

**LOVELAND MIDTOWN METROPOLITAN DISTRICT
2024 ANNUAL ADMINISTRATIVE MATTERS RESOLUTION**

WHEREAS, the Board of Directors (the “Board”) of Loveland Midtown Metropolitan District (the “District”) is required to perform certain administrative obligations during each calendar year to comply with certain statutory requirements, as further described below, and to assure the efficient operations of the District; and

WHEREAS, the Board desires to set forth such obligations herein and to designate, where applicable, the appropriate person or person(s) to perform such obligations on behalf of the District; and

WHEREAS, the Board further desires to acknowledge and ratify herein certain actions and outstanding obligations of the District.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF LOVELAND MIDTOWN METROPOLITAN DISTRICT HEREBY RESOLVES AS FOLLOWS:

1. The Board directs the District Manager to prepare and file either an accurate map, as specified by the Colorado Division of Local Government (the “Division”), or a notice that the District’s boundaries have not changed since the filing of the last District map, with the Division, the Larimer County Clerk and Recorder and Larimer County Assessor on or before January 1, 2024, as required by Section 32-1-306, C.R.S.

2. Pursuant to Section 24-32-116(3)(b), C.R.S, the Board directs legal counsel to update the Division with any of the following information previously provided to the Division, in the event such information changes: (i) the official name of the District; (ii) the principal address and mailing address of the District; (iii) the name of the District’s agent; and (iv) the mailing address of the District’s agent.

3. The Board directs legal counsel to prepare, no more than sixty (60) days prior to and not later than January 15, 2024, the District’s annual transparency notice containing the information set forth in Section 32-1-809(1), C.R.S., and to provide such notice to the eligible electors of the District in one of the manners set forth in Section 32-1-809(2), C.R.S. In addition, legal counsel is directed to file a copy of the notice with the Larimer County Board of County Commissioners, the Larimer County Assessor, the Larimer County Treasurer, the Larimer County Clerk and Recorder’s Office, the Loveland City Council (the “City”), and the Division as set forth in Section 32-1-104(2), C.R.S. A copy of the notice shall be made available for public inspection at the principal business office of the District.

4. The Board directs the District’s accountant to submit a proposed 2025 budget for the District to the Board by October 15, 2024, to schedule a public hearing on the proposed budget, prepare a final budget, and budget resolution, including certification of mill levies and amendments to the budget if necessary; to certify the mill levy to Larimer County on or before December 15, 2024; and to file the approved budget and amendments thereto with the proper governmental

entities in accordance with the Local Government Budget Law of Colorado, Sections 29-1-101 to 29-1-115, C.R.S.

5. In the event additional real property is included into the boundaries of the District in the future, the District authorizes legal counsel to record the special district public disclosure document and a map of the new boundaries of the District concurrently with the recording of the order for inclusion in the Larimer County Clerk and Recorder's office in accordance with Section 32-1-104.8(2), C.R.S.

6. The Board directs legal counsel to notify the City of any alteration or revision of the proposed schedule of debt issuance set forth in the financial plan attached to the District's Service Plan, as required by Section 32-1-202(2)(b), C.R.S.

7. For any nonrated public securities issued by the District, the Board directs the District accountant to prepare and file with the Division on or before March 1, 2024, an annual information report with respect to any of the District's nonrated public securities which are outstanding as of the end of the District's fiscal year in accordance with Section 11-58-105, C.R.S.

8. The Board hereby authorizes the District's accountant to prepare and file an Audit Exemption and Resolution for approval of Audit Exemption with the Colorado State Auditor by March 31, 2024, as required by Section 29-1-604, C.R.S.; or, if required by Section 29-1-603, C.R.S., the Board authorizes that an audit of the financial statements be prepared and submitted to the Board before June 30, 2024, and filed with the State Auditor by July 31, 2024. In addition, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, the District's accountant shall cause to be submitted to the City, the District's audit report or a copy of its application for exemption from audit in accordance with Section 29-1-606(7), C.R.S.

