

**RECORD OF PROCEEDINGS
OF THE SPECIAL MEETING AND NOTICE OF FINAL DETERMINATION
TO ISSUE GENERAL OBLIGATION INDEBTEDNESS
OF THE BOARD OF DIRECTORS
FALLBROOK VILLAS METROPOLITAN DISTRICT**

HELD: Thursday, January 31, 2019, at 9:30 a.m., at 1700 Lincoln Street, Suite 2000, 20th Floor, Audubon Conference Room, Denver, CO

ATTENDANCE:

A special meeting of the Board of Directors of Fallbrook Villas Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; a conference telephone was in use at the meeting location in compliance with C.R.S. 11-57-211 and 24-6-402-(1)(b), with the following directors present and acting:

Kent Pedersen (by phone)
Daniel Nickless (by phone)
Jennifer Waiton (by phone)
Mike Newman (by phone)
Vacancy

Also, present: District Counsel Matt Dalton, Spencer Fane, LLP; Debra Hessler, Lennar Homes (by phone); Lacie Knowles, D.A. Davidson (by phone); David Lucas, Sherman and Howard (by phone); Jackie Morrison, Kline Alvarado Veio (by phone); and, Angela Elliott, District Manager (by phone).

CALL TO ORDER:

On behalf of the Board, Director Pedersen noted that a quorum was present, and the meeting was called to order at 9:31a.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

PUBLIC COMMENT: None.

LEGAL MATTERS:

A. Resolution ratifying previous actions of Board of Directors.

Following discussion and upon motion duly made, seconded and unanimously carried, the Board ratified all previous actions taken by the District's Board of Directors and hereby retroactively binds the District to all of those previously taken actions.

B. Resolution relating to location of regular and special meetings.

Following discussion and upon motion duly made, seconded and unanimously carried, the Board adopted the Resolution to hold all future regular and special meetings at the offices of Lennar Homes, 9193 S. Jamaica Street, Englewood, CO.

C. Discussion and possible action on Advance and Reimbursement Agreement.

Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the 2019 Advance, Acquisition and Reimbursement Agreement between the District and CalAtlantic Group.

D. Consider and make final determination to issue or incur general obligation debt consisting of its Limited Tax (Convertible to Unlimited Tax) general Obligation Bonds, Series 2019A, in the approximate aggregate principal amount not to exceed \$2,750,000 and its Subordinate Limited Tax General Obligation Bonds, Series 2019B, in the approximate aggregate principal amount not to exceed \$500,000; adopt resolutions authorizing the issuance of same; including authorization of related documents.

Laci Knowles, D.A. Davidson discussed the pricing of the bonds and the purchaser of the bonds.

Following discussion and upon motion duly made by Director Nickless, seconded by Director Pedersen, and unanimously carried, the Board adopted the resolutions authorizing the issuance of the bonds and all related documents.

Further discussion followed on the board member designated to sign off on the Bond Sale Certificate.

Following discussion and upon motion duly made, seconded and unanimously carried, the Board authorized Director Pedersen to execute the Bond Sale Certificate on behalf of the District.

D. Acceptance of Public Improvements and Documentation of Costs.

Following discussion and upon motion duly made by Director Pedersen, seconded by Director Nickless, and unanimously carried, the Board accepted the Public Improvement Costs of \$4,371,789.69.

DIRECTORS ITEMS: None.

MANAGERS ITEMS: None

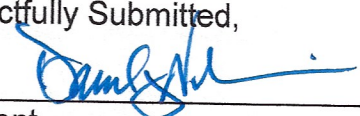
OTHER BUSINESS: None

ADJOURNMENT:

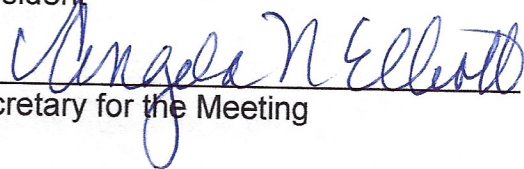
There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 9:51 a.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the special meeting held on January 31, 2019, and was approved by the Board of Directors of the Fallbrook Villas Metropolitan District.

Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS
OF THE REGULAR MEETING OF THE
FALLBROOK VILLAS METROPOLITAN DISTRICT

HELD: Wednesday, February 27, 2019, at 8:30 a. m., at 9193 S. Jamaica Street, 4th floor, Englewood, Colorado

ATTENDANCE:

A regular meeting of the Board of Directors of Fallbrook Villas Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; a conference telephone was in use at the meeting location in compliance with C.R.S. 11-57-211 and 24-6-402-(1)(b), with the following directors present and acting:

Kent Pedersen
Daniel Nickless
Jennifer Waiton
Mike Newman
Vacant

Also, present: District Counsel Matt Dalton, Spencer Fane, LLP; John Simmons, Simmons and Wheeler (by phone); Debra Hessler, Lennar Homes; and, Angela Elliott, District Manager.

CALL TO ORDER:

On behalf of the Board, Director Pedersen noted that a quorum was present, and the meeting was called to order at 9:47 p.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

PUBLIC COMMENT: None.

APPROVAL OF MINUTES:

The Board reviewed the minutes of the regular meeting held by the Board of Directors of Fallbrook Villas Metropolitan District on November 28, 2018 and the minutes of the special meeting held on January 31, 2019. Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the minutes of the November 28, 2018 regular meeting and the minutes of the January 31, 2019 special meeting as presented and authorized Director Pedersen to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

CONSIDER APPOINTMENT TO FILL BOARD VACANCY/QUALIFICATION OF BOARD MEMBER/OATH OF OFFICE/BOND

District Counsel Dalton reported that the members of the Board are registered to vote in Colorado and are obligated to pay taxes under a contract to purchase real property within the boundaries of the District. District Counsel Dalton notified the Board that the public official position schedule bond had been obtained and that the Oath of Office had been administered and filed with the District Court.

Upon motion duly made, seconded and unanimously carried, Debbie Hessler was appointed to the Board as assistant secretary.

FINANCIAL MATTERS:

Ratify Payment of Claims. The Board received the Payment of Claims, check #'s 1065 through #1074, totaling \$10,365.80 of claims paid ending January, 2019 for ratification and current payment of claims, check #'s 1075 through #1077 in the amount of \$5,367.00.

Following discussion, on motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, the Board ratified the payment of claims through January 2019 in the amount of \$10,365.80 and approved the current payment of claims in the amount of \$5,367.00.

Financial Statements.

District Accountant Simmons presented the financial statement as of December 31, 2018. The District has \$511.00 in the General Fund, \$0 in the Capital fund and \$24,326.00 in the debt service fund as of December 31, 2018. The developer has advanced \$44,472.00 as of December 31, 2018.

Following discussion, upon motion duly by Director Pedersen, seconded by Director Newman, and upon vote, the Board accepted the financial statement as presented District.

ATTORNEY ITEMS: None.

DIRECTORS ITEMS: None.

MANAGERS ITEMS:

2019 Designated Posting location:

Manager noted that at the first meeting of the year special districts are required by statute to identify an official posting location for notices of meetings of the Board of Directors.

Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the posting location at the model home on site, 14108 Jackson Street as the 2019 designated posting location.

DISCUSSION AND POSSIBLE ACTION ON DESIGN GUIDELINES: The design guidelines were presented in the meeting packet.

Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the design guidelines for Fallbrook Villas Metropolitan District as presented, subject to verifying responsibility of party for mowing front yards.

Discussion on 2019 landscaping contract. Manager discussed meeting Metco on site and should receive a proposal for the landscaping. KJT charged \$24,000 for maintaining last year and all that was installed will need to be accepted in the Spring.

Manager will send to Board when received. Further discussion following on obligations of District vs. Homeowner.

