

**CATHEDRAL PINES METROPOLITAN DISTRICT
NOTICE OF SPECIAL MEETING
BOARD OF DIRECTORS**

Tuesday, February 15, 2022 at 6:00 PM (MST)
Cathedral Pines Lodge
13975 Milam Rd.
Colorado Springs, CO 80908
Or

Please join meeting from your computer, tablet or smartphone.

<https://meet.goto.com/167017405>

You can also dial in using your phone.

United States: +1 (571) 317-3129

Access Code: 167-017-405

Public Welcome

***We encourage our attendees to participate in person; however, if you choose to join virtually please have your camera on so we are able to get to know everyone a little better.
Please do not use Chat option to submit questions.**

Board of Directors

Bill Heeter, President	Term Expires May 2022
Lynn Shepherd, Vice President	Term Expires May 2023
Kevin Combs, Treasurer	Term Expires May 2022
Ecton Espenlaub, Secretary	Term Expires May 2022
Rick Stauch, At Large	Term Expires May 2022

AGENDA

- 1. Call to Order**
 - a. Meeting operating under previously adopted Emergency Resolution 2020-3-1
- 2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures**
- 3. Approval of Agenda**
- 4. Approval of Board Meeting Minutes** – Regular meeting on November 16, 2021 and January 18, 2022 (see attached)
- 5. Financial Update – Kevin W./Kevin C.**
 - a. Review of Unaudited Financial Statements as of January 31, 2022 (see attached) – Kevin W/ Kevin C.
 - b. Approval of Payables for the Period Ending February 15, 2022 (see attached) – Kevin W.
 - c. Review and consider adoption of the BiggsKofford Engagement letter to perform 2021 Audit (see attached) - Rebecca
 - d. Future Possibilities for Recovery Grants/Loans, etc. – Kevin W.
 - e. Increase in Liability Insurance – in process – Kevin W.
- 6. Adjacent development proposal updates – Rick**
 - a. Flying Horse North status

- 7. Lodge Management Update – Lina/Brandon**
 - a. Interviews for Lodge Management Status - Lynn
 - b. YTD Update/Projections – Kevin W./Lynn
 - c. Flooring Status – Bill
 - d. Plans for Curved Wall at Lodge Entrance – Bill/Lynn
 - e. New Furniture Status – Lynn/Bill
 - f. Deep Cleaning Status - Lynn
 - g. Security Systems at Lodge and Storage Shed – Rick

- 8. Landscaping Issues -- Bill**
 - a. Status of Vessey Ponds – Kevin W./Bill
 - b. Replacement of Flagpole on Central Roundabout – Bill
 - c. Speed Limit Signs on Community Roads -- Bill
 - c. Update on Long Term Landscaping Plan/Community Survey – Bill/Jeremy Powell -- Kimley-Horn

- 9. Management Matters – Bill**
 - a. March Community Update Meeting Review – Bill
 - b. Reaffirm Director Spending Authority - Rebecca

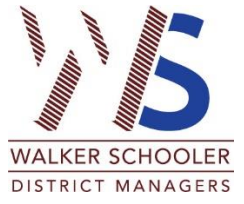
- 10. Legal Matters**
 - a. Review and Consider for Adoption Resolution Concerning Contract Bidding and Term Limit Policy – Rebecca H.

- 11. New Business – Bill/Kevin W.**
 - a. 20th Anniversary Celebration in 2023
 - b. Microsoft Teams Participation with HOA
 - c. Elections Process for Open Seats

- 12. Public Comment** (Items Not on the Agenda Only. Comments limited to 5 minutes per person and taken in Order in Which They Appear on Sign-Up Sheet)

- 13. Other Business**
 - a. Annual Community Update scheduled for March 31 at 6:00 P.M. at the Lodge

- 14. Adjournment** - Next Regular Board Meeting scheduled for March 15 at 10:00 A.M.





**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT
HELD NOVEMBER 16, 2021
AT 10:00 A.M.**

Pursuant to posted notice, the special meeting of the Board of Directors of the Cathedral Pines Metropolitan District was held on Tuesday, November 16th at 10:00 a.m., at 13975 Milam Road, Colorado Springs, CO, and via telephone and video conference call.

In attendance were Directors:

Bill Heeter
Lynn Shepherd
Ecton Espenlaub
Kevin Combs
Rick Stauch

Also in attendance were:

Kevin Walker, Walker Schooler District Managers
Rebecca Hardekopf, Walker Schooler District Managers
Jamie Adams, Warren Management
Brandon Nichols, Lodge Team
Jeremy Powell, Kimley-Horn
Jim Eisenhart (by phone)
Kathy Pope (by phone)
Cathy Kennedy (by phone)

1. Call to Order: President Heeter called the meeting to order at 10:00 AM.
2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures: President Heeter confirmed a quorum was present. There were no additional disclosures made by Board Members
3. Approval of the Agenda: Motion to approve the agenda was made by President Heeter, seconded by Director Espenlaub. Motion passed unanimously.
4. Approval of Board Meeting Minutes – Special meeting on October 27, 2021: Minor corrections were noted by the Board. Director Combs moved to approve the October 27 minutes, seconded by Director Stauch. Motion passed unanimously.
5. Financial Update
 - a. Review of Unaudited Financial Statements as of October 31, 2021: Mr. Walker presented the Unaudited Financial Statements as of October 31, 2021. President Heeter moved to approve the

Unaudited Financial Statements as of October 31, 2021; seconded by Director Shepherd. Motion passed unanimously.

- b. Approval of Payables for the Period Ending October 31, 2021: Mr. Walker presented the Payables for the period ending October 31, 2021. Ms. Hardekopf noted three payables that were added this morning. After review, Director Shepherd moved to approve the Payables for the period ending October 31, 2021 including the three additions as presented; seconded by Director Espenlaub. Motion passed unanimously.
- c. Update on Status of FEMA/COVID claim amounts: Mr. Walker noted there were no updates.
- d. Future possibilities for recovery grants/loans: Mr. Walker reported that SDA is sponsoring a hearing about the future possibilities for grants and loans.
- e. Public Hearing on the adoption of a Resolution approving the 2022 Budget: Mr. Walker presented a detailed review of the 2022 Budget. He noted a 14% increase in revenue based on increase in property taxes. After discussion, the Board agreed to change the Lodge Advertising budget line item to \$5,000. Mr. Walker noted a change in the Debt Service, the beginning balance is \$186,000 which includes the interest payment. President Heeter asked when the bond could be refinanced, and Mr. Walker confirmed it could be refinanced in 2025. President Heeter opened the Public Hearing on the 2022 Budget. After no public comment, the Board unanimously moved to close the Public Hearing. Director Stauch recommended that the mill levies are not changed in 2022 to build up the reserves and to help with possible future expenses for infrastructure. The Board discussed the capital improvements budget for 2022 and agreed to increase it to \$60,000. The Board agreed to add \$10,000 for consulting services for the wetlands issue. Director Espenlaub moved to adopt the Resolution approving the 2022 Budget as amended; seconded by Director Shepherd. Motion passed unanimously.
- f. Long term budget review: Ms. Hardekopf presented a long-term budget review and projection. President Heeter requested the percentage change year over year regarding revenue and expenses. Mr. Walker noted this is a work in progress.

