

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SECTION 14 METROPOLITAN DISTRICT HELD NOVEMBER 30, 2021

A Special 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 Tuesday, the 30th day of November, 2021, at 1:00 p.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
Douglas C. Ernst
G. Darwin Toll, Jr. (via conference call)
Kenya Jenkins

Also In Attendance Were:

Ann Finn and Steve Beck; Special District Management Services, Inc.

Kate Olson, Esq.; McGeady Becher P.C.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure 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. Finn 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 Directors' Disclosure Statements have been filed for all Directors.

ADMINISTRATIVE MATTERS

Agenda: Ms. Finn distributed for the Board's review and approval a proposed Agenda for the District's Special Meeting.

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

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 Jonathan Perlmutter, seconded by Director Jenkins 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 location. The Board further noted that notice of the time, date and location was duly posted and that they have not received any objections to the location or requests that the meeting place be changed by residents or tax paying electors within its boundaries.

Minutes: The Board reviewed the Minutes of the October 4, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Ernst, seconded by Director Jay Perlmutter and, upon vote, unanimously carried, the Board approved the Minutes of the October 4, 2021 Special Meeting.

Resolution No. 2021-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Locations for Posting of 24-Hour Notices:

Ms. Finn discussed with the Board Resolution No. 2021-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Locations for Posting of 24-Hour Notices.

The Board determined to meet at 9:30 a.m. on June 27, 2022 and November 29, 2022 at the offices of Jordon Perlmutter and Co., 1601 Blake Street, Suite 600, Denver, Colorado 80202 and via conference call.

Following discussion, upon motion duly made by Director Jay Perlmutter, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board adopted Resolution No. 2021-11-01; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for 24-Hour Notices.

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**PUBLIC
COMMENTS**

There were no public comments at this time.

CONSENT AGENDA

The Board reviewed the following consent agenda items:

- Direct staff to comply with the requirements of Section 32-1-809, C.R.S. for 2022 (District Transparency Notice).
- Ratify approval of Service Agreement for Stormwater Outfall and Vortech Maintenance between the District and Consolidated Divisions Inc. d/b/a CDI Environmental Contractor.

Following review, upon motion duly made by Director Jay Perlmutter, seconded by Director Jenkins and, upon vote unanimously carried, the Board approved, or ratified approval of (as appropriate) the above consent agenda items.

**FINANCIAL
MATTERS**

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

Fund	Period ending Oct. 15, 2021
General	\$ 29,768.03
Debt	\$ -0-
Capital	\$ 4,121.00
Total	\$ 33,889.03

Following review, upon motion duly made by Director Ernst, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board ratified the approval of the payment of claims, as presented.

Unaudited Financial Statement: Mr. Beck reviewed with the Board the unaudited financial statements through the period ending September 30, 2021 and October 31, 2021, and the schedule of cash position statement dated September 30, 2021.

Following review, upon motion duly made by Director Jay Perlmutter, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board accepted the unaudited financial statements through the period ending September 30, 2021 and October 31, 2021, and the schedule of cash position statement dated September 30, 2021, as presented.

2021 Audit: The Board reviewed a proposal from Schilling & Company, Inc. to perform the 2021 Audit.

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Following discussion, upon motion duly made by Director Jonathan Perlmutter, seconded by Director Ernst and, upon vote, unanimously carried, the Board approved the Engagement Letter from Schilling & Company, Inc. to perform the 2021 Audit, for an amount of \$5,200.

2021 Budget Amendment Hearing: The President opened the public hearing to consider the Resolution to Amend the 2021 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2021 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 or at this public hearing. No public comments were received and the President closed the public hearing.

The Board determined that an amendment to the 2021 Budget was not necessary.

2022 Budget Hearing: The President opened the public hearing to consider the proposed 2022 Budget and discuss related issues.

Ms. Finn advised the Board that publication of Notice stating that the Board would consider adoption of the 2022 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 or at this public hearing. No public comments were received and the President closed the public hearing.

Mr. Beck reviewed with the Board the expected revenues and expenditures in the General Fund and the Capital Fund in 2022.

Following discussion, the Board considered the adoption of Resolution No. 2021-11-02 to Adopt the 2022 Budget and Appropriate Sums of Money and Resolution No. 2021-11-03 to Set Mill Levies (for the General Fund at 20.000 mills and the Debt Service Fund at 0.000 mills, for a total of 20.000 mills). Upon motion duly made by Director Jay Perlmutter, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, 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, 2021, subject to changes as noted. Mr. Beck was authorized to transmit the Certification of Mill Levies to the Jefferson and Denver Counties not later than December 15, 2021. Mr. Beck was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2022. Copies of the adopted Resolutions are attached hereto and incorporated herein by this reference.

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DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners of Jefferson County and the City and County of Denver Assessor, not later than December 15, 2021.

Following discussion, upon motion duly made by Director Jay Perlmutter, seconded by Director Jonathan Perlmutter 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 of Jefferson County and the City and County of Denver Assessor, not later than December 15, 2021.

Preparation of the 2023 Budget: The Board discussed preparation of the 2023 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 2023 budget.

LEGAL MATTERS

Reimbursement of The Section 14 Development Company: The Board deferred discussion at this time.

Resolution Calling May 3, 2022 Regular Election: Ms. Finn reviewed with the Board Resolution No. 2021-11-04; Resolution Calling May 3, 2022 Regular Election for Directors, appointing the Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

Following discussion, upon motion duly made by Director Ernst, seconded by Director Jonathan Perlmutter and, upon vote, unanimously carried, the Board adopted Resolution No. 2021-11-04; Resolution Calling May 3, 2022 Regular Election for Directors, designating Ann Finn as the DEO, and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

CAPITAL IMPROVEMENTS

Outfall Structure Project: Ms. Finn reported to the Board on the status of the Outfall Structure Project. She noted the water levels are being lower in the reservoir so work can begin the week of December 6th. She also noted it will take about four weeks to complete the project and that they are working to keep the walking path around the reservoir as accessible as possible throughout the project.

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Renovation of the Monument Signs for Bowles Village Shopping Center:

Director Jonathan Perlmutter noted he is continuing to work with Brad Gordon and Jefferson County on the design plans for the monument signs.

OTHER MATTERS

No other matters for discussion.

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 Jenkins and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: *Ann Finn*
Secretary for the Meeting