

# **LUPTON VILLAGE RESIDENTIAL METROPOLITAN DISTRICT**

## **Regular Board Meeting Minutes**

Meeting Date: Thursday, October 23, 2024

Meeting Time: 5:31 pm to 7:36 pm

Meeting Location: Ft Lupton Library (370 S Rollie Ave Ft Lupton, CO 80621)

### **I. Roll Call (5:31 pm)**

A meeting of the Board of Directors of the Lupton Village Residential Metropolitan District (District) was called and held as shown above and in accordance with the statutes of the State of Colorado. The following Directors, having confirmed their qualification to serve on the Board, were in attendance:

<b>Directors</b>	<b>Office</b>	<b>Attendance</b>
Jeana Hughes	President	Present
Jordan Wipf	Treasurer	Present
Bradly Kaatz	Secretary	Present
Joe Lanute	Director	Absent
Vacancy	Director	

Other individuals attending the meeting was District Managers Charles Wolfersberger and Jessica Reynolds (Wolfersberger, LLC), District's Legal Counsel, Katie James (Folkestad Fazekas Barrick & Patoile); Peter Alexander, Lance Thompson and Oscar (Tend-It) and the following homeowners: Douglas Bacon (503 S Rollie #12B), Diane Duran (500 S Denver Ave #10E), Martina Varela (500 S Denver Ave #15A), Henry Krichbaum (500 S Denver #11B), Michael Sarrasin (500 S Denver 4A), Selina Maes (500 S Denver Ave #17A, Gayl McCauley-Suits (1322 Leroux St.), Andre and Natalia Quintana (503 S Rollie Ave #12E), Josh Hampton (503 S Rollie Ave # 3B) and Shawn Sarrasin (500 S Denver Ave #4A).

### **II. Declaration of quorum**

The District Manager noted that a quorum of the Board was present and the Directors confirmed their qualification to serve. Director Hughes, therefore, called the meeting of the Board of Directors of the District to order.

### **III. Present disclosures of potential conflicts of interest**

The Board reviewed the agenda for the meeting, following which Director Hughes and Director Kaatz disclosed no conflicts of interest with the business to be discussed and conducted at the meeting. Director Wipf disclosed that he is a part owner of J&J Lawn Services, LLC – a contractor that has a landscape contract with the District.

#### **IV. Administrative Matters**

1. Approval of meeting agenda: The Board reviewed the meeting agenda. Director Hughes motioned to amend the agenda to discuss the landscaping and snow removal service quotes and the public comments earlier in the meeting. Director Wipf motioned to approve the agenda as amended. Director Kaatz seconded the motion and the Board voted 3-0 to approve the motion.
2. Review and consider September 19, 2024 special board meeting minutes: The Board reviewed the September 19, 2024 board meeting minutes. Director Wipf motioned to approve the minutes as presented. Director Kaatz seconded the motion and the Board voted 3-0 in favor of the motion.
3. Review and consider 2025 Administrative Resolution: The District Manager presented and the Board reviewed and discussed the 2025 administrative resolution. The Board agreed that officer positions among the directors remain the same. Director Wipf motioned to approve the 2025 Administrative Resolution as presented. Director Kaatz seconded the motion and the Board voted 3-0 to approve the motion.

**Action Item #01:** The District Manager will post the 2025 administrative resolution on the District's website.

4. Review and consider 2025 Election Resolution: The District Manager presented and the Board reviewed and discussed the 2025 election resolution. Three directorships will be up for election as the terms for Director Wipf, Director Lanute and a vacancy will expire in May 2025. Director Wipf motioned to approve the 2025 Election Resolution as presented. Director Kaatz seconded the motion and the Board voted 3-0 to approve the motion.
5. Review and consider the Parking Enforcement Policy: The District Manager presented and the Board reviewed and discussed the updated Parking Enforcement policy for the District. The Board determined to defer further discussion of this agenda item to the next Board meeting.
6. Review and consider the Amended And Restated Public Records Policy Regarding The Inspection, Retention and Disposal of Public Records (CORA Policy): The District Manager presented and the Board reviewed and discussed the proposed CORA Policy for the District. Director Wipf motioned to approve the proposed CORA Policy as presented. Director Kaatz seconded the motion and the Board voted 3-0 to approve the motion.

#### **V. Public Comments:**

Mr. Sarasin requested pet stations be installed at the Denver Ave town homes. Director Wipf motioned to approve the purchase and installation of 4 pet stations. Director Hughes seconded the motion and the Board voted 3-0 in favor of the motion.

Ms. Duran suggested a welcome letter be sent from the District to all new homeowners.

Ms. Maes reported that some of the lights at the end of the Denver Ave townhomes need to be replaced. Director Hughes reported that the District Board has agreed to replace the light bulbs

at the ends of all townhome buildings, but all other lights near the doors or garage doors are to be maintained by the homeowner.

Mr. Quintan expressed his frustration with certain parking issues at the Rollie St. townhomes.

