

RECORD OF PROCEEDINGS

MINUTES OF THE COMBINED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF TWIN BUTTES METROPOLITAN DISTRICT NOS. 1-4

HELD: Monday, June 26, 2017, at 11:00 a.m. at Keller Williams Realty Southwest Associates LLC, 700 Main Avenue, Durango, Colorado.

ATTENDANCE:

The combined special meeting of the Boards of Directors of the Twin Buttes Metropolitan District Nos. 1-4 was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Glenn D. Pauls, President (District Nos. 1-4)
Scott Strand, Treasurer (District No. 1) (via telephone)
Robert H. Delves, Treasurer/Assistant Secretary (District Nos. 1-4)
Russell J. Smith Jr., Assistant Secretary (District Nos. 2-4)
Dianne Pauls, Assistant Secretary (District No. 1)
Parker S. Newby, Assistant Secretary (District Nos. 1-4)

Also present were: Paula Schler, Secretary to the Boards, and Steven (Willie) Wilson of Twin Buttes of Durango; Matthew R. Dalton (via telephone) of Spencer Fane, LLP; Lindsey Nicholson of Goldman, Robbins, Nicholson & Mack, PC.

CALL TO ORDER:

Director Delves noted that a quorum was present for the purpose of conducting a combined special meeting by the Boards of Directors and called the meeting of the Boards of Directors of the Twin Buttes Metropolitan District Nos. 1-4 to order.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

Mr. Dalton noted that general and transactional disclosure statements had been filed on behalf of the members of the Boards of Directors with the office of the Colorado Secretary of State and with the Secretary of the District. Upon motion duly made, seconded and unanimously carried, the Boards directed that said disclosures be incorporated herein.

MINUTES:

The Boards reviewed the minutes from the meeting held November 14, 2016. Upon motion duly made by Director Parker Newby, seconded by Director Scott Strand, and unanimously carried, the Boards approved the minutes and authorized Ms. Schler to execute them as Secretary.

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PRESENTATION OF AUDIT RESULTS:

The Board-appointed Finance Committee consisting of Director Bob Delves, Director Scott Strand and Director Glenn Pauls, earlier met with the accounting firm Dalby Wendland who prepared the audits. Director Strand presented the audit results to the Board. Director Strand stated that an audit was only required for Districts 1 and 2, however, due to the interdependence of the Districts, all four were audited. The audits, including summary reports, are very lengthy documents and an audit package is available for any board member who wishes to review them. Mr. Wilson, Chief Financial Officer at Twin Buttes, stated it was appropriate that all four Districts were audited and offered his service to answer any questions. He also stated that potential changes to some of the current financial procedures may be made in response to the audit. Those changes will be presented to the Board at the next meeting. Director Delves motioned to approve acceptance of the audits and to authorize Dalby Wendland to file the audits with the state. Director Dianne Pauls seconded the motion and the Board unanimously approved.

DEPOSIT ACCOUNTS – UPDATING AUTHORIZED SIGNERS

Mr. Wilson informed the Board that Director Glenn Pauls, as President, is the primary signer of all documents and checks for the Districts and that all Board member officers should be able to sign in his absence. Ms. Schler is to be removed as a signer on the checking account per her request. Following discussion, Director Glenn Pauls motioned to approve the updates to authorized signers by adding all member officers and removing Paula Schler and direct Mr. Wilson to make the necessary changes with the bank. Director Strand seconded and the Board unanimously approved.

OTHER BUSINESS:

Mr. Wilson informed the Board that through the various marketing and promotion efforts “Twin Buttes Farm” has been informally adopted as a trade name for the produce operation in the Districts, as well as the current trade name of “Twin Buttes Gardens”. The Districts’ banking institution, Alpine Bank, has agreed to allow the Districts to utilize this trade name for banking purposes if the Board formally recognizes and affirms the trade name “Twin Buttes Farm.” Upon motion duly made, seconded and unanimously carried the Boards directed that the trade name “Twin Buttes Farm” be approved and recognized as part of the produce operation in the Districts.

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ADJOURNMENT:

Following discussion and upon motion duly made, seconded and unanimously approved the Boards adjourned the combined special meeting of the Boards of Directors of the Twin Buttes Metropolitan District Nos. 1-4.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Boards of Directors of Twin Buttes Metropolitan District Nos. 1-4.


Secretary to the Boards