

FALLBROOK METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032
<https://fallbrookmd.colorado.gov/>

NOTICE OF A REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Steven J. Slaughter	President	2025/May 2025
Suzanne Crest	Treasurer	2023/May 2023
VACANT	Assistant Secretary	2025/May 2025
VACANT	Assistant Secretary	2023/May 2023
VACANT		2023/May 2023
David Solin	Secretary (not an elected position)	

DATE: November 17, 2022 (Thursday)

TIME: 6:30 p.m.

PLACE: **THIS MEETING WILL BE HELD BY VIDEO/TELEPHONIC MEANS:**

Join Zoom Meeting

<https://us02web.zoom.us/j/5469119353?pwd=SmtlcHJETFhCQUZEcVBBOGZVU3Fqdz09>

Meeting ID: 546 911 9353

Passcode: 912873

Dial In: 1-253-215-8782

I. PUBLIC COMMENT

A. _____

II. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest and confirm quorum.

B. Approve Agenda; confirm location of meeting and posting of meeting notices and designate 24-hour posting location.

C. Discuss vacancies on the Board. Consider appointments of Michelle Slaughter and Elizabeth R. Hernandez to the Board of Directors.

D. Consider appointment of officers

President: _____
 Secretary: _____
 Treasurer: _____
 Assistant Secretary: _____
 Assistant Secretary: _____

E. Review and approve minutes of the August 3, 2022 Special Meeting (enclosure).

F. Discuss business to be conducted in 2023 and location (**virtual and/or physical**) of meetings. Schedule regular meeting dates and consider adoption of Resolution No. 2022-11-__; Resolution Establishing Regular Meeting Dates, Time, and Location and Designating Location for Posting 24-Hour Notices (enclosure).

G. Discuss requirements of Section 32-1-809, C.R.S., and direct staff regarding compliance for 2023 (District Transparency Notice).

III. FINANCIAL MATTERS

A. Review and ratify the approval of the payments of claims as follows (enclosures):

	Period Ending Aug. 31, 2022	Period Ending Sept. 30, 2022	Period Ending Oct. 31, 2022
General Fund	\$ 7,391.49	\$ 3,350.80	\$ 4,640.54
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-
Capital Fund	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 7,391.49	\$ 3,350.80	\$ 4,640.54

B. Review and consider acceptance of unaudited financial statements for the period ending September 30, 2022 (enclosure).

C. Conduct Public Hearing to consider amendment of the 2022 Budget. If necessary, consider adoption of Resolution to Amend the 2022 Budget.

D. Conduct Public Hearing on the proposed 2023 Budget and consider adoption of Resolution No. 2022-11-__; Resolution to Adopt the 2023 Budget and Appropriate Sums of Money and Resolution No. 2022-11-__; Resolution to Set Mill Levies (for

General Fund _____, Debt Service Fund _____ and Other Fund(s) _____ for a total mill levy of _____) (enclosures – preliminary assessed valuation, 2023 draft Budget and resolutions).

E. Authorize District Accountant to prepare and sign the DLG-70 Certification of Tax Levies form (“Certification”), and direct District Accountant to file the Certification with the Board of County Commissioners and other interested parties.

F. Consider appointment of District Accountant to prepare 2024 budget, and direct that the form of the 2024 budget be the same as the 2023 budget. Set date for the Budget Hearing for _____.

G. Discuss statutory requirements for an audit. Consider appointment of District Accountant or engagement of outside accountant to perform the 2022 Audit.

IV. LEGAL MATTERS

A. Discuss May 2, 2023 Regular Director Election and consider adoption of Resolution Calling May 2, 2023 Election for Directors, appointing Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. Self-Nomination Forms are due by February 24, 2023 (enclosure). Discuss the need for ballot issues and/or questions.

B. Discuss the potential Dissolution of the District.

- a. Timeline and key events
 - b. Retirement of debt
-

V. OTHER MATTERS

A. _____

VI. ADJOURNMENT **THERE ARE NO MORE REGULAR MEETINGS SCHEDULED IN 2022.**

Informational Enclosure:

- Memo regarding New Rate Structure from Special District Management Services, Inc.
- Letter regarding rate increase from McGeady Becher PC

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE FALLBROOK METROPOLITAN DISTRICT HELD AUGUST 3, 2022

A Special Meeting of the Board of Directors of the Fallbrook Metropolitan District (referred to hereafter as “Board”) was duly held on Wednesday, August 3rd, 2022, at 6:30 p.m. The District Board Meeting was held, and properly noticed to be held, via Zoom without any individuals (neither District representatives nor the general public) attending in person. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Steven J. Slaughter
Suzanne Crest

Also In Attendance Were:

David Solin; Special District Management Services, Inc.
Tim O’Connor, Esq.; McGeady Becher P.C.
Mike Bakarich; Morain Bakarich, CPAs

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures of Potential Conflicts of Interest: Mr. Solin noted that a quorum was present and discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting. No disclosures were made, and it was noted that all Directors are residents of the District.

