

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
ROCK CANYON METROPOLITAN DISTRICT (THE "DISTRICT")
HELD
NOVEMBER 10, 2020

A special meeting of the Board of Directors of the Rock Canyon Metropolitan District (referred to hereafter as the "Board") convened on Tuesday, November 10, 2020, at 9:00 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, this District Board Meeting was held by conference call (neither District representatives nor the general public) attending in person. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Peter Klymkow, President
Matthew Valente, Treasurer
Natalie Fatseas, Secretary

Also, In Attendance Were:

Paula Williams, Esq. and Craig Sorensen; McGeady Becher P.C.
Kevin Collins and Brittany Superchi; CliftonLarsonAllen LLP

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. It was noted by Attorney Williams that 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

Quorum/Confirmation of Meeting Location/Posting of Notice: A quorum was confirmed.

The Board discussed the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, and upon motion duly made and seconded, and upon vote unanimously carried, the Board determined that due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits regarding the spread of the virus by limiting in-person contact, it was determined to conduct the meeting at via

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telephone conference. It was further noted that notice of the time, date and location was duly posted and that no objections to the location or any requests that the meeting place be changed by taxpaying electors within the District's boundaries have been received.

Agenda: The Board reviewed the Agenda for the meeting. Following discussion, upon motion duly made by Director Klymkow, seconded by Director Fatseas, and upon vote unanimously carried, the Board approved the Agenda, as presented.

Minutes of August 28, 2020 Special Meeting: The Board reviewed the Minutes of the August 28, 2020 Special Meeting. Following review and discussion, upon motion duly made by Director Klymkow, seconded by Director Valente, and upon vote unanimously carried, the Board approved the Minutes, as presented.

District Insurance: The Board approved renewing the District's general liability insurance coverage, public officials' coverage, workers' compensation coverage and instructed consultants to proceed accordingly. The Board further directed renewal of the District's Special District Association membership.

Resolution No. 2020-11-01; Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices: The Board discussed the business to be conducted in 2021. Following discussion, upon motion duly made by Director Valente, seconded by Director Klymkow, and upon vote unanimously carried, the Board adopted Resolution No. 2021-11-01; Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices and determined to hold 2021 meetings on Thursday, June 10, 2021 and Thursday, November 11, 2021 at 9:00 a.m. at the offices of Taylor Morrison of Colorado, Inc., 400 Inverness Pkwy., Suite 250, Englewood, Colorado 80112.

FINANCIAL MATTERS

Unaudited Financial Statements and Cash Position: The Board reviewed the unaudited financial statements and cash position for the period ending August 31, 2020. Following discussion, upon motion duly made by Director Klymkow, seconded by Director Fatseas, and upon vote unanimously carried, the Board accepted the unaudited financial statements and cash position as presented.

Public Hearing on Amendment to 2020 Budget: The Board opened the public hearing to consider an amendment to the 2020 Budget.

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

No public comments were received, and the public hearing was closed. It was noted that no amendment to the 2020 Budget was required.

Public Hearing on 2021 Budget: The Board opened the public hearing to consider the proposed 2021 Budget and to discuss related issues.

It was noted that Notice stating that the Board would consider adoption of the 2021 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 2021 expenditures and the proposed 2021 expenditures.

Upon motion duly made by Director Klymkow, seconded by Director Valente, and upon vote unanimously carried, the Board approved the 2021 Budget, as discussed, and considered adoption of Resolution No. 2020-11-02 to Adopt the 2021 Budget and Appropriate Sums of Money and Resolution No. 2020-11-03 to Set Mill Levies (15.104 mills in the General Fund and 50.349 mills in the Debt Service Fund, for a total mill levy of 65.453 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 Douglas County not later than December 15, 2020. District Counsel was directed to transmit the Certification of Budget to the Division of Local Government no later than January 30, 2021.

Resolution No. 2020-11-04 Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3 (Gallagher Resolution): Following discussion, upon motion duly made by Director Klymkow, seconded by Director Valente, the Board approved Resolution No. 2020-11-04 Authorizing Adjustment of the District Mill Levy in Accordance with the Colorado Constitution, Article X, Section 3.

DLG-70 Mill Levy Certification Form: Following discussion, upon motion

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

2020 Audit Preparation: Following discussion, upon motion duly made by Director Klymkow, seconded by Director Fatseas, and upon vote unanimously carried, the Board approved the engagement of Dazzio & Associates, PC to perform the District's 2020 Audit, for an amount not to exceed \$4,700.

LEGAL MATTERS

First Amendment to 2020-2021 Operation Funding Agreement with Taylor Morrison of Colorado, Inc.: Mr. Sorensen discussed the need for an amendment with the Board. The amendment would increase the shortfall amount from \$50,000 to \$100,000 based on the draft budget estimates for 2021. Following discussion, upon a motion duly made by Director Klymkow, seconded by Director Valente, and upon vote unanimously carried, the Board approved the First Amendment to 2020-2021 Operation Funding Agreement with Taylor Morrison of Colorado, Inc.

Section 32-1-809, C.R.S. Requirements (Transparency Notice): Following discussion, the Board directed District Counsel to post the special district transparency notice on the Special District Association website.

OTHER BUSINESS

There was no other business discussed.

ADJOURNMENT

There being no further business to come before the Board at this time, the meeting was adjourned.

Respectfully submitted,

By Matthew Valente
Secretary for the Meeting