



MOUNTAIN VISTA METROPOLITAN DISTRICT NO 2

Regular Board Meeting held in person and virtually
8605 Explorer Dr, Colorado Springs, CO 80920

Thursday, November 2, 2023 – 10:30 a.m.

**** Please join the meeting from your computer, tablet or smartphone****

<https://video.cloudoffice.avaya.com/join/019683831>

United States: +1 (213) 463-4500

Access Code: 019-683-831

Board of Director	Title	Term
John Eliot	President	May 2025
Kim Shockley	Assistant Secretary	May 2023
Richard Vorwaller	Assistant Secretary	May 2023
Michael Suggs	Vice President	May 2025
Craig Anderson	Treasurer	May 2025

AGENDA

1. Call to Order
2. Declaration of Quorum/Director Qualifications/ Disclosure Matters
3. Approval of Agenda
4. Consent Agenda (These items are routine and may be approved in one motion. There will be no separate discussion of these items unless requested, in which event, the item will be heard immediately)
 - a. Approval of Board Meeting Minutes from the March 2, 2023 (enclosure)
 - b. Ratify approval of Payables through the Period ending October 19, 2023 (enclosure)
5. Management Matters
 - a. Manager’s Report (enclosure)
6. Public Comment (Limited to 3 minutes and only items not on the agenda)
7. Insurance Matters
 - a. Review and Consider Approval for Directors & Officers Coverage
8. Financial Matters
 - a. Conduct a Public Hearing on the 2024 Budget and Consider Adoption of Resolution Adopting the 2023 Budget Amendment, Adopting the 2024 Budget, Appropriating Funds, and Certifying Mill Levies (**enclosure**)
9. New Business
 - a. Review and Consider Approval for WSDM 2024 District Management Engagement (**enclosure**)
 - b. Establish 2024 Meeting Schedule
10. Adjourn





**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
MOUNTAIN VISTA METROPOLITAN DISTRICT NO. 2
HELD MARCH 2, 2023 AT 10:30 AM**

Pursuant to posted notice, the regular meeting of the Board of Directors of the Mountain Vista Metropolitan District No. 2 was held on Thursday, March 2, 2023 at 10:30 AM, at 8605 Explorer Dr, Colorado Springs, CO 80920 and virtually via video teleconference.

Attendance

In attendance were Directors:

John Eliot
Kim Shockley (Arrived late)
Richard Vorwaller
Michael Suggs
Craig Anderson

Also in attendance were:

Kevin Walker, WSDM
Rebecca Harris, WSDM
Pete Susemihl, Susemihl, McDermott & Downie, P.C.

1. Call to Order: The meeting was called to order at 10:24 AM by Ms. Harris.
2. Declaration of Quorum/ Director Qualifications/ Disclosure Matters: Ms. Harris confirmed a quorum was present and all Directors are qualified. Mr. Susemihl confirmed he would file disclosures with the Secretary of State.
3. Approval of Agenda: Director Eliot moved to approve the agenda as presented; seconded by Director Anderson. Motion passed unanimously.
4. Review and Approve Meeting Minutes from November 3, 2022: After review, Director Eliot moved to approve the November 3, 2022 Meeting Minutes as written; seconded by Director Anderson. Motion passed unanimously. Director Shockley joined the meeting.
5. Management Matters
 - a. Update on Inclusion and Exclusion of Barnes Rd: Mr. Walker and the Board discussed the inclusion of property on Barnes Road. The Board agreed to wait until the next Board meeting to discuss the inclusions further.
 - b. Discuss Service Plan Amendment: Mr. Walker discussed the new City policy that allows metro districts to go to 50 mills for debt service and 20 mills for O&M. The District is currently at 30 mills for debt service and 10 mills for O&M. Mr. Walker recommended amending the service plan to the more modern version that allows more flexibility. He noted the process can take 3-4 months. The Board agreed to wait until the next meeting to discuss this item further.