9. If the District holds property presumed abandoned and subject to custody as unclaimed property pursuant to the Unclaimed Property Act (§§38-13-101 *et seq.*, C.R.S.), the Board directs legal counsel to prepare an unclaimed property report that covers the twelve months preceding July 1, 2024 and submit the report to the Colorado State Treasurer by November 1, 2024, in accordance with Section 38-13-401 *et seq.*, C.R.S.

10. The Board directs legal counsel to oversee the preparation of any continuing annual disclosure report required to be filed pursuant to a continuing disclosure agreement, in accordance with the Securities Exchange Commission Rule 15c2-12 and pursuant to any authorizing resolution, indenture, pledge agreement, loan document, and/or any other document related to the issuance of any general or special obligation bonds, revenue bonds, loans from financial institutions or other multiple fiscal year obligations by the District and any refundings thereof, including the District's Limited Tax General Obligation Bonds, Series 2011A and \$250,000 Subordinate Limited Tax General Obligation Bonds, Series 2011B (Taxable).

11. The Board designates the Secretary of the District as the official custodian of "public records," as such term is used in Section 24-72-202(2), C.R.S. Public records may also be maintained at the office of Icenogle Seaver Pogue, P.C. and Pinnacle Consulting Group, Inc.

12. The Board directs legal counsel to advise it on the requirements of the Fair Campaign Practices Act Section 1-45-101 *et seq.*, C.R.S., when applicable.

13. The Board directs that all legal notices shall be published in accordance with Section 32-1-103(15), C.R.S., in a paper of general circulation within the boundaries of the District, or in the vicinity of the District if none is circulated within the District including, but not limited to, *The Loveland Reporter Herald*.

14. The Board determines that directors shall not receive compensation for services as directors in accordance with Section 32-1-902(3)(a), C.R.S.

15. The Board hereby determines that each member of the Board shall execute an Affidavit of Qualification of Director at such time the member is either elected or appointed to the Board. Such forms shall be retained in the District's files. Section 32-1-103(5), C.R.S. sets forth the qualifications required. Pursuant to Section 32-1-901, C.R.S., the Board directs legal counsel to prepare, administer and file an oath of office and a certificate of appointment, if applicable, and procure a surety bond for each Director, and to file copies of each with the Clerk of the Court and with the Division. Pursuant to Section 24-12-101(3), C.R.S., the Board directs legal counsel to further file copies of each with the Larimer County Clerk and Recorder.

16. The Board extends the current indemnification resolution, adopted by the Board on February 15, 2007, to allow the resolution to continue in effect as written.

17. Pursuant to Section 32-1-1101.5, C.R.S., the Board directs legal counsel to certify the results of special district ballot issue elections to incur general obligation indebtedness by certified mail to the City and to file a copy of the certification with the Colorado Division of Securities within forty-five (45) days after the election. Furthermore, whenever the District authorizes or incurs a general obligation debt, the Board authorizes legal counsel to record notice of such action and a description of such debt, in a form prescribed by the Division, in the Larimer County Clerk and Recorder's office within thirty (30) days after authorizing or incurring the debt in accordance with Section 32-1-1604, C.R.S. Furthermore, whenever the District incurs general obligation debt, the Board directs legal counsel to submit a copy of the recorded notice to the City within thirty (30) days after incurring the debt in accordance with Section 32-1-1101.5(1), C.R.S.

18. The Board directs legal counsel to prepare and file an application for a quinquennial finding of reasonable diligence with the City, if requested, in accordance with Section 32-1-1101.5(1.5) & (2), C.R.S.

19. The Board directs legal counsel to prepare and file the special district annual report in accordance with the District's Service Plan and Section 32-1-207(3)(c), C.R.S.

20. The Board has determined that legal counsel will file conflicts of interest disclosures provided by board members with the Colorado Secretary of State seventy-two (72) hours prior to each meeting of the Board, in accordance with Sections 32-1-902(3)(b) and 18-8-308, C.R.S. Annually, legal counsel shall request that each Board member submit updated information regarding actual or potential conflicts of interest. Additionally, at the beginning of

every term, legal counsel shall request that each Board member submit information regarding actual or potential conflicts of interest.

