

FOSSIL RIDGE METROPOLITAN DISTRICTS NOS. 1-3

Agenda is preliminary and subject to change by majority vote of the Boards at the meeting. Any individuals with questions regarding this Notice of Regular Meeting and Agenda, or who require special accommodation to attend and/or participate in the meeting, should please contact the President of the Board of Directors of District 1 at frdistrict2@gmail.com

NOTICE OF A REGULAR MEETING AND SUMMARY OF AGENDA ITEMS

Board of Directors – D1:

Tom Waterman - President
Craig Brown - V.P.
Kim Hussey - Treasurer
Dave McGraw - Secretary
Terry Larson - Asst. Sec.

Board of Directors – D2:

Dave McGraw - President
Terry Larson - V.P.
Andrew Martin - Treasurer
Theodore Michelsen - Secretary
Tom Waterman - Asst. Sec.

Board of Directors – D3:

Craig Brown - President
Kim Hussey - V.P.
Mike McCleary - Treasurer
Libby Anglin - Secretary
Aaron Hochstein - Asst. Sec.

Consultants:

Sue Blair, CRS	District Manager
Marcos Pacheco, CRS	District Manager
Nancy Weiss, CRS	District Accountant
Kelley Duke, Esq.	Legal Counsel
Jennie Heinze	Community Manager

DATE: Monday, October 7, 2019

TIME: 6:30 P.M.

**PLACE: The Retreat at Solterra
15260 W. Evans Avenue
Lakewood, Colorado 80228**

I. ADMINISTRATIVE MATTERS

A. Call to Order/Roll Call/Declaration of Quorum (Districts 1-3)

B. Present Disclosures of Potential Conflicts of Interest (Districts 1-3)

C. Confirm Posting of Meeting Notices (Districts 1-3)

II. APPROVAL OR AMENDMENT TO THE AGENDA (Districts 1-3)

III. PUBLIC COMMENT (Districts 1-3)

IV. CONSENT AGENDA

These items are considered to be routine and will be approved by one motion. There will be no separate discussion of these items unless requested by a Board member; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

1. Approval/Ratification of the payment of claims for the period ending October 2, 2019 (enclosure) – Pg. 4-5
2. Approval of the minutes of the August 19, 2019 Combined Special Meeting (enclosure) (Districts 1-3) – Pg. 6-13
3. Approval the minutes of the August 29, 2019 Special Meeting (District 1) (enclosure) – Pg. 14-15
4. Approval of the minutes of the September 12, 2019 Special Meeting (Districts 1-3) (enclosure) – Pg. 16-18

REGULAR AGENDA

V. LEGAL MATTERS

- A. TULIP Update – CRS (enclosure) – Pg. 19-22
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VI. FINANCIAL MATTERS

1. Update on 2020 Budget Development – Director McCleary (verbal)
2. Reserve Study Update – Director Waterman (enclosure) – Pg. 23

3. **Review Preliminary 2020 Maintenance Fee Presentation – Director Brown (handout)**
 4. **Approve Summary Financial Processes – CRS (enclosure) – Pg. 24-25**
 5. **Review Cash Position Statements Dated August 31, 2019 – CRS (enclosure) – Pg. 26-28**
 6. **Review District 1 Quarterly Financial Statements Dated June 30, 2019 – CRS (enclosure) – Pg. 29-33**
 7. **Explanation of Recurring Fees – Overlook (enclosure) – Pg. 34**
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VII. OPERATIONS AND MAINTENANCE MATTERS (District 1)

1. **Status of Retreat Manager Hiring Action – Director Waterman (verbal)**
 2. **Plans for Remaining 2019 Social Events – Social Committee (enclosure) – Pg. 35**
 3. **Landscape Update – Overlook (verbal)**
 4. **Retreat Patio Fireplace Status – Director Michelsen (enclosure) – Pg. 36**
 5. **Protective Netting for the Pool – Director Dominic (verbal)**
 6. **Engineering Update – Director Larson (verbal)**
 7. **Community Amenities Survey Proposal – Director McCleary (enclosure) – Pg. 37**
 8. **Status of the Solterra HOA – Overlook (verbal)**
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-
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VIII. ADJOURNMENT

THE NEXT REGULAR MEETING IS SCHEDULED FOR MONDAY, December 2, 2019

Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	10/3/2019
Vendor ID	First	Last	Checkbook ID	First
Vendor Name	First	Last		Last

Sorted By: Check Date

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
003068	CENTURY LINK	CenturyLink	10/3/2019	BBVA	PMCHK00000019	\$308.42
003069	IRELAND	Ireland Stapleton	10/3/2019	BBVA	PMCHK00000019	\$10,491.00
003070	OVERLOOK	Overlook Property Management,	10/3/2019	BBVA	PMCHK00000019	\$6,613.71
003071	SCHULTZ INDUSTR	Schultz Industries Inc.	10/3/2019	BBVA	PMCHK00000019	\$19,281.00
003072	SIMMONS	Simmons & Wheeler, P.C.	10/3/2019	BBVA	PMCHK00000019	\$504.52
Total Checks: 5						Total Amount of Checks: \$37,198.65

Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	7/31/2019
Vendor ID	First	Last	Checkbook ID	First
Vendor Name	First	Last		Last

Sorted By: Check Date

To Be Ratified

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
03034	AZTEC	Aztec Consultants Inc	7/31/2019	BBVA	PMCHK00000015	\$2,386.00
03036	MERRICK	Merrick	7/31/2019	BBVA	PMCHK00000015	\$23,603.53
03037	SOLITUDE	Solitude Lake Management	7/31/2019	BBVA	PMCHK00000015	\$2,422.50
03038	CABRALS MOBILE	Cabrals Mobile Powerwashing	8/19/2019	BBVA	PMCHK00000016	\$225.00
03039	COLORADO FIRE S	Colorado Fire Services	8/19/2019	BBVA	PMCHK00000016	\$302.53
03040	CRS	CRS of Colorado	8/19/2019	BBVA	PMCHK00000016	\$14,216.43
03041	DOUBLE A SECUR	Double A Security Inc.	8/19/2019	BBVA	PMCHK00000016	\$552.90
03042	MERRICK	Merrick	8/19/2019	BBVA	PMCHK00000016	\$1,131.45
03043	PRO SEC INTEGR	ProSec Integration LLC	8/19/2019	BBVA	PMCHK00000016	\$791.17
03044	SCHULTZ INDUSTR	Schultz Industries Inc.	8/19/2019	BBVA	PMCHK00000016	\$5,778.51
03045	SOLITUDE	Solitude Lake Management	8/19/2019	BBVA	PMCHK00000016	\$1,211.25
03046	VERIA TECH	Veria Technologies	8/19/2019	BBVA	PMCHK00000016	\$390.00
03047	WASTE MANAGEMEN	Waste Management	8/19/2019	BBVA	PMCHK00000016	\$197.99
03048	YMCA OF METRO	YMCA of Metropolitan Denver	8/19/2019	BBVA	PMCHK00000016	\$30,068.74
03049	CTL THOMPSON	CTL Thompson Incorporated	8/29/2019	BBVA	PMCHK00000017	\$900.00
003050	5280 DRY	5280 Drywall & Repairs, Inc. &	9/12/2019	BBVA	PMCHK00000018	\$6,155.60
003051	COLORADO FIRE S	Colorado Fire Services	9/12/2019	BBVA	PMCHK00000018	\$672.85
003052	CRS	CRS of Colorado	9/12/2019	BBVA	PMCHK00000018	\$8,249.00
003053	H DANG	Hung Dang	9/12/2019	BBVA	PMCHK00000018	\$45.77
003054	M MORANTEZ	Mario & Beverly Morantez	9/12/2019	BBVA	PMCHK00000018	\$72.23
003055	M COPELAND	Michael Gordon Copeland	9/12/2019	BBVA	PMCHK00000018	\$59.00
003056	OVERLOOK	Overlook Property Management,	9/12/2019	BBVA	PMCHK00000018	\$5,565.47
003057	PRO SEC INTEGR	ProSec Integration LLC	9/12/2019	BBVA	PMCHK00000018	\$1,400.00
003058	RLS	Radiant Lighting Services Inc	9/12/2019	BBVA	PMCHK00000018	\$102.82
003059	SCHULTZ INDUSTR	Schultz Industries Inc.	9/12/2019	BBVA	PMCHK00000018	\$27,227.00
003060	T WATERMAN	Tom Waterman	9/12/2019	BBVA	PMCHK00000018	\$360.78
003061	VERIA TECH	Veria Technologies	9/12/2019	BBVA	PMCHK00000018	\$195.00
003062	WASTE MANAGEMEN	Waste Management	9/12/2019	BBVA	PMCHK00000018	\$395.29