Mr. Krichbaum expressed his frustration with certain parking issues at the Denver Ave townhomes. The Board discussed and determined to postpone vehicle booting services to be provided by the District's new parking enforcement service contractor until after the February meeting.

Mr. Hampton expressed his frustration with the native grass areas around the Rollie St. townhomes. Director Hughes reported that the District began maintaining the landscaping at the Rollie St townhomes in late July and that some additional reseeding of the native grass areas has been completed.

Mr. Bacon expressed concerns regarding the mice surrounding the community and stated that mice are inside many townhome units. He requested the Board consider allocating funds to hire a contractor to provide rodent mitigation services for the entire district.

#### **VI. Director Matters:**

Director Wipf reported to the Board that he attended a meeting hosted by the City of Fort Lupton where the City is considering providing weekly trash removal service to all residents within the City. Director Wipf reported that the current weekly trash removal service provided by the District for District residents is at a lower contracted rate than the City would be offering. The District Manager reported that she is waiting for copies of the District's contract with Best Cleaner Disposal to review.

Director Hughes requested legal counsel to review the 2024-2025 snow removal service contract with Miller Landscaping and Miller's February 2024 outstanding snow plow invoice (which does not break down service charges by areas plowed) and provide Miller with a deadline date by which Miller's invoice must be modified or else the District will not pay such invoice.

**Action item #02:** The District Manager will forward the contract with Miller Landscaping, the outstanding invoice, and communication with Miller Landscaping regarding the invoice to the District's legal counsel for review.

#### **VII. Financial and Contractual Matters:**

- 1) Review and Consider Payment of Claims: The Board reviewed the schedule of check payments (#100039 to 100047) totaling \$46,891.90. Director Kaatz motioned to approve the payment of claims and Director Hughes seconded the motion. The Board voted 3-0 to approve the motion.
- 2) Review and consider 2024 Director Meeting Stipend Schedule: The District Manager presented and reviewed with the Board the 2024 Director meeting stipend schedule. The Board had no comments regarding the schedule.

- 3) Review the 2023 Audit Report: The District Manager reviewed with the Board the auditor's audit opinion on the District's 2023 financial statements noting the auditors issued a "clean" opinion. The District Manager also reviewed with the Board the auditor's post-audit report noting the auditors reported no difficulties when conducting the audit and proposed no adjustments to the financial statements. Director Wipf motioned to approve the 2023 audited financial statements as presented. Director Hughes seconded the motion and the Board voted 3-0 in favor of the motion.
- 4) Public hearing on District's proposed 2025 budget: Director Hughes motioned to open the public hearing at 6:49pm regarding the proposed 2025 Budget. Director Wipf seconded the motion and the Board voted 3-0 to approve the motion. The District Manager reviewed the proposed 2025 budget. Highlights from the review included the following:
  - The debt mill levy will increase 20% from 53.358 mills for 2023 to 64.104 mills for 2024. The bond indenture of trust requires the mill levy to increase any time the State Legislature reduces the calculation of the taxable value of property within the District. The mill levy increase must offset any reductions in taxes caused by reductions in the calculation of the taxable value of property.
  - The operating mill levy will increase 14.5% from 15.646 mills for 2023 to 17.926 mills for 2024. Because the District operates on a relatively fixed operating budget and voters have authorized the District to collect up to \$5 million to fund operations each year, the District has adjusted the mill levy up to offset tax revenue reductions caused by the State Legislature reducing the calculation of taxable value of property.
  - In the General Fund, 2025 expenses will exceed revenues by \$69,300. It is unlikely revenue increases in future years from additional construction activity will increase revenue sufficiently to close this funding gap. To achieve a balanced budget, either (1) the General Mill Levy would need to increase 64% from 17.926 mills to 29.479 mills to generate sufficient revenue to offset budgeted expenses, (2) budgeted expenses would need to be reduced by 40% or (3) implement some combination of options (1) and (2).
  - The 2025 budget for the Townhome Fund is a balanced budget – expenditures and contributions to the Capital Fund do not exceed budgeted revenues. The \$275/quarter fees assessed on townhome owners is sufficient to fund District services provided to the townhomes.
  - The Capital Project Fund balance is currently \$0. The 2025 Budget reflects contributions to the Capital Project Fund totaling \$20,000 - \$8,000 from the General Fund and \$12,000 from the Townhome Fund. Although the Capital Project Fund balance is currently \$0, the District Manager noted all District assets are relatively new.
  - The Debt mill levy will not generate sufficient tax revenue in 2025 to fund 100% of the interest accruing on the 2021 Bonds. Accrued interest in 2025 on the 2021 Bonds will be approximately \$535,200 but the District will generate tax revenue from the debt mill levy sufficient to only pay \$386,500 (or 72%) of interest accruing in 2025. Additional construction and increases in existing property values (resulting in higher property tax

assessments in future years on existing homes) will be required to generate sufficient tax revenue to fund the annual interest and principal payments due on the 2021 bonds.

Director Hughes motioned to close the 2025 budget public hearing at 7:28pm. Director Wipf seconded the motion and the Board voted 3-0 to approve the motion.

