BANNING LEWIS RANCH METROPOLITAN DISTRICT NO 5
Regular Board Meeting Minutes

Meeting Date: Thursday March 19, 2026
Meeting Time: 9:01am to 11:52am
Meeting Location: The Barn (9150 Braemore Heights Colorado Springs, CO 80927)

I. Roll Call (9:01am)

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
James Dries	Director	Present

Also, in attendance was Charles Wolfersberger and Annemarie Nelson (District Managers) with Wolfersberger LLC; Colin Mielke with Seter Vander Wall, PC (District General Counsel) and Jeff Powells with Oakwood (BLRMD1 Board Member); and the following homeowners: 1) Mr. Greulich; 2) Ms. Ritter; 3) Mr. and Mrs. DeLuca ; 4) Mr. and Mrs. McGrath; 5) Ms. Mitchell; 6) Ms. Higgins; 7) Ms. Medaris; 8) Ms. McGowan; 9) Mr. Stebbins; 10) Mr. and Mrs. Parrish, 11) Mr. Colby; 12) Ms. Nieiti; 13) Ms. Hall; 14) Ms. Micena; 15) Ms. Hogan; 16) Ms. Wiens; 17) Mr. Hogan; 18) Ms. Beteille; 19) Mr. and Mrs. Hunt; 20) Ms. OBrien; 21) Mr. and Mrs. Sopp; 22) Mr. Carnesi; 23) Mr. Nash; 24) Mr. Yost; 25) Mr. Skelly; 26) Mr. Schillinger; 27) Ms. Maldonado; 28) Mr. Gooden; 29) Ms. Nolan; 30) Mr. and Ms. Hoverland; 31) Ms. Mecca; 32) Mr. and Mrs. Maresh; 33) Mr. Maresh; 34) Mr. Nelson; 35) Mr. and Mrs. Canedo; 36) Ms. Rodriguez; 37) Ms. Austin; 38) Mr. and Mrs. Puzan; 39) Ms. Zautcke; 40) Ms. Rigdon; 41) Ms. Nordby; 42) Ms. Salvesen; 43) Mr. and Mrs. Hill; 44) Ms. Sieverman; 45) Mr. and Mrs. Miller; and 46) Mr. Jamison.

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 Greulich moved to approve the agenda as presented. Director Langer seconded the motion and the Board voted 5-0 to approve the agenda.

2) Review and consider January 15, 2026 meeting minutes: The Board reviewed the draft of the minutes as drafted by Director Greulich. Director Dries motioned to approve the minutes as presented. Director Langer seconded the motion and the Board voted 5-0 to approve the motion.

3) Status update – Management transition: Director Langer reported MD5 Board is working with MD1 Board on finalizing an interim agreement. Mr. Wolfersberger reported that he expects to receive the billing records and homeowner data from the MD1 accountants and managers after the interim agreement is signed between the two districts.

Open for Q&A pertaining to Autonomy and transition:

Sandy Hall – Ms Hall stated that our current board is made up of volunteers. Her concern is that the next board will not follow suit and may make changes. What will happen when there is no oversight? Not everyone wants to "take on the work."

> **Director Blum** stated that was why we hired Wolfersberger to take this on and stated that MD5 will always have a management company running the operations of the District. Director Langer concurred.
>
> **Charles Wolfersberger** – Mr Wolfersberger stated that it is typical for turnover of directors serving on the Board to occur over the next few years. If in the future, residents are unhappy with the operational or financial direction the Board is taking with the Distirct, such residents can run to serve on the Board or nominate others to run for election to the Board. He also stated that the contract between Wolfersberger, LLC and the District is a month-to-month service contract and a new management company can be selected at any time.

Jay Jacobs – Mr. Jacobs noted the MD5 Board is making certain decisions. However, he believes the District should be submitting to the community for a vote on any proposed adoption of or modification to rules and regulations applicable to the Retreat community. We need a "Tiger Team" of 5 to 6 expert people to write these rules and regulations. He mentioned that going through this change there will be pains. He mentioned that people also need to understand that in a neighborhood like this, they need Loss Assessment coverage in their homeowner's insurance plan. Decisions should come from the majority, resident vote, how much power do we give Wolfersberger.

