

MINUTES OF THE SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF
FOUNDERS VILLAGE METROPOLITAN DISTRICT AND
VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO.4
HELD

November 17, 2022

A regular meeting of the Board of Directors of Founders Village Metropolitan District and Villages at Castle Rock Metropolitan District No. 4 (referred to hereafter as "Board") was convened on the 17th day of November 2022, at 6:30 P.M., at The Ridge House, 4501 Enderud Boulevard, Castle Rock, CO and via teleconference platform accessible to the public.

ATTENDANCE

Directors in Attendance Were:

Jeremy Groves, President
Matt Hilinski, Vice President
Patrice Neef, Assistant Secretary
Mary Cates, Treasurer (via videoconference)
Mike Meachum, Assistant Secretary

Also, in Attendance Were:

O. Karl Kasch; Cimarron Consultants, Inc. (via videoconference)
Daryl Fields, Nicole Wing, Doug Campbell, Kenny Parrish (in person) and Ronnie Kenfield (in person); Pinnacle Consulting Group, Inc.
Harley Gifford; Cockrel Ela Glesne Greher & Ruhland, P.C. (via videoconference)
Cathy Hamilton, CPA; Simmons & Wheeler, P.C. (via videoconference)

Director Groves called the meeting to order at 6:30 P.M.

ADMINISTRATIVE
MATTERS

Agenda: Following review and discussion, upon motion duly made by Director Hilinski, seconded by Director Cates and, upon vote, unanimously carried, the agenda was approved as presented.

Meeting Location/Notice: The Board entered a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board further noted that notice of this location was duly posted.

Declaration of Quorum: Director Groves declared that a

quorum of the Board was present, with all five members in attendance.

Disclosure of Potential Conflicts of Interest:

Mr. Gifford disclosed that Director Meachum serves as a Director for the Founders Village Master Association ("FVMA") Board and confirmed that a conflict disclosure was filed with the Secretary of State prior to the meeting.

Consent Agenda: The Board considered the following items on the consent agenda:

1. Approval of the October 19, 2022, Regular Meeting Minutes and October 26, 2022, Special Meeting Minutes.
2. Ratification of District Work Orders and/or Construction Change Orders in the amount of \$232,359.75.
3. Ratification of Pool and Clubhouse Work Orders in the amount of \$11,739.18.
4. Ratification of Payment of Claims through the period ended October 31, 2022, totaling \$0 for Founders Village Metropolitan District, and \$109,1197.73 for Villages at Castle Rock Metropolitan District No. 4.
5. Acceptance of unaudited Financial Statements through the period ended September 30, 2022.

Following review and discussion, upon motion duly made by Director Meachum, seconded by Director Cates and, upon vote, unanimously carried, the Board approved the consent agenda items.

Community Comments: The Board opened the meeting to public comment. There were no comments made by members of the public and this portion of the meeting was closed.

Board Member Comments: Director Hilinski requested an update on landscaping regarding xeriscape and the smart controllers. Mr. Kasch reported there are funds in the 2023 budget to complete turf reduction and xeriscaping, in which he is collaborating with Terracina Design and Pinnacle Consulting Group, Inc. (PCGI) on completing a map of the District and will start phase one in the Spring or sooner. Mr. Kenfield explained that the smart controllers will save the District money as they manage water usage. Director Hilinski and Director Cates

requested to be involved in discussions pertaining to the xeriscaping and general landscaping around the District.

Director Groves asked for clarity on the Annual Report timeline. Mr. Kasch explained that the Town of Castle Rock changed their due date and that gathering the required documentation for the report took some time. Mr. Kasch and Mr. Parrish stated that they will start the process earlier next year. Director Groves inquired about signatures for approved meeting minutes. Mr. Parrish reported that the minutes will be sent to the Board for signatures following this meeting. Director Groves asked about the next Board meeting. Mr. Kasch stated it will be scheduled for December 14, 2022, at 7:30 A.M. to review annual resolutions.

Director Neef requested to start a Mill Levy Committee and believes it would be a great service to the District. It was suggested to have Director Groves be a part of the committee.