21. The District is currently a member of the Special District Association (“SDA”) and insured through the Colorado Special Districts Property and Liability Pool. The Board directs the District Manager to pay the annual SDA membership dues and insurance premiums in a timely manner. The Board and District staff will biannually review all insurance policies and coverage in effect to determine appropriate insurance coverage is maintained.

22. The Board members have reviewed the minutes from the November 21, 2022 and May 10, 2023 meetings of the Board, which minutes are attached hereto as Exhibit A. The Board, being fully advised of the premises, hereby ratifies and affirms each and every action of the Board taken at said meetings.

23. Pursuant to Section 32-1-104.5(3)(a), C.R.S., the Board hereby designates the District’s official website as www.lovelandmidtownmd.live. The Board directs District management to maintain and update the official website of the District in compliance with Section 32-1-104.5(3)(a), C.R.S.

24. Pursuant to Section 24-6-402(2)(d.5)(II)(E), C.R.S., the Board hereby declares that all electronic recordings of executive sessions shall be retained for purposes of the Colorado Open Meetings Law for ninety (90) days after the date of the executive session. The Board further directs the custodian of the electronic recordings of the executive session to systematically delete all such recordings made for purposes of the Colorado Open Meetings Law at its earliest convenience after the ninetieth (90th) day after the date of the executive session.

25. The District hereby acknowledges, agrees and declares that the District’s policy for the deposit of public funds shall be made in accordance with the Public Deposit Protection Act (Sections 11-10.5-101 *et seq.*, C.R.S.). As provided therein, the District’s official custodian may deposit public funds in any bank which has been designated by the Colorado Banking Board as an eligible public depository. For purposes of this paragraph, “official custodian” means a designee with plenary authority including control over public funds of a public unit which the official custodian is appointed to serve. The District hereby designates the District’s accountant as its official custodian over public deposits.

26. The Board hereby authorizes the District’s Manager to execute, on behalf of the District, any and all easement agreements pursuant to which the District is accepting or acquiring easements in favor of the District.

(Signatures Begin on Next Page)

ADOPTED AND APPROVED THIS 16th DAY OF NOVEMBER 2023.

LOVELAND MIDTOWN METROPOLITAN DISTRICT

DocuSigned by:
Blaine Rappe
By: 07E2070F07C044E...
Blaine Rappe, President

EXHIBIT A

**Minutes from the
November 21, 2022 and May 10, 2023
Meetings of the Board**

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF LOVELAND MIDTOWN METROPOLITAN DISTRICT HELD November 21, 2022

The Board of Directors (collectively, "Board") of the Loveland Midtown Metropolitan District, ("District") held a special meeting, open to the public, via Zoom/Telephone conference; at 11:00 a.m. on Monday, November 21, 2022. Notice of the meeting was duly posted.

ATTENDANCE

Directors in Attendance:

Blaine Rappe, President
Eric Holsapple, Vice President
Jeff Mere, Director
Vince Ealey, Director

Also in Attendance:

Deborah Early, Esq.; Icenogle Seaver Pogue, P.C.
Andrew Kunkel, Shannon Randazzo, Nicole Wing, Shannon McEvoy,
Dillon Gamber, Teresa Adler, Wendy McFarland, Doug Campbell, Ettie
Arnold, and Christy McCutchen; Pinnacle Consulting Group, Inc.
Chris Johnston; LC Real Estate Group

ADMINISTRATIVE MATTERS

Call to Order/Declaration of Quorum/ Director Disclosure of any Potential Conflicts of Interest/Confirm Location and Notice of Meeting: The meeting was called to order at 11:06 a.m. by Director Rappe, noting that a quorum was present. The directors in attendance confirmed their qualifications to serve.

