

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SECTION 14 METROPOLITAN DISTRICT HELD JULY 26, 2023

A Regular Meeting of the Board of Directors of the Section 14 Metropolitan District, Jefferson County and the City and County of Denver, Colorado was duly posted and held on Wednesday, the 26th day of July, 2023, at 11:00 a.m. at the offices of Jordon Perlmutter and Co., 1601 Blake Street, Suite 600, Denver, Colorado 80202. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Jay Perlmutter
Jonathan Perlmutter
Kenya Jenkins

Also In Attendance Were:

Steve Beck; Special District Management Services, Inc.

MaryAnn M. McGeady, Esq. and Kate Olson, Esq. (in person) and Zander Myers; McGeady Becher P.C. (by telephone, for a portion of the meeting)

Neil Schilling; Schilling & Company, Inc. (via telephone for a portion of the meeting)

Darrin Keslar; Jordan Perlmutter & Co. (Board Candidate)

Clark Walker; Grant Ranch LLC (Board Candidate)

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested 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 statute. It was noted by Attorney McGeady that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, and no additional conflicts were disclosed at the meeting.

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ADMINISTRATIVE MATTERS

Quorum/Confirmation of Location of Meeting/Posting of Meeting Notices: Mr. Beck confirmed the presence of a quorum.

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 Jay Perlmutter, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within the District's boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated date, time and location. It was further noted that notice of the time, date and location was duly posted and that no objections to the location or any requests that the meeting place be changed by taxpaying electors within the District's boundaries have been received.

Agenda: Mr. Beck distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting.

Following discussion, upon motion duly made by Director Perlmutter, seconded by Director Perlmutter and, upon vote, unanimously carried, the Agenda was approved, as presented.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made and seconded, 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 at least 24 hours prior to each meeting on the District's website at: <https://section14md.colorado.gov/> or if posting on the website is unavailable, notice will be posted at Bowles Village Shopping Center, 7421 W. Bowles Ave., Littleton, CO 80123.

Minutes: The Board reviewed the Minutes of the November 29, 2022 and December 12, 2022 Special Meetings.

Following discussion, upon motion duly made by Director Jay Perlmutter, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board approved the Minutes of the November 29, 2022 and December 12, 2022 Special Meetings.

May 2, 2023 Election: Mr. Beck noted for the Board that the May 2, 2023 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. Directors Jonathan Perlmutter, Ernst and Jenkins were each deemed elected to 3-year terms ending in May 2025.

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Resignation and Appointment of Secretary to the Board: The Board discussed the resignation of Ann Finn and considered the appointment of Steve Beck as Secretary to the Board.

Following discussion, upon motion duly made by Director Perlmutter, seconded by Director Jenkins and, upon vote, unanimously carried, the Board accepted the resignation of Ann Finn as Secretary to the Board and appointed Steve Beck as Secretary to the Board.

Resignation of Director: Mr. Beck discussed the resignations of Director Ernst, effective May 31, 2023 and Director Toll, effective June 20, 2023.

Appointment of Director: The Board discussed the vacancies on the Board. It was noted that pursuant to Section 32-1-808(2)(a)(I), C.R.S., publication of a Notice of Vacancy on the Board was published in a newspaper having general circulation in the District and that no Letters of Interest from qualified eligible electors were received within ten (10) days of the date of such publication.

As such, eligible electors, Darrin Keslar and Clark Walker, were nominated to serve on the Board. Following discussion, upon motion duly made, seconded and unanimously carried, the Board appointed Darrin Keslar and Clark Walker to fill the vacancies on the Board. The Oath of Office was administered by Director Jay Perlmutter and filed with the Jefferson County Clerk and Recorder by Ms. Myers concurrent with the meeting.

Appointment of Officers: The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Ernst and, upon vote, unanimously carried, the following officers were appointed:

President	Jay Perlmutter
Treasurer	Jonathan Perlmutter
Secretary	Steve Beck (non-elected position)
Assistant Secretary	Darrin Keslar
Assistant Secretary	Clark Walker
Assistant Secretary	Kenya Jenkins

2023 SDA Conference: Mr. Beck discussed the SDA Conference with the Board and noted the information concerning the details of the conference will be emailed to them once the information is available.

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**PUBLIC
COMMENTS**

There were no public comments at this time.