6. Financial Matters: Ms. Harris confirmed the bank account was set up. She noted a developer advance may be needed for the payables. Ms. Harris will provide the details to the Board.
7. Legal Matters
 - a. Election Status: Mr. Susemihl reported that Self-Nomination forms were received from Directors Shockley and Vorwaller and since there were no additional nominations received the election will be cancelled.
8. Developer Reimbursement: The Board discussed that a general agreement has been drafted and will likely be ready in 60 to 90 days.
9. Public Comment: There was no public comment.
10. Other Business
 - a. Next Regular Meeting Date: April 6, 2023, at 10:30 AM.
11. Adjourn: Director Eliot moved to adjourn at 10:45 AM; seconded by Director Vorwaller. Motion passed unanimously.

Respectfully Submitted,
WSDM – District Managers

By: Recording Secretary



Mountain Vista Metropolitan District No. 2
PAYABLES
10/19/2023
GENERAL FUND ACCOUNT

Company	Invoice	Date	Amount	Comments
Susemihl Mcdermott Downie P.C.	35089	2/28/2023	562.20	
Susemihl Mcdermott Downie P.C.	35189	3/31/2023	1,229.92	
Susemihl Mcdermott Downie P.C.	35477	8/31/2023	375.00	
Susemihl Mcdermott Downie P.C.	35611	9/30/2023	297.97	
USI	4593979	5/10/2023	100.00	
TOTAL			\$ 2,565.09	



10:38 AM

10/27/23

Accrual Basis

MVMD #2
Balance Sheet
As of October 27, 2023

	<u>Oct 27, 23</u>
ASSETS	
Current Assets	
Checking/Savings	
Eastern Colorado Bank	9,748.35
Total Checking/Savings	<u>9,748.35</u>
Total Current Assets	<u>9,748.35</u>
TOTAL ASSETS	<u>9,748.35</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	2,565.39
Total Accounts Payable	<u>2,565.39</u>
Total Current Liabilities	<u>2,565.39</u>
Total Liabilities	2,565.39
Equity	
32000 · Retained Earnings	-30,071.08
Net Income	37,254.04
Total Equity	<u>7,182.96</u>
TOTAL LIABILITIES & EQUITY	<u>9,748.35</u>