Total Checks: 28

Total Amount of Checks: \$134,678.81

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MINUTES OF THE COMBINED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF THE

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1 FOSSIL RIDGE METROPOLITAN DISTRICT NO. 2 FOSSIL RIDGE METROPOLITAN DISTRICT NO. 3

Held: Monday, August 19, 2019, 6:30 p.m., at The Retreat at Solterra, 15260 W. Evans Avenue, Lakewood, Colorado 80228

Attendance

The combined special meeting of the Boards of Directors of the Fossil Ridge Metropolitan District Nos. 1-3 was called and held at 6:30 p.m., as shown, in accordance with Colorado law. The following Directors were in attendance:

District 1:

Tom Waterman – President
Craig Brown – Vice President
Kim Hussey – Treasurer
Dave McGraw – Secretary
Terry Larson – Assistant Secretary

District 2:

Dave McGraw – President
Terry Larson – Vice President
Andrew Martin - Treasurer
Theodore Michelsen – Secretary
Tom Waterman – Assistant Secretary

District 3:

Craig Brown - President
Kim Hussey – Vice President
Mike McCleary – Treasurer
Aaron Hochstein – Assistant Secretary
Daniel Dominic – Secretary

Consultants:

Sue Blair, District Manager, Community Resource Services
Marcos Pacheco, District Manager, Community Resource Services
Jennie Heinze, Community Manager

Also present were:

Giovanni Forrest, YMCA
Pete & Marilou Hendel, Residents
Peggy Waterman, Resident
Lark Birdsong, Resident
Julie Brisson, Resident
Gary Greaser, Resident

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Leean McGraw, Resident
Tom Tancredo, Resident
Mark Osborne, Resident
Elaine Jones, Resident
Rod & Pat Brewster, Residents
Jenn Penn, Resident

Call to Order A quorum of the Boards was present, and the Directors confirmed their qualification to serve.

Approve Agenda The Boards reviewed the Agenda as amended by adding Item VII. H Social Committee Funding and Events.

- District 1: Director McGraw moved to approve the agenda as amended. Upon second by Director Waterman, a vote was taken and the motion carried unanimously.
- District 2: Director Larson moved to approve the agenda as amended. Upon second by Director Michelsen, a vote was taken and the motion carried unanimously.
- District 3: Director Brown moved to approve the agenda as amended. Upon second by Director McCleary, a vote was taken and the motion carried unanimously.

Public Comment There was none

Consent Agenda Consent Agenda Items 1 - 3

1. Approval of the payment of claims for the period ending July 31, 2019
2. Approve the combined minutes of the July 19, 2019 Special Meeting
3. Approve the minutes of the July 19, 2019 District 3 Special Meeting

- District 1: Director McGraw moved to approve items 1-2. Upon second by Director Waterman, a vote was taken and the motion carried unanimously.
- District 2: Director Larson moved to approve items 1-2. Upon second by Director Michelsen, a vote was taken and the motion carried unanimously.
- District 3: Director Brown moved to approve items 1-3. Upon second by Director McCleary, a vote was taken and the motion carried unanimously.

Legal Matters Adopt Resolution Establishing the 2020 Board Meeting Schedule: Director Waterman (D 1&2) updated the Boards as to why the meetings have been scheduled every 60 days and how this proposed schedule will help meet audit requirements.

- District 1: Director McGraw moved to adopt the Resolution as presented. Upon second by Director Waterman, a vote was taken and the motion

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carried unanimously.

- District 2: Director Michelsen moved to adopt the Resolution as presented. Upon second by Director Larson, a vote was taken and the motion carried unanimously.
- District 3: Director Brown moved to adopt the Resolution as presented. Upon second by Director McCleary, a vote was taken and the motion carried unanimously.

Adopt a Policy Resolution Establishing the Requirement for Periodic Rebidding of District Contracts: Director McCleary (D3) spoke to the Board and recommended that the Boards re-evaluate their contracts with major providers occasionally. The purpose is not to get new contractors but to make sure they work for the Districts' needs. Director Brown (D 1&3) added that he wants to know that the services that are being received are at reasonable price.

- District 1: Director Waterman moved to approve the Resolution as presented. Upon second by Director Larson, a vote was taken and the motion carried unanimously.
- District 2: Director Michelsen moved to approve the Resolution as presented. Upon second by Director Martin, a vote was taken and the motion carried unanimously.
- District 3: Director McCleary moved to approve the Resolution as presented. Upon second by Director Brown, a vote was taken and the motion carried unanimously.

Memorandum Regarding Insurance Options and 2020 Directors' Election – CRS: Ms. Blair spoke about the details of the memorandum and the liability coverage for events involving alcohol. She recommended keeping the District's liability limit where it is at. Ms. Blair also presented an option for event coverage known as TULIP. This program would allow the renter to purchase an insurance for their event. Ms. Heinze asked if this was needed or if we could rather just require individuals to get their own coverage. Director McCleary (D3) noted that everyone would be required to purchase insurance through this program. Director Waterman (D 1&2) added that with liquor being served, this would cover the District if a minor was served or if there was an over-inebriated attendee. Director Brown (D 1&3) told the Boards he would like to understand the terms and conditions more and would like to table this item until next meeting. CRS will provide additional information. Ms. Blair then spoke about the election and the process that will be followed, as well as deadlines that need to be met.

Financial Matters Resolve Final 2018 Audit Reports Bill: Director Hussey (D 1&3) reported to the Boards that Stratagem performed the audits and after they were completed, there was an overage realized. The total overage totaled \$4,800.00. Directors Hussey (D 1&3), Martin (D2), and McCleary (D3) all reviewed the overage and they

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recommend that the Districts split the difference with the auditor. The Districts will pay an additional \$2,400.00. Ms. Blair also offered to credit the Districts \$1,000.00 to help cover the overage.

- District 1: Director Watermen moved to approve the final 2018 audit report bill payment of \$2,400.00. Upon second by Director McGraw, a vote was taken and the motion carried unanimously.
- District 2: Director Michelsen moved to approve the final 2018 audit report bill payment of \$2,400.00. Upon second by Director Larson, a vote was taken and the motion carried unanimously.
- District 3: Director Dominic moved to approve the final 2018 audit report bill payment of \$2,400.00. Upon second by Director Hochstein, a vote was taken and the motion carried unanimously.

