

## EAST CREEK METROPOLITAN DISTRICT NO. 2

141 Union Boulevard, Suite 150  
Lakewood, Colorado 80228-1898  
Tel: 303-987-0835 • 800-741-3254  
Fax: 303-987-2032

### NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Timothy Buschar	President	2022/May 2022
Michelle Trujillo	Treasurer	2022/May 2022
Glenn Nier	Assistant Secretary	2022/May 2022
Michael Bird	Assistant Secretary	2020/May 2020
Matthew Larsen	Assistant Secretary	2020/May 2020
Lisa A. Johnson	Secretary	

**DATE:**        **November 29, 2018**

**TIME:**        **2:00 P.M.**

**PLACE:**        Meritage Homes of Colorado  
8400 E. Crescent Parkway, #200  
Greenwood Village, Colorado

#### I.        ADMINISTRATIVE MATTERS

A.        Present Conflict Disclosures and confirm quorum.

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B.        Approve Agenda, confirm location of the meeting and posting of meeting notice.

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C.        Review and approve Minutes of the October 22, 2018 special meeting (enclosure).

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#### II.       FINANCIAL MATTERS

A.        Discuss East Creek Metropolitan District No. 1's Bond Issuance.

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B.        Conduct Public Hearing on the proposed 2019 Budget and consider adoption of Resolution to Adopt the 2019 Budget and Appropriate Sums of Money (enclosures – preliminary assessed value, 2019 draft budget and resolution).

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III. LEGAL MATTERS

- A. Review and consider approval of Memorandum of Understanding between East Creek Metropolitan District Nos. 1 and 2.
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IV. COVENANT ENFORCEMENT / DESIGN REVIEW

- A. \_\_\_\_\_

V. CONSTRUCTION MATTERS

- A. Discuss 2018 development / construction outlook.
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VI. OTHER BUSINESS

- A. \_\_\_\_\_

VII. ADJOURNMENT **THERE ARE NO MORE REGULAR MEETINGS SCHEDULED FOR 2018.**

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE EAST CREEK METROPOLITAN DISTRICT NO. 2 (THE "DISTRICT") HELD OCTOBER 22, 2018

A special meeting of the Board of Directors of the East Creek Metropolitan District No. 2 (the "District") was convened on Monday, October 22, 2018, at 2:30 p.m., at the offices of Meritage Homes of Colorado, 8400 E. Crescent Parkway, #200, Greenwood Village, Colorado 80112. The meeting was open to the public.

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**Directors In Attendance Were:**

Timothy Buschar  
Glenn Nier  
Michael Bird  
Matthew Larsen

Following discussion, upon motion duly made by Director Nier, seconded by Director Buschar and, upon vote, unanimously carried, the absence of Michelle Trujillo was excused.

**Also In Attendance Were:**

Lisa A. Johnson and Peggy Ripko; Special District Management Services, Inc.  
  
Paula Williams, Esq.; McGeady Becher P.C.

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**DISCLOSURE OF  
POTENTIAL  
CONFLICTS OF  
INTEREST**

The Board noted that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Williams requested that the Directors consider whether they had any additional conflicts of interest to disclose. Attorney Williams noted for the record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting and in accordance with the statutes. It was noted that disclosure statements had been filed for all Directors.

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## RECORD OF PROCEEDINGS

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### ADMINISTRATIVE MATTERS

**Agenda:** Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the Districts' special meeting.

Following discussion, upon motion duly made by Director Nier, seconded by Director Buschar and, upon vote unanimously carried, the Agenda was approved.

**Approval of Meeting Location:** The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the Districts' Board meeting. Following discussion, and upon motion duly made by Director Nier, seconded by Director Buschar and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries that the District is located to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

**Minutes:** The Board reviewed the Minutes of the June 25, 2018 organizational meeting.

Following discussion, upon motion duly made by Director Buschar, seconded by Director Bird and, upon vote, unanimously carried, the Minutes of the June 25, 2018 organizational meeting were approved.

**Resolution No. 2018-10-01 Establishing Regular Meeting Dates, Time and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices:** The Board discussed Resolution No. 2018-10-01; Establishing Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 72 Hour and 24-Hour Notices.