6. Adjacent Development Proposal Updates:

- a. Discussion on Civic Engagement Committee: Director Stauch discussed the status of the committee made up of community members and the HOA Board. The District would not take a lead in the Committee in order to stay within the services provided by the District as stated in the Service Plan. The Flying Horse North development proposal was identified as a near term focus of the committee as well as the development proposed by Cathedral Pines resident Gregg Caulfield south and west of Saxon Hollow adjacent to Cathedral Pines was briefly discussed.

7. Lodge Management Update

- a. YTD Update/Projections: Lina Hoekman Events was not present to give presentation, Director Shepherd gave an update on the projections.
- b. Flooring status – recommendation to be made at December Meeting: President Heeter reported three proposals have been received and a recommendation will be made to the Board at the December meeting.
- c. Status of Soliciting Proposals for Replacing Security Systems at Lodge and Storage Shed: Director Stauch reported that the fire system in the storage shed is working, but four vendors have been contacted for the Lodge. Two vendors assessed the system and said that nothing is wrong with the panel itself and will provide proposals for both the fire and security systems. The Board discussed upgrading the security and video capabilities at the storage shed.
- d. Resident Pricing Discussion/Community Survey: President Heeter discussed the previous community survey comments regarding the Lodge and noted they did not receive a lot of feedback. The Board discussed presenting the pros and cons of the Resident Pricing for the

Lodge issue at the Annual Meeting in February and then distributing a survey after to gain additional feedback from the community. Mr. Walker discussed if the District needs to continue to rent the Lodge out to the public anymore. He explained that in the past, the assessed valuation was not catching up and the mill levy was only 10 mills, but now the assessed valuations have gone up substantially. President Heeter suggested including this option in the discussion at the Annual Meeting. Director Shepherd moved to keep the resident pricing the same for 2022 with a more detailed discussion and recommendation planned for the December Board meeting; seconded by President Heeter. Motion passed unanimously.

- e. Director Shepherd reported the “Festivus” holiday party for the community planned by the HOA and District is scheduled for December 9th at the Lodge. Mr. Nichols will be helping manage the event. After discussion, Director Shepherd moved to match the HOA’s contribution of \$500 for the Festivus holiday party; seconded by Director Combs. Motion passed unanimously.

8. Management Matters:

- a. Proposal to increase Homeowner Forum: President Heeter moved to allow 5 minutes instead of 3 minutes for public comment; seconded by Director Shepherd. Motion passed unanimously.
- b. Holiday Decorations – share expense with HOA: President Heeter suggested the Board consider contributing to holiday light decorations. Mr. Walker confirmed that would be an allowable expense because it is community interest. Director Combs moved to consider contributing up to \$1,000 for holiday lighting decorations with the HOA; seconded by Director Shepherd. Motion passed 4-0 with Director Espenlaub abstaining.
- c. Rental of storage shed for 2022: President Heeter discussed the rental of storage shed for 2022. A Cut Above is currently renting the space to store equipment for \$833 per month. The Board discussed security at the storage shed and President Heeter noted that is the only concern A Cut Above has with renting the space. Director Stauch suggested the Board confirm that A Cut Above has renter’s insurance. The Board discussed what the appropriate rental rate would be. Mr. Walker will confirm that the equipment stored outside is covered. Director Shepherd moved to keep the monthly rental rate at \$833 per month with A Cut Above able to add additional security if desired at their expense and outdoor storage will be addressed later; seconded by Director Combs. After further discussion, the Board agreed to hold off on the 2022 rental rate until more details are discussed. Mr. Walker confirmed the outdoor storage is allowed per the rental contract.

9. Landscaping Issues:

- a. Management of roundabouts and other District-owned areas will be added to Landscaping contracts in 2022: President Heeter noted this item is informational for the Board. The Board has not yet received the 2022 landscaping contract from A Cut Above for review. Mr. Walker confirmed there is no requirement or statute to send out proposals for new landscaping companies. Director Stauch suggested the Board decide how often to recompile District contracts. Director Stauch moved to adopt a Resolution that states the District will recompile major contracts every 3 years on an alternating basis. The Board discussed what major contracts are defined as and determined should be based on price \$20,000; seconded by Director Shepherd. Motion passed unanimously.
- b. Status of Vessey Ponds: President Heeter explained the County has responded that the District is able to manage the ponds. The District can also decide to dredge and remove cattails. President Heeter noted that Mr. Atkinson confirmed the ponds have a membrane liner which is more expensive to dredge. Mr. Walker confirmed the County believes the District is responsible for the pond maintenance as well as having the access easement, but the District does not own the

ponds. The County recommended the District hire a wetlands or environmental consultant. Ms. Kennedy asked if an alternative drainage pond could be created in that area to solve the drainage issue for the homeowners without messing with potential wetlands. Director Shepherd explained that anything in that area could be wetlands. Mr. Walker explained there is no danger or concern of the drainage failing and affecting the homeowners. Mr. Walker will work on getting the feedback from the County in writing. The Board discussed the importance of determining if the area is wetlands and if a permit is required.

- c. Director Espenlaub discussed sign posts and moved that the District purchase additional directional signs; seconded by Director Stauch; motion passed unanimously.

10. Legal Matters

- a. Consider adoption for 2022 Annual Administrative Resolution: Mr. Walker presented the 2022 Annual Administrative Resolution. Director Espenlaub moved to adopt the 2022 Annual Administrative Resolution; seconded by Director Stauch. Motion passed unanimously.
- b. Consider Adoption for Resolution Calling Election, 2021-11-16: Mr. Walker presented the Resolution Calling Election, 2021-11-16 and explained the new District Election requirements. Director Shepherd moved to adopt the Resolution Calling Election, 2021-11-16; seconded by Director Espenlaub. Motion passed unanimously.
- c. Consider Adoption for Resolution of the Board of Directors Designating the location of Meetings: Mr. Walker presented the Resolution of the Board of Directors Designating the location of Meetings which is both online and at The Lodge. Director Combs moved to adopt the Resolution of the Board of Directors Designating the location of Meetings; seconded by Director Espenlaub. Motion passed unanimously.
- d. Schedule Meeting Dates for 2022: The Board scheduled the 2022 meeting dates for the third Tuesday of every month at 10:00 AM except for the second month of each quarter when the meeting will be held at 6:00 PM. Director Espenlaub requested that the Board meetings are not rescheduled unless done so at the previous meeting or if a quorum is not present. Director Shepherd moved to reschedule the December 20, 2022 meeting to December 13, 2022; seconded by Director Stauch. Motion passed unanimously.

