

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CITYSET METROPOLITAN DISTRICT NO. 2 HELD NOVEMBER 16, 2022

A Regular Meeting of the Board of Directors (hereinafter referred to as the “Board”) of CitySet Metropolitan District No. 2 (hereinafter referred to as the “District”) was held on Wednesday, November 16, 2022, at 9:30 a.m. This District Board Meeting was held by conference call without any individuals (neither district representatives nor the general public) attending in person. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Jason Gaede
Mark Hays
William G. Martinic

Following discussion, upon motion made by Director Gaede, seconded by Director Hays and, upon vote, unanimously carried, the absence of Director Ashley Dimond was excused.

Also In Attendance Were:

Peggy Ripko; Special District Management Services, Inc. (“SDMS”)

Paula Williams, Esq.; McGeady Becher P.C.

Kimberly Johanns; Simmons & Wheeler, P.C.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure 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 and to the Secretary of State. Ms. Ripko noted that a quorum was present and requested members of the Board to 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. No new conflicts of interest were disclosed, and Attorney Williams reported that all Directors’ Disclosure Statements had been filed by the statutory deadline.

ADMINISTRATIVE MATTERS

Agenda: The Board reviewed the proposed Agenda for the District’s Regular Meeting.

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Following discussion, upon motion made by Director Gaede, seconded by Director Hays and, upon vote, unanimously carried, the Board approved the Agenda, as amended.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, upon motion duly made by Director Gaede, seconded by Director Hays and, upon vote, unanimously carried, the Board determined that the District Board meeting was held, and properly noticed to be held, via Zoom. The Board further noted that notice providing the Zoom information was duly posted and that it had not received any objections or any requests that the means of hosting the meeting be changed by tax paying electors within the District's boundaries.

Minutes: The Board reviewed Minutes of the June 15, 2022 Regular Meeting.

Following discussion, upon motion duly made by Director Gaede, seconded by Director Hays and, upon vote, unanimously carried, the Minutes of the June 15, 2022 Regular Meeting were approved, as presented.

Resignation and Appointment of Secretary to the Board: The Board considered the resignation of David Solin as Secretary to the Board and the appointment of Peggy Ripko as Secretary to the Board.

Following discussion, upon motion duly made by Director Gaede, seconded by Director Martinic and, upon vote, unanimously carried, the Board acknowledged the resignation of David Solin as Secretary to the Board and appointed Peggy Ripko as Secretary to the Board.

Resolution No. 2022-11-01; Establishing 2023 Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices: The Board discussed Resolution No. 2022-11-01; Establishing 2023 Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Hays and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-01; Establishing 2023 Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices. The Board scheduled regular meetings for June 12, 2023 and November 15, 2023 at 9:30 to be held via Zoom.

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§32-1-809, C.R.S. Reporting Requirements, Mode of Eligible Elector Notification for 2023: The Board entered into discussion regarding §32-1-809, C.R.S. Transparency Notice reporting requirements and mode of eligible elector notification for 2023.

Following discussion, the Board directed staff to post the required information to the Special District Association website, and the District’s website, satisfying the statutory requirement.

District Website: Ms. Ripko reported that the District website, <https://citysetmd2.colorado.gov>, is operational.

PUBLIC COMMENT

There was no public comment.

FINANCIAL MATTERS

Claims: The Board reviewed and considered ratifying approval of payment of claims for the periods ending as follows:

Fund	Period Ending June 16, 2022	Period Ending July 12, 2022	Period Ending Aug. 11, 2022	Period Ending Sept. 13, 2022
General	\$ 42,915.46	\$ 6,936.78	\$ 16,193.24	\$ 12,360.88
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 42,915.46	\$ 6,936.78	\$ 16,193.24	\$ 12,360.88

Fund	Period Ending Oct. 13, 2022
General	\$ 7,207.81
Debt Service	\$ -0-
Capital Projects	\$ -0-
Total Claims	\$ 7,207.81

Following review, upon motion duly made by Director Gaede, seconded by Director Martinic and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

Unaudited Financial Statements: Ms. Johanns reviewed the unaudited financial statements through the period ending September 30, 2022. It was noted that the District has received invoices for valet services but there is no signed contract for these services with the District. The Board directed that these invoices not be paid. The developer will contact the hotel management regarding payment of these invoices.

