

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
HOMETOWN METROPOLITAN DISTRICT NO. 2 (THE “DISTRICT”)
HELD
OCTOBER 24, 2022

A regular meeting of the Board of Directors of Hometown Metropolitan District No. 2 (referred to hereafter as “Board”) was convened on Monday, October 24, 2022, at 9:00 a.m. This District Board meeting was held via Zoom videoconference and telephone. 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. 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. Director Spaen disclosed that she no longer serves on the Board of the Hometown Community Homeowners Association, Inc. (the “HOA”).

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 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 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 taxpaying electors within the District’s boundaries.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly

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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 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, 2022 Election: Ms. Jacoby reported that the Designated Election Official cancelled the May 3, 2022 Director's election, as allowed under Colorado law, because there were not more candidates than positions available on the Board of Directors. Directors Spaen and Smith were each elected by acclamation to respective 3-year terms ending May, 2025.

The Board discussed the 2023 election self-nomination process. No action was taken.

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 officer position status.

Public Comment: There was no public comment.

Minutes: The Board reviewed the Minutes of the October 25, 2021 special 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, 2021 special meeting.

District Insurance: The Board discussed renewal of insurance and Special District Association ("SDA") Membership for 2023. Following discussion, upon motion duly made by Director Spaen, seconded by Director Smith, and upon vote unanimously carried, the Board approved the renewal of the District's insurance including General Liability and Workers' Compensation coverage and the SDA Membership.

Resolution No. 2022-10-01 Establishing 2023 Meeting Dates, Time, Location, and Designating 24-Hour Notice Posting Location: The Board discussed the business to be conducted in 2023 and determined to schedule a regular meeting for October 23, 2023 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. 2022-10-01 Establishing 2023 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

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posting a paper copy of meeting notices at the mailboxes.

Transparency Notice Required Under Section 32-1-809, C.R.S.: Ms. Jacoby informed the Board of the required transparency notice 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.

District Website: It was noted that the website would be ready for public use by January 1, 2023, as required under new legislation.

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 \$26,113.02, represented by check numbers 1190 – 1208.

The Board discussed implementing Bill.com for processing of invoices. Following discussion, upon motion duly made by Director Spaen, seconded by Director Smith, and upon vote unanimously carried, the Board directed Ms. Hamilton to implement Bill.com for processing invoice payments, and authorized Director Smith as the primary signer, with Director Spaen as the alternative signer.

Unaudited Financial Statements: Ms. Hamilton reviewed the unaudited financial statements dated June 30, 2022. 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, 2022.

2021 Audit Exemption: Following discussion, upon motion duly made by Director Spaen, seconded by Director Smith, and upon vote unanimously carried, the Board ratified approval of the 2021 Audit Exemption.

2022 Audit Preparation: Following discussion, upon motion duly made by Director Spaen, seconded by Director Smith, and upon vote unanimously carried, the Board approved engagement of Wipfli, LLP to perform the 2022 Audit, for an amount not to exceed 10% over the 2020 Audit cost.

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

It was noted that Notice stating that the Board would consider amending the 2022 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

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requirements. No written objections were received prior to the public hearing.

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

It was noted that a 2022 Budget amendment was not necessary.

2023 Budget Hearing: The President opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that Notice stating that the Board would consider adoption of 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, and the public hearing was closed.

Ms. Hamilton reviewed the estimated 2022 expenditures and anticipated 2023 revenues and expenditures with the Board.

Following discussion, the Board considered the adoption of Resolution No. 2022-10-02 to Adopt the 2023 Budget and Appropriate Sums of Money and Resolution No. 2022-10-03 to Set Mill Levies at 30.000 mills (10.000 mills for the General Fund and 20.000 mills for the Debt Service Fund). 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 on or before December 10, 2022. Legal Counsel was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners not later than December 15, 2022. Legal Counsel was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2023.

Resolution Authorizing the Adjustment of the District Mill Levy in Accordance with the District's Service Plan: The Board discussed the proposed Resolution Authorizing the Adjustment of the District Mill Levy in Accordance with the District's Service Plan. Following discussion, 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 the DLG-70 mill levy certification form, for certification to the Board of County Commissioners and other interested parties and for General Counsel to transmit same.

2024 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 2024 Budget.

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LEGAL
MATTERS

Resolution No. 2022-10-04 Calling May 2, 2023 Election: Attorney Meintzer discussed new election notification requirements.

Following discussion, upon motion duly made by Director Smith, seconded by Director Spaen, and upon vote unanimously carried, the Board adopted Resolution No. 2022-10-04 to Call the May 2, 2023 Election and appointed Lisa A. Jacoby as the Designated Election Official (the "DEO"). The Board authorized the DEO to perform all tasks required for the May 2, 2023 Regular Election of the Board of Directors for the conduct of a mail ballot election.

OTHER BUSINESS

Board Member Items: Director Spaen discussed her concern regarding late fee charges from McGeady Becher as well as the potential for "double billing" for Census work performed by McGeady Becher. Attorney Meintzer noted that she would have Attorney Cortese follow up with Director Spaen regarding these matters.

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