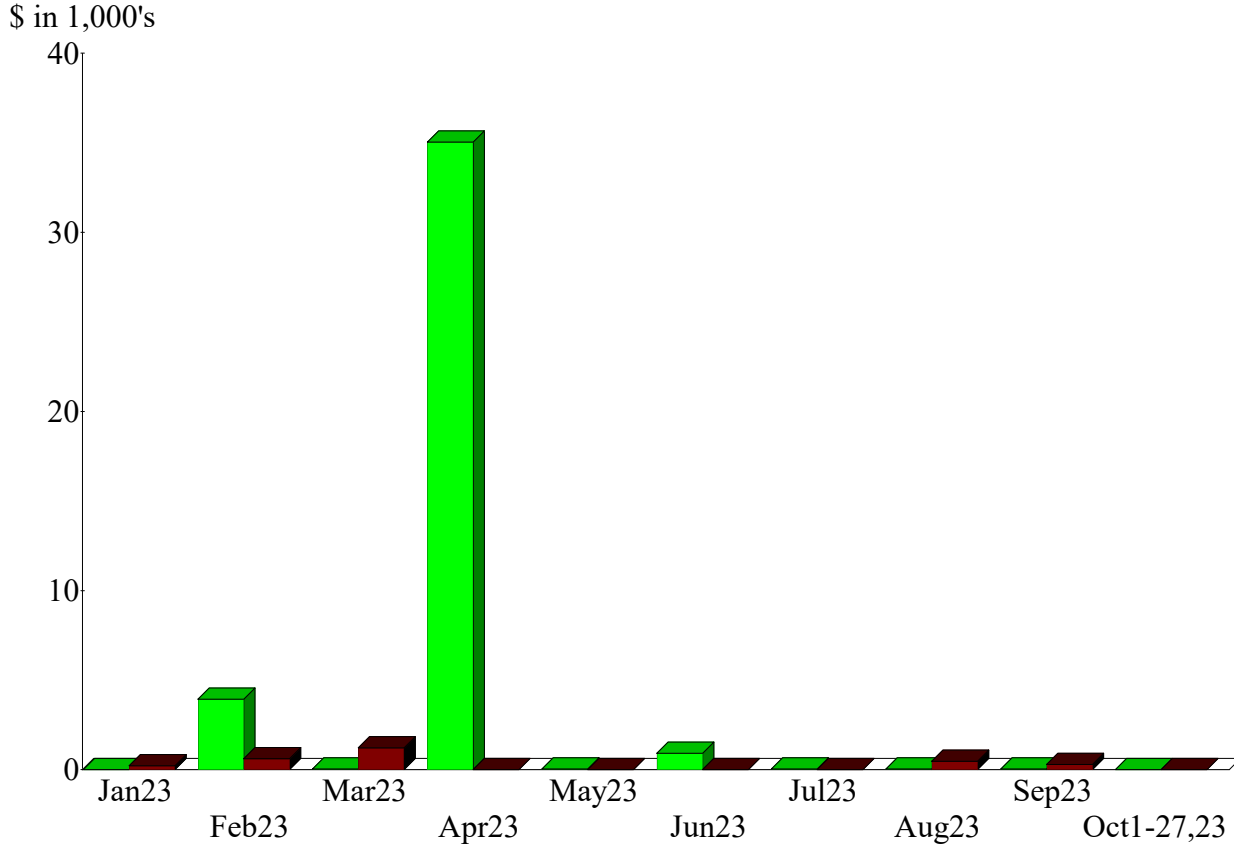
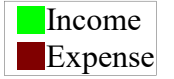
MVMD #2

Profit & Loss Budget vs. Actual

January 1 through October 27, 2023

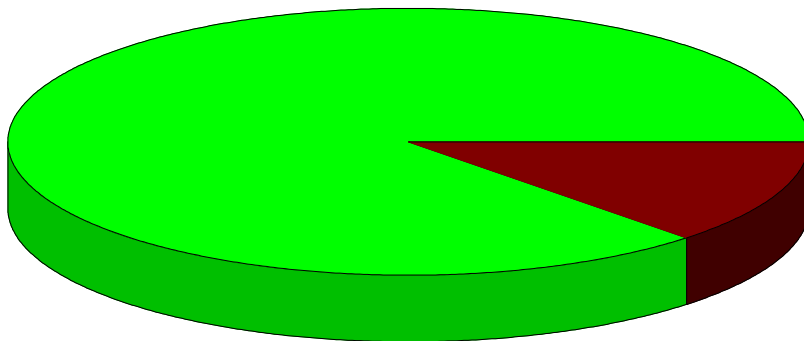
	TOTAL				
	Oct 1 - 27, 23	Jan 1 - Oct 27, 23	Budget	\$ Over Budget	% of Budget
Income					
Treasurer Taxes					
Current Year Tax- O&M	0.00	1,194.70	1,194.00	0.70	100.06%
Delinquent Interest O&M	0.00	0.05	0.00	0.05	100.0%
Specific Ownership Tax - O&M	0.00	81.73	83.58	-1.85	97.79%
Current Year Tax- Debt	0.00	3,584.08	3,582.00	2.08	100.06%
Delinquent Interest - Debt	0.00	0.08	0.00	0.08	100.0%
Specific Ownership tax - Debt	0.00	245.25	250.74	-5.49	97.81%
Total Treasurer Taxes	0.00	5,105.89	5,110.32	-4.43	99.91%
Developer Advance	0.00	35,000.00	0.00	35,000.00	100.0%
Total Income	0.00	40,105.89	5,110.32	34,995.57	784.8%
Expense					
Insurance	0.00	100.00	0.00	100.00	100.0%
Professional Services					
District Managment	0.00	0.00	15,000.00	-15,000.00	0.0%
Legal	0.00	2,680.17	10,000.00	-7,319.83	26.8%
Total Professional Services	0.00	2,680.17	25,000.00	-22,319.83	10.72%
Treasurer Fee					
Treasurer Collection Fee - O&M	0.00	17.92	17.91	0.01	100.06%
Treasurer Collection Fee - Debt	0.00	53.76	53.73	0.03	100.06%
Total Treasurer Fee	0.00	71.68	71.64	0.04	100.06%
Total Expense	0.00	2,851.85	25,071.64	-22,219.79	11.38%
Net Income	0.00	37,254.04	-19,961.32	57,215.36	-186.63%