> **Charles Wolfersberger** – Mr. Wolfersberger stated that their contract is on a month-to-month basis. He discussed how Colorado insurance for metro districts is in a statewide pool. Currently

the rules and regulations that are being followed were written by Oakwood Homes and until we separate, those rules will be followed.

Director Langer noted the MD5 Board has already established committees that act similar to "Tiger Teams", with the Sales Office Conversion Committee being the most current example of a "Tiger Team" working to solve the issue of how to put the sales office to the best use for the Retreat community.

Jay Jacobs – Mr. Jacobs wanted to know about our debt and reserves and will insurance go up for our common areas like the Barn, Sales Office, Pickleball courts, Pool, etc.

Charles Wolfersberger - Mr. Wolfersberger - noted that Metro Districts in Colorado participate in a statewide insurance pool and the property and liability premiums offered by the state insurance pool are far lower for far better coverage than what districts could obtain from private insurance carriers. Better property and liability insurance coverage at a lower cost is one reason why Mr. Wolfersberger has seen Colorado HOAs attempting to consolidate their operations into a metro district.

MD5's current outstanding debt will not change if MD5 separates from MD1. MD5 will continue to pay down its $11.1 million in bond debt, which is scheduled to be paid off by the year 2048. The District may refinance its debt without paying any prepayment penalties beginning in December 2026. Per the November 2025 ballot issue approved by 95% of the voters in the Retreat, the District no longer has any authority to issue any new debt (but may refinance its existing debt) without first obtaining voter approval.

George Smith – Mr. Smith stated that we have a very active Board and have Board committee members who are also very active while getting the residents involved

Vicki Niemi – Ms. Neimi asked if the Board has the autonomy to get rid of MD1 or does this need to be a community vote.

Charles Wolfersberger – Mr. Wolfersberger stated that termination or modification of the contractual agreement between the Master District and District 5 is an action that can be taken by the Board of District 5 and does not require a community vote.

Sandy Hall – Ms. Hall, so the community will not be able to vote on moving away from MD1?

Director Langer - Resident input is an important part of this discussion, and as your elected board we also have a fiduciary responsibility to evaluate the options and vote on what we believe best serves the long-term interests of the residents of the Retreat.

Lis McCarty – Ms. McCarty asked about if our reserves are invested and if so, how and who oversees these investments.

J Larson, co-chair of the finance committee, stated that this would be addressed later in the meeting.

The MD5 board and the MD5 Finance Committee are committed to requiring the District to operate within the restraints of a balanced budget, which includes contributions to the District's long-term capital reserve fund. The dedication of MD5's Finance Committee has allowed the District to build a $1M reserve (which is currently held by the Master District). Their thoughtful stewardship and laser focus on building this safeguard reflects their many decisions focused on long-term financial stability and community prosperity.

Leo Maes – Mr. Maes asked as the process moves forward and the community believes moving away from MD1 is not in the best interest of the Retreat, how will the Board walk back the process and retain Md1, and at what cost?

Charles Wolfersberger – Mr. Wolfersberger stated that a new agreement would need to be written between District 5 and MD1. He noted such a change would be unusual (most homeowners want to control the financial and operations decisions for their District) and he wasn't aware of any other district that has reverted back to allowing a developer-controlled district to control the operations and finances of a homeowner community.

Vicki Niemi – Ms. Neimi asked about Flying House and how they had no reserves. She also commented on what would happen to MD5 if we had no reserves and MD1 wasn't around to help MD5.

Charles Wolfersberger – Mr. Wolfersberger stated that the Retreat is in a very different situation, basically we are watching our finances and do have reserves – a healthy amount of reserve considering the age of our community.

