

RECORD OF PROCEEDINGS

MINUTES OF THE COMBINED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF THE

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1 FOSSIL RIDGE METROPOLITAN DISTRICT NO. 2 FOSSIL RIDGE METROPOLITAN DISTRICT NO. 3

Held: Thursday, December 8, 2022, 6:30 p.m.

Attendance The combined special meeting of the Boards of Directors of the Fossil Ridge Metropolitan District Nos. 1-3 was called and held at 6:30 p.m., as shown, in accordance with Colorado law. The meeting was conducted as a virtual meeting. Mr. Birkeness inquired whether any of the Board members had any potential conflicts of interest on matters coming before the board. There were no undisclosed conflicts. The following Directors were in attendance:

District 1:

Tom Waterman - President
David Wilson – Treasurer
Dave McGraw – Secretary
Terry Larson – Assistant Secretary

Absent was Director Brown, whose absence was excused. Director McGraw moved to approve the absence of Director Brown. Upon second by Director Wilson, a vote was taken, and the motion carried unanimously.

Director Brown entered the meeting at 6:47pm and reported he had no undisclosed conflicts.

District 2:

Terry Larson – President
Al Plumhoff - Treasurer
Gerry Reese – Secretary
Tom Waterman – Assistant Secretary

Absent was Director Michelsen, whose absence was excused. Director Larson moved to approve the absence of Director Michelsen. Upon second by Director Waterman, a vote was taken, and the motion carried unanimously.

District 3:

Daniel Dominic – Vice President
Andrew Amend - Secretary
Greg Taylor – Assistant Secretary

Absent was Director Hochstein, whose absence were excused. Director Amend moved to approve the absence of Director Hochstein. Upon second by Director Dominic, a vote was taken, and the motion carried unanimously.

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Director Hochstein entered the meeting at 6:55pm and reported no undisclosed conflicts.

Consultants:

Mat Birkeness, Retreat Manager, Community Resource Services
Joan Beans, District Accountant, Community Resource Services
Phyllis Brown, District Accountant, Community Resource Services

Others identified in attendance:

Alana Bissonette
Jim Cantrell
Chris Neugabauer
Tom Donovan
Terry Smith
Peggy Waterman
Mike McCleary
Ali Kaiser
Pete Hendel

- Call to Order** Quorums of the Boards were present, and the Directors confirmed their qualifications to serve. Mr. Birkeness confirmed that the meeting has been properly noticed. The meeting was called to order at 6:33 p.m.
- Resignation of Director Brown and Appointment of Director McCleary** FRMD District 3 received notice Director Brown submitted resignation on December 1, 2022. Upon a motion by Director Dominic the resignation was accepted. Upon a second by Director Taylor the acceptance was passed unanimously. FRMD District 3 voted to appoint Mike McCleary to District Treasurer in the vacancy left by Director Brown. Upon a motion by Director Dominic and a second by Director Taylor the vote passed unanimously.
- Approve Agenda** The Boards reviewed the meeting agenda.
- District 1: Upon a motion by Director Waterman to accept the approval of the agenda as written, Director McGraw seconded and passed unanimously.
 - District 2: Upon a motion by Director Reese to accept the approval of the agenda as written, Director Larson seconded and passed unanimously.
 - District 3: Upon a motion by Director Dominic to accept the approval of the agenda as written, Director Taylor seconded and passed unanimously.
- Public Comment** Resident Jim Cantrell asked the boards for an update regarding the developer's actions and the Districts responses.

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Consent Agenda Approval of the Payment of Claims ending in November, 29 2022. Approval of the minutes of the Regular meeting and Special Meeting. Review and Approve the 2023 Election Resolution.

- District 1: Upon a motion by Director Wilson for approval the consent agenda and a Director Waterman second, a vote was taken, and the consent agenda passed unanimously.
- District 2: Upon a motion by Director Reese for approval the consent agenda and a Director Waterman second, a vote was taken, and the consent agenda passed unanimously.
- District 3: Upon a motion by Director Taylor for approval the consent agenda and a Director Dominic second, a vote was taken, and the consent agenda passed unanimously.

Legal None at this time.

Financial Matters Review and Discuss Status of Business Plan: Director Wilson presented and discussed the status.

- District 1: Upon a motion by Director McGraw to approve the business plan as presented, Director Waterman seconded, and a vote was taken and passed unanimously.
- District 2: Upon a motion by Director Larson to approve the business plan as presented, Director Reese seconded, and a vote was taken and passed unanimously.
- District 3: Upon a motion by Director Dominic to approve the business plan as presented, Director Amend seconded and a vote was taken and passed unanimously.

Present the Proposed Revised Schedule of Fees: Finance Committee Member Mike McCleary Presented. He discussed this would be effective at the new year and follows the IGA recommending an annual 5% increase to cover costs.