Ms. Early noted that conflicts of interest for all Board Members were filed with the Office of the Colorado Secretary of State. Ms. Early advised the Board that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Board reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

RECORD OF PROCEEDINGS

Appointment of Director: Ms. Early addressed the Board and provided an overview of the process for appointing interested candidates to the Board noting there is one interested candidate to fill the vacancy on the Board for Loveland Midtown Metropolitan District. Following review and discussion, and upon motion duly made by Director Holsapple, seconded by Director Ealey and, upon vote, unanimously carried, it was

RESOLVED to appoint Chris Johnston to the Board of Directors for Loveland Midtown Metropolitan District.

Election of Officers: The Boards discussed the Election of Officers. Following review and discussion, and upon motion duly made by Director Holsapple, seconded by Director Mere and, upon vote, unanimously carried, it was

RESOLVED to elect the current slate of Officers as listed below.

Blaine Rappe, President
Eric Holsapple, Vice President
Chris Johnston, Secretary/Treasurer
Jeff Mere, Director
Vince Ealey, Director

Agenda: The Board reviewed the agenda. Upon motion duly made by Director Holsapple, seconded by Director Mere and, upon vote, unanimously carried, it was

RESOLVED to approve the agenda, as presented.

April 7, 2022, Special Meeting Minutes: The Board reviewed the April 7, 2022, Special Meeting Minutes. Upon motion duly made by Director Holsapple, seconded by Director Mere and, upon vote, unanimously carried, it was

RESOLVED to approve the April 7, 2022, Special Meeting Minutes, as presented.

RECORD OF PROCEEDINGS

PUBLIC COMMENT

Director Mere stated that the section of fence that was repaired was not up to standard and inquired if the fence repair was put out to bid. Mr. Campbell stated that due to urgency of repairing the fence it was not put out to bid and proposed utilizing insurance to re-stain the fence. Mr. Campbell informed the Board that other vendors will be explored for fence repairs next year. Director Holsapple stated he would like to move forward with utilizing insurance for re-staining the section of fence that was repaired. Mr. Kunkel stated that Pinnacle Consulting Group, Inc. will collaborate with necessary parties to find a solution.

FINANCIAL MATTERS

Payment of Claims: Ms. McFarland reviewed the payment of claims with the Board for the period December 31, 2021, through June 30, 2022, in the amount \$149,017.55 and responded to questions. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Ealey, and upon vote, unanimously carried, it was

RESOLVED to ratify the payment of claims for period ending June 30, 2022, in the amount of \$149,017.55, as presented.

Financial Statements: Ms. McFarland presented the June 30, 2022, Financial Statements to the Board and Responded to questions. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Mere, and upon vote, unanimously carried, it was

RESOLVED to accept the June 30, 2022, Financial Statements as presented.

Discussion Regarding O&M Fees: Ms. McFarland suggested that the District should consider implementing O&M fees. Ms. Adler explained that the general fund balance for 2023 is trending high and in a couple of years there may not be enough in the fund balance to bring in enough revenue into the District to cover expenses. Director Holsapple would like a thorough proposal brought in front of the Board and the Board will consider the implementation of O&M fees.

2022 AMENDED BUDGET HEARING

Director Rappe opened the 2022 Amended Budget Hearing for public comment. It was noted that notice of the hearing had been published in accordance with state budget law. There being no public input, Director Rappe closed the hearing. The Board reviewed the amended 2022 budgets, which detailed estimated revenues and expenditures.

RECORD OF PROCEEDINGS

General Fund: \$155,880

General Fund: \$162,893

Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Mere, and upon vote, unanimously carried, it was

RESOLVED to approve the Resolution to Amend the 2022 Budgets.

2023 BUDGET HEARING

Director Rappe opened the 2023 Budget Hearing to the public. It was reported that notice of the budget hearing had been published in accordance with state budget law on November 8, 2022. There being no public input, the public hearing was closed. The Board reviewed the 2023 budget, which detailed estimated revenues and expenditures with the following mill levies.

