

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

CHERRYLANE METROPOLITAN DISTRICT

Held: Tuesday, November 1, 2022 at 10:00 a.m. via teleconference.

Attendance

The special meeting of the Board of Directors of Cherrylane Metropolitan District was called and held in accordance with the applicable laws of the State of Colorado. The following Directors, have confirmed their qualifications to serve, were in attendance:

Kevin Wolf, President/Secretary/Treasurer

Also present were Zachary P. White, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law; Eric Weaver and Cheri Curtis, CPA, Marchetti & Weaver, LLC., District Accountants.

Call to Order/Declaration of Quorum

It was noted that a quorum of the Board was present, and the meeting was called to order.

Conflict of Interest Disclosures

Mr. White advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. White reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the 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 Board. Mr. White inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to 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 Board to act.

Approval of Agenda

Mr. White presented the proposed agenda to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda as presented.

Consider Election of Officers

The Board engaged in general discussion regarding the Election of Officers. Following discussion, upon a motion duly made and seconded, the Board elected Director Wolf as President, Treasurer, and Secretary.

Public Comment

None.

Consent Agenda

Mr. White reviewed the items on the consent agenda with the Board. Mr. White advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any director. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and/or adopted:

- November 2, 2021 Regular Meeting Minutes
- 2023 Annual Administrative Resolution
- Resolution Designating Meeting Notice Posting Location
- 2021 Audit
- District Website Maintenance and Management Agreement with Heatherly Creative, LLC, for Website Maintenance Services

District Matters

None.

Insurance Matters

Consider Approval of Property and Liability Schedule and Limits

Mr. White presented the Property and Liability Schedule and Limits to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the renewal of property and liability insurance.

Review Property Schedule

Mr. White reviewed the Property Schedule with the Board. No further action was taken.

Consider Approval of Renewal of Special District Association of Colorado Membership for 2023

Mr. White discussed the Renewal of the Special District Association of Colorado Membership for 2023 with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the renewal of membership for 2023.

Consider Approval of Exclusion for Workers' Compensation Coverage

Mr. White discussed the Exclusion for Workers' Compensation Coverage with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved including workers' compensation and authorized legal counsel to bind coverage.

Legal Matters

Consider Approval of Resolution Calling May 2, 2023 Election

Mr. White presented the Resolution Call the May 2, 2023 Election to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Designation of Method for Providing Notice of Call for Nominations The Board engaged in a Discussion regarding the Designation of Method for Providing Notice of Call for Nominations. Following discussion, upon a motion duly made and seconded, the Board unanimously approved notice given by posting on the District website.

Financial Matters

Consider Approval of Payables/Financials Ms. Curtis presented and reviewed with the Board the Payables/Financials. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the payables and financials.

Discussion re Reimbursement of Developer Advances Mr. White discussed with the Board that all reimbursements for operations advances from LGI Homes will be repaid in 2023. There are, however, capital costs that were not reimbursed when the bonds were issued. Following discussion, upon a motion duly made and seconded, the Board unanimously directed Mr. White to discuss with the developer their willingness to waive reimbursement of outstanding capital costs.

Conduct Public Hearing on 2022 Budget Amendment Director Wolf opened the public hearing on the 2022 Budget Amendment. Mr. White noted that the notice of public hearing was provided in accordance with Colorado Law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Amending 2022 Budget Ms. Curtis reviewed the Resolution Amending the 2022 Budget with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution amending the General Fund to \$92,044.

Conduct Public Hearing on 2023 Budget Director Wolf opened the public hearing on the proposed 2023 Budget. Mr. White noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Adopting 2023 Budget, Imposing Mill Levy and Appropriating Funds Ms. Curtis reviewed the 2023 Budget Resolution with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution adopting the 2021 Budget, appropriating funds therefor and certifying 15.000 mills for the General fund, 57.082 mills for the Debt Service fund, 0.000 mills for the Contractual Obligations fund, and 0.000 mills for the Capital Projects fund.

Consider Auditor Proposals
for 2022 Audit

The Board engaged in a Discussion regarding Auditor Proposals for 2022 Audit. Ms. Curtis advised the Board that she will provide proposals once available. Following discussion, upon a motion duly made and seconded, the Board unanimously authorized Director Wolf to approve an engagement letter. No change in auditor is expected from last year.


Other Business

The next regular meeting is scheduled for July 4, 2023.

Adjourn

There being no further business to come before the Board, and following discussion and upon a motion duly made, seconded, and unanimously carried, the Board determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.


Kevin Wolf (Jun 21, 2023 17:25 MDT)

Secretary for the Meeting

The foregoing minutes were approved on the 6th day of June, 2023.