

MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS

OF

HIGHLANDS METROPOLITAN DISTRICT NO. 1

Held: Friday, October 15, 2021, at 10:00 a.m.

This meeting was held via teleconference.

Attendance

The special meeting of the Board of Directors of the Highlands Metropolitan District No. 1, was called and held as shown above and 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:

Jacquelyn Eisenberg-Nelson
Kathryn Jewkes
Sean Nelson

Director Montiel was absent. All absences are deemed excused unless otherwise noted in these minutes.

Also present were Kristin B. Tompkins, Esq., and Audrey G. Johnson, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; Diane Wheeler, Simmons & Wheeler, P.C., District Accountant.

**Call to Order/Declaration of
Quorum/Director
Qualifications**

The Board designated Director Eisenberg-Nelson as Acting President. Noting that a quorum of the Board was present, Director Eisenberg-Nelson called the meeting to order. All directors in attendance affirmed their qualification to serve on the Board.

**Conflict of Interest
Disclosures**

Ms. Tompkins advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Tompkins reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Tompkins noted that a quorum was present and inquired into whether members of the Board 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 participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Administrative Matters

Approval of Agenda

Ms. Tompkins presented the proposed agenda to the Board. The Adoption of the Resolution Calling Election was requested to be removed from the consent agenda. Following discussion, upon a motion duly made and seconded, the Board approved the agenda, as amended.

Public Comment

None.

Consent Agenda

Director Eisenberg-Nelson reviewed with the Board the items on the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified, and/or adopted:

- a. Minutes from February 22, 2021 special meeting.
- b. Renewal of Property and Liability Schedule and Limits, Workers Compensation Coverage, and SDA Membership.
- c. Disbursement and Release Agreement with Vista Highlands, LLC, Vista Highlands Development Corp., and EVT 7th and Sheridan, LLC dated March 17, 2021.
- d. Termination of Agreements with Vista Highlands, LLC dated March 19, 2021.
- e. Requisition No. 1 Related to the District's Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2021.
- f. Requisition No. 2 Related to the District's Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2021.
- g. Resolution Designating the Location of Regular Meetings of the Board of Directors.

Legal Matters

Adoption of the Resolution Calling Election

Ms. Tompkins presented to the Board a Resolution calling the Election. Following discussion, upon a motion duly made and seconded, the Board adopted the Resolution and designated the District website as a second method for providing notice of call for nominations.

Consider Adoption of 2022 Annual Administrative Resolution

Ms. Tompkins presented to the Board the 2022 Annual Administrative Resolution. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the Resolution, noting that the Regular Meetings would be held on July 13 and October 12 at 10:00 a.m.

Financial Matters

Consider
Approval/Ratification of
Claims for Payables

Ms. Wheeler presented claims totaling \$26,144.17 for ratification, and the July 31, 2021 unaudited financial statements for acceptance. Following discussion, upon a motion duly made, the Board unanimously ratified the claims and accepted the unaudited financial statements.

Conduct Public Hearing on
2021 Budget Amendment and
Consider Adoption of
Resolution Amending 2021
Budget

It was determined a budget amendment was not needed.

Conduct Public Hearing on
2022 Budget and Consider
Adoption of Resolution
Adopting 2022 Budget,
Imposing Mill Levies and
Appropriating Funds

Director Eisenberg-Nelson opened the public hearing on the proposed 2022 budget at 10:17 a.m. Ms. Tompkins noted that the notice of public hearing was published in accordance with Colorado law. No written objections were received prior to the meeting. There being no public comment, the hearing was closed.

Ms. Wheeler reviewed the 2022 Budget Resolution with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution adopting the 2022 Budget as discussed, appropriating funds therefore and certifying 5.000 mills for the general fund and 45.000 mills allocated to general obligation bonds.

The Board directed legal counsel and the District's accountant to certify the mill levies by December 15, 2021 and file the 2022 Budget by January 30, 2022.

Other Financial Matters

It is noted that a 2021 audit will be needed. Ms. Wheeler recommends using Hiratsuka & Associates again. Following discussion, upon a motion duly made and seconded, the Board approved the engagement of Hiratsuka & Associates to prepare the 2021 Audit, not to exceed \$5,000.

Adjournment

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

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

Kathryn Jewkes

Secretary for the Meeting

The foregoing minutes were approved by the Board of Directors on the 13th day of July, 2022.