11. New Business: There was no discussion.

12. Public Comment: There was no public comment.

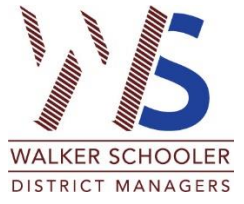
13. Other Business: Next Regular Board Meeting scheduled for December 21, 2021 at 10:00 A.M. Director Stauch moved to cancel the December 21, 2021 meeting; seconded by Director Espenlaub. Motion passed unanimously.

14. Adjournment: Director Stauch moved to adjourn the meeting; seconded by Director Combs. Motion passed unanimously at 12:55 P.M.

Respectfully Submitted,

By: Kevin Walker, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL NOVEMBER 16, 2021 MINUTES OF THE CATHEDRAL PINES METROPOLITAN DISTRICT.





**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT
HELD JANUARY 18, 2022
AT 10:00 A.M.**

Pursuant to posted notice, the special meeting of the Board of Directors of the Cathedral Pines Metropolitan District was held on Tuesday, January 18th at 10:00 a.m., at 13975 Milam Road, Colorado Springs, CO, and via telephone and video conference call.

In attendance were Directors:

Bill Heeter
Lynn Shepherd
Ecton Espenlaub
Kevin Combs
Rick Stauch

Also in attendance were:

Kevin Walker, Walker Schooler District Managers
Rebecca Hardekopf, Walker Schooler District Managers
Molly Gist, Walker Schooler District Managers
Jamie Adams, Warren Management
Brandon Nichols, Lodge Team
Frank Simmonds, Public
David Getzinger, Public

1. Call to Order: President Heeter called the meeting to order at 10:01 AM.

2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures: President Heeter confirmed a quorum was present. There were no additional disclosures made by Board Members

3. Approval of the Agenda: Director Ecton would like to add a discussion for the February meeting and Director Stauch concerned with Director Espenlaub. President Heeter would like to re-affirm the Director spending authority. Motion to approve the agenda was made by President Heeter, seconded by Director Espenlaub. Motion passed unanimously.

4. Approval of Board Meeting Minutes – Special meeting on November 16, 2021: President Heeter motioned to table the meeting minutes and Mr. Walker confirmed that he will make the corrections before next meeting, seconded by Director Shepherd. Motion passed unanimously.

5. Financial Update

- a. Review of Unaudited Financial Statements as of December 31, 2021: Mr. Walker presented the Unaudited Financial Statements as of December 31, 2021, Director Combs brought some questions

to the Manager and Mrs. Hardekopf confirmed the changes will be made. Director Shepherd moved to approve the Unaudited Financial Statements as of December 31, 2021; seconded by Director Combs. Motion passed unanimously.

- b. Approval of Payables for the Period Ending January 18, 2022: Director Espenlaub moved to approve the Payables for the period ending January 18, 2022; seconded by Director Shepherd. Motion passed unanimously.
- c. Update on Status of FEMA/COVID claim amounts: Mr. Walker noted there were no updates.
- d. Future possibilities for recovery grants/loans: Mr. Walker noted there were no updates, we are monitoring.
- e. Increase in Liability Insurance: Director Combs discussed the possible proposal to increase excess liability coverage. Director Combs made a motion to add the excess policy, seconded by President Heeter. Motion passed unanimously.
- f. Rotation of Annual RFP Process for Metro Contracts: President Heeter and the Board discussed which contracts they would like to have on each rotation for the FRP process. After discussion President Heeter reviewed the agreed schedule to be: Landscaping RFP in 2021 for 2022, Lodge Management RFP in 2022 for 2023, Property Management RFP in 2023 for 2024, and District Management RFP in 2024 for 2025. They will be set up in Quarter one on a three year cycle. President Heeter made a motion to approve the schedule, seconded by Director Stauch. Motion passed unanimously.

6. Adjacent Development Proposal Updates:

- a. Flying Horse North status: Director Stauch gave an update on Flying Horse north and the joint civic engagement committee. President Heeter asked for an update on the Milam extension. Director Stauch clarified the County wanted to see the Developers plans in the expansion.

7. Lodge Management Update

- a. Director Shepherd and Mr. Nichols brought a cleaning teams proposal to the Board. Cleaning proposal was presented to the Board.
- b. Management for 2022 – RFP’s for 2022: Director Shepherd informed the Board that Lina Hoekman Events sent a 30 day notice of termination for contract. Director Shepherd and Mr. Nichols discussed the plan to obtain new RFP’s and recommended places already interested.
- c. YTD Update/Projections: Lina Hoekman Events was not present to give presentation, Director Shepherd and Mr. Nichols gave an update on the projections.
- d. Status of Expanded Marketing Plan: No update was given at this time.
- e. Flooring status: President Heeter updated the Board on the status of flooring schedule.
- f. New Furniture Status: Director Shepherd inquired about new chairs and proposed we wait until a New Lodge Manager is hired. President Heeter would like to continue to look at them and figure out paying before while we can.
- g. Security Systems at Lodge and Storage Shed: Director Stauch discussed the security and fire system with the Board. President Heeter made a motion to approve the with Meridian for fire monitoring, Director Espenlaub seconded. Motion passed unanimously.

8. Landscaping Issues:

- a. Proposed Contract with A Cut Above for 2023: President Heeter reviewed the additional mowing requested and cost to A Cut Above’s contract.
- b. Status of Vessey Ponds: President Heeter discussed the part of the process and status of Vessey pond maintenance and approval process.

- c. Removal of dead trees on Vessey: President Heeter updated that Mrs. Adams is working on getting proposals to remove the dead trees. Mrs. Adams confirmed that they have received one proposal so far.
- d. Watering of Trees on Milam Median: President Heeter asked Mrs. Adams to authorize Tall Timbers to bring watering tanks to water the trees on Milam. Mrs. Adams confirmed they watered those trees yesterday.
- e. Update on Long Term Landscaping Plan Survey: President Heeter gave an update to the Board on the status with meeting with Kimley Horn. Biggest concern will be the broken irrigation system and clearing the ponds on lower Vessey. President Heeter made a suggestion to have Kimley Horn present a survey at the Community meeting for residents to respond. Director Shepherd left the meeting.

9. Management Matter:

- a. February Neighborhood/ Board Meeting: President Heeter discussed changing the possible date for the Annual meeting and Board agreed. President Heeter touched base on wanting Director Combs to cover financial aspects and Directors Stauch to cover some of the HOA conversation. Director Stauch discussed providing food and libations and the board agreed. The Board discussed the length of the meeting and compromised to plan for a meeting duration of ninety minutes.

