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# RECORD OF PROCEEDINGS

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## Minutes of the Regular Meeting Board of Directors of Mountain Sky Metropolitan District November 2, 2022

A regular meeting of the Board of Directors of the Mountain Sky Metropolitan District was held at 1:30 p.m., November 2, 2022 remotely via Zoom.

### Attendance

The following Directors were present and acting:

- Gene Osborne
- Kim Harrison
- Kim Herman
- Jim Dignan
- Jordan Honea

Also present:

- Angela Elliot, Teleos Management Company
- Cathy Baldwin, Teleos Management Company
- Joan Fritsche, Fritsche Law, LLC
- Eric Weaver, Marchetti & Weaver, LLC
- JR Osborne, C3 Construction

### Call to Order

Chairman Osborne, noted a quorum of the Board was present, and that the Directors have confirmed their qualifications to serve, and therefore called the meeting of the Board of Directors of the Mountain Sky Metropolitan District to order at 1:35 P.M.

### Disclosure

Ms. Fritsche advised the Board that pursuant to Colorado law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Board member disclosed their conflicts of interest, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. The Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Ms. Fritsche informed the Board that written disclosures for each of the Directors were filed with the Secretary of State and the Board prior to this meeting.

### Public Comment

There was no public comment.

### Minutes

Upon a motion duly made and seconded, it was unanimously

**RESOLVED**, to approve the minutes of the September 14, 2022 special meeting as presented.

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# RECORD OF PROCEEDINGS

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## MOUNTAIN SKY METROPOLITAN DISTRICT November 2, 2022 Meeting Minutes

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**Construction** JR Osborne reported that the remaining public infrastructure, except for landscaping, is complete and will be ready for District acceptance in early 2023. Landscaping improvements are expected to be completed within the next two weeks.

**Covenant** Ms. Baldwin reviewed the management report with the Board and a discussion followed.

**Legal Matters** Ms. Fritsche informed the Board that the scope of services for Teleos has been revised to include additional administrative services and compensation. Following discussion and upon a motion duly made and seconded it was unanimously

**RESOLVED**, to approve the revised scope of services and compensation to the Teleos agreement for covenant enforcement and administrative services.

Ms. Fritsche presented the Resolution Amending the Fee and Covenant Enforcement Fine Schedule. Upon a motion duly made and seconded it was unanimously

**RESOLVED**, to approve the Resolution Amending the Fee and Covenant Enforcement Fine Schedule.

Ms. Fritsche presented the Resolution Amending Design Guidelines. The amendments include a recommended and prohibited tree and shrub list. Following discussion and upon a motion duly made and seconded it was unanimously

**RESOLVED**, to approve the Resolution Amending Design Guidelines.

Ms. Fritsche presented the Resolution Determining not to Provide Workers Compensation Insurance Coverage for Uncompensated Members of the Board of Directors. Upon a motion duly made and seconded it was unanimously

**RESOLVED**, to approve the Resolution Determining not to Provide Workers Compensation Insurance Coverage for Uncompensated Members of the Board of Directors.

Ms. Fritsche presented the 2023 Annual Administrative Matters Resolution. Upon a motion duly made and seconded it was unanimously

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## MOUNTAIN SKY METROPOLITAN DISTRICT November 2, 2022 Meeting Minutes

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**RESOLVED**, to approve the 2023 Annual Administrative Matters Resolution.

Ms. Fritsche presented the Resolution calling the District's 2023 Regular Election, appointing Mandi Kirk as the Designated Election Official and authorizing the Designated Election Official to take actions necessary to conduct the Election, including cancelling the Election, if possible. Upon a motion duly made and seconded it was unanimously

**RESOLVED**, to approve the Resolution Calling the May 2023 Election and Appointing a Designated Election Official.

### 2022 Budget

Chairman Osborne opened the public hearing on the 2022 budget amendment. No public comments were made. The public hearing was closed. Mr. Weaver presented the Resolution To Amend 2022 Budget. Upon a motion duly made and seconded it was unanimously

