

RECORD OF PROCEEDINGS

MINUTES OF THE CONSOLIDATED SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE FOUR MILE RANCH METROPOLITAN DISTRICT NOS. 2-4

Held: Tuesday, September 28, 2021 at 10:00 a.m. at 3710 Sinton Road, Suite 120, Colorado Springs, Colorado.

Call to Order

The consolidated special meeting of the Board of Directors of the Four Mile Ranch Metropolitan District Nos. 2-4 was called and held as shown above. The following Directors, having confirmed their qualification to serve on the Board, were in attendance in person:

Dennis Minchow
Mary Minchow
Richard Day

Also present: Joan Fritsche, Fritsche Law LLC; Leslie Monroe, Accounting Associates, LLC (remotely); and David Smith, Generation Capital (remotely).

Director D. Minchow noted that a quorum of the Board was present, with three of the three Directors present, verified that notice of the meeting was posted in one location within the Districts and that the Directors had confirmed their qualification to serve, and therefore called the consolidated special meeting of the Board of Directors of the Four Mile Ranch Metropolitan District Nos. 2-4 to order.

Disclosure Matters

Ms. Fritsche advised the Board that pursuant to Colorado law, certain disclosures by Board members may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Director disclosed his/her potential conflicts of interest, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. The Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Director Dennis Minchow stated he is under contract to purchase real property within the Districts requiring the payment of a proportionate share of property taxes and his company has a contract to provide consulting services to the primary landowner in the Districts and receives compensation from the developer entity within the Districts' boundaries.

Director Mary Minchow stated she is under contract to purchase real property within the Districts requiring the payment of a proportionate

RECORD OF PROCEEDINGS

share of property taxes and she is the spouse of Director Dennis Minchow.

Director Richard Day stated he is under contract to purchase real property within the Districts requiring the payment of a proportionate share of property taxes and he is employed by a property owner/developer entity as the Four Mile Ranch Golf Course Manager.

Written Disclosures for each of the Directors were filed with the Board and Secretary of State more than 72 hours prior to the meeting.

Director Matters

Ms. Fritsche noted that all of the Directors had taken their Oaths of Office which had been filed with the County Clerk authorizing the Directors to act at this meeting, and that the Oaths had also been filed with the District Court and Department of Local Affairs, as required by statute. The Directors executed Affidavits of Director Qualification confirming their eligibility to serve on the Board.

Upon a motion duly made by Director M. Minchow, seconded by Director Day and unanimously carried, the Board elected the following Officers:

Chairman/President	Dennis Minchow
Secretary/Treasurer	Richard Day
Assistant Secretary	Mary Minchow

Meeting Location Resolution

Upon a motion duly made by Director Day, seconded by Director M. Minchow and unanimously carried, pursuant to § 32-1-903(1), C.R.S., the Board determined that because there is not a suitable or convenient location within the Districts' boundaries or Fremont County to conduct public meetings, and because this meeting location is convenient to the Directors, the Board approved a resolution to hold its special meeting at 3710 Sinton Road, Suite 120, Colorado Springs, Colorado, more than 20 miles from the Districts' boundaries and outside of Fremont County. The Board further noted that notice of this meeting was duly posted, and the Directors have not received any objections to the location from taxpaying electors within the District.

Public Comment

There was no public comment.

Board Responsibilities

Ms. Fritsche discussed Colorado open meetings requirements and reviewed the Board orientation checklist.

Annual Administrative Matters

Ms. Fritsche reviewed the Districts' Annual Administrative Resolution for 2021, including the following provisions and other administrative

RECORD OF PROCEEDINGS

actions providing direction from the Board regarding statutory compliance and District administration:

The Board determines that each Director shall not receive compensation for services as Directors.

The Board designates the *Canon City Daily Record* as the newspaper of general circulation within the boundaries of the Districts and directs that all legal notices shall be published there in accordance with applicable statutes.

The Board designates fence posts within the boundaries of each District as the 24-hour posting place for meeting notices that were not otherwise posted under Title 32, C.R.S.

The Board determines to hold regular meetings in 2022 on the following dates: TBD.

The Board appoints Mandi G. Kirk with Fritsche Law as the “Designated Election Official” of the Board for any elections to be held during 2021 and any subsequent year.

The Board designates the Board President as the Official Custodian of District Records.

The Board engages Fritsche Law LLC to provide legal services and Accounting Associates, LLC to provide accounting services to the District.

Upon a motion duly made by Chairman D. Minchow, seconded by Director Day and unanimously carried, the Board adopted the 2021 Administrative Resolution, as amended.

Insurance Matters

Ms. Fritsche discussed the following insurance coverage with the Board: Public Official’s Liability Coverage Bond in the statutorily required amounts of Treasurer - \$5,000, five Board Members - \$1,000 each and discussed obtaining comprehensive general liability insurance through the Special District Association Liability Pool. Workers’ Compensation Coverage would not necessary because Directors are not being compensated for services and the District has no employees.

