

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

HELD: Tuesday, June 30, 2020, at 11:00 a. m., via telephone conference in light of the COVID 19 Pandemic.

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, with the following directors present and acting:

Kent Pedersen (by phone)
Jennifer Waiton (by phone)
Debra Hessler (by phone)
Vacancy
Vacancy

Also, present: District Counsel Tom George and Lisa Mayers, Spencer Fane, LLP; John Simmons, Simmons and Wheeler (by phone); and, Angela Elliott, District Manager (by phone).

CALL TO ORDER:

On behalf of the Board, District Counsel George noted that a quorum was present, and the meeting was called to order at 11:02 a.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.

Manager Elliott asked that acknowledgement and acceptance of Mike Newman's resignation be put on the agenda under Administrative Matters.

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 19, 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 1114 through #1146, totaling \$55,380.43 for claims paid through May 2020 for ratification and current payment of claims, check #'s 1147 through #1152 in the amount of \$7,060.96.

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 May 2020 in the amount of \$55,380.43 and approved the current payment of claims in the amount of \$7,066.96.

Financial Statements. District Accountant Simmons distributed the March 31, 2020 Financial Statements and walked the Board through the financials. The General Fund as of March 31, 2020, was \$-0-, this fund is funded by the Developer with Developer advances of \$24,679.00, as of this date. As of end of March 31, 2019 the Capital fund balance was \$7,059.00 and \$339,182 in the Debt Service Fund.

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.

Consider and approve the 2019 Audit.

District Accountant Simmons reviewed the 2019 draft Audit with the Board, prepared by Stratagem.

Following discussion, upon motion made by Director Pedersen, seconded by Director Hessler, upon vote and unanimously carried, the Board approved the 2019 Audit subject to District Counsel review and clean opinion from auditors.

DIRECTORS ITEMS:

Acknowledgement and acceptance of Michael Newman's resignation:

Upon motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, Michael Newman's resignation was acknowledged and accepted.

LEGAL MATTERS:

District Counsel George noted that Spencer Fane will publish for vacancies and Board can appoint after the notice has been published and statutory time for response.

MANAGERS ITEMS:

2020 POSTING PLACE:

District Manager Elliott 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.

RECORD OF PROCEEDINGS

June 30, 2020

Page 3

Manager Elliott suggested to the Board the posting place is to be on the website of fallbrookvillas.com and the backup for posting at the park off 141st Avenue.

Following discussion and upon motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, the Board approved the 2020 posting places.

Homeowner vs. District Responsibilities:

Manager Elliott discussed communications with homeowners regarding their maintenance obligations. Further discussion followed on homeowners asserting their unawareness of homeowner responsibilities and obligations after purchasing their homes. No action needed.

Discussion on Landscaping Bids:

Manager discussed walking the property with Metco and the list of items for replacement of dead trees and shrubs. The bids from Metco for replacement of dead shrubs and trees was in the meeting packet for directors to review.

Director Hessler and Adam Coates of Lennar will walk the property with Manager Elliott and Manager Elliott was directed to send dates for property walk.

Discussion on additional pet stations and monument sign:

Manager Elliott noted that a pet station was installed in the south park but did not note additional trash cans. Manager Elliott also discussed the request of a homeowner for a monument sign because Google does not provide directions to guests for directions that are correct.

Further discussion followed and Director Hessler will review the plans regarding a monument sign.

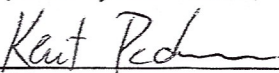
OTHER BUSINESS: None.

ADJOURNMENT:

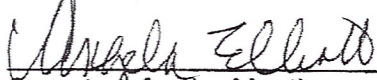
There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 11:30 a.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the meeting held on June 30, 2020, 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: Tuesday, June 25, 2020, at 11:00 a. m., via telephone conference in light of the COVID 19 Pandemic.

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, with the following directors present and acting:

Kent Pedersen (by phone)
Jennifer Waiton (by phone)
Debra Hessler (by phone)
Vacancy
Vacancy

Also, present: District Counsel Tom George and Lisa Mayers, Spencer Fane, LLP; John Simmons, Simmons and Wheeler (by phone); and, Angela Elliott, District Manager (by phone).

CALL TO ORDER:

On behalf of the Board, District Counsel George noted that a quorum was present, and the meeting was called to order at 11:02 a.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.

Manager Elliott asked that acknowledgement and acceptance of Mike Newman's resignation be put on the agenda under Administrative Matters.