ADMINISTRATIVE MATTERS

Agenda: Mr. Solin distributed for the Board’s review and approval a proposed Agenda for the District’s Special Meeting.

Following discussion, upon motion duly made by Director Steven Slaughter, seconded by Director Crest and, upon vote, unanimously carried, the Agenda was approved, as presented.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the

RECORD OF PROCEEDINGS

District's Board meeting. The Board determined that the meeting would be held by video/conference call and encouraged public participation. The Board further noted that notice of the time, date, and location/manner of the meeting was duly posted and that the Board did not receive any objections to the manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed, by taxpaying electors within the District's boundaries.

Vacancies on the Board of Directors: The Board discussed the vacancies on the Board. The Board considered the appointments of Michelle Slaughter and Elizabeth R. Hernandez to the Board of Directors.

Following discussion, upon motion duly made by Director Steven Slaughter, seconded by Director Crest and, upon vote, unanimously carried, the Board appointed eligible electors Michelle Slaughter and Elizabeth R. Hernandez to fill the vacancies on the Board.

Appointment of Officers: Following discussion, upon motion duly made by Director Steven Slaughter, seconded by Director Crest and, upon vote, unanimously carried, the following slate of officers were appointed for the District:

President:	Steven J. Slaughter
Treasurer:	Suzanne Crest
Secretary:	David Solin (not an elected position)
Assistant Secretary:	Michelle Slaughter
Assistant Secretary:	Elizabeth R. Hernandez

Minutes: The Board reviewed the minutes of the May 4, 2022 Regular Meeting.

Following discussion, upon motion duly made by Director Steven Slaughter, seconded by Director Crest and, upon vote, unanimously carried, the Board approved the minutes of the May 4, 2022 Regular Meeting, as presented.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims as follows:

	Period Ending May 31, 2022	Period Ending June 30, 2022	Period Ending July 31, 2022
General Fund	\$ 4,634.61	\$ 3,013.89	\$ 2,537.46
Debt Service Fund	\$ -0-	\$ -0-	\$ -0-
Capital Fund	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 4,634.61	\$ 3,013.89	\$ 2,537.46

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Crest, seconded by Director Steven Slaughter and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

Unaudited Financial Statements: Mr. Solin presented, and the Board considered the acceptance of, unaudited financial statements for the period ending June 30, 2022.

Following discussion, upon motion duly made by Director Crest, seconded by Director Slaughter and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending June 30, 2022.

2021 Audit: Mr. Bakarich reviewed the 2021 Audit with the Board.

Following discussion, upon motion duly made by Director Crest, seconded by Director Steven Slaughter and, upon vote, unanimously carried, the Board approved filing of the 2021 Audit, and execution of the Representations Letter, subject to final legal review.

Early Optional Redemption Payment: Mr. Solin discussed the status of the Early Optional Redemption Payment over and above \$40,000 with the Board. The Board expressed interest in paying down or paying of the District's outstanding debt by the end of the year and potentially dissolving the District. The Board directed legal counsel to work with the other consultants and develop a plan outlining prepaying the outstanding debt and dissolving the District and present the plan to the Board at the next meeting. No additional action was taken on this item at this time.

LEGAL MATTERS

None.

OTHER MATTERS

There were no other matters.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Crest, seconded by Director Steven Slaughter and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

RESOLUTION NO. 2022-11-__

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE FALLBROOK METROPOLITAN DISTRICT
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION,
ESTABLISHING DISTRICT WEBSITE AND
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES**

A. Pursuant to Section 32-1-903(1.5), C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.

B. Pursuant to Section 32-1-903(5), C.R.S., “location” means the physical, telephonic, electronic, or virtual place, or a combination of such means where a meeting can be attended. “Meeting” has the same meaning as set forth in Section 24-6-402(1)(b), C.R.S., and means any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication.

C. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district’s first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings (“**Notice of Meeting**”) will be physically posted at least 24 hours prior to each meeting (“**Designated Public Place**”). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting if a special district posts the Notice of Meeting online on a public website of the special district (“**District Website**”) at least 24 hours prior to each regular and special meeting.

E. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

F. Pursuant to Section 32-1-903(1.5), C.R.S., all meetings of the board that are held solely at physical locations must be held at physical locations that are within the boundaries of the district or that are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the physical location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

G. The provisions of Section 32-1-903(1.5), C.R.S., may be waived if: (1) the proposed change of the physical location of a meeting of the board appears on the agenda of a meeting; and (2) a resolution is adopted by the board stating the reason for which meetings of the board are to be held in a physical location other than under Section 32-1-903(1.5), C.R.S., and further stating the date, time and physical location of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Fallbrook Metropolitan District (the “**District**”), Adams County, Colorado:

1. That the provisions of Section 32-1-903(1.5), C.R.S., be waived pursuant to the adoption of this Resolution.

2. That the Board of Directors (the “**District Board**”) has determined that conducting meetings at a physical location pursuant to Section 32-1-903(1.5), C.R.S., would be inconvenient and costly for the directors and consultants of the District in that they live and/or work outside of the twenty (20) mile radius requirement.

3. That regular meetings of the District Board for the year 2023 shall be held on June __ and November __, 2023; 6:30 p.m., via Zoom.

4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each director.

5. That, until circumstances change, and a future resolution of the District Board so designates, the physical location and/or method or procedure for attending meetings of the District Board virtually (including the conference number or link) shall appear on the agenda(s) of said meetings.

6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s) physical location(s), and any such objections shall be considered by the District Board in setting future meetings.

7. That the District has established the following District Website, fallbrookmd.colorado.gov, and the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to meetings pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

8. That, if the District is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

- (a) At the northwest corner of the District’s boundary along 144th Avenue and Detroit Street

9. Special District Management Services, Inc., or his/her designee, is hereby appointed to post the above-referenced notices.

[SIGNATURE PAGE TO RESOLUTION ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, ESTABLISHING DISTRICT WEBSITE AND DESIGNATING LOCATION FOR 24-HOUR NOTICES]

RESOLUTION APPROVED AND ADOPTED on November 17, 2021.

FALLBROOK METROPOLITAN DISTRICT

By: _____
President

Attest:

Secretary

Funding approved 8/11/22 by SB

Fallbrook Metropolitan District

Check Register - Fallbrk
Check Issue Dates: 8/1/2022 - 8/31/2022

Released
8/25/22

Page: 1
Aug 11, 2022 10:31AM

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1610 M 08/11/2022	McGeady Becher P.C.	787W 06/2022	Legal	1-675	284.50	284.50
Total 1610:						284.50
1611 M 08/11/2022	Morain Bakarich CPAs	14723	Audit	1-615	5,000.00	5,000.00
Total 1611:						5,000.00
1612 C 08/11/2022	Special District Management Ser	07/2022	Miscellaneous	1-685	20.19	20.19
08/11/2022	Special District Management Ser	07/2022	Accounting	1-612	1,213.60	1,213.60
08/11/2022	Special District Management Ser	07/2022	Management	1-680	873.20	873.20
Total 1612:						2,106.99
Grand Totals:						7,391.49

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1610						
08/11/2022	McGeady Becher P.C.	787W 06/2022	Legal	1-675	284.50	284.50
Total 1610:						284.50
1611						
08/11/2022	Morain Bakarich CPAs	14723	Audit	1-615	5,000.00	5,000.00
Total 1611:						5,000.00
1612						
08/11/2022	Special District Management Ser	07/2022	Miscellaneous	1-685	20.19	20.19
08/11/2022	Special District Management Ser	07/2022	Accounting	1-612	1,213.60	1,213.60
08/11/2022	Special District Management Ser	07/2022	Management	1-680	873.20	873.20
Total 1612:						2,106.99
Grand Totals:						7,391.49

Fallbrook Metropolitan District

August-22

	General	Debt	Capital	Totals
Disbursements	\$ 7,391.49		\$ -	\$ 7,391.49
Total Disbursements from Checking	\$ 7,391.49	\$ -	\$ -	\$ 7,391.49

