

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF
DIRECTORS OF THE JOHNSTOWN FARMS
METROPOLITAN DISTRICT
HELD NOVEMBER 25, 2019

ATTENDANCE:

The Special meeting of the Board of Directors (the “Board”) of the Johnstown Farms Metropolitan District (the “District”) was held Monday, November 25, 2019 at 10:00 a.m. at Glenn A. Jones MD Memorial Library; 400 S. Parish Avenue, Johnstown, Colorado, in accordance with Colorado law. The meeting was open to the public.

In Attendance were the following Directors:

Craig Campbell
John Kirschner
Mary “Libby” Kirschner
Charles “Charlie” Raudonis
Jack Hoagland

Also present were:

Lisa A. Jacoby; Community Resource Services of Colorado, LLC
Zachary P. White, Esq.; White Bear Ankele Tanaka & Waldron (via speakerphone)
Ken Riggs; Property Owner

**ADMINISTRATIVE
ITEMS:**

Disclosures of Potential Conflicts of Interest. Attorney White advised the Board that pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Director confirmed the contents of written disclosures previously made, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the Directors present was necessary to obtain a quorum or otherwise enable the Board to act.

Mr. J. Kirschner disclosed his interest as an owner of real or personal property interest located within the Johnstown Farms Metropolitan District; his direct or indirect interest in Kirschner Co., LLC; financial interest in the entity previously named; and his financial interest in connection with official action as a Board member of Johnstown Farms Metropolitan District.

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Ms. M. Kirschner disclosed her interest as an owner of real or personal property interest located within the Johnstown Farms Metropolitan District; his direct or indirect interest in Kirschner Co., LLC; financial interest in the entity previously named; and his financial interest in connection with official action as a Board member of Johnstown Farms Metropolitan District.

Mr. Raudonis disclosed his interest as an owner of real or personal property interest located within the Johnstown Farms Metropolitan District; his financial interest in the entity previous named; and his financial interest in connection with official action as a Board member of Johnstown Farms Metropolitan District.

Mr. Campbell disclosed his interest as an owner of real or personal property interest located within the Johnstown Farms Metropolitan District; his direct or indirect interest in Starwood Land Advisors LLC; financial interest in the entity previously named; and his financial interest in connection with official action as a Board member of Johnstown Farms Metropolitan District.

Mr. Hoagland disclosed his interest as an owner of real or personal property interest located within the Johnstown Farms Metropolitan District; his direct or indirect interest in Starwood Land Advisors LLC; financial interest in the entity previous named; and his financial interest in connection with official action as a Board member of Johnstown Farms Metropolitan District.

Written disclosures of the interests of all the Directors were filed with the Secretary of State and the Board at least seventy-two hours prior to the meeting.

Approve Agenda and Confirm Location of Meeting.

Following discussion, upon motion duly made by Director Campbell, seconded by Director Libby Kirschner, and upon vote, the Board unanimously approved the Agenda as presented.

The Board entered into discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

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Following discussion, and upon motion duly made by Director Campbell, seconded by Director M. Kirschner and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within the District's boundaries, it was determined to conduct the meeting at the above-stated, date, time and location. The Board further noted that notice of this time, date and location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within the District's boundaries.

Appointment of Officers - The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director M. Kirschner, seconded by Director Campbell and, upon vote unanimously carried, the following slate of officers was appointed:

President – Craig K. Campbell
Treasurer/Secretary – Mary “Libby” Kirschner
Assistant Secretary – John Kirschner
Assistant Secretary – Jack Hoagland
Assistant Secretary – Charles “Charlie” Raudonis

Minutes - The Board reviewed the Minutes of the September 25, 2018 Special Meeting. Following discussion, upon a motion duly made by Director J. Kirschner, seconded by Director M. Kirschner and, upon vote unanimously carried, the Minutes of the September 25, 2018 Meeting were approved as presented.

Statewide Internet Portal Authority (“SIPA”) Website and Eligible Governmental Entity Agreement Between SIPA and the District – Ms. Jacoby proposed establishment of a SIPA sponsored website for the District.

Following discussion, upon motion duly made by Director Campbell and second by Director J. Kirschner, the Board unanimously approved the establishment of the SIPA website and authorized Ms. Jacoby to take action as necessary to establish the website and to execute the Eligible Governmental Entity Agreement between SIPA and the District.

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Resolution Concerning Online Notice of Regular and Special Meetings – Attorney White presented the Resolution Concerning Online Notice of Regular and Special Meetings to the Board. Following discussion, upon motion duly made by Director Raudonis and second by Director J. Kirschner, the Board unanimously approved the Resolution, subject to finalization, and established the posting location of Notices of Regular and Special meetings to be the Glenn A. Jones MD Memorial Library and the yet to be established SIPA District website.

2020 Annual Administrative Resolution and 2020 Meeting Dates - Ms. Jacoby reviewed the 2020 Annual Administrative Resolution with the Board.