Director Blum – commented that MD1 does not independently generate any funds and is entirely financially dependent on funding generated by MD5 and other metro districts that encompass the entire Banning Lewis Ranch community. The only money MD1 uses to fund services and operations in the Retreat is the property taxes and fees paid by MD5 homeowners! This is one of the many reasons the MD5 Board is in favor of separating from MD1 - direct control of MD5's revenues and expenditures and control of MD5's cash reserves.

4) Provide clarification on Board members roles and responsibilities: The Board provided the following information regarding the roles and responsibilities.

MD5 Board of Directors – March 18, 2026

The MD5 Board wishes to clarify the role and responsibilities of the Boards for both the Operating District (MD1) and the Retreat District (MD5) with regard to the Retreat community. Generally speaking, the Board for MD1 is responsible for capital project construction, **community management and operational matters**. The Board for MD5 is responsible for voicing MD5's interests for implementation by MD1.

MD1 Roles and Responsibilities:

- Hiring and Managing Contractors, Approving and Enforcing Policies & Rules, Maintaining Common Areas & Infrastructure, Responding to Resident Concerns.
- MD1 has contracted with a community management company, CliftonLarsonAllen, and a lifestyle services provider, BlueStar, to assist with performing these responsibilities.

MD5 Board Roles and Responsibilities

- Engaging with MD5 residents in our capacity as a fiduciary, exercising the utmost business sense and astuteness in identifying community needs and desires, and monitoring the operational activities of MD1 and its contractors to ensure adequate attention to community needs and the fiscal health of MD5.

The MD5 Board and residents can propose policies, capital projects, and operational activities to MD1, but implementation requires the approval of the MD1 Board. For matters anticipated to impact the financial health of the community, it is recommended they be raised to the MD5 Board so they can be reviewed, considered, and discussed at an MD5 Board meeting, which allows for greater MD5 resident participation than would otherwise occur at an MD1 board meeting. All actions taken by the MD5 Board are discussed in publicly noticed open meetings and voted on by the Board in accordance with Colorado law..

Each District's respective responsibilities are outlined in the shared service plan of MD1 and MD5 and the District's intergovernmental agreements, and this has been the governance structure since MD5's first resident board was sworn in 4 years ago. Until such time that MD5 becomes autonomous and operates independently, MD1 will continue to retain authority over operational activities. The MD5 Board and residents are encouraged to continue working directly with them. When you see something that needs attention in the community, please inform community management. Historically this has been Clifton/Allen/Larson and MD1, and more recently this includes BlueStar and Wolfersberger, so that it can be addressed timely and so that all parties are aware of the issue.

V. Director Matters – None

VI. Enforcement Matters

Director Langer opened the meeting for comment regarding the recent parking concerns. Several residents asked questions on the parking situation and made some suggestions including getting a parking committee together.

Steve Miller, a member of the facility committee, stated that Timberline will only ticket or tow you if you are blocking a driveway or fire hydrant. Otherwise, they will leave a notice on your windshield.

VII. Public Comments

Tim Hogan – Mr. Hogan stated for Safety and Security, since the sales office is closed and we are a gated community it is time to close the main gate. Work with the post office so they have access to deliver mail.

Rollie Colby – Mr. Colby stated that Bluestar lifestyle is off to a poor start. In early January, I linked up to Joey Sanders, the Bluestar Lifestyle Colorado Manager. I gave him a detailed demo of the BB Website. I set him up with a BB login. He has logged in 5 times to browse around. Subsequently I met with him briefly. I have exchanged emails several times.

Each of these discussions have been about 2 topics

1. Coordination and cooperation between Lifestyle and the BB web committee regarding the sharing of resident info, to include sharing a BB website slyer with new residents to help clarify any confusion between Member Planet and the BB Website. Joey commented that this was a good idea.
2. Allow the BB web committee to display on the Barn TV a BB Website Promo showing residents enjoying Retreat Life and a few dynamic pages showing the Combined Retreat Calendar, newest residents and newest resident recommendations. I suggested that the web committee member could come to the Barn and start the Internet bookmark. Joey said that Lifestyle staff would do this.