**RESOLVED**, to adopt the Resolution To Amend 2022 Budget to amend the Debt Service Fund.

### 2023 Budget

Chairman Osborne opened the public hearing on the 2023 budget. No public comments were made. The public hearing was closed. Mr. Weaver reviewed the proposed budget. Upon discussion, the Board recommended increasing the operations mill levy. Mr. Weaver presented the Resolution to Adopt Budget, Appropriate Funds and Certify Mill Levies for 2023, as amended, and upon a motion duly made and seconded it was unanimously

**RESOLVED**, to adopt the Resolution to Adopt the Budget, Appropriate Funds and Certify Mill Levies.

### Financials

Mr. Weaver presented the claims paid since the last meeting for ratification and stated all bills are current and there are no claims payable to report.

Mr. Weaver presented the financial statements for the period ending September 30, 2022. Upon a motion duly made and seconded it was unanimously,

**RESOLVED**, to ratify claims paid in the amount of \$188,446.74 and to accept the financial statements for the period ended September 30, 2022 as presented.

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## MOUNTAIN SKY METROPOLITAN DISTRICT November 2, 2022 Meeting Minutes

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Mr. Weaver presented the proposal from Fredrick Zink & Associates to conduct the District's 2022 audit. Upon a motion duly made and seconded it was unanimously

**RESOLVED**, to approve the engagement of Fredrick Zink & Associates to conduct the District's 2022 audit.

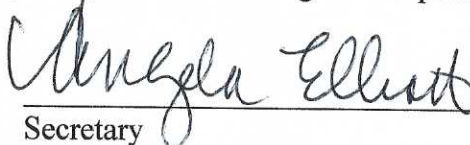
### **2023 Meetings**

The Board approved the following meeting dates for 2023: February 1, June 7 and November 1, 2023 at 1:30 p.m. to be held remotely.

### **Adjournment**

There being no further business to come before the Board and upon a motion duly made and seconded it, was unanimously

**RESOLVED**, to adjourn the meeting at 2:40 p.m.

  
Secretary

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# RECORD OF PROCEEDINGS

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## Minutes of the Special Meeting Of the Board of Directors of Mountain Sky Metropolitan District September 14, 2022

A special meeting of the Board of Directors of the Mountain Sky Metropolitan District was held at 1:30 P.M., September 14, 2022 remotely via Zoom.

### Attendance

The following Directors were present and acting:

- Gene Osborne
- Jim Dignan
- Jordan Honea
- Kim Harrison
- Kim Herman

Also present and in attendance:

- Annette Kokoszka, resident
- JR Osborne, C3 Construction
- Angela Elliot, Teleos Management Company
- Cathy Baldwin, Teleos Management Company
- Joan Fritsche, Fritsche Law, LLC
- Eric Weaver, Marchetti & Weaver, LLC
- Rick Gonzales, Marchetti & Weaver, LLC
- Jennifer Anderson, Marchetti & Weaver, LLC

### Call to Order

Director Osborne, noted a quorum of the Board was present, and that the Directors have confirmed their qualifications to serve, and therefore called the meeting of the Board of Directors of the Mountain Sky Metropolitan District to order at 1:40 P.M.

### Disclosure

Ms. Fritsche advised the Board that pursuant to Colorado law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Board member disclosed their conflicts of interest, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. The Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Ms. Fritsche informed the Board that written disclosures for each of the Directors were filed with the Secretary of State and the Board prior to this meeting.

### Public Comment

There was no public comment.

### Minutes

Upon a motion duly made and seconded, it was unanimously

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# RECORD OF PROCEEDINGS

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MOUNTAIN SKY METROPOLITAN DISTRICT  
September 14, 2022 Meeting Minutes

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**RESOLVED**, to approve the minutes of the June 1, 2022 regular meeting as presented.

## Construction

JR Osborne reported that most infrastructure improvements, except for landscaping, are complete and landscaping will be completed by the end of the year. Mr. Osborne reported on the theft of an irrigation controller that has since been replaced, fire hydrants on CR12 and ½ that will need to be moved to conform with City standards, the drainage swale has been drained in order to address erosion control issues raised by the City, and perimeter fencing is completed except for those areas near DR Horton construction sites.

