

BANNING LEWIS RANCH METROPOLITAN DISTRICT NO 5

Regular Board Meeting Minutes

Meeting Date: Thursday July 16, 2026

Meeting Time: 9:05am to 11:22am

Meeting Location: The Barn (9150 Braemore Heights Colorado Springs, CO 80927)

I. Roll Call (9:05am)

A regular meeting of the Board of Directors of the Banning Lewis Ranch Metro District No 5 (District) was called and held as shown above and in accordance with the statutes of the State of Colorado. The following directors were in attendance:

Directors	Office	Attendance
Steve Langer	President	Present
Susan Greulich	Secretary	Present
Joy Blum	Treasurer	Present
Gerald Cohen	Director	Present
Vacancy		

Also, in attendance was Charles Wolfersberger and Annemarie Nelson (District Managers) with Wolfersberger LLC; Colin Mielke with Seter Vander Wall & Mielke, PC (District General Counsel); and the 59 homeowners in attendance in person and 2 homeowners in attendance online.

II. Call to Order

The meeting was called to order by Director Langer. Director Langer noted that a quorum of the Board was present and the Directors confirmed their qualification to serve, the meeting notice was duly posted on the District's website and, therefore, called the regular meeting of the Board of Directors of the District to order.

III. Disclosure Matters

The District Manager reminded the Board that pursuant to Colorado law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which all Board members disclosed no conflicts of interest.

IV. Administrative Matters

- 1) Meeting Agenda: The Board reviewed the agenda as presented by the District Manager. Director Langer moved to approve the agenda as amended with addition to Director Matters. Director Cohen seconded the motion and the Board voted 4-0 to approve the agenda.

- 2) Review and consider May 21, 2026 meeting minutes: The Board reviewed the draft of the minutes. Director Blum motioned to approve the minutes as presented. Director Greulich seconded the motion and the Board voted 4-0 to approve the motion.
- 3) Review and consider June 25, 2026 meeting minutes: The Board reviewed the draft of the minutes. Director Blum motioned to approve the minutes as presented. Director Greulich seconded the motion and the Board voted 4-0 to approve the motion.

V. Director Matters

- 1) Status update – Peak Polling and Altitude Law Engagement Letter: The District Manager reported the Board moved forward with signing the agreement with Peak Polling and Altitude Engagement Letter as agreed at the last meeting after reviewing the feedback from the community.

Director Langer made the following comments:

A Word of Thanks — and an Invitation

I want to take a moment to recognize Jim Dries, who is stepping down from the board for personal reasons. His time, thoughtfulness, and steady leadership have left a real mark, and we're grateful for everything he contributed along the way.

Jim's service is also a good reminder of why board involvement matters — and why we'd love to see more neighbors consider joining.

Serving on the board is a chance to:

- Shape the community's direction, having a direct hand in the decisions that affect everyday life here
 - Guide our long-term success, helping steward resources and plan for the future
- Build real connections with neighbors, engaging directly with the people who make this community what it is
- Leave a lasting, positive mark — many of the things we all enjoy today started with someone willing to step up

If you've ever thought about getting more involved, this is your sign.

Reach out to any board member to learn more about joining the board.

Update on Separation

I'd like to provide a brief update on our progress toward becoming an independent metropolitan district.

As we've shared in our newsletters and public meetings over the past several months, we continue to move forward with the transition.

- We are waiting for the Metro District 1 legal team to complete the review of our separation agreement draft. We continue to work with our dedicated work partner, the president of Metro District 1, Jeff Powles, who many of you have met, on the legal separation details with MD1.
- We have begun engaging our major contractors to discuss the timing and logistics of transitioning their services directly to our district once independence is finalized. We are seeking a smooth transition with no interruption in the same quality of services to our residents.

- The City of Colorado Springs has received a letter from Metro District 1 stating Metro District 1 has no objection to Metro District 5 separating from them and becoming a single district. The City planning committee and council is now determining the next steps in order to approve Metro District 5 as a single district.
- We continue to benefit from an experienced team helping us navigate this process, including Charles Wolfersberger and our special counsel Pau Rufien, who have been providing valuable guidance as we work through the legal and operational details.

