

MINUTES OF THE REGULAR MEETING OF THE BOARD
OF DIRECTORS OF

CASTLE OAKS METROPOLITAN DISTRICT

Held: Wednesday, November 1, 2023, at 6:00 p.m.

*This meeting was held via teleconference and at 1465 Autumn
Sage St. Castle Rock, CO 80108*

Attendance

A regular meeting of the Board of Directors of Castle Oaks Metropolitan District was called and held as shown above and in accordance with the applicable laws of the State of Colorado. The following director, having confirmed his qualification to serve on the Board, was in attendance:

Christopher Pratt

Also present were: Audrey G. Johnson, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, General Counsel; and Curtis Bourgouin, CliftonLarsonAllen, LLP, District Accountant.

**Call to Order/Declaration of
Quorum/Director
Qualifications**

Director Pratt noted that a quorum was present, that he had confirmed his qualification to serve, and called the meeting to order.

**Conflict of Interest
Disclosures**

Ms. Johnson advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Johnson 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. Ms. Johnson noted that a quorum was present and 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

Ms. Johnson presented the proposed agenda to the Board for consideration. Following discussion, upon a motion duly made, the Board unanimously approved the agenda as amended.

Public Comment

None.

Consent Agenda

Ms. Johnson reviewed the items on the consent agenda with the Board. Ms. Johnson advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any director.

No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and adopted:

- Minutes from July 19, 2023 Special Meeting; and
- 2022 Annual Report

Legal Matters

Adoption of 2024 Annual Administrative Resolution

Ms. Johnson presented the 2024 Annual Administrative Resolution to the Board. Following discussion, upon a motion duly made, the Board unanimously adopted the resolution subject to changes discussed.

Approval of Renewal of Property and Liability Schedule and Limits, Workers Compensation Coverage, and SDA Membership for 2024

Ms. Johnson presented the Property and Liability Schedule to the Board. Following discussion, upon a motion duly made, the Board unanimously approved the schedule, workers compensation coverage, and the SDA membership renewal.

Approval of 2024 Heatherly Creative Proposal

Ms. Johnson presented the proposal from Heather Sosa for website maintenance to the Board. Following discussion, upon a motion duly made, the Board unanimously approved the proposal.

Financial Matters

Acceptance of Payables/Financials

Mr. Bourgouin presented the unaudited financial statements dated September 30, 2023, and the Schedule of Cash Position dated September 30, 2023, updated as of October 25, 2023, to the Board. Following discussion, upon a motion duly made, the Board unanimously accepted the unaudited financial statements and schedule of cash position.

Mr. Bourgouin presented the claims dated July 10, 2023 through October 25, 2023, in the amount of \$22,358.11 to the Board. Following discussion, upon a motion duly made, the Board unanimously ratified the claims.

Public Hearing on 2023 Budget Amendment and Consider Adoption of Resolution Amending 2023 Budget

Mr. Bourgouin noted that a 2023 budget amendment is not necessary.

Discuss Requirements of SB23-303 Relating to Limitations on Property Tax and Revenue

The District's accountant explained to the board that Proposition HH will be on the ballot this November, which is a referred measure that would limit tax increases from the prior property tax year to the amount of inflation, and that would also temporarily reduce the valuation for assessment of certain residential and nonresidential property. Revenues for the payment of bonds and revenues from a mill levy approved by the local government's voters are excluded from the revenue

calculation. Districts can impose a mill levy that exceeds the limit if they; publish a notice of their intent to exceed the limit in a newspaper; and post it on the District’s website, at least 10 days in advance of the public hearing at which the mill levy will be considered. The notice must include the proposed mill levy, any temporary property tax credits, the date, time, and location of the public hearing. At the meeting, the District must provide the public an opportunity to present oral testimony on the mill levy and must adopt a resolution to approve the mill levy after it has heard from interested taxpayers. In exchange for the limit on tax increases and reduced valuation for assessment the ballot measure would allow the State to retain surplus revenue that would otherwise be required to be refunded to taxpayers. Because the District is holding its meeting before the election the District will need to approve a budget with alternate mill levy calculations, one calculation for if Proposition HH passes and one for if it fails. The motion to approve the budget resolution should include direction to the consultants to file the budget with the appropriate calculation based on the outcome of the election.

Public Hearing on 2024 Budget and Consider Adoption of Resolution Adopting 2024 Budget, Imposing Mill Levy and Appropriating Funds

The public hearing on the proposed 2023 Budget was opened. Ms. Johnson 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.

Mr. Bourgoin reviewed the 2024 Budget Resolution with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution adopting the 2024 Budget, appropriating funds therefor as shown in the 2024 Budget, subject to receipt of final assessed valuation, and directed its consultants to file the budget with the appropriate mill levy calculation based on whether or not Proposition HH is approved by the voters.

Approval of Special Districts Preparation Scope of Work and Payroll Services Scope of Work with CliftonLarsonAllen LLP for District Accounting Services

Mr. Bourgoin reviewed the Master Services Agreement and Scope of Work with the Board. Following discussion, upon a motion duly made, the Board unanimously approved the agreement and scope.

Other Financial Matters

None.

Adjournment

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

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

Chris Pratt

Chris Pratt (Jun 10, 2024 08:49 MDT)

Secretary for the Meeting

The foregoing minutes were approved by the Board of Directors on the 5th day of June, 2024.