Following discussion, upon a motion duly made by Director Buschar, seconded by Director Bird and, upon vote, unanimously carried, the Board adopted Resolution No. 2018-10-01; Establishing Regular Meeting Dates, Times and Location, and Designating Locations for Posting of 72-Hour and 24-Hour Notices and determined to hold 2019 meetings on May 9, 2019 and October 24, 2019, at 2:30 p.m., at the offices of Meritage Homes of Colorado, 8400 E. Crescent Parkway, #200, Greenwood Village, Colorado 80112.

### FINANCIAL MATTERS

**2018 Application for Exemption from Audit:** The Board discussed the requirements for an audit.

## RECORD OF PROCEEDINGS

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Following discussion, upon motion duly made by Director Nier, seconded by Director Buschar and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and file the Application for Exemption from Audit for 2018.

**Preparation of 2019 Budget:** Following discussion, upon a motion duly made by Director Nier, seconded by Director Bird and, upon vote, unanimously carried, the Board ratified the appointment of the District's Accountant to prepare the District's 2019 Budget.

**2018 Budget Amendment Hearing:** The President opened the public hearing to consider the Resolution to Amend the 2018 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2018 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

It was noted that no amendment was needed for the 2018 Budget.

**2019 Budget Hearing:** The President opened the public hearing to consider the proposed 2019 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2019 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Ms. Johnson reviewed the estimated 2018 expenditures and the proposed 2019 expenditures.

The Board continued the Budget hearing to November 15, 2018, at 3:00 p.m., at the regular meeting location.

**DLG-70 Mill Levy Certification Form:** The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

**RECORD OF PROCEEDINGS**

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Following discussion, upon motion duly made by Director Buschar, seconded by Director Larsen and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

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**LEGAL MATTERS**

**Shared Public Improvements:** The Board discussed the need for a potential agreement between the District and East Creek Metropolitan District No. 1 regarding shared public improvements. Meritage will locate drainage reports and analyze further.

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**COVENANT ENFORCEMENT / DESIGN REVIEW CONSTRUCTION MATTERS**

None.

\_\_\_\_\_

**Development / Construction Outlook:** It was reported that the project is in process on public infrastructure.

\_\_\_\_\_

**OTHER BUSINESS**

**§32-1-809, C.R.S. reporting requirements, mode of eligible elector notification:** Ms. Johnson discussed with the Board §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification in 2019.

Following discussion, the Board determined to post the required transparency notice on the Special District Association Website.

\_\_\_\_\_

**ADJOURNMENT**

There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote unanimously carried, the meeting was continued to November 15, 2018, at 3:00 p.m. at the regular meeting location.

Respectfully submitted,

By \_\_\_\_\_  
Secretary for the Meeting

## RECORD OF PROCEEDINGS

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THESE MINUTES ARE APPROVED AS THE OFFICIAL OCTOBER 22, 2018  
SPECIAL MINUTES OF THE EAST CREEK METROPOLITAN DISTRICT NO.  
2 BY THE BOARD OF DIRECTORS SIGNING BELOW:

\_\_\_\_\_  
Timothy Buschar

\_\_\_\_\_  
Michelle Trujillo

\_\_\_\_\_  
Glenn Nier

\_\_\_\_\_  
Michael Bird

\_\_\_\_\_  
Matthew Larsen

**RESOLUTION NO. 2018-10-01**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE EAST CREEK METROPOLITAN DISTRICT NO. 2  
ESTABLISHING REGULAR MEETING DATES, TIME AND LOCATION, AND  
DESIGNATING LOCATIONS FOR POSTING OF 72-HOUR AND 24-HOUR NOTICES**

A. Pursuant to Section 32-1-903, C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.

B. Pursuant to Section 24-6-402(2)(c), C.R.S., special districts are required to designate annually at the board of directors of the district's first regular meeting of each calendar year, the place at which notice will be posted at least 24 hours prior to each meeting.

C. Pursuant to Section 32-1-903, C.R.S., special districts are required to post notices of regular and special meetings at three (3) public places within the district and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting.