So, the march toward MD5 becoming an independent Metro District continues, as we have outlined in the board's newsletters and discussed in public board meetings.

VI. Public Comments -

1. **Ginny Beteille** –thanks the Board, the committees, Annemarie Nelson and the Lifestyle team. Brielle is doing a fabulous job.
2. **Bill Fowke** – thanks the Board and the district team. With all the exhibits on the district site, I was able to review them all. I also agree that the Lifestyle team is doing a great job.
3. **Bill Sands** – pertaining to the parking regulations, parking should be on the right side of the street only.
4. **Lori Sopp** – would like to comment and provide feedback on the exhibits. Annemarie Nelson will provide her with an email address at the end of the meeting.
5. **Resident** – Pertaining to the DRP, how long does it take to get them approved. Annemarie Nelson provided the following: It usually takes two weeks, however by laws they have 60 days.
6. **Margy Nolan** – Kids coming into our community vandalizing the property. Who do we reach out to?
7. **Marlene Salvesen** – All of BLR is having this problem.
8. **Marlene Salvesen** – My bill is double. With CLA they billed on the 1st and with was due on the 30th. Perhaps my May bill did not get paid. I cancelled auto pay with CLA before June 1st. Someone needs to look into this. Joy Blum explained that the payments were in arrears and gave an example. She also stated she would help anyone that had additional questions.
9. **Jill Stewart** – Did not have a copy of the agenda, wanted to know if speeding would be addressed. Where can we vote on certain items. Steve Miller addressed the speeding issue and stop signs. Steve Langer assisted her with emails which apparently all went to her spam / junk folder.
10. **Resident** – I have left several voicemails pertaining to my HOA payments and received no return phone call.
11. **Carena Nelson** – How financial disclosures are made? How is this money going to be spent? Most of this information was discussed during the financial committee update, she was also invited to attend the finance committee meetings.
12. **Laura Minardi** – payment system, the woman called her back, recommend rather than wait, not paying until the next month, try paying it the 15th.
13. **Jan Hunt** – There are ants on the bocce courts. Who do we contact.

VII. Club House (Retreat Matters)

District Manager noted all matters relating to the Barn or Bluestar are being handled by BLRMD1 as contracted.

VIII. Legal Matters

Mr. Mielke had no legal matters to present to the Board.

IX. Enforcement Matters

1) Status update on Community Feedback on proposed Community Guidelines which include updated parking rules: District Manager reported there were over 100 residents that provided feedback for the proposed Community Guidelines. The Board requested the DRC and Parking Committee review the feedback for additional revisions of the community guidelines.

2) Review and consider updated Community Guidelines: The Board tabled the discussion until the revision from the Committee is presented.

1) Review and consider Enforcement and Collection Policy: District Manager presented the updated Enforcement and Collection Policy for the Board to review and discuss. Director Blum motioned to approve the policies as presented. Director Greulich motioned seconded the motion and the Board voted 4-0 to approve the motion.

X. Financial and Contractual Matters

1) Review and consider payment of claims: The Board reviewed the schedule of check payments (checks #100000 to #100003 and ck#2&3) totaling \$20,405.10. Director Blum motioned to approve the schedule of check payments as presented. Director Langer seconded the motion and the Board voted 4-0 to approve the motion.

XI. Committee Matters

1) Status update – Sales Office Committee: Director Greulich provided the bid submitted by ShouDesign proposal for architectural services. Director Greulich motioned to approve the proposal as presented. Director Cohen seconded the motion and the Board voted 4-0 to approve the motion. Director Greulich outlined the polling survey for the upcoming survey for the sales office.

Survey Polling input on proposed ideas

- For Retreat homeowners only
- Not for renters
- For trust agreements, there is no practical way for us to identify who is on the deed
- For partners, spouses, siblings, and parent/child arrangements, there is no practical way to verify who is on the deed.
- Some partners or spouses share emails
- Adult children living in their parent's home should not have a vote.

