

**RECORD OF PROCEEDINGS
MINUTES OF THE SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF
FALLBROOK VILLAS METROPOLITAN DISTRICT**

HELD:

Thursday, the 30th day of November, 2023 at 2:00 p.m. via telephone and videoconference.

ATTENDANCE:

The special meeting of the Board of Directors (the “Board”) of the Fallbrook Villas Metropolitan District (the “District”), Adams County, State of Colorado, 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:

KimNichelle Rivera, President, (2022-2025)
Jolene Simon, Treasurer (2023-2027)
Richard Vogt, Director (2023-2027)
Jacqueline Phillips, Secretary (2023-2025)
Todd Geist, Director (2023-2025)

Also in attendance were Lisa K. Mayers, of Spencer Fane LLP, Melissa Kupferer of Advance HOA (in attendance for part of the meeting), Nicki Simonson, Judy Simonson and Rebecca Hill of Simonson & Associates, Inc.

CALL TO ORDER:

It was noted for the record that a quorum was present of the Board for the purpose of conducting a special meeting, and on behalf of the Board of the District the meeting was called to order by Director K. Rivera at 2:02 p.m.

APPROVAL OF AGENDA AND MEETING LOCATION:

Director T. Geist asked for two items, which he had sponsored, to be dropped from the agenda, 11f (Discuss Options for New Legal Representation) and 11g (Discuss Ethics Matters and Whether There are Concerns to be Addressed by the Board). Ms. L. Mayers confirmed those would be removed. Upon motion duly made, seconded, and upon vote, the meeting location and amended agenda were unanimously approved.

PUBLIC COMMENT:

Director K. Rivera opened the public comment section. A homeowner requested that more detail on general discussions be provided in the body of the meeting minutes. A concern was raised regarding a hole in the sidewalk on 141st and who the sidewalk belonged to. Caution tape had

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been placed around the hole as a precaution. Ms. Kupferer will follow up with Director K. Rivera after this meeting to gather more information to provide at the next board meeting. A homeowner asked a question regarding potential rate increases which will be discussed later in the budget hearing section of the agenda. Director K. Rivera closed the public comment section.

APPROVAL OF MINUTES:

The Board reviewed and discussed the minutes of the regular meeting held on June 29, 2023. Ms. N. Simonson requested the amendment of Ms. Hill to Ms. J. Simonson in the Financial Items Section, paragraphs a, b, and c. Director T. Geist requested a verbiage change for the Mike Hammer discussion as it was not related to CORA. Director K. Rivera asked for a change surrounding Advance HOA/Management Item (b), specifically her offer to remove stakes in the community as a volunteer, with the assistance of Director J. Simon to save the district money. She also noted that item (d) states the mulch refresh was completed at the cost of homeowners and she would like it amended to reflect that it was completed at no cost to homeowners. Upon motion duly made, seconded and upon vote, the Board unanimously agreed to table the approval of the minutes until Ms. L. Mayers is able to review the electronic recording of the meeting to verify the discussion and make appropriate changes.

The Board then reviewed and discussed the minutes of the regular meeting held on October 19, 2023. Upon motion duly made, seconded and upon vote, the Board unanimously approved the minutes of the meeting.

FINANCIAL ITEMS:

- a. Consider Ratification and Approval of Payment of Claims. Director T. Geist had a few questions regarding the check register expenses which were clarified. The Board reviewed and discussed. Following discussion and upon motion duly made, seconded and upon vote of 4-1, the Board ratified the paid claims with Director T. Geist voting opposed. Further discussion then ensued regarding concerns around checks and balances related to expenses.
- b. Consider Acceptance of Financial Statements. Ms. Judy Simonson presented the financial statements and discussed them with the Board. Following discussion and upon motion duly made, seconded and upon vote unanimously carried the Board accepted the financial statements, as presented.

MANAGEMENT ITEMS:

- a. Review and Discuss Appeal Violation from Owner of 14054 Jackson Street. Mr. Andrew McSwain presented his case to the Board regarding an HOA violation notice that he has received regarding a sunshade structure that was installed on his property prior to his purchase. He requested to keep the structure, negate the violation, and proposed a variance

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be granted for the sunshade structure to remain in place. Following discussion, and upon motion duly made, seconded, and upon vote, the Board unanimously approved his request.

- b. Discuss Payment Plan Request for Account #2124671. A homeowner requested a 6-month payment plan on their account. Following discussion, upon motion duly made, seconded, and upon vote, the Board unanimously approved their payment plan request.
- c. Discuss ADA Compliant District Website. The Board discussed entering into a contract with Streamline, a website hosting service that provides an ADA compliant platform that is now a legal requirement for special districts. This would be a replacement for Pueblo West. Discussion ensued regarding who could post to the website, which could be done either by Spencer Fane or Simonson & Associates. Following discussion, upon motion duly made, seconded, and upon vote, the Board unanimously approved transitioning website services to Streamline.