D. Pursuant to Section 32-1-903, C.R.S., all special and regular meetings of the board shall be held at locations which are within the boundaries of the district or which are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

E. The provisions of Section 32-1-903, C.R.S., may be waived if: (1) the proposed change of location of a meeting of the board appears on the agenda of a regular or special meeting; and (2) a resolution is adopted by the board stating the reason for which a meeting is to be held in a location other than under Section 32-1-903(1), C.R.S., and further stating the date, time and place of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Creek Metropolitan District No. 2 of the County of Arapahoe, Colorado:

1. That the provisions of Section 32-1-903(1), C.R.S., be waived pursuant to the adoption of this Resolution.

2. That the Board of Directors (the "**District Board**") has determined that conducting regular and special meetings pursuant to Section 32-1-903(1), C.R.S., would be inconvenient and costly for the Directors and consultants of the District in that they live and/or work outside the twenty (20) mile radius requirement.

3. That regular meetings of the District Board of the East Creek Metropolitan District No. 2 for the year 2019 shall be held on 5/9/19 at 10/24/19, at the offices of Meritage Homes of Colorado, Inc., 8400 E. Crescent Parkway, Suite 200, Greenwood Village, Colorado 80111 in Arapahoe County, Colorado. @ 2:30 p.m.



4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each Director.

5. That, until circumstances change and a future resolution of the District Board so designates, the location of all special and regular meetings of the District Board shall appear on the agenda(s) of said special and regular meetings.

6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s), location(s) and any such objections shall be considered by the District Board in setting future meetings.

7. Notice of Meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location:

(a) See attached Map

8. Notices of regular and special meetings required to be posted at three (3) public places within the District and at the office of the County Clerk and Recorder at least 72 hours prior to said meeting shall be made pursuant to Section 32-1-903, C.R.S., at the following locations:

(a) See attached Map

(b) See attached Map

(c) See attached Map


9. Special District Management Services, Inc., or his/her designee, is hereby appointed to post the above-referenced notices.

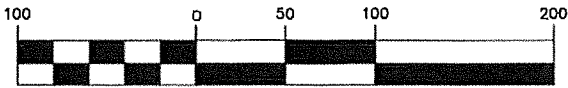
RESOLUTION APPROVED AND ADOPTED on OCTOBER 24, 2018.