Website:

Manager suggested a website for the District. The cost will be approximately \$5-600. Manager would like to see website up and running by spring.

Following discussion, upon motion made, seconded, upon vote and unanimously carried, the Board approved setting up the website.

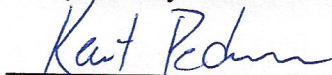
OTHER BUSINESS:

ADJOURNMENT:

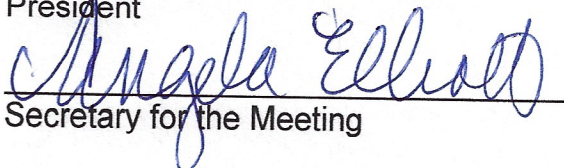
There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 9:58 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the meeting held on February 27, 2019, and was approved by the Board of Directors of the Fallbrook Villas Metropolitan District.

Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS
OF THE REGULAR MEETING OF THE
FALLBROOK VILLAS METROPOLITAN DISTRICT

HELD: Wednesday, June 26, 2019, at 8:30 a. m., at 9193 S. Jamaica Street, 4th floor, Englewood, Colorado

ATTENDANCE:

A regular meeting of the Board of Directors of Fallbrook Villas Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; a conference telephone was in use at the meeting location in compliance with C.R.S. 11-57-211 and 24-6-402-(1)(b), with the following directors present and acting:

Kent Pedersen
Debra Hessler
Jennifer Waiton
Mike Newman
Vacant

Also, present: District Counsel Tom George, Spencer Fane, LLP; John Simmons, Simmons and Wheeler; and, Angela Elliott, District Manager.

CALL TO ORDER:

On behalf of the Board, Director Pedersen noted that a quorum was present, and the meeting was called to order at 8:40 p.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

PUBLIC COMMENT: None.

APPROVAL OF MINUTES:

The Board reviewed the minutes of the regular meeting held by the Board of Directors of Fallbrook Villas Metropolitan District on February 27, 2019 . Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the minutes of the February 27, 2019 regular meeting as presented and authorized Director Pedersen to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

ACKNOWLEDGE AND ACCEPT THE RESIGNATION OF DANIEL NICKLESS:

Following discussion, upon motion, seconded and upon vote, the Board acknowledged and accepted the resignation of Daniel Nickless.

CONSIDER APPOINTMENT TO FILL BOARD VACANCY:

Discussion followed on considering an appointment to fill the board vacancy. No action was taken.

FINANCIAL MATTERS:

Ratify Payment of Claims. The Board received the Payment of Claims, check #'s 1078 through #1089, totaling \$12,632.99 ending May 2019 for ratification and current payment of claims, check #'s 1090 through #1092 in the amount of \$1,009.36.

Following discussion, upon motion duly made by Director Pedersen, seconded by Director Newman, upon vote and unanimously carried, the Board ratified the payment of claims through May 2019 in the amount of \$12,632.99 and approved the current payment of claims in the amount of \$1009.36.

Financial Statements.

District Accountant Simmons presented the financial statement as of March 31, 2019. The District has \$928.00 in the General Fund, \$8,009.00 in the Capital fund and \$351,101.00 in the debt service fund as of March 31, 2019.

Following discussion, upon motion duly by Director Newman, seconded by Director Pedersen, and upon vote, the Board accepted the financial statement as presented District.

ATTORNEY ITEMS: None.

DIRECTORS ITEMS: Discussion followed on moving November meeting to a Thursday. Manager to check with Lennar in late September or October to verify date and time pending availability of conference room.

MANAGERS ITEMS:

Status on Design Guidelines: The design guidelines were approved at the last meeting. Board confirmed final guidelines have been approved.

Website Update:

Manager stated the website is built and just need the content and if okay to use the Lennar site for some information regarding the community, pictures of the paired homes. Pictures and map of location are fine.