On 16 January, I sent Joey the BB website flyer to share with new residents. I have received no feedback from Joey on whether this info is being provided to new residents.

On 22 January, I sent Joey the link to the bookmark for the BB Website On TV Show. I have received no feedback from Joey on what's going on with this.

I followed up several times with Joey inquiring about what was happening with these two simple requests. No response. I have been ghosted by Joey for over a month.

The coordination and cooperation between Lifestyle and the BB Web Committee is one-way. A few times during the past two months I have learned of residents moving out of the Retreat. I have removed these residents from the BB website and sent an email to Ashely, Brielle & Joey. However, these residents are still showing on Member Planet.

I recall from the Bluestar video and the town hall that interacting with residents and responding to residents was a rather important aspect of the BlueStar way.

Phil Parrish – Mr Parrish stated that his has received complaints that these district meetings need to be available for working people to come to as well.

J Larson – Ms. Larson stated to the Honorable Members of the Community Board, My name is J Larson and I am a resident of Banning Lewis Ranch MD5, The Retreat. I am writing to submit this public comment regarding the public remarks of Tim Steckbeck, President of BlueStar on the Weekly Happenings transmitted on March 6th and March 13th, 2026.

Some residents attended the monthly Common Ground on March 13th for the purpose to gain further information and understanding on this matter plus have their questions answered. Unfortunately, no one from BlueStar attended this.

I urge this board to be aware of and the board who is responsible for the execution of the contract. Banning Lewis Ranch MD1, to consider the long-term impact on local families, Colorado Springs community perception and home values before making public remarks.

Thank you for your time and for allowing me to contribute to the important discussion. Please include this statement in the official meeting minutes.

Respectfully submitted

J Larson Community Resident.

VIII. Club House (Retreat Matters)

District Manager reported that the Board invited BlueStar to attend the meeting to provide a report on Club House matters. They respectfully denied the invitation and stated they are contracted to BLRMD1. Any attendance or reporting they provide will be given directly to BLRMD1. District Manager noted that Mr. Powle with BLRMD1 was in attendance at the meeting and asked if he would take the feedback and concerns from the residents to BlueStar.

IX. Financial/Contractual Matters:

1) Review and consider engineering survey bid: Director Blum discussed the need to hire an engineering firm to prepare a map and legal description of MD5's boundaries. MD5 will need these documents when submitting its proposed stand-alone service plan to the City for approval. Director Blum motioned to approve hiring an engineering firm at a cost not to exceed $5,000 to prepare a boundary map and legal description for MD5. Director Langer seconded the motion and the Board voted 5-0 to approve the motion.

X. Manager Matters

1) Community Manager Report: District Manager presented the following report:

Banning Lewis Ranch Metro District #5

Manager Report

Information & Coordination
Management attended an informational meeting with Facilities Committee and the Sales Office Committee to provide support, address operational needs, and maintain alignment across all parties. Coordination among all involved parties is ongoing to support transparency and effective communication.

Operational Transition
The transition from CLA to Wolfersberger LLC is s progressing behind the scenes; however, the process has been slow-moving as required legal documentation is still pending. Necessary information and records continue to be accessed through existing legal agreements to support as smooth and uninterrupted a transition as possible.

Technology & Communications
A new community website is currently in development and is intended to improve communication, accessibility, and the availability of community information.