Update on 2020 Budget Development: Director McCleary (D3) spoke and let the Boards know they do not have a draft yet. Last week they met to begin the process. All final numbers will be submitted to CRS by August 30th. Right now, the District is on track to present a draft budget pursuant to statute.

Reserve Study Update – Overlook Management: Ms. Heinze reported that an email has been sent to Aspen Reserves stating they were out of contractual obligation with the District to which there has been no response. Ms. Heinze also called and spoke to a receptionist that informed Ms. Heinze the reserve study was almost complete. Director Brown (D 1&3) asked if there is a timeline impacted by not having a timely product. Director McGraw (D 1&2) asked if the budget numbers will change since they don't have this information. Ms. Heinze responded that she will follow up with Aspen Reserves.

Confirm Scheduled Special Meeting – September 23, 2019 re: 2020 Budget: This meeting was confirmed.

Operations and Maintenance Matters (D1)

Engineering Update: Director Larson (D 1&2) reported on the District's engineering activities. He met with Brookfield management in early July for an update and is still tracking the progress. The IDES contract has been terminated. Alameda Parkway still needs work. On Macintyre, they continue to work on the median and tree line. On Yale Ave., the Districts engineer is working with CTL Thompson and Nelson Pipeline to work on the box culvert. Also, Nelson Pipeline has filed a formal letter requesting retainage. The District is working on a response. Orchard Park – there has been no activity and they are still moving towards final acceptance. The City agreed to allow Cardel to plant 5 new trees. Brookfield is working hard to get an acceptance from the City and the District will be walking the area before this happens. The landscape committee will be involved as well. There has been no decision for the liner for the water feature. The liner that was

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picked out will not work. The specs for the liner were requested by Director McGraw (D 1&2). Director Larson (D 1&2) met with Solitude Pond Management to see if they had any suggestions. They will evaluate and report back with recommendations. Filing 14, the concrete has been completed and they have been performing asphalt repairs. The District's issues have not been addressed in that area. Filing 15, Directors Larson (D 1&2), Michelsen (D2), and Dominic (D3) have walked the area to inspect the landscaping and concrete. Filing 16, the north side has been walked and there have been agreements on what needs to be done. The south side still has issues. They cut off the irrigation due to a break in the main feeder line. When replaced, it was never turned back on. Filing 17, Brookfield infrastructure has been completed and the City has granted 10 home permits. Ballot Question 200 limits residential growth by way of new build units. The City does not know how they will enforce this. Director Waterman (D 1&2) asked how this will affect buildout to which there was no immediate answer.

Retreat Manager Update – YMCA: Ms. Forrest reported that there will be interviews taking place in the next couple of weeks for a manager. Also, there have been changes to the pool hours. Director Larson (D 1&2) asked if she will be part of the interview process and she answered yes. She also updated the Board on the comparison of cleaning companies. Director Brown (D 1&2) asked if Dust Busters provided the same crews regularly and she answered yes. Dust Busters is \$150.00 per week plus post event cleaning. Director McCleary (D3) requested that Ms. Forrest confirm that the insurance provided by Dust Busters met the requirements set forth by the District. Ms. Forrest also spoke about Handyman Service. Director Waterman (D 1&2) asked how they would retain his services. She responded by saying that they retain his services on a monthly basis. Director McGraw (D 1&2) suggested that they get a handyman in there to create a checklist then evaluate.

- Director Hussey (D 1&3) moved that the Board direct YMCA to change the cleaning company to Dust Busters. Upon second by Director McGraw (D 1&2), a vote was taken and the motion carried unanimously.
- Director Hussey (D 1&3) moved that the District come up with a list of items that needed repair and then hire a handyman to repair these items, with the total amount of time spent not to exceed 16 hours. Upon second by Director Brown (D 1&3), a vote was taken and the motion carried unanimously.

The access control was discussed. Director McGraw (D 1&2) wants to talk about who is allowed in the building and when. This is a discussion point as we move forward in the budget process for 2020. Director Waterman (D 1&2) spoke about the sign proposal that was included. He feels this is too expensive for what is needed. Ms. Forrest will present more sign proposals at the October 7th meeting.

Retreat/Pool Repair Update: Ms. Heinze spoke about the patio fireplace and let everyone know that the building is safe and that they now know where the line is

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and where it feeds from. The gas has been shut off to the fireplace. The proposal presented included a match light option. She also reported that she will continue to gather additional proposals. Director McGraw (D 1&2) told the Board he would like an additional set of eyes on this project and he would like another opinion. The Board tabled this item until the next meeting.

Parking Lot Repave and Restripe: Director Michelsen (D2) spoke and let the Boards know that he had received 3 bids for the same scope of work. The lowest bid that came in was from Foothills Paving. They performed the work and did a great job.

Protective Netting for the Pool: Director Dominic (D3) told the Boards that he has spoken with numerous companies for the protective netting over the pool. He is waiting for quotes back. He has also reached out to cruise lines and has sent some measurements over that can be used for quoting purposes. The current anchors on the pool can be used for the netting and the training can be performed. Director Dominic will continue to gather and provide further information on this matter.

Landscape Update: Ms. Heinze spoke and let the Boards know that if the Schultz proposal gets approved, they would be over budget. The District's landscaper told the Boards that the areas that require hydroseed will require a large amount of water. He recommended certain timelines of watering and seeding. The irrigation in the area came into question. Chris said that he has seen it himself and it is good to go. If not, he will take care of it and it would take no more than half of a day.

Director Larson (D 1&2) moved that the Board approve the Schultz proposal using the existing funds, as they were presented tonight. Upon second by Director Hussey (D 1&3), a vote was taken and the motion carried unanimously.

The well maintained areas need to be mowed again and Chris suggested that we communicate the mowing with the community. He will get back with the Boards with a recommendation.

Retreat Use Proposal: Director Waterman (D 1&2) reported that he, along with committee members, will be looking into neighboring facilities in an effort to see what they charge for similar services. He also wants to evaluate the YMCA contract for 2020.

Community Survey Proposal: Director McGraw (D 1&2) commented on the proposed use of a community survey. He would like the survey completed in an effort to provide the Boards with information surrounding facilities within the District. He would like to form a committee that would be responsible for rolling out this project. Director Larson (D 1&2) noted that he does not feel another committee is needed for this survey and that one of the standing committees would be better suited to do so. Director Hussey (D 1&3) asked when this committee

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would form. The answer was the end of September. It was suggested that this item can wait until next year.

Retreat/Pool Prioritized Maintenance Requirements: Elaine Jones spoke about the list that was created. With the current budget, they can complete most of it. The lights in the pool will need to be replaced. There is not money currently in the budget for these lights and she also noted to replace these lights, it would be costly. Ms. Jones noted that they can wait on the lights until spring of 2020.

Social Committee Funding and Events: Director Waterman (D 1&2) opened up this discussion by saying they are going to add a line item to the budget for this committee. He thinks the District has failed to include the entire community in past events. He would like to look at all the events on an event-by-event basis and present these to the Board letting the Directors know who is in charge of each event. He would like to support the community on their needs. There is an event known as Rocktober Fest and he asked Jenn Penn to present this topic. Ms. Penn thanked the Board and apologized for not being at the last meeting. She agreed that this committee is needed and said there are several individuals that are committed to these events. Rocktober Fest is already reserved and she would like to receive approval to move forward with this family friendly event. Director McGraw (D 1&2) said that with family friendly events, parents need to be available and willing to get involved and help out, as needed. Director McCleary (D3) suggested that we circulate a communication that informs the community that while we are looking for participation, we are also looking for staffing for each event. Director Waterman (D 1&3) recommends providing tentative approval for the Rocktober Fest event, contingent upon Ms. Penn providing the required information to Director Waterman, as requested via email.