Operating Mill Levy is 25.159 mills
General Fund: \$158,215
Debt Service Mill Levy is 20.584 mills
Debt Service Fund: \$118,682

Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Ealey and, upon vote, unanimously carried it was

RESOLVED to approve the Resolutions to Adopt the 2023 Budgets for Loveland Midtown Metropolitan District, Certify the Mill Levies, Appropriate Budgeted Funds and approve all other documents related to the adoption of the 2023 budgets. The District's Manager and Finance and Accounting Manager are authorized to make minor modifications necessary subject to receipt of the final certification of assessed valuation from Larimer County.

MANAGEMENT/ OPERATIONS MATTERS

Manager's Report: Mr. Kunkel, Ms. McCutchen, and Mr. Gamber reviewed the Manager's Report with the Board. Mr. Gamber recommended that the District utilize Mill Brother's for snow removal in 2023.

Discussion Regarding Drainage Easement Agreement: Mr. Campbell reviewed the Drainage Easement Agreement with the Board and responded to questions. The Board Directed Pinnacle Consulting Group, Inc. to collaborate with legal counsel to approach Wal-Mart regarding the Drainage Easement Agreement.

RECORD OF PROCEEDINGS

2023 Master Service Agreements with Operations and Maintenance Service Contractors: Mr. Gamber presented the 2023 Master Service Agreements with Operations and Maintenance Service Contractors to the Boards and answered questions.

- i. Affordable Pest Control
- ii. Amans Painting
- iii. Black Eagle Fence
- iv. Denver Commercial Property Services
- v. E3 Signs
- vi. Fiske Electric
- vii. Foothills Landscape Maintenance
- viii. Green Earth Midwest
- ix. Mill Brothers Landscape Group
- x. Savatree

Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Ealey and, upon vote, unanimously carried it was

RESOLVED to approve the 2023 Master Service Agreements with Operations and Maintenance Service Contractors, upon removal of Green Earth Midwest, Black Eagle Fence, and Foothills Landscape Maintenance.

2023 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2023 Budget: Mr. Gamber requested approval for the district's management team to Execute 2023 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2023 Budget. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Ealey and, upon vote, unanimously carried it was

RESOLVED to Authorize the district's management team to Execute 2023 Work Orders with Approved Operations and Maintenance Service Contractors within the Approved 2023 Budget.

Ratification of Contract Modifications: Mr. Gamber presented the Contract Modifications to the Board and answered questions. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Ealey and, upon vote, unanimously carried it was

RESOLVED to ratify the Contract Modifications as presented.

RECORD OF PROCEEDINGS

Discuss Covenant Enforcement Issues: Covenant

Enforcement/Architectural control Committee Update. Ms. Early reviewed the detailed list of covenant violations at 1903 Sagittarius Dr., in which the resident has not responded to them.

Status on Collection Procedures. Ms. Early informed the Board that legal can no longer enforce covenant violations as they are now being perceived as a collection agency. Ms. Early suggested utilizing Altitude Community Law going forward and that resident at 1903 Sagittarius Dr. should be turned over to collections. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Ealey and, upon vote, unanimously carried it was

RESOLVED to submit resident at 1903 Sagittarius Dr. to collections and to engage Altitude Community Law.

LEGAL MATTERS

2023 Annual Administrative Matters Resolution: Ms. Early presented the 2023 Annual Administrative Matters Resolution to the Board and answered questions. Following review and discussion, upon motion duly made by Director Ealey, seconded by Director Mere and, upon vote, unanimously carried it was

RESOLVED to approve the 2023 Annual Administrative Matters Resolution, as presented.

2023 Meeting Resolution: Ms. Early presented the 2023 Meeting Resolution to the Board and answered questions. Following review and discussion, upon motion duly made by Director Ealey, seconded by Director Holsapple and, upon vote, unanimously carried it was

RESOLVED to approve the 2023 Meeting Resolution as amended to change the time to 10:30 a.m.

2023 Election Resolution: Ms. Early presented the 2023 Election Resolution to the Board and answered questions. Following review and discussion, upon motion duly made by Director Ealey, seconded by Director Holsapple and, upon vote, unanimously carried it was

RESOLVED to approve the 2023 Election Resolution.

