

January 2023 Edition

District Management

Charles Wolfersberger

(720) 541-7725

charles@wolfersbergerllc.com



Management Company

8354 Northfield Blvd, Suite 3700

Denver, CO 80238

www.wolfersbergerllc.com

District Website

www.basevillagemetro2.org

Board of Directors

Thomas Kosich, President

2022 Year in Review

2023 marks the 6th year the District's board has been controlled by homeowners. Prior to 2017, the District's board was comprised of various employees and owners of companies that developed land within the District. These directors approved the issuance of the District's debt—nearly all of the cash proceeds of which was paid out to the companies that employed and/or were owed by the District's directors.

The District is currently involved in litigation against certain companies that were the benefactors of the debt issued by the District. While the District cannot comment on the status of the litigation, the District continues to be confident in its position that the District's debt was not issued for legitimate public purposes.

The District continues to work towards operating independently from Base Village Metro District No 1 (BVMD1). BVMD1 continues to be managed by a majority directors who all report personal conflicts of interest serving on the BVMD1 board. One board member on BVMD1 does not file a conflict of interest disclosure with the State of Colorado despite being employed by a contractor hired by the District.

An agreement was executed between the District and BVMD1 in 2016 (when the directors serving on BVMD1's board also served on the District's board) where (1) the District was required to levy certain minimum property tax assessments on its property owners and transfer the proceeds to BVMD1 and (2) BVMD1 was to provide certain administrative functions and services on behalf of the District. BVMD1 uses a portion of the tax proceeds received from the District to (1) pay certain companies owned by BVMD1 directors to provide service to the District and (2) fund certain HOAs—all of which are controlled by the directors of BVMD1.

The District Board will continue to (a) carefully evaluate the validity of agreements the District entered into when the District was controlled by non-independent directors and (b) protect the taxes collected from homeowners and ensure such taxes are used in a responsible manner in the best interests of the taxpayers.

2023 Board Election

Four vacancies currently exist on the District's board. On May 02, 2023, an election will be held to elect four candidates to fill one or more vacancies on the District's 5-member Board and serve for 2 or 4-year terms on the Board. **(Continued on Page 2)**

2023 Metro District Board Meeting Schedule

March 22, 2023 (Wednesday)

September 20, 2023 (Wednesday)

June 21, 2023 (Wednesday)

November 15, 2023 (Wednesday)

All meetings start at 8:00 A.M. and are open to the public. All meetings will be held online at the <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. The Board's meeting schedule is also posted on the home page of the District's website at www.basevillagemetro2.org

2023 Board Election (continued from page 1)

Property owners and residents who are interested and legally qualified to run for election to serve on the District's board must download a self-nomination form from the District's website (www.basevillagemetro2.org) and submit the completed form to either District Manager (Charles Wolfersberger) by no later than Friday February 24th at 5:00pm MST. Self-nomination forms may also be picked up from the District's office during normal business hours (8:30am to 5pm Monday through Friday) at 8354 Northfield Blvd, Building G Suite 3700 Denver, CO 80238.

A self-nomination and acceptance form that is not sufficient may be amended at any time prior to 5:00pm on Friday February 24th. Affidavits of intent to be a write-in candidate must be submitted to District Managers by 5:00pm MST on Monday February 27th.

NOTICE IS GIVEN pursuant to Section 113.5-1002 C.R.S. that applications for an absentee voter's ballot may be received by the District's Manager by mail or email no later than 5:00pm MST on Tuesday April 25th.

Duties and Responsibilities of Metro District Board Members

Directors who serve on the Metro District board perform various duties and responsibilities. The primary responsibility of board members is to attend the quarterly board meetings and review and direct the financial and operational performance of the District. In addition to attending quarterly meetings, board members are responsible for the following:

- Establishing the District's annual operating budget and property tax rate
- Reviewing the District's periodic financial statements
- Reviewing and approving contractor invoices and contracts
- Monitoring and coordinating with the District's legal counsel and accountants regarding the District's various State, County and municipal statutory reporting responsibilities

District's Debt—Quick Facts

Total bond debt as of December 31, 2022.....	\$50,030,000
District's cash balance as of December 31, 2022.....	\$1,883,000
Year which the \$30.9 million "A" bond debt will be paid off in full.....	2046 (25 Yrs)
Annual interest rate on District's "A" bond debt.....	5.50% to 5.75%
Earliest date bonds can be refinanced.....	December 01, 2029
Year which the \$18.3 million "B" bond debt will be paid off in full.....	2048 (27 Yrs)
Annual interest rate on District's "B" bond debt.....	6.50%
Assessed valuation of all land within the District as of Dec. 31, 2022.....	\$46,958,000
Debt to assessed value ratio.....	106% [Note A]

Note A—Districts with debt-to-assessed values below 50% are considered significantly better credit risk to lenders and, consequently, such districts typically enjoy lower interest rates on their debt. A 100% debt-to-assessed value ratio is a sign of an over-leveraged district that may be unable to repay its debts.