

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
WILLOW SPRINGS RANCH METROPOLITAN DISTRICT
HELD THURSDAY, NOVEMBER 14, 2024
AT 9:00 AM**

Pursuant to posted notice, the regular meeting of the Board of Directors of the Willow Springs Ranch Metropolitan District was held on Thursday, November 14, 2024 at 9:00 a.m. at 300 CO-105, Monument, CO via teleconference/Zoom.

In attendance were Directors:

Dan Brown, President
Bridget Myers, Secretary/Treasurer
Tim McConnell, Assistant Secretary
Dana Tucker, Director
Joel Hendrickson, Director

Also in attendance were:

Sean Allen, White Bear Ankele Tanaka & Waldron, by Zoom
Lori VonFeldt

1. Call to Order:

The meeting was called to order at 9:13 a.m.

Declaration of Quorum/Director Qualifications/Disclosure Matters:

Ms. VonFeldt indicated that a quorum of the Board was present. Each Director confirmed his/her District eligible elector status to serve on the Board. Ms. VonFeldt noted that the Directors' disclosures of conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board and no additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting were noted. The Board determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

2. Approval of the Agenda:

The Board approved the agenda.

3. Approval of Meeting Minutes from 9/19/2024:

Director Henderson moved to approve the minutes from September 19, 2024, meeting; seconded by President Brown. Motion passed unanimously.

4. Public Improvement Construction Development Update:

The public improvement update was given during the 11/14/24 annual meeting held immediately prior to this meeting.

5. Financial:

a. Review and approval of Payables:

Ms. VonFeldt presented the payables to the Board. The Board briefly discussed the Mountain View Electric invoices and President Brown indicated that he would be talking

to the Town of Monument later regarding their responsibilities as it ties into the improvements for Filing 2. Director Hendrickson moved to approve the payables; seconded by President Brown. Motion passed unanimously.

- b. Review and approval of unaudited Financial Statements as of 10/31/2024:
Ms. VonFeldt presented unaudited Financial Statements as of 10/31/2024. Director McConnell moved to approve the unaudited Financial Statements as of October 31, 2024; seconded by President Brown. Motion passed unanimously.
- c. 2024 Budget Amendment Hearing; Discussion and Resolution for Budget Amendment Approval:
Ms. VonFeldt explained the need for the budget amendment relative to the debt fund and capital fund. President Brown opened the 2024 Budget Amendment Hearing. There being no comments, President Brown closed the hearing. There being no further discussion President Brown moved to approve the 2024 Budget Amendment Resolution as discussed, seconded by Director Tucker. Motion passed unanimously.
- d. 2024 New Law Limitation on Operations and Maintenance Mill Levy Revenue to 5.25% Per Year Starting with 2025 Mill Levy Collected in 2026 Budget Year (2024 O&M Mill Levy Collected in 2025 Established Base Year 2025 Revenue and 2026 Budget O&M Revenue is Limited to 2025 O&M Revenue Plus 5.25%):
Mr. Allen explained that there is a new state law that limits the District's annual general fund property tax revenue growth to 5.25% and noted that future budgets and mill levy impositions will need to account for the limitation.
- e. 2025 Budget Hearing; Discussion and Resolution Approval:
President Brown opened the budget hearing. There being no public comments, President Brown closed the hearing. Ms. VonFeldt explained, because of the 2024 Bond Refinance, the Mill Levy is no longer calculated the same as prior years. The mill for the General fund will be calculated for the required amount of mill to reach the \$110K/year (plus 1% inflator annually starting in 2026) and the rest will be applied to the Debt Service fund. Ms. VonFeldt asked about the director election cycle in 2025, and the possible costs associated with a director election. Mr. Allen indicated that contested director election costs typically have ranged from \$12,000 to over \$20,000 depending on the community size/number of homes and voters. Mr. Allen asked about public improvement of property within the district that may need to be added for property insurance coverage noting that adding property to the insurance does increase the annual premium. President Brown stated that no additional public improvements have been turned over to District yet to require a change in the property insurance coverage. Ms. VonFeldt continued to discuss the line items in each fund for the Board. After a brief discussion, Director Tucker moved to adopt the 2025 Budget as discussed: seconded by President Brown. Motion passed unanimously.
- f. 2024 Auditor:
Ms. VonFeldt stated that she received the engagement letter from BiggsKofford (included in the meeting packet) for the 2024 audit. Director Hendrickson moved to retain BiggsKofford for the 2024 audit: seconded by President Brown. Motion passed unanimously.