**FINANCIAL
MATTERS**

Claims: The Board considered ratifying the approval of the payment of claims as follows:

Fund	Period ending Nov. 30, 2022	Period ending Dec. 31, 2022	Period ending Jan. 31, 2023	Period ending Feb. 28, 2023
General	\$ 22,359.47	\$ 28,596.57	\$ 16,113.49	\$ 28,313.93
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total	\$ 22,359.47	\$ 28,596.57	\$ 16,113.49	\$ 28,313.93

Fund	Period ending Mar. 31, 2023	Period ending Apr. 30, 2023	Period ending May 31, 2023	Period ending Jun. 30, 2023
General	\$ 22,498.77	\$ 10,101.92	\$ 14,514.89	\$ 16,108.86
Debt	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total	\$ 22,498.77	\$ 10,101.92	\$ 14,514.89	\$ 16,108.86

Following review, upon motion duly made by Director Jay Perlmutter, seconded by Director Jenkins and, upon vote, unanimously carried, the Board ratified the approval of the payment of claims, as presented. The Board further authorized Directors Keslar and Clark to review and approve claims.

Unaudited Financial Statement: Mr. Beck reviewed with the Board the unaudited financial statements through the period ending May 31, 2023, and the schedule of cash position statement dated May 31, 2023.

Following review, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Jay Perlmutter and, upon vote, unanimously carried, the Board accepted the unaudited financial statements through the period ending May 31, 2023, and the schedule of cash position statement dated May 31, 2023, as presented.

2022 Audit: Mr. Beck reviewed with the Board the 2022 Audit.

Following discussion, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Jay Perlmutter and, upon vote, unanimously carried, the Board approved the 2022 Audited Financial Statements and authorized execution of the Representations Letter, subject to final legal review and receipt of an unmodified opinion letter from Auditor.

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Preparation of the 2024 Budget: The Board discussed the appointment of the District Accountant to prepare the 2024 Budget.

Following discussion, upon motion duly made by Director Jay Perlmutter, seconded by Director Jonathan Perlmutter, and upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2024 budget and set the date for a Public Hearing to adopt the 2024 Budget for October 10, 2023, at 11:30 a.m., to be held at the offices of Jordon Perlmutter & Company, 1601 Blake Street, Suite 600, Denver, Colorado 80202 and via conference call.

LEGAL MATTERS

Reimbursement to The Section 14 Development Company for Previously Advanced Funds Related to Completed Improvements: The Board deferred discussion and no action was taken.

CAPITAL IMPROVEMENTS

Parking Lot Repair Work: Ms. Jenkins reported on the status of the parking lot repair work. She noted that she had yet to receive any invoices and had not yet submitted any invoices for reimbursement. Following discussion, the Board noted that the parking lot repair work can be a phased project. The Board directed District Counsel to draft a policy and communication letter to property owners regarding the "Pavement Management Program" to be reviewed at the October Board meeting. The Board further appointed a Retaining Wall Committee consisting of Directors Jonathan Perlmutter and Jenkins, Mr. Dansky, and Attorney McGeady and Attorney Olson. The Committee was directed to research ownership and maintenance responsibilities for the retaining walls to be reviewed at the October Board meeting.

Renovation of the Monument Signs for Bowles Village Shopping Center: The Board discussed the status of the renovation of the two retrofitted monument signs for the Bowles Village Shopping Center. Director Jonathan Perlmutter reported that approvals were received by the City and the monument signs have been completed. The Board discussed reimbursement and appointed a committee consisting of Director Jonathan Perlmutter to work through this process, including engaging Schedio Group LLC ("Schedio") for cost verification services on an hourly basis. Based on the outcome of Schedio's cost verification report, the Board authorized a reimbursement between the District and the Developer, not to exceed \$125,000, and instructed District Counsel to provide either a reimbursement agreement, as necessary.

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OPERATION MATTERS

Change Order No. 1 from Storm Water Asset Protection LLC: The Board reviewed a proposal from Stormwater Asset Protection, LLC for annual inspections and maintenance services.

Following discussion, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Jenkins, and upon vote, unanimously carried, the Board approved the proposal from Storm Water Asset Protection LLC for annual inspections and maintenance services.

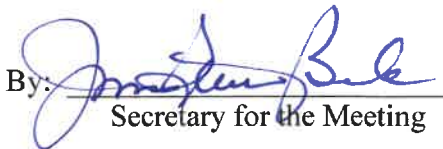
OTHER MATTERS

None.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Jay Perlmutter, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the meeting was adjourned at 12:45 p.m.

Respectfully submitted,

By: 
Secretary for the Meeting