*7 Funds Available
9.13.2022
Per Steve Beck*

*Check Released
9.21.22*

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total	
1615	<i>m</i> 09/13/2022	Colorado Special Districts P&L	23WC-60109-0718	Prepaid Expenses	1-142	450.00	450.00
Total 1615:						450.00	
1616	<i>m</i> 09/13/2022	McGeady Becher P.C.	787W 07/2022	Legal	1-675	1,043.50	1,043.50
Total 1616:						1,043.50	
1617	<i>c</i> 09/13/2022	Special District Management Ser	08/2022	Miscellaneous	1-685	22.10	22.10
	09/13/2022	Special District Management Ser	08/2022	Accounting	1-612	1,006.40	1,006.40
	09/13/2022	Special District Management Ser	08/2022	Management	1-680	828.80	828.80
Total 1617:						1,857.30	
Grand Totals:						3,350.80	

(Handwritten signature/initials)

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1615						
09/13/2022	Colorado Special Districts P&L	23WC-60109-0718	Prepaid Expenses	1-142	450.00	450.00
Total 1615:						450.00
1616						
09/13/2022	McGeady Becher P.C.	787W 07/2022	Legal	1-675	1,043.50	1,043.50
Total 1616:						1,043.50
1617						
09/13/2022	Special District Management Ser	08/2022	Miscellaneous	1-685	22.10	22.10
09/13/2022	Special District Management Ser	08/2022	Accounting	1-612	1,006.40	1,006.40
09/13/2022	Special District Management Ser	08/2022	Management	1-680	828.80	828.80
Total 1617:						1,857.30
Grand Totals:						3,350.80

Fallbrook Metropolitan District

September-22

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 3,350.80	\$ -	\$ -	\$ 3,350.80
Total Disbursements from Checking	\$ 3,350.80	\$ -	\$ -	\$ 3,350.80

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1618 <i>M</i>						
10/13/2022	McGeady Becher P.C.	787W 08/2022	Legal	1-675	3,017.63	3,017.63
Total 1618:						3,017.63
1619 <i>M</i>						
10/13/2022	RLI	0936192	Prepaid Expenses	1-142	250.00	250.00
Total 1619:						250.00
1620 <i>C</i>						
10/13/2022	Special District Management Ser	09/2022	Miscellaneous	1-685	55.71	55.71
10/13/2022	Special District Management Ser	09/2022	Accounting	1-612	710.40	710.40
10/13/2022	Special District Management Ser	09/2022	Management	1-680	606.80	606.80
Total 1620:						1,372.91
Grand Totals:						4,640.54

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1618						
10/13/2022	McGeady Becher P.C.	787W 08/2022	Legal	1-675	3,017.63	3,017.63
Total 1618:						3,017.63
1619						
10/13/2022	RLI	0936192	Prepaid Expenses	1-142	250.00	250.00
Total 1619:						250.00
1620						
10/13/2022	Special District Management Ser	09/2022	Miscellaneous	1-685	55.71	55.71
10/13/2022	Special District Management Ser	09/2022	Accounting	1-612	710.40	710.40
10/13/2022	Special District Management Ser	09/2022	Management	1-680	606.80	606.80
Total 1620:						1,372.91
Grand Totals:						4,640.54

Fallbrook Metropolitan District

October-22

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 4,640.54	\$ -	\$ -	\$ 4,640.54
Total Disbursements from Checking	\$ 4,640.54	\$ -	\$ -	\$ 4,640.54

FALLBROOK METROPOLITAN DISTRICT

Schedule of Cash Position

September 30, 2022

	<u>Rate</u>	<u>Operating</u>	<u>Debt Service</u>	<u>Total</u>
Checking:				
		\$ 987.00	\$ -	\$ 987.00
Investments:				
Cash in Bank-ColoTrust	2.6205%	169,206.07	1,345,907.57	1,515,113.64
Trustee:				
	1.1500%	-	127.95	127.95
TOTAL FUNDS:		<u>\$ 170,193.07</u>	<u>\$ 1,346,035.52</u>	<u>\$ 1,516,228.59</u>

2022 Mill Levy Information

Certified General Fund Mill Levy	2.333
Certified Debt Service Fund Mill Levy	<u>40.000</u>
Total Certified Mill Levy	<u>42.333</u>

Board of Directors

* Steven J. Slaughter
 Suzanne Crest
 Michelle Slaughter
 Elizabeth R. Hernandez

* David Solin

*Authorized signer on Checking Account

FALLBROOK METROPOLITAN DISTRICT

FINANCIAL STATEMENTS

September 30, 2022

FALLBROOK METROPOLITAN DISTRICT
 COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS
 September 30, 2022

