

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL JOINT MEETING OF THE BOARDS OF DIRECTORS OF THE SERRATOGA FALLS METROPOLITAN DISTRICTS NOS. 1 AND 3 HELD NOVEMBER 20, 2017

A Special Joint Meeting of the Boards of Directors of the Serratoga Falls Metropolitan Districts Nos. 1 and 3 was held on November 20, 2017, at 1:30 p.m. at the offices of Spencer Fane LLP located at 1700 Lincoln Street, Suite 2000, Denver, CO 80203 and via teleconference. The meeting was open to the public.

ATTENDANCE:

In attendance were Directors:

Byron Levkulich, President
Jesse McDowell, Secretary/Treasurer

B. Joseph Leininger was absent and excused. It was noted that there are currently two (2) vacancies on the Board of Directors of District No. 1.

Also in attendance were:

Matt Dalton, Spencer Fane LLP
Lee Lowry, Arbor Capital Partners (via teleconference)
Kenneth Mitchell, Mosaic Real Estate
Danaly Howe and William Stopperan, Centennial Consulting Group, LLC

CALL TO ORDER:

Ms. Howe noted that a quorum of each Board was present or participating, and called the meeting to order at 1:30 p.m.

DIRECTOR QUALIFICATIONS/ DISCLOSURES:

Mr. Dalton informed the Boards that the disclosure statements were filed with the office of the Secretary of State and are on record.

AGENDA:

Approval of Agenda. Following review and discussion, Director McDowell moved that the Boards approve the Agenda as presented. Director Levkulich seconded, and the motion was unanimously approved.

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PUBLIC COMMENTS:

There were no public comments

REVIEW OF PRIOR MEETING'S MINUTES:

Director Levkulich moved that the Boards approve the minutes from the meeting held on April 10, 2017. Upon second by Director McDowell a vote was taken and the motion was unanimously approved.

BOARD VACANCIES

The Board discussed current vacancies. Mr. Mitchell introduced himself to the Board. Attorney Dalton confirmed Mr. Mitchell's qualifications to sit on the Boards of Directors. Following discussion, Director Levkulich made a motion to appoint Kenneth Mitchell to the Boards of Directors of Districts Nos. 1 and 3. Director McDowell seconded, and the motion was unanimously approved. The Oaths of Office were administered to Mr. Mitchell.

APPOINTMENT OF OFFICERS

The Board discussed the appointment of officers. Director Levkulich made a motion to appoint Director Mitchell as Vice President and Assistant Secretary. Director McDowell seconded, and the motion was unanimously approved.

FINANCIAL ITEMS:

Payment of Claims. Mr. Stopperan presented the payment of claims from April 10, 2017 to October 31, 2017. Following review and discussion, Director McDowell made a motion to approve the payment of claims as revised, totaling \$4,208.64. Director Levkulich seconded, and the motion was unanimously approved.

Financial Statements. Mr. Stopperan presented the unaudited financial statements for the period ending October 31, 2017. Director McDowell made a motion to accept the unaudited financial statements as revised. Director Levkulich seconded, and the motion was unanimously approved.

Public Hearing on 2017 Budget Amendments. The Board discussed the 2017 Budgets for Districts Nos. 1 and 3. It was determined that no budget amendments were necessary.

Public Hearing on Proposed 2018 Budgets. Ms. Howe informed the Board that the required publication for the public hearing had been made. Director Levkulich opened the public hearing. There being no public present to comment on the proposed budget amendment, the public hearing was closed.

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2018 Budget Adoptions. Mr. Stopperan presented the 2018 Budgets to the Board. The Board discussed and considered approving the Resolutions Adopting the 2018 Budget, Approving the Appropriation of Funds, and Authorizing Tax Levies to be certified by the District for collection in fiscal year 2018. Following discussion, upon a motion made by Director Levkulich, seconded by Director McDowell and unanimously carried, the Board approved the Resolutions subject to final review.

FirstBank Account. Following discussion, Director Levkulich made a motion to move the District's bank account to FirstBank using the same signers, and to close the Key Bank account. Director McDowell seconded, and the motion was unanimously approved.

LEGAL MATTERS

2018 Annual Administrative Matters Resolutions. Ms. Howe presented the 2018 Annual Administrative Matters Resolutions to the Boards for review. Director Levkulich moved that the Board approve the Resolutions as presented. Director McDowell seconded, and the motion was unanimously approved.

2018 Election Resolutions. Ms. Howe presented the 2018 Election Resolutions to the Boards for review. Director Levkulich moved that the Board approve the Resolutions as presented. Director McDowell seconded, and the motion was unanimously approved.

Updates to Transparency Notices. Following discussion, Director Levkulich moved that the Board approve the updates to the transparency notices. Director McDowell seconded, and the motion was unanimously approved.

Funding and Reimbursement Agreements with Kitchell Lake Funding, LLC. Deferred.

Promissory notes for reimbursement of capital costs and operations and maintenance advances. Deferred.

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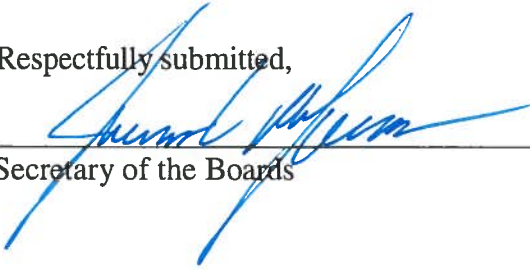
Engagement of Centennial Consulting Group, LLC.

Following discussion Director Levkulich moved that the Board ratify the engagement of Centennial Consulting Group, LLC as District Manager and Accountant for the Districts. Director McDowell seconded, and the motion was unanimously approved.

ADJOURNMENT

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

Respectfully submitted,



Secretary of the Boards