

RECORD OF PROCEEDINGS

MINUTES OF THE COMBINED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF THE SEVERANCE SHORES METROPOLITAN DISTRICTS NOS. 1-4 TOWN OF SEVERANCE, WELD COUNTY, COLORADO

HELD: Friday, November 15, 2019 at 12:30 p.m. at Journey Homes, 7251 20th Street, L-200, Greeley, Colorado

ATTENDANCE:

A combined special meeting of the Boards of Directors (collectively, the "Board") of the Severance Shores Metropolitan District Nos. 1 - 4 (collectively, the "District") was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

In attendance were Directors:

Larry Buckendorf - President
Laira Ziegler – Secretary/Treasurer
Morgan Kidder - Assistant Vice-President/Secretary/Treasurer
Darrell McAllister – Assistant Vice-President/Secretary/Treasurer

The absence of Director Schumacher was excused.

Also present were:

Cathy Fromm and Megan Holmberg, Fromm & Company LLC
David S. O'Leary, Spencer Fane LLP

CALL TO ORDER:

Mr. Buckendorf called the meeting to order at 12:40 p.m., noted that a quorum of the Board was present, and confirmed qualification of the Directors to serve on the Board.

DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:

Mr. O'Leary discussed the state law requirements for disclosure of potential conflicts of interest with the directors, noting that completed disclosure statements must be filed for each of the Directors with the Secretary of State and the Secretary of the District at least 72 hours prior to a meeting in which a potential conflict may arise. The Board noted that general disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State. Mr. O'Leary advised the Board that, pursuant to Colorado law, certain disclosures may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which they confirmed the contents of written disclosures previously made by the directors, stating the fact and summary nature of any matters, as required by Colorado law, to permit official action to be taken at the meeting.

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APPROVAL OF THE AGENDA:

The Board reviewed the agenda. Upon motion duly made by Director McAllister, seconded by Director Kidder, and unanimously carried, the Board approved the agenda as presented. Mr. O'Leary reported that the meeting notice and agenda had been posted to the district website at www.frommco.us/client-ssmd.html, at least 24 hours prior to the meeting, pursuant to Statute.

APPROVAL OF MINUTES:

The Board reviewed the Minutes of the special meeting held on August 12, 2019. Upon motion duly made by Director McAllister, seconded by Director Ziegler, and unanimously carried, the Board approved the Minutes as presented.

FINANCIAL ITEMS:

a. Payment of Claims. Ms. Fromm presented the listing of claims to be ratified in the amount of \$5,412.10 and represented by check numbers 01019 through 01024. Ms. Fromm presented the current listing of claims in the amount of \$14,538.90 and represented by check numbers 01025 through 01029. Upon motion made by Director Kidder, seconded by Director McAllister and unanimously carried, the Board approved the payables for ratification and current claims as presented, in the total amount of \$19,951.

b. Financial Statements. Ms. Fromm presented the financial statements dated September 30, 2019 to the Board. Discussion ensued regarding the certification of costs. Upon motion duly made by Director Kidder, seconded by Director Ziegler, and unanimously carried, the Board accepted and approved the financial statements as presented.

c. 2019 Audit Items. Discussion ensued. Ms. Fromm reported that audit exemptions would be filed for the 2019 year and that the District would pursue the certification of costs and a bond issuance in 2020.

PUBLIC HEARINGS ON 2019 BUDGET AMENDMENT AND 2020 BUDGETS:

Mr. O'Leary noted that proper publication had been made in order to allow the District to hold public hearings on the 2019 budget amendments and 2020 budgets. Mr. Buckendorf opened the public hearing. There being no public present to comment, the public hearing was closed. Ms. Fromm presented the 2020 budgets and discussion ensued regarding district fees, lot build-out and the current builders within the District. Ms. Fromm agreed to update the budgets with revised numbers, as requested. Mr. O'Leary requested that the Board consider approval of both the 2019 Amendment and 2020 Budget Resolutions. Upon motion made by Director McAllister, seconded by Director Kidder and unanimously carried, the Board approved the Resolutions as presented,

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amending the 2019 Budgets, approving the 2020 Budgets, certifying mill levies and appropriating expenditures within the 2020 year.

LEGAL ITEMS:

- a. Amended IGA with the Town of Severance. Mr. O'Leary presented the Amended IGA to the Board, noting a potential bond issuance. Discussion ensued. Upon motion made by Director Kidder, seconded by Director McAllister and unanimously carried, the Board approved the Amended IGA, as presented, pending final review.
- b. 2020 Election Resolution. Mr. O'Leary presented the Resolution noting that five positions would be open for the 2020 election. Upon motion duly made by Director Kidder, seconded by Director McAllister and unanimously carried, the Board approved the 2020 Election Resolution as presented.
- c. 2020 Administrative Matters Resolution. Mr. O'Leary presented the Resolution noting the engagement of all district consultants and transparency notice updates. Upon motion made by Director Kidder, seconded by Director McAllister and unanimously carried, the Board approved the 2020 Administrative Matters Resolution as presented.
- d. Exclusion of Worker's Compensation Insurance. Mr. O'Leary requested that the Board approve the ongoing Waiver of Worker's Compensation. Upon motion made by Director Kidder, seconded by Director McAllister and unanimously carried, the Board approved the continual Waiver as requested.
- e. Resolution re Colorado Open Records Act (CORA). Mr. O'Leary noted the change to the fee that can be charged, pursuant to the Colorado Open Records Act and requested that the Board consider approval of the current CORA Resolution. Upon motion made by Director Kidder, seconded by Director McAllister and unanimously carried, the Board approved the Resolution as presented.
- f. Resolution re Data Privacy Policy. Mr. O'Leary presented the Resolution to the Board and discussion ensued regarding data privacy. Upon motion made by Director Kidder, seconded by Director McAllister and unanimously carried, the Board approved the Data Privacy Policy Resolution as presented.

OTHER MATTERS:

Discussion ensued regarding acceptance letters from the Town of Severance and the Amended IGA. Director Ziegler agreed to follow-up on both.

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PUBLIC COMMENT:

There was none.

ADJOURNMENT:

There being no further business to come before the Board and upon motion made by Director Kidder, seconded by Director McAllister and unanimously carried, the meeting was adjourned at 1:02 p.m.

The foregoing Minutes constitute a true and correct copy of the Minutes of the above-referenced combined meeting and were approved by the Boards of Directors of the Severance Shores Metropolitan District Nos. 1 - 4.

Respectfully Submitted,



Secretary for the Meeting