	GENERAL	DEBT SERVICE	LONG-TERM DEBT	TOTAL MEMO ONLY
Assets				
Cash in Bank - First Bank	\$ 987	\$ -	\$ -	\$ 987
Cash in Bank-ColoTrust	169,206	1,345,908	-	1,515,114
BOK - Loan Pymt	-	128	-	128
Prepaid Expenses	450	-	-	450
Total Current Assets	<u>170,643</u>	<u>1,346,036</u>	<u>-</u>	<u>1,516,679</u>
Other Debits				
Amount in Debt Service Fund	-	-	1,346,036	1,346,036
Amount to be Provided for Debt	-	-	428,964	428,964
Total Other Debits	<u>-</u>	<u>-</u>	<u>1,775,000</u>	<u>1,775,000</u>
Total Assets	<u>\$ 170,643</u>	<u>\$ 1,346,036</u>	<u>\$ 1,775,000</u>	<u>\$ 3,291,679</u>
Liabilities				
Loan Payable	\$ -	\$ -	\$ 1,775,000	\$ 1,775,000
Total Liabilities	<u>-</u>	<u>-</u>	<u>1,775,000</u>	<u>1,775,000</u>
Deferred Inflows of Resources				
Deferred Property Taxes	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance				
Fund Balance	144,085	414,282	-	558,367
Current Year Earnings	26,558	931,753	-	958,311
Total Fund Balances	<u>170,643</u>	<u>1,346,036</u>	<u>-</u>	<u>1,516,679</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 170,643</u>	<u>\$ 1,346,036</u>	<u>\$ 1,775,000</u>	<u>\$ 3,291,679</u>

FALLBROOK METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 9 Months Ending,
September 30, 2022
General Fund

Account Description	Period Actual	YTD Actual	Budget	Favorable (Unfavorable) Variance	% of Budget
Revenues					
Property Tax Revenue	\$ 22,206	\$ 52,953	\$ 52,938	\$ 15	100.0%
Specific Ownership Taxes	1,541	2,922	3,706	(784)	78.8%
Interest Income	958	1,353	100	1,253	1352.9%
Total Revenues	<u>24,705</u>	<u>57,227</u>	<u>56,744</u>	<u>483</u>	<u>100.9%</u>
Expenditures					
Accounting	3,049	9,824	19,000	9,176	51.7%
Audit	5,000	5,000	4,700	(300)	106.4%
Election	59	932	1,500	568	62.1%
Insurance/SDA Dues	-	3,288	6,400	3,112	51.4%
Legal	2,198	4,521	8,000	3,479	56.5%
Management	2,457	5,822	10,000	4,178	58.2%
Miscellaneous	67	488	1,000	512	48.8%
Treasurer's Fees	333	795	794	(1)	100.1%
Contribution to HOA	-	-	10,000	10,000	0.0%
Emergency Reserve	-	-	8,606	8,606	0.0%
Total Expenditures	<u>13,163</u>	<u>30,669</u>	<u>70,000</u>	<u>39,331</u>	<u>43.8%</u>
Excess (Deficiency) of Revenues Over Expenditures	11,542	26,558	(13,256)	39,814	
Beginning Fund Balance	159,101	144,085	128,851	15,234	
Ending Fund Balance	<u>\$ 170,643</u>	<u>\$ 170,643</u>	<u>\$ 115,595</u>	<u>\$ 55,048</u>	

FALLBROOK METROPOLITAN DISTRICT
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the 9 Months Ending,
September 30, 2022
Debt Service Fund

Account Description	Period Actual	YTD Actual	Budget	Favorable (Unfavorable) Variance	% of Budget
Revenues					
Property Tax Revenue	\$ 380,723	\$ 907,894	\$ 907,634	\$ 260	100.0%
Specific Ownership Taxes	26,427	50,091	63,534	(13,443)	78.8%
Interest Income	7,278	9,369	1,600	7,769	585.6%
Total Revenues	<u>414,428</u>	<u>967,354</u>	<u>972,768</u>	<u>(5,414)</u>	<u>99.4%</u>
Expenditures					
Loan Principal - 2015	-	-	575,000	575,000	0.0%
Loan Interest	-	21,478	42,955	21,478	50.0%
Optional Prepayment Principal	-	-	40,000	40,000	0.0%
Paying Agent Fees	500	500	500	-	100.0%
Treasurer's Fees	5,713	13,624	13,615	(9)	100.1%
Contingency/Emergency Reserve	-	-	7,930	7,930	0.0%
Total Expenditures	<u>6,213</u>	<u>35,601</u>	<u>680,000</u>	<u>644,399</u>	<u>5.2%</u>
Excess (Deficiency) of Revenues Over Expenditures	408,214	931,753	292,768	638,985	
Beginning Fund Balance	937,821	414,282	1,162,046	(747,764)	
Ending Fund Balance	<u>\$ 1,346,036</u>	<u>\$ 1,346,036</u>	<u>\$ 1,454,814</u>	<u>\$ (108,778)</u>	

