

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE LOST CREEK FARMS METROPOLITAN DISTRICT

HELD: Tuesday, November 3, 2020, at 6:00 p.m.

All participation in this meeting was via telephone/videoconference to preserve the health, safety and welfare of the public in light of the imminent threat caused by the COVID -19 Pandemic

MEETING ID: Dial- in number: 1669-900-9128; Access Code: 188624

ATTENDANCE:

A special meeting of the Board of Directors of the Lost Creek Farms Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; a conference telephone was in use at the meeting location in compliance with C.R.S. 11-57-211 and 24-6-402-(1)(b), with the following directors present and acting:

David B. Ware (by videoconference/phone)
David M. Spahr (by videoconference/phone)
Brian Greenman (by videoconference/phone)
Patrick J. Murphy (by videoconference/phone)
Rick Goldmeyer (by videoconference/phone)

Also, present via telephone/videoconference: Angela Elliott, District Manager, Teleos Management; Diane Wheeler, Simmons and Wheeler, Accountant for the District; Shannon Smith Johnson, Icenogle Seaver Pogue, PC, Legal Counsel for District; and, members of the public (by videoconference/phone).

CALL TO ORDER:

On behalf of the Board, District Counsel Johnson, noting the presence of a quorum, called the special meeting of the Board of Directors of the Lost Creek Farms Metropolitan District to order at 6:06 p.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

Ms. Johnson advised the Board that pursuant to Colorado Law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Board then reviewed the agenda for the meeting, following which each Board member confirmed the contents of any 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.

Director David Ware disclosed his interests and association with McStain Constructors, LLC, MC3 Holdings LLC and LCFI, LLC and LCF Erie, LLC, and an interest in real property within the boundaries of the District. This disclosure is associated with approval of items on the agenda that may affect his interest.

Directors Murphy disclosed their interests and association with McStain Constructors, LLC and an interest in real property within the boundaries of the District. This disclosure is associated with approval of items on the agenda that may affect their interests.

Director Spahr disclosed his interests and association with McStain Constructors, LLC, and LCFI, LLC including a loan to LCFI, LLC, and an interest in real property within the boundaries of the District. This disclosure is associated with approval of items on the agenda that may affect his interest.

Director Greenman disclosed his interests and association with McStain Constructors, LLC, MC3 Holdings LLC and LCFI, LLC and LCF Erie, LLC, and an interest in real property within the boundaries of the District. This disclosure is associated with approval of items on the agenda that may affect his interest.

Written disclosures of these interests had been filed with the Secretary of State and the Board prior to the meeting.

APPROVE AGENDA:

Upon motion duly made, seconded and unanimously carried, the Board approved the agenda.

PUBLIC COMMENT FOR MATTERS NOT ON AGENDA: None.

APPROVAL OF MINUTES:

The Board reviewed the minutes of the special meeting held by the Board of Directors of Lost Creek Farms Metropolitan District on June 2, 2020.

Following discussion and upon motion duly made by Director Greenman, seconded by Director Goldmeyer, upon vote and unanimously carried, the Board approved the minutes and authorized Director Spahr to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

FINANCIAL MATTERS:

A. Approval and Ratification of Payment of Claims. District Accountant Wheeler presented the payment of claims, check #'s 1072 through #1081 for ratification in the amount of \$13,789.52 for the period July 2020 through October 7, 2020.

Following discussion, upon motion made Director Greenman, seconded by Director Ware, upon vote and unanimously carried, the Board ratified the payments of claims #1072 through #1081 in the amount of \$13,789.52.

B. Financial Statements. District Accountant Wheeler presented the financial statements ending September 30, 2020. The General Fund as of September 30, 2020, was \$4,992; \$278,585.00 in the debt fund to make bond payments.

District Accountant Wheeler noted that the developer advance of \$4449 has been paid. A Bond interest payment of \$37,231 was paid on June 1 and will be paid on December 1, 2020.

Following discussion, upon motion made by Director Greenman, seconded by Director Murphy, and upon vote, the Board accepted the financial statement as presented.

C. Conduct Public Hearing on the proposed 2021 Budget and consider adoption of Resolution to adopt the 2021 Budget, Set Mill Levies, Appropriate Sums of Money and Certify Mill Levies.

Upon motion duly made by Director Greenman, seconded by Director Murphy, upon vote and unanimously carried, the Board authorized District Counsel Johnson to open the public hearing.

On behalf of the Board, District Counsel Johnson opened the public hearing to consider the proposed 2021 Budget and discuss related issues.

It was noted that the publication of Notice stating that the Board would consider adoption of the 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 comments were made, and upon motion duly made by Director Greenman, seconded by Director Murphy, and upon vote unanimously carried, the Board approved closing the public hearing and the public hearing was closed.

