
RECORD OF PROCEEDINGS

Minutes of the Special Meeting of the Board of Directors of the Red Sky Ranch Metropolitan Districts September 22, 2020

- Attendance** **The following Directors were present:**
- Beth McGregor
 - James Malernee
 - Steve Stroker
- The following Director was absent and excused:**
- James Benedict
- Also in attendance were:**
- Bill Ankele, Esq White Bear Ankele Tanaka & Waldron
 - Ken Marchetti, CPA, Marchetti & Weaver LLC
 - Kathy Lewensten, Recording Secretary
- Call to Order** The Special Meeting of the Board of Directors of the Red Sky Ranch Metropolitan District was called to order by Director McGregor noting a quorum was present.
- Due to Executive Order D 2020 044 Safer at Home issued by Governor Polis on April 26, 2020, and Public Health Order 20-28 implementing the Executive Order, issued by the Colorado Department of Health and Environment (CDPHE), this meeting is being held in a teleconferencing format.*
- Potential Conflicts** The Board reviewed the agenda for the meeting. The Board confirmed that nothing appeared on the agenda for which disclosure certificates had not been filed. The Board noted, for the record, the intent of fully complying with laws pertaining to potential conflicts.
- Minutes** The Board reviewed the minutes of the May 18, 2020 Special Meeting. Upon motion duly made and seconded, it was unanimously
- RESOLVED** to approve the May 18, 2020 minutes.
- Old Business** It was reported Holland Creek MD (HCMD) is expected to extend the Supplemental Water Lease with VR at their October meeting.
- There are no updates to report regarding debt matters between the District and VR.

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Legal

Annual Administrative Resolution: The Board reviewed the 2021 Annual Administrative Matters Resolution. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the 2021 Annual Administrative Matters Resolution.

Capital Improvement Fee Promissory Note Renewal: The Board considered the annual renewal of the Capital Improvement Fee Promissory Note. The note relates to the capital improvement fee advances made by VR to the District to cover debt payments related to the Holland Creek 2001 Bonds. Mr. Ankele noted the paragraph stating the District was not waiving any rights was included. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the execution of the Capital Improvement Fee Promissory Note Renewal including the language reserving the rights of the District.

Financial Statements

Mr. Marchetti presented the preliminary August 2020 financial statements including the 2021 budget. He stated the 2020 sales tax revenue will be lower than budgeted due to current conditions related to the pandemic.

2021 Budget

The Board began discussion of the 2021 budget noting today's meeting had been published to hold the public hearing. Mr. Marchetti pointed out the amount of 2021 sales tax revenues had been based on the reduced level of 2020 collections. After discussion it was proposed the 2021 sales tax revenue be increased to \$150,000 based on expected construction within the District. The budget presented reflects a mill levy of 59 mills with a split of 27 mills for debt service and 32 mills for IGA contractual obligations (service). Mr. Marchetti pointed out the assessed valuation used for the 2021 budget was based on last year as the preliminary assessments have been delayed due to COVID. Based on the most recent information available, he stated there should not be a significant fluctuation in the assessed valuation. If there is a significant change a special meeting will be called to review. The public hearing was opened, no public comments were offered so the public hearing was closed. Upon motion duly made and seconded, it was unanimously

RESOLVED to adopt the Red Sky Ranch Metropolitan District 2021 budget with the revision in sales tax revenues as discussed, and

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FURTHER RESOLVED to appropriate the sums of money for 2021, and

FURTHER RESOLVED to certify the mill levy at 59.000 mills subject to receipt of the November final assessed valuation.

2020 Audit The Board considered the 2020 Audit Engagement Letter from McMahan and Associates which had been included in the packet. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the 2020 Audit Engagement Letter with McMahan and Associates.

Accounts Payable Upon motion duly made and seconded, it was unanimously

RESOLVED to approve and ratify the accounts payable listing as presented.

Repeal of Gallagher Amendment

Mr. Marchetti stated there is a state-wide ballot question on the November ballot which asks for repeal of the Gallagher Amendment. He explained the impact the Gallagher amendment has had on the residential assessment rate and the impact to property tax collections. The matter was informational and no action was taken.

Future Meetings The next regular meeting is scheduled for February 15, 2021 unless the need to schedule a special meeting sooner arises.

Adjourn Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the September 22, 2020 Special Meeting of the Red Sky Ranch Metropolitan District Board of Directors.

Respectfully submitted,
Kathy Lewensten
Recording Secretary