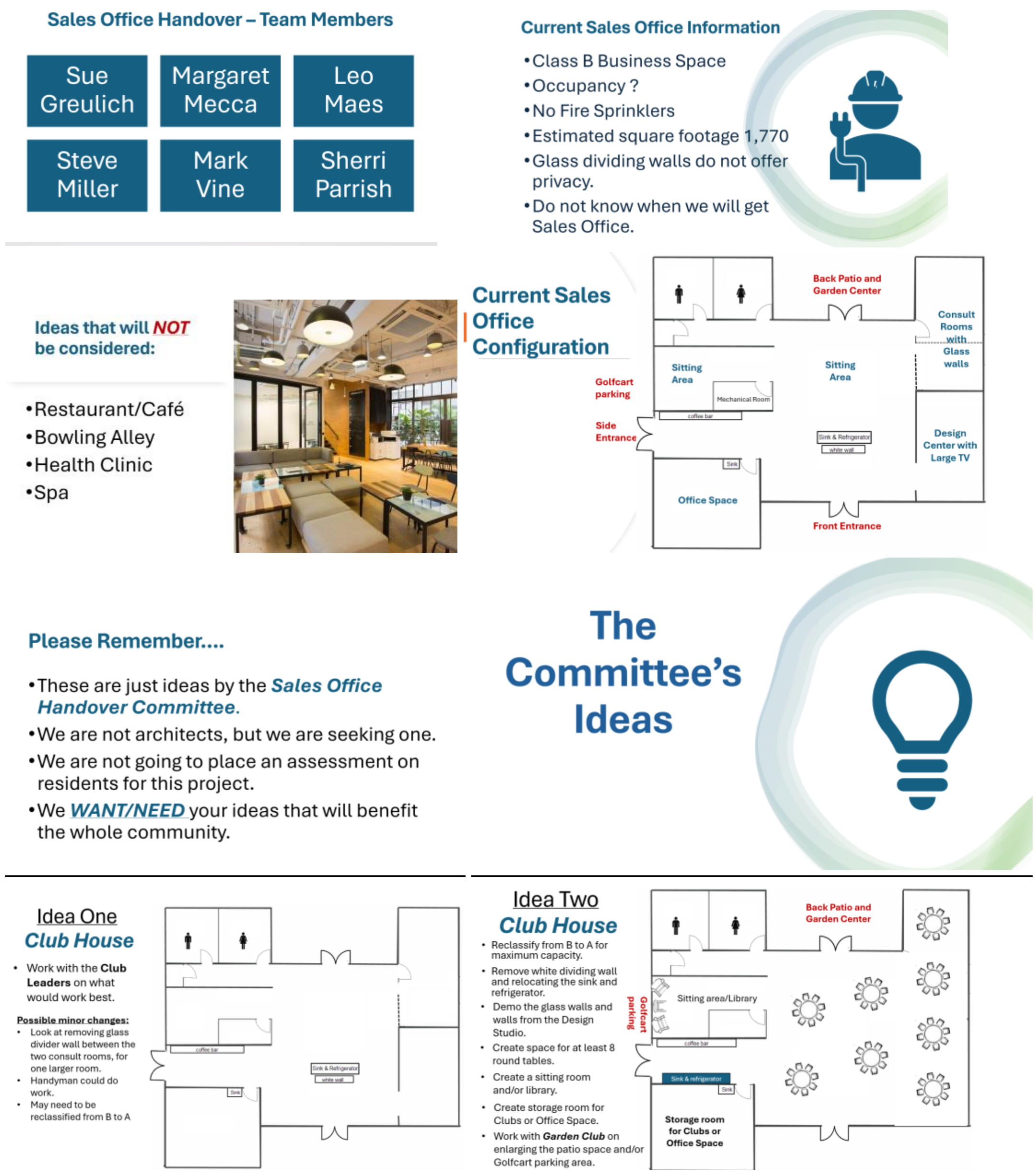
Next Steps
- Confirm dates for two homeowner training meetings in April/May related to the new payment process.
- Continue oversight of the operational transition to ensure continuity of services.
- Provide additional updates to the Board as timelines and details are finalized.