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 19, 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 1114 through #1146, totaling \$55,380.43 for claims paid through May 2020 for ratification and current payment of claims, check #'s 1147 through #1152 in the amount of \$7,060.96.

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 May 2020 in the amount of \$55,380.43 and approved the current payment of claims in the amount of \$7,066.96.

Financial Statements. District Accountant Simmons distributed the March 31, 2020 Financial Statements and walked the Board through the financials. The General Fund as of March 31, 2020, was \$-0-, this fund is funded by the Developer with Developer advances of \$24,679.00, as of this date. As of end of March 31, 2019 the Capital fund balance was \$7,059.00 and \$339,182 in the Debt Service Fund.

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.

Consider and approve the 2019 Audit.

District Accountant Simmons reviewed the 2019 draft Audit with the Board, prepared by Stratagem.

Following discussion, upon motion made by Director Pedersen, seconded by Director Hessler, upon vote and unanimously carried, the Board approved the 2019 Audit subject to District Counsel review and clean opinion from auditors.

DIRECTORS ITEMS:

Acknowledgement and acceptance of Michael Newman's resignation:

Upon motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, Michael Newman's resignation was acknowledged and accepted.

LEGAL MATTERS:

District Counsel George noted that Spencer Fane will publish for vacancies and Board can appoint after the notice has been published and statutory time for response.

MANAGERS ITEMS:

2020 POSTING PLACE:

RECORD OF PROCEEDINGS

June 25, 2020

Page 3

District Manager Elliott 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.

Manager Elliott suggested to the Board the posting place is to be on the website of fallbrookvillas.com and the backup for posting at the park off 141st Avenue.

Following discussion and upon motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, the Board approved the 2020 posting places.

Homeowner vs. District Responsibilities:

Manager Elliott discussed communications with homeowners regarding their maintenance obligations. Further discussion followed on homeowners asserting their unawareness of homeowner responsibilities and obligations after purchasing their homes. No action needed.

Discussion on Landscaping Bids:

Manager discussed walking the property with Metco and the list of items for replacement of dead trees and shrubs. The bids from Metco for replacement of dead shrubs and trees was in the meeting packet for directors to review.

Director Hessler and Adam Coates of Lennar will walk the property with Manager Elliott and Manager Elliott was directed to send dates for property walk.

Discussion on additional pet stations and monument sign:

Manager Elliott noted that a pet station was installed in the south park but did not note additional trash cans. Manager Elliott also discussed the request of a homeowner for a monument sign because Google does not provide directions to guests for directions that are correct.

Further discussion followed and Director Hessler will review the plans regarding a monument sign.

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 11:30 a.m.


RECORD OF PROCEEDINGS

June 25, 2020

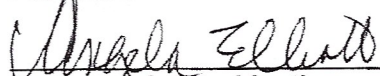
Page 4

The foregoing minutes constitutes a true and correct copy of the minutes of the meeting held on June 25, 2020, 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 OF THE
FALLBROOK VILLAS METROPOLITAN DISTRICT

HELD: Wednesday, August 26, 2020, at 8:30 a. m., via telephone conference in light of the COVID 19 Pandemic.

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 (by videoconference)
Jennifer Waiton (by videoconference)
Debra Hessler (by videoconference)
Vacancy
Vacancy

Also, present: District Counsel Lisa Mayers, Spencer Fane, LLP (by videoconference); Angela Elliott, District Manager and Don Cullen, Teleos Management (by videoconference); Alexander Ray and Jack Beckwith, Lennar Homes (by videoconference).

CALL TO ORDER:

On behalf of the Board, District Counsel Mayers noted that a quorum was present, and the meeting was called to order at 8:31a.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.

CONSIDER APPOINTMENT OF DIRECTORS/OATHS/BOND:

District Counsel Mayers discussed the Notice for Vacancy was published in the newspaper by Legal Counsel and no candidates showed an interest in serving on the Board.

Upon motion duly made by Director Pedersen, seconded by Director Hessler, upon vote and unanimously carried, Alexander Ray and Jack Beckwith were appointed to the Board of Directors and will serve until their terms expire in May, 2022.

LEGAL MATTERS: None.

DIRECTORS ITEMS:

RECORD OF PROCEEDINGS

August 26, 2020

Page 2

Light pole issue: Director Hessler discussed the light pole located at the end of Tract W near perpendicular to Colorado Boulevard. The light pole was originally hooked up but cut during construction. Some homeowners have favored the light out as it was too bright and others were asking for it to be repaired.

Director Pedersen will look into the situation and discuss with City of Thornton if it is a necessary light.