Ken Musso
ASSESSOR

AUG 25 2022



Assessor's Office
4430 South Adams County Parkway
2nd Floor, Suite C2100
Brighton, CO 80601-8201
PHONE 720.523.6038
FAX 720.523.6037
www.adcogov.org

August 25, 2022

FALLBROOK METROPOLITAN DISTRICT
SPECIAL DISTRICT MANAGEMENT SERVICES INC
Attn: DAVID SOLIN
141 UNION BLVD STE 150
LAKEWOOD CO 80228-1898

To DAVID SOLIN:

Enclosed is the 2022 preliminary valuation. This valuation along with all other statutory requirements is on the enclosed form. A final certification of value will be sent out on or before December 10, 2022.

This value is subject to change by the County Board of Equalization, Board of Assessment Appeals and the State Board of Equalization as provided by law.

Sincerely,

A handwritten signature in black ink, appearing to read 'KM', with a long horizontal flourish extending to the right.

Ken Musso
Adams County Assessor
KM/rmb

CERTIFICATION OF VALUATION BY ADAMS COUNTY ASSESSOR

Name of Jurisdiction: **275 - FALLBROOK METROPOLITAN DISTRICT**

IN ADAMS COUNTY ON 8/25/2022

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022 IN ADAMS COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$22,690,860
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$22,054,460
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$22,054,460
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD ## OR LAND (29-1-301(1)(b) C.R.S.):	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(I)(B) C.R.S.):	\$0.00

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo.

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TAVOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST. AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022 IN ADAMS COUNTY, COLORADO ON AUGUST 25, 2022

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$311,308,582
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0
(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)	
DELETIONS FROM TAXABLE REAL PROPERTY:	
8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->	\$0
--	-----

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2022

IN ACCORDANCE WITH 39-5-128(1.5) C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	
** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.	

FALLBROOK METROPOLITAN DISTRICT
Assessed Value, Property Tax and Mill Levy Information

	2021 Actual	2022 Adopted Budget	2023 Preliminary Budget
Assessed Valuation	\$ 23,233,710	\$ 22,690,860	\$ 22,054,460
Mill Levy			
General Fund	2.333	2.333	0.750
Debt Service Fund	40.000	40.000	15.000
Total Mill Levy	42.333	42.333	15.750
Property Taxes			
General Fund	\$ 54,204	\$ 52,938	\$ 16,541
Debt Service Fund	929,348	907,634	330,817
Adjustments to actual/rounding	(1,617)	-	-
Actual/Budgeted Property Taxes	\$ 981,935	\$ 960,572	\$ 347,358

FALLBROOK METROPOLITAN DISTRICT

**GENERAL FUND
2023 Preliminary Budget
with 2021 Actual and 2022 Estimated**

	2021 Actual	01/22-09/22 YTD Actual	2022 Adopted Budget	2022 Estimated	2023 Preliminary Budget
BEGINNING FUND BALANCE	\$ 133,628	\$ 144,085	\$ 147,173	\$ 144,085	\$ 154,023
REVENUE					
Property Tax Revenue	54,115	52,953	52,938	52,953	16,541
Specific Ownership Taxes	4,517	2,922	3,706	3,500	500
Interest Income	94	1,353	100	1,500	100
Total Revenue	58,726	57,227	56,744	57,953	17,141
Total Funds Available	192,354	201,312	203,917	202,038	171,164
EXPENDITURES					
Accounting	19,163	9,824	19,000	15,000	10,000
Audit	4,300	5,000	4,700	5,000	5,500
Election	-	931.72	1,500.00	932.00	-
Insurance/SDA Dues	5,784	3,288	6,400	3,288	3,700
Legal	8,401	4,521	8,000	10,000	15,000
Management	9,572	5,822	10,000	12,000	10,000
Miscellaneous	237	488	1,000	1,000	1,000
Treasurer's Fees	812	795	794	795	248
Contribution to HOA	-	-	10,000	-	-
Total Expenditures	48,269	30,669	61,394	48,015	45,448
Transfers and Other Sources (Uses)					
Transfer to Debt Service					107,012
Emergency Reserve	-	-	(8,606)	-	(514)
Total Expenditures Requiring Appropriation	48,269	30,669	70,000	48,015	152,974
ENDING FUND BALANCE	\$ 144,085	\$ 170,643	\$ 133,917	\$ 154,023	\$ 18,189