10. Legal Matters:

There were not legal matters discussed at this time.

11. New Business:

- a. 20th Anniversary Celebration in 2023: There was no discussion on this matter at this time.
- b. Microsoft Teams Participation with HOA: Mr. Simmonds discussed the permission for the Metro District Board members and putting together the Annual Meeting presentation slides.
- c. Elections process for Open Seats: Mr. Walker updated the Board on the election seats and Call for Nominations.
- d. Mr. Walker added an item for the Metropolitan District that Mrs. Hardekopf will be taking over as your new District manager and main point of contact.

12. Public Comment: There was no public comment.

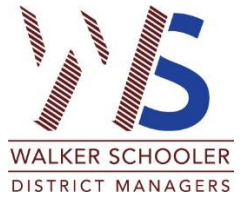
13. Other Business: Next Regular Board Meeting scheduled for February 15, 2022 at 6:00 P.M.

14. Adjournment: Director Stauch moved to adjourn the meeting; seconded by Director Combs. Motion passed unanimously at 1:16 P.M.

Respectfully Submitted,

By: Kevin Walker, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL NOVEMBER 16, 2021 MINUTES OF THE CATHEDRAL PINES METROPOLITAN DISTRICT.



Cathedral Pines Metropolitan District

Balance Sheet

02/10/22

As of January 31, 2022

Accrual Basis

	Jan 31, 22
ASSETS	
Current Assets	
Checking/Savings	
ECB Debt Service Fund	122,635.28
ECB General Fund	267,042.50
MM - CSafe Bond Fund UMB	0.53
Total Checking/Savings	389,678.31
Accounts Receivable	
Accounts Receivable	5,549.50
Total Accounts Receivable	5,549.50
Other Current Assets	
Prop Tax Rec - Debt Svc	292,867.00
Prop Tax Rec - Gnl Fund	292,867.00
12000 · Undeposited Funds	2,333.33
Total Other Current Assets	588,067.33
Total Current Assets	983,295.14
Fixed Assets	
Community Center	
Accum Depreciation	-576,197.00
Original Cost	1,328,384.00
Total Community Center	752,187.00
Equipment	
Accum Depreciation	-2,950.00
Equipment - Other	13,922.00
Total Equipment	10,972.00
Parks, Trails & Monument	
Accum Depreciation	-588,641.00
Original Cost	897,354.77
Parks, Trails & Monument - Other	83,680.37
Total Parks, Trails & Monument	392,394.14
Total Fixed Assets	1,155,553.14
TOTAL ASSETS	2,138,848.28
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	37,488.57
Total Accounts Payable	37,488.57
Other Current Liabilities	
Deferred Revenue - Lodge Events	45,613.50
Deferred Prop Tax - DSvc	292,867.00
Deferred Prop Tax - Gnl	292,867.00
Damage Deposits- Lodge Events	32,337.00
Total Other Current Liabilities	663,684.50
Total Current Liabilities	701,173.07

Cathedral Pines Metropolitan District

Balance Sheet

02/10/22

As of January 31, 2022

Accrual Basis

	Jan 31, 22
Long Term Liabilities	
Bonds Payable 2016	
Bond Premium 2016	
A/A Bond Premium 2016	-84,522.36
Bond Premium 2016 - Other	414,881.70
Total Bond Premium 2016	330,359.34
Bonds Payable 2016 - Other	4,410,000.00
Total Bonds Payable 2016	4,740,359.34
Total Long Term Liabilities	4,740,359.34
Total Liabilities	5,441,532.41
Equity	
Debt Svc / Cap Proj Funds	155,805.00
General Fund-Restricted	8,054.00
General Fund-Unrestricted	33,873.00
Gov't Wide Fund Balance	-3,741,036.79
32000 - Retained Earnings	252,349.23
Net Income	-11,728.57
Total Equity	-3,302,684.13
TOTAL LIABILITIES & EQUITY	2,138,848.28

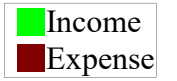
Cathedral Pines Metropolitan District Profit & Loss Budget vs. Actual January 2022

	Jan 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
1-100 · GF INCOME				
1-105 · GF Prop Tax Revenue	0.00	292,867.00	-292,867.00	0.0%
1-110 · Specific Ownership Taxes	0.00	41,001.00	-41,001.00	0.0%
1-120 · Rental Income - Lodge Events	4,550.00	75,000.00	-70,450.00	6.07%
1-125 · Rental Income - Sales Office	0.00	0.00	0.00	0.0%
1-127 · Rental Income - Shed	0.00	9,996.00	-9,996.00	0.0%
1-140 · FEMA Funds	0.00	20,000.00	-20,000.00	0.0%
Total 1-100 · GF INCOME	4,550.00	438,864.00	-434,314.00	1.04%
2-100 · DS INCOME				
2-105 · DS Prop Tax Revenue	0.00	292,867.00	-292,867.00	0.0%
Total 2-100 · DS INCOME	0.00	292,867.00	-292,867.00	0.0%
Total Income	4,550.00	731,731.00	-727,181.00	0.62%
Gross Profit	4,550.00	731,731.00	-727,181.00	0.62%
Expense				
TRANSFERS OUT				
Capital Replacement Reserve	0.00	25,000.00	-25,000.00	0.0%
Total TRANSFERS OUT	0.00	25,000.00	-25,000.00	0.0%
1-1000 · SERVICES				
1-1005 · Audit	0.00	9,000.00	-9,000.00	0.0%
1-1008 · Consulting Services	0.00	10,000.00	-10,000.00	0.0%
1-1010 · Management Expense	3,678.85	46,305.00	-42,626.15	7.95%
1-1015 · Maintenance Management	2,635.00	26,250.00	-23,615.00	10.04%
1-1020 · Legal Fees	0.00	15,000.00	-15,000.00	0.0%
Total 1-1000 · SERVICES	6,313.85	106,555.00	-100,241.15	5.93%
1-2000 · LODGE				
1-2001 · Lodge Management	3,500.00	42,000.00	-38,500.00	8.33%
1-2010 · Booking Fee	0.00	5,000.00	-5,000.00	0.0%
1-2020 · Event Supplies	476.59	3,000.00	-2,523.41	15.89%
1-2025 · Cleaning	0.00	500.00	-500.00	0.0%
1-2030 · Repairs and Maintenance	0.00	15,000.00	-15,000.00	0.0%
1-2035 · Utilities	834.37	10,000.00	-9,165.63	8.34%
1-2040 · Security	0.00	3,000.00	-3,000.00	0.0%
1-2043 · Capital Improvements - O&M	3,625.50	60,000.00	-56,374.50	6.04%
1-2044 · Landscape Maintenance	0.00	10,000.00	-10,000.00	0.0%
1-2045 · Snow Removal	0.00	10,000.00	-10,000.00	0.0%
1-2050 · Trash	200.69	6,000.00	-5,799.31	3.35%
1-2055 · Telephone	240.30	3,300.00	-3,059.70	7.28%
1-4030 · Lodge Contingency	0.00	10,000.00	-10,000.00	0.0%
Total 1-2000 · LODGE	8,877.45	177,800.00	-168,922.55	4.99%