DIRECTOR'S ITEMS

There were no Director's Items presented to the Board for consideration.

RECORD OF PROCEEDINGS

OTHER
BUSINESS

There were no Other Business items presented to the Board for consideration.

ADJOURNMENT

Upon a motion by Director Rappe, seconded by Director Holsapple, and upon unanimous vote, the meeting was adjourned at 12:40 p.m.

Respectfully submitted,



Nicole Wing,
Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF LOVELAND MIDTOWN METROPOLITAN DISTRICT HELD May 10, 2023

The Board of Directors (collectively, “Board”) of the Loveland Midtown Metropolitan District, (“District”) held a special meeting, open to the public, via Zoom/Telephone conference; at 10:30 a.m. on Wednesday, May 10, 2023. Notice of the meeting was duly posted.

ATTENDANCE

Directors in Attendance:

Blaine Rappe, President
Eric Holsapple, Vice President
Jeff Mere, Director
Vince Ealey, Director
Chris Johnston, Secretary/Treasurer

Also in Attendance:

Deborah Early, Esq.; Icenogle Seaver Pogue, P.C.
Shannon Randazzo, Elaina Cobb, Shannon McEvoy, Bryan Newby,
Dillon Gamber, Teresa Adler, Wendy McFarland, and Christy
McCutchen; Pinnacle Consulting Group, Inc.

ADMINISTRATIVE MATTERS

Call to Order/Declaration of Quorum/ Director Disclosure of any Potential Conflicts of Interest/Confirm Location and Notice of Meeting: The meeting was called to order at 10:35 a.m. by Ms. Randazzo, noting that a quorum was present. The directors in attendance confirmed their qualifications to serve.

Ms. Early noted that conflicts of interest for Directors Rappe, Holsapple and Johnston were filed with the Office of the Colorado Secretary of State. Ms. Early advised the Board that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Board reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Agenda: The Board reviewed the agenda. Upon motion duly made by Director Rappe, seconded by Director Johnston and, upon vote, unanimously carried, it was

RECORD OF PROCEEDINGS

RESOLVED to approve the agenda, as presented.

November 21, 2022, Special Meeting Minutes: The Board reviewed the November 21, 2022, Special Meeting Minutes. Following review, upon a motion duly made by Director Johnston, seconded by Director Rappe, and upon vote, unanimously carried, it was

RESOLVED to approve the November 21, 2022, Special Meeting Minutes, as presented.

PUBLIC COMMENT

There were no comments made by members of the public.

MANAGEMENT/ OPERATIONS MATTERS

Manager's Report: Ms. Randazzo, Ms. McCutchen, and Mr. Gamber reviewed the Manager's Report with the Board and answered questions.

Discussion Regarding Drainage Easement Agreement: Ms. Early provided an update to the Board on the Walmart Drainage Easement Agreement and answered questions. Mr. Early noted she has been unable to contact a representative from Walmart and stated she will send a certified letter to the corporate office. The Board directed Mr. Gamber to move forward with having Mill Brothers Landscape Group move the grass in the retention pond area.

Ratification of Contract Modifications: Mr. Gamber presented the Contract Modifications Report to the Board and answered questions. Following review and discussion, upon a motion duly made by Director Holsapple, seconded by Director Johnston, and upon vote, unanimously carried, it was

RESOLVED to approve the Contract Modifications Report, as presented.

FINANCIAL MATTERS

Payment of Claims: Ms. Adler reviewed the payment of claims with the Board for the period November 10, 2022, through May 02, 2023, in the amount \$132,687.79 and answered questions. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Johnston, and upon vote, unanimously carried, it was

RESOLVED to ratify the payment of claims for period ending May 02, 2023, in the amount of \$132,687.79, as presented.

Ratification of 2022 Audit Exemption: Ms. Adler requested ratification of the 2022 Application for Exemption from Financial Audit. Following

RECORD OF PROCEEDINGS

review and discussion, upon motion duly made by Director Holsapple, seconded by Director Johnston, and upon vote, unanimously carried, it was

RESOLVED to ratify the 2022 Application for Exemption from Financial Audit.