Income and Expense by Month
January 1 through October 27, 2023



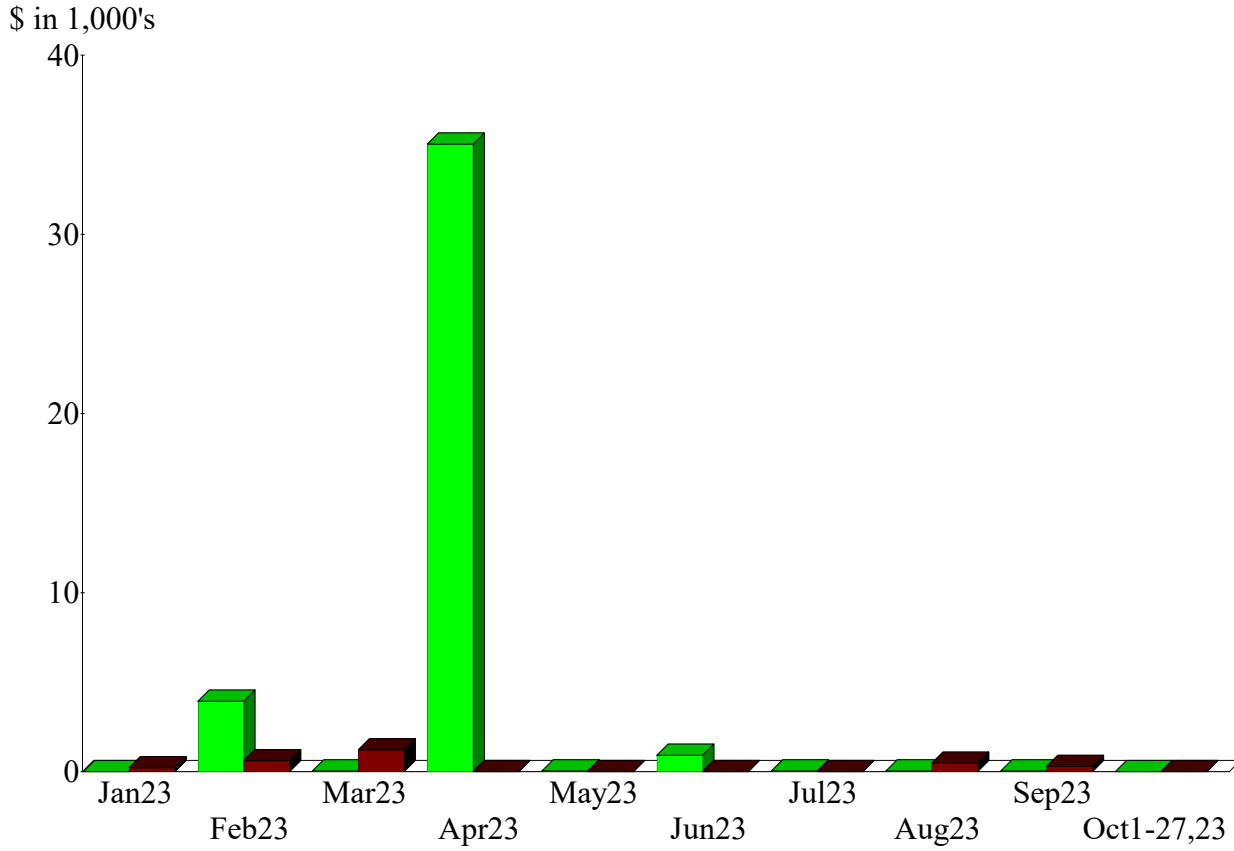
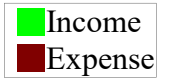
Income Summary
January 1 through October 27, 2023

