

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
MUEGGE FARMS METROPOLITAN DISTRICT NO. 2**

Held: Thursday, October 19, 2023, at 10:00 a.m.

Virtually via Zoom videoconference

ATTENDANCE

A Regular Meeting of the Board of Directors of the Muegge Farms Metropolitan District No. 2 (the “District”), Town of Bennett, County of Adams, State of Colorado, 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:

James E. Marshall
John P. Vitella

Also present were:

Suzanne Meintzer, Esq. and Jay Morse, Esq., McGeady Becher P.C.
Eric Weaver and James Shultz, Marchetti & Weaver, LLC
Kurt C. Schlegel, Special District Solutions, Inc.

The meeting was open to the public.

Mr. Schlegel confirmed the presence of a quorum and the meeting was called to order.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. Attorney Meintzer noted that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, and no new conflicts of interest were disclosed at the meeting.

ADMINISTRATIVE MATTERS

Quorum / Meeting Location and Manner / Posting of Notices / Agenda:

The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the venue for the District’s board meeting. The Board further noted that notice of this meeting venue was duly posted and that no objections or any requests that the meeting venue be changed were received from taxpaying electors within its boundaries.

Mr. Schlegel reported that the Meeting Notice and Agenda was posted to the District's website at least 24-hours prior to the meeting, and the 2024 Budget Hearing Notice was published in the *Eastern Colorado News*, all in accordance with statute.

Upon a motion duly made by Director Marshall, seconded by Director Vitella and, upon vote unanimously carried, the Agenda was approved.

May 2, 2023 Election Results:

Mr. Schlegel stated that since there were fewer self-nomination forms received than available Director positions, the District's May 2, 2023 Director election was cancelled and all required forms have been filed with the Colorado Department of Local Affairs, Adams County, and the Town of Bennett, Colorado.

Appointment of Officers:

Following discussion, upon motion duly made by Director Vitella, seconded by Director Marshall, and upon vote unanimously carried, the following slate of officers were appointed for the District:

James E. Marshall – President
John Vitella – Treasurer
Kurt Schlegel – Secretary (non-elected)

Consent Agenda:

Upon motion duly made by Director Marshall, seconded by Director Vitella and, upon vote, unanimously carried, the Board approved the Consent Agenda items, as follows:

- A. Approve the Minutes of the November 17, 2022 Special Meeting.

Resolution No. 2023-10-01, Resolution Establishing Regular Meeting Dates, Times, and Location, and Designating Location for Posting of 24-Hour Notices:

Mr. Schlegel reviewed the proposed Resolution with the Board. The Board determined to hold special meetings as needed in 2024 and scheduled a regular meeting to be held virtually at 10:00 AM on Thursday, October 17, 2024. The Board further determined that notices of meetings shall be posted on the District's website or at the Western Terminus of Marketplace Drive, West of Highway 79 if the website is unavailable.

Following review and discussion and upon a motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the Board adopted Resolution No. 2023-10-01, Resolution Establishing Regular Meeting Dates, Times, and Location, and Designating Location for Posting of 24-Hour Notices.

District Insurance and Special District Association (SDA) of Colorado Membership:

Cyber Security and Increased Crime Coverage: The Board entered into discussion regarding insurance renewals. Following discussion, upon motion duly made by Director Marshall, seconded by Director Vitella and, upon vote, unanimously carried, the Board approved the renewal of Cyber Security and Crime coverage, with an increase to the premium in the amount of approximately \$460 per year for coverage of up to \$100,000.

Insurance Committee: The Board determined that establishment of an Insurance Committee would not be necessary, and no action was taken.

Renewal of District's Insurance and Special District Association ("SDA") Membership for 2024: The Board entered into discussion regarding the renewal of the District's insurance and SDA membership for 2024. Following discussion, upon motion duly made by Director Marshall, seconded by Director Vitella and, upon vote, unanimously carried, the Board authorized the renewal of the District's insurance and SDA membership for 2024.

