

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING/ BUDGET HEARING OF
THE BOARD OF DIRECTORS OF THE
FALCON HIGHLANDS METROPOLITAN DISTRICT
HELD
NOVEMBER 13, 2023

A regular meeting of the Board of Directors of the Falcon Highlands Metropolitan District (referred to hereafter as the “Board”) was convened on Monday, November 13, 2023 at 5:30 p.m. The District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Tonia Joyner, President
Erin Ganaway, Director
Leo Schuhmacher, Director

Director Timothy Dickey, Secretary, was absent and excused.

Also, In Attendance Were:

Josh Miller, Korben Heim, Carrie Bartow, Curtis Bourgooin;
CliftonLarsonAllen, LLP (“CLA”)
Barbara Vander Wall, Esq.; Seter & Vander Wall, P.C.
Ryan Mangino; RESPEC
Robert Aamodt, Donna Greene, Cristina Welch, Georgina Rodriquez, Josh and Jen Gordon, Joshua Whittle, Lindsay Drapeau, Debra Chase, Chris and Kayla Higbee, Michael Best, Mike H., Ron and Deb Drapeau, David Dalton, Renee Kimble, David Salvetti, Susi Pestcoe, Lisa Willoughby, Sarah Burress and Craig X.; Members of the public

ADMINISTRATIVE MATTERS

Call to Order and Agenda: Upon a motion duly made by Director Joyner, seconded by Director Ganaway and, upon vote, unanimously carried, the Board called the meeting to order at 5:34 p.m.

The Board reviewed the agenda. Following review, upon a motion duly made by Director Joyner, seconded by Director Ganaway and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Quorum, Director Qualifications, Disclosure Items: It was noted that a quorum of the Board was present. The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest regarding any matters scheduled for discussion at this meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute. It

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was noted by Attorney Vander Wall that disclosures of potential conflicts of interest were filed with the Secretary of State for all Directors; no additional conflicts were disclosed.

Upon a motion duly made by Director Joyner, seconded by Director Ganaway and, upon vote, unanimously carried, the Board excused the absence of Director Dickey.

Resolution Regarding 2024 Annual Administrative Matters: Mr. Miller reviewed the Resolution with the Board. Attorney Vander Wall noted that a Treasurer is needed on the Board of Directors. Director Ganaway volunteered to take the position.

Following discussion, upon a motion duly made by Director Joyner, seconded by Director Ganaway and, upon vote, unanimously carried, the Board adopted the Resolution Regarding 2024 Annual Administrative Matters, as presented.

2024 Insurance Renewal and Documents Needed to Obtain or Maintain Insurance Coverage Through the Colorado Special Districts Property and Liability Pool and T. Charles Wilson Risk Management and Membership in the Special District Association: Following discussion, upon a motion duly made by Director Joyner, seconded by Director Ganaway and, upon vote, unanimously carried, the Board renewed the P&L and worker's compensation and authorized the renewal of the District's membership in the Special District Association, as presented.

CONSENT AGENDA

The Board considered the following items under the Consent Agenda:

- September 11, 2023 Regular Board Meeting Minutes and November 6, 2023 Special Board Meeting Minutes.
- Previous Claims and Current Claims.
- September 30, 2023 Unaudited Financial Statements.
- 2022 Audit.

Following review, upon a motion duly made by Director Joyner, seconded by Director Ganaway and, upon vote, unanimously carried, the Board approved/ratified approval of and accepted the Consent Agenda, as presented.

FINANCIAL MATTERS

Public Hearing to Consider Amendment of 2023 Budget and Resolution to Amend 2023 Budget: Ms. Bartow described the District's additional expenses which impact the District's general fund for fiscal year 2023. She noted that an amendment to the 2023 budget is not needed at this time.

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Director Joyner opened the public hearing to consider amendment of the 2023 Budget at 5:42 p.m.

It was noted that Notice stating that the Board would consider amendment of the 2023 budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

Members of the public asked the Board questions about what the amendment covers, what an amendment is, and where copies of the amendment can be found.

With no further questions presented, Director Joyner closed the public hearing at 5:44 p.m.

Public Hearing on Proposed 2024 Budget and Resolution to Adopt 2024 Budget and Appropriate Sums of Money and to Set Mill Levies: Ms. Bartow reviewed the 2024 Budget with the Board.

Director Joyner opened the public hearing to consider the adoption of the 2024 Budget at 5:48 p.m.