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Fallbrook Villas Metropolitan District

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OTHER BUSINESS: None

ADJOURNMENT:

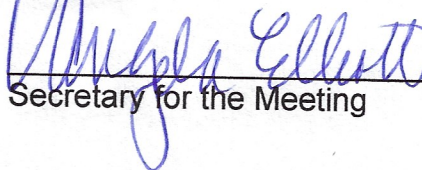
There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 8:59 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the meeting held on June 26, 2019, and was approved by the Board of Directors of the Fallbrook Villas Metropolitan District.

Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS

OF THE SPECIAL MEETING AND BUDGET HEARINGS OF THE FALLBROOK VILLAS METROPOLITAN DISTRICT

HELD: Tuesday, November 19, 2019, at 8:30 a. m., at 9193 S. Jamaica Street, 4th floor, Englewood, Colorado

ATTENDANCE:

A special meeting of the Board of Directors of Fallbrook Villas Metropolitan District 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:

Kent Pedersen
Jennifer Waiton
Debra Hessler
Mike Newman (excused)
Vacancy

Also, present: District Counsel Tom George, Spencer Fane, LLP; John Simmons, Simmons and Wheeler; and, Angela Elliott, District Manager.

CALL TO ORDER:

On behalf of the Board, Director Pedersen noted that a quorum was present, and the meeting was called to order at 1:15 p.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

PUBLIC COMMENT: None.

APPROVAL OF MINUTES:

The Board reviewed the minutes of the regular meeting held by the Board of Directors of Fallbrook Villas Metropolitan District on June 26, 2019. Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented and authorized Director Pedersen to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

FINANCIAL MATTERS:

Ratify Payment of Claims. The Board received the Payment of Claims, check #'s 1093 through #1109, totaling \$16,123.75 for claims paid through October 2019 for ratification and current payment of claims, check #'s 1110 through #1113 in the amount of \$4,656.38.

Following discussion, on motion duly made by Director Pedersen, seconded by Director Hessler, upon vote and unanimously carried, the Board approved the ratification of claims through October 2019 in the amount of \$16,123.75 and approved the current payment of claims in the amount of \$4,656.38.

Financial Statements. District Accountant Simmons distributed the September 30, 2019 Financial Statements and walked the Board through the financials. The General Fund as of September 30, 2019, was \$928.00, with Developer advances of \$25,767.00. As of end of September 2019 the Capital fund balance was \$7,051.00 and \$361,889.00 in the Debt Service Fund. Next Bond interest payment is due December 1, 2019. District Accountant Simmons will research the capital fund balance.

Following discussion, upon motion duly by Director Pedersen, seconded by Director Hessler, upon vote and unanimously carried, the Board accepted the financial statement as presented District.

Conduct Public Hearing on the proposed 2020 Budget and consider adoption of Resolutions to adopt the 2020 Budget, Set Mill Levies and Appropriate Sums of Money (budget to be distributed). On behalf of the Board, Director Pedersen opened the public hearing to consider the proposed 2019 Budget and discuss related issues.

It was noted that the publication of Notice stating that the Board would consider adoption of the budget and the date, time and place of the public hearing was placed in a newspaper having general circulation within the District. No written objections were received prior to this public hearing.

No comments were received, and the public hearing was closed.

Following discussion, the Board considered the Resolutions to adopt the 2020 Budget, Set Mill Levies and Appropriate Sums of Money. Upon motion duly made by Director Pedersen, seconded by Director Hessler and, upon vote, unanimously carried, the District (1) approved the 2020 budget as presented, (2) approved the appropriation and expenditure of funds as detailed therein, (3) approved and adopted a mill levy of 66.796 mills, to be certified by the District for collection in 2019, (4) authorized Director Pedersen as President to sign the necessary documentation, and (5) directed District Accountant Simmons and Manager Elliott to submit the certification of tax levy to the Board of County

Commissioners of Arapahoe County no later than December 15, 2019 and to file the 2020 budget with the Division of Local Government prior to January 30, 2020.