PUBLIC COMMENT

None.

FINANCIAL MATTERS

Claims for Payment:

Mr. Weaver discussed payments made since the Board's last meeting for ratification by the Board. Upon a motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the Board ratified the payment of claims paid through October 19, 2023.

Unaudited Financial Statements:

Mr. Weaver presented the District's unaudited financial statements for the period ending September 30, 2023. Following review and discussion and upon a motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2023.

Public Hearing on Amendment to 2023 Budget:

Director Marshall opened the public hearing to consider an amendment to the 2023 Budget.

It was noted that publication of Notice stating that the Board would consider amendment of the 2023 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 the public hearing.

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

The Board noted that an amendment to the 2023 Budget was not necessary.

Public Hearing on 2024 Budget:

Director Marshall opened the public hearing to consider the proposed 2024 Budget and to discuss related issues.

It was noted that Notice stating that the Board would consider adoption of the 2024 budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

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

The Board reviewed the estimated 2023 expenditures and the proposed 2024 expenditures.

Upon motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the Board approved the 2024 Budget, as subject to changes made as discussed, and considered adoption of Resolution No. 2023-10-02 to Adopt the 2024 Budget and Appropriate Sums of Money and Resolution No. 2023-10-03 to Set Mill Levies (0.00 mills in the General Fund and 0.00 mills in the Debt Service Fund, for a total mill levy of 0.00 mills.)

Following discussion, upon vote unanimously carried, the Board adopted the Resolutions and authorized execution of the Certification of Budget. The District Accountant was directed to transmit the Certification of Tax Levies to the Board of County Commissioners of Adams County not later than January 10, 2024. District Counsel was directed to transmit the Certification of Budget to the Division of Local Government no later than January 30, 2024.

DLG-70 Certification of Tax Levies:

Following discussion, upon motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the Board authorized the District Accountant to prepare, sign, and file the DLG-70 Mill Levy Certification Form for certification to the Board of County Commissioners and other interested parties.

Preparation of 2025 Budget:

Upon a motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the Board appointed the District Accountant to prepare the 2025 Budget.

2023 Audit:

The Board discussed statutory requirements for an Audit. Following discussion, and upon a motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the Board authorized the District Accountant to prepare and file an Application for Exemption from 2023 Audit.

LEGAL MATTERS

Third Amendment to Operation Funding Agreement with MGV Investments, LLC (“OFA”):

Attorney Meintzer discussed the OFA with the Board, and the need for an amendment. Following discussion, upon motion duly made by Director Marshall, duly seconded by Director Vitella and, upon vote unanimously carried, the Board approved the OFA, modifying the term of the OFA to cover fiscal years 2020-2024 and increasing the shortfall limitation to \$200,000.

Section 32-1-809, C.R.S. Requirements (Annual Transparency Notice):

Attorney Meintzer discussed with the Board, the requirements of Section 32-1-809, C.R.S. Following discussion, and upon a motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the Board directed management to prepare and file the Annual Transparency Notice for the District.

Resolution No. 2023-10-04 Amending the District's Colorado Open Records Act (CORA) Policy:

Attorney Meintzer discussed recent changes brought about by the passage of Senate Bill 23-286. Following discussion, and upon a motion duly made by Director Marshall, seconded by Director Vitella and, upon vote unanimously carried, the Board approved and adopted Resolution No. 2023-10-04 Amending the District's Colorado Open Records Act Policy.

OTHER BUSINESS

None.

ADJOURNMENT

There being no further business coming before the Board, upon motion duly made by Director Marshall, seconded by Director Vitella, and upon vote unanimously carried, the meeting was adjourned at 10:40 a.m.

The foregoing Minutes were approved by the Board of Directors on October 17, 2024.

The foregoing record constitutes a true and correct copy of the Minutes of the above referenced meeting.

Kurt Schlegel

Secretary