

RECORD OF PROCEEDINGS

MINUTES OF SPECIAL MEETINGS OF THE BOARDS OF DIRECTORS OF THE SERENITY RIDGE METROPOLITAN DISTRICT NOS. 1 AND 2 HELD NOVEMBER 13, 2020

Special meetings of the Boards of Directors (the “Boards”) of the Serenity Ridge Metropolitan Districts Nos. 1 and 2 (hereinafter referred to as “District No. 1” and “District No. 2” respectively, and collectively the “Districts”) was duly held on Friday, the 13th day of November, 2020, at 10:30 A.M. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in person contact, the District meetings were held by conference call without any individuals (neither District representatives nor the general public) attending in person. The meetings were open to the public via conference call.

ATTENDANCE

Directors In Attendance Were:

Daniel Frank
Marc Cooper

Absent and excused was Richard Frank. Daniel Frank was appointed as Acting President for both Boards for this meeting.

Also In Attendance Were:

David Solin; Special District Management Services, Inc. (“SDMS”)
Paula Williams, Esq.; McGeady Becher P.C.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Boards discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Boards of Directors and to the Secretary of State. Attorney Williams noted that quorums were present and requested members of the Boards disclose any potential conflicts of interest with regard to any matters scheduled for discussion at the meetings, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. 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.

ADMINISTRATIVE MATTERS

Agenda: Mr. Solin reviewed with the Boards a proposed Agenda for the Districts’ Special Meetings.

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Following discussion, upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, the Agenda for the Districts' Special Meetings was approved, as presented and the absence of Director Richard Frank was excused. Director D. Frank was appointed as Acting President for both Boards for this meeting.

Approval of Meeting Location: The Boards discussed the requirements of Section 32-1-903(1), C.R.S., concerning the location of the Districts' Board meetings.

Following discussion, upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, the Boards determined that due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in person contact, the Districts' meetings were held by conference call. The Boards further noted that notice of the time, date and conference bridge information was duly posted and that they have not received any objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the Districts' boundaries.

May 28, 2020 Minutes: The Boards reviewed the Minutes of the May 8, 2020 Special Meetings.

Following discussion, upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, the Boards approved the Minutes of the May 8, 2020 Special Meetings, as presented.

Resolution Nos. 2020-11-01 Establishing Regular 2021 Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices ("Resolution Nos. 2020-11-01"): The Boards discussed Resolution Nos. 2020-11-01.

Following discussion, upon a motion duly made by Director D. Frank, seconded by Director Cooper, and upon vote unanimously carried, the Boards adopted Resolution Nos. 2020-11-01. The Boards determined that 20210 regular meetings would be held on June 11 and November 12, 2021 at 10:30 a.m.

District Website: Mr. Solin updated the Boards on the status of the establishment of the combined Districts' website. It was noted the Statewide Internet Portal Authority ("SIPA") is delayed in making assignments to establish websites.

§32-1-809, C.R.S. (Transparency Notice) Reporting Requirements, Mode of Eligible Elector Notification for 2021: The Boards discussed §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2021.

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Following discussion, upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, the Boards determined to post the required transparency notice information on the Special District Association's website.

FINANCIAL MATTERS

Ratification of Claims (District No. 1): The Board of District No. 1 considered ratifying the approval of the payment of claims for the periods ending as follows:

	Period Ending May 11, 2020	Period Ending June 16, 2020	Period Ending July 9, 2020
General Fund	\$ 12,446.48	\$ 7,790.37	\$ 15,160.61
Debt Service Fund	6,000.00	-0-	-0-
Capital Projects Fund	-0-	-0-	-0-
Total	\$ 18,446.48	\$ 7,790.37	\$ 15,160.61

	Period Ending Aug. 13, 2020	Period Ending Sept 14, 2020	Period Ending Oct 9, 2020
General Fund	\$ 10,150.60	\$ 6,706.40	\$ 5,121.70
Debt Service Fund	-0-	-0-	-0-
Capital Projects Fund	-0-	-0-	-0-
Total	\$ 10,150.60	\$ 6,706.40	\$ 5,121.70

Following discussion, upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, the Board of District No. 1 ratified approval of the payment of claims, as presented.

Payment of Claims (District No. 1): The Board of District No. 1 deferred discussion on the approval of the payment of claims for the period ending November 13, 2020.

Unaudited Financial Statement (District No. 1): The Board discussed the District's unaudited financial statement for the period ending September 30, 2020 and Schedule of Cash Position for the period ending September 30, 2020.

Following discussion, upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, the Board accepted the District's unaudited financial statement for the period ending September 30, 2020 and Schedule of Cash Position for the period ending September 30, 2020.

Unaudited Financial Statement (District No. 2): The Board discussed the District's unaudited financial statement for the period ending September 30, 2020 and Schedule of Cash Position for the period ending September 30, 2020.

Following discussion, upon motion duly made by Director Cooper, seconded by Director D. Frank and, upon vote, unanimously carried, the Board accepted the

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District's unaudited financial statement for the period ending September 30, 2020 and Schedule of Cash Position for the period ending September 30, 2020.

2019 Audit (District No. 2): Mr. Solin reviewed the 2019 Audit with the Board.

Following review and discussion, upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, the Board ratified approval of the 2019 Audit and authorized execution of the Representations Letter.

