

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
HOMETOWN METROPOLITAN DISTRICT NO. 2 (THE “DISTRICT”)
HELD
OCTOBER 23, 2023**

A regular meeting of the Board of Directors of Hometown Metropolitan District No. 2 (referred to hereafter as “Board”) was convened on Monday, October 23, 2023, at 9:00 a.m. This District Board meeting was held via Zoom videoconference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Audrey Spaen, President
Matt Smith, Secretary/Treasurer

Also In Attendance Were:

Suzanne Meintzer, Esq., Jay Morse, Esq. and Lisa Jacoby; McGeady Becher P.C.
Cathy Hamilton; Simmons & Wheeler, P.C.

ADMINISTRATIVE MATTERS

Confirm Quorum and Present Disclosures 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 of Directors and to the Secretary of State. Ms. Jacoby 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 additional disclosures of potential conflicts were made.

Agenda:

The Board reviewed the proposed Agenda for the District’s regular meeting. Following discussion, upon motion duly made by Director Spaen, seconded by Director Smith, and upon vote unanimously carried, the Board approved the Agenda.

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 Spaen, seconded by Director Smith, and upon vote unanimously carried, the meeting was conducted via Zoom videoconference. The Board noted that notice of this meeting and meeting videoconference information was duly posted, and the Board had not received any objections to the Zoom meeting or any requests that the meeting be changed by taxing electors within the District’s boundaries.

Designation of 24-Hour Posting Location:

Following discussion, upon motion duly made by Director Spaen, seconded by Director Smith, and upon vote unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted on the District's website and within the boundaries of the District at least 24-hours prior to each meeting at the following location: bank of mailboxes within the District.

May 3, 2023 Election:

Ms. Jacoby reported that the Designated Election Official cancelled the May 2, 2023 Director's election, as allowed under Colorado law, because there were not more candidates than positions available on the Board of Directors. There are three vacancies on the Board with terms ending in May 2027.

Board Vacancies:

The Board discussed the vacancies on the Board of Directors and noted that no qualified eligible elector candidate has approached with interest in serving.

Appointment of Officer Positions:

The Board determined to maintain the current slate of officers, with Director Spaen as President and Director Smith as Treasurer/Secretary.

The Board requested Ms. Hamilton ensure that Director Smith was added to Bill.com as a reviewer.

Public Comment:

There was no public comment.

Minutes:

The Board reviewed the Minutes of the October 24, 2022 regular meeting. Following discussion, upon motion duly made by Director Spaen, seconded by Director Smith, and upon vote unanimously carried, the Board approved the Minutes from the October 24, 2022 regular meeting.

2024 Insurance:

Ms. Jacoby discussed the status of the District's insurance and presented information related to Cyber Security and Crime coverage.

Following discussion, the board directed Ms. Jacoby to obtain a quote for \$50,000 in crime coverage, and authorized the Board to make a determination via email, regarding an increase to crime coverage. The Board determined not to establish an insurance committee. The Board authorized renewal of the District's insurance and Special District Association membership for 2024.

Resolution No. 2023-10-01 Establishing 2024 Meeting Dates, Time, Location, and Designating 24-Hour Notice Posting Location:

The Board discussed the business to be conducted in 2024 and determined to schedule a regular meeting for October 21, 2024, at 9:00 a.m., to be held virtually (via electronic means).

Following discussion, upon motion duly made by Director Spaen, seconded by Director Smith, and upon vote unanimously carried, the Board adopted Resolution No. 2023-10-01 Establishing 2024 Meeting Dates, Time, Location, and Designating 24-Hour Notice Posting Location.

It was noted that in addition to website posting, the Board would like to continue posting a paper copy of meeting notices at the mailboxes.

District's Website:

Ms. Jacoby confirmed that the District's website was functional and met statutory requirements. Director Spaen felt that the information currently posted was "fantastic", but felt that additional information could be provided on the website. Discussion ensued regarding additional desired information and Ms. Jacoby noted she would follow up with Director Spaen following the meeting to determine specifics.