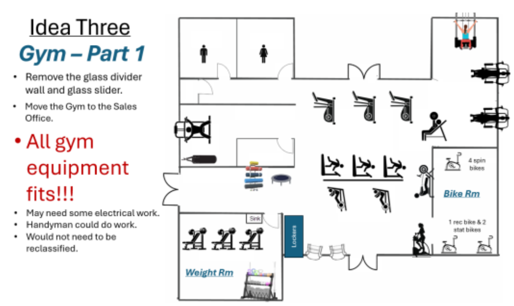
XI. Legal Matters

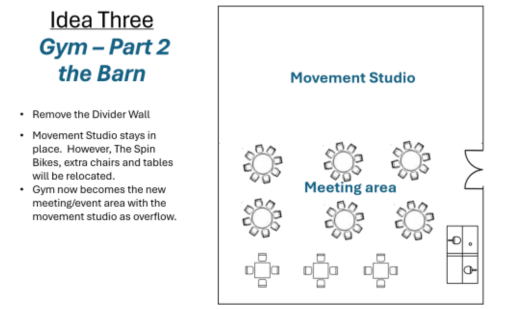
Mr. Mielke had no legal matters to present to the Board.

XII. Committee Matters

1) <u>Status update – Sales Office Committee</u>: The Committee presented the following information:







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

Finance Committee Mar 2026 Board Report Comments

2026 Amended Budget – Purpose is to adjust the existing budget to reflect transition.
Going slow until MD1/MD5 Interim Agreement is signed.
Our plan is that it will be ready for the May Board Meeting.

Special Projects – We had our first Committee review of Special Projects.
We will be working on a prioritization to recommend to the Board in conjunction with the Facilities Committee prior to the amended budget.

Contracts Affecting MD5 – Gerry has gathered contracts and is reviewing them so we can be ready when MD 5 is authorized to take responsibility.

Key Performance Indicators – We are continuing work on developing KPIs for major contractors including Lifestyle service.

Special Revenue Fund – Review of Preliminary 2025 Statements

Next Finance Committee Meeting – Moving to second Monday in Month for most months.
Monday, April 13, 9:30 am, at the Barn.

3) Status update – Facilities and Safety Committee: The Committee presented the following information:

RETREAT FACILITY & SAFETY
CONCERNS TRACKING REPORT RECAP MARCH 16, 2026

PRIORITY	ISSUE	STATUS UPDATE	DIRECTED TO	ESTIMATED COST	TARGET COMPLETION
highest	Swim pool	Waiting on contract to be signed	MD1	$117K	Pool opening
high	Barn punch list	Few items remaining	CLA/ FC	$22K	12/25
high	Dog park fixes	Looking for additional bids	FAC	$50K	April
high	sidewalks/streets	Construction traffic has caused great damage	FAC		May
high	Street Lights	Braemore entrance lights to be replaced	MD1/FAC		March
Medium	handyman	New interviews planned	FAC		April
Medium	Armdale "Swamp"	Water/ drainage	LEI/Oakwood		April
Medium	Bocce	Drainage / maintenance	FAC		April
Medium	Traffic Blindspot	Braemore Exit - Caution sign	FAC		
Low	Landscape Issues	Broken Lamp Post - Mireland	LE/FAC		March
Low	Landscape Issues	Broken Sprinkler Heads	LEi/FAC		April
Low	Mailboxes	remove			
Low	Misc	Multiple requests under review			

The following Facility & Safety Concerns have been "Completed or Closed ".

- Barn Lights - Replacement lights & wiring in Meeting and Exercise Rooms have been installed
- Gate Stickers - CLA has distributed multiple waves, more on order
- Pool Bathroom - Outside Pool bathroom now in operation
- Pool Windshield - Repair parts on order
- Utilities/Water - Process for closely monitoring utilities and water usage
- Pool Boiler - Trusting that Oakwood stands up to their responsibility for the $5K Warranty Repair cost.
- Pool Cover MD1 approved cost. Repairs Complete

Contact the facility committee to make a capital improvement request (standard form)

XIII. Adjournment (11:52am)

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 May 21, 2026 at The Barn (9150 Braemore Heights Colorado Springs, CO 80927)

DocuSigned by:
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Secretary

5/22/2026
Date