

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 5
(THE "DISTRICT")
HELD
JULY 25, 2024

A special meeting of the Board of Directors of the Banning Lewis Ranch Metropolitan District No. 5 (referred to hereafter as the "Board") was convened on Thursday, July 25, 2024 at 1:00 p.m. This District Board meeting was held at Banning Lewis Ranch – The Barn 9150 Braemore Heights, Colorado Springs, Colorado 80927 and via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Steve Langer, President
Dawson Hubert, Vice President
J. Larson, Secretary
Vicki Niemi, Treasurer
Bob Burnett, Director

Also, In Attendance Were:

Krista Baptist and Rob Lange; CliftonLarsonAllen, LLP
Colin Mielke; Seter, Vander Wall & Mielke, P.C.
Gary Haverland, Heidi Wiens, Loren Gallup, Virginia Beteille-Hock,
Loretta Pennie, Sherri Pierson, Tom Greulich Rollie Colby, Bonnie
McGowan, Jeannette O'Brien, Susan & Wharton Separk, Margaret
Mecca, Judy Smith, Mark Davis, Chip Jamison, Deb & Leo Maes,
Sandy Hall; Members of the Public

ADMINISTRATIVE MATTERS

Call to Order and Agenda: Director Langer called the meeting to order at 1:02 p.m. Following review, upon a motion duly made by Director Langer, seconded by Director Burnett and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Disclosures of Potential Conflicts of Interest: There were no conflicts to be filed.

Quorum, Location of Meeting and Meeting Notices: A quorum was confirmed.

It was noted that the meeting was noticed on the website and posted as required.

Minutes from the March 21, 2024 Regular and May 9, 2024 Special Board Meeting: Following review, upon a motion duly made

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by Director Langer, seconded by Director Hubert and, upon vote, unanimously carried, the Board approved the March 21, 2024 regular and May 9, 2024 special Board meeting minutes, as presented.

Public Comment: The Board opened the meeting for public comment.

Mark Davis: Mr. Davis asked if the mailboxes that are no longer used will be removed now that the Barn is open? The landscaping looks amazing and very encouraging to see the progress and attention being given. Why did the meeting time move? He expressed his understanding from the beginning that the guard shack was not intended or planned to be manned at the Braemore Gate. He also expressed that facilities appeared ADA compliant.

Jeanette O'Brien: Ms. O'Brien asked whether BLRMD No. 1 will fix all the issues with the Barn before BLRMD No. 5 assumes responsibility? What are the results of the quarterly surveys and the meeting held with residents in February regarding OakwoodLife – the community wants to see all these results in writing by the next BLRMD No. 5 Board meeting. What happens when someone requests a “certified” instruction for a class? How many residents need to request this service (paid instruction) before it is provided? Does the District supplement the cost of the class if there are no-shows? Are catered meals put out to bid? Ms. O'Brien expressed a desire to form a committee to evaluate catering bids. What is wrong with the door entrance of the Barn? Ms. O'Brien noted it has been unlocked for months and it is a safety concern. What is the time frame to fix it? What is happening with finishing the guard shack and having it manned so that the gates can be locked at all times?

Virginia Beteille-Hock: Ms. Beteille-Hock stated she wants to thank Bob Burnett for being very responsive and the Board for the work it does. What classes have the lifestyle director and her boss had in sensitivity training and working with seniors? Where do the “rules” originate? For example, some groups can only meet in the Barn weekly, although other groups are allowed to meet twice per week. Where does the rental fee and deposit money go when OakwoodLife receives the money? What happened to the coffee money donation box? What form needs to be filled out to rent the Barn? Are people required to have insurance prior to renting the Barn? The lighting outside the Barn and at entrances is poor to non-existent, what is being done to correct this? When is the certificate of

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occupancy expected, and what is the hold-up? The community requests written answers no later than the next Board meeting to all outstanding questions.

Acknowledge resignation of Vicki Niemi from the Board of Directors effective August 1, 2024:

The Board acknowledge the resignation of Vicki Niemi from the Board of Directors effective August 1, 2024.

