

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
EAST SMOKY HILL METROPOLITAN DISTRICT NO. 2
HELD NOVEMBER 11, 2020

A special meeting of the Board of Directors of the East Smoky Hill Metropolitan District No. 2 (the "District") was held on November 11, 2020 at 6:00 p.m. The meeting was open to the public.

***NOTE: given current events and current advice and directives from local, state and federal jurisdictions related to COVID-19, this meeting was held by teleconference and virtual meeting. Board members, consultants and members of the public participated by teleconference or by computer/tablet by utilizing the following information: URL link:**

Join Microsoft Teams Meeting

https://teams.microsoft.com/l/meetup-join/19%3ameeting_MjhmMjJiNzMtMmVmOC00NDM2LTg0ZjktMjUxYjUyYTYzMWRi%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d

+1 720-547-5281 United States, Denver (Toll) Conference ID: 153 511 728#

Attendance In attendance were Directors:

Connie Buhlke
Bonnie Bowman
Tyler Jeffery
Charlotte Faris
Laura Embleton

Also in attendance were:

Denise Denslow & Kevin Collins; CliftonLarsonAllen, LLP (CLA)
Reg Craig; JBK Landscaping
Tom Tanner; HOA President

Call to Order

Director Buhlke called the meeting to order at 6:02 p.m.

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.

Review and Approve Agenda

Upon a motion duly made by Director Jeffery, seconded by Director Bowman, and upon a vote, unanimously carried, the Board accepted the Agenda as amended to include a proposal from JBK for the park project, and excused the absence of Director Embleton.

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Public
Comment

Mr. Tanner, President of the HOA greeted the Board.

Minutes

Review and Approve Minutes of the August 11, 2020 Special Board Meeting Minutes.

Upon a motion duly made by Director Jeffery, seconded by Director Bowman, and upon a vote, unanimously carried, the Board approved the August 11, 2020 Special Meeting Minutes.

Legal

A. Consider Adoption of Resolution 2020-11-01; 2021 Annual Administrative Matters Resolution

After discussion, upon a motion duly made by Director Jeffery, seconded by Director Bowman, and upon a vote, unanimously carried, the Board approved Resolution 2020-11-01; 2021 Annual Administrative Matters Resolution.

B. Consider Appointment of Charlotte Faris to Vacant Position on the Board of Directors and Administer Oath of Office

Upon a motion duly made by Director Bowman, seconded by Director Jeffery, and upon a vote, unanimously carried, the Board appointed Ms. Faris to the Board.

C. Other

None.

Financial
Items

A. Review and Consider Acceptance of Unaudited Financial Statements as of September 30, 2020 and Cash Position Report

Mr. Collins reviewed with the Board noting that the December 1, 2020 Debt Service payment is sufficiently funded, and 99% of property taxes have been collected.

Upon a motion duly made by Director Bowman, seconded by Director Jeffery, and upon a vote, unanimously carried, the accepted the September 30, 2020 Unaudited Financial Statements and Cash Position Report.

B. Review and Ratify Approval of bill.com Payments Totaling \$40,650.84 and Directors' Fees

Upon a motion duly made by Director Jeffery, seconded by Director Bowman, and upon a vote, unanimously carried, the Board ratified approval of bill.com payments totaling \$40,650.84 and Directors' Fees.

C. Review and Consider Approval of Current Claims Totaling \$23,695.09

Upon a motion duly made by Director Jeffery, seconded by Director Bowman, and upon a vote, unanimously carried, the Board approved the current claims totaling \$23,695.09.

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D. Investment Review

Mr. Collins informed the Board that the final payment of the debt is currently in 2028. He stated he spoke with Laci Knowles of D.A. Davidson about a potential refinancing to take advantage of possible interest rate savings. Due to the timing of the call provisions, a refinancing cannot be considered until December 2021. Ms. Knowles will inform the District of any potential Debt Service refinancing options toward the end of 2021.