Adjournment

There being no further business to be brought before the Boards, the meeting was adjourned at 9:21 p.m.

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THESE MINUTES ARE APPROVED AS THE OFFICIAL AUGUST 19, 2019 MINUTES OF THE FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1 BY THE BOARD OF DIRECTORS SIGNING BELOW:

Tom Waterman

Craig Brown

Dave McGraw

Kim Hussey

Terry Larson

THESE MINUTES ARE APPROVED AS THE OFFICIAL AUGUST 19, 2019 MINUTES OF THE FOSSIL RIDGE METROPOLITAN DISTRICT NO. 2 BY THE BOARD OF DIRECTORS SIGNING BELOW:

Dave McGraw

Terry Larson

Andrew Martin

Theodore Michelsen

Tom Waterman

THESE MINUTES ARE APPROVED AS THE OFFICIAL AUGUST 19, 2019 MINUTES OF THE FOSSIL RIDGE METROPOLITAN DISTRICT NO. 3 BY THE BOARD OF DIRECTORS SIGNING BELOW:

Craig Brown

Kim Hussey

Mike McCleary

Aaron Hochstein

Daniel Dominic

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MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1

Held: Thursday, August 29, 2019, 3:00 p.m.,
at The Retreat at Solterra, 15260 W. Evans Avenue, Lakewood, Colorado 80228

Attendance The special meeting of the Board of Directors of the Fossil Ridge Metropolitan District No. 1 was called and held at 5:30 p.m., as shown, in accordance with Colorado law. The following Directors were in attendance:

Tom Waterman
Dave McGraw
Terry Larson
Kim Hussey (via teleconference)
Craig Brown (via teleconference)

Consultants:

Sue Blair, District Manager, Community Resource Services
Emily Powell, Attorney, Ireland Stapleton (via teleconference)

Call to Order A quorum of the Board was present, and the Directors confirmed their qualification to serve.

Resolution Imposing One-Time Fee Ms. Powell reviewed the draft Resolution with the Board. The total cost to repair the Access Gate is estimated at \$13,741.35, or \$1,057.03 per homeowner. A one-time Gate Repair Fee in the amount of \$1,057.03 will be imposed upon the 13 properties located within the Gated Community. After discussion, the Board requested that Overlook prepare invoices to these property owners on or before September 6, 2019, with a due date on the invoice of October 7, 2019. Director McGraw moved that the Board approve the Resolution as modified. Upon second by Director Brown, vote was taken and motion carried unanimously.

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Adjournment

There being no further business to be brought before the Boards, the meeting was adjourned at 3:12 p.m.

Respectfully submitted,

Secretary of the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL AUGUST 29, 2019 MINUTES OF THE FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1 BY THE BOARD OF DIRECTORS SIGNING BELOW:

Tom Waterman

Dave McGraw

Terry Larson

Kim Hussey

Craig Brown

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MINUTES OF THE COMBINED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF THE

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1 FOSSIL RIDGE METROPOLITAN DISTRICT NO. 2 FOSSIL RIDGE METROPOLITAN DISTRICT NO. 3

Held: Thursday, September 12, 2019, at 7:00 p.m., at The Retreat at Solterra, 15260 W. Evans Avenue,
Lakewood, Colorado 80228

Attendance

The combined special meeting of the Boards of Directors of the Fossil Ridge Metropolitan District Nos. 1-3 was called and held at 7:00 p.m., as shown, in accordance with Colorado law. The following Directors were in attendance:

District 1:

Tom Waterman – President
Craig Brown – Vice President
Kim Hussey – Treasurer
Dave McGraw – Secretary
Terry Larson – Assistant Secretary

District 2:

Dave McGraw – President
Terry Larson – Vice President
Andrew Martin - Treasurer
Theodore Michelsen – Secretary
Tom Waterman – Assistant Secretary

District 3:

Craig Brown - President
Kim Hussey – Vice President
Mike McCleary – Treasurer
Aaron Hochstein – Assistant Secretary
Daniel Dominic – Secretary

Consultant:

Dino A. Ross, Esq.; Ireland Stapleton

Call to Order

A quorum of the Boards was present, and the Directors confirmed their qualification to serve. No conflicts of interest were identified. The posting of the special meeting notice was confirmed on Solterra-Connect.

Executive Session

The Boards moved to enter into Executive Session at 7:05 p.m. pursuant to C.R.S. 24-6-402(4)(b) to consult with and receive advice from legal counsel regarding district property responsibilities:

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- District 1: Director McGraw moved to enter into Executive Session. Upon second by Director Waterman, a vote was taken and the motion carried unanimously.
- District 2: Director Michelsen moved to enter into Executive Session. Upon second by Director Martin, a vote was taken and the motion carried unanimously.
- District 3: Director Dominic moved to enter into Executive Session. Upon second by Director Hussey, a vote was taken and the motion carried unanimously.

Reconvene into General Session

At 8:25 p.m., the Boards reconvened into General Session.

Adjournment

There being no further business to be brought before the District Boards, the meeting was adjourned at 8:25 p.m.

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THESE MINUTES ARE APPROVED AS THE OFFICIAL SEPTEMBER 12, 2019 MINUTES OF THE FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1 BY THE BOARD OF DIRECTORS SIGNING BELOW:

Tom Waterman

Craig Brown

Dave McGraw

Kim Hussey

Terry Larson

THESE MINUTES ARE APPROVED AS THE OFFICIAL SEPTEMBER 12, 2019 MINUTES OF THE FOSSIL RIDGE METROPOLITAN DISTRICT NO. 2 BY THE BOARD OF DIRECTORS SIGNING BELOW:

Dave McGraw

Terry Larson

Andrew Martin

Theodore Michelsen

Tom Waterman

THESE MINUTES ARE APPROVED AS THE OFFICIAL SEPTEMBER 12, 2019 MINUTES OF THE FOSSIL RIDGE METROPOLITAN DISTRICT NO. 3 BY THE BOARD OF DIRECTORS SIGNING BELOW:

Craig Brown

Kim Hussey

Mike McCleary

Aaron Hochstein

Daniel Dominic

What is a TULIP?

Tenant Users Liability Insurance Protection is coverage for tenants of venues who require short term coverage for events which cannot be covered under their current insurance or for which they have no other coverage.

Unlike a Special Event policy, the TULIP is liability coverage written for users of a specific facility. It allows the owner to offer coverage for short term users of their facilities to fulfill the contractual insurance requirements of the venue owner.

The policy is issued in the name of “(Name of Venue) Tenant Users”. The individual tenant users are the insureds and the venue is included as an additional insured. The venue is responsible for the event reporting and premium payment to the agent on behalf of the tenant users.

Coverage Highlights

- Policy limits apply separately for each tenant user.
- Policy specifically designed to meet the contractual insurance requirement in the facility rental agreement.
- Minimum premium for tenant users is \$100 – lower than a mono-line special event policy.
- Host liquor liability coverage included – primary liquor liability available for qualified tenant users.
- Rates are based on number of attendees and number of days of the events
- Minimum premium for a TULIP policy is \$2,000 – this is a working deposit. Events reported will be deducted from the deposit until event premiums exceed deposit. At that time, the additional premium will be invoiced. The \$2,000 deposit is fully earned.
- Monthly reporting is due to PHL by the 15th of every month for the prior month’s events. Reports should be sent to TULIPreports@phly.com.

