MINUTES OF THE SPECIAL MEETING OF

ENCORE ON 34 METROPOLITAN DISTRICT

HELD

November 6, 2023

The Special Meeting of Encore on 34 Metropolitan District Nos. 1-3 was held via Microsoft Teams and Teleconference on Monday, November 6, 2023, at 11:00 a.m.

|  |  |
| --- | --- |
| Attendance | Directors in Attendance:  Mark Hunter, President & Chairperson  Jesse Jenner, Vice President  Jeffrey Reed, Secretary & Treasurer  Amanda Baker, Asst. Secretary & Asst. Treasurer  Scot Smith, Asst. Secretary & Asst. Treasurer  Also in Attendance:  Robert Rogers, Eve Velasco, and Matt Gray; White Bear Ankele Tanaka & Waldron, P.C.  Shannon McEvoy, Kevin Mitts, and Brendan Campbell; Pinnacle Consulting Group, Inc.  \_\_\_\_\_\_\_\_\_\_ |
| Administrative Items | Call to Order: The Special Meeting of the Board of Directors Encore on 34 Metropolitan District Nos. 1-3 was called to order by Mr. McEvoy at 11:07 a.m.  Declaration of Quorum/Director Qualifications/Disclosure of Potential Conflicts of Interest: Ms. Velasco noted that a quorum was present, with four out of five Directors in attendance. All Board Members confirmed their qualifications to serve on the Board. Ms. Velasco advised the Boards that pursuant to Colorado law, certain disclosures by Board Members might be required prior to taking official action at a meeting. Ms. Velasco reported that disclosures for those Board Members who provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest, if any, were filed with the Colorado 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 Boards. Ms. Velasco inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest regarding 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 Boards to act.  Approval of Agenda: The Boards considered the approval of the agenda. Following review and discussion, upon a motion duly made by Director Hunter, seconded by Director Reed, and upon vote, unanimously carried, it was  **RESOLVED** to approve the agenda, as presented.  Public Comment: There were no Public Comments received.  \_\_\_\_\_\_\_\_\_\_ |
| Consent Agenda | Mr. McEvoy reviewed the items on the consent agenda with the Boards. Mr. McEvoy advised the Boards that any item 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 by Director Hunter, seconded by Director Smith, the following items on the consent agenda were unanimously approved, ratified, and adopted:   1. Approval of Minutes – June 20, 2023, Special Meeting. 2. Payment of Claims. 3. Ratification of 2022 Audit Exemptions for District Nos. 1-3. 4. Ratification of 2022 Annual Report.   \_\_\_\_\_\_\_\_\_\_ |
| Financial Items | Partial Repayment of Miracle on 34, LLC Seller Developer Advances: Mr. Campbell and Mr. Rogers discussed the Partial Repayment of Miracle on 34, LLC Seller Developer Advances in the amount of $230,000.00 and answered questions. Following review and discussion, upon a motion duly made by Director Hunter, seconded by Director Jenner, and vote unanimously carried, it was  **RESOLVED** to approve the Partial Repayment of Miracle on 34, LLC Seller Developer Advances in the amount of $230,000.  Financial Statements: Mr. Campbell reviewed the unaudited Financial Statements for the period ending September 30, 2023, with the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Hunter, seconded by Director Jenner, and upon vote, unanimously carried, it was  **RESOLVED** to accept the unaudited Financial Statements for the period ending September 30, 2023, as presented.  Director Compensation: Mr. Rogers discussed the possible action regarding Director Compensation and answered questions.  **RESOLVED** to approve Compensation for the Board of Directors for $100 per district per meeting not to exceed $400 and to have District Management acquire Workman’s Compensation Coverage from the CSD Pool.  SB23-303 Requirements Relating to Limitations on Property Tax Revenue: Mr. Campbell discussed the SB23-303 Requirements Relating to Limitations on Property Tax Revenue with the Boards and answered questions.  \_\_\_\_\_\_\_\_\_\_ |