Following review and discussion, upon motion duly made by Director Gaede, seconded by Director Hays and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2022.

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2022 Audit: The Board discussed the proposal from Haynie & Company for 2022 audit services for an amount not to exceed \$8,300.

Following review and discussion, upon motion duly made by Director Gaede, seconded by Director Hays and, upon vote, unanimously carried, the Board approved the engagement of Haynie & Company to perform the 2022 audit for an amount not to exceed \$6,100 and directed Ms. Johanns to prepare the financials for a savings to the District.

2022 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2022 Budget.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2022 Budget and the date, time, and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

Following review and discussion, Director Gaede moved to adopt the Resolution to Amend 2022 Budget, Director Hays seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-02 to Amend the 2022 Budget.

2023 Budget Hearing: The President opened the public hearing to consider the proposed 2023 Budget.

It was noted that publication of Notice stating that the Board would consider adoption of the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Ms. Johanns reviewed the estimated 2022 expenditures and the proposed 2023 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2022-11-03 to Adopt the 2023 Budget and Appropriate Sums of Money. Upon motion duly made by Director Hays, seconded by Director Martinic and, upon vote, unanimously carried, Resolution No. 2022-11-03 to Adopt the 2023 Budget and Appropriate Sums of Money was adopted, as discussed, and execution of the Certification of Budget and Certification of Zero (0.000) Mill Levies was authorized, prior to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2022. Ms. Ripko was authorized to transmit the Certification of Budget to the Division of Local Government not later than January 31, 2023.

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DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Gaede, seconded by Director Hays and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

2024 Budget Preparation: The Board entered into discussion regarding appointing the District Accountant to prepare the 2024 Budget and setting the date for a Public Hearing to adopt the 2024 Budget for November 15, 2023.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Gaede and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget; directed that the form of the 2024 draft budget be the same as the 2023 adopted budget unless a Board Member provides input to adjust those assumptions, and set the date for a Public Hearing to adopt the 2024 Budget for November 15, 2023.

LEGAL MATTERS

2023 Operation Funding Agreement between the District and Oxbridge Properties, Inc.: The Board reviewed the 2023 Operation Funding Agreement between the District and Oxbridge Properties, Inc.

Following review and discussion, upon motion duly made by Director Gaede, seconded by Director Martinic and, upon vote, unanimously carried, the Board ratified approval of the 2023 Operation Funding Agreement between the District and Oxbridge Properties, Inc.

Resolution Calling May 2, 2023 Regular Election: The Board discussed Resolution No. 2022-11-04; Resolution Calling a Regular Election for Directors on May 2, 2023, appointing the Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Hays and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-04; Resolution Calling a Regular Election for Directors on May 2, 2023, appointed Peggy Ripko as the DEO and authorized the DEO to perform all tasks required for the conduct of a mail ballot election.

PROJECTS OPERATIONS/ MAINTENANCE/ CAPITAL REPAIRS

Landscape Maintenance Matters: Ms. Ripko updated the Board on the status of landscape maintenance matters.

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Service Agreement for Landscape Maintenance Services between the District and Brightview Landscape Services, Inc. (“Brightview”): Ms. Ripko reported that the account manager at Brightview has changed, and she is trying to obtain proposals. The Board deferred discussion of this item.

Service Agreement for Snow Removal Services between the District and Brightview: The Board reviewed the Service Agreement for Snow Removal Services between the District and Brightview.

Following review and discussion, upon motion duly made by Director Martinic seconded by Director Gaede and, upon vote, unanimously carried, the Board approved the Service Agreement for Snow Removal Services between the District and Brightview.

District Services for 2023: Ms. Ripko reported that no other services are needed for 2023 at this time.

OTHER MATTERS

There were no other matters for discussion.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded and upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By



Secretary for the Meeting