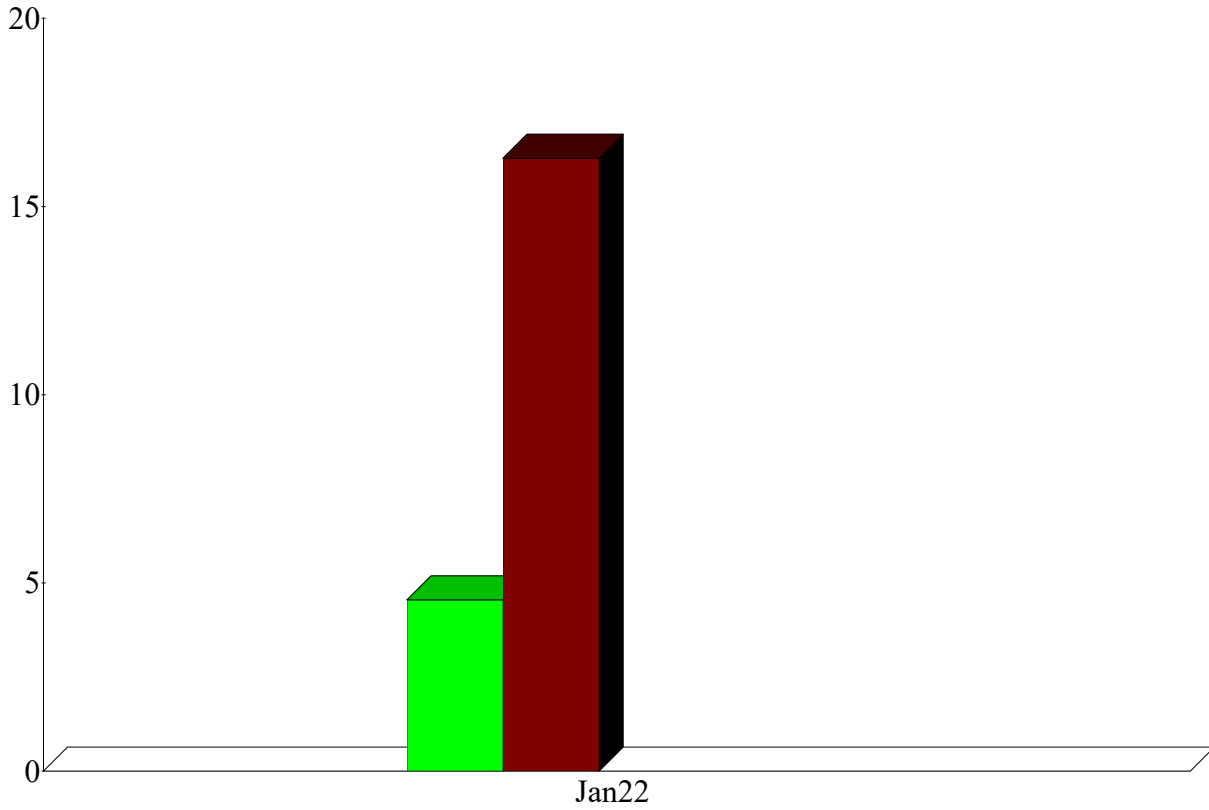
Cathedral Pines Metropolitan District Profit & Loss Budget vs. Actual January 2022

	<u>Jan 22</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
1-3000 · GF EXPENSES				
1-3005 · Landscape Maintenance	630.00	45,000.00	-44,370.00	1.4%
1-3010 · Repair & Maintenance - O&M	0.00	25,000.00	-25,000.00	0.0%
1-3015 · Snow Removal - O&M	0.00	25,000.00	-25,000.00	0.0%
1-3020 · Utilities - O&M	457.27	20,000.00	-19,542.73	2.29%
1-3025 · Infrastructure Replacement	0.00	10,000.00	-10,000.00	0.0%
1-3030 · Election	0.00	10,000.00	-10,000.00	0.0%
1-3035 · GF - Contingency	0.00	10,000.00	-10,000.00	0.0%
Total 1-3000 · GF EXPENSES	<u>1,087.27</u>	<u>145,000.00</u>	<u>-143,912.73</u>	<u>0.75%</u>
1-4000 · OTHER				
1-4005 · Bank Charges	0.00	500.00	-500.00	0.0%
1-4010 · Insurance/ Fees	0.00	11,000.00	-11,000.00	0.0%
1-4015 · Office Expenses	0.00	500.00	-500.00	0.0%
1-4020 · Collection Fee GF(Treasurer)	0.00	4,393.00	-4,393.00	0.0%
Total 1-4000 · OTHER	<u>0.00</u>	<u>16,393.00</u>	<u>-16,393.00</u>	<u>0.0%</u>
2-1000 · DS EXPENSES				
2-1005 · Trustee Fees	0.00	800.00	-800.00	0.0%
2-1010 · Collection Fee DS (Treasurer)	0.00	4,500.00	-4,500.00	0.0%
2-1015 · Bond Principal Pmts	0.00	75,000.00	-75,000.00	0.0%
2-1030 · Interest Expense DS	0.00	216,350.00	-216,350.00	0.0%
2-1035 · DS - Contingency	0.00	1,000.00	-1,000.00	0.0%
Total 2-1000 · DS EXPENSES	<u>0.00</u>	<u>297,650.00</u>	<u>-297,650.00</u>	<u>0.0%</u>
Total Expense	<u>16,278.57</u>	<u>768,398.00</u>	<u>-752,119.43</u>	<u>2.12%</u>
Net Ordinary Income	<u>-11,728.57</u>	<u>-36,667.00</u>	<u>24,938.43</u>	<u>31.99%</u>
Net Income	<u><u>-11,728.57</u></u>	<u><u>-36,667.00</u></u>	<u><u>24,938.43</u></u>	<u><u>31.99%</u></u>

