

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF LANTERNS ROCK CREEK METROPOLITAN DISTRICT

Held: October 6, 2022, at 1:30 P.M. held via Zoom  
Teleconference

Attendance

A meeting of the Board of Directors of Lanterns Rock Creek Metropolitan District (the “**District**”) was held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors were in attendance:

Kacey Funari  
Steve Erickson  
Michael Sinkey  
Rita Trainor

Also present: K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron, District general counsel; and Diane Wheeler, Simmons & Wheeler, P.C., District accountant.

Director Qualification

The Directors confirmed their eligible elector qualification status and continuing qualification to serve as director.

Quorum/Call to Order

The Directors in attendance noted that a quorum of the Board was present, confirmed their qualification to serve, and the meeting was called to order.

Disclosure Matters

Mr. Allen advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Allen reported that disclosures for those directors with 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. Mr. Allen 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 Board determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Agenda

The agenda was reviewed by the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda as presented.

Board Officers

Upon a motion duly made and seconded, the Board unanimously elected Director Trainor as Assistant Secretary.

Approval of Minutes from October 7, 2021 Meeting

The Board reviewed the minutes from the October 7, 2021 meeting. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the minutes.

Public Comment

None.

### **Consent Agenda**

The Board reviewed the items on the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and adopted:

- 2021 Annual Report;
- Special District Disclosure Pursuant to § 32-1-104.8, C.R.S.; and
- Notice to Electors Pursuant to § 32-1-809, C.R.S.

### **General Matters**

Consider Adoption of 2023 Annual Administrative Resolution

The Board reviewed the 2023 Annual Administrative Resolution. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

Discuss and Consider Approval of Property and Liability Schedule and Limits

The Board reviewed the current general liability schedule and limits. Following discussion, upon a motion duly made and seconded, the Board unanimously approved to bind coverage subject to premium cost not exceeding \$4,000 per the 2023 budget.

Discuss District Website Creation Compliance by January 1, 2023

The Board engaged in general discussion regarding the District's website. Following discussion, upon a motion duly made and seconded, the Board unanimously approved TownCloud for the District's website creation and maintenance.

Consider Approval of Resolution Calling May 2, 2023 Director Election

The Board reviewed the Resolution Calling the May 2, 2023 Director Election. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution.

### **Financial Matters**

Consider Approval of Payables/Financials

Ms. Wheeler presented the financial statements dated June 30, 2022 and the payables to the Board for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the financial statements and accepted the payables.

Public Hearing on 2022 Budget Amendment

Director Funari opened the public hearing on the 2022 Budget Amendment. Mr. Allen noted that the notice of public hearing was provided in accordance with Colorado Law. No written objections were received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Amending 2022 Budget

Ms. Wheeler reviewed the Resolution Amending the 2022 Budget with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution amending the Debt Service Fund to \$135,000.

Public Hearing on 2023 Budget

Director Funari opened the public hearing on the proposed 2023 Budget. Mr. Allen noted that the notice of public hearing was provided in accordance with Colorado law. No written objections were received prior to the meeting. There being no public comment, the hearing was closed.

Consider Adoption of Resolution Approving 2023 Budget

Ms. Wheeler reviewed the 2023 Budget Resolution with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution adopting the 2023 Budget, appropriating funds therefor and certifying 10.000 mills for the General Fund and 28.306 mills for the Debt Service Fund.

Consider Ratification of 2021 Audit; Consider Proposal for 2022 Audit

Ms. Wheeler presented the 2021 Audit to the Board for ratification. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the 2021 Audit.

The Board reviewed the proposal for the 2022 Audit. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the proposal subject to a maximum cost increase of \$500 over the 2021 Audit cost.

Consider Approval of Term Extension of Administrative, Operations and Maintenance Advance and Reimbursement Agreement with BC Lanterns Rock Creek, LLC (2018 Agreement term ends December 31, 2021)

The Board engaged in general discussion regarding a term extension of the Administrative, Operations and Maintenance Advance and Reimbursement Agreement with BC Lanterns Rock Creek, LLC. Following discussion, the Board determined an extension was not needed as advances are no longer needed.

Other Business: Housing and Improvement Completion Report

Director Sinkey informed the Board that the home buildout is expected to be complete in February of 2023. He noted that all improvements are in, and the landscaping installation is tracking with home closings.

Adjournment

There being no further business the board determined to adjourn the meeting. The foregoing minutes were presented to the Board of Directors on May 25, 2023. The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



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Secretary