NOTES TO GENERAL FUND

FALLBROOK METROPOLITAN DISTRICT

**DEBT SERVICE FUND
2023 Preliminary Budget
with 2021 Actual and 2022 Estimated**

	2021 Actual	01/22-09/22 YTD Actual	2022 Adopted Budget	2022 Estimated	2023 Preliminary Budget
BEGINNING FUND BALANCE	\$ 1,162,073	\$ 414,282	\$ 414,565	\$ 414,282	\$ 112,597
REVENUE					
Property Tax Revenue	927,819	907,894	907,634	907,894	330,817
Specific Ownership Taxes	77,439	50,091	63,534	52,500	25,000
Interest Income	1,329	9,369	1,600	10,000	200
Total Revenue	1,006,587	967,354	972,768	970,394	356,017
Total Funds Available	2,168,660	1,381,636	1,387,333	1,384,676	468,614
EXPENDITURES					
Loan Principal - 2015	550,000	-	575,000	575,000	560,000
Loan Interest	82,522	21,478	42,955	42,955	10,164
Optional Prepayment Principal	1,085,000	-	40,000	640,000	-
Loan Prepayment Fee	22,429	-	-	-	-
Paying Agent Fees	500	500	500	500	500
Treasurer's Fees	13,927	13,624	13,615	13,624	4,962
Total Expenditures	1,754,378	35,601	672,070	1,272,079	575,626
Transfers and Other Sources (Uses)					
Transfer from General Fund					107,012
Contingency/Emergency Reserve	-	-	(7,930)	-	-
Total Expenditures Requiring Appropriation	1,754,378	35,601	680,000	1,272,079	575,626
ENDING FUND BALANCE	\$ 414,282	\$ 1,346,035	\$ 707,333	\$ 112,597	\$ (0)

2022 Debt Reconciliation	
2022 Beginning Debt Balance	\$1,775,000
2022 Budgeted Debt Service	575,000
2022 Optional Redemption Budgeted	40,000
2022 Additional Optional Redemption	600,000
2022 Ending Debt Balance	\$ 560,000

2022 Debt Fund Reconciliation	
2022 Beginning DF Balance	\$ 414,282
2022 DF Revenues	967,354
2022 DF Funds Available	1,381,636
2022 Scheduled P&I	617,955
2022 Optional Redemption Budgeted	40,000
2022 Additional Optional Redemption	600,000
2022 DF Expenses	14,125
2022 Ending DF Balance	\$ 109,556

2023 Required Debt Fund Forecast		
	<i>Debt</i>	<i>DSF</i>
2023 Beginning Balance	\$ 560,000	\$ 112,597
Interest (2.42%) to June 1, 2023	10,164	
Total for Debt Retirement	\$ 570,164	
Deficit		\$ 457,567
Additional Revenues		25,200
Transfer from GF		107,012
DSF Expenses		5,462
Required DSF Millage		\$ 330,817

RESOLUTION NO. 2022 - 11 - __
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE FALLBROOK METROPOLITAN DISTRICT
TO ADOPT THE 2023 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Fallbrook Metropolitan District (“District”) has appointed the District Accountant to prepare and submit a proposed 2023 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2022, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 17, 2022 and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Fallbrook Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Fallbrook Metropolitan District for the 2023 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.
3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 17th day of November, 2022.

Secretary

(SEAL)

EXHIBIT A
(Budget)

I, David Solin, hereby certify that I am the duly appointed Secretary of the Fallbrook Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2023, duly adopted at a meeting of the Board of Directors of the Fallbrook Metropolitan District held on November 17, 2022.

By: _____
Secretary

RESOLUTION NO. 2022 - 11 - __
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE FALLBROOK METROPOLITAN DISTRICT
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Fallbrook Metropolitan District (“District”) has adopted the 2023 annual budget in accordance with the Local Government Budget Law on November 17, 2022; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2023 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Fallbrook Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Adams County, Colorado, the mill levies for the District as set forth in the District’s Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 17th day of November, 2022.