Income and Expense by Month
January 2022

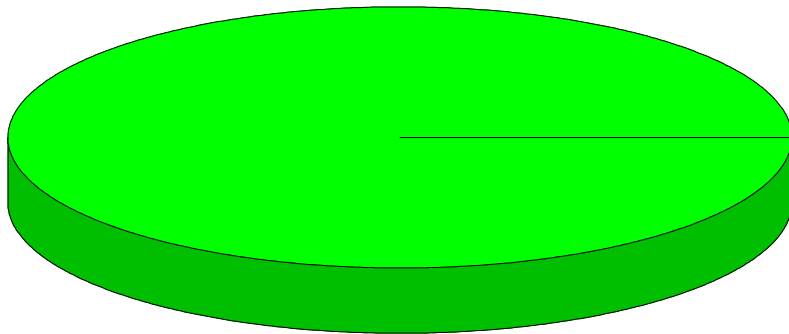


\$ in 1,000's



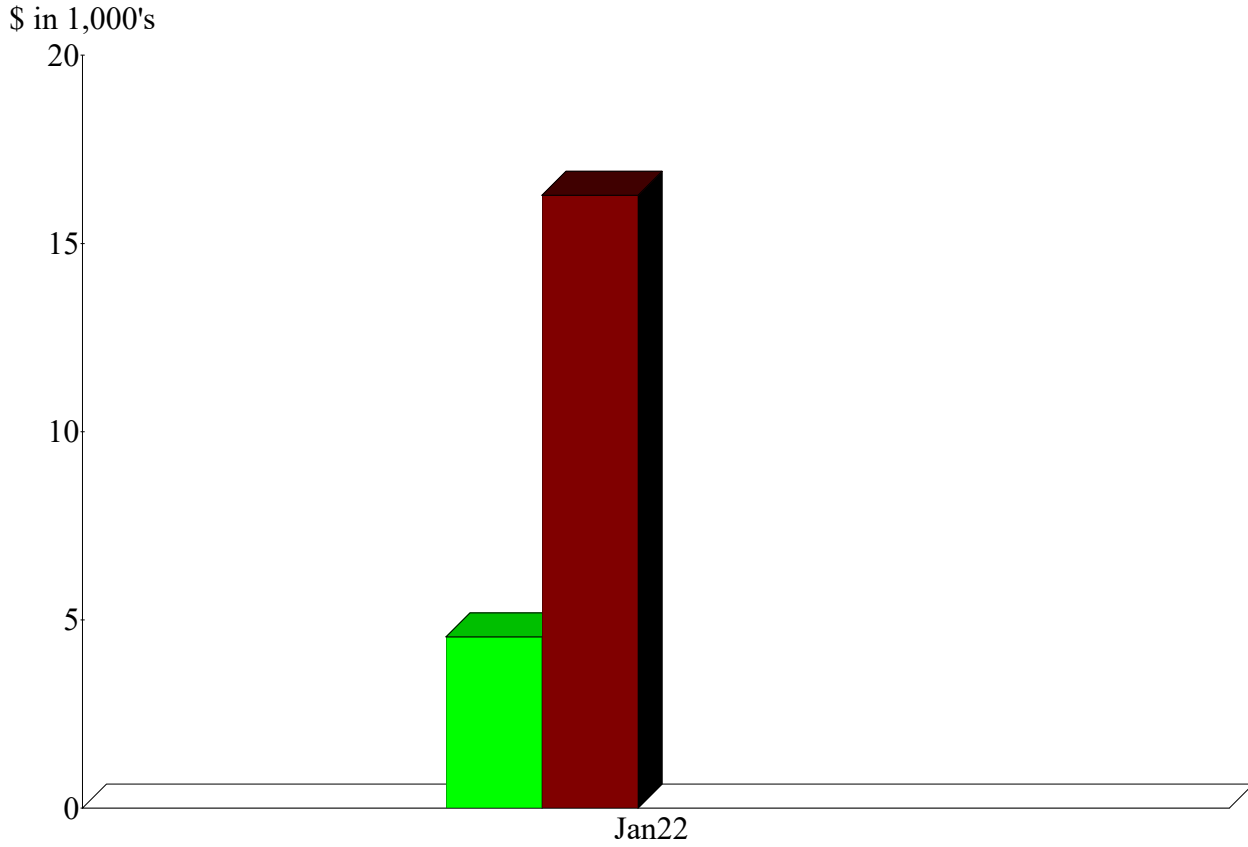
Income Summary
January 2022

1-100 · GF INCOME	100.00%
Total	\$4,550.00



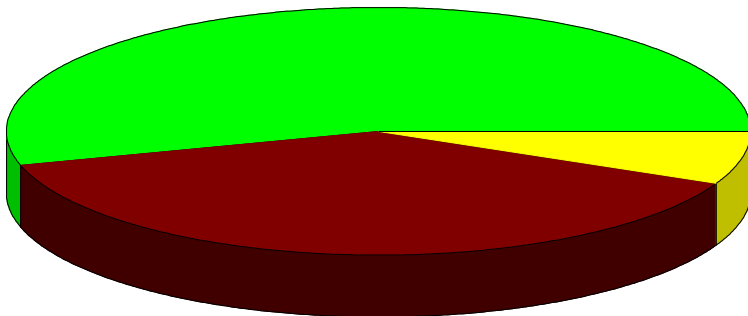
By Account

Income and Expense by Month
January 2022



Expense Summary
January 2022

1-2000 · LODGE	54.53%
1-1000 · SERVICES	38.79
1-3000 · GF EXPENSES	6.68
Total	\$16,278.57



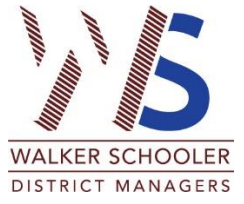
By Account

**CATHEDRAL PINES METROPOLITAN DISTRICT
2022 MONTHLY FINANCIALS
GENERAL FUND**

	JANUARY				JANUARY YTD			
	ACTUAL	BUDGET	FAV / (UNFAV)	% DIFF	ACTUAL	BUDGET	FAV / (UNFAV)	% DIFF
GENERAL FUND: BEGINNING BALANCE	269,240	295,684	(26,444)	-9%	269,240	295,684	(26,444)	-9%
REVENUE								
PROPERTY TAXES	-	-	-		-	-	-	
SPECIFIC OWNERSHIP TAXES	-	-	-		-	-	-	
DELINQUENT TAX AND INTEREST	-	-	-		-	-	-	
PRIOR YEAR INTEREST & ABATEMENT	-	-	-		-	-	-	
RENTAL INCOME - THE LODGE EVENTS	4,550	-	4,550		4,550	-	4,550	
RENTAL INCOME - SHED	-	-	-		-	-	-	
FEMA FUNDS	-	-	-		-	-	-	
GRANT	-	-	-		-	-	-	
SALES OF MONUMENT LOGOS	-	-	-		-	-	-	
INSURANCE SETTLEMENT	-	-	-		-	-	-	
TOTAL REVENUES	4,550	-	4,550		4,550	-	4,550	
TOTAL REVENUE & FUND BALANCE	273,790	295,684	(21,894)	-7%	273,790	295,684	(21,894)	-7%
EXPENDITURES								
SERVICES								
AUDIT (Biggs Kofford)	-	4,000	(4,000)	-100%	-	4,000	(4,000)	-100%
MANAGEMENT (WSDM)	3,679	3,859	(180)	-5%	3,679	3,859	(180)	-5%
MAINTENANCE MANAGEMENT (WARREN)	2,635	2,188	447	20%	2,635	2,188	447	20%
LEGAL (White Bear)	-	1,250	(1,250)	-100%	-	1,250	(1,250)	-100%
Category SubTotal	6,314	11,297	(4,983)	-44%	6,314	11,297	(4,983)	-44%
LODGE								
LODGE MANAGEMENT	3,500	3,500	-		3,500	3,500	-	
ADVERTISING/WEBSITE	-	417	(417)	-100%	-	417	(417)	-100%
BOOKING FEE	-	-	-		-	-	-	
EVENT HOSTING	-	-	-		-	-	-	
SUPPLIES	477	-	477	#DIV/0!	477	-	477	#DIV/0!
CLEANING	-	-	-		-	-	-	
REPAIRS AND MAINTENANCE	-	1,250	(1,250)	-100%	-	1,250	(1,250)	-100%
UTILITIES	834	833	1	0%	834	833	1	0%
SECURITY	-	250	(250)	-100%	-	250	(250)	-100%
CAPITAL IMPROVEMENTS	-	5,000	(5,000)	-100%	-	5,000	(5,000)	-100%
SNOW REMOVAL	-	3,000	(3,000)	-100%	-	3,000	(3,000)	-100%
LANDSCAPE REPAIRS & MAINTENANCE	-	833	(833)	-100%	-	833	(833)	-100%
TRASH	201	500	(299)	-60%	201	500	(299)	-60%
TELEPHONE & NETWORK	240	275	(35)	-13%	240	275	(35)	-13%
CONTINGENCY	-	833	(833)	-100%	-	833	(833)	-100%
Category SubTotal	5,252	16,691	(11,439)	-69%	5,252	16,691	(11,439)	-69%
GENERAL								
LANDSCAPE MAINTENANCE	630	-	630		630	-	630	
REPAIRS AND MAINTENANCE	-	2,083	(2,083)	-100%	-	2,083	(2,083)	-100%
SNOW REMOVAL	-	7,500	(7,500)	-100%	-	7,500	(7,500)	-100%
UTILITIES	457	1,667	(1,210)	-73%	457	1,667	(1,210)	-73%
INFRASTRUCTURE REPLACEMENT	-	833	(833)	-100%	-	833	(833)	-100%
CONTINGENCY	-	833	(833)	-100%	-	833	(833)	-100%
ELECTION	-	-	-		-	-	-	