■ Developer Advance	87.27%
■ Treasurer Taxes	12.73
Total	\$40,105.89



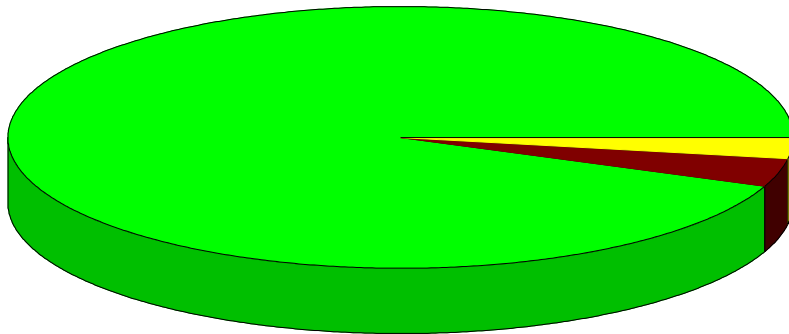
By Account

Income and Expense by Month
January 1 through October 27, 2023



Expense Summary
January 1 through October 27, 2023

Professional Services	93.98%
Insurance	3.51
Treasurer Fee	2.51
Total	\$2,851.85



By Account





RE: 2024 Annual Engagement Letter

This agreement constitutes a Statement of Work (“SOW”) to the Original Service Agreement made by and between WSDM – District Managers and **MOUNTAIN VISTA METROPOLITAN DISTRICT NO. 2** (“the District”). This engagement letters serves as a renewal to the service provided or additional service to be provided as prescribed below.

Management Services

1. Meeting and Reporting Services – WSDM will continue to provide the following services:
 - a. Coordinate Board meetings, prepare and distribute meeting agenda and packet.
 - b. Prepare, file and post legal notices required in conjunction with meetings, ensuring meeting notices are properly and timely posted.
 - c. Contact Board members 72-hours prior to a scheduled meeting to ensure a quorum will be present. In the event of a cancelation of a meeting, contact and advise all parties of the cancelation and any changes to the meeting date, time and place, if available.
 - d. Distribute meeting packets by U.S. Mail and/or email, as determined by the Board.
 - e. Prepare for and attend Regular and Special Meetings of the Board.
 - f. Draft, revise and finalize the minutes of the meeting, circulate for review and comment ensuring all statutory requirements have been met.
 - g. Prepare and maintain a record of all Board members, consultants and vendors. Direct and oversee all service providers, consultants and employees.
 - h. Prepare and make annual compliance filings (but not judicial filings) with the various State and County officials, as required. Coordinate review and approval of annual compliance filings with the attorney.
 - i. Respond to inquiries made by various officials, property owners, or consultants in a timely and professional manner.
 - j. Set-up and maintain the official records of the District and service as Official Custodian for same pursuant to the Colorado Open Records Act.
 - k. Monitor requirements pertaining to HB 1343 (Illegal Aliens).
 - l. Insurance administration, including evaluating risks, comparing coverage, process claims, completing applications, monitoring expiration dates, processing routine written and telephone correspondence. Ensure all District contractors and subcontractors maintain required coverage for the District's benefit. Obtain quotes for insurance annually.
2. Elections – Upon request, WSDM may serve as a Designated Election Official (DEO) for District elections with familiarity with various laws, including, but not limited to the Special District Act,

the Colorado Local Government Election Code, the Uniform Election Code of 1992, to the extent not in conflict with the Colorado Local Government Election Code, and Article X, § 20 of the Colorado Constitution ("TABOR").