RECORD OF PROCEEDINGS

- District Audits Ms. Monroe discussed the 2017-2020 applications for audit exemption for District Nos. 2-4. Upon a motion made by Chairman Minchow, seconded by Director M. Minchow and unanimously carried, Ms. Monroe was directed to completed and file the audit exemptions with the state.
- 2017-2022 Budget Hearings for District No. 2 Ms. Fritsche reported that the meeting had been published in the *Canon City Daily Record* as the District’s public hearing on its proposed 2017-2022 budgets. Chairman Minchow opened the public hearing. There being no members of the public wishing to comment, and Chairman Minchow closed the public hearing. Ms. Monroe reviewed the draft 2017-2022 budgets with the Board. Upon motion duly made by Director Chairman Minchow, seconded by Director M. Minchow and unanimously carried, the Board approved resolutions adopting the District’s 2017-2022 budgets as presented, and appropriating funds as set forth in the budgets.
- 2017-2022 Budget Hearings for District No. 3 Ms. Fritsche reported that the meeting had been published in the *Canon City Daily Record* as the District’s public hearing on its proposed 2017-2022 budgets. Chairman Minchow opened the public hearing. There being no members of the public wishing to comment, Chairman Minchow closed the public hearing. Ms. Monroe reviewed the draft 2017-2022 budgets with the Board. Upon a motion duly made by Director M. Minchow, seconded by Director Day and unanimously carried, the Board approved resolutions adopting the District’s 2017-2022 budgets as presented, and appropriating funds as set forth in the budgets.
- 2017-2022 Budget Hearings for District No. 4 Ms. Fritsche reported that the meeting had been published in the *Canon City Daily Record* as the District’s public hearing on its proposed 2017-2022 budgets. Chairman Minchow opened the public hearing. There being no members of the public wishing to comment, Chairman Minchow closed the public hearing. Ms. Monroe reviewed the draft 2017-2022 budgets with the Board. Upon a motion duly made by Director M. Minchow, seconded by Chairman Minchow and unanimously carried, the Board approved resolutions adopting the District’s 2017-2022 budgets as presented, and appropriating funds as set forth in the budgets.
- Banking Authorization Resolution Upon a motion duly made by Director M. Minchow, seconded by Chairman Minchow and unanimously carried, the Board adopted a resolution authorizing opening bank accounts in the Districts’ names at Legacy Bank, directing District account statements to be electronically accessed by Accounting Associates, LLC, and requiring the signature of one Director, either Chairman Minchow or Director Day as

RECORD OF PROCEEDINGS

	authorized signatories on Districts' accounts. Payables will be reviewed and ratified at Board meetings.
Indemnification Resolution	Upon a motion duly made by Director M. Minchow, seconded by Director Day and unanimously carried, the Board adopted a resolution approving a policy to defend and indemnify current and future Directors and employees, if any, of the Districts from actions taken in their official capacities, as further outlined in the Resolution.
Resolution Determining not to Provide Workers' Compensation Insurance Coverage	The Colorado Department of Labor & Employment, Division of Workers' Compensation (the "Division"), has requested that the Boards annually adopt a formal resolution and file Form WC44 to acknowledge the Board's decision not to provide Workers' Compensation Insurance to its uncompensated elected officials. Upon a motion duly made by Chairman D. Minchow, seconded by Director Day and unanimously carried, the Board adopted resolutions waiving Workers' Compensation coverage for the Directors for 2022.
Records Retention Policy	Upon a motion duly made by Director M. Minchow, seconded by Director Day and unanimously carried, the Board adopted resolutions authorizing adoption of the State of Colorado's electronic records retention schedule for special districts.
Resolution Adopting CORA Policy	Upon a motion duly made by Director Day, seconded by Chairman Minchow and unanimously carried, the Board adopted a resolution designating the Board President as the District's Official Custodian of Records and adopting an open records request policy and fee schedule, in conformance with state statutes concerning the review and release of public records under an Open Records Request.
Resolution Adopting Policy of Disposal of Personal Identifying Information	Ms. Fritsche reviewed the terms of the resolution complying with the Personal Information Statute, § 24-73-101, <i>et seq.</i> , C.R.S. Upon a motion duly made by Director M. Minchow, seconded by Chairman Minchow and unanimously carried, the Board adopted a Resolution Adopting a Policy of Disposal of Personal Identifying Information.
November 2021 Special Director Election	Upon a motion duly made by Director Day, seconded by Director M. Minchow and unanimously carried, the Board adopted a resolution calling the District's November 2, 2021 Special Director Election, appointing Mandi Kirk as the Designated Election Official and authorizing the Designated Election Official to take actions necessary to conduct the Election, including cancelling the Election, if possible.

RECORD OF PROCEEDINGS

- May 2022 Regular Election Upon a motion duly made by Director Day, seconded by Director M. Minchow and unanimously carried, the Board adopted a resolution calling the District's 2022 Regular Election, appointing Mandi Kirk as the Designated Election Official and authorizing the Designated Election Official to take actions necessary to conduct the Election, including cancelling the Election, if possible.
- Intra-District Intergovernmental Agreement Upon a motion duly made by Chairman Minchow, seconded by Director Day and unanimously carried, the Board adopted an Intra-District Intergovernmental Agreement authorizing District No. 3 to conduct administration and management services on behalf of the Districts for efficiency purposes.
- Revenue Sharing Agreement with C-CARE (URA), Canon City, District No. 3 and District No. 4 Upon a motion duly made by Director M. Minchow, seconded by Director Day and unanimously carried, the Board adopted a Revenue Sharing Agreement by and between C-CARE (URA), the City of Canon City, District No. 3 and District No. 4 related to the creation of a new Urban Renewal Area along Hwy 50.
- 2021 Legislative Update Ms. Fritsche reviewed the Legislative Update Memorandum concerning legislation passed during the 2021 Regular Session of Colorado General Assembly that may affect the interests of the District.
- Exclusion of Property from District No. 3 The Board discussed the future exclusion of property from District No. 3.
- Develop Funding and Reimbursement Agreement The Board discussed entering into Funding and Reimbursement Agreements with Cottage Capital Partners, LP.
- Adjournment There being no further business to come before the Board, the meeting was adjourned.



Secretary for the Meeting