Category SubTotal	1,087	12,916	(11,829)	-92%	1,087	12,916	(11,829)	-92%
OTHER								

**CATHEDRAL PINES METROPOLITAN DISTRICT
2022 MONTHLY FINANCIALS
GENERAL FUND**

	JANUARY				JANUARY YTD			
	ACTUAL	BUDGET	FAV / (UNFAV)	% DIFF	ACTUAL	BUDGET	FAV / (UNFAV)	% DIFF
GENERAL FUND: BEGINNING BALANCE	269,240	295,684	(26,444)	-9%	269,240	295,684	(26,444)	-9%
BANK CHARGES		42	(42)	-100%	-	42	(42)	-100%
INSURANCE		11,000	(11,000)	-100%	-	11,000	(11,000)	-100%
OFFICE EXPENSE		42	(42)	-100%	-	42	(42)	-100%
COUNTY TREASURER'S FEES		-	-		-	-	-	
Category SubTotal	-	11,084	(11,084)	-100%	-	11,084	(11,084)	-100%
COVID RELATED EXPENSES	-	-	-		-	-	-	
LODGE RESTRUCTURING	-	-	-		-	-	-	
CLEANING SERVICES	-	-	-		-	-	-	
OTHER		833	(833)	-100%	-	833	(833)	-100%
Category SubTotal	-	833	(833)	-100%	-	833	(833)	-100%
TOTAL EXPENDITURES	12,653	52,821	(40,168)	-76%	12,653	52,821	(40,168)	-76%
NET INCOME (LOSS)	(8,103)	(52,821)	44,718	-85%	(8,103)	(52,821)	44,718	-85%
TRANSFERS OUT								
CAPITAL REPLACEMENT RESERVE								
TOTAL TRANSFERS OUT	-	-	-		-	-	-	
GENERAL FUND: ENDING BALANCE	261,137	242,863	18,274	8%	261,137	242,863	18,274	8%



Cathedral Pines Metropolitan District

PAYMENT REQUEST

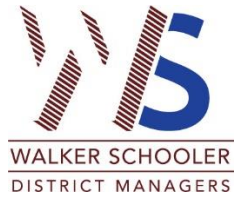
2/15/2022

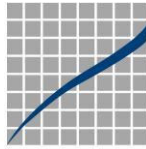
GENERAL FUND ACCOUNT

Company	Invoice	Date		Comments
A Cut Above Lawn Service	25214	12/31/2021	2,387.50	
A Cut Above Lawn Service	25292	12/31/2021	2,475.08	
Black Hills Energy	5715886192	1/4/2022	303.20	
HW Commercial Interiors, LLC	3853-1	1/31/2022	3,625.50	
Mountain View Electric	136515	1/19/2022	34.00	Utilities - O&M
Mountain View Electric	135430	1/19/2022	34.71	Utilities - O&M
Mountain View Electric	133152	1/19/2022	34.35	Utilities - O&M
Mountain View Electric	134333	1/19/2022	34.12	Utilities - O&M
Mountain View Electric	135331	1/19/2022	35.00	Utilities - O&M
Mountain View Electric	132214	1/19/2022	35.77	Utilities - O&M
Mountain View Electric	133146	1/19/2022	38.50	Utilities - O&M
Mountain View Electric	133210	1/19/2022	37.79	Utilities - O&M
Mountain View Electric	136159	1/19/2022	38.61	Utilities - O&M
Mountain View Electric	134231	1/19/2022	44.00	Utilities - O&M
Mountain View Electric	133118	1/19/2022	46.42	Utilities - O&M
Mountain View Electric	189478	1/19/2022	44.00	Utilities - O&M
Mountain View Electric	189479	1/19/2022	511.69	Utilities - Lodge
Oak View Mechanical	7470	12/9/2021	89.00	Not Paid Last Month
Oak View Mechanical	7486	12/15/2021	757.80	Not Paid Last Month
Stratus IQ	7699	2/1/2022	244.30	
Tall Timbers Tree Shrub Service	58573	1/17/2022	630.00	
The Warren Management Group, Inc.	16768	1/30/2021	2,450.33	
The Warren Management Group, Inc.	17003	1/31/2022	2,635.00	
Walker Schooler District Managers	6982	1/31/2022	3,678.85	
White Bear Ankele Tanaka & Waldron	20136	1/31/2022	1,388.26	
TOTAL			21,633.78	