TENANT USERS LIABILITY INSURANCE PROTECTION NON-SPORTING EVENT – HAZARD SCHEDULE

I. TENANT USERS

NON-SPORTS - SPECTATORS			
<p>Low Hazard: Amateur Club Meetings, Antique Shows, Art Festivals, Art Shows, Award Presentations, Banquets, Bazaars, Beauty Pageants, Business Meetings, Business Shows, Celebrations (Birthdays, Anniversaries, etc.), Charity Benefits, Auctions and Sales, Church Services and Meetings, Civic Clubs and Group Meetings, Consumer Shows, Conventions in Buildings, Craft Shows, Debuts, Debutante Balls, Educational Exhibitions, Electronics Conventions, Fashion Shows, Flower Shows, Garden Shows, Graduations, Harvest Festivals (no equipment), Home Shows, Job Fairs (indoor), Lectures, Luncheons, Meetings (indoor), Performances, Reunion (indoor), Séances, Scouting Jamborees (no overnight camping), Seminars, Speaking Engagements, Teleconferences, Telethons, Trade Shows (indoor), Vacation Shows, Voter Registrations, Wedding or Other Social Receptions</p>			
Events Lasting 1 - 4 Days		Events Lasting 5 or More Days	
1 – 1000 Attendees	<u>\$100 per day</u>	1 – 1000 Attendees	<u>\$300 per event</u>
1001 – 2500 Attendees	<u>\$200 per day</u>	1001 – 2500 Attendees	<u>\$350 per event</u>
2501 – 5000 Attendees	<u>\$250 per day</u>	2501 – 5000 Attendees	<u>\$400 per event</u>
5000+ Attendees	<u>Refer to Company</u>	5000+ Attendees	<u>Refer to Company</u>
<p>Medium Hazard: Bingo Games, Boat Shows (no water activity), Casinos, Clubs and Organizations, Evangelistic Meetings, Food Concessions, Job Fairs (outdoor), Meetings (outdoor), Mobile Home Shows, Museums / Aquariums, Old-Timer Events, Organized Sightseeing, Outings, Picnic Grounds (without pools or lakes), Political Rallies, Restaurants, Reunions (outdoor), Rummage Sales (excluding products), RV Shows, School Band Programs (non-traveling), Sidewalk Sales (excluding products), Swap Meets (excluding products), Trade Shows (outdoor), Union Meetings</p>			
Events Lasting 1 - 4 Days		Events Lasting 5 or More Days	
1 – 1000 Attendees	<u>\$200 per day</u>	1 – 1000 Attendees	<u>\$350 per event</u>
1001 – 2500 Attendees	<u>\$250 per day</u>	1001 – 2500 Attendees	<u>\$400 per event</u>
2501 – 5000 Attendees	<u>\$300 per day</u>	2501 – 5000 Attendees	<u>\$45 per event</u>
5000+ Attendees	<u>Refer to Company</u>	5000+ Attendees	<u>Refer to Company</u>

FRAUD STATEMENT AND SIGNATURE SECTIONS

The Undersigned states that he/she is an authorized representative of the Applicant and declares to the best of his/her knowledge and belief and after reasonable inquiry, that the statements set forth in this Application (and any attachments submitted with this Application) are true and complete and may be relied upon by Company * in quoting and issuing the policy. If any of the information in this Application changes prior to the effective date of the policy, the Applicant will notify the Company of such changes and the Company may modify or withdraw the quote or binder.

The signing of this Application does not bind the Company to offer, or the Applicant to purchase the policy.

*Company refers collectively to Philadelphia Indemnity Insurance Company and Tokio Marine Specialty Insurance Company

FRAUD NOTICE STATEMENTS

ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THAT PERSON TO CRIMINAL AND CIVIL PENALTIES (IN OREGON, THE AFOREMENTIONED ACTIONS MAY CONSTITUTE A FRAUDULENT INSURANCE ACT WHICH MAY BE A CRIME AND MAY SUBJECT THE PERSON TO PENALTIES). (IN NEW YORK, THE CIVIL PENALTY IS NOT TO EXCEED FIVE THOUSAND DOLLARS (\$5,000) AND THE STATED VALUE OF THE CLAIM FOR EACH SUCH VIOLATION). (NOT APPLICABLE IN AL, AR, AZ, CO, DC, FL, KS, LA, ME, MD, MN, NM, OK, RI, TN, VA, VT, WA AND WV).

APPLICABLE IN AL, AR, AZ, DC, LA, MD, NM, RI AND WV: ANY PERSON WHO KNOWINGLY (OR WILLFULLY IN MD) PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY (OR WILLFULLY IN MD) PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES OR CONFINEMENT IN PRISON.

APPLICABLE IN COLORADO: IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, DENIAL OF INSURANCE AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICYHOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICYHOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AGENCIES.

APPLICABLE IN FLORIDA AND OKLAHOMA: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF A FELONY (IN FL, A PERSON IS GUILTY OF A FELONY OF THE THIRD DEGREE).

APPLICABLE IN KANSAS: AN ACT COMMITTED BY ANY PERSON WHO, KNOWINGLY AND WITH INTENT TO DEFRAUD, PRESENTS, CAUSES TO BE PRESENTED OR PREPARES WITH KNOWLEDGE OR BELIEF THAT IT WILL BE PRESENTED TO OR BY AN INSURER, PURPORTED INSURER, BROKER OR ANY AGENT THEREOF, ANY WRITTEN, ELECTRONIC, ELECTRONIC IMPULSE, FACSIMILE, MAGNETIC, ORAL, OR TELEPHONIC COMMUNICATION OR STATEMENT AS PART OF, OR IN SUPPORT OF, AN APPLICATION FOR THE ISSUANCE OF, OR THE RATING OF AN INSURANCE POLICY FOR PERSONAL OR COMMERCIAL INSURANCE, OR A CLAIM FOR PAYMENT OR OTHER BENEFIT PURSUANT TO AN INSURANCE POLICY FOR COMMERCIAL OR PERSONAL INSURANCE WHICH SUCH PERSON KNOWS TO CONTAIN MATERIALLY FALSE INFORMATION CONCERNING ANY FACT MATERIAL THERETO; OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO.

APPLICABLE IN KENTUCKY: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSONS FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

APPLICABLE IN MAINE, TENNESSEE, VIRGINIA AND WASHINGTON: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

APPLICABLE IN NEW YORK: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SHALL BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATE VALUE OF THE CLAIM FOR EACH SUCH VIOLATION.

