

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

**HELD:**

Thursday, the 19th day of October, 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, Nicki Simonson and Judy Simonson of Simonson & Associates, Inc., and Dawn Schilling of Schilling & Co.

**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, Ms. Mayers called the meeting to order at 2:04 p.m.

**APPROVAL OF AGENDA AND MEETING LOCATION:**

Upon motion duly made, seconded, and vote carried 4 to 0 with Director K. Rivera excused (who joined later in the meeting), the agenda and meeting location were approved.

**PUBLIC COMMENT:**

None.

**APPROVAL OF MINUTES:**

The Board reviewed and discussed the minutes of the regular meeting held on June 29, 2023. Director T. Geist provide corrections to the presented minutes of the June 29<sup>th</sup> meeting. It was noted that the minutes will be amended and presented again at the next meeting for the Board’s review and consideration of approval.

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**FINANCIAL ITEMS:**

- a. Consider Approval and Authorize Filing of 2022 Audit. Ms. Schilling presented the draft 2022 audit to the Board. Ms. Schilling discussed with the Board that the Audit explained corrections to the financial statements. Ms. Schilling explained that in 2021 and 2022 the general fund ended with a deficit balance and prior expense budgets were underestimated. The District was overbudget for legal, landscaping, utilities, and collection costs, and it was suggested the District should make concerted efforts to reduce these expenses. Ms. Schilling recommended the 2024 budget should set the operation and maintenance mill levy at a level sufficient to pay outstanding obligations and to cover a good faith estimate of 2024 costs plus some cushion. It was confirmed by Legal Counsel the service plan does not have a cap on the operations and maintenance mill levy, the voted question authorizes the District to collect operations and maintenance revenues up to \$500,000, which the District has not neared. Ms. Schilling additionally advised that the District should ensure its property is insured through the Special District Pool and going forward should identify its assets and property by the individual components rather than lumping them all together. Finally, Ms. Schilling discussed the status of the outstanding bonds and developer advances with the Board. Following discussion and upon motion duly made, seconded, and upon vote carried 4 to 1 with Director T. Geist abstaining, the Board approved the 2022 Audit submission and authorized filing of same.
- b. Review and Consider for Approval Board Communications Letter. Ms. Schilling presented the Board Communication Letter to the Board. The Board reviewed and discussed. No action was taken.
- c. Review and Consider for Approval Management Representation Letter. Ms. Schilling presented the Management Representation Letter to the Board. The Board reviewed and discussed. Following discussion and upon motion duly made, seconded and upon vote carried 4 to 1, with Director T. Geist abstaining, the Board approved the Management Representation Letter as presented and authorized the Board President to sign on behalf of the District.

**2022 BUDGET AMENDMENT:**

Ms. Mayers noted that notice of proper publication had been made in order for the Board to conduct a public hearing for the 2022 budget amendment. The public hearing was opened. No public comment was made. Upon motion duly made, seconded, and upon vote unanimously carried, the public hearing was closed.

Ms. Schilling presented the 2022 amended budget to the Board and noted that an amendment was necessary. Ms. Schilling explained earlier in the meeting that in 2021 and 2022 the general fund

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ended with a deficit balance and prior expense budgets were underestimated. The District was overbudget for legal, landscaping, utilities, and collection costs, and it was suggested the District should reduce these expenditures. Ms. Schilling noted that the Capital Projects Fund will be closed, no further Capital Projects are anticipated. It was also noted that the District needs to make a supplemental appropriation for County Treasurer fees and paying agent fees which exceeded the budgeted appropriation. Discussion ensued. Following discussion and upon motion duly made, seconded, and upon vote carried 4 to 1, with Director T. Geist abstaining, noting that he requested the information related to the 2022 expenditures and only received the information hours prior to the meeting so he felt he was unable to vote to approve the amendment.

**MANAGEMENT ITEMS:**

- a. Consider Ratification of BrightView Snow Removal Services Agreement. Ms. Kupferer discussed the BrightView Proposal for snow removal services with the Board. The Board discussed and Director T. Geist noted that the Board did not receive three bids for snow removal services, therefore he was opposed to awarding BrightView the work. Discussion ensued. Following discussion, upon motion duly made, seconded, and upon vote carried 4-1, with 1 opposed by Director T. Geist, the Board approved the BrightView Snow Removal Services Agreement.

**OTHER BUSINESS:**

Director T. Geist asked for a legal opinion regarding his ability to contact vendors, consultants, and residents. Ms. Mayers discussed that she is general counsel to the District and is not able to advise any of the Directors in their personal capacity.


**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 vote unanimously carried, the meeting was adjourned at 3:10 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.

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President to the Board