

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF SOUTH VILLAGE METROPOLITAN DISTRICT NOS. 1-2

HELD

October 24, 2023

The Special Meeting of South Village Metropolitan District Nos. 1-2 was held via MS Teams and Teleconference on Tuesday, October 24, 2023, at 3:00 p.m.

ATTENDANCE

Directors in Attendance:

Robert Quinette, President & Chairperson

Michael Blumenthal, Treasurer

Also in Attendance:

Deborah Early; Icenogle Seaver Pogue, P.C.

Shannon Randazzo, Kieyesia Conaway, Amanda Castle, and Wendy McFarland; Pinnacle Consulting Group, Inc.

ADMINISTRATIVE ITEMS

Call to Order: The Special Meeting of the Boards of Directors (collectively, the “Boards”) of the South Village Metropolitan District Nos. 1-2 (collectively, the “District”) was called to order by Ms. Randazzo at 3:02 p.m.

Coordinated Meetings: The Boards determined to hold joint meetings of the Districts and to prepare joint minutes of actions taken by the Districts at such meetings. Unless otherwise noted below, the matters set forth below shall be deemed to be the actions of the Board of Directors of South Village Metropolitan District No. 1, with concurrence by the Board of Directors of South Village Metropolitan District No. 2.

Declaration of Quorum/Director Qualifications/Disclosure of Potential Conflicts of Interest: Ms. Randazzo noted that a quorum was present, with two out of two Directors in attendance. All Board Members confirmed their qualifications to serve on the Boards. Ms. Early discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Boards were requested to disclose any potential conflicts of interest regarding any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. It was noted by Ms. Early that disclosures of potential conflicts of interest were filed with the Secretary of State for all Directors.

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Approval of Agenda: The Boards considered the approval of the agenda. Following review and discussion, upon a motion duly made by Director Quinette, seconded by Director Blumenthal, and upon vote, unanimously carried, it was

RESOLVED to approve the agenda, as presented.

Public Comment: There were no Public Comments received.

Director Comment: There were no Director Comments received.

CONSENT AGENDA

Ms. Randazzo reviewed the items on the consent agenda with the Boards. Ms. Randazzo advised the Boards 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 by Director Blumenthal, Seconded by Director Blumenthal, the following items on the consent agenda were unanimously approved, ratified and adopted:

- A. Approval of Minutes – October 24, 2022, Special Meeting.
 - B. Approval of 2024 Annual Administrative Matters Resolution.
 - C. Approval of 2024 Meeting Resolution.
 - D. Approval of First Amendment to Public Records Policy.
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DISTRICT MANAGER ITEMS

District Manager's Report: Ms. Randazzo presented the District Manager's Report to the Boards and answered questions.

FINANCIAL ITEMS

2021 Audit Exemptions for District Nos. 1-2: Ms. McFarland presented the 2021 Applications for Exemption from Financial Audit for District Nos. 1-2 to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Quinette, seconded by Director Blumenthal, and upon vote, unanimously carried, it was

RESOLVED to approve the 2021 Applications for Exemption from Financial Audit for District Nos. 1-2, as presented.

2022 Audit Exemptions for District Nos. 1-2: Ms. McFarland presented the 2022 Applications for Exemption from Financial Audit for District Nos. 1-2 to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Quinette, seconded by Director Blumenthal, and upon vote, unanimously carried, it was

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RESOLVED to approve the 2022 Applications for Exemption from Financial Audit for District Nos. 1-2, as presented.

2024
BUDGET HEARING

Ms. Randazzo opened the 2024 Budget Hearing for South Village Metropolitan District Nos. 1-2. Ms. McFarland reported that notice of the budget hearing was published on October 11, 2023, in the Loveland Reporter-Harold, in accordance with state budget law. Ms. McFarland reviewed the mill levies, estimated revenues, and expenditures in detail and answered questions. The budgets for the District are as follows:

District No. 1
General Fund: \$69,131
Capital Projects Fund: \$12,005,000

There being no public input, the public portion of the budget hearing was closed. After further review and discussion, upon a motion duly made by Director Quinette, seconded by Director Blumenthal, and upon vote, unanimously carried, it was

RESOLVED to approve the Resolutions to Adopt the 2024 Budgets for South Village Metropolitan District Nos. 1-2, set the mill levies, and appropriate budgeted funds upon final certification of values being received by the County of Larimer on or before December 15, 2023, and approve all other documents related to the 2024 budgets. The District Manager is authorized to make minor modifications that may be necessary following receipt of final assessed values.

LEGAL ITEMS

Approval of a Second Amendment to 2022 Funding and Reimbursement Agreement with South Village, LLC, and in connection therewith the refunding of the 2022 Note and issuance of new Subordinate Note for operation advances: Ms. Early presented the Second Amendment to 2022 Funding and Reimbursement Agreement with South Village, LLC, and in connection therewith the refunding of 2022 Note and issuance of new Subordinate Note for operation advances to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Quinette, seconded by Director Blumenthal, and upon vote, unanimously carried, it was

RESOLVED to approve the Second Amendment to 2022 Funding and Reimbursement Agreement with South Village, LLC, and in connection therewith the refunding of 2022 Note and issuance of new Subordinate Note for operation advances

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Approval of a Second Amendment to Improvement Acquisition, Advance, and Reimbursement Agreement with South Village, LLC, for capital advances: Ms. Early presented the Second Amendment to Improvement Acquisition Advance, and Reimbursement Agreement with South Village, LLC, for capital advances to the Boards and answered questions. Following review and discussion, upon a motion duly made by Director Quinette, seconded by Director Blumenthal, and upon vote, unanimously carried, it was

RESOLVED to approve the Second Amendment to Improvement Acquisition Advance, and Reimbursement Agreement with South Village, LLC, for capital advances.

DIRECTOR
MATTERS

There were no Director Matters to come before the Boards.

OTHER
MATTERS

There were no Other Matters to come before the Boards.

ADJOURNMENT

There being no further business to come before the Boards, the meeting was adjourned at 3:15 p.m.

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

Respectfully submitted,

Kieyesia Conaway
Kieyesia Conaway, Recording Secretary for the Meeting