Present the Proposed Mill Levy changes: Finance Committee Member Mike McCleary presented and discussed the revenue neutral ideology.

Review 2023 Proposed Budgets for FRMD Nos. 1, 2, and 3: Director Plumhoff presented and discussed the proposed budgets on a high-level overview. Director Waterman noted the litigation budget line item has been increased due to Brookfield filing a claim. >>>>>>>>>Insert TOM's write up>>>>>>>>>

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Conduct a Public Hearing on the 2023 Proposed Budgets for FRMD Nos. 1-3: Director Waterman opening the public hearing for District 1. Director Larson opening the public hearing for District 2. Director Hochstein opening the public hearing for District 3. Resident Jim Cantrell asked the boards to clarify on where the funds will be pulled from to fund litigation budgeting. Director Plumhoff clarified the funding details. Following the response, no other questions were raised during the public hearing. Director Waterman closed the public hearing for District 1. Director Larson closed the public hearing for District 2. Director Hochstein closed the public hearing for District 3

Motions to Approve the Revised Schedule of Fees, and Adopt the 2023 Proposed Budgets, Certify Mill Levies, and Appropriate 2023 Expenditures:

- District 1: Director Wilson motioned to approve with the caveat, that the final Assessed Value provided from the county, be utilized and adjustments to mill levies and transfers to occur along with minor adjustments provided for expenditures to be finalized. Upon a second by Director Waterman a vote was taken and passed unanimously by District 1.
- District 2: Director Reese motioned to approve with the caveat, that the final Assessed Value provided from the county, be utilized and adjustments to mill levies and transfers to occur along with minor adjustments provided for expenditures to be finalized. Upon a second by Director Plumhoff a vote was taken and passed unanimously by District 2.
- District 3: Director Dominic motioned to approve with the caveat, that the final Assessed Value provided from the county, be utilized and adjustments to mill levies and transfers to occur along with minor adjustments provided for expenditures to be finalized. Upon a second by Director Hochstein a vote was taken and passed unanimously by District 3.

Review and Approve the 2023 Budget Resolution: No questions were raised by the boards.

- District 1: Upon a motion by Director McGraw to approve the 2023 Budget Resolution as provided, Director Waterman seconded, and a vote was taken and passed unanimously.
- District 2: Upon a motion by Director Reese to approve the 2023 Budget Resolution as provided, Director Plumhoff seconded, and a vote was taken and passed unanimously.
- District 3: Upon a motion by Director Hochstein to approve the 2023 Budget Resolution as provided, Director Taylor seconded, and a vote was taken and passed unanimously.

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Review and Discuss Financial Statements, Variance Reports, and Variance Summary: Directors Wilson and Reese presented and discussed key points. Among the key points were the following: the reports follow the 2023 business plan, the objective is to remain revenue neutral, the general fund is positive and the District 2 and 3 have positive balances.

- District 1: Upon a motion by Director Wilson to accept the Statements, Reports and Summary as presented, Director Waterman seconded, and a vote was taken and passed unanimously.
- District 2: Upon a motion by Director Larson to accept the Statements, Reports and Summary as presented, Director Plumhoff seconded, and a vote was taken and passed unanimously
- District 3: Upon a motion by Director Hochstein to accept the Statements, Reports and Summary as presented, Director Dominic seconded, and a vote was taken and passed unanimously

Operations and Maintenance Matters

Landscape Update and Committee Chair Vacancy: Pete Hendel of the landscape committee presented. Noted the 2022 work has concluded and filing scheduling for future work may move to a 3-year schedule instead of the two year reviews. Director McGraw thanked Pete for his time as committee chair.

Retreat and Operations Update: Mr. Birkeness reported and answered general questions from the boards. He noted the upcoming social committee Santa event and the end of year closings for the holiday time off.

Review and Consider Signpost Repairs for Street Signs: Mr. Birkeness discussed the proposals and the unique nature of the signposts in the community. Director McGraw asked for a process to be implemented for the downed signs to be retrieved and placed in a safe place. Mr. Birkeness answered questions from the boards and noted he will review options for the downed signs prior to repairs.

- District 1: Upon a motion by Director McGraw to approve the proposals provided, Director Brown seconded, and a vote was taken and passed unanimously.

Snow Removal Standard: Director Brown noted the report provided in the meeting packet and this topic can be reviewed following the snow season.

Engineer Update: Director Larson reported the dry stack walls are currently undergoing repairs and will be evaluated by the District Engineer upon completion.

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Adjournment

There being no further business to come before the Boards, the meeting was adjourned at 8:00 p.m. by unanimous vote.

Respectfully submitted,


Secretary of the Meeting