

MINUTES OF THE COORDINATED
REGULAR MEETING OF
THE TIMNATH RANCH METROPOLITAN DISTRICT NOS. 1-4

HELD
November 9, 2022

The Boards of Directors of Timnath Ranch Metropolitan District Nos. 1-4 held a coordinated regular meeting, open to the public, via teleconference and in person at 6000 Summerfields Parkway, Timnath, Colorado 80547, at 5:30 p.m. on Wednesday, November 9, 2022.

ATTENDANCE

TIMNATH RANCH METROPOLITAN DISTRICT NOS. 1, 3& 4:

Jonathan A. Turner, President & Chairperson
Martha F. Turner, Vice Chair & Asst. Sec/Treasurer
Emily Kupec, Vice Chair & Asst. Sec/Treasurer
Christopher J. Frye, Vice Chair & Asst. Sec/Treasurer (Via Teleconference)

TIMNATH RANCH METROPOLITAN DISTRICT NO. 2:

Jonathan A. Turner, President & Chairperson
Scott Esplin, Vice Chair & Asst. Sec/Treasurer
Jason O'Hara, Vice Chair & Asst. Sec/Treasurer
Dustin Khaffaji, Vice Chair & Asst. Sec/Treasurer

Also in Attendance:

David O'Leary; Spencer Fane, LLP
Chad Walker, Elaina Cobb, Tracie Kaminski, Shannon Randazzo; Pinnacle Consulting Group Inc.
Kirsten Starman, Amanda Castle, Doug Campbell, Adam Brix and Christy McCutchen; Pinnacle Consulting Group Inc. (Via Teleconference)

COMBINED
MEETING

The Districts are meeting in a combined Board meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the Timnath Ranch Metropolitan District No 1, with concurrence by the Timnath Ranch Metropolitan District Nos. 2, 3, and 4.

CALL TO ORDER

The Coordinated Regular Meeting of the Board of Directors of Timnath Ranch Metropolitan District Nos. 1, 2, 3, and 4 was called to order at 5:34 p.m. by Mr. O'Leary, noting that a quorum was present. All Board Members confirmed their qualification to serve on the Boards. Board members and District staff introduced themselves.

CONFLICT OF INTEREST DISCLOSURE

Mr. O’Leary stated notices of potential conflicts of interest for Directors J. Turner, M. Turner, Kupec, and Frye were filed, disclosing potential conflicts as these Board Members are employees or affiliated with Timnath Ranch, LLC, and its predecessor entity, and its heirs, successors, affiliates, and assigns, the primary landowners and developer within the Districts. Mr. O’Leary advised the Boards that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Boards reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Board Members determined that the participation of the members’ present was necessary to obtain a quorum or otherwise enable the Boards to act.

APPROVAL OF AGENDA

The Boards reviewed the agenda. Upon a motion duly made by Director J. Turner seconded by Director E. Kupec, and upon vote, unanimously carried, it was

RESOLVED to approve the agenda, as amended to change the language of item:

III. F. Review and Consider Ratification of 2021 Audit for Timnath Ranch Metropolitan District Nos. 1, 2 & 4.

FURTHER RESOLVED to remove items:

IV. A. Consider Approval of Capital Costs Acceptance and Improvement Acquisition for and Expenses for the Districts.

IV. B. Review and Consider Approval of a Resolution of the Districts to Reimburse Capital Public Improvement Costs and Expenses and Updates to the District Capital Notes.

PUBLIC COMMENT

The Board opened the meeting to public comments. Ms. Cobb read aloud an email she was provided from Ron Murphy at 5831 LuLu City Drive who were unable to attend the meeting requesting approval to add a fence extension to their currently installed fence which includes a removable mesh extension. After discussion, it was the consensus of the Board to allow the District to provide a variance and approve the mesh fence extension as currently installed but denied any other modifications or the installation of a permanent fence extension.

There were no other public comments, and this portion of the meeting was closed.

CONSENT
AGENDA
ITEMS

The Boards considered the following consent agenda items:

- A. Review and Approval of Minutes – November 10, 2021, and May 13, 2022.
- B. Consider Ratification of Claims Presented for Payment.
- C. Ratification of Contracts and Contract Modifications.

Upon a motion duly made by Director J. Turner, seconded by Director E. Kupec, and upon vote, unanimously carried, it was

RESOLVED to approve and ratify the consent agenda items.

FINANCIAL ITEMS

Unaudited Financial Statements: Ms. Kaminski reviewed the unaudited financial statements ending September 30, 2022. Upon a motion duly made by Director J. Turner, seconded by Director E. Kupec, and upon vote, unanimously carried, it was

RESOLVED to accept the September 30, 2022 Unaudited Financial Statements as presented.

District Nos. 1, 2 and 4 Audits and District No. 3 Audit Exemption: Ms. Kaminski requested ratification of the 2021 Financial Audits for District Nos. 1, 2 and 4 and 2021 Audit Exemption for District No. 3. Upon a motion duly made by Director J. Turner, seconded by Director Kupec, and upon vote, it was unanimously

RESOLVED to ratify the 2021 Financial Audits for District Nos. 1, 2 and 4 and the 2021 Financial Audit Exemption for District No. 3.

Amendments to District fee Resolution: Ms. Kaminski presented the Amended district Fee Resolution effective January 1, 2023 for the Board consideration. The board discussed reducing the Operations and Maintenance fee to \$700 and gradually increasing it by \$50 each year after to the cap of \$1,000. Upon a motion duly made by Director J. Turner, seconded by Director Kupec, and upon vote, unanimously carried, it was

RESOLVED to approve the Amended District Fee Resolution effective January 1, 2023, and to include the revised Operations and Maintenance fee of \$700.

