



**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
CENTRAL MARKSHEFFEL METROPOLITAN DISTRICT
HELD JULY 19, 2022 AT 1:00 P.M.**

Pursuant to posted notice, the special meeting of the Board of Directors of the Central Marksheffel Metropolitan District was held on Tuesday, July 19, 2022 at 1:00 p.m., at 119 N. Wahsatch Avenue, Colorado Springs, CO, and via teleconference and video conference.

Directors in attendance were:

Lindsay Case, President (Excused)
Randle W. Case II, Vice President
Bryan Long, Treasurer/Secretary
James Morley, Assistant Secretary (Excused)
Dave Hammers, Assistant Secretary

Also in attendance were:

K. Sean Allen, Esq., White, Bear & Ankele, Tanaka & Waldron
Kevin Walker, WSDM
Rebecca Hardekopf, WSDM
Sue Gonzales, WSDM

1. Call to Order: The meeting was called to order at 1:00 PM by Director Case II.

2. Declaration of Quorum/Director Qualifications/Disclosure Matters: Director Case II indicated that a quorum of the Board was present with President Lindsay Case and Director Morley excused.

3. Approval of the Agenda: Ms. Hardekopf requested the Board move the item Review and Consider Approval of the 2021 Audit towards the end of the Agenda under 6. Management Update. Director Hammers moved to approve the Agenda with the change to move Review and Consider Approval of the 2021 Audit to 6.c.; seconded by Director Long. Motion passed unanimously.

4. Approval of November 2, 2021 Minutes: After review, Director Hammers moved to approve the November 2, 2021 Minutes subject to review of discussion on 5.b.; seconded by Director Long. Motion passed unanimously.

5. Financial Update:

- a. Bond Refinance Update: Mr. Walker reported on the bond refinance. He noted they owe almost \$9 million and there is about \$7 million in the bank. Last year, the assessed valuation increased by 25% and so the District will have more than enough money to pay it off by 2024 and keep the mill levy the same. Mr. Walker confirmed they are now able to pay down the loan without prepayment penalties given the interest rate environment. Mr. Walker recommends the Board consider making a prepayment on the loan up to \$7 million to reduce the interest costs as well as the possibility of dropping the mill levy this year and next year. Mr. Allen commented it would be good for the Board to get a detailed analysis on the options, so they are making an informed decision. Mr.

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Walker noted that Mr. Thomas with D.A. Davidson could provide an analysis and recommendation. After further discussion, Director Hammers moved to pay off the loan reserving \$500,000 of O&M funds and subject to a letter of recommendation for loan payment from D.A. Davidson and confirmation from US Bank that there is no prepayment penalty; seconded by Director Long. Motion passed unanimously.

- b. Consider Approval of Unaudited Financial Statements dated June 30, 2022: Mr. Walker presented the Unaudited Financial Statements dated June 30, 2022. After review, Director Hammers moved to approve the Unaudited Financial Statements dated June 30, 2022 subject to review of the IGA receivable, bridge reserve, and modifying the account reserve to reflect restrictions, and adding the new O&M reserve; seconded by Director Long. Motion passed unanimously.
- c. Ratify Past Payables through July 19, 2022: Ms. Hardekopf presented the payables through July 19, 2022. After review, Director Long moved to ratify the past payables through July 19, 2022 as presented; seconded by Director Hammers. Motion passed unanimously.

6. Management Update:

- a. Discuss Adding Security Service to Area: Mr. Walker discussed the possibility of the District paying for security service for commercial in the area. After review of the Service Plan, Mr. Walker does not think the District has the authority to do security services. He noted there is a provision that says you can do anything that State statute allows as long as the County agrees and there is a process by which you can request the Service Plan be expanded to allow that service. Mr. Allen explained they may need to get consent from the El Paso County Sheriff's Department and that should be the next step. The Board discussed the cost for security services and video recording.
- b. Review and Consider Approval to take over Detention Pond Maintenance: Mr. Walker discussed the ongoing maintenance of detention ponds. He noted it is included in the Service Plan and would not require special permission, only Board approval to move forward with taking over ownership and maintenance of these private detention facilities. The Board requested additional information on the existing ponds that are currently being maintained in the service area.
- c. Review and Consider Approval of the 2021 Audit: Ms. Gonzales presented the 2021 Audit. The Auditor will give an unqualified opinion which is a clean opinion and means there is nothing of concern in the financials. After review, Director Hammers moved to approve the 2021 Audit as presented; seconded by Director Long. Motion passed unanimously.

7. Other Business:

- a. Next Scheduled Meeting: There was no discussion.
- b. The Board discussed implementing Bill.com as a way to approve and pay bills electronically. Ms. Hardekopf noted the Auditors recommend using Bill.com and it is utilized in all of the Districts they manage. Director Hammers moved to implement the Bill.com process for paying bills; seconded by Director Long. Motion passed unanimously.

8. Adjournment: The Board adjourned the meeting at 1:53 PM.

Respectfully Submitted,



By: Board of Director for the Central Marksheffel Metropolitan District



By: Kevin Walker for the Recording Secretary

Rebecca Hardekopf

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