2019 Application for Exemption from Audit (District No. 1): The Board reviewed the 2019 Application for Exemption from Audit.

Following review and discussion, upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, the Board ratified approval of the preparation, execution and filing of the Application for Exemption from Audit for 2019.

2020 Audit (District No. 2): The Board discussed the engagement of Wipfli LLP to perform the 2020 Audit for District No. 2.

Following discussion, upon motion duly made by Director Cooper, seconded by Director D. Frank and, upon vote, unanimously carried, the Board approved the engagement of Wipfli LLP to perform the 2020 Audit for District No. 2 in an amount not to exceed \$3,500.

2020 Application for Exemption from Audit (District No. 1): The Board discussed the requirements for an audit.

Following discussion, upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, the Board approved the appointment of the District Accountant to prepare the Application for Exemption from Audit for 2020 for District No. 1.

2020 Budget Amendment Hearing (District No. 1): The President opened the public hearing to consider the Resolution to Amend the 2020 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 2020 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 this public hearing. No public comments were received, and the public hearing was closed.

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Following review and discussion, the Board determined that a 2020 Budget Amendment was not necessary.

2020 Budget Amendment Hearing (District No. 2): The President opened the public hearing to consider the Resolution to Amend the 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution No. 2020-11-02 to Amend the 2020 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 this public hearing. No public comments were received, and the public hearing was closed.

Following review and discussion, Director D. Frank moved to adopt the Resolution No. 2020-11-02 to Amend 2020 Budget, Director Cooper seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-11-02 to Amend the 2020 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2021 Budget Hearing (District No. 1): The President opened the public hearing to consider the proposed 2021 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of 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 this public hearing.

No public comments were received, and the public hearing was closed.

Mr. Solin reviewed the estimated 2020 expenditures and proposed 2021 expenditures.

The Board discussed the mill levy and determined that no mill levy will be certified for the General Fund.

Following discussion, the Board considered the adoption of the Resolution No. 2020-11-02 to Adopt the 2021 Budget and Appropriate Sums of Money. Upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, Resolution No. 2020-11-02 to Adopt the 2021 Budget and Appropriate Sums of Money was adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies were authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2020. Mr. Solin was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Arapahoe County, not later than December 15, 2020. Mr. Solin was also authorized to transmit the Certification of Budget to the Division of Local

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Government not later than January 30, 2021. A copy of the adopted Resolution is attached to these Minutes and incorporated herein by this reference.

2021 Budget Hearing (District No. 2): The President opened the public hearing to consider the proposed 2021 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of 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 this public hearing.

No public comments were received, and the public hearing was closed.

Mr. Solin reviewed the estimated 2020 expenditures and the proposed 2021 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2020-11-03 to Adopt the 2021 Budget and Appropriate Sums of Money and Resolution No. 2020-11-04 to Set Mill Levies (for the General Fund at 7.659 mills, Debt Service Fund at 43.341 mills and Other Fund(s) at 2.170 mills, for a total mill levy of 53.170 mills). Upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies were authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2020. Mr. Solin was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Arapahoe County, not later than December 15, 2020. Mr. Solin was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2021. Copies of the adopted Resolutions are attached to these Minutes and incorporated herein by this reference.

Resolution No. 2020-11-05 Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3 (District No. 2):

The Board reviewed Resolution No. 2020-11-05 Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3.

Following discussion, upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-11-05 Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3. A copy of the adopted Resolution is attached to these minutes and incorporated herein by this reference.

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DLG-70 Mill Levy Certification Form: The Boards considered authorizing the Districts' Accountant to prepare and sign the DLG-70 Mill Levy Certification forms for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, the Boards authorized the Districts' Accountant to prepare and sign the DLG-70 Mill Levy Certification forms for certification to the Board of County Commissioners and other interested parties.

2022 Budget Preparation: The Boards discussed the preparation of the 2022 Budgets.

Following discussion, upon motion duly made by Director Cooper, seconded by Director D. Frank and, upon vote, unanimously carried, the Boards approved the appointment of the District Accountant to prepare the 2022 Budgets.

The Boards determined to hold the public hearings to consider adoption of the 2022 Budgets on November 12, 2021, at 10:30 a.m., at Centre Communities, Ltd., 7400 East Orchard Road #290-S, Greenwood Village, Colorado.

**OPERATION AND
MAINTENANCE
MATTERS/CAPITAL
PROJECT
MATTERS**

There were no operation and maintenance matters for discussion at this time.

LEGAL MATTERS

Cost Sharing Agreement (Landscape Improvements) by and among District No. 1, District No. 2, Serenity Ridge Owners Association, Serenity Ridge Condominiums Owners Association, Serenity Ridge Duplex Owners Association and Cherry Hollow Homeowners Association, Inc.: The Board deferred ratification.

District Boundary Maps: The Board discussed the need to update the Districts' boundary maps.

Following discussion, upon motion duly made by Director D. Frank, seconded by Director Cooper and, upon vote, unanimously carried, the Boards authorized General Counsel to take all actions necessary to update the maps. The Boards further authorized Manhard Consulting, ltd. to update the boundary maps.

OTHER BUSINESS

None.

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ADJOURNMENT

There being no further business to come before the Boards at this time, upon motion duly made by Director Cooper and seconded by Director D. Frank, upon vote, unanimously carried, the meetings were adjourned.

Respectfully submitted,

By



Secretary for the Meeting