

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF CASTLE OAKS METROPOLITAN DISTRICT

Held: November 1, 2017 at 6:00 p.m. at
1465 Autumn Sage Street, Castle Rock, Colorado.

Attendance

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 on the Board, were in attendance:

Christian Matt Janke
Chris Pratt

Director Campbell was absent. All director absences are deemed excused unless otherwise specified.

Also present were: Kristin B. Tompkins, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Sarah Hunsche, CliftonLarsonAllen, LLP, District Accountant, Brooke Hutchens, D.A. Davidson & Co.

Members of the public in attendance at the meeting and who signed in are reflected on the attached sign-in sheet.

Director Qualification

The directors in attendance confirmed their qualification to serve.

Call to Order

It was noted that a quorum of the Board was present, that the directors had confirmed their qualification to serve, and therefore Director Janke called the meeting to order.

Disclosure Matters

Ms. Tompkins advised the Board that pursuant to Colorado law, certain disclosures by the directors may be required prior to taking official action at the meeting. The Directors reviewed the agenda for the meeting, following which each Board member confirmed the contents of any written disclosure previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting.

Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Written disclosures of conflicts of interest were filed with the Secretary of State at least 72 hours prior to the meeting.

Approval of Agenda

Ms. Tompkins presented the proposed agenda to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda as amended, to move the 2018 Bond Refunding matters to follow public comment.

Approval of Minutes from the June 7, 2017 Regular Meeting

Ms. Tompkins presented the Board with the Minutes from the June 7, 2017 regular meeting. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Minutes.

Public Comment

Mr. Allen had questions regarding the board vacancies and qualifications to sit on the Board. He also requested copies of the District's boundary maps.

Mr. Hoese inquired as to the boundaries of the District and what areas the HOA maintains.

Mr. Cripps asked the Board if there are plans for any future public improvements, the Board confirmed that there are no more improvements planned at this time.

Mr. Cripps also asked if the District will take over maintenance, and if the Board would consider moving maintenance costs from current and future amenities open to non-members of the neighborhood to the District, and what would be the process for making this happen.

Mr. Cripps inquired about the cost verification and what the money went towards. He also was curious about what amenities have been funded by the District and asked if it would be possible to obtain a list. It was asked if multiple metropolitan districts share costs on overlapping projects, i.e. dog parks, traffic lights, etc.

Mr. Cripps asked about the qualifications to sit on the Board, whether directors need to be elected into the position or if they could be appointed. He asked if current board members were appointed, and if so, who appointed them. He also asked if all current Director's are land owners in the District. Mr. Cripps also asked if there are any known or potentially perceived conflicts of interest with the current board members.

Mr. Cripps asked about the District's regular meetings and where they are held, how often, and the duration of the meetings. He requested that this information be more

accessible by being put online.

Discuss 2018 Refunding

Ms. Hutchens presented the Board with options for refunding the District's loan in 2018. The Board requested that Ms. Hutchens run sensitivities showing if the District keeps its mill levy at the same rate and also a 30 year schedule.

Legal Matters

Consider Adoption of 2018 Annual Administrative Resolution

Ms. Tompkins presented the Board with the 2018 Annual Administrative Resolution for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution and determined to hold their regular meetings on June 6, 2018 and November 7, 2018 at 6:00 p.m.

Consider Approval of Amended and Restated Public Records Request Policy

Ms. Tompkins presented the Board with the Amended and Restated Public Records Request Policy for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the policy.

Consider Adoption of Resolution Calling Election

Ms. Tompkins presented the Board with the Resolution Calling the May 2018 Election for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Consider Approval of Special District Disclosure Pursuant to § 32-1-809, C.R.S.

Ms. Tompkins presented the Board with the Special District Disclosure Pursuant to § 32-1-809, C.R.S. for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the disclosure notice.

Insurance Matters

Consider Approval of Property and Liability Schedule and Limits

Ms. Tompkins presented the Board with the Property and Liability Schedule and Limits for 2018 coverage for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the coverage.

Consider Approval of SDA membership renewal

The Board engaged in a discussion regarding the renewal of the District's SDA membership. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the renewal.

Consider Approval of Agency Fee Agreement

Ms. Tompkins presented the Board with the T. Charles Wilson Agency Fee Agreement for consideration. Following discussion, upon a motion duly made and seconded, the

Board unanimously approved the agreement.

Financial Matters

Payables/Financials

Ms. Hunsche presented the Board with the September 30, 2017 Unaudited Financial Statements for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the Unaudited Financial Statements.

Ms. Hunsche presented the Board with the September 30, 2017 Schedule of Cash Position, updated as of October 23, 2017. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the Schedule of Cash Position.

Ms. Hunsche presented the Board with the Claims Payable. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Claims Payable, in the amount of \$210,643.69 and approved the interim checks totaling \$295,353.83. Director Pratt requested an update from Ms. Hunsche on how many development fees are remaining.

Consider Engagement of Barnes Griggs & Associates, P.C. to Perform 2017 Audit

Ms. Tompkins presented the Board with the engagement letter of Barnes Griggs & Associates, P.C. to perform the 2017 audit. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the engagement.

Consider Ratification of the Tax Conversion Form and Federal Tax Exemption Certificate

Ms. Tompkins presented the Board with the Tax Conversion Form and Federal Tax Exemption Certificate. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the Tax Conversion Form and Federal Tax Exemption Certificate.

Conduct 2017 Budget Amendment Hearing and Consider Adoption of Resolution to Adopt 2017 Budget Amendment

Director Janke opened the public hearings for the 2017 budget amendment. Ms. Tompkins noted that notice for the public hearings were made in accordance with the applicable Colorado statutes. No written objections were received prior to the public hearings. After no public comment was made, the public hearings were closed.

Following discussion, the Board determined that no 2017 budget amendment was needed.

Conduct 2018 Budget Hearing

Director Janke opened the public hearing for the 2018 budget.

and Consider Adoption of
Resolution to Adopt 2018
Budget and Set Mill Levies

Ms. Tompkins noted that notice for the public hearing was made in accordance with the applicable Colorado statutes. No written objections were received prior to the public hearings. Mr. Allen asked for an explanation on the Gallagher adjustment. Following public comment, the hearing was closed.

Ms. Hunsche presented the proposed 2018 budget to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the 2018 budget as presented and certified 4.422 mills in the General Fund and 50.593 mills in the Debt Service Fund.

The Board directed legal counsel and the District's accountant to certify the District's mill levy by December 15, 2017, and to file the 2018 budget by January 30, 2018.

Other Business

None.

Adjournment

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