

**RESERVE METROPOLITAN DISTRICT 2
BOARD OF DIRECTORS MEETING
THURSDAY, OCTOBER 18, 2018 - 11AM MDT
318 ELK AVENUE SUITE 24 CRESTED BUTTE, COLORADO 81224**

In Attendance For The Board:

Grant Bennett – via telephone
John Flanigan – via telephone
Julie Behrens – via telephone

Also In Attendance:

Tom Mullans, Mullans, Piersal & Reed, PC (by telephone)
Steve Thompson (by telephone)
Rob Harper, Toad Property Management

John Flanigan called the meeting to order at 11:03 am and confirmed a quorum. Rob Harper confirmed notice of the meeting had been displayed at all three locations on October 12, 2018. Julie Behrens made a motion to approve the minutes of the prior meeting. Grant Bennett seconded the motion and all approved.

Chairman's Report: John said there would be a financial review and discussion of the Budget. John said he did not have any updates regarding the sale to Vail Resorts and would try to have more information by the next meeting.

Financial Report: Steve Thompson said he had distributed a financial report through September 30, 2018 and said there was approximately \$465,000 in the Bank of the West account. Steve confirmed \$137,000 had been collected from RMD1 during 2018 and \$150,000 had been budgeted. John said the third quarter report would confirm if other funds had been received and John said based on the August 28, 2018 report the 2018 figures would be way ahead of budget.

Steve explained the expenses through September 30, 2018 and said based on the current figures the available fund balance would end the year at \$425,000 because of larger savings at the end of 2017 than previously anticipated and spending for 2018 was under budget. Steve said the Debt Service Fund had collected all but \$4,000 of taxes through September 30, 2018 and the biggest expense was interest and principal and there would be another payment in December, 2018.

Steve said the next reassessment year would be 2019 and that would also be the year residential valuation would drop due to the Gallagher Amendment and as the Assessor could not give an indication of the impact on residential valuations the District might want to be prepared for a reduction in income. Steve said vacant land would not be subject to the same impact.

Tom said the Specific Ownership Tax payable to the Town referenced in the Service Plan was confusing and the Town had not requested any payments. It was agreed Steve would do a little research (2 hours or less) in the County records.

2019 Budget Discussion: Tom said a November 15, 2018 Budget Hearing was required and no later than December 15, 2018 the Budget Resolution needed to be into the County. Tom said when the notice of the Budget Hearing was released a copy of the draft 2019 Budget had to be available at the Toad office for anybody to review. Tom explained the Board could approve the 2019 Budget at the November 15, 2018 meeting if there was no opposition and it was agreed to hold the November 15, 2018 meeting and if necessary at that meeting schedule a special meeting in early December.

District Maintenance: John said Julie had obtained a copy of the Police Report concerning the incident on the road and no action was required. Julie confirmed the pallets containing the stone for the bridges had been moved and would not obstruct snow clearing.

Julie made a motion to adjourn the meeting at 12:04 pm. Grant seconded the motion and it was unanimously approved.

Rob Harper, Toad Property Management