RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE PAINT BRUSH HILLS METROPOLITAN DISTRICT HELD DECEMBER 11, 2014

A special meeting of the Board of Directors (referred to hereafter as "Board") of the Paint Brush Hills Metropolitan District (referred to hereafter as "District") was held on Thursday, the 11th day of December, 2014, at 7:00 p.m. at the Paint Brush Hills Metropolitan District Office, 9830 Liberty Grove Drive, Falcon, Colorado 80831. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:
Kim Griffin
Calvin Pollard
Doug Burrer
Floyd Roberts
John Bruszenski

Also In Attendance Were:
Leon Gomes; Special District Management Services, Inc.

See attached sign-in sheet for additional attendees.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential or Existing Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Gomes noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any maters scheduled for discussion at this meeting. No conflicts were noted.

ADMINISTRATIVE MATTERS

Agenda: Mr. Gomes reviewed the proposed agenda for the District's special meeting.

Following discussion, upon motion duly made by Director Burrer, seconded by Director Roberts and, upon vote, unanimously carried, the Agenda was approved, as amended.

Budgetary Initiatives: Director Burrer presented a proposal to the Board regarding the transfer of customer billing and claims payment responsibilities to District staff. The justification, Director Burrer advised, for reassigning these duties to District staff is to increase the utilization of the Office Assistant and to potentially save the District money. Mr. Gomes suggested that additional utilization of the Office Assistant can be achieved by having her process and mail the billing generated by the SDMS billing staff.

Following discussion, the Board determined to table the consideration of having District staff perform billing and claims payment functions.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Bruszenski, seconded by Director Roberts and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By _____
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL DECEMBER 11, 2014 MINUTES OF THE PAINT BRUSH HILLS METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

Kim Griffin

Calvin Pollard

Doug Burrer

Floyd Roberts

John Bruszenski