3. Construction Oversight – Upon request, WSDM may provide extensive construction management. Our current experience principals have funded and managed over \$100,000,000 in public infrastructure including roads, water, wastewater, electric, gas, telecommunications and stormwater facilities.
4. Website Administration – WSDM will provide continued support and extensive experience, creating and updating the District website, specifically including the State Internet Portal Authority funded sites (SIPA) or provide continued hosting the district website under www.wsdistricts.co.
5. Employee Management – WSDM will provide management of full or part time employees including Operators in Responsible Control (ORC), field and operations employees, administrative employees, part time seasonal employees, Certified Pool Operators, etc. Maintain compliance with Human Resource aspects like; labor statutes, insurance, training, safety, etc. issues. Additionally, automated payroll services.
6. Covenant Enforcement and CCR Management – WSDM will continue to provide the following services:
 - a. Oversight of Architectural Control Committees or Design Review Committees, including, but not limited to, coordination of meetings, preparation of meeting materials, and attendance at meetings.
 - b. Conduct community inspections and site review of proposed improvements or architectural requests.
 - c. Provide enforcement of the recorded Covenant, Conditions, and Restrictions (CCRs) and Design Guidelines including, but not limited to, violation tracking and imposition of fines.
7. Insurance – WSDM will act as liaison for the annual insurance renewal and payment, as well as maintenance of Special District Association (SDA) membership, coordination of claims, as needed, and complete the annual insurance audit to ensure the district is properly covered.
8. Inclusion/ Exclusions of Property – WSDM will provide, assistance with Legal Counsel, coordinating any property inclusions into the District Boundaries or any property exclusions out of the District Boundaries. Determine property eligibility, present to the Board for approval, and file with proper local governing body.

Accounting and bookkeeping

1. Standard Service – WSDM will continue to provide the following services (by a Certified Public Accountant):
 - a. Accounting:
 - i. Prepare monthly, quarterly, and annual Financial Statements.
 - ii. Reconcile bank statements and trustee statements on a monthly basis.
 - iii. Coordinate bank account setup and maintenance of signature cards.

- iv. Prepare and file Continuing Disclosure Notices with the Trustee and other required parties. Coordinate review with legal counsel.
 - v. Coordinate capital project draws and requisitions.
 - vi. Prepare and review all payments of claims prior to release to ensure funds are available.
 - vii. Conduct a monthly review of all expenditures and coordinate preparation and distribution of same, monitoring to ensure the district is on track with the budget and appropriated expenditures.
- b. Accounts Payable:
- i. Receive and review invoices for accuracy and appropriateness for payment. Code invoices in accordance with the budgeted line item.
 - ii. Prepare issuance of checks (or virtual checks) to be presented to the Board for approval and signatures. The claims (Payables) list will be included in the monthly meeting packets.
 - iii. Prepare funding requests, if required.
 - iv. Release payments to vendors once all approvals and funding have been received.
- c. Accounts Receivable:
- i. Process deposit of revenues.
 - ii. Process bank charges and other miscellaneous accounts receivable matters.
- d. Financial Projections:
- i. Provide multi-year forecasting upon Board request.
 - ii. Provide Utility consumption versus rate analysis, and possible water loss calculations upon Board request.
 - iii. Provide commercial billing and rate structure analysis.
- e. Budgets:
- i. Prepare annual budget and budget message for approval by the Board and coordinate with legal counsel for same.
 - ii. Prepare or assist in the preparation of supplemental and/or amended budgets and accompanying documents, if required.
 - iii. Prepare and assist in the compliance of filing the annual Budget, or amendment, as needed.
- f. Audits:
- i. Obtain proposals for conducting the annual audit for consideration at budget hearing meeting. Proposals should be included in the meeting packet.
 - ii. Coordinate and participate in audit bids, engagements, fieldwork and audit draft review.
 - iii. Assist the auditor in performing the annual audit, to accomplish timely completion and filing by statutory deadline.
 - iv. Help present the Annual Audit for approval by the Board to be filed in compliance with State, local, and federal requirements.
- g. Bonds:
- i. Monitor and comply with Bond documents, State Statute, and Auditing requirements.
 - ii. Transfer debt obligated funds to correct Reserve Funding accounts as applicable