MANAGERS ITEMS:

Manager introduced Don Cullen who will also be managing Fallbrook Villas community.

PUBLIC COMMENT: None.

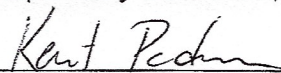
OTHER BUSINESS: None.

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 8:39 a.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the meeting held on August 26, 2020, 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 AND BUDGET HEARING OF THE FALLBROOK VILLAS METROPOLITAN DISTRICT

HELD: Tuesday, November 24, 2020, at 11:00 a. m., via telephone conference in light of the COVID 19 Pandemic.

ATTENDANCE:

A regular meeting and budget hearing 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 (by videoconference)
Jennifer Waiton (by videoconference)
Debra Hessler (excused)
Jack Beckwith (by videoconference/phone)
Alexander Ray (by videoconference/phone)

Also, present by videoconference/phone: District Counsel Lisa Mayers, Spencer Fane, LLP; Angela Elliott, District Manager and Don Cullen, Teleos Management; and, members of the public.

CALL TO ORDER:

On behalf of the Board, District Counsel Mayers noted that a quorum was present, and the meeting was called to order at 11:02 a.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.

APPROVAL OF AUGUST 26, 2020 SPECIAL MEETING MINUTES:

The Board reviewed the minutes of the special meeting held by the Board of Directors of Fallbrook Villas Metropolitan District on August 26, 2020. 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 1147 through #1168, totaling \$50,696.76 for claims paid through October 2020 for ratification.

Following discussion, on motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, the Board approved the ratification of claims through October 2020, in the amount of \$50,696.76.

Financial Statements. District Accountant Simmons distributed the September 30, 2020 Financial Statements and walked the Board through the financials. The General Fund as of September 30, 2020, was \$30,283 and has been funded by the Developer with Developer advances of \$66,918.00, as of this date. As of end of September 30, 2020, the Capital Fund balance was \$7,065.00 and \$336,582 in the Debt Service Fund. Most of the property taxes have been collected.

Following discussion, upon motion duly made by Director Pedersen, seconded by Director Beckwith, upon vote and unanimously carried, the Board accepted the financial statements as presented.

Conduct Public Hearing on the proposed 2021 Budget and consider adoption of Resolutions to adopt the 2021 Budget, Set Mill Levies and Appropriate Sums of Money.

District Accountant Simmons discussed the proposed budget noting that assessed valuation went down from 2,900,00 to \$2,742,000. In keeping the mill levy the same at 11.132, we only receive revenues of approximately \$40,000. The proposed 2021 budget is expecting a \$75,000 developer advance. Director Pedersen noted that Lennar has sold out and are not looking at funding the District. District Accountant Simmons noted that the District will not be whole until 2022, and expenses for the general fund run approximately \$100,000 plus. Director Pedersen requested Manager get with Director Hessler to discuss the landscaping maintenance items and to make sure they are not doing more than what is required.

Upon motion duly made, seconded, and upon vote unanimously carried, the Board directed District Counsel Mayers to open the public hearing.

On behalf of the Board, District Counsel Mayers opened the public hearing to consider the proposed 2021 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.

Homeowner W. Waymel asked for clarification that if the mill levy only brings in \$40,000 and it takes \$100,000 how much would the mill levy need to increase. District Accountant Simmons said it would have to at least double to bring in enough revenue. Homeowner W. Waymel asked if the Board decides the increase of the mill levy or do the homeowners have any input.

District Manager Elliott addressed the irrigation problems the District had last year and believes all irrigation issues have been resolved.

Manager Cullen addressed the accident.

District Counsel Mayers explained the reason for the public hearing is to hear the input from homeowners, but the final vote is controlled by the Board of Directors.

No further comments were received, and upon motion duly made, seconded, and upon vote unanimously carried, the public hearing was closed.

Following discussion, the Board considered the Resolutions to adopt the 2021 Budget, Set Mill Levies and Appropriate Sums of Money. Upon motion duly made by Director Waiton, seconded by Director Pedersen and, upon vote, unanimously carried, the District (1) approved the 2021 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 2021, (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, 2020 and to file the 2021 budget with the Division of Local Government prior to January 30, 2021.

Conduct Public Hearing on the Amendment to the 2020 Budget. Upon motion duly made, seconded, and upon vote unanimously carried, the Board directed District Counsel Mayers to open the public hearing.

On behalf of the Board, District Counsel Mayers opened the public hearing to consider amending the 2020 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.

District Accountant Simmons the Debt Service Fund will need to be amended.