Conduct Public Hearing on the Amendment to the 2019 Budget. On behalf of the Board, Director Pedersen opened the public hearing to consider the proposed Amendment to the 2019 Budget and discuss related issues.

It was noted that the publication of Notice stating that the Board would consider a second amendment to the budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing.

No further comments were received, and the public hearing was closed.

The Board determined it was not necessary to amend the 2019 Budget and no action was taken.

ATTORNEY ITEMS:

B. Consider adoption of Resolution Calling for 2020 Regular Election:

District Counsel George presented the Resolution concerning Regular Election be held on May 5, 2020. The Resolution resolved the election to be conducted by mail ballot and the terms of Directors Hessler, Newman and Waiton and one vacancy seat shall expire following the regular election. Director Hessler and Newman seats are for three year terms. One vacancy is a two year term.

The Resolution further authorizes Becky Johnson of Spencer Fane LLP to serve as Designated Election Official for the conduct of the election and the authority to undertake all reasonable actions to conduct the election.

Upon motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, the Board adopted the Resolution Concerning Regular Election to be held May 5, 2020.

Consider the adoption of Resolution providing Directors Exclusion of Workers Compensation Coverage.

District Counsel George discussed this Resolution is annually adopted.

Following discussion, upon motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, the Board adopted the Resolution Excluding Workers Compensation Coverage.

Consider the adoption of the Resolution of the Board of Directors of the Fallbrook Villas Metropolitan District concerning Online Notice of Public Meetings.

District Counsel George discussed the Resolution of posting all regular and special meetings of the on the fallbrookvillas.com website. District Counsel George discussed the reduction of the 72 hour posting requirement to a 24 hour requirement.

Following discussion, upon motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, the Board adopted the Resolution concerning online notice of public meetings.

Consider the adoption Resolution adopting the Protection for Consumer Data Privacy.

District Counsel George discussed the Resolution supplementing the Colorado Open Records Act Policy and adopt and implement a policy for the destruction and proper disposal for paper and electronic documents that contain personal identifying information, a policy protecting personal identifying information from security breaches and a policy notifying Colorado residents following a security breach.

Following discussion, upon motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, the Board adopted the Resolution Adopting Protection for Consumer Data Policy.

Consider adoption of CORA Resolution.

District Counsel George discussed the Resolution generally designating an official custodian of the records, adopting a records retention schedule, and setting a fee per hour to research and retrieve the documents, among other items.

Following discussion, upon motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, the Board adopted the Resolution Adopting for CORA.

DIRECTORS ITEMS: None.

MANAGERS ITEMS:

2020 MEETING DATES:

Manager Elliott suggested to the Board meeting dates for 2020 at 11:00 a.m. on June 29th and November 24th at the offices of Lennar.

Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the 2020 meeting dates.

ADMINISTRATIVE RESOLUTION: Manager Elliott presented the Resolution concerning 2020 Annual Administrative Matters for Manager, Accountant and Legal Counsel to perform certain tasks on a recurring basis in the operation of the District.

The Board discussed retaining the same officers, same newspaper and online posting place.

Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the 2020 Administrative Resolution.

Ratify 2019-2020 Snow Removal contract.

Following discussion and upon motion duly made, seconded and unanimously carried, the Board ratified the 2019-2020 Snow Removal Contract with Metco.

Discussion on 2019 landscaping contract. Manager Elliott discussed obtaining a landscape proposal from Metco for 2020 season.

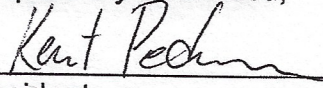
OTHER BUSINESS: None

ADJOURNMENT:

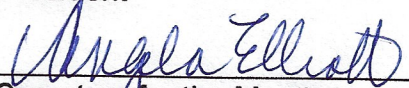
There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 1:35 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the meeting held on November 19, 2019, and was approved by the Board of Directors of the Fallbrook Villas Metropolitan District.

Respectfully Submitted,



President



Secretary for the Meeting