVICE FUND
FORECASTED 2008 BUDGET AS ADOPTED
WITH 2006 ACTUAL AND 2007 ESTIMATED
For the Years Ended and Ending December 31,

12/1/2007

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	ACTUAL 2006	ESTIMATED 2007	ADOPTED 2008
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
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REVENUE			
Investment income	-	-	302,570
Capital facility fee	-	-	396,550
Total revenue	-	-	699,120
TRANSFERS IN			
Capital Projects Fund	-	-	7,485,454
Total transfers in	-	-	7,485,454
Total funds available	-	-	8,184,574
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EXPENDITURES			
Paying agent/Remarketing fees	-	-	92,950
Bond interest	-	-	1,951,635
Letter of credit fees	-	-	693,497
Contingency	-	-	2,918
Total expenditures	-	-	2,741,000
Total expenditures and transfers out requiring appropriation	-	-	2,741,000
ENDING FUND BALANCE	\$ -	\$ -	\$ 5,443,574

This financial information should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2
CAPITAL PROJECTS FUND
FORECASTED 2008 BUDGET AS ADOPTED
WITH 2006 ACTUAL AND 2007 ESTIMATED
For the Years Ended and Ending December 31,

12/1/2007

Page 6

	ACTUAL 2006	ESTIMATED 2007	ADOPTED 2008
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUE			
Bond Issuance	-	-	47,750,000
Total revenue	-	-	47,750,000
Total funds available	-	-	47,750,000
EXPENDITURES			
General			
Bond issue costs	-	-	1,764,546
Transfer to Base Village #1	-	-	38,500,000
Total expenditures	-	-	40,264,546
TRANSFERS OUT			
Debt Service Fund	-	-	7,485,454
Total transfers out	-	-	7,485,454
Total expenditures and transfers out requiring appropriation	-	-	47,750,000
ENDING FUND BALANCE	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's report and the summary of significant assumptions.

BASE VILLAGE METROPOLITAN DISTRICT NO. 2
2008 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 recreations, transportation, and mosquito 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 Financing District related to Base Village Metropolitan District No. 1 (Base Village No. 1), which serves as the Service District. The Service District is responsible for management of the construction of all facilities and improvements and for operation and maintenance of all improvements not conveyed to the Town. The Financing District provides the funding for infrastructure improvements and the tax base needed to support ongoing operations.

Operations and administrative costs of the District are funded by the Service District pursuant to an intergovernmental agreement between the two Districts. Under the intergovernmental agreement, the Service District is also responsible for coordinating the funding and construction of public improvements for the District. The District will provide the primary revenue stream for any bonds or other obligations issued to fund the public improvements.

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

Revenue

Property Taxes

Per the executed Intergovernmental Agreement (the "Agreement") between the Snowmass Village GID, Base Village No. 1 and the District, a mill levy of 29.500 mills will be levied as displayed on page 3. The Agreement provides that for years 2006, 2007, and 2008 the mill levy of 29.500 mills will be used to fund operations and maintenance in Base Village No. 1.

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 forecast assumes that the District's share will be equal to approximately 5% of the property taxes collected.

Capital facility fee

A fee of \$5,150 will be collected upon the sale of each residential living unit and used to pay interest on the Bonds.

**BASE VILLAGE METROPOLITAN DISTRICT NO. 2
2008 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

(Continued)

Bond Proceeds

The District anticipates issuing bonds during 2008. The budget assumes the amount of \$47,750,000 will be issued in 2008.

Expenditures

Debt Service

Key components of the Bond deal, such as interest rates, call provisions, and the repayment schedule of the Bonds will be negotiated with potential bond purchasers at the time of debt issuance.

Bond Issue Costs

The District anticipates \$1,764,546 in costs related to the issuance of the Series 2008 General Obligation Bonds.

Debt and Leases

The District currently has no outstanding debt nor any capital or operating leases.

Reserve Funds

Pursuant to the intergovernmental agreement, as noted above, the revenue is remitted to District No. 1, which has provided for an emergency reserve fund equal to at least 3% of fiscal year spending for 2008, as defined under TABOR.

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