FINANCIAL MATTERS

Payment of Claims:

Ms. Hamilton presented the claims to be ratified and approved, as appropriate.

Following discussion, upon motion duly made by Director Spaen, seconded by Director Smith, and upon vote unanimously carried, the Board ratified approval of the payment of claims in the amount of \$6,500 for the 2022 Audit; \$16,709.53 for the period ending 2022; and, \$15,584.56 for the period ending September 30, 2023.

Unaudited Financial Statements:

Ms. Hamilton reviewed the unaudited financial statements dated June 30, 2023. Following review, upon motion duly made by Director Spaen, seconded by Director Smith, and upon vote unanimously carried, the Board accepted the unaudited financial statements dated June 30, 2023.

2022 Audit:

Ms. Hamilton presented the 2022 Audit. Following discussion, upon motion duly made by Director Spaen, seconded by Director Smith, and upon vote unanimously carried, the Board ratified approval of the 2022 Audit.

Discussion ensued regarding the cost of the 2022 Audit exceeding 10% of the cost of the 2020 Audit. Director Spaen requested Simmons & Wheeler inquire with the Auditors about a reduced price, due to the small size of the District and limited activity.

2023 Audit Exemption:

The Board directed the District Accountant to prepare the Application for Exemption from 2023 Audit.

2023 Budget Amendment Hearing:

The President opened the public hearing to consider amendment to the 2023 Budget.

It was noted that Notice stating that the Board would consider amending the 2023 Budget and the date, time and place of the public hearing was published in a newspaper having general circulation within the District, in accordance with statutory requirements. No written objections were received prior to the public hearing.

No public comments were received during the hearing, and the public hearing was closed.

It was noted that a 2023 Budget amendment was not necessary.

2024 Budget Hearing:

The President opened the public hearing to consider the proposed 2024 Budget and discuss related issues.

It was noted that Notice stating that the Board would consider adoption of the 2024 Budget and the date, time and place of the public hearing was published in a newspaper having general circulation within the District, in accordance with statutory requirements. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

Ms. Hamilton reviewed the estimated 2023 expenditures and anticipated 2024 revenues and expenditures with the Board.

Following discussion, the Board considered the adoption of Resolution No. 2023-10-02 to Adopt the 2024 Budget and Appropriate Sums of Money and Resolution No. 2023-10-03 to Set Mill Levies (11.369 mills for the General Fund and 22.739 mills for the Debt Service Fund, for a total of 34.108 Mills). Upon motion duly made by Director Spaen and seconded by Director Smith, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County. District Counsel was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners. District Counsel was also authorized to transmit the Certification of Budget to the Division of Local Government.

Resolution Authorizing the Adjustment of the District Mill Levy in Accordance with the District's Service Plan:

The Board determined that adoption of the Mill Levy Adjustment Resolution was not necessary.

DLG-70 Mill Levy Certification:

Following discussion, upon motion duly made by Director Spaen, seconded by Director Smith, the Board authorized the District Accountant to prepare and sign and file the DLG-70 mill levy certification form, for certification to the Board of County Commissioners and other interested parties.

2025 Budget Preparation:

Following discussion, upon motion duly made by Director Spaen, seconded by Director Smith, the Board appointed Simmons & Wheeler, P.C. to prepare the 2025 Budget.

LEGAL MATTERS

Transparency Notice Required Under Section 32-1-809, C.R.S.:

The Board directed District Counsel to post the required notice on the Special District Association website and the District's website.

Resolution No. 2023-10-04 Amending Policy on Colorado Open Records Act Requests ("CORA"):

Due to new legislation enacted in 2023, a change in the District's CORA policy was required. Following discussion, upon motion duly made by Director Smith, seconded by Director Spaen, and upon vote unanimously carried, the Board adopted Resolution No. 2023-10-04 Amending Policy on Colorado Open Records Act Requests.

OTHER BUSINESS

Board Member Items:

There were no other Board Member items to discuss.

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: *Matt Smith*
Secretary for the Meeting