

MINUTES OF A JOINT SPECIAL MEETING OF THE
BOARDS OF DIRECTORS

OF

FOREST TRACE METROPOLITAN DISTRICT NOS. 1-3

Held: Wednesday, July 26, 2023 at 11:30 a.m. via teleconference.

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors were in attendance:

Daniel Frank
Marc Cooper
Kevin Payne
Tracy Alford

Also present were Clint C. Waldron, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Diane Wheeler and Kelsey Mitchell, Simmons & Wheeler, P.C., District Accountant; and Scott Goldhammer, Miller Real Estate Investments, Inc., District Manager.

Call to Order/Declaration of Quorum Director D. Frank noted that a quorum of the Boards was present and called the meeting to order.

Director of Qualifications/Conflicts of Interest/Reaffirmation of Disclosures Mr. Waldron reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Boards. Mr. Waldron inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

Joint Meetings The Boards of Directors of the Districts have determined to hold joint meetings of the Districts and to prepare joint minutes of action taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes is the action of each of the Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

Approval of Agenda The Boards reviewed the proposed agenda. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agenda as presented.

Public Comment None.

Consent Agenda The Boards reviewed the items on the consent agenda. Mr. Waldron advised the Boards that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and adopted;

- April 4, 2023 Joint Special Meeting Minutes; and
- Claims Payable;

Legal Matters

Approval of 2022 Consolidated Annual Report Mr. Waldron reviewed the 2022 Consolidated Annual Report to the Boards. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the annual report.

Financial Matters

Review Unaudited Financial Statements, Property Tax Statement and Schedule of Cash Position Ms. Wheeler reviewed the December 31, 2022 Unaudited Financial Statements with the Boards. Following discussion, upon a motion duly made and seconded, the Boards accepted the financial statements.

Consider Acceptance of 2022 Audit (District No. 3) Ms. Wheeler reviewed the 2022 audit with the Board of District No. 3. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 accepted the audit, subject to final legal review and a clean auditor opinion.

Discuss SARIA Financing The Board engaged in general discussion regarding SARIA financing. Director Cooper provided an update to the Boards.

Other Financial Matters Ms. Wheeler reviewed the approvers for Bill.com with the Boards. The Boards of District Nos. 1 and 3 approved Director Alford as a second approver. The Board of District No. 2 approved Director Cooper as a second approver.

District Operations

Update on ADA Ramp Engineering (District No. 2) Mr. Goldhammer provided an update to the Board of District No. 2 noting that the Healthcare Center property management changed. Mr. Goldhammer reached out to the new property manager for approval to move forward and is awaiting a response.

Update on Drainage and Erosion Issues and Discuss Potential Conveyance of Common Area Property from HOA to District No. 1 The Board of District No. 1 engaged in discussion regarding the potential conveyance of open space and parks. The Board of District No. 1 inquired about information about annual operating costs as well as capital costs regarding drainage improvements. The Board of District No. 1 requested Ms. Wheeler and Mr. Waldron prepare an operating budget and Mr. Waldron and Director Cooper engage an engineer to provide a capital cost estimate. Director Payne noted that the HOA will likely expend the \$400,000 HOA settlement funds on improvements directly adjacent to the retaining wall on the north side of the property.

Other District Operations Mr. Goldhammer noted the repairs to the detention pond have been approved and is awaiting the invoice from the HOA. The asphalt repairs in District No. 2 have been completed.

Other Business

Discuss Scheduling Town Hall Meeting Required by SB23-110 The Boards engaged in discussion regarding the Town Hall Meeting required by SB23-110. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved to schedule the meeting directly before the annual budget hearing held at Wheatlands Clubhouse.

Other Business None.

Discuss Board Vacancy and Consider Appointment of Director The Boards engaged in discussion regarding vacancies on the Board. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 appointed Director Payne, Director Alford, and Mr. Simpson to the Board of District No. 1 . Following discussion, upon a motion duly made and seconded, the Board of District No. 3 appointed Mr. Simpson to the Board of District No. 3.

Consider Appointment of Officers The Boards engaged in general discussion regarding the Election of Officers. Following discussion, upon a motion duly made and seconded, the Boards elected Director Alford as Treasurer to the Board of District Nos. 1 and 3, and Director Cooper as Treasurer to the Board of District No. 2.

Adjourn There being no further business to come before the Boards, and following discussion and upon motion duly made, seconded and

unanimously carried, the Boards determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



[Marc Cooper \(Oct 1, 2023 15:57 MDT\)](#)

Secretary for the Meeting

The foregoing minutes were approved on the 27th day of September, 2023.