

MINUTES OF THE REGULAR MEETING OF THE BOARD OF
DIRECTORS

OF

HIGHLANDS METROPOLITAN DISTRICT NO. 2

Held: Tuesday, October 12, 2021, at 6:00 p.m.

This meeting was held via teleconference.

Attendance

The regular meeting of the Board of Directors of the Highlands Metropolitan District No. 2, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve on the Board, were in attendance:

Allison Rochester
Gavin Adams
Lloyd Rochester
Devon Schad

Director James Spehalski was absent. All absences are deemed excused unless otherwise noted in these minutes

Also present were Kristin B. Tompkins, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; Diane Wheeler, Simmons & Wheeler, P.C., District Accountant; and John Hostetler, District resident.

Call to Order

Ms. Tompkins noted that a quorum of the Board was present and called the meeting to order.

**Conflict of Interest
Disclosures**

Ms. Tompkins advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Tompkins reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Tompkins noted that only Directors Spehalski and A. Rochester provided a conflict of interest disclosure. No other Board members had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Agenda

Ms. Tompkins presented the proposed agenda to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda, as presented.

Consent Agenda

Ms. Tompkins reviewed the items on the consent agenda with the Board. Ms. Tompkins advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and/or adopted:

- Minutes from May 19, 2021 Special Meeting, with correction to dollar amount on page 4
- Actions related to the conversion of the District's Taxable (Convertible to Tax-Exempt) Limited Tax General Obligation Refunding and Improvement Loan, Series 2021, from taxable to tax-exempt including issuance of Omnibus Certificate of District

Public Comment

Mr. Hostetler inquired as to who is responsible for maintaining Tract A if it is converted into a dog park. The Board noted that Tract A is not District owned so the District has no plans to maintain.

Legal Matters

Consider Adoption of 2022 Annual Administrative Matters Resolution

Ms. Tompkins presented the 2022 Annual Administrative Matters Resolution to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the Resolution.

Consider Adoption of Resolution Designating the Location of Regular Meetings of the Board of Directors

Ms. Tompkins presented the Resolution Designating the Location of Regular Meetings of the Board of Directors to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the Resolution.

Consider Adoption of Resolution Calling for Election

Ms. Tompkins presented the Resolution Calling for Election to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the Resolution Calling for Election, designating the District's website as the second method for providing notice of Call for Nominations.

Financial Matters

Consider Approval of Payables/Financials

Ms. Wheeler presented the Board with the Unaudited Financial Statements for the period ending August 31, 2021. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the Unaudited Financial Statements.

Ms. Wheeler presented the Board with claims for the period of June 14, 2021 through September 29, 2021 in the amount of \$10,529.49 for ratification. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the claims.

Conduct 2021 Budget Amendment Hearing and Consider Adoption of Resolution to Amend 2021 Budget

It was noted no 2021 budget amendment was needed.

Conduct 2022 Budget Hearing and Consider Adoption of Resolution to Adopt 2022 Budget and Set Mill Levies

Director A. Rochester opened the public hearing on the proposed 2022 Budget. Ms. Tompkins noted that the notice of the public hearing was published in accordance with Colorado law in the *Broomfield Enterprise*. No written objections were received prior to the meeting. There being no public comment, the hearing was closed.

Ms. Wheeler reviewed the 2022 Budget and Budget Resolution with the Board.

Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution adopting the 2022 Budget as discussed, appropriating funds therefore, and certifying 5.000 mills in the general fund and 45.000 mills in the Debt Service Fund. The Board noted that the 2021 Loan Refinancing resulted in an approximate 10.500 mills reduction.

The Board directed legal counsel and the District's accountant to certify the mill levies by December 15, 2021 and file the 2022 Budget by January 30, 2022.

Other Financial Matters

None.

Other Business

None.

Adjournment

There being no further business to come before the Board and following discussion and upon motion duly made and seconded, the Board determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting

Lloyd Rochester
Lloyd Rochester (Oct 21, 2022 12:40 MDT)

Officer of the District

The foregoing minutes were approved by the Board of Directors on the 11th day of October, 2022.