## Covenant Compliance & ACC

Ms. Elliot informed the Board that Teleos currently bills 133 homes Ms. Honea informed the Board that D.R. Horton's count of homes sold is 130. Ms. Honea will review her reports. The Board then discussed status of development and impact on future tax revenue and the District's operating budget.

Chairman Osborne asked about the status of the letter from residents regarding landscaping and drainage issues. Mr. Osborne and Director Honea informed the Board they responded to the homeowners as representatives of the developer and homebuilder, respectively. Mr. Osborne stated he believes there was a misunderstanding by the homeowners about the developer's intent to finish certain landscaping improvements and the approved landscaping plan. Mr. Osborne stated that improvements are being constructed per the City approved development plan and the homeowners were asking for improvements above and beyond what the development plan requires, for which there is no funding available. Director Herman and Ms. Honea informed the Board that the developer and homebuilder response letter and the mitigation work currently underway seems to have been well received by homeowners.

## Legal

Ms. Fritsche informed the Board that a revised scope of services for Teleos was requested at the last Board meeting as the community grows and Teleos becomes the first point of contact for homeowners. Following discussion and upon a motion duly made and seconded it was unanimously

**RESOLVED**, to approve the revised scope of services proposed by Teleos at a cost to the District of \$1,450 per month plus expenses related to periodic community email blasts.

Ms. Fritsche presented the Resolution Amending Design Guidelines. The amendments address inconsistencies in the Guidelines related to the allowable irrigated turf area per lot and fencing materials and fence design approval process.

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## MOUNTAIN SKY METROPOLITAN DISTRICT September 14, 2022 Meeting Minutes

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Following discussion and upon a motion duly made and seconded it was unanimously

**RESOLVED**, to approve the Resolution Amending Design Guidelines.

Ms. Fritsche presented the Resolution Appointing And Ratifying Architectural Control Committee. The purpose of the resolution is to update the members of the Architectural Control Committee ("ACC"). Upon a motion duly made and seconded it was unanimously

**RESOLVED**, to approve the Resolution Appointing And Ratifying Architectural Control Committee to approve Kim Herman and Jordan Honea as the members of the ACC.

Ms. Fritsche reviewed the 2022 Legislative Update provided by her office addressing changes in legislation that impact the District. Key changes reviewed were 1) SB-22-238 concerning changes in determining actual value and changes in assessed valuation rates for certain property classifications. Ms. Fritsche informed the Board that the District has authorization to adjust its mill levy rates to compensate for these changes. Ms. Fritsche stated that although the Mountain Sky Declarations specifically exempt the District from the Colorado Common Interest Ownership Act ("CCIOA"), she wanted the Board and consultants to be aware of changes in CCIOA. Ms. Fritsche recommended adhering to the changes beginning in 2023 even though the District is not subject to many of the CCIOA provisions. Ms. Fritsche had reviewed the District's Fee and Fine Schedule and only the daily repetitious fine was in excess of the new statutory limits. Ms. Fritsche reviewed HB 22-1137 related primarily to violation and fee notice requirements, fee and fine collections and association foreclosures; HB-1139 prohibiting enforcement of covenants on public right-of-way, including public streets; and HB22-1040 requiring notice of restricted access to common areas. No action was taken by the Board.

Ms. Fritsche then informed the Board of legislation that failed to pass in 2022 affecting metropolitan districts. No action was taken by the Board.

Ms. Fritsche stated that all System Development Fees have been paid and all lots within the District have been released from the District's lien.

The Board tabled conveyance of open space parcels.