E. Review and Consider Approval of Schilling & Company, Inc. Engagement Letter for Preparation of 2020 Audit - \$4,700

Upon a motion duly made by Director Bowman, seconded by Director Jeffery, and upon a vote, unanimously carried, the Board approved the Schilling & Company, Inc. engagement letter for preparation of the 2020 Audit in the amount of \$4,700.

F. Other

None.

Budget
Hearing

Conduct Public Hearing to Consider Amendment of 2020 Budget and Adoption of Proposed 2021 Budget

A. Resolution 2020-11-02, Amendment of 2020 Budget (if necessary)

Upon a motion duly made by Director Jeffery, seconded by Director Bowman, the Board opened and closed the public hearing at 6:46 p.m. There were no public comments.

Mr. Collins stated that a 2020 Budget amendment would not be necessary.

B. Resolution 2020-11-03, Adopting 2021 Budget, Imposing Mill Levy and Appropriating Funds

Mr. Collins reviewed the 2021 proposed budget with the Board. Discussion followed with Ms. Denslow noting that should the District wish to provide trash service to the residents, that this could be pursued in 2021.

Upon a motion duly made by Director Jeffery, seconded by Director Bowman, and upon a vote, unanimously carried, the Board approved the 2021 Budget and adopted Resolution 2020-11-03 to Adopt the Budget, Imposing Mill Levy and Appropriating Funds.

Manager
Items

A. 2020 Contractors

1. Landscape Maintenance with JBK

This item was deferred.

2. Management and Accounting, CliftonLarsonAllen LLP

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Upon a motion duly made by Director Jeffery, seconded by Director Bowman, and upon a vote, unanimously carried, the Board approved to renew the management and accounting engagement with CliftonLarsonAllen LLP.

3. Legal Counsel, White Bear Ankele Tanaka & Waldron

Upon a motion duly made by Director Jeffery, seconded by Director Bowman, and upon a vote, unanimously carried, the Board approved to renew legal counsel with White Bear Ankele Tanaka & Waldron.

4. Discuss Renewal of 2021 Insurance and SDA Membership Renewal

Ms. Denslow informed the Board that the 2021 insurance and SDA membership renewal are being processed.

Landscape Update

A. Review Landscape Activity

Mr. Craigo provided an end of the season recap to the Board.

B. Review and Consider Approval of Flowerscapes Proposal for Annual Flowers - \$18,600

This item was deferred.

C. Review and Consider Approval of Davey Tree Proposal for Tree Care

This item was deferred.

D. Other – JBK Proposal for Additional Work in Park

This item was deferred.

Board Manager Items

A. Discuss Status of Playground Shades – Structure installed in November, Shades installed in Spring

Ms. Denslow Updated the Board noting that Summit Recreation is still working through permitting issues with the City of Aurora.

B. Update on Homeowner Association – HOA changing to Coloradoscapes for Landscaping Maintenance and Snow Removal Services

Mr. Tanner discussed the community newsletter and winter watering. He also informed the Board that the HOA changed snow removal and landscape maintenance contractors for 2021. Discussion followed.

C. Other

None.

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Board
Member
Items

A. Other

The Board gave director to CliftonLarsonAllen LLP to solicit proposals for the annual flower program, landscape maintenance and tree health services to be considered at the continuation of this meeting.

Other
Business

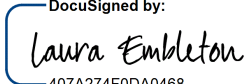
A. Confirm Quorum for Next Meeting – December 3, 2021 at 7:00 p.m.

A quorum was confirmed for the continued meeting on December 3, 2021 at 7:00 p.m.

Adjournment

Upon a motion duly made by Director Jeffery, seconded by Director Bowman, and upon a vote, unanimously carried, the Board continued the meeting to December 3, 2021 at 7:00 p.m.

Respectfully submitted,

DocuSigned by:

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Secretary for the Meeting