2023 BUDGET AMENDMENT:

- a. Conduct Public Hearing on 2023 Budget Amendment.
Director K. Rivera opened the public hearing. Ms. Judy Simonson described the 2023 Budget Amendment that would increase the General Fund expenditures from \$100,905 to \$179,815, and increase the Debt Service Fund expenditures from \$212,892 to \$213,791. There was general discussion surrounding when contracts and proposals were put out for bid in relation to budgets and fee schedules for the year and how it could potentially be timed differently to functionally align. Director K. Rivera closed the public hearing.
- b. Review and Consider Approval of Resolution to Amend 2023 Budget. The Board reviewed the Resolution to Amend the 2023 Budget. The Board discussed the recommended amendments and upon motion made, seconded and upon vote, the Board unanimously approved the Resolution to Amend the 2023 Budget.

2024 BUDGET:

- a. Conduct Public Hearing on 2024 Budget.
Director K. Rivera opened the public hearing on the 2024 budget. Ms. Judy Simonson presented the 2024 Budget. She indicated that the final mill levy valuation information will not be available from Adams County until January 3rd so the mill levy shown in the proposed budget is only an estimate. Ms. Judy Simonson also mentioned that the District may be able to lower its debt service mill levy if the assessed valuation for the district is high enough that the debt to assessed valuation ratio falls below 50%. She indicated that she had sent a request to the District's bond trustee for approval to lower the minimum debt service mill levy but has not heard back from them yet. A homeowner voiced concerns that he doesn't feel he is seeing any specific expense cutting measures, and he would like

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to see budget cutting proposals. Ms. Mayers suggested a study session where line items could be reviewed more in depth. Such a study session would require 24-hrs notice and could be attended by both the Board and members of the public. It is noted that no action can be taken by the Board within a study session. Director K. Rivera then closed the public hearing.

- b. Review and Consider Adoption of Proposed 2024 Budget, Consider Approval of Resolution to Adopt 2024 Budget, Approving Appropriation of Sums of Money, and Certification of Mill Levies.

After further discussion about the time constraints for holding a study session before approving the budget by the January 10th deadline, the Board made the decision upon motion duly made, seconded, and upon unanimous vote, to approve the 2024 Budget as presented subject to changes based on the final assessed valuation from Adams County and approval by the bond trustee to lower the debt service mill levy. Ms. L. Mayers added that the District can still work on reducing expenses and does not have to spend all the amounts approved in the adopted budget.

Upon motion duly made, seconded, and upon vote, the Resolution to Adopt the 2024 Budget, Appropriate Sums of Money and Authorize the Certification of the Tax Levy of Fallbrook Villas Metropolitan District was unanimously approved subject to Adams County final valuation numbers and the debt service mill levy reduction.

LEGAL ITEMS:

- a. Consider for Approval Resolution Concerning Annual Administrative Matters for 2024. Several items in the resolution were discussed but approval of the resolution was tabled. The board discussed changing the meetings to a different time of day, potentially in the evening so more homeowners could attend. Quarterly regular meetings will be considered with special meetings held as needed.
- b. Consider for Approval Resolution Providing for Exclusion of Worker's Compensation Coverage for 2024. This item was tabled pending investigation with the Special District Insurance Pool on what the insurance discount would be for including the Worker's Compensation coverage. Ms. Judy Simonson will contact the insurance pool.

DIRECTOR ITEMS:

- a. Discuss Need for Policy Regarding Board and Community Communications. Director T. Geist would like to receive communications in a timely fashion. Director J. Simon added she would like there to be better communication via email directly to homeowners. All homeowners do have access to the website and the Board agrees it is a good resource to

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share information and community news but updates to the website need to be timelier. Ms. L. Mayers suggested getting homeowners more involved by establishing district committees, like for landscaping issues, that the community could participate in.

- b. Discuss Community Email. Administrators potentially looking towards using email blasts as one method of communication tool. Email communications from the district board to the community need to come from a district email not from individual board members.
- c. Discuss Code of Conduct (violations, legal fees, and related matters). This item was tabled pending review of the board meeting recording.
- d. Discuss Removal of Tree Stakes and Whether There are Open Meeting Concerns. This item was tabled pending review of the board meeting recording.
- e. Discuss Interpretation of CCR Fence Stain and Whether There are Open Meeting Concerns. This item was tabled pending review of the meeting recording.
- f. Discuss Community Parking and Related Matters. Director K. Rivera spoke with City of Thornton. 141st Avenue is a no parking zone because it is not wide enough for emergency vehicles to pass through. She will look through her emails to locate any correspondence she may have to support this information.

OTHER BUSINESS:

No other business.

EXECUTIVE SESSION:

Not necessary.

ADJOURNMENT:

There being no further business to come before the Board of the District and upon motion duly made, seconded and upon unanimous vote, the meeting was adjourned at 4:05 p.m.

The foregoing minutes constitute a true and correct copy of the minutes of the above-referenced meeting and have been approved by the Board of Directors of the Fallbrook Villas Metropolitan District.

DocuSigned by:
KimMichelle Rivera
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President to the Board