### **Financials**

Mr. Weaver presented the unaudited financial statements for the period ending

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## MOUNTAIN SKY METROPOLITAN DISTRICT September 14, 2022 Meeting Minutes

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August 31, 2022, noting that there will be tax revenue available to apply to developer advances and preliminary assessed values for next year's tax collection have increased from prior years particularly for oil and gas operations. Mr. Weaver also informed the Board that a preliminary budget for 2023 is included in the financial statements. Concerning the District's operating budget, Mr. Osborne informed the Board that the City is changing its snow removal procedures and will only plow arterial streets. Subdivisions are now responsible for interior, collector streets. Director Dignan asked Mr. Osborne to check with the City to see if a storage area for plowed snow needs to be identified and/or approved by the City. Following a brief discussion of the financial statements and preliminary budget and upon a motion duly made and seconded it was unanimously,

**RESOLVED**, to accept the unaudited financial statements for the period ending August 31, 2022 as presented.

Mr. Gonzales presented the claims paid report and called attention to the transfer of pledged revenue to the Bond Trustee of which approximately \$176,000 will be returned to the District under the terms of the Bond Indenture, and could be used to fund a payment on developer advances. Upon a motion duly made and seconded it was unanimously

**RESOLVED**, to ratify the claims paid in the amount of \$236,213.42.

Mr. Weaver informed the Board that FL Mountain Sky has requested a partial repayment of developer advances made for capital expenditures and that the District has \$176,301.18 of revenue available to repay capital advances. Upon a motion duly made and seconded it was

**RESOLVED**, to approve a \$176,301.18 repayment of capital advances to FL Mountain Sky LLC.\*

\*Chairman Osborne and Director Harrison abstained from the vote due to a conflict of interest.

Mr. Weaver referenced the memo in the Board packet related to the timing of budgeting.

**Directors Matters** Upon a motion duly made and seconded it was unanimously

**RESOLVED**, to elect the current slate of Board Officers to new terms.



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MOUNTAIN SKY METROPOLITAN DISTRICT  
September 14, 2022 Meeting Minutes

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**Next Meeting Date** The next meeting of the Board will also be its 2023 budget hearing, scheduled for 1:30 P.M., Wednesday, November 2, 2022.

**Adjournment** There being no further business to come before the Board and upon a motion duly made and seconded it, was unanimously

**RESOLVED**, to adjourn the meeting at 3:00 P.M.

Respectfully Submitted



Rick Gonzales  
Secretary to the meeting

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# RECORD OF PROCEEDINGS

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## Minutes of the Regular Meeting Of the Board of Directors of Mountain Sky Metropolitan District June 1, 2022

A regular meeting of the Board of Directors of the Mountain Sky Metropolitan District was held at 1:30 P.M., June 1, 2022 remotely via Zoom.

### Attendance

The following Directors were present and acting:

- Gene Osborne
- Jim Dignan
- Jordan Honea

Directors Kim Harrison and Kim Herman were absent and excused.

Also present and in attendance:

- JR Osborne, C3 Construction
- Cathy Baldwin, Teleos Management Company
- Joan Fritsche, Fritsche Law, LLC
- Eric Weaver, Marchetti & Weaver, LLC
- Rick Gonzales, Marchetti & Weaver, LLC

### Call to Order

Director Osborne, noted a quorum of the Board was present, and that the Directors have confirmed their qualifications to serve, and therefore called the meeting of the Board of Directors of the Mountain Sky Metropolitan District to order at 1:45 P.M.

### Disclosure

Ms. Fritsche advised the Board that pursuant to Colorado law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Board member disclosed their conflicts of interest, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. The Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Ms. Fritsche informed the Board that written disclosures for each of the Directors were filed with the Secretary of State and the Board prior to this meeting.

### Public Comment

There was no public comment.

### Minutes

Upon a motion duly made and seconded, it was unanimously

**RESOLVED**, to approve the minutes of the April 7, 2022 special meeting as presented.

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## MOUNTAIN SKY METROPOLITAN DISTRICT June 1, 2022 Meeting Minutes

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### Construction

JR Osborne reported that phases 4 and 5 have been preliminarily accepted by the City of Fort Lupton, paving for County Road 12 and County Road 9 ½ is starting next week, playground equipment will be installed soon, and FL Mountain Sky has paid for the relocation of a gas line necessary for the property owner to the north to complete the regional detention pond.

Mr. Osborne also reported the homebuilder plans to close on an additional 41 lots on June 2, 2022.