Secretary

(SEAL)

EXHIBIT A
(Certification of Tax Levies)

RESOLUTION NO. 2022-11-____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
FALLBROOK METROPOLITAN DISTRICT
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 2, 2023**

A. The term of the office to which Director Suzanne Crest, Director Suzanne Slaughter, and Director Elizabeth R. Hernandez have previously been appointed expires upon their re-election, or the election of their successor at the Election, and upon such successor taking office.

B. One (1) vacancy currently exist on the Board of Directors of the District.

C. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect one (1) Directors to serve until the next regular election, to occur May 6, 2025, and three (3) Directors to serve until the second regular election, to occur May 4, 2027.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Fallbrook Metropolitan District (the “**District**”) of the County of Adams, Colorado:

1. Date and Time of Election. The Election shall be held on May 2, 2023, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, one (1) Directors shall be elected to serve until the next regular election, to occur May 6, 2025, and three (3) Directors shall be elected to serve until the second regular election, to occur May 4, 2027.

2. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.

3. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Designated Election Official. Steve Beck shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.

5. Call for Nominations. The Designated Election Official shall provide Call for Nominations as required under Section 1-13.5-501, C.R.S., as applicable.

6. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with Steve Beck, the Designated Election Official of the District, c/o Special District Management Solutions, 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, (303) 987-0835, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 25, 2023).

7. Self-Nomination and Acceptance Forms. Self-Nomination and Acceptance Forms are available and can be obtained from Steve Beck, the Designated Election Official for the District, c/o Special District Management Solutions, 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, (303) 987-0835 and on the District's website: <https://fallbrookmd.colorado.gov/>.

8. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on February 28, 2023, the sixty-third day prior to the regular election, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

9. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board of Director's intention that the various provisions hereof are severable.

10. Repealer. All acts, orders and resolutions, or parts thereof, of the Board of Directors which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

11. Effective Date. The provisions of this Resolution shall take effect as of the date adopted and approved by the Board of Directors of the District.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 2, 2023]**

RESOLUTION APPROVED AND ADOPTED on November 17, 2022.

**FALLBROOK METROPOLITAN
DISTRICT**

By: _____
President

Attest:

Secretary



141 Union Boulevard, Suite 150
Lakewood, CO 80228-1898
303-987-0835 • Fax: 303-987-2032

MEMORANDUM

TO: Board of Directors

FROM: Christel Gemski
Executive Vice-President

DATE: September 2, 2022

RE: Notice of 2023 Rate Increase

A rectangular box containing a handwritten signature in blue ink that reads "Christel Gemski".

In accordance with the Management Agreement (“Agreement”) between the District and Special District Management Services, Inc. (“SDMS”), at the time of the annual renewal of the Agreement, the hourly rate described in Article III for management and all services shall increase by the CPI (8.5%) per hour.

We hope you will understand that it is necessary to increase our rates due to increasing gas and operating costs along with new laws and rules implemented by our legislature.



October 15, 2022

Dear Client:

Our Firm prides itself on providing the highest level of service in the most efficient manner. In the current economic environment, we are facing increased costs in all areas of the business. In order to continue to provide consistent high-level service we have found it necessary to implement a rate increase.

In accordance with the Firm's fee engagement letter, this letter is to advise you that effective January 1, 2023, the hourly rates of selected attorneys and staff will be adjusted. Hourly rates will be as follows: Shareholders \$425 - \$550; Of Counsel \$380 - \$425; Associates \$275 - \$375; Paralegals and Directors \$225 - \$240; Law Clerks \$150; File Clerks \$30.

Commencing on January 1, 2023, we will begin charging most costs incurred on your behalf as an administrative fee equal to 1% of the legal fees charged in a given month. This fee includes such costs as long-distance telephone calls, research requiring a subscription database, in-office photocopies and faxes, ordinary postage, and messenger and delivery services, and includes a small overhead component. This fee may be adjusted with notice.

This fee is based on our historic experience, as well as client feedback, that invoices that itemize every photocopy, fax, and delivery charge are confusing. Any advances made on behalf of the client as well as major costs, such as major travel expenses, application/submittal/recording fees, election expenses, court costs, publication costs, express delivery, and conference calls and videoconferencing where a third-party provider is used, will be separately invoiced at our actual cost. If you have any questions or concerns about this change, please let us know.

We appreciate your continued trust and confidence in our Firm and look forward to representing your interests in 2023 and beyond.

Very truly yours,

McGEADY BECHER P.C.

A handwritten signature in blue ink that reads "Cheryl L. Matlosz". The signature is written in a cursive, flowing style.

Cheryl L. Matlosz
Firm Administrator