- iii. Coordinate principal and interest payments as required by the governing documents.
- iv. Coordinate with Bond counsel to issue bonds as directed by the Board of Directors
- v. Coordinate the proper compliance filing including but not limited to the DLG-30, etc.
- h. Developer Reimbursements/ Advances:
 - i. Coordinate with Developers to ensure all advances are received, tracked, or accounted for to fund the district as needed.
 - ii. Monitor and comply with Developer Reimbursement agreements and Auditing requirements.
 - iii. Coordinate principal and interest payments required by the Reimbursement agreement.

Billing and Collections

1. Standard Services—WSDM will continue to utilize the Continental Utility Solutions, Inc. (CUSI) billing software system for the residential billing, Bill.com invoicing software for review of invoices and processing of payments, and/or QuickBooks bookkeeping software -- as applicable.
 - a. CUSI system is compatible with the Automatic Meter Reading (AMR), Badger Beacon systems, as well as state of the art integration with direct payment options (Customer Web Portals, ACH, and Credit Card processing systems).
2. Additional Standard Services provided by WSDM will include:
 - a. Provide resolution of re-reading of meter reads, if necessary.
 - b. Customize billing system to download meter readings directly into billing software, allowing real-time/ automatic updates to customer accounts.
 - c. Produce and transmit customer invoices to a mailing facility or process the mailing in-house, whichever is more economical.
 - d. Process and make daily deposits of all receipts mailed directly to WSDM, the billing company, or the lockbox -- as necessary.
 - e. Communicate with customers and transmit Automated Clearing House ("ACH") authorization forms, allowing the District to initiate an ACH withdrawal of balance(s) due directly from the customer's checking or savings account, using dual controls.
 - f. Coordinate and provide correspondence regarding delinquent account balances, payment plans, termination of amenity access, and service shut-off notices in compliance with the District's collection policy and in coordination with the District's legal counsel.
 - g. Process final billing pay-off requests from the title company for upcoming closings and establish new owner's billing account.
 - h. Collect transfer fee on behalf of the District, due upon the transfer of property.
 - i. Process payment arrangements for customers facing economic hardship at the direction of the Board.
 - j. Process and transmit delinquency notices.
 - k. Process service shut-off notices and direct the District's operator to proceed with shutoff.
 - l. Certify delinquent account balances with the County, as applicable, in coordination with the District's legal counsel.

- m. Coordinate processing of statements of liens with the District's legal counsel, and release of liens as delinquent account balances are resolved.
- n. Respond to customer calls and inquiries in a timely and professional manner.
- o. Track Tap Fee payments and coordinate with the District's Water Operator to provide installation of a new Tap for water service – where applicable.

Customer Service

- 1. WSDM will continue to provide customer service support via telephone, email, social media, text messaging, and fax for all customer inquiries and updates.
- 2. WSDM will continue to provide access to a 24-hour emergency response for after-hours emergencies via telephone at 719-447-4840.
- 3. WSDM will continue to collaborate with patrol officers, security teams, and local law enforcement where applicable; and will monitor security systems and surveillance camera's as needed.
- 4. WSDM will respond to non-emergency customer inquiries within 1 hour during regular business hours or first thing on the following business day.

5. Hourly Rates

WSDM will continue to provide all applicable services as listed to the District at a monthly cost or not to exceed contractual monthly limit of **\$500/ month.**

Principal	\$225.00
Senior Manager	\$180.00
Senior Accountant (CPA)	\$190.00
Assistant Manager	\$150.00
Bookkeeper	\$ 75.00
Administrative/ Supporting Staff	\$ 50.00

- *Signature Page to Follow* -

Thank you,



Kevin Walker,
President of WSDM

APPROVED AS SIGNED:

Signature

Title

Date