- 5) Consider resolution to adopt 2025 budget, appropriate funds, set mill levies: The District Manager presented the resolution to adopt the 2025 budget, set mill levies and appropriate funds as presented in the 2025 Budget. Director Hughes motioned to approve the resolution as presented and authorize the District Manager to adjust the Board-approved mill levies to reflect the impact of any subsequent changes to the County's assessed value of land within the District. Director Kaatz seconded the motion and the Board voted 3-0 to approve the motion.

**Action Item #03:** District Manager will file the 2025 budget with the State of Colorado and the mill levy certification with the County Treasurer.

- 6) Public hearing on proposed resolution to certify to the County Treasurer the collection charges on property accounts in accordance with 32-1-1101 CRS: Director Hughes motioned to open the public hearing at 7:33pm regarding the certification of accrued, unpaid fees on property accounts to the Adams County Treasurer for collection. Director Wipf seconded the motion and the Board voted 3-0 to approve the motion.

The District Manager reported that all homeowners with accrued, unpaid fees exceeding \$500.00 were notified via certified mail in September regarding the public hearing. Homeowners who pay their accounts in full by November 30, 2024 or otherwise enter into a payment plan with the District will be removed from the list of property accounts to be turned over to the Weld County Treasurer for collection. After noting no appeals have been submitted to the Board for consideration, Director Wipf motioned to close the public hearing at 7:34pm. Director Hughes seconded the motion and the Board voted 3-0 to approve the motion.

- 7) Review and consider resolution to certify to the County Treasurer the collection of certain accrued and unpaid fees and charges on property accounts in accordance with 32-1-1101: Director Kaatz motioned to approve the resolution regarding certification of accrued, unpaid fees on property accounts to the Weld County Treasurer for collection in 2025. Director Hughes seconded the motion and the Board voted 3-0 to approve the motion.

**Action Item #04:** District Manager will submit all property accounts with accrued, unpaid reimbursable fees to the County Treasurer by December 1<sup>st</sup> for collection through the respective homeowners' 2025 property tax bills.

- 8) Review and consider 2024 audit engagement letter from Flynn CPA: The District Manager reviewed with the Board the 2024 audit engagement letter submitted by Flynn CPA. Director Wipf motioned to appoint Flynn CPA to audit the District's 2024 financial statements. Director Kaatz seconded the motion and the Board voted 3-0 to approve the motion.

- 9) Review and consider 2024/2025 snow removal service agreement: The Board reviewed and discussed the 2024/2025 snow removal service quotes. Director Kaatz motioned to approve the snow removal service agreement with Tend-It. Director Wipf seconded the motion and the Board voted 3-0 in favor of the motion.
- 10) Review and consider 2025 landscaping service agreement: The Board reviewed and discussed the 2025 landscaping service agreement quotes. Director Kaatz motioned to approve the 2025 landscaping service agreement with Tend-It. Director Hughes seconded the motion and the Board voted 2-0 in favor of the motion with Director Wipf abstaining from the vote.
- 11) Review and consider native grass reseeding quotes: The Board reviewed and discussed the native reseeding quotes. The Board agreed to defer this agenda item to the next meeting.

### VIII. Covenant Enforcement Matters:

- 1) Review covenant enforcement activity: The Board reviewed the covenant enforcement activity summary and detail reports for the period August 01, 2024 through September 30, 2024. During this period, 131 new violations were identified, and 178 violations were closed. The 101 open violations consisted of the following:

Violation Category	# of open violations	# of violations at the fine stage
Front yard landscaping violations	44	11
Backyard landscaping violations	-	-
Home exterior violations	4	-
Architectural Control violations	3	-
Outside nuisances	9	-
General storage violations	10	-
Fence & mailbox violations	-	-
Shed maintenance violations	-	-
Vehicle violations	17	2
Trash violations	14	-
Seasonal-related violations (snow removal, holiday lights, etc)	-	-
<b>Total Open Violations</b>	<b>101</b>	<b>13</b>

- 2) Architectural Committee Report: The District Manager reported the Architectural Review Committee has reviewed 7 design request forms since the last Board meeting.
- 3) Review and discuss Homeowner Appeals:

Account # 1A4904211 - The homeowner requested the Board grant the homeowner's property an exception to the Design Guidelines and allow a storage box in front of his house to hold deliveries. Director Wipf motioned to update the Design Guidelines for the single family homes to allow storage boxes in front of homes, matching the dimensions of storage boxes already allowed per the Design Guidelines for the town homes. Director Kaatz seconded the motion and the Board voted 3-0 in favor of the motion.

**Action Item 04:** The District Manager will update the Design Guidelines to reflect the allowance of storage boxes in front of homes.

**IX. Meeting adjournment (7:36 pm)**

There being no further business to come before the Board, and upon motion duly made by Director Hughes and unanimously carried, the meeting was adjourned. The next board meeting will be held at 5:30 pm on Thursday February 13, 2025 at the Ft Lupton Library (370 S Rollie Ave Ft Lupton, CO 80621).

Signed by:

*Brad Kaatz*

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Board Secretary

2/19/2025

Date