

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF MOUNTAIN SHADOWS METROPOLITAN DISTRICT TOWN OF FIRESTONE, WELD COUNTY, COLORADO

HELD: Thursday, May 16, 2019 at 3:00 p.m. at the offices of Journey Homes, 7251 20th Street, L-200, Greeley, Colorado

ATTENDANCE:

A special meeting of the Board of Directors (the "Board") of Mountain Shadows Metropolitan District (the "District") was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

In attendance were Directors:

Larry Buckendorf - President
Laira Ziegler – Secretary/Treasurer
Joseph Schumacher – Assistant Vice-President/Secretary/Treasurer
Morgan Kidder - Assistant Vice-President/Secretary/Treasurer
Darrell McAllister - Assistant Vice-President/Secretary/Treasurer

Also present were:

Cathy Fromm and Megan Holmberg; Fromm & Company LLC
David S. O'Leary of Spencer Fane LLP

CALL TO ORDER:

Mr. O'Leary called the meeting to order at 3:00 p.m., noted that a quorum of the Board was present and confirmed qualification of the Directors to serve on the Board.

DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:

Mr. O'Leary discussed the state law requirements for disclosure of potential conflicts of interest with the directors, noting that completed disclosure statements must be filed for each of the Directors with the Secretary of State and the Secretary of the District at least 72 hours prior to a meeting in which a potential conflict may arise. The Board noted that general disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State. Mr. O'Leary advised the Board that, pursuant to Colorado law, certain disclosures may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which they confirmed the contents of written disclosures previously made by the directors, stating the fact and summary nature of any matters, as required

RECORD OF PROCEEDINGS

Mountain Shadows Metropolitan District

May 16, 2019

Page 2

by Colorado law, to permit official action to be taken at the meeting.

APPROVAL OF THE AGENDA:

The Board reviewed the agenda. Upon motion duly made by Director Ziegler, seconded by Director Buckendorf, and unanimously carried, the Board approved the agenda as presented. Mr. O'Leary reported that the meeting notice and agenda had been sent to the Weld County Clerk and Recorder and had been posted at 3 places within the boundaries of the District pursuant to statute.

APPROVAL OF MINUTES:

The Board reviewed the Minutes of the special meeting held on December 11, 2018. Upon motion duly made by Director Schumacher, seconded by Director Ziegler, and unanimously carried, the Board approved the Minutes as presented.

FINANCIAL ITEMS:

a. Payment of Claims. Ms. Fromm presented the listing of claims to be ratified in the amount of \$10,096.13, represented by check numbers 01117 - 01125. Ms. Fromm then presented the listing of current claims to be approved in the amount of \$79,000.50 and represented by check numbers 01126 - 01128. Upon motion duly made by Director Ziegler, seconded by Director Schumacher, and unanimously carried, the Board approved the payables for ratification and approval as presented in the total amount of \$89,096.63.

b. Financial Statements. Ms. Fromm presented the financial statements dated March 31, 2019 to the Board. Discussion ensued regarding the General Fund Balance and upcoming bond payment. Upon motion duly made by Director Schumacher, seconded by Director Ziegler, and unanimously carried, the Board accepted and approved the financial statements as presented.

ATTORNEY ITEMS:

a. Resignation of Director Demaske. Mr. O'Leary presented the resignation letter from Mr. Demaske. Upon motion duly made, seconded and unanimously carried, the Board accepted the resignation of Mr. Demaske.

b. Appointment of Directors. Mr. O'Leary reported that no letters of interest had been received for the vacancies on the Board and that proper publication had been made in order to allow the Board to appoint Morgan Kidder and Darrell McAllister to the Board. Upon motion duly made by Director Buckendorf, seconded by Director Ziegler and upon vote, unanimously carried, the Board moved to appoint Mr. Kidder and Mr. McAllister to the Board. Ms. Ziegler administered the Oaths of Office and Mr. Buckendorf executed the Certificates of Appointment

RECORD OF PROCEEDINGS

Mountain Shadows Metropolitan District

May 16, 2019

Page 3

noting that Director Kidder's term would expire in 2022 but would be up for election for a 2-year term in 2020 and that Mr. McAllister's position would expire, and he would be up for election in 2020.

c. District Property & Liability Coverage. The Board reviewed the insurance documents for continuing property and liability coverage. Discussion ensued regarding crime coverage for Errors and Omissions. Upon motion duly made by Director Buckendorf, seconded by Director Ziegler, and unanimously carried, the Board approved the ongoing property and liability coverage and Ms. Holmberg was directed to follow-up with the Colorado Special District Property & Liability Pool regarding same.

PUBLIC COMMENT:

None.

ADJOURNMENT:

There being no further business to come before the Board and upon motion duly made by Director Ziegler, seconded by Director Schumacher, and unanimously carried, the meeting was adjourned.

The foregoing Minutes constitute a true and correct copy of the Minutes of the above-referenced meeting and were approved by the Board of Directors of the Mountain Shadows Metropolitan District.

Respectfully Submitted,



Secretary for the Meeting