Therefore, the most straightforward way to handle a survey poll is to allow each Retreat household one vote; I.e., one vote per \$288 fee paid. The emails for this will be provided by Wolfersberger. They will supply the primary email tied to the property.

2) Status update – Finance Committee: The Committee presented the following information:

Finance Committee Report

July 2026

The committee met Monday July 6th.

Per Scope of the Committee

- *"The committee is responsible for reviewing and providing guidance for financial matters. The committee assures internal controls, independent audit, and financial analysis for the organization. The Finance Committee reviews all financial statements and reports on financial activity to the full board."*
- The committee reviewed invoices through March 2026 which were received from CLA accounting in June 2026.
- This included the General Ledger, invoices and the BlueStar submitted invoices. Some invoices were referred to the Facilities Committee and some general ledger/spreadsheet items were referred back to MD 1 for clarification/further detail.
- The "\$288" document was updated to reflect the 2026 **transition** year budget and it is recommended this be posted on the BB Service website.

Page Two

- The Finance Committee confirmed that a Club Support budget line item is in the 2026 BlueStar contract and in the 2026 MD 1 submitted Budget (SRF LifeStyle Experience-Member/Club Support).
- KPIs /Performance Measures. Fiscal measures for the "top three" and ColoradoScapes contracts were discussed. Ways to solicit community input during the drafting were also discussed.
- 2026 current contracts and 2025 company invoices have been identified. Finance Committee recommends any new services/contracts obtained by MD 1 for ONGOING services or services not anticipated to be completed by the Fall be transferrable.
- The Reserves as the third component of the budget continues to be developed including identification of options to formally fund the reserves annually. Wolfersberger will assist in setting up this new budget structure so it is in place once the separation is completed.
- Finance Committee members made themselves available at the Barn in June to answer resident fiscal questions and assist in transition to the new monthly payment options.
- Cost Containment measures have been implemented for 2026 (like Fix price services) and are projected to meet the requirement of funding a balanced budget.

Board Notice: The Finance Committee is anticipating more timely information from Wolfersberger and has moved its regular meetings one week earlier to one and a half weeks before the Board meeting. Some additional budget planning sessions will probably be needed in August through October.

The Committee continues development of a proposal to amend the MD 5 2026 Budget.

Metro District 5 (The Retreat)

7/06/2026

How is the monthly fee of \$288 allocated for Retreat Operating Expenses in 2026?

The expenditures for 2026 are based on a forecast developed from historical data, contracts with vendors and planned expenses. We expect the forecast to be adjusted as actual financials are known as the year progresses. See Expenditure Graph on Page 1.

Expense Categories	Monthly Fee	% of Total
Operations and Maintenance	\$ 140	48.7%
Community Amenities	\$ 93	32.5%
General and Administrative	\$ 55	19.1%
Total	\$ 288	100.0%