**EAST CREEK METROPOLITAN  
DISTRICT NO. 2**

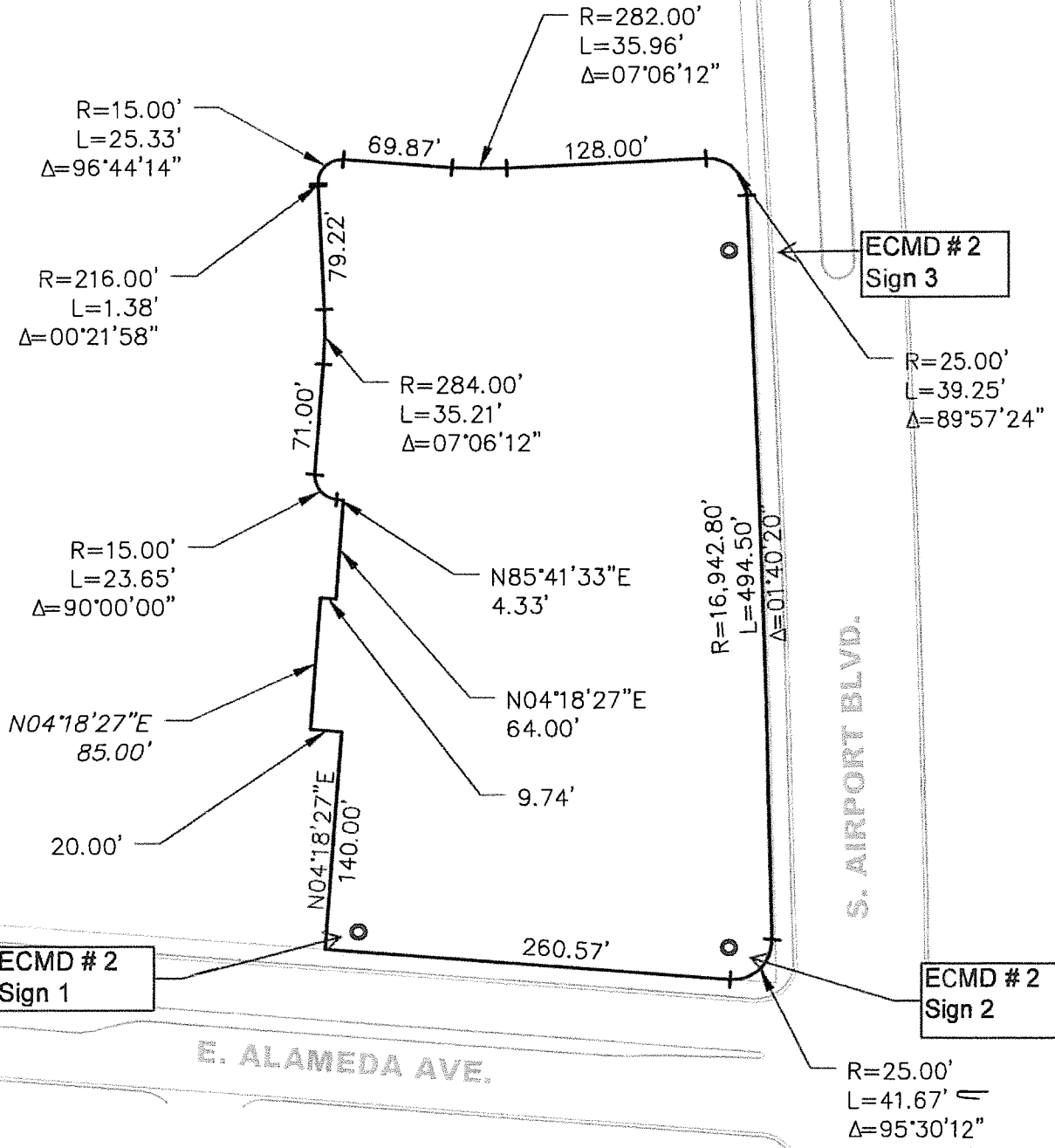
By:   
\_\_\_\_\_  
President

Attest:

  
\_\_\_\_\_  
Secretary



( IN FEET )  
1 inch = 100 ft.



JUL292010 PLAN SETS/EAST-CREEK-RES-BOUNDARY-EXHIBIT DWG 18/2018 7:44 PM STEPHEN EHRMANN

Project Number:  
**129010**

Date:  
**01-05-2018**

Scale:  
**1"=100'**

Sheet Number:  
**02 of 02**

**EAST CREEK**  
**DISTRICT #2 BOUNDARY EXHIBIT**  
LOCATED IN THE NE  $\frac{1}{4}$  OF SECTION 17, TOWNSHIP 4 SOUTH,  
RANGE 66 WEST OF THE 6TH P.M. CITY OF AURORA, COUNTY  
OF ARAPAHOE, STATE OF COLORADO

Summary of Value by Class  
 Assessment Roll: Mobile Home Roll - Level 4, Personal Property Roll - Level 4, Real Roll - Level 4, State Assessed Roll - Level 2  
 Assessment Year: 2018  
 Assessed Values

TA: 4263 - EAST CREEK METRO DIST #2

PIN Count: 2

Classification	Land	Improvements	Possessory Int	Count	Total	Personal	Count	Total
Vacant Land	23,484	0	0	2	23,484	0	0	23,484
Residential	0	0	0	0	0	0	0	0
Commercial	0	0	0	0	0	0	0	0
Industrial	0	0	0	0	0	0	0	0
Agricultural	0	0	0	0	0	0	0	0
Natural Resources	0	0	0	0	0	0	0	0
Producing Mines	0	0	0	0	0	0	0	0
Oil and Gas	0	0	0	0	0	0	0	0
State Assessed	0	0	0	0	0	0	0	0
<b>Total Taxable</b>	<b>23,484</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>23,484</b>	<b>0</b>	<b>0</b>	<b>23,484</b>
Federal	0	0	0	0	0	0	0	0
State	0	0	0	0	0	0	0	0
County	0	0	0	0	0	0	0	0
Political Subd	0	0	0	0	0	0	0	0
Religious	0	0	0	0	0	0	0	0
Private	0	0	0	0	0	0	0	0
Charitable	0	0	0	0	0	0	0	0
All Other	0	0	0	0	0	0	0	0
<b>Total Exempt</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