Following discussion, upon motion made by Director Campbell, seconded by Director Raudonis, and upon vote, unanimously carried, the Board adopted the 2020 Annual Administrative Resolution and determined to schedule a 2020 regular meeting for Monday, October 5, 2020 at 10:00 a.m. to be held at the Glenn A. Jones MD Memorial Library; 400 S. Parish Avenue, Johnstown, Colorado.

Resolution to Call the May 5, 2020 Regular Election - Ms. Jacoby reviewed the Resolution Calling the May 5, 2020 Regular Election.

Following discussion, upon motion duly made by Director M. Kirschner, seconded by Director Campbell and, upon vote, unanimously carried, the Board adopted the Resolution and appointed Ashley Frisbie as the Designated Election Official and authorized her to perform all tasks required for the May 5, 2020 Regular Election of the Board of Directors for the conduct of a polling place/mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

Property and Liability Schedule and Limits, Worker's Compensation Coverage and SDA Membership – Ms. Jacoby discussed the 2020 renewal of the District insurance and SDA Membership and noted that both of these would be renewed in the general course of District business.

Discussion ensued regarding the ownership and maintenance of District property and insurance coverage for same. It was noted

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that the District did not own or maintain any property.

Director Campbell noted that a detention pond exists for which the developer currently owns and maintains and that it is the intent to convey the ownership and maintenance to others (to be determined), in the future.

FINANCIAL ITEMS

Claims - The Board considered approval of the payment of claims represented by checks 1148 – 1150.

Following review and discussion, upon motion duly made by Director Campbell, seconded by Director M. Kirschner and, upon vote, unanimously carried, the Board approved the payment of the claims represented by checks 1148 – 1150, for a total of \$2,127.73.

It was noted that claims represented by checks 1119 - 1147 were inadvertently left off of the Agenda; however, would be presented at the next Board meeting for consideration of ratification.

Unaudited Financial Statements – Ms. Jacoby reviewed with the Board the Cash Position adjusted as of November 12, 2019 and the unaudited financial statements for the period ending October 31, 2019.

Following review and discussion, upon motion duly made by Director Campbell, seconded by Director M. Kirschner and, upon vote, unanimously carried, the Board accepted the Cash Position adjusted as of November 12, 2019 and the unaudited financial statements for the period ending October 31, 2019.

Consider Amount for 2019 Reimbursement to TF Johnstown Farms, L.P. Pursuant to Advance and Reimbursement Agreement for Operation and Maintenance Costs, dated May 22, 2018 - Following review and discussion, upon motion duly made by Director J. Kirschner, seconded by Director M. Kirschner and, upon vote unanimously carried, the Board determined to reimburse TF Johnstown Farms, L.P. an amount of \$90,000 in 2019.

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2019 Budget Amendment Hearing and 2020 Budget Hearing

- The President opened the public hearing to consider a Resolution to Amend the 2019 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2019 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 this public hearing.

The Board addressed comments from property owner, Ken Riggs. Following comments, the public hearing was closed.

Following discussion, the Board determined that a 2019 Budget Amendment was not necessary.

2020 Budget Hearing - The President opened the public hearing to consider the proposed 2020 Budget and discuss related issues.

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

The Board addressed comments and questions from property owner, Ken Riggs related to the District's existing financial obligations. Following public comment, the public hearing was closed.

Following discussion, the Board considered the adoption of the Resolutions to Adopt the 2020 Budget and Appropriate Sums of Money and Set Mill Levy for the General Fund at 40.000 mills for a total mill levy of 40.000 mills. Upon motion duly made by Director Campbell, seconded by Director M. Kirschner and, upon vote, unanimously carried, the Resolution was adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized, subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2019. Ms. Jacoby was authorized to transmit the Certification of Mill Levies to the

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Board of County Commissioners of Weld County and the Division of Local Government, not later than December 15, 2019. Ms. Jacoby was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020. Copies of the adopted Resolution are attached to these Minutes and incorporated herein by this reference.

Mr. Riggs left the meeting at this point.

LEGAL ITEMS:

Ratification of Engagement of White Bear Ankele Tanaka & Waldron – Following discussion, upon a motion duly made by Director Campbell, seconded by Director Raudonis, and upon vote unanimously carried, the Board ratified approval of the engagement letter between the District and White Bear Ankele Tanaka & Waldron as General Counsel to the District.

Resolution Adopting the Colorado Special District Records Retention Schedule - Following discussion, upon a motion duly made by Director Campbell and seconded by Director Raudonis, the Board unanimously approved the Resolution Adopting the Colorado Special District Records Retention Schedule pursuant to the State Archivist's guidelines for destruction and preservation of the District's records.

Potential Exclusion of Undeveloped Property and Potential Bond Issuance in 2020 – Director Campbell discussed exclusion of undeveloped property from the developed property within the boundaries of the District (aka Filings 2 and 3), thus reducing the burden on the District. Further, Director Campbell discussed the proposed structure for issuance of bonds for the repayment of public improvement costs funded by the developer; subject to further analysis of the market and favorable financing opportunities for the District.

OTHER ITEMS

There were none.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made, seconded and unanimously carried upon the vote of the Board, the meeting was adjourned.


Secretary for the Meeting