

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE STC METROPOLITAN DISTRICT NO. 2 HELD DECEMBER 7, 2022

A Regular Meeting of the Board of Directors (referred to hereafter as the "Board") of the STC Metropolitan District No. 2 (referred to hereafter as the "District") was convened on Tuesday, the 7th day of December, 2022, at 9:00 A.M. This District Board meeting was held via Zoom at: <https://us02web.zoom.us/j/89797364658?pwd=SHJkTkdyUmVxYjBYUDcvcHNmN3I0dz09>; Meeting ID: 897 9736 4658, Passcode: 115782 and via telephone conference at: 1-253-215-8782. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

James A. Brzostowicz, President
Terry Willis, Treasurer

Also In Attendance Were:

Peggy Ripko and Larry Loften; Special District Management Services, Inc. ("SDMS")

Jennifer Ivey, Esq.; Icenogle Seaver Pogue, P.C.

Diane Wheeler; Simmons & Wheeler, P.C.

Bill Jenks; Ranch Capital, LLC

Lea Maxwell; STC Metropolitan District No. 1 Board Member

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board noted it was in receipt of disclosures of potential conflicts of interest statements for each of the Directors and that the statements had been filed with the Secretary of State at least seventy-two hours in advance of the meeting. Ms. Ripko requested that the Directors review the Agenda for the meeting and advised the Board to disclose any new conflicts of interest which had not been previously disclosed. No further disclosures were made by Directors present at the meeting.

ADMINISTRATIVE MATTERS

Confirm Quorum: Ms. Ripko confirmed the presence of a quorum.

Agenda: The Board reviewed the proposed Agenda for the District's Regular Meeting.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved the Agenda, as presented.

Confirm Location of Meeting and Posting of Meeting Notices: Ms. Ripko confirmed that notice of the time, date and location/manner of the meeting was duly posted.

Minutes: The Board reviewed the Minutes of the October 19, 2022 Regular Meeting.

Following discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved the Minutes of the October 19, 2022 Regular Meeting.

PUBLIC COMMENTS

There were no public comments.

FINANCIAL MATTERS

Claims: The Board considered the ratification of approval of the payment of claims as follows:

| Fund | Period Ending Oct. 31, 2022 | Period Ending Nov. 30, 2022 |
|--------------|--------------------------------|--------------------------------|
| General | \$ 22,340.14 | \$ 91,869.68 |
| Debt | \$ -0- | \$ -0- |
| Capital | \$ 1,155.00 | \$ -0- |
| Payroll | \$ 92.35 | \$ 831.25 |
| Total | \$ 23,587.49 | \$ 92,700.83 |

Following review and discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

Unaudited Financial Statements: Ms. Wheeler presented to the Board the unaudited financial statements through the period ending October 31, 2022.

Following review and discussion, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board accepted the unaudited financial statements through the period ending October 31, 2022.

Public Hearing on Proposed 2023 Budget:

2023 Budget Hearing: The President opened the public hearing to consider the proposed 2023 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2023 Budget and the date, time and place of the public hearing was made in a

RECORD OF PROCEEDINGS

newspaper having general circulation within the District. No written objections were received prior to or at this public hearing. No public comments were received, and the President closed the public hearing.

Ms. Wheeler reviewed the estimated year-end 2022 revenues and expenditures and the proposed 2023 estimated revenues and expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2022-11-01 to Adopt the 2023 Budget and Appropriate Sums of Money and Resolution No. 2022-11-02 to Set Mill Levies (for the General Fund at 10.000 mills and the Debt Service Fund at 35.020 mills, for a total of 45.020 mills). Upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Resolutions were 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, 2022, as revised. Ms. Ripko was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Boulder County and the Division of Local Government not later than December 15, 2022. Ms. Ripko was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2023. Copies of the adopted Resolutions are attached hereto and incorporated herein by this reference.

LEGAL MATTERS

There were no legal matters to discuss.

OPERATIONS AND MAINTENANCE

Operating Projections: The Board entered into discussion regarding the operating projections.

CAPITAL PROJECTS

Final Engineers Report and Certification #89 prepared by Ranger Engineering, LLC, dated October 21, 2022: The Board reviewed the improvement costs in the amount of \$451,912.78, under Final Engineers Report and Certification #89 prepared by Ranger Engineering, LLC, dated October 21, 2022.

Following review and discussion by the Board, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved and accepted improvement costs in the amount of \$451,912.78, detailed in the Final Engineers Report and Certification #89 prepared by Ranger Engineering, LLC, dated October 21, 2022.

Final Engineers Report and Certification #90 prepared by Ranger Engineering, LLC, dated November 21, 2022: The Board reviewed the improvement costs in the amount of \$652,831.40, under Final Engineers Report and Certification #90 prepared by Ranger Engineering, LLC, dated November 21, 2022.

RECORD OF PROCEEDINGS

Following review and discussion by the Board, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the Board approved and accepted improvement costs in the amount of \$652,831.40, detailed in the Final Engineers Report and Certification #90 prepared by Ranger Engineering, LLC, dated November 21, 2022.

**DEVELOPER
UPDATE**

Status of Development: There were no updates at this time.

Necessary Inclusions: There were no updates at this time.

Conveyance of Facilities: There were no updates at this time.

**COVENANT
CONTROL**

Community Manager's Update: The Board reviewed the Community Manager's Report presented by Ms. Ripko.


OTHER MATTERS

There were no other matters to discuss.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Brzostowicz, seconded by Director Willis and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By  _____
Secretary for the Meeting