

RESERVE METROPOLITAN DISTRICT 2

BOARD OF DIRECTORS MEETING

NOVEMBER 15 2016 12:00 PM MST

318 ELK AVENUE SUITE 24

CRESTED BUTTE, COLORADO 81224

In Attendance For The Board

John Flanigan (by telephone)

Grant Bennett

Peter Duke (by telephone)

Also

Bob Orlinski

Mary Miles, Mullans, Piersel & Reed, PC (by telephone)

Tom Mullans, Mullans, Piersel & Reed, PC (by telephone)

Steve Thompson (by telephone)

Jerry Burgess, SGM (by telephone, joined at 12:47pm)

Rob Harper, Toad Property Management, Inc.

John Flanigan called the meeting to order at 12:04 pm with a roll call of Board members and confirmed a quorum. Notice of Meeting was posted in all three places on 12 November 2016. No Agenda items to add. Grant makes a motion to approve the minutes of 10/18/16, Peter seconds, all in favor, minutes approved. John gives all a review of disbursements for the past month.

Financial Report/Budget: Steve Thompson reports financial numbers are up-to-date as of 10/31/16. Referring to a schedule that was sent to each Board member, Steve leads a discussion explaining that each bond's reserve is calculated at 1/12 of the debt service. The Pledge Revenue Fund on the balance sheet indicates monies collected for the 2008 Series debt, which has been paid off, and now this money is un-allocated. Could this money be used for the tax abatement short for the 2016 B? (A Gunnison County error was the cause for the short, brief discussion about fighting the extra money owed). Dee Wisor gives the go-ahead to use any debt levied to pay debt, but not an operating expense, for example. Discussion about Specific Ownership tax, having a cushion to pay the fees. S-O tax fee going back to Crested Butte is still an unknown number. Road repair/snow plowing/road maintenance are budgeted the same as last year, so far. Board member compensation, yes or no? Mill levies need to be certified by 15 December 2016. To finalize budget resolutions and mill levies, Grant makes a motion to hold a special meeting on 9 December 2016 at 12 noon MST and cancel the scheduled meeting of 20 December 2016, John seconds, motion approved. Mary and Tom will research double payments.

Old Business:

- Roads: Jerry Burgess from SGM put a report together rating the roads using an industry accepted methodology from 1 to 10; John Flanigan sent this info to all yesterday. RMD2's roads are all between 5 and 8. About 3.6 miles of road. The SealCo investment was good preventative maintenance. Discussion about routine maintenance for the investment. A stonemason should do the bridgework and a dirt work contractor, perhaps already working in the area, should do the drainage work suggests Jerry. Discussion about time-lines, work being done around the state. Jerry Burgess departed the meeting at 1:05. Discussion outlining plowing/grooming/maintaining of roads/areas RMD2 is responsible for, via a contract with Cimarron, and which areas CBMR is responsible for; John sent a map to all. What about any additional grooming by CBMR for those homeowners making a request? Grant makes a motion to approve the maintenance agreement contract with Cimarron and to authorize John Flanigan to execute the agreement on behalf of RMD2. John seconds, all in favor, motion approved.
- Bob Orlinski questions the RMD1 assessment letter received; Tom Mullans confirmed the legitimacy of the debt.

John makes a motion to adjourn, Peter seconds, all in favor, meeting adjourned at 1:18 pm.

Rob Harper, Toad Property Management, Inc.