Real = 23,484  
 PPEx = 0  
 S.A. = 0  


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 Total = 23,484

Exempt Count 0  
 Taxable Count 2  


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 Total count for TA 2

**East Creek Metropolitan District No. 2**  
**Assessed Value, Property Tax and Mill Levy Information**

	<b>2017</b>	<b>2018</b>	<b>2019</b>
	<b>Actual</b>	<b>Adopted Budget</b>	<b>Preliminary Budget</b>

Assessed Valuation	\$	-	\$	-	\$	23,484
Mill Levy						
General Fund		0.000		0.000		0.000
Debt Service Fund		0.000		0.000		0.000
Temporary Mill Levy Reduction		0.000		0.000		0.000
Refunds and Abatements		0.000		0.000		0.000
Total Mill Levy		0.000		0.000		0.000
Property Taxes						
General Fund	\$	-	\$	-	\$	-
Debt Service Fund	\$	-	\$	-	\$	-
Temporary Mill Levy Reduction	\$	-	\$	-	\$	-
Refunds and Abatements	\$	-	\$	-	\$	-
Actual/Budgeted Property Taxes	\$	-	\$	-	\$	-

**EAST CREEK METROPOLITAN DISTRICT NO. 2**  
**Budget**  
**General Fund**  
**2019 Preliminary Budget**  
**With 2018 Adopted Budget and 2018 Estimated**

	<b>2018 Adopted</b>	<b>2018 Estimated</b>	<b>2019 Preliminary</b>
Beginning Funds Available	\$ -	\$ -	\$ -
Revenue			
Property Taxes	\$ -	\$ -	\$ -
Specific Ownership Taxes	\$ -	\$ -	\$ -
Developer Advance	\$ 50,000	\$ 50,000	\$ 50,000
Miscellaneous Income	\$ -	\$ -	\$ -
Total Revenue	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Total Funds Available	<u><u>\$ 50,000</u></u>	<u><u>\$ 50,000</u></u>	<u><u>\$ 50,000</u></u>
Expenditures			
Audit/Exemption	\$ 1,000	\$ 1,000	\$ 1,000
Election	\$ -	\$ -	\$ -
Insurance/SDA Dues	\$ 3,500	\$ 3,500	\$ 3,500
Accounting	\$ 8,000	\$ 8,000	\$ 8,000
Legal	\$ 15,000	\$ 15,000	\$ 15,000
Management	\$ 15,000	\$ 15,000	\$ 15,000
Miscellaneous	\$ 3,000	\$ 3,000	\$ 3,000
Contingency	\$ 3,000	\$ 3,000	\$ 3,000
Treasurer's Fees	\$ -	\$ -	\$ -
Total Expenditures	<u>\$ 48,500</u>	<u>\$ 48,500</u>	<u>\$ 48,500</u>
Emergency Reserve	\$ 1,500	\$ 1,500	\$ 1,500
Total Expenditures Requiring Appropriation	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 50,000</u>
Ending Funds Available	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

RESOLUTION NO. 2018 - 11 - \_\_\_\_  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE EAST CREEK METROPOLITAN DISTRICT NO. 2  
TO ADOPT THE 2019 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the East Creek Metropolitan District No. 2 ("District") has appointed the District Accountant to prepare and submit a proposed 2019 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2018, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 29, 2018, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the East Creek Metropolitan District No. 2:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the East Creek Metropolitan District No. 2 for the 2019 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 29<sup>th</sup> day of November, 2018.

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Secretary

(SEAL)

EXHIBIT A  
(Budget)



I, Lisa A. Johnson, hereby certify that I am the duly appointed Secretary of the East Creek Metropolitan District No. 2, and that the foregoing is a true and correct copy of the budget for the budget year 2019, duly adopted at a meeting of the Board of Directors of the East Creek Metropolitan District No. 2 held on November 29, 2018.

By: \_\_\_\_\_