

RECORD OF PROCEEDINGS

MINUTES OF THE WORKSHOP / SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE FALCON HIGHLANDS METROPOLITAN DISTRICT

Held: August 29, 2015 at the Falcon Fire Station, 7030 Old
Meridian Road, Peyton, CO 80831 at 9:00 a.m.

Attendance

The workshop / special meeting of the Board of Directors of the Falcon Highlands Metropolitan District was called and held as shown above in accordance with the statutes of the State of Colorado. The following Directors, having confirmed their qualifications to serve on the Board, were in attendance:

Al Smith
Mark Albright
Heather Knuffke

Others in attendance:

Chuck Reid and Carrie Bartow; CliftonLarsonAllen LLP
Jeffrey Erb; Seter & Vander Wall, P.C.

The three Board applicants were contacted and invited to the study session but did not attend.

Call to Order

Director Smith called the meeting to order at 9:20 a.m. and confirmed a quorum.

Approval of Agenda

Ms. Bartow requested to add a discussion regarding a proposed new financial application called "bill.com" and ADP. Upon a motion duly made by Director Albright seconded by Director Knuffke and, upon vote, unanimously carried, the Board approved the special meeting workshop agenda as amended.

Bill.com and ADP

Ms. Bartow explained that by implementing the new financial application called "Bill.com" the District will have increased efficiency in processing claims. She identified the upfront costs associated with the new application. Upon a motion duly made by Director Knuffke, seconded by Director Smith and, upon vote, unanimously carried, the Board approved to move forward with Bill.com as presented.

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Presentation/Discussion

Ms. Bartow explained the District would save money by using the company ADP as a payroll service for director compensation. Upon a motion duly made by Director Knuffke, seconded by Director Albright and, upon vote, unanimously carried, the Board approved setting up the new payroll service with ADP.

New Director Candidate
Work Session regarding
District Background

The Board noted that the meeting had been set up to serve as a work session for new board member candidates, and to provide an opportunity to present background information on the District and the director obligations.

Mr. Chuck Reid provided a power point presentation about the special districts and Falcon Highlands Metro District. Discussion ensued and various associated issues were discussed, including:

- Falcon Broadband and its service arrangement in the District;
- Service Plan amendment options;
- County warranty work on the roads and acceptance;
- District's outstanding bonds and proposed refinancing;
- Landscape and drainage issues; and
- Covenant enforcement.

Other Business

A quorum was confirmed for the Board's next meeting to occur on Monday, September 28, 2015 at 6:00 p.m. at the Falcon Fire Station No. 3.

Adjournment

There being no further business to come before the Board, and upon motion duly made by Director Knuffke, seconded by Director Smith and, upon a vote, unanimously carried, the meeting was adjourned at 11:37 a.m.

Respectfully submitted,



Secretary for the Meeting