NAME (PLEASE PRINT/TYPE)

TITLE
(MUST BE SIGNED BY THE PRESIDENT, CHAIRMAN, CEO OR EXECUTIVE DIRECTOR)

SIGNATURE

DATE

SECTION TO BE COMPLETED BY THE PRODUCER/BROKER/AGENT

PRODUCER
(If this is a Florida Risk, Producer means Florida Licensed Agent)

AGENCY

PRODUCER LICENSE NUMBER
(If this a Florida Risk, Producer means Florida Licensed Agent)

ADDRESS (STREET, CITY, STATE, ZIP)

RESERVE STUDY 2019

<u>NUMBER</u>	<u>REPAIR REQUIRED</u>	<u>LIFE REMAINING</u>	<u>WORST CASE COST</u>
202	Wood repaint/stain patio pergola (Retreat)	0	\$7,000
207	Metal fencing repaint (Retreat)	0	\$8,800
207	Aluminum fencing repaint (gated area)	1	\$975
216	Retreat interior repainting	4	\$9,750
217	Stamped concrete pool & Retreat coat	0	\$50,875
217	Concrete surface pool & Retreat coat	0	\$4,325
307	Stucco inspect/repair (Retreat)	0	\$14,500
402	Asphalt (Orchard)	0	\$2,450
402	Asphalt (gated area)	0	\$8,050
403	Concrete partial (townhomes)	2	\$95,175
405	Stamped concrete parking lot crosswalk (Retreat)	2	\$62,900
407	Curbs/gutters repair (Orchard)	2	\$2,600
407	Curbs/gutters repair (gated area)	2	\$11,200
407	Drain pans/curb/gutters (Retreat)	2	\$5,200
601	Concrete flatwork partial (gated area)	2	\$7,500
601	Sidewalks	2	\$102,650
603	Flagstone caos (pool/wall near tower)	2	\$4,500
703	Water heater (Retreat)	4	\$5,600
808	Street signs	3	\$29,000
903	Security system replace	3	\$13,000
904	FOB system (entrance Retreat/fitness building)	2	\$4,500
906	Gate motors	4	\$16,000
1005	Stone columns	5	\$3,600
1110	Filter media (pool)	0	\$2,325
1111	Pool pumps	3	\$3,500
1111	Pool equipment	1	\$4,500
1113	Pool cover	3	\$12,350
1121	Pool furniture	0	\$20,000
1202	Tennis court recoat	3	\$8,000
1303	Tot lot ground cover	2	\$4,950
1307	Park furnishings	3	\$8,100
1308	Park furnishings (Lupine)	3	\$3,950
1416	Retreat office	3	\$8,500
9345	Retreat furniture	0	\$35,000
1501	Carpeting (bride room & chair room)	0	\$1,875
1505	Hardwood floor refinish (Retreat fitness center)	3	\$3,900
1603	Landscape lights	2	\$5,000
1701	Irrigation repairs	2	\$40,000
1703	Irrigation controllers	4	\$44,000
1705	Irrigation pumps	1	\$72,000
1707	Irrigation computer system	3	\$37,500
1809	Water feature dredge	0	\$400,000
1809	Pond aeration equipment	0	\$7,500
1811	Landscape drain swales	5	\$7,000
2030	Maintenance area access road	3	\$24,000

FOSSIL RIDGE METROPOLITAN DISTRICT NOS. 1-3

FINANCIAL PROCESSES

September 1, 2019

FINANCIAL STATEMENTS:

- Monthly financial statements will no longer be included in Board meeting packet.
- CRS will prepare and provide to the Finance Committee quarterly financial statements for review prior to inclusion into Board meeting packets.
- CRS will include the quarterly financial statements in Board meeting packets at the next regularly scheduled Board meeting for review/acceptance by the Board.
- CRS will provide a cash position statement at every regularly scheduled Board meeting.
- Cash position statements and accepted quarterly financial statements will be posted on the District's website after Board acceptance.

ACCOUNTS PAYABLE:

- CRS will process all accounts payable.
- Checks will be processed twice per month.
- All checks (including backup) will be provided to President of FRMD#1 and scanned to the Treasurer for each District for review and approval.
- Executed checks will be picked up by CRS staff for distribution.
- Paid invoice listings will be included in the regular Board Meeting packets for ratification by the Board.
- If applicable, a list of current invoices to be paid will be presented to the Board for approval at scheduled meetings.
- Overlook will provide invoices received and approved by Overlook to CRS via email.

Capital Project Invoices

- Invoices or pay applications are sent by contractors to District Engineer for review and approval.
- District Engineer to certify costs stating that the costs are related to the Public Improvements and are reasonable and have been verified (pursuant to Resolution of the Board Regarding Acceptance of District Eligible Costs).
- CRS and the District's engineer will develop a formal "certification" form.
- District Engineer forwards certification, invoices or pay applications to CRS accounting manager after review and approval for payment.
- CRS creates a spreadsheet of invoices due and attaches copies of invoices for submission to Brookfield requesting developer advance. List is sent to Melissa Little at Brookfield. CRS to confirm timing of developer advance payment and confirm receipt of wire transfer into ColoTrust account.
- Brookfield wires developer advance funds to District's ColoTrust account; transfers made to BBVA Bank as needed.

- Checks are processed for payment, accounts payable list is emailed to Tom Waterman for review, and checks are signed by the President or Treasurer of FRMD #1.
- Copies of checks, check register, and affidavit attesting that the listed checks were paid by CRS is emailed to Brookfield.
- Payment of claims is ratified by quorum of the Board at the next regular meeting.

BUDGET PROCESS:

- By the end of August, each Committee will provide to CRS funding requests for next year's budget.
- CRS/Overlook to prepare preliminary budget incorporating requests and other budget line items.
- A meeting will be scheduled for CRS/Overlook and the Finance Committee to review preliminary budget and develop a list of recommendations for the Boards to consider.
- Preliminary budget emailed to the Boards no later than October 15th (statutory deadline).
- The preliminary budget will not be available to the public until October 15th.
- Board to schedule a meeting for the community to comment on the budget.
- CRS/Overlook to meet with Finance Committee to finalize budget.
- Publication of Notice of Public Hearing to Adopt the Annual Budgets at the December Board meeting.
- Mill levies certified to the County no later than December 15th.
- Adopted budgets filed with DOLA no later than January 30 of following year.

FINANCE COMMITTEE RESPONSIBILITIES:

- Review of quarterly financial statements
- Review of annual audit
- Review of annual budget
- Research Projects, i.e., developer advances and certified costs

FOSSIL RIDGE METROPOLITAN DISTRICT #1
 CASH POSITION RECONCILED TO GENERAL LEDGER
 For the Eight Months Ended August 31, 2019

Account Activity Item Description	Citywide Checking	Citywide Savings	BBVA Checking	ColoTrust Plus*	ColoTrust Prime**	UMB Series 2010 136777.1&2	UMB Series 2010 136777.3	UMB Series 2010 136777.4	TOTAL ALL ACCOUNTS
BEGINNING BANK BALANCE PER BANK	\$ -	\$ -	\$ 374,584	\$ 5,784	\$ 242,025	\$ 2,953	\$ 830,564	\$ 885,731	\$ 2,341,641
YTD credits - Total deposits, wires and transfers	-	-	185,142	97	158,266	350,320	6,112	6,518	706,455
YTD debits - Total vouchers, wires and transfers	-	-	(356,417)	-	(172,948)	-	-	-	(529,365)
YTD balance	545,691	224,202	203,309	5,881	227,943	353,273	836,676	892,249	3,288,624
Less outstanding checks/deposits	-	-	(134,679)	-	-	-	-	-	(134,679)
Book Balance (ties to page 2)	545,691	224,202	68,630	5,881	227,943	353,273	836,676	892,249	3,153,945
Current payables	-	-	(37,199)	-	-	-	-	-	(37,199)
Current auto payments	-	-	-	-	-	-	-	-	-
Adjusted Balance	\$ 545,691	\$ 224,202	\$ 31,431	\$ 5,881	\$ 227,943	\$ 353,273	\$ 836,676	\$ 892,249	\$ 3,116,746

* Interest rate as of 8/31/19 = 2.27%
 ** Interest rate as of 8/31/19 = 2.28%

FOSSIL RIDGE METROPOLITAN DISTRICT #2
CASH POSITION RECONCILED TO GENERAL LEDGER
For the Eight Months Ended August 31, 2019

