

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
EAST SMOKY HILL METROPOLITAN DISTRICT NO. 2 (THE
“DISTRICT”)
HELD
NOVEMBER 16, 2022

A special meeting of the Board of Directors of the East Smoky Hill Metropolitan District No. 2 (referred to hereafter as the “Board”) was convened on Wednesday, November 16, 2022 at 6:00 p.m. via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Thomas Tanner, President
Connie Buhlke, Vice President
Bonnie Bowman, Treasurer
Charlotte Faris, Assistant Secretary

Secretary Laura Embleton was absent and excused.

Also, In Attendance Were:

Denise Denslow, Shauna D’Amato and Janece Soendker; CliftonLarsonAllen LLP (“CLA”)
Stefanie Miller; Flowerscapes, LLC

ADMINISTRATIVE MATTERS

Call to Order and Approval of Agenda: Director Tanner called the meeting to order at 6:02 p.m. Following review, upon a motion duly made by Director Bowman, seconded by Director Buhlke and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. A quorum was present and it was requested that members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. It was noted that no additional conflicts of interest were presented.

Quorum, Location of Meeting and Posting of Meeting Notices: The Board confirmed a quorum, the location of the meeting and the posting of the meeting notice. Director Embleton was absent and excused.

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Public Comment: None.

Resolution Regarding 2023 Annual Administrative Matters: Upon a motion duly made by Director Buhlke, seconded by Director Bowman and, upon vote, unanimously carried, the Board adopted the Resolution Regarding 2023 Annual Administrative Matters, as presented.

2023 Insurance Renewal Documents Needed to Obtain or Maintain Insurance Coverage Through the Colorado Special Districts Property and Liability Pool and T. Charles Wilson Risk Management and Membership in the Special District Association: Following review, upon a motion duly made by Director Bowman, seconded by Director Buhlke and, upon vote, unanimously carried, the Board approved the 2023 insurance renewal documents needed to maintain insurance coverage through the Colorado Special Districts Property and Liability Pool and T. Charles Wilson Risk Management, and authorized the District's membership in the Special District Association.

CONSENT AGENDA

Minutes from the August 18, August 30 and September 2, 2022 Meetings:

Sales Orders for District Parks from Star Playgrounds:

Following review, upon a motion duly made by Director Faris, seconded by Director Bowman and, upon vote, unanimously carried, the Board approved the Consent Agenda item, as presented.

FINANCIAL MATTERS

Unaudited Financial Statements as of September 30, 2022 and Cash Position Report: Ms. Soendker reviewed the Financial Statements and Cash Position Report with the Board. Following review, upon a motion duly made by Director Bowman, seconded by Director Buhlke and, upon vote, unanimously carried, the Board accepted the Unaudited Financial Statements as of September 30, 2022 and Cash Position Report, as presented.

Bill.com Payments Totaling \$131,100.13 and Directors' Fees: Ms. Soendker reviewed the Bill.com payments and Directors' Fees with the Board. Following review, upon a motion duly made by Director Faris, seconded by Director Bowman and, upon vote, unanimously carried, the Board ratified and approved the Bill.com payments totaling \$131,100.13 and Directors' Fees, as presented.

Public Hearing to Consider Amendment of the 2022 Budget and Resolution to Amend the 2022 Budget: Upon a motion duly made by Director Bowman, seconded by Director Faris and, upon vote, unanimously carried, the Board opened the public hearing at 6:15 p.m. No public comments

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were received, and the public hearing was closed at 6:16 p.m. Ms. Soendker noted that no amendment to the 2022 Budget is necessary. No action was taken.

Public Hearing on the Proposed 2023 Budget and Resolution to Adopt the 2023 Budget and Appropriate Sums of Money: Upon a motion duly made by Director Bowman, seconded by Director Faris and, upon vote, unanimously carried, the Board opened the public hearing at 6:16 p.m. No public comments were received, and the public hearing was closed at 6:17 p.m. Ms. Soendker reviewed the proposed draft 2023 Budget with the Board, noting that the general mill levy was raised to 4 and the Debt Service Mill Levy was raised to 12.50, for a total of 16.50. Following review and discussion, upon a motion duly made by Director Buhlke, seconded by Director Bowman and, upon vote, unanimously carried, the Board approved the proposed 2023 Budget and adopted the Resolution to Adopt the 2023 Budget and Appropriate Sums of Money, as presented.

