

RECORD OF PROCEEDINGS

MINUTES OF THE ORGANIZATIONAL MEETING OF PAN-ARK ESTATES METROPOLITAN DISTRICT

The Organizational Meeting of the Board of Directors of the Pan-Ark Estates Metropolitan District (“**District**”) was held on December 13, 2021 at 10:30 a.m. Due to public health concerns, the Meeting was held by virtual attendance on Zoom at <https://us02web.zoom.us/j/81937624477>, US: +1 669 900 9128 or +1 253 215 8782 or +1 346 248 7799 or +1 646 558 8656 or +1 301 715 8592 or +1 312 626 6799/

ATTENDANCE

Directors in Attendance were:

Christine Keelan
Daryl K. Manning
David Galinis
Michelle (Shelley) Hall
Kevin V. Kirsner

Absent (excused):

None.

Joe Norris of Collins Cockrel & Cole, P.C.

Members of the public: none

CONFLICTS OF INTEREST

Directors Keelan and Manning acknowledged that they currently serve as Board Members on the Pan-Ark Estates Home and Property Owners Association. However, such position does not implicate any action to come before the District and does not present a conflict of interest for this meeting.

NOTICE

Mr. Norris stated that Notice had been properly posted at least 24-hours prior to the meeting at the Pavilion located within the District Boundaries. Director Keelan confirmed that she had posted the Notice accordingly.

OATHS OF OFFICE

Mr. Norris noted that the Oaths of Office were administered for each of the Directors and timely filed prior to the meeting.

ELECTION OF OFFICERS

Mr. Norris described the various Board officers required by law and those recommended for conducting District business. Directors Keelan and Manning suggested that they would be planning to step away from their position on the Board after the upcoming May election and would look to have someone transition into their role as they leave office. Upon further discuss by the Board, the Directors suggested the following slate of officers:

Chris Keelan, President
Kevin Krisner, Vice President
Daryl Manning, Treasurer
Shelley Hall, Secretary
David Galinis, Assistant Secretary/Treasurer

Upon motion duly made, seconded and unanimously carried, the slate of officers described above was approved.

Director Hall also noted that she has worked previously with a District management firm and suggested the District look into it so they would have someone to help manage finances, District documents, and other business. The Board agreed that Director Hall and Mr. Norris would work together to identify several firms and bring potential management firm proposals to the Board for further consideration.

ENGAGEMENT OF LEGAL COUNSEL

Mr. Norris discussed the split of his current firm, Collins Cockrel & Cole and that he, David Greher and Micki Mills will continue to practice together many of the same attorneys at a new firm named Cockrel, Ela, Glesne, Greher & Ruhland effective as of January 1, 2022. Mr. Norris has provided an engagement letter to the Board for Collins Cockrel and Cole to represent the District up to and through the end of 2021. Although they are finalizing a few details for the new firm's engagement letter, all material terms (including billing rates) will be the same as the engagement letter for Collins Cockrel and Cole. The Board discussed and acknowledged their agreement to the terms for engaging Collins Cockrel and Cole pursuant to the engagement letter as presented. However, the Board requested that they be provided the Cockrel, Ela, Glesne, Greher and Ruhland engagement letter to confirm that the material terms are consistent

with those included in the Collins Cockrel and Cole engagement letter. Upon such motion, duly seconded, and unanimously carried, the District approved engagement of Collins Cockrel and Cole as its general counsel through the end of 2021 and, after receipt and review of the Cockrel, Ela, Glesne, Greher and Ruhland engagement letter to confirm consistent terms and conditions, approved engagement of the firm Cockrel, Ela, Glesne, Greher and Ruhland as its general counsel beginning January 1, 2022. The Board directed the District President to complete and execute the engagement letters accordingly.

2022 ELECTION
RESOLUTION

Mr. Norris described the upcoming regular election for May 2022 to fill the expiring terms for Directors Keelan and Manning. The Board asked several questions regarding the length of terms and staggered terms of office. Mr. Norris described the proposed Resolution and its appointment of Micki Mills as the designated election official to conduct the election. Upon motion duly made, seconded and unanimously carried, the Board approved the Resolution Calling for the 2022 Regular Election and Appointing a Designated Election Official.

24-HOUR
POSTING
LOCATION

Mr. Norris described the proposed motion and need to identify the official location for posting public notices of all Board meetings. The Board discussed and all agreed that the Pavilion was the appropriate location. Mr. Norris noted that he would update the resolution to include the Pavilion and its address. Upon motion duly made to adopt the Resolution with the addition of the Pavilion as the posting location, seconded and unanimously carried, the Board approved the Resolution Designating Location to Post Notice.

