

**RECORD OF PROCEEDINGS
MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF
SIERRA RIDGE METROPOLITAN DISTRICT NO. 2**

HELD: The 7th day of December 2023 at 9:00 a.m. via video and teleconference.

ATTENDANCE:

A regular meeting of the Board of Directors of Sierra Ridge Metropolitan District No. 2, Douglas County, 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:

Kimberly A. Barb, President
Alexis Beeman, Secretary
Ken McMillen, Assistant Secretary
William Monroe, Assistant Secretary
Robert Drucker, Treasurer

Also present were Denise Bogue and Doc Lopez of Advance HOA, Kimberly Johannis of Simmons & Wheeler, P.C., Josh Schultz of Schultz Industries Inc., and Russell W. Dykstra, Esq. and Danielle K. Kaiser, Esq. of Spencer Fane LLP.

CALL TO ORDER:

The Board noted that a quorum was present for the purpose of conducting a regular meeting of the Board of Directors of Sierra Ridge Metropolitan District No. 2. The meeting was called to order at 9:00 a.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

None.

APPROVAL OF THE AGENDA:

Upon motion duly made, seconded and upon vote unanimously carried, the Board approved the Agenda as amended.

PUBLIC COMMENT:

None.

INSURANCE UPDATE:

Mr. Lopez noted that the signs will be substantially completed by Christmas, that lights will be replaced at no charge and that Ms. Bogue has the warranty information for the shingles. Discussion ensued regarding the timing of the claim payment.

IDES/LENNAR IMPROVEMENTS REPORT:

None. Upon motion duly made, seconded and upon vote unanimously carried, the Board approved removing this item from the agendas going forward.

MINUTES:

The Board reviewed the Minutes of the Regular Meeting held November 2, 2023, and November 17, 2023, Special Meeting. Upon motion duly made, seconded and upon vote unanimously carried, the Board approved the Minutes as amended.

FINANCIAL MATTERS:

Claims. Ms. Johanns presented the claims to the Board. Discussion ensued. Upon motion duly made, seconded and upon vote unanimously carried the Board accepted the claims as presented and authorized the submittal of the claims to the Board of Sierra Ridge Metropolitan District No. 1.

Accountant's Report. Ms. Johanns presented the report to the Board. Discussion ensued regarding the insurance payout, interest and ownership taxes, debt service revenue and bond payments. Upon motion duly made, seconded and upon vote unanimously carried the Board accepted and approved the report as presented.

2024 PROPERTY AND LIABILITY INSURANCE RENEWAL:

Discussion ensued regarding the property and liability schedule and possible revisions. Ms. Bogue will follow-up with the insurance company and consult with Mr. Dykstra regarding updates to the policy. Upon motion duly made, seconded and upon vote unanimously carried the Board approved the renewal subject to final review and updates.

2023 BUDGET AMENDMENT:

Mr. Dykstra reported that proper publication had been made in order for the District to conduct a public hearing on 2023 budget amendment. The public hearing was opened. There being no public present to comment, the public hearing was closed. Ms. Johanns presented the 2023 amended budget to the Board. Discussion ensued. Upon motion duly made, seconded and upon vote unanimously carried the Board approved the amendment as presented.

2024 BUDGET:

Mr. Dykstra reported that proper publication had been made in order for the District to conduct a public hearing on 2024 budget. The public hearing was opened. There being no public present to comment, the public hearing was closed.

Ms. Johanns presented the 2024 budget for the District to the Board. Discussion ensued. Following discussion of the proposed budget Mr. Dykstra presented for the Board's consideration a form of resolution indicating the adoption of the budget as shown and appropriation of the funds as shown.

Upon motion duly made, seconded and upon vote unanimously carried, the Board (1) approved and adopted the 2024 budget as presented, (2) approved and adopted the mill levy as indicated in the resolution within said Resolution, (3) authorized the President and the Secretary to sign the necessary documentation, and (4) directed that the Certification of the Tax Levies be submitted to the County of Douglas, and for general counsel to file the adopted budget with the Division of Local Government prior to January 31, 2024.

COMMUNITY MANAGEMENT REPORT:

Ms. Bogue presented the report to the Board. Discussion ensued regarding bids for the umbrellas, the school lot waddles, holiday lighting, the website, the pool contract, sunshades for the pool deck, landscape violations, rules and regulations regarding holiday lighting, Copper Steppe tree and landscaping violations, the safety grant, the door mechanism and the request to reverse fines from the resident at 14887 Chicago Street. Upon motion duly made, seconded and upon vote unanimously carried the Board approved directing Ms. Bogue to encourage the residents that have holiday light fines to pay as soon as possible in order to avoid interest charges, to not reverse the fee reversal request from 14886 Chicago Street and to revisit the rules and regulations in the spring.

DIRECTOR ITEMS:

Director Drucker noted that the xeriscape schematics are ready to be sent to the County for approval. Mr. Dykstra will contact the County to start the process. The Board also discussed options for storing the pool furniture. Director Barb confirmed that Directors Drucker and McMillen have authority to work with Merrick regarding the storage sheds.

LANDSCAPE AND MAINTENANCE ITEMS:

Mr. Schultz presented the report to the Board. Discussion ensued regarding electric work around the clubhouse, seeding in Filing 3, the removal of sediment from the ponds, flower beds and the dog stations. Upon motion duly made, seconded and upon vote unanimously carried the Board approved directing Mr. Schultz to research costs for securing the dog stations into the ground.

ATTORNEY ITEMS:

Review and Consider Approval of 2024 Annual Administrative Matters Resolution. Mr. Dykstra presented the resolution to the Board. Discussion ensued regarding paragraph 21. Upon motion duly made, seconded and upon vote unanimously carried the Board approved the resolution as presented.

Discuss Sale of School Property. The Board discussed the correspondence from the County and the approval process. It was noted that the Board would submit ideas for use of the property to Ms. Bogue.

Consider Ratification of Past Actions. No action was taken.

OTHER BUSINESS:

Director Barb questioned if the district was considered a nonprofit and if photography services donated by her husband is considered tax exempt. Mr. Dykstra noted that a tax professional would need to be consulted but stated that the district a governmental entity not a nonprofit.

Discussion ensued regarding sidewalk maintenance agreement and the new lead of the social committee.

EXECUTIVE SESSION (if needed):

Not needed.

ADJOURNMENT/CONTINUATION:

There being no further business to come before the Board and upon motion duly made, seconded and upon vote unanimously carried, the Board moved to adjourn the meeting at 10:45 a.m. The foregoing Minutes constitute a true and correct copy of the Minutes of the above-referenced meeting and were approved by the Board of Directors of the Sierra Ridge Metropolitan District No. 2.

Alexis Beeman

Secretary for District No. 2