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

Upon motion duly made by Director Pedersen, seconded by Director Ray, and upon vote unanimously carried, the Board moved to amend the 2020 Debt Service Fund from \$132,767 to \$142,767.

Consider and approve the 2020 Audit Fee Agreement.

District Accountants have not received the Audit Fee Agreement for 2020 with Fiscal Focus Partners.

Following discussion, upon motion made by Director Pedersen, seconded by Director Beckwith, upon vote and unanimously carried, the Board approved the Audit Fee Agreement subject to the amount not exceeding \$4,850.00, for year 2020 with Fiscal Focus Partners.

Consider approval of Bill.com.

District Accountant Simmons discussed utilizing Bill.com to expedite payment of claims electronically and eliminating the need to mail out checks for signature on a monthly basis. There is a monthly fee associated with the software but it offers transparency and security as well.

Following discussion by the Board, upon motion made by Director Pedersen, seconded by Director Waiton, the Board moved to approve utilization of Bill.com. after the first of the calendar

Further discussion followed and upon motion made, seconded and unanimously carried, Directors Pedersen and Waiton, President and Treasurer, respectively, will be designated as the authorized signatories

LEGAL MATTERS:

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

District Counsel Mayers discussed this Resolution is annually adopted and deems the board members are not employees of the District.

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

DIRECTORS ITEMS: None.

MANAGERS ITEMS:

2021 MEETING DATES:

Manager Elliott suggested to the Board meeting dates for 2021 on the 1st Thursday of June (June 3) and November (November 4); at 11:00 a.m., at the offices of Lennar, 9193 S. Jamaica Street, 4th Floor, Englewood, CO., subject to health, safety and welfare, meetings may be held virtually.

Following discussion and upon motion duly made, seconded and unanimously carried, the Board approved the 2021 meeting dates.

ADMINISTRATIVE RESOLUTION: Manager Elliott presented the Resolution concerning 2021 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. Manager also discussed that there is a Section 45 to allow for virtual meetings during the pandemic and allowing district documents to be signed electronically.

Following discussion and upon motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, the Board adopted the 2021 Administrative Resolution.

Ratify 2020-2021 Snow Removal contract.

Following discussion and upon motion duly made by Director Pedersen, seconded by Director Beckwith, upon vote and unanimously carried, the Board ratified the 2020-2021 Snow Removal Contract with Metco.

Discussion on 2021 landscaping contract. Manager Elliott discussed obtaining a landscape proposal from Metco for 2021 season or should the District bid out. Director Pedersen requested Management to get other bids.

Signage -- Manager Cullen discussed the wall will be repaired but was told to hold off on the signage at this time.

Boulders -- Manager Cullen discussed the boulders needed on some of the alleys. Director Pedersen directed Manager to come up with a total number of everything needed: signs, boulders, retaining wall, and send the list to Lennar.

OTHER BUSINESS: None

PUBLIC COMMENT:

Homeowner A. Waymel discussed their wall has been hit twice and signage or a tree would be a good deterrent.

Homeowner W. Waymel inquired about the next election so homeowners can run for the Board. District Counsel Mayers said the next general election will take place in May of 2022.

Homeowner W. Waymel requested Manager to put on website and a notice be emailed to all the homeowners regarding the election.

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 11:51 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the meeting held on November 24, 2020, and was approved by the Board of Directors of the Fallbrook Villas Metropolitan District.

Respectfully Submitted,

President

Secretary for the Meeting

Ratify 2020-2021 Snow Removal contract.

Following discussion and upon motion duly made by Director Pedersen, seconded by Director Beckwith, upon vote and unanimously carried, the Board ratified the 2020-2021 Snow Removal Contract with Metco.

Discussion on 2021 landscaping contract. Manager Elliott discussed obtaining a landscape proposal from Metco for 2021 season or should the District bid out. Director Pedersen requested Management to get other bids.

Signage -- Manager Cullen discussed the wall will be repaired but was told to hold off on the signage at this time.

Boulders -- Manager Cullen discussed the boulders needed on some of the alleys. Director Pedersen directed Manager to come up with a total number of everything needed: signs, boulders, retaining wall, and send the list to Lennar.

OTHER BUSINESS: None

PUBLIC COMMENT:

Homeowner A. Waymel discussed their wall has been hit twice and signage or a tree would be a good deterrent.

Homeowner W. Waymel inquired about the next election so homeowners can run for the Board. District Counsel Mayers said the next general election will take place in May of 2022.