It was noted that Notice stating that the Board would consider adoption of the 2024 budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

Public questions were directed to the Board regarding how the public can receive packet materials, how property tax values are decided, how homeowners can control rising contingency costs, and if landscape maintenance is provided for District owned tracts.

With no further questions, Director Joyner closed the public hearing at 5:58 p.m.

Following discussion, upon a motion duly made by Director Joyner, seconded by Director Schuhmacher and, upon vote, unanimously carried, the Board approved the 2024 Budget and adopted the Resolution to Adopt the 2024 Budget and Appropriate Sums of Money and Resolution to Set Mill Levies, as presented, subject to final assessed valuation.

DLG-70 Certification of Tax Levies: Following review, upon a motion duly made by Director Joyner, seconded by Director Ganaway and, upon vote, unanimously carried, the Board approved the execution of the DLG-

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70 Certification of Tax Levies.

Engagement Letter with Dazzio & Associates to Prepare the 2023 Audit: Ms. Bartow reviewed with the Board. Following review, upon a motion duly made by Director Joyner, seconded by Director Schuhmacher and, upon vote, unanimously carried, the Board approved the engagement letter with Dazzio & Associates to prepare the 2023 Audit.

MANAGER
MATTERS

Underdrain / Groundwater Homeowner Complaints (Adjourn to Executive Session, pursuant to Section 24-6-402(4)(b) and (e), C.R.S., for the purpose of (1) receiving legal advice related to questions concerning construction, conveyance, ownership, liability and related matters involving underdrain improvements and groundwater issues; and (2) determining positions relative to underdrain and groundwater issues that may be subject to negotiations and developing strategy for negotiations.)
[NOTE: No formal action or adoption of any proposed policy, position, resolution, rule, or regulation may be taken in Executive Session.] It was determined that no executive session was needed at this time.

CliftonLarsonAllen LLP MSA and Statements of Work for 2024: Following review, upon a motion duly made by Director Joyner, seconded by Director Ganaway and, upon vote, unanimously carried, the Board approved the CliftonLarsonAllen LLP MSA and Statements of Work for 2024, as presented.

Public Comment: Mr. Miller read a statement on behalf of the Board regarding the concerns about groundwater seepage and the underdrain system. He noted that it is a complicated issue without clear or easy answers, but that the District is aware of frustrations, as it attempts to evaluate the matter, understand the issues and identify potential solutions. He noted that the District is working with El Paso County to cooperatively trouble-shoot and coordinate potential actions.

Public questions and comments were directed to the Board regarding a timeline, Board priorities, and frustrations within the community.

Manager Report: Mr. Miller provided an update to the Board on additional management issues, including snow removal and landscaping items.

ENGINEERING
MATTERS

Engineer Report: Mr. Mangino provided an update to the Board on engineering issues, including tank inspection, the District's wells, and upcoming needs tied to future development.

LEGAL MATTERS

Update Regarding IGA with Woodmen Hills Metro District (Adjourn to Executive Session, pursuant to Section 24-6-402(4)(b) and (e), C.R.S.,

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for the purpose of (1) receiving legal advice related to questions concerning construction, conveyance, ownership, liability and related matters involving underdrain improvements and groundwater issues; and (2) determining positions relative to underdrain and groundwater issues that may be subject to negotiations and developing strategy for negotiations.)

[NOTE: No formal action or adoption of any proposed policy, position, resolution, rule, or regulation may be taken in Executive Session.] The item was tabled to be discussed during a future meeting.

Board Vacancy; Appointment of Officers: Director Joyner requested that interested individuals who have submitted resumes to introduce themselves. Potential candidates introduced themselves, noted their experience, and stated their most important issues they hope to address if elected to the Board.

The Board decided to hold a working session to discuss candidates.

2023 Legislative Updates; Annual Meeting: Attorney Vander Wall discussed the requirement and purpose of the annual meeting, pursuant to new laws adopted by the legislature. The annual meeting will be scheduled to take place before the end of the year.

DIRECTOR
MATTERS

None.

OTHER BUSINESS

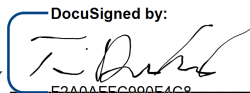
None.

ADJOURNMENT

Director Joyner stated that public participation is encouraged at all meetings, not only meeting concerning major issues.

There being no further business to come before the Board at this time, Director Joyner adjourned the meeting at 6:45 p.m.

Respectfully submitted,

By  _____
Secretary