Account Activity Item Description	First Bank Checking	ColoTrust Plus*	TOTAL ALL ACCOUNTS
BEGINNING BANK BALANCE			
YTD credits - Total deposits, wires and transfers	\$ 27,885	\$ 379,903	\$ 407,788
YTD debits - Total vouchers, wires and transfers	(6,046)	865,836 (354,147)	865,836 (360,193)
YTD balance	21,839	891,592	913,431
Less outstanding checks/deposits	-	-	-
Book Balance (ties to page 2)	21,839	891,592	913,431
Current			
Current payables	-	-	-
Current auto payments	-	-	-
Adjusted Balance	\$ 21,839	\$ 891,592	\$ 913,431

* Interest rate as of 8/31/19 = 2.27%

FOSSIL RIDGE METROPOLITAN DISTRICT #3
CASH POSITION RECONCILED TO GENERAL LEDGER
For the Eight Months Ended August 31, 2019

Account Activity Item Description	First Bank Checking	ColoTrust Plus*	UMB Series 2014 142579.1	UMB Series 2014 142579.2	UMB Series 2016 145553.1	TOTAL ALL ACCOUNTS
BEGINNING BANK BALANCE	\$ 39,890	\$ 360,985	\$ 4,772	\$ 202,401	\$ 2,428	\$ 610,476
YTD credits - Total deposits, wires and transfers	(6,027)	1,430,221	227,317	1,797	356,200	2,015,535
YTD debits - Total vouchers, wires and transfers	33,863	(591,833)	(191,997)		(300,900)	(1,090,757)
YTD balance	33,863	1,199,373	40,092	204,198	57,728	1,535,254
Less outstanding checks/deposits	-	-				-
Book Balance (ties to page 2)	33,863	1,199,373	40,092	204,198	57,728	1,535,254
Current payables	-	-				-
Current auto payments	-	-				-
Adjusted Balance	\$ 33,863	\$ 1,199,373	\$ 40,092	\$ 204,198	\$ 57,728	\$ 1,535,254

* Interest rate as of 8/31/19 = 2.27%

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1

**FINANCIAL STATEMENTS
(Unaudited)**

June 30, 2019

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
June 30, 2019
Unaudited

	General	Debt Service	Capital Projects
<u>ASSETS</u>			
Current Assets			
Cash in Checking - BBVA	\$ 70,060		\$ 35,687
Cash in Checking - Citywide	524,006	-	-
Cash in Savings - Citywide	205,270	-	-
Cash in ColoTrust	-	5,858	224,827
Cash in UMB	-	2,082,198	-
Accounts receivable	7,802	-	-
Prepaid expenses	-	-	-
Total Current Assets	\$ 807,138	\$ 2,088,056	\$ 260,514
 <u>LIABILITIES AND FUND BALANCES</u>			
Current Liabilities			
Accounts payable	72,890		
Due to district	130,000	-	-
Pre-paid assessments	162,068	-	-
Total Current Liabilities	364,958	-	-
 Fund Balance			
Beginning fund balance	571,507	1,722,891	307,960
Net change in fund balance	(129,327)	365,165	(47,446)
Ending fund balance	442,180	2,088,056	260,514
Total Liabilities and Fund Balance	\$ 807,138	\$ 2,088,056	\$ 260,514

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
For the Six Months Ended June 30, 2019
Unaudited

	<u>YTD</u> <u>Actual</u>	<u>2019</u> <u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Percent</u> <u>of Budget</u> <u>(50% YTD)</u>
REVENUES				
Homeowner assessments	\$ 613,211	\$ 1,245,500	\$ (632,289)	49%
Sewer service fees	106,683	266,000	(159,317)	40%
Sewer operations fees	46,765	93,500	(46,735)	50%
Sewer administration fees	13,956	28,000	(14,044)	50%
Maintenance fee #1	5,561	4,000	1,561	139%
Maintenance fee #2	12,660	26,000	(13,340)	49%
Maintenance fee #3	16,220	34,000	(17,780)	48%
Amenity User fees	28,644	75,000	(46,356)	38%
Transfer from District #2	-	227,419	(227,419)	0%
Transfer from District #3	-	375,546	(375,546)	0%
Late and legal fees	6,468	-	6,468	-
Property taxes	-	-	-	-
Specific ownership taxes	-	-	-	-
Interest	1,376	5,000	(3,624)	28%
Total revenues	<u>851,544</u>	<u>2,379,965</u>	<u>(1,528,421)</u>	<u>36%</u>
EXPENDITURES				
Accounting	14,240	80,000	65,760	18%
Audit	16,056	13,000	(3,056)	124%
Dues and bank charges	1,251	-	(1,251)	-
Legal - general	92,757	60,000	(32,757)	155%
Legal - litigation	9,660	20,000	10,340	48%
Reserve study update	1,125	10,000	8,875	11%
Insurance	36,356	55,000	18,644	66%
District office administration	17,431	80,000	62,569	22%
Property management	61,032	53,000	(8,032)	115%
Website	-	5,000	5,000	0%
Grounds expenses	295,236	603,100	307,864	49%
Retreat expenses	102,245	316,890	214,645	32%
Sewer operations	167,345	387,500	220,155	43%
Utilities	53,637	210,800	157,163	25%
Transfer to R&R reserve fund	112,500	225,000	112,500	50%
Transfer to maintenance fee #2 reserve	-	40,000	40,000	0%
Transfer to maintenance fee #3 reserve	-	38,000	38,000	0%
Emergency reserve	-	71,399	71,399	0%
Total expenditures	<u>980,871</u>	<u>2,268,689</u>	<u>1,287,818</u>	<u>43%</u>
NET CHANGE IN FUND BALANCE	(129,327)	<u>\$ 111,276</u>	<u>\$ (240,603)</u>	
BEGINNING FUND BALANCE	<u>571,507</u>			
ENDING FUND BALANCE	<u>\$ 442,180</u>			

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
For the Six Months Ended June 30, 2019
Unaudited

	<u>YTD</u> <u>Actual</u>	<u>2018</u> <u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Percent</u> <u>of Budget</u> <u>(50% YTD)</u>
REVENUES				
Transfer from District #2	\$ -	\$ 258,638	\$ (258,638)	0%
Transfer from District #3	350,265	421,987	(71,722)	83%
Interest	14,900	-	14,900	-
Total revenues	<u>365,165</u>	<u>680,625</u>	<u>(315,460)</u>	<u>54%</u>
EXPENDITURES				
Bond principal - 2010 Series	-	90,000	(90,000)	0%
Bond interest - 2010 Series	-	583,625	(583,625)	0%
Trustee/paying agent fees	-	5,000	(5,000)	0%
Miscellaneous	-	2,000	(2,000)	0%
Total expenditures	<u>-</u>	<u>680,625</u>	<u>(680,625)</u>	<u>0%</u>
NET CHANGE IN FUND BALANCE	365,165	<u>\$ -</u>	<u>\$ 365,165</u>	
BEGINNING FUND BALANCE	<u>1,722,891</u>			
ENDING FUND BALANCE	<u><u>\$ 2,088,056</u></u>			

FOSSIL RIDGE METROPOLITAN DISTRICT NO. 1
CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
BUDGET AND ACTUAL
For the Six Months Ended June 30, 2019
Unaudited