| 2023  Amended  Budget Hearing | Director Hunter opened the 2023 Amended Budget Hearing for Encore on 34 Metropolitan District. Mr. McEvoy reported that notice of the budget hearing was published on October 25, 2023, in the Loveland Reporter Herald, in accordance with state budget law. There being no public input, the public portion of the budget hearing was closed. Mr. Campbell reviewed the amended budget in detail and answered questions. The budget for the District is as follows:  General Fund: $379,234  Following review and discussion, upon a motion duly made by Director Hunter, seconded by Director Smith, and upon vote, unanimously carried, it was  **RESOLVED** to approve the Resolution to Adopt the 2023 Amended Budget and appropriate funds for Encore on 34 Metropolitan District and authorize such further actions of the officers and consultants necessary to sign related documents and submit and file such documents required to finalize the amended budget.  \_\_\_\_\_\_\_\_\_\_ |
| 2024  Budget Hearing | Director Hunter opened the 2024 Budget Hearing for Encore on 34 Metropolitan District. Mr. McEvoy reported that notice of the budget hearing was published on October 25, 2023, in the Loveland Reporter Herald, in accordance with state budget law. Mr. Campbell reviewed the mill levy, estimated revenues, and expenditures in detail and answered questions. The budget for the District is as follows:  District No. 1  Mill Levy: 0.000 mills  General Fund: $221,514  District No. 2  Mill Levy: 50.000 mills  General Fund: $412,958  District No. 3  Mill Levy: 33.000 mills  General Fund: $992  There being no public input, the public portion of the budget hearing was closed. After further review and discussion, upon a motion duly made by Director Hunter, seconded by Director Smith, and upon vote, unanimously carried, it was  **RESOLVED** to approve the Resolutions to Adopt the 2024 Budget for Encore on 34 Metropolitan District, set the mill levy, and appropriate budgeted funds upon final certification of values being received by the County of Larimer, and approve all other documents related to the 2024 budget. The District Manager is authorized to make minor modifications that may be necessary following receipt of final assessed values.  \_\_\_\_\_\_\_\_\_\_ |
| Legal Items | 2024 Annual Administrative Resolution: Ms. Velasco presented the 2024 Annual Administrative Matters Resolution to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Smith, seconded by Director Hunter, and upon vote, unanimously carried, it was  **RESOLVED** to approve the 2024 Annual Administrative Matters Resolution, as presented.  Funding and Reimbursement Amendment (Operations and Maintenance): Ms. Velasco presented the Amendment to Funding and Reimbursement Agreement for Operations and Maintenance to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Reed, seconded by Director Smith, and upon vote, unanimously carried, it was  **RESOLVED** to approve the Amendment to the Funding and Reimbursement Agreement for Operations and Maintenance, as presented.  Amended and Restated Service Plan Update: Mr. Rodgers provided an update on the Amended and Restated Service Plan to the Boards and answered questions.  District Website Compliance and WCAG 2.1 AA Requirements for ADA Compliance: Ms. Velasco discussed the requirements for the District Website to be compliant with the Boards and answered questions. Mr. McEvoy stated District Management has a plan for the requirement and there are funds in the 2024 budget to ensure compliance.  \_\_\_\_\_\_\_\_\_\_ |
| Management Items | Proposal for Renewal of General Liability Schedule and Limits and Property Schedule and Consider Approval and Authorization to Bind Coverage: Mr. McEvoy discussed the Proposal for Renewal of General Liability Schedule and Limits and Property Schedule with the Boards as well as discussed, the authorization to bind coverage, and answered questions. Following review and discussion, upon a motion duly made by Director Hunter, seconded by Director Reed, and upon vote, unanimously carried, it was  **RESOLVED** to approve the authorization to bind coverage.  \_\_\_\_\_\_\_\_\_\_ |
| Director  Matters | There were no Director Matters to come before the Boards.  \_\_\_\_\_\_\_\_\_\_ |
| Other  Matters | There were no Other Matters to come before the Boards.  \_\_\_\_\_\_\_\_\_\_ |
| Adjournment | There being no further business to come before the Boards, upon motion duly made by Director Reed, seconded by Director Smith, and upon unanimous vote, the meeting was adjourned at 12:05 p.m.  \_\_\_\_\_\_\_\_\_\_ |
|  | The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.  Respectfully submitted,    Kevin Mitts, Recording Secretary for the Meeting |