FINANCIAL MATTERS

June 30, 2024 Unaudited Financial Statements, Schedule of Cash Position, Schedule of Property Tax Collections: Mr. Lange reviewed the June 30, 2024 Unaudited Financial Statements, Schedule of Cash Position and Schedule of Property Tax Collections with the Board, noting that accounting prepares quarterly financials of BLRMD No. 5 and explained the purpose and status of each of the encompassed funds. Following review and discussion, upon a motion duly made by Director Hubert, seconded by Director Langer and, upon vote, unanimously carried, the Board accepted the June 30, 2024 Unaudited Financial Statements, Schedule of Cash Position, Schedule of Property Tax Collections as presented.

May 31, 2024 Special Revenue Fund Financials from Banning Lewis Ranch MD No. 1: Mr. Lange reviewed the Special Revenue Fund Financials with the Board. The Board discussed and allowed community questions and input. Mr. Lange review the General Fund and special revenue balance sheet. A community question was asked why we are paying utilities and other expenses related to the Barn without an occupancy certificate. Mr. Lange explained it is because they are actively using and have control of them. He then explained the Barn use and cost allocations and noted that water and common areas have also been paid last year also for water. He noted that the investment income is currently allocated to BLRMD No. 1, and addressed the question of reallocation from BLRMD No. 5 showing interest income.

The BLR Cooperation Committee made an inquiry regarding the bid out for cleaning services to the Barn.

Acceptance of 2023 Audit and authorize issuance of representations letter and filing of extension:

Mr. Lange reviewed the 2023 Audit with the Board, providing input to public questions. He also noted that he is currently tracking ahead of forecast when it comes to repaying bonds.

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Mr. Lange stated there is no current plan to pay developer advances and the District is at the legal limit of the Service Plan. Discussion of bond payments and potential future refinancing were presented.

Following discussion and review, upon a motion duly made by Director Hubert, seconded by Director Burnett and, upon vote, unanimously carried, the Board determined to continue review of the audit with the Finance Committee and revisit approval at the next meeting.

Upon a motion duly made by Director Larson, seconded by Director Hubert and, upon vote, unanimously carried, the Board ratified the filing of the 2023 Audit extension.

Project Fund Termination Resolution:

Mr. Lange reviewed the resolution with the Board. Following review, upon a motion duly made by Director Larson, seconded by Director Burnett and, upon vote, unanimously carried, the Board approved the Project Fund Termination Resolution, as presented.

LEGAL MATTERS

Resolution Adopting a Digital Accessibility Policy & Designating a Compliance Coordinator: Mr. Mielke provided an update to the Board noting the new legislation of ADA compliance with the Board. The District discussed private websites not operated or maintained by the District but that provide community information regarding Banning Lewis Ranch, noting those websites do not fall within the District's authority.

Following discussion, upon a motion duly made by Director Langer, seconded by Director Burnett and, upon vote, unanimously carried, the Board approved the Resolution Adopting a Digital Accessibility Policy and designating CliftonLarsonAllen (CLA) as the District's Compliance Coordinator, as presented.

Update Regarding Reimbursement of General Counsel Litigation – Related Expenses:

Mr. Mielke updated the Board regarding the status of his firm's previous request to BLRMD No. 1 for BLRMD No. 5 to be reimbursed for litigation expenses incurred from Mr. Mielke's firm's monitoring of the Farrington litigation. Mr. Lange will work with Director Langer on the status.

Update Regarding IRS Examination of District Bonds:

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Mr. Mielke stated there is no update required and the IRS examination is still in process. Following discussion, Director Larson asked to be sent the missing cover sheet from the documents she received and to receive updates directly from the District's tax counsel regarding status updates.

MANAGER MATTERS

Discuss statutorily required documents posted on website and consider remediation services:

Ms. Baptist discussed with the Board. The Board requested a list of required documents and the compliance timeline.

