

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
HOMETOWN METROPOLITAN DISTRICT NO. 2
HELD
OCTOBER 7, 2019

A regular meeting of the Board of Directors of Hometown Metropolitan District No. 2 (referred to hereafter as "Board") was convened on Monday, October 7, 2019, at 9:00 A.M., at the West Woods Community Police Station, 6644 Kendrick Drive, Arvada, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Audrey Spaen
Susan Hoskins
Larry Roggenkamp

Also In Attendance Were:

Elisabeth A. Cortese, Esq.; McGeady Becher P.C.
Kimberly Johannis; Simmons & Wheeler, P.C.
Harlan Peterson and Pauline Staggs, District Residents

ADMINISTRATIVE MATTERS

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. Attorney Cortese 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. It was noted that all Directors are residents of the District and there were no conflicts to disclose.

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 Hoskins and, upon vote, unanimously carried, the Agenda was approved.

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 Hoskins and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries, to conduct this meeting, it was determined to conduct the meeting at the above-stated date, time and location. The Board noted that notice of

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this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries. The Board further noted that the location of the special meeting is within a 20-mile radius of the boundaries of the District.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Spaen, seconded by Director Hoskins 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 as least 24 hours prior to each meeting at the following location: bank of mailboxes within the District.

Public Comment: There was no public comment.

Minutes: The Board reviewed the minutes of the October 8, 2018 regular meeting. Following discussion, upon motion duly made by Director Hoskins, seconded by Director Spaen and, upon vote, unanimously carried, the Board approved the minutes from the October 8, 2018 regular meeting.

District Insurance: The Board discussed renewal of insurance and Special District Association (“SDA”) Membership for 2020. Following discussion, upon motion duly made by Director Spaen, seconded by Director Roggenkamp and, upon vote, unanimously carried, the Board approved the renewal of insurance and SDA Membership. District Counsel will coordinate a walk-through of District property with T. Charles Wilson to confirm that all District property has insurance coverage.

New Legislation Regarding Posting Meeting Notices and Establishment of a District Website: Attorney Cortese reviewed with the Board the recent change in legislation that authorizes the posting of meeting notices on the District’s website as opposed to three physical locations within the boundaries of the District. Attorney Cortese noted the statute does require designating one physical location for the posting of notices in the event the District’s website is not functioning and posting on the website cannot occur. The Board determined to continue posting a physical Notice at the bank of mailboxes in addition to posting Notice on the District’s website.

Eligible Governmental Entity Agreement: Following discussion, upon motion duly made by Director Roggenkamp, seconded by Director Hoskins and, upon vote, unanimously carried, the Board approved the Eligible Governmental Entity Agreement with the State of Colorado Statewide Internet Portal Authority for establishing a District website and authorized all actions necessary in connection therewith.

Resolution No. 2019-10-01 Establishing 2020 Meeting Dates, Time, Location, Establishing District Website and Designating 24-Hour Posting Location: The

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Board discussed the business to be conducted in 2020 and scheduled a regular meeting for October 26, 2020 at 9:00 a.m., to be held at the West Woods Community Police Station, 6644 Kendrick Dr., Arvada, Colorado. Following discussion, upon motion duly made by Director Roggenkamp, seconded by Director Hoskins and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-10-01.

FINANCIAL MATTERS

Payment of Claims: Ms. Johanns reviewed the payment of claims to be ratified and approved. Following discussion, upon motion duly made by Director Spaen, seconded by Director Hoskins and, upon vote, unanimously carried, the Board ratified the payment of claims in the amount of \$20,104.57 and approved the payment of claims in the amount of \$959.00.

Unaudited Financial Statements: Ms. Johanns reviewed the unaudited financial statements dated June 30, 2019. Following discussion, upon motion duly made by Director Spaen, seconded by Director Roggenkamp and, upon vote, unanimously carried, the Board accepted the unaudited financial statements dated June 30, 2019.

2018 Audit: Following discussion, upon motion duly made by Director Roggenkamp, seconded by Director Hoskins and, upon vote, unanimously carried, the Board ratified approval of the 2018 Audit and ratified execution of the Representations Letter.

Potential Refunding of District Debt: The Board discussed the potential refunding of the District's debt and determined it is not practical to refund the debt at this time. Attorney Cortese noted that D.A. Davidson & Co. continues to monitor the market and will advise if circumstances change.

2019 Budget Amendment Hearing: The President opened the public hearing to consider amending the 2019 Budget.

It was noted that Notice stating that the Board would consider amending the 2019 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.

Following discussion, upon motion duly made by Director Hoskins, seconded by Director Roggenkamp and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-10-02 Amending the 2019 Budget.

2020 Budget Hearing: The President opened the public hearing to consider the proposed 2020 Budget and discuss related issues.

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It was noted that Notice stating that the Board would consider adoption of the 2020 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. Johanns reviewed the estimated 2019 expenditures and proposed 2020 expenditures with the Board.

Following discussion, the Board considered the adoption of Resolution No. 2019-10-03 to Adopt the 2020 Budget and Appropriate Sums of Money and Resolution No. 2019-10-04 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, seconded by Director Hoskins and, upon vote, unanimously carried, Resolution Nos. 2019-10-03 and 2019-10-04 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, 2019. Legal Counsel was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Jefferson County, not later than December 15, 2019. Legal Counsel was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020.

Resolution Authorizing the Adjustment of the District Mill Levy in Accordance with the Colorado Constitution: The Board discussed the proposed Resolution Authorizing the Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3 (Gallagher Adjustment). Following discussion, the Board determined that adoption of the Gallagher Adjustment Resolution was not needed.

DLG-70 Mill Levy Certification: Following discussion, upon motion duly made by Director Hoskins, seconded by Director Roggenkamp 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.

2020 Accounting Services: The Board discussed the engagement of Simmons & Wheeler, P.C. for District accounting services for 2020. Following discussion, upon motion duly made by Director Spaen, seconded by Director Hoskins and, upon vote, unanimously carried, the Board approved the engagement of Simmons & Wheeler, P.C. for 2020 District accounting services, appointed Simmons & Wheeler, P.C. to prepare and file the 2019 Audit Exemption Application and

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appointed them to prepare the 2021 Budget and directed that the 2021 draft budget be the same as the 2020 adopted budget unless a Board member provides input to otherwise adjust those assumptions.

LEGAL MATTERS

Resolution No. 2019-10-05 Calling May 5, 2020 Election: The Board discussed the May 5, 2020 Election. Following discussion, upon motion duly made by Director Spaen, seconded by Director Hoskins and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-10-05 Calling a May 5, 2020 Directors' Election which appointed the Designated Election Official ("DEO") and authorized the DEO to perform all tasks required for the May 5, 2020 Regular Election of the Board of Directors for the conduct of a mail ballot election.

Transparency Notice Required Under Section 32-1-809, C.R.S.: Attorney Cortese 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, the District's website once it is activated, as well as the HOA (Hometown Community Association, Inc.) website.

OTHER MATTERS

Board Member Items: There were no other matters to come before the Board.

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 Matthew D. Smith
Secretary for the Meeting