

**MINUTES OF A SPECIAL MEETING  
OF THE BOARD OF DIRECTORS OF  
FLYING HORSE METROPOLITAN DISTRICT NO. 1**

**HELD:** Wednesday, the 2<sup>nd</sup> day of August 2023, at 9:00 a.m. at the offices of Classic Homes, 2138 Flying Horse Club Drive, Colorado Springs, CO 80921

**ATTENDANCE:**

A special meeting of the Board of Directors of Flying Horse Metropolitan District No. 1, City of Colorado Springs, El Paso County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

George Lenz, President, May 2027  
Andrew Balsick, Vice-President, May 2025  
Jerald Richardson, Secretary/Treasurer, May 2025  
Douglas Stimple, Asst. Secretary, May 2027  
Joseph Loidolt, Asst. Secretary, May 2027

Also present were Sarah Steph and Nate Lenz of Classic Homes, Seef Le Roux of CliftonLarsonAllen, Bill Kyriagis of Otten Johnson Robinson Neff and Raganetti PC, Russell W. Dykstra of Spencer Fane LLP and members of the public.

**CALL TO ORDER:**

It was noted that a quorum was present for the purpose of conducting a special meeting of the Board of Directors of Flying Horse Metropolitan District No. 1. The meeting of the Board of Directors of the District was called to order at 9:01 a.m.

**DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:**

Mr. Dykstra noted that general disclosure statements had been filed on behalf of the members of the Board of Directors with the office of the Colorado Secretary of State and with the Secretary of the District. Upon motion duly made, seconded and upon vote unanimously carried, the Board directed that said general disclosures be incorporated herein.

**APPROVAL OF AGENDA:**

Upon motion duly made, seconded and upon vote unanimously carried, the Board approved the agenda as presented.

**EXECUTIVE SESSION:**

Upon motion duly made, seconded and unanimously carried, the Board entered into executive session pursuant to Section 24-6-402(4)(b) C.R.S. to consult or receive legal advice from its attorney regarding the IGA with district Nos. 2 and 3 and instructions to negotiators regarding the

same and the district No. 3 exclusion litigation at 9:05 a.m. The Board requested that Bill Kyriagis in his role as special counsel along with Nate Lenz, Seef Le Roux and Sarah Steph to be allowed to provide information pursuant to the Joint Defense Agreement and other needed information to the Board during the executive session. Upon motion duly made, seconded and unanimously carried, the Board closed the executive session at 9:28 a.m. Mr. Dykstra stated for the record that the session discussion was appropriate attorney client communication and was exclusively for the purpose of receiving legal advice. No action was taken.

#### **PUBLIC COMMENT:**

The Boards heard comments from the public. Mr. Ken Casey, the HOA President, commented on interactions between the HOA and the District and the need for a formal agreement regarding responsibilities and costs. Mr. Chris Tschan, District No. 3 director, requested specific invoices and amounts due.

#### **APPROVAL OF MINUTES:**

Mr. Dykstra presented the minutes from the April 28, 2023 meeting to the Board. Following discussion and upon motion duly made, seconded, and upon vote unanimously carried, the Board approved the minutes from the special meeting held on April 28, 2023 as presented.

#### **FINANCIAL MATTERS:**

Claims. Mr. Le Roux presented the claims to the Board. Discussion ensued. Following discussion and upon motion duly made, seconded, and upon vote unanimously carried, the Board accepted and approved the claims as presented.

Accountant's Reports. Mr. Le Roux presented the reports to the Board. Discussion ensued. Following discussion and upon motion duly made, seconded, and upon vote unanimously carried, the Board accepted and approved the reports as presented.

Audit: Mr. Le Roux presented the draft audit to the Board and noted that an extension had been filed and that information from District Nos. 2 and 3 was needed.

#### **ATTORNEY ITEMS:**

Joint Defense Agreement. Mr. Dykstra presented the agreement to the Board. Discussion ensued. Following discussion and upon motion duly made, seconded, and upon vote unanimously carried, the Board approved the agreement as presented and ratified all actions related thereto.

Fee Resolution. Mr. Dykstra presented the agreement to the Board. Discussion ensued. Following discussion and upon motion duly made, seconded, and upon vote unanimously carried, the Board approved the agreement as presented.

Intergovernmental Agreement Update. The Board discussed the implications of the failure of district Nos. 2 and 3 to pay its appropriate share of costs under the IGA and the need to cut back on the scope of mowing, watering and other services based on the remaining budget and failure to receive funds. Following discussion and upon motion duly made, seconded, and upon vote

unanimously carried, the Board approved Director Balsick to negotiate with vendors to cut back on services in order to balance the budget.

**DIRECTOR ITEMS:**

Website Content. No action was taken.

Hammersmith Management Agreement and HOA Utilities and Maintenance Agreement and Emails. Discussion ensued. No action was taken.

**OTHER BUSINESS:**

The Board discussed maintenance and record keeping issues and the need for accounting by the District instead of community wide.

**ADJOURNMENT/CONTINUATION:**

Following discussion, upon motion duly made, seconded and unanimously carried, the Board adjourned the meeting at 10:03 a.m.

The foregoing Minutes constitute a true and correct copy of the Minutes of the above-referenced special meeting and was approved by the Board of Directors of the Flying Horse Metropolitan District No. 1.

*Gerald Richardson*

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Secretary