Discussion followed that closings did not occur as anticipated for 2020, therefore an audit for the 2021 will be required. Previous year the District was limited to \$25,000 transfer

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to General Fund from Debt Service Fund but now limited to \$15,000 for 2021 and the District will depend on a developer advance for the upcoming year.

Following discussion, the Board considered the adoption of the Resolution to adopt the 2021 Budget, Set Mill Levies, Appropriate Sums of Money and Certify Mill Levies for the District. Upon motion duly made by Director Greenman, seconded by Director Murphy, and upon vote, unanimously carried, the District (1) approved the 2021 budget, (2) approved the appropriation and expenditure of funds as detailed therein, (3) certified a mill levy of 50.873 mills to be certified by the District for collection in 2021, (4) authorized Director Ware as President to sign the necessary documentation, and (5) directed District Accountant Wheeler to submit the certification of tax levy to the Board of County Commissioners of Boulder County no later than December 15, 2020, and District Manager Elliott to file the 2021 budget with the Division of Local Government prior to January 30, 2021.

D. Conduct Public Hearing on Amendment to the 2020 Budget and consider adoption of Resolution to adopt the Amended 2020 Budget, if necessary.

Upon motion duly made by Director Greenman, seconded by Director Murphy, upon vote and unanimously carried, the Board authorized District Counsel Johnson to open the public hearing

On behalf of the Board, District Legal Counsel Johnson opened the public hearing to consider the proposed Amendment to the 2020 Lost Creek Farms Metropolitan District Budget and discuss related issues.

It was noted that the publication of Notice stating that the Board would consider a second amendment to the 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 comments were made, and upon motion duly made by Director Greenman, seconded by Director Murphy, and upon vote unanimously carried, the Board approved closing the public hearing and the public hearing was closed.

Following discussion, the Board considered the Resolution for the Amendment to the 2020 General Fund from \$25,000 to \$30,000.00.

Upon motion duly made by Director Ware, seconded by Director Greenman, upon vote and unanimously carried, the District adopted the Resolution for the Amendment to the 2020 Budget for the General Fund as stated above.

E. Audit Fee Agreement.

District Accountant Wheeler discussed the District has not received the proposal to engage WIPFLI for preparing the 2020 audit.

Following discussion, upon motion made by Director Ware, seconded by Director Greenman, and upon vote unanimously carried, the Board approved the engagement of WIPFLI for preparing the 2020 audit, at a fee not to exceed \$4,250.00.

F. Discussion and possible action for Bill.com.

District Accountant Wheeler discussed utilizing Bill.com to expedite payment of claims electronically eliminating the need to mail out checks for signature on a monthly basis.

District Accountant Wheeler suggested that this item be tabled to next year for further experience with other districts and if it is a cost savings to Lost Creek Farms Metropolitan District.

LEGAL ITEMS: None.

Consider the adoption of CORA. District Counsel Johnson discussed the Resolution designating an official custodian of the records, adopting a records retention schedule, and setting a fee per hour to research and retrieve the documents, among other items.

Following discussion, upon motion duly made by Director Greenman, seconded by Director Murphy, and upon vote unanimously carried, the Board adopted the Resolution Adopting for CORA.

Consider adoption of Rules related to CORA request.

District Counsel Johnson discussed the rules and specific fees and time frames to respond to CORA requests.

Following discussion, upon motion duly made by Director Greenman, seconded by Director Goldmeyer, and upon vote unanimously carried, the Board adopted the Rules related to CORA request.

DIRECTOR ITEMS: None.

MANAGER ITEMS:

A. 2021 MEETING DATES/TIMES:

District Counsel Johnson suggested to the Board meeting dates for 2021. District Accountant Wheeler suggested to the Board to consider holding only one meeting in 2021, the 3rd Tuesday of September, at 6:00 p.m. at a location suitable to the Board.

Following discussion and upon motion duly made by Director Greenman, seconded by Director Murphy, and upon vote unanimously carried, the Board approved the above meeting date, time, and location.

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B. Consider the adoption of the 2021 Annual Administrative Report

Manger Elliott presented the Resolution concerning 2021 Annual Administrative Matters for Manager, Accountant, Legal Counsel and Bond Counsel to perform certain tasks on a recurring basis in the operation of the District.

The Board discussed all officers would remain the same; posting place and newspaper remain the same; and the meeting location to be identified as a suitable to the Board. The Online posting of meeting notices was discussed and will be utilized.

Following discussion and upon motion duly made by Director Greenman, seconded by Director Murphy, and upon vote unanimously carried, the Board adopted the 2021 Administrative Resolution

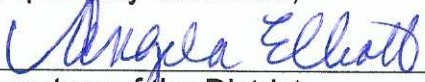
OTHER BUSINESS: None

ADJOURNMENT:

There being no further business to come before the Board, upon motion made by Director Ware, seconded by Director Greenman, and upon vote unanimously carried, the Board adjourned at 6:39 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of the Lost Creek Farms Metropolitan District.

Respectfully submitted,



Secretary of the District