Appointment of Board Member to Sign the DLG-70 Certification of Tax Levies: Ms. Denslow informed the Board that we will continue the normal practice of the District accountant signing the DLG-70 Certification of Tax Levies this year. No action was taken.

Engagement with Schilling & Company, Inc. to Prepare the 2022 Audit: Upon a motion duly made by Director Bowman, seconded by Director Faris and, upon vote, unanimously carried, the Board approved the engagement of Schilling & Company, Inc. to prepare the 2022 Audit in an amount not to exceed \$5,000 and authorized Director Tanner to sign the engagement letter.

Other: None.

MANAGER ITEMS

CliftonLarsonAllen LLP Statements of Work for 2023: Upon a motion duly made by Director Bowman, seconded by Director Buhlke and, upon vote, unanimously carried, the Board approved the CliftonLarsonAllen LLP statements of work for 2023, as presented.

Park Equipment Maintenance and Updates: Ms. D'Amato provided an update to the Board regarding the park equipment maintenance.

Other: None.

LANDSCAPE UPDATE

Landscaping Activity: Ms. Miller provided an update to the Board regarding landscaping activity.

Flowerscapes:

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Independent Contractor Agreement for 2023 Annual Flowers between the District and FlowerScapes, LLC: Upon a motion duly made by Director Buhlke, seconded by Director Bowman and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement for 2023 Annual Flowers between the District and FlowerScapes, LLC, as presented.

ColoradoScapes:

Independent Contractor Agreement for 2023 Landscape Maintenance between the District and ColoradoScapes, Inc.: Director Tanner reviewed the Agreement with the Board. Following review, upon a motion duly made by Director Buhlke, seconded by Director Bowman and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement for 2023 Landscape Maintenance between the District and ColoradoScapes, Inc., as presented.

Independent Contractor Agreement for 2023 Snow Removal between the District and ColoradoScapes, Inc.: Director Tanner reviewed the Agreement with the Board. Following review, upon a motion duly made by Director Buhlke, seconded by Director Bowman and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement for 2023 Snow Removal between the District and ColoradoScapes, Inc., as presented.

Proposal for 2023 Revive Treatments: The Board discussed the 2023 Revive Treatment proposal and determined to see if the treatment will be needed throughout the year. This item was deferred.

Davey Tree:

Independent Contractor Agreement for 2023 Tree Care Services between the District and Davey Tree Expert Company: Ms. Denslow reviewed the Agreement with the Board. Following review, upon a motion duly made by Director Bowman, seconded by Director Buhlke and, upon vote, unanimously carried, the Board approved the Independent Contractor Agreement for 2023 Tree Care Services between the District and Davey Tree Expert Company, subject to notification and approval of winter watering treatments.

Other: None.

**BOARD
MEMBER ITEMS**

Status of Playground Shades: Mr. Tanner noted that there is currently no update on the status of the playground shades.

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Homeowner Association: Mr. Tanner provided an update to the Board regarding the Homeowner Association, noting he will add an update on the playground improvements to the HOA newsletter.

OTHER BUSINESS

Other: None.

LEGAL MATTERS

Resolution Calling a Regular Election for Directors on May 2, 2023, Appointing the DEO and Authorizing the DEO to Perform All Tasks Required for the Conduct of a Mail Ballot Election: Ms. Denslow reviewed the Resolution with the Board, noting that she will clarify each Directors' term. Following review and discussion, upon a motion duly made by Director Bowman, seconded by Director Faris and, upon vote, unanimously carried, the Board adopted the Resolution Calling a Regular Election for Directors on May 2, 2023, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election, as presented.

Other: None.

ADJOURNMENT

There being no further business to come before the Board at this time, Director Tanner adjourned the meeting at 7:18 p.m.

Respectfully submitted,

DocuSigned by:

Laura Embleton

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Secretary for the Meeting