

MINUTES OF A JOINT SPECIAL MEETING OF THE
BOARDS OF DIRECTORS

OF

FOREST TRACE METROPOLITAN DISTRICT NOS. 1-3

Held: Thursday, October 25, 2018 at 2:30 p.m. at 7400 E. Orchard Rd., #290-S, Greenwood Village, CO 80111.

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance:

Richard Frank
Marc Cooper

Director Daniel Frank was absent. All absences are deemed excused unless a contrary notation is recorded in these minutes.

Also present were Clint C. Waldron, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Mark Chambers, Simmons & Wheeler, P.C.

Call to Order

Director Daniel Frank called the meeting to order.

Director Qualifications/
Reaffirmation of
Disclosures

Mr. Waldron advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Waldron reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Boards. Mr. Waldron noted that a quorum was present and inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The Boards determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

Combined Meetings

The Boards of Directors of the Districts have determined to hold joint meetings of the Districts and to prepare joint minutes of action taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes is the action of each of the Districts. Where necessary, action taken by

an individual District will be so reflected in these minutes.

Approval of Agenda The Boards reviewed the proposed agenda. Following discussion, upon motion duly made and seconded, the Boards unanimously approved the agenda as presented.

Public Comment None.

Consent Agenda Mr. Waldron presented the items on the consent agenda to the Boards for Consideration. Mr. Waldron advised the Boards that any items may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved and adopted.

- a. Approval of Minutes from the September 20, 2018 and October 16, 2018 Meetings
- b. Ratification of 2017 Annual Report
- c. Approval of Notice to Electors Pursuant to §32-1-809, C.R.S.

Legal Matters

Consider Approval of Engagement Letter with White Bear Ankele Tanaka & Waldron for Legal Services Mr. Waldron reviewed the Engagement Letter with White Bear Ankele Tanaka & Waldron with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement for legal services.

Consider Approval of 2019 Annual Administrative Resolution Mr. Waldron presented the Board with the 2019 Annual Administrative Resolution. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the 2019 Annual Administrative Resolution.

Insurance Matters

2019 Property and Liability Renewal The Board engaged in a general discussion regarding the 2019 Property and Liability Renewals. Following discussion, the Board decided to renew for the same coverage as last year. No action was necessary.

Discuss Workers' Compensation Exclusion The Board engaged in a general discussion regarding Workers' Compensation Exclusion. Following discussion, no action was necessary.

Consider Approval of 2019 Extensions of the Funding and Reimbursement Not needed.

Agreements (District 1-3)

Other Legal Matters None.

Financial Matters

Consider Acceptance of Unaudited Financial Statements Mr. Chambers reviewed the Unaudited Financial Statements with the Boards. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the financials.

Public Hearing on 2019 Budget (District No. 1) Director Marc Cooper opened the public hearing on the 2019 Budget for District No. 1. Mr. Waldron noted that the public hearing was published in accordance with Colorado law in the *Aurora Sentinel* on October 18, 2018. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of 2019 Budget Resolution (District No. 1) Mr. Chambers reviewed the proposed 2019 Budget with the Board of District No. 1. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the 2019 Budget.

Public Hearing on 2019 Budget (District No. 2) Director Marc Cooper opened the public hearing on the 2019 Budget for District No. 2. Mr. Waldron noted that the public hearing was published in accordance with Colorado law in the *Aurora Sentinel* on October 18, 2018. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of 2019 Budget Resolution (District No. 2) Mr. Chambers reviewed the proposed 2019 Budget with the Board of District No. 2. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the 2019 Budget.

Public Hearing on 2019 Budget (District No. 3) Director Marc Cooper opened the public hearing on the 2019 Budget for District No. 3. Mr. Waldron noted that the public hearing was published in accordance with Colorado law in the *Aurora Sentinel* on October 18, 2018. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of 2019 Budget Resolution (District No. 3) Mr. Chambers reviewed the proposed 2019 Budget with the Board of District No. 3. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the 2019 Budget.

Consider Approval of Mr. Chambers reviewed the Engagement Letter with Simmons &

Engagement Letter with
Simmons & Wheeler, P.C.
for Accounting Services

Wheeler, P.C. with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement for accounting services.

Consider Approval of
Auditor Proposal for 2018
Audit/Audit Exemption

Mr. Waldron presented the Board with Audit Proposals for 2018 Audit. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Auditor Proposals for no more than a 10 percent increase in fee.

Other Financial Matters

None.

Other Business

None.

Adjourn

There being no further business to come before the Board, and following discussion and upon motion duly made, seconded and unanimously carried, the Board determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.


Secretary for the Meeting

The foregoing minutes were approved on the 4th day of October, 2019.