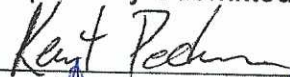
Homeowner W. Waymel requested Manager to put on website and a notice be emailed to all the homeowners regarding the election.

ADJOURNMENT:

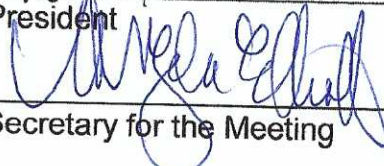
There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 11:51 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the meeting held on November 24, 2020, 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 OF THE
FALLBROOK VILLAS METROPOLITAN DISTRICT

HELD: Friday, December 11, 2020, at 2:30 p. m., via telephone conference in light of the COVID 19 Pandemic.

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 (by videoconference/phone)
Jennifer Waiton (by videoconference/phone)
Debra Hessler (by videoconference/phone)
Jack Beckwith (by videoconference/phone)
Alexander Ray (excused)

Also, present by videoconference/phone: District Counsel Lisa Mayers, Spencer Fane, LLP; Angela Elliott and Don Cullen, District Managers, Teleos Management; and, members of the public.

CALL TO ORDER:

On behalf of the Board, District Counsel Mayers noted that a quorum was present, and the meeting was called to order at 2:31 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.

FINANCIAL MATTERS:

Consider amendment to the Resolution adopting the 2021 Budget, Set Mill Levies and Appropriate Sums of Money in order to increase the operations and maintenance mill levy. District Manager Elliott and District Accountant Simmons discussed the amendment to the Resolution increases the operating mill level to 24.123 mills which based on an average home price of \$475,000, the increase will be approximately \$396 annually to the homeowners in property taxes. This also lowers the developer advance to \$31,571 since they are built out.

Following discussion, the Board considered the amendment to the Resolution adopting the 2021 Budget, Set Mill Levies and Appropriate Sums of Money. Upon motion duly made by Director Pedersen, seconded by Director Waiton and, upon vote, unanimously carried, the District (1) approved the 2021 budget as presented, (2) approved the

appropriation and expenditure of funds as detailed therein, (3) approved and adopted a mill levy of 79.787 mills, to be certified by the District for collection in 2021, (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, 2020 and to file the 2021 budget with the Division of Local Government prior to January 30, 2021.

LEGAL MATTERS: None.

DIRECTORS ITEMS: None.

MANAGERS ITEMS: District Manager Cullen discussed the planter wall repairs have been completed.

OTHER BUSINESS: None

PUBLIC COMMENT:

Homeowner Moros voiced his concerns regarding the condition of the concrete walks that he was told would be replaced a couple years back. He is disappointed in the condition of the sidewalks and something needs to be done.

Homeowner Geist inquired what other options are there to repairing the wall that has been damaged twice. District Manager Cullen discussed that the Board is looking at options. He further noted that snow removal service needs to improve.

Homeowner Ingham inquired if the landscaping can be monitored more closely next year as it was July before the irrigation was watering some of the dormant grass. She further inquired about the boulders at the end of her alley that would help tremendously instead of vehicles and trucks driving over her lawn area. District Manager Cullen said he is getting bids on the boulders and it would be an action in 2021 pending the budget funds. Another homeowner inquired why boulders were across the street on the south side but not next to the north side. Management said those boulders were put in by the installers hired by the builder and the reason is unknown.

Homeowner Waymel had questions to District Accountant Simmons regarding the budget. District Accountant Simmons said the actual column on the budget was as of June 30, 2020. Further questions were asked on how the mill levy was split on their taxes and what if all monies are not spent. District Accountant Simmons discussed if monies are not spent they are a carry over to the beginning balance.

District Manager Elliott will put the 2019 audit on the website which will homeowners understand the debt and operating of the district.

Homeowner Waymel asked if a special election can be held before the May 2022 election. District Counsel Mayers explained that it costs the District money to hold special elections and in 2022 there will be 4 seats available to homeowners. However, if a current board member resigns then the Board can appoint for that position.

Homeowner Waymel discussed his interest and the design guidelines need to be amended to allow for trampolines and other family sports equipment in their backyards.

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 3:19 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the meeting held on December 11, 2020, and was approved by the Board of Directors of the Fallbrook Villas Metropolitan District.

Respectfully Submitted,

President

Secretary for the Meeting

held on December 11, 2020, and was approved by the Board of Directors of the Fallbrook Villas Metropolitan District.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "Kant Poon", written over a horizontal line.

President

A handwritten signature in blue ink, appearing to read "Angela Elliott", written over a horizontal line.

Secretary for the Meeting