BYLAWS

Mr. Norris described the draft proposed Bylaws. They serve as the guidelines for how to hold meetings and conduct various business of the District. Mr. Norris recommended adopting the Bylaws and then re-visiting the same for changes or adjustments as needed at future Board meetings. Director Hall asked about the 2-year term for Officers of the Board versus the term of office as Directors. Mr. Norris described that the Officers (President/Secretary/etc.) should be revisited at least every 2-years to align with regular elections but that the Board can change those Officer positions at any public meeting as needed. The Board discussed the space for description of a physical

office of the District and identified that the homeowners association currently has a physical mail box in the District and a second one in Leadville that is more reliable. Upon further discussion by the Board, motion duly made, seconded and unanimously carried, the Board approved and adopted by the Bylaws of the District as presented.

INDEMNIFICATION
RESOLUTION

Mr. Norris described the proposed indemnification resolution and its intent to encourage residents to volunteer to serve as board members without taking on personal liability for actions of the District. Upon motion duly made, seconded and unanimously carried, the Board approved the Resolution Providing for the Indemnification of the Directors, Officers, and the Employees of the District.

WORKERS
COMPENSATION

Mr. Norris described that even the unpaid volunteer board members are considered employees of the District for some purposes. In order to avoid the expense of the District purchasing workers compensation insurance, the District may adopt the resolution presented. This is standard for many Districts, even larger Districts with volunteer Boards. Upon motion duly made, seconded and unanimously carried, the Board approved the Resolution Determining Not to Provide Workers' Compensation Insurance Coverage for Uncompensated Members of the Board of Directors.

CUSTODIAN OF
RECORDS AND
OPEN RECORDS
POLICY

As a governmental entity, the District is subject to open records laws of Colorado and is required to appoint an official custodian of records and a policy for responding to open records requests. Mr. Norris described the proposed policy and the Board discussed the policy. Upon motion duly made, seconded and unanimously carried, the Board approved the Resolution Designating the Official Custodian of Records and Adopting a Policy on Responding to Open Records Requests.

DISTRICT BANK
ACCOUNTS AND
DISTRICT
SIGNATORIES

Mr. Norris then discussed that traditionally, the District President and District Treasurer are authorized signatories for District banking and that the District should be setting up its own accounts to get up and running. Director Galinis noted that the Board currently has no funds and the Board discussed the possible transfer of assets from the

Owners Association to the District. Mr. Norris agreed that was possible, but it would have to be approved at a future meeting and separately approved by both entities. The Directors agreed that authorizing the District President and Treasurer to open a bank account and authorizing President Keelan and Director Manning to take such action would be in best the interests of the District. Upon such motion duly made, seconded and unanimously carried, the Board instructed President Keelan and Director Manning to open a bank account in the District's name and approved President Keelan and Director Manning as authorized signatories for such account.

PUBLIC
HEARING ON
2022 BUDGET

Mr. Norris apologized for accidentally skipping over the budget on the agenda, and described the proposed 2022 budget and mill levy certification based upon the tax increase approved by voters in November, 2021. The full assessment of 12.73 mills will result in collection of approximately \$101,496. The 2022 budget is also based upon the anticipated budget attached to and included in the final Service Plan approved by the Board of County Commissioners.

Mr. Norris then opened the public hearing on the 2022 budget at approximately 12:20 p.m., notice of which had been published in accordance with the Local Government Budget Law. No members of the general public registered any objections or offered any modifications to the 2022 budget. Mr. Norris confirmed that no Board members received any comments regarding the 2022 budget, which they had not. The public hearing was then closed.

Upon motion duly made, seconded and unanimously carried, the Board approved the Resolution to Adopt Budget, to Set Mill Levies, and to Appropriate Sums of Money for 2022.

OTHER
BUSINESS

The Directors discussed the date and time for the next meeting. All Board members agreed that monthly meetings would be appropriate. Mr. Norris suggested that we set a date in January and at that meeting, the Board could identify the "regular" meeting date and time for each month. All Board members agreed that they were available for a meeting on January 3, 2022 at 9:00 a.m. to be held by zoom.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 12:33 p.m.

Respectively submitted,

/s/ Joseph Norris

Joseph Norris, acting as Secretary for the meeting