Expense Category Detail	2026 Forecast Expenses	Monthly Fee	% of Total
Operations and Maintenance			
Landscape Maintenance/Enhancements/Repairs	\$ 554,532	\$ 70	24.3%
Snow Removal	\$ 287,215	\$ 36	12.6%
Trash Collection	\$ 120,405	\$ 15	5.3%
Street, Paver, Sidewalk Maintenance	\$ 95,000	\$ 12	4.2%
Handyman, Gates/Fences Maintenance/Repairs	\$ 55,050	\$ 7	2.4%
Total Operations and Maintenance	\$ 1,112,202	\$ 140	48.7%
Community Amenities and Services			
Lifestyle Experience - (BlueStar)			
Lifestyle Experience - Salaries and Benefits	\$ 248,378	\$ 31	10.9%
Lifestyle Experience - Events/Activities	\$ 118,580	\$ 15	5.3%
Lifestyle Experience - Management Fee	\$ 54,000	\$ 7	2.4%
Lifestyle Experience - Office/Club/Misc	\$ 45,580	\$ 6	2.2%
Subtotal Lifestyle Experience	\$ 466,537	\$ 59	20.4%
The Barn Facility			
Barn Operations and Maintenance	\$ 38,057	\$ 5	1.7%
Barn Cleaning, Pest Control/Utilities	\$ 57,881	\$ 7	2.5%
Barn Insurance	\$ 32,061	\$ 4	1.4%
Subtotal Barn Operations and Maintenance	\$ 127,999	\$ 16	5.7%
Swimming Pool	\$ 100,000	\$ 13	4.6%
Pickleball Courts, Bocce Ball, Dog Park	\$ 35,589	\$ 5	1.8%
Total Community Amenities and Services	\$ 732,995	\$ 93	32.5%
General and Administrative			
District Management (CLA/Wollersberger)	\$ 157,522	\$ 20	6.9%
Accounting/Auditing/Billing	\$ 140,478	\$ 18	6.2%
Legal/Election	\$ 83,983	\$ 11	3.7%
Community Management (Covenant Enforcement)	\$ 28,719	\$ 4	1.3%
Other Admin Expenses	\$ 25,823	\$ 3	1.1%
Total General and Administrative	\$ 436,525	\$ 55	19.1%
Total Operating Expenditures	\$ 2,281,522	\$ 288	100.0%

Finance Committee Operations Projection Summary - May 2026
(All numbers in \$000s)

	2026 Budget	Change From May	2026 Projected	Change From May	2027 Projected
Total Revenues	2,301	8	2,309	86	2,395
General and Administrative	966	64	430	(1,499)	281
Operations and Maintenance	1,063	221	1,184	9	1,183
Lifestyle Experience	404	21	405	-	405
Barn and Pool	232	23	245	6	250
Reserves and Special Projects	250	(77)	180	(8)	171
Total Expenses	2,395	239	2,534	(1,444)	2,390
Change in Fund Balance	106		(25)		205

Finance Committee Operations Projection Summary - July 2026
(All numbers in \$000s)

	Change From May	2026 Projected	Change From May	2027 Projected
Total Revenues	(8)	2,301	(243)	2,352
General and Administrative	6	430	(8)	281
Operations and Maintenance	(72)	1,112	(28)	1,154
Community Amenities	(7)	733	8	750
Special Projects	(152)	27	(171)	-
Total Expenses	(225)	2,309	(205)	2,185
Change in Fund Balance		192		167

Finance Committee Maintenance Reserve Fund Projection Summary - July 2026

	2026 Projected	2027 Projected
Transfer from Excess Ops Fund Balance	180	180
Transfer from Current Ops Revenues	-	238
Total Revenues	-	238
Total Reserve Projects	156	171

The primary changes from May to June are:

- (1) We have CLA actual results for Jan - Mar, and WLF actual results for Jan - Apr.
- (2) With more eyes and analysis, we improved our estimates.
- (3) Transitioning in 2026, we are moving Maintenance Reserve funding and projects to a new Fund.

Metro District 5 (The Retreat)

7/06/2026

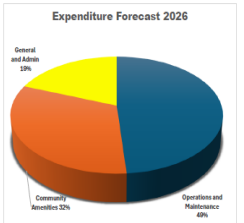
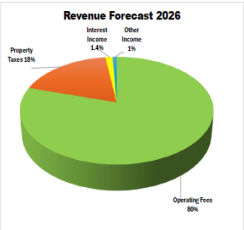
The expenditures for 2026 are based on a forecast developed from historical data, vendor contracts and planned expenses. Expenses include transition expenses of duplicate services, legal fees and other costs. We expect the forecast to be adjusted as actual 2026 financials are known.

REVENUES		
Operating Fees (Resident Fees)	\$ 1,990,944	75.0%
Property Taxes - Operations	\$ 455,040	18.7%
Interest Income	\$ 35,881	1.4%
Other Income	\$ 16,200	0.9%
Total Revenues	\$ 2,500,054	100.0%

Operating Fees are based on the Retreat being fully built out by June, 2026 with 565 homes. Property Taxes are based the mill levy for operations and assessed by the County. Interest Income is based on prior year earnings. Other Income includes rental fees, FOB and RFID stickers and miscellaneous income.