FINANCIAL
MATTERS

Public Hearing Regarding the Proposed 2023 Budgets: Upon motion duly made by Director Groves the budget hearing was opened for public comment. It was reported that notice of the hearing had been published in accordance with state budget law. There being no public input, the public hearing was closed.

2023 Budgets for both districts, Consider Approval of Resolution to Adopt Budgets; and Appropriate Sums of Money: Mr. Kasch reviewed the revised draft budgets, operations and maintenance, and capital improvement programs for 2023, estimated 2023 revenues, and proposed 2023 expenditures for each District. The budgets and funds are as follows:

Founders Village Metropolitan District:

General Fund: \$6,349,812
Mill Levy: 91.198 mills.

Villages at Castle Rock District No.4:

General Fund: \$5,152,730
Capital Fund: \$707,000
Debt Service Fund: \$3,950,000
Mill Levy: 4.556 mills.

Following review and discussion, upon motion duly made

by Director Neef, seconded by Director Meachum and, upon vote, unanimously carried, the Board approved the Resolutions to Adopt the 2023 Budgets, certify the Mill Levy's, and the appropriate budgeted funds upon revision of the Resolutions to reflect Director Cates as the Board member to attest.

"Comparison Districts Letter and Survey" as required by Chapter 9 Bankruptcy Plan and Consider Approval of Comparison Districts: Mr. Kasch reported the Comparison Districts letter and survey were submitted. The District received no comments from the Trustee or Bondholders.

Following review and discussion, upon motion duly made by Director Neef, seconded by Director Hilinski and, upon vote, unanimously carried, the Board approved the Comparison Districts letter and survey.

December 1, 2022, Debt Service payment: Mr. Kasch requested the Board approve the December 1, 2022, payment to US Bank ("Trustee") for Village at Castle Rock Metropolitan District No. 4 bonds in the amount of \$1, 975,000.

Following review and discussion, upon motion duly made by Director Hilinski, seconded by Director Meachum and, upon vote, unanimously carried, the Board approved the December 1, 2022, payment to US Bank ("Trustee") for Village at Castle Rock Metropolitan District No. 4 bonds in the amount of \$1,975,000.

2023 BrightView Contract: Mr. Kenfield reviewed the 2023 BrightView Contract Proposal of \$358,283 with the Board and answered questions. Mr. Kasch explained that BrightView's estimate is based upon the size of the District and the age of the irrigation system. Mr. Kasch stated that the proposal still provides for a full-time landscape manager and Irrigation Technician. Mr. Kenfield stated he is hopeful that landscape costs will reduce over time with completion of turf reduction and transitioning to xeriscape throughout the District.

Following review and discussion, upon motion duly made by Director Hilinski, seconded by Director Neef and, upon vote, unanimously carried, the Board approved the 2023 BrightView Proposal and directed staff to complete the Structure Maintenance Agreement for the Chairman's

signature.

Legal Matters

Status Report for Ongoing 2022 Agreements: Mr. Kasch reported that Town discussion for the License and Maintenance Agreement have been "re-activated" and that there still has not been a response back from the Town pertaining to arterial sidewalk snow removal. Mr. Kasch stated that the second amended Intergovernmental Agreement with District No. 9 still needs to be completed, in which a legal opinion from special counsel will be circulated tomorrow.

OTHER BUSINESS

Mr. Kasch stated he will collaborate with Pinnacle Consulting Group Inc., on scheduling the next Board meeting for December 14, 2022, at 7:30 A.M.


Executive Session


No executive was held.


ADJOURNMENT


There being no further business to come before the Board, upon motion duly made by Director Groves, seconded by Director Hilinski and, upon vote, unanimously carried, the meeting adjourned at 7:31 P.M.

THESE MINUTES ARE APPROVED AS THE OFFICIAL November 17, 2022, MINUTES OF THE FOUNDERS VILLAGE METROPOLITAN DISTRICT AND VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4 BY THE BOARD OF DIRECTORS SIGNING BELOW:

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Jeremy Groves

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Patrice Neef

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Mike Meachum

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Matt Hilinski

DocuSigned by:
Mary Cates
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Mary Cates