	<u>YTD</u> <u>Actual</u>	<u>2019</u> <u>Budget</u>	<u>Variance</u> <u>Over</u> <u>(Under)</u>	<u>Percent</u> <u>of Budget</u> <u>(50% YTD)</u>
REVENUES				
Developer advances	\$ 59,592	\$ -	\$ 59,592	-
Development fees - single-family homes	-	13,600	(13,600)	0%
Development fees - townhomes	17,600	102,000	(84,400)	17%
Storm drainage fees - sing-family homes	-	2,000	(2,000)	0%
Storm drainage fees - townhomes	6,844	15,000	(8,156)	46%
Sewer fees	-	5,742	(5,742)	0%
Interest	-	500	(500)	0%
Conservation Trust Fund	1,286	3,200	(1,914)	40%
Miscellaneous	-	1,200	(1,200)	0%
Total revenues	<u>85,322</u>	<u>143,242</u>	<u>(57,920)</u>	<u>60%</u>
EXPENDITURES				
Accounting	-	3,000	3,000	0%
District engineer	111,055	100,000	(11,055)	111%
Capital expenditures	21,713	100,000	78,287	22%
Total expenditures	<u>132,768</u>	<u>203,000</u>	<u>70,232</u>	<u>65%</u>
NET CHANGE IN FUND BALANCE	(47,446)	<u>\$ (59,758)</u>	<u>\$ 12,312</u>	
BEGINNING FUND BALANCE	<u>307,960</u>			
ENDING FUND BALANCE	<u><u>\$ 260,514</u></u>			

IMPORTANT PAYMENT INFORMATION.

Every owner in the community belongs to the Solterra HOA and the Fossil Ridge Metropolitan District. In addition, some lots in the community are part of the Patio Home HOA, however, those payments are not handled by Overlook Property Management.

Overlook Property Management bills out the following payments:

The **Solterra HOA** is an Annual Assessment due on January 1st of each year. This Assessment includes trash removal and covenant control within your community. You will receive only 1 bill each year from the **Solterra HOA**.

The **Fossil Ridge Metro District #1** has a Quarterly District Fee. The District Fee is due at the beginning of each quarter (Jan 1, April 1, July 1 and Oct 1). The Quarterly District Fee includes all amenities for your community such as the pool, the Retreat, community flowers, community events, lighting, landscaping, etc. Maintenance Fees are also included in some quarterly assessments where agreements provide residents in certain areas with unique services. The **Fossil Ridge Metro District** also bills quarterly for the sewer charges on your individual lot. Sewer is billed in arrears and is billed in addition to the Quarterly District Fee. Sewer fees are due (May 1, Aug 1, Nov 1, and Feb 1 of the following year).

You receive a total of 8 bills per year from the Fossil Ridge Metro District (4 for the Quarterly District Fee and 4 for the Quarterly Sewer). All bills are tracked from the same ledger so if you have missed a payment or if your payment was late your bill will reflect a balance forward.

Your account numbers in our office are the same for both the Solterra HOA and the Fossil Ridge Metro District #1 as they are address based. Please note that the Solterra HOA and the Fossil Ridge Metropolitan District are completely separate and they have separate bank accounts. When making payments be sure to make your checks payable to the proper entity that you wish to pay.

Paylease is our online payment vendor. Paylease will assign you a separate account number for your online payments. Your Solterra Online Account number will start with S8 and your Fossil Ridge Online Account number will start with F1. If you would like to link these two accounts under the same email address please call our office and we would be happy to assist you. Otherwise, accounts can be set up separately by using different email addresses. Again, please be sure to consider which entity you want to pay before processing your payment.

Options to pay:

*Checks made payable to the correct entity: Solterra HOA and/or Fossil Ridge Metro

*ACH Auto Draft – Set up directly through Overlook Property Mgmt using a checking account. This is a free service

*Online Payments through Paylease (Please read the above information regarding Paylease Payment Processing) Paylease charges a service fee based on how you pay.

Solterra Holiday Party Plan:

December 7th, 2019, 10:00 am – 1:00 pm

Solterra Retreat

Family friendly event

Santa & Mrs. Claus – booked / reserved. Sending contract to YMCA early October.

Flippin Flap Jacks – reserved – they will charge per plate

Social committee members will be available for set up and clean up. Also seeking volunteers. We will have a confirmed list of social committee members and volunteers closer to the event.

	2018 actual	2019 budgeted	
Christmas Party	Santa & Mrs. Claus \$450.00	\$500.00	\$500
December 7th 10:00-1:00	Flippin' Flapjacks (only charged for what's used-- budgeted for 250 ppl) \$2,151	2,400	\$2,400
	Supplies, drinks, ice, decorations (if needed) \$474	\$300	\$300
	Retreat cleaning fee	\$150	\$150
2019 Budget			\$0
	Total	\$3,350.00	\$0.00
			\$3,350.00

Retreat Fireplace Update September 9, 2019

Great Room Fireplace

No major issues with the inside fireplace that a new timer switch will not cure (quick look at Home Depot website, cost \$10 to \$30 depending on type purchased), it is proposed that the new “handy man” will install. For the record, the issue is that the fireplace control system is low voltage and as the switches age, the contacts corrode and pit, which increases the resistance, which the low voltage cannot easily pass. It is no problem for 110 volt systems.

Patio Fireplace

- 1. Found out propane is not an option because it would be limited to very small tanks and it cannot be serviced by a propane company since we have Xcel gas on site (apparently State regulations).**
- 2. The company Gas Connection will provide estimates of some other options, such as a more contemporary glass rock filled fireplace or a fire pit (not a good recommendation due to open flame and very high gas usage). Which as of September 30, have not been received. I will follow up.**
- 3. Also found out that our current installation does not meet code and most likely did not at time of installation.**
- 4. The log set is badly broken and the burner has a very limited life left. There is no benefit in continued use at This point.**
- 5. All fireplace repair options will require the gas line be replaced (new one in the existing sleeve, hopefully) and the pipes from the gas line to the log set replaced with code compliant ones (which the current is not). A gas lines replacement is estimated to cost about \$4,000.**
- 6. The estimator strongly encouraged a hard on match lit ignition system due to reliability problems with electric ignition, also implied that electronic ignition could cost ~ \$2,000. He further indicated that most outdoor fireplaces use match lit because of the weather and dirt issues. Electronic ones are a major maintenance issue.**

FRMD Amenities Survey Proposal

As the Fossil Ridge Metro District/Solterra nears buildout completion, it is an opportune time to survey the community to obtain resident thoughts on how well the district's amenities are meeting our needs and desires. Solterra may have originally been envisioned as an empty nester community but has evolved into a vibrant mix of residents that run the gamut from mature to young families and includes a host of great kids. In recognition of these demographics, we are looking towards amenities that recognize this diversity of families and build towards creating community around our Retreat.

It is recognized that as they exist today, our facilities are largely designed to serve as an events center. As such, there are limitations on what can be done without significant and expensive redesign. However, there are certainly different options regarding what the Retreat is focused on and the kind of activities we hold there.

In order to solicit the ideas of the community, it is proposed that we form a Survey Committee composed of community volunteers who will solicit community ideas and recommendations. This committee would be asked to develop and distribute a survey to the community, tabulate the results, and prepare a report for the District Board's consideration. Clearly, not every recommendation will be doable, but a prioritized list of where the community would like to focus our time and resources will be valuable.

The starting point for this initiative is to find volunteers willing to develop and publicize this survey, capture the results, and present them to the FRMD boards.

Interested residents are requested to contact Ted Michelsen (frmd2tm@gmail.com), Dave McGraw (frmd2drm@gmail.com), or Daniel Dominic (frmd3dad@gmail.com).