Manager's Report:

Ms. Baptist reviewed her report with the Board and addressed questions from the Board and community. The manager's report is attached to these minutes.

DIRECTOR MATTERS

Update regarding BLR5 prioritization list and meeting with BLR1 to review outstanding concerns with Oakwood:

Director Langer discussed fobs, gates, firepit, lighting and other ongoing matters. He stated the key fob on the back door is still needed, and foundation requests will be forthcoming.

Finance Committee Updates:

Finance Monthly Meeting Review:

No updates.

August Finance/Operations Workshop:

No updates.

Facilities Committee Updates:

Landscape 101 Summary and Next Class:

Director Burnett reviewed key points from the first class held, noting high attendance and requests for an additional class to be held. It was determined that the next class would be held on August 13, 2024 at 6:30 p.m. in the Barn.

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Shrub Replacement Plan:

Following Krista's report, it was reaffirmed by Director Burnett that the front yards and common areas are planned for shrub replacement. The budgeting and scheduling of plant replacement is a yearly enhancement process that the operating District manages.

Mite Damage – Sod Replacement Status:

A question regarding mite damage to front yards was presented. Director Burnett discussed upcoming sod replacement efforts and those already completed in certain areas of the community due to winter desiccation.

Gate Lighting:

Director Burnett noted he is still working on this and connecting further with the facilities committee on options and requests to move forward. No action was taken or recommended during the meeting.

Evacuation Plan:

It was noted that the BLR Parkway may open by year end of 2024 according to current observed status, and that Oakwood Homes and Banning Lewis Ranch do not control this timeline. Questions regarding trees being replaced next year and status of stumps. Discussion of City requirements of trees being too large, and the District will look into the City cottonwood plan.

Community Street Clubs:

Director Hubert and Ms. Baptist will develop/refine further logistics of the proposed street club policy. Action was tabled to a future meeting to allow for additional assessment time.

CLA Retreat Office Hours:

Director Hubert noted he recommends continuing as is and plans to bring concerns to Mr. Miller on who is paying for CLA personnel time spent at the Barn. Director Larson informed the Board that District Management fees have increased, and Director Hubert plans to continue to monitor. Director Niemi voiced concerns that District No. 5 must follow the correct procedure to approve operational matters.

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Krista explained the identified need from the operating District and her role in assisting with the management of all of Banning Lewis Ranch, and the roles involved with the approval and decision-making relating to the implementation of Office Hours.

Following discussion, upon a motion duly made by Director Hubert, seconded by Director Burnett and, upon vote, unanimously carried, the Board approved that CLA Retreat office hours remain the same, ~~and~~ require the Finance Committee audit distribution of the chart of accounts and monitored monthly by a MD 5 Board member.

Discussion Regarding Responsibility for Drafting Meeting Minutes:

Director Niemi questioned who was responsible for drafting meeting minutes. Ms. Baptist confirmed her role in taking meeting notes and the management team’s role in drafting minutes and record compliance. No further discussion ensued and no action was taken.

Discussion Regarding August Study Session:

The Board discussed the August Study Session of the Finance Committee scheduled for August 24, 2024, and discussed promotion and community awareness. No action was taken.

OTHER BUSINESS

Director Hubert asked that it be verified what contract is active and valid for OakwoodLife services performed within the District.

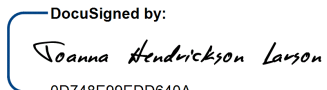
Director Hubert recommended planning an October special meeting and November regular meeting. Specific agendas were not set or discussed.

The Board discussed exploring / implementing a Consent Agenda for certain items going forward. No action was taken.

ADJOURNMENT

The meeting was adjourned at 3:33 p.m.

Respectfully submitted,

By  Secretary for the Board
DocuSigned by:
Joanna Hendrickson Larson
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In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	9/24/2024 6:59:18 PM
Certified Delivered	Security Checked	10/13/2024 4:20:08 PM
Signing Complete	Security Checked	10/13/2024 4:30:13 PM
Completed	Security Checked	10/13/2024 4:30:13 PM

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