6. Other Business:

- a. HB24-1267 Limitations on Covenant Enforcement Actions: Resolution Regarding Policies, Procedures and Penalties for the Enforcement of Governing Documents; Revision of the November 2023 Restated Design Guidelines as Needed for HB24-1267 Compliance; Acknowledgement of Unenforceable Provisions in 2021 Declarations due to Subsequent Legislative Changes:

Mr. Allen explained the recent changes in law regarding enforcement of governing documents for fines and collecting fines, therefore the need to update the district's resolution to be compliant and current with the new laws. President Brown moved to authorize the revision of the Resolution Regarding Policies, Procedures and Penalties for the Enforcement of Governing Documents that includes the HB24-1267 Limitations on Covenant Enforcement Actions: seconded by Director Tucker. Motion passed unanimously.

Mr. Allen stated that certain restrictions in the Design Guidelines are no longer enforceable such as veggie gardens and signs. Director Myers indicated that other than addressing the signs and flags everything else was updated at the end of 2023. Mr. Allen noted that in order to change the Declarations (CCRs) there would need to be a 67% vote from the homeowners. Director Myers asked if the changes and verbiage in the Design Guidelines to address the new laws would be sufficient to avoid a Declaration revision. Mr. Allen concurred. Director Myers moved to approve to continue to review and revise the Design Guidelines as necessary to be in compliance with HB24-1267: seconded by President Brown. Motion passed unanimously.

- b. Special Counsel for Covenant Enforcement, Foreclosure and Collections and Special Counsel to Provide Collections Resolution for Delinquent Fees and Covenant Fines (Pending):

Mr. Allen encouraged the Board to find special counsel for covenant and design review enforcement and collections and for updates to the applicable resolutions and policies. The Board acknowledged that work has been done to obtain counsel but hasn't had success so far. The Board authorized attaining legal counsel, and approved an approximate amount of \$5,000 retainer, if required.

- c. Review and Approval of 2025 Annual Administrative Resolution:

Mr. Allen explained that the Annual Administrative Resolution designates different tasks throughout the year to maintain compliance with the district and there have been no changes from the previous year. President Brown moved to approve the 2025 Annual Administrative Resolution: seconded by Director Hendrickson. Motion passed unanimously.

- d. Discuss and Review 2025 Renewal of General Liability Schedule and Limits and Property Schedule and Consider Approval and Authorization to Bind Coverage:

Ms. VonFeldt noted that the new Tot Park was added this year, but the cost was minimal. President Brown moved to approve the 2025 Renewal of General Liability Schedule and Limits and Property Schedule and bind coverage: seconded by Director Hendrickson. Motion passed unanimously.

- e. Consider Adoption of Resolution Adopting Digital Accessibility Policy and Designating a Compliance Officer:

The Board briefly discussed the resolution opting to designate general as the Compliance Officer. President Brown moved to approve the Resolution Adopting Digital Accessibility

Policy and Designating a Compliance Officer: seconded by Director Myers. Motion passed unanimously.


- f. Consider Approval of Resolution Calling May 6, 2025, Director Election:
The Board briefly discussed the upcoming director election process. President Brown moved to approve the Resolution Calling May 6, 2025, Director Election, seconded by Directory Hendrickson. Motion passed unanimously.
- g. District Manager Report:
Ms. VonFeldt reported the current home closings are about 82% completed based on 399 homes. There are still a handful of homeowners that continue to pay late, which creates more expenses for the Community. Mr. Allen noted that most communities have issues with about 10% of their homeowners.
- h. Community Discussion:
Director Myers stated that the electricity has been installed, and Christmas lights have been scheduled for placement. Director Myers stated further that 2 more pet stations would be installed on the south end of the community.

7. Public Comment: Members of the public may express their views to the Board on matters that affect the District that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.
There was no public comment.

8. Next Meeting, 2024 Regular Meeting Schedule, Adjourn:
The Board cancelled the regularly scheduled meeting for Thursday, December 12, 2024.
The next meeting is to be determined.

The meeting was adjourned at 10:18 a.m.

Respectfully submitted,
District Manager

By: 

Lori VonFeldt for the Recording Secretary