Expenditures	FORECAST	
Operations and Maintenance	\$ 1,112,202	24.3%
Landscape Maintenance/Utilities	\$ 554,532	17.6%
Snow Removal	\$ 287,215	5.3%
Trash Removal	\$ 120,405	4.2%
Street/Sidewalk Repairs	\$ 95,000	2.4%
Other Maintenance	\$ 55,050	4.8%
Total Operations and Maintenance	\$ 1,112,202	48.7%
Community Amenities and Services		
Lifestyle Experience (Blue Star)	\$ 466,537	25.8%
Barn Facilities Operations and Maint	\$ 128,479	5.7%
Swimming Pool	\$ 100,000	4.4%
Pickleball Courts, Bocce Ball, Dog Park	\$ 35,589	1.8%
Total Community Amenities and Services	\$ 732,995	32.5%
General and Administrative		
District Management (Wollersberger/CLA)	\$ 157,522	6.9%
Accounting/Billing/Auditing	\$ 140,478	6.2%
Legal/Election	\$ 83,983	3.7%
Community Mgmt (Covenant Enforcement)	\$ 28,719	1.3%
Other Administrative	\$ 25,823	1.1%
Total General and Administrative	\$ 436,525	19.1%
Total Expenditures	\$ 2,281,522	100.0%

Monthly fees collected in 2026 will total \$1,990,944, not enough to cover operating expenses of \$2,281,522. The balance of the expenses are covered by the operating and maintenance property taxes \$455,040. Any monies remaining after expenses are paid is contributed to the Reserve Fund to be used for future Reserve Fund expenditures.



Finance Committee Operations Projection Summary - July 2026

Introduction to Reserves

(All numbers in \$000s)

	2025 Actual	2026 Projected
Ending Fund Balance	1,075	Working on it

Allocations

TABOR Reserve - 3% of greater of budgeted and actual expenses, rounded to next \$100

Operations Reserve - 1.5 months of greater of budgeted and actual expenses, rounded to next \$100
(1.5 / 12 = 12.5% of expenses)

Maintenance Reserve - Residual
(Corresponds to 2024 reserve study)

3) Status update – Facilities and Safety Committee: Mr. Miller reported that the community paving project is scheduled to begin next Thursday and is expected to take approximately seven (7) days to complete. A community notice, including a project map and schedule, will be distributed by CLA.

The Committee acknowledged that several concrete repairs have been identified throughout the community. Due to current budget constraints, these repairs will be deferred until a later date.

Pool repairs have been completed with the exception of the pool filter. The original filter was delivered damaged, and the contractor has ordered a replacement. A new delivery date has not yet been provided.

The Committee also reported that all community gates are anticipated to remain closed at all times beginning on or about August 1. Additional information will be provided to residents once the implementation details have been finalized.

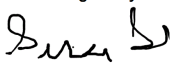
Mr. Miller addressed the recent vandalism incidents within the community and discussed the possibility of making the security cameras operational to help deter future occurrences.

Mr. Miller also addressed concerns regarding speeding within the community. As discussed at the previous meeting, the Committee presented a plan to install speed limit signs. This initiative remains part of the management company's plan of action and updates will be provided as they become available.

- 4) Status update – DRC Committee: Director Cohen reported that the committee has reviewed and approved 15 design request forms, denied 2 and 5 are pending at this time.

XII. Adjournment (11:22am)

There being no further business to come before the Board, and upon motion duly made by Director Langer and unanimously carried, the meeting was adjourned. The next regularly scheduled board meeting will be held at 9:00am on Thursday September 17, 2026 at The Barn (9150 Braemore Heights Colorado Springs, CO 80927)

DocuSigned by:

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Secretary

9/19/2026

Date