Approval of 2022 Auditor: Ms. Kaminski requested approval to engage an auditing firm to perform the 2022 Financial Audits for District Nos. 1, 2 and 4. Upon a motion duly made by E. Kupec, seconded by Director C. Frye, and upon vote, it was unanimously

RESOLVED to approve the engagement of an auditing firm for the 2022 Financial Audits for District Nos. 1, 2 and 4.

LEGAL ITEMS

Intergovernmental Agreement Between the District and the Town of Timnath Regarding Non-Potable Water Service: Mr. O’Leary explained that this agreement is between the District and the town of Timnath for non-potable water services. Upon a motion duly made by Director J. Turner seconded by Director Kupec, and upon vote, it was unanimously

RESOLVED to approve the Intergovernmental Agreement Between the District and the Town of Timnath Regarding Non-Potable Water Service. Mr. O’Leary will prepare the necessary documents for this asset transaction for District No. 1 Board signatures.

Service Plan Amendment for the Districts with the Town of Timnath: Mr. O’Leary provided the Boards an update on the Service Plan Amendment for the Districts with the Town of Timnath and answered questions.

2023 Annual Administrative Matters Resolution: Mr. O’ Leary presented the 2023 Annual Administrative Matters Resolution; noting that it outlines the operations of the Districts, directs District’s legal counsel and consultants in their management of the Districts and directs them to make all necessary filings. It designates the Coloradoan as the newspaper of choice for public notifications, it identifies the district’s website as the posting locations, appoints the officers of the Districts, excludes Board Member worker’s compensation, and ratifies all actions by the Board. The Resolution also addresses general compliance items required by law. Upon a motion duly made by Director J. Turner, and seconded by Director Kupec, it was unanimously

RESOLVED to approve the 2023 Annual Administrative Matters Resolution, as presented.

2023 Election Resolutions: Mr. O’Leary presented the Election Resolution for District Nos. 1-4. Upon a motion duly made by Director J. Turner, seconded by Director Kupec, and upon vote, unanimously carried, it was

RESOLVED to approve the 2023 Elections Resolutions as presented.

DISTRICT
MANAGEMENT
ITEMS

Manager’s Report: Ms. Cobb presented the Manager’s report to the Boards and answered questions.

NISP-CLP-480 System Required Easements: Mr. Walker explained that the district received a letter from Northern Colorado Water Conservancy District regarding upcoming requests for property easements. At this time, a legal description and location of these easements has not been identified.

2023 Operations and Maintenance: The Boards discussed the approval of the 2023 Operations and Maintenance Service Agreements as approved by the adoption of the District No. 1 Budget and the appropriation of funds for 2023. The services providers slated for the 2023 services are as follows:

1. A&B Pool Services
2. Affordable Pest Control (APC)
3. Amans Painting
4. Fiske Electric
5. Pryor Plumbing and Heating
6. Ramey Environmental
7. Star Playgrounds
8. SV Clean
9. SWPPP

Upon motion duly made by Director J. Tuner, seconded by Director Kupec, and upon vote, it was unanimously

RESOLVED for District No. 1 to approve the 2023 Operations and Maintenance Service Agreements per the 2023 approved District No. 1 budget appropriations.

The board requested that Pinnacle validate Mill Brothers costs against Wild Wing and Timnath South Metropolitan Districts prior to approving their 2023 service agreement.

2023 PROPOSED
BUDGET HEARING

Upon motion by Director J. Turner, seconded by Director Kupec and unanimously carried, the Board opened the 2023 Budget Hearing to the public. The Board reviewed the 2023 budgets, which detailed estimated revenues and expenditures for each District in a coordinated, consolidated budget with the following mill levies and fees that are to be assessed and collected in 2023 for each District. The Board reviewed the District No. 1 budget line by line and discussed the operational plan for 2023. After discussion, the Boards considered the following revenue and expenditures for each District:

District No. 1:
Mill levy is 50.405 mills.
General Fund Expenditures \$1,274,782
Capital Fund Expenditures \$8,372,018

District No. 2:
Mill levy is 51.339 mills.
General Fund Expenditures \$1,167,280

District No. 3:
Mill levy is 35 mills

General Fund Expenditures \$17,231
Debt Service Fund Expenditures \$2

District No. 4:
Mill levy is 35 mills
General Fund Expenditures \$50,772
Debt Service Fund Expenditures \$1,128,811

Upon motion duly made by Director J. Turner, seconded by Director Kupec, and unanimously carried, the public hearing portion of the meeting was closed. After further review and discussion, and upon motion duly made by Director J. Turner, seconded by Director Kupec, and upon vote, it was unanimously

RESOLVED to approve the Resolutions to Adopt the 2023 Budgets, set the mill levies at 50.405 mills for District No. 1, 51.339 mills for District No. 2 and 35.000 mills for District Nos. 3 and 4, appropriate budgeted funds upon final certification of value being received by Larimer county on or before December 10, 2022, and approve all other documents related to the 2023 budgets and authorize such further actions of the officers of the Districts necessary to sign related documents for filing the 2023 Budget documents. The District Finance Manager is authorized to make minor modifications that may be necessary following receipt of final assessed values.


DEVELOPMENT
UPDATE

Director J. Turner provided an update on the development and answered questions.

ADJOURNMENT

There being no further business to come before the Boards at this time, the meeting was adjourned at 7:02 p.m.

Respectfully submitted,



For Shannon Randazzo,
Secretary for the Meeting