In response to a question from Ms. Baldwin, Mr. Osborne stated the second entrance into the community off of County Road 12 will be completed next week and that the contractor will be responsible for the maintenance during the one-year warranty period.

### Covenant Compliance & ACC

Ms. Baldwin reported numerous Covenant, Conditions and Restriction (“CCR”) violations most of which relate to fencing issues and recommended clearer fencing guidelines and drawings.

Ms. Baldwin also reported that 30 design review applications have been received since the last Board meeting held April 7, 2022 and that most violations relate to the homeowners’ unfamiliarity with living in a covenant-controlled community. Ms. Baldwin also reported that 14 Design Review committee (“DRC”) requests have been received and are being addressed.

### Legal

Ms. Fritsche presented the Resolution Adopting Covenant Enforcement Procedures for Continuing Violations and Repetitious Violations and the Resolution Amending Fee and Covenant Enforcement Fine Schedule. The Board discussed both resolutions. Mr. Weaver called attention to the Fee Schedule identifying the Transfer Fee of \$200 to be paid to the District by the homeowner at closing. Mr. Weaver reminded the Board that the Transfer Fee is paid to the management company. Upon a motion duly made and seconded it was unanimously

**RESOLVED**, to approve the Resolution Adopting Covenant Enforcement Procedures for Continuing Violations and Repetitious Violations as presented and the Resolution Amending Fee and Covenant Enforcement Fine Schedule as amended to reflect that the Transfer Fee in Exhibit A of the resolution is paid to the management company, not the district.

Mr. Gonzales informed the Board that it is most efficient for homeowners in the within the district to have a single point of contact regarding CCR, DRC and other

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## MOUNTAIN SKY METROPOLITAN DISTRICT June 1, 2022 Meeting Minutes

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community issues. The Management Company, currently Teleos LLC is the logical first point of contact but that service is not currently included in the scope of service of their Services Agreement with the District. Teleos has volunteered to prepare a new proposed scope of service for the Service Agreement that would identify them as first point of contact for the community's homeowners and residents. Upon a motion duly made and seconded it was unanimously

**RESOLVED**, to approve a change in the scope of service in the Service Agreement with Teleos LLC to include Teleos LLC as the first point of contact for homeowners and residents within the District subject to final review and approval by Chairman Osborne.

### Financials

Mr. Weaver presented the independent audit report for fiscal year 2021 and noted that no problems were encountered during the audit and the District received an unqualified opinion from the auditors. Upon a motion duly made and seconded it was unanimously

**RESOLVED**, to approve the 2021 audit report as presented pending final review and acceptance by legal counsel.

Mr. Weaver presented the unaudited financial statements for the period ending April 30, 2022. Following a brief discussion and upon a motion duly made and seconded it was unanimously,

**RESOLVED**, to accept the unaudited financial statements for the period ending April 30, 2022 as presented.

Mr. Gonzales reported that no claims have been paid since the last Board meeting so there are no claims paid to be ratified. Mr. Weaver then presented the claims payable report listing unpaid bills. Upon a motion duly made and seconded it was unanimously

**RESOLVED**, to approve the claims payable in the amount of \$9,467.34.

Mr. Weaver informed the Board that FL Mountain Sky has requested a partial repayment of developer advances made for capital expenditures and that the District has \$427,251 of revenue available to repay capital advances. Upon a motion duly made and seconded it was unanimously\*

**RESOLVED**, to approve a \$427,251.00 repayment of capital advances to FL Mountain Sky LLC.

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MOUNTAIN SKY METROPOLITAN DISTRICT  
June 1, 2022 Meeting Minutes


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\*Chairman Osborne abstained from the vote due to a conflict of interest.

- Directors Matters** The Board determined to postpone election of Board until the next meeting date as not all Directors were in attendance.
- Next Meeting Date** The next meeting of the Board is scheduled to be held at 1:30 P.M., Wednesday, July 6, 2022.
- Adjournment** There being no further business to come before the Board and upon motion duly made and seconded it, was unanimously

**RESOLVED**, to adjourn the meeting at 2:24 P.M.

Respectfully Submitted

  
Rick Gonzales  
Secretary to the meeting