Financial Statements: Ms. Adler presented the December 31, 2022, Financial Statements to the Board and answered questions. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Johnston, and upon vote, unanimously carried, it was

RESOLVED to accept the December 31, 2022, Financial Statements as presented.

2022 AMENDED BUDGET HEARING

Ms. Randazzo opened the 2022 Amended Budget Hearing for public comment. It was noted that notice of the hearing had been published in accordance with state budget law. The Board reviewed the amended 2022 budgets, which detailed estimated revenues and expenditures.

General Fund: \$172,893

General Fund: \$188,097

There being no public input, Director Rappe closed the hearing. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Mere, and upon vote, unanimously carried, it was

RESOLVED to approve the Resolution to Adopt the Amended 2022 Budget and appropriate funds for the District and authorize such further actions of the officers and consultants necessary to sign related documents and submit and file such documents required to finalize the amended budget.

FINANCIAL MATTERS CONTINUED

Discussion Regarding O&M Fees: Ms. Adler presented a proposal for implementing O&M fees. Ms. Adler explained that the District has continued to use fund balance each year to be able to pay the expenses for the general fund. Based on the 2023 projections the District will not have enough cash by the end of the year to pay the 2024 expenses. Director Holsapple requested this item be tabled until the preliminary assessed valuation is released on August 25th so that the District will know what the expected 2024 property tax revenue will be. Mere requested Pinnacle to look at their costs implementing O&M fees. Mr. McEvoy stated he would look at Pinnacle costs and report back on if there are any adjustments that may be needed.

RECORD OF PROCEEDINGS

LEGAL MATTERS

Altitude Law Update: Ms. Early provided the Board with an update on the collection proposal and fee agreement provided by Altitude Law to assist District management with violations of the covenants. Ms. Early stated Altitude Law would charge the District a Flat Fee for collections and an hourly rate for any additional services provided. Ms. Early stated the District would only need to use them on an as needed basis but recommended allowing them to review the current covenant, conditions and restrictions policy and provide any recommendations they may have for any possible changes. Following review and discussion, upon motion duly made by Director Holsapple, seconded by Director Mere and, upon vote, unanimously carried it was

RESOLVED to approve the engagement of Altitude Law to provide legal assistance with outstanding violations and fees subject to final review by legal counsel.

SB 23-110 – Annual Meeting Requirement: Ms. Early discussed the passage of Senate Bill (SB) 23-110 which requires all special districts organized after January 1, 2000 to hold an annual meeting outside of any currently scheduled meeting, beginning in 2023, to present information on the status of the public improvement in the District and the bonds, to provide a presentation on unaudited financial statements for 2023, and to provide the public to ask questions. No action may be taken this meeting. It was the consensus of the Board to reschedule the current Board meeting scheduled for November 15th at 10:30am to November 16th from 4:00pm to 5:30pm and to hold the newly required annual meeting immediately following from 5:30pm to 6:30pm.

Notice of Claim: Ms. Early informed the Board that the District was named in a claim submitted to several government entities by an individual who claims he drove his vehicle off the side of a frontage in Loveland due to lack of signage. Ms. Early informed the Board the incident did not happen within the boundaries of the District and is not concerned with any liability issues arising. No action was required by the Board.

DIRECTOR'S ITEMS

Director Mere brought to the Board's attention the quality of the fence on Virgo Circle the was replaced last year due to a fire. Director Mere noted the fence is already in poor condition and will need to be replaced soon. Mr. Gamber informed the Board he has inspected the fence and concurs with Director Meres inspection and noted an assessment will occur later in the month and repairs will begin in June.

RECORD OF PROCEEDINGS

OTHER
BUSINESS

There were no Other Business items presented to the Board for consideration.

ADJOURNMENT

Upon a motion by Director Holsapple, seconded by Director Rappe, and upon unanimous vote, the meeting was adjourned at 11:57 p.m.

Respectfully submitted,



For Elaine Cobb,
Secretary for the Meeting