TOTAL \$ 21,633.78

Director _____





BiggsKofford
CERTIFIED PUBLIC ACCOUNTANTS

January 26, 2022

Cathedral Pines Metropolitan District
Board of Directors
Via email: rebecca.h@wsdistricts.co

We are pleased to confirm our understanding of the services we are to provide for Cathedral Pines Metropolitan District ("District") as of and for the year ended December 31, 2021.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of the District as of and for the year ended December 31, 2021. Accounting principles generally accepted in the United States of America ("US GAAP") provide for certain required supplementary information ("RSI"), such as management's discussion and analysis ("MD&A") to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District's RSI in accordance with auditing standards generally accepted in the United States of America ("US GAAS"). These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by US GAAP and will be subjected to certain limited procedures, but will not be audited:

- You have informed us that the MD&A will be omitted. Our report will be modified accordingly.

We have also been engaged to report on supplementary information ("SI") other than RSI that accompanies the District's financial statements, as applicable. We will subject the SI to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with US GAAS, and will provide an opinion on it in relation to the basic financial statements as a whole.

- Schedule(s) of revenues, expenditures, and changes in fund balances – budget and actual for governmental funds, as applicable

Other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any other assurance on that other information. If we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

We understand that the following people or entities will use these financial statements for the enumerated purposes:

USER

PURPOSE

State of Colorado

To provide assurance that the financial statements adhere to US GAAP

Management

To provide assurance on the financial statements to enhance management decision-making

You agree that you will discuss the suitability of this presentation with us if you intend to submit these financial statements to other users or to any of the identified users for different purposes.

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with US GAAP; and report on the fairness of the SI referred to above when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with US GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with US GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with US GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct material effect on the financial statements. However, we will inform the appropriate level of management of any material

errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We may also request representations from your attorneys as part of the engagement and they may bill you for responding to this inquiry.

If circumstances occur which, in our professional judgment, prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to withdraw from the engagement without issuing an opinion or report, as permitted by our professional standards.

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Audit Procedures – Internal Control

We will obtain an understanding of the District and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to you and those charged with governance any matters related to internal control that are required to be communicated under professional standards.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance, and we will not express such an opinion.

Other Services

We will also prepare the financial statements of the entity in conformity with US GAAP based on information provided by you. We will perform the services in accordance with applicable professional standards.

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with US GAAP.

Management is responsible for making drafts of the financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws and regulations.

With regard to including the auditor's report in an offering document, you agree that the aforementioned auditor's report, or reference to BiggsKofford, P.C., will not be included in any such offering document without our prior permission or consent. Any agreement to perform work in connection with an offering document, including an agreement to provide permission or consent, will be a separate engagement.

You are responsible for the preparation of the SI in conformity with US GAAP. You agree to include our report on the SI in any document that contains, and indicates that we have reported on, the SI. You also agree to include the audited financial statements with any presentation of the SI that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for the presentation of the SI in accordance with US GAAP; (2) you believe the SI, including

its form and content, is fairly presented in accordance with US GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the SI.

You agree to assume all management responsibilities for the other services listed above and any other non-attest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

You are responsible to notify us in advance of your intent to reproduce our report for any reason, in whole or in part, and to give us the opportunity to review any printed material containing our report before its issuance. Such notification does not constitute an acknowledgement on our part of any third party's intent to rely on the financial statements. With regard to financial statements published electronically or on your internet website(s), you understand that electronic sites are a means to reproduce and distribute information. We are not required to read the information contained in your sites, or to consider the consistency of other information in the electronic site with the original document.

You agree that you will not use our firm's name or the name of an employee of the firm in a communication containing a financial presentation without the written permission of our firm. If you do use our firm name or the name of an employee of the firm in a communication containing a financial presentation, you agree to include an "accountant's report" or a "disclaimer" on the financial presentation(s) which we specify. Further, you agree to provide us with printers' proofs or masters of any document that contains our firm name or the name of an employee of the firm and a financial presentation for our review and approval before printing/publishing of the document. You also agree to provide us with a copy of the final reproduced material that contains either our firm's name and/or the name of an employee of the firm and a financial presentation for our approval before it is distributed.

We value each and every one of our clients as well as each and every one of our employees. We have spent a great deal of time and resources to locate, train, and retain our employees. We respectfully request that you not solicit our employees to work for you. You agree that if you or your agents do hire one of our employees within three months of when they last worked for BiggsKofford, we will be due a finder's fee equal to 50% of the greater of the annual salary they were earning as of their last day of employment or their starting salary with the District. Payment will be due within 10 days of your receipt of our invoice. To ensure that our independence is not impaired under the *AICPA Code of Professional Conduct*, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

You understand that we provide clients with services specifically focused on identifying and addressing deficiencies in internal controls, and on searching for the existence of fraud within the entity. If you would like us to perform these services, we would be happy to discuss that opportunity with you. However, you acknowledge that those services are outside the scope of this engagement and are not included in the fees detailed below.

It is our policy to retain engagement documentation for a period of at least five years, after which time we may commence the process of destroying the contents of our engagement files. To the extent we accumulate any of your original records during the engagement, those documents will be returned to you promptly upon completion of the engagement. The balance of our engagement file, other than the compiled financial statement, which we will provide you at the conclusion of the engagement, is our

property, and we will provide copies of such documents at our discretion and if compensated for any time and costs associated with the effort.

In the event we are required to respond to a subpoena, court order or other legal process for the production of documents and/or testimony related to information we obtained and/or prepared during the course of this engagement, you agree to compensate us at our standard hourly rates for the time we expend in connection with such response, and to reimburse us for all related out-of-pocket costs incurred.

You and BiggsKofford, P.C. both agree that any dispute that may arise from this engagement will, prior to resorting to litigation, be submitted for mediation before the American Arbitration Association. Both parties further agree that any such mediation shall be administered within El Paso County Colorado and the results of any such mediation shall be binding upon agreement of each party to be bound. Further, both parties agree that any potential legal action between you and BiggsKofford, P.C. shall be resolved in El Paso County District Court according to Colorado law. Our engagement ends on delivery of our audit report and any claim made concerning our services will be limited to the fees charged for those services. You agree to indemnify, defend, and hold BiggsKofford and its owners, heirs, executors, personal representatives, successors, and assigns harmless from any liability and costs resulting from knowing misrepresentations by management.

This engagement letter is contractual in nature and includes all of the relevant terms that will govern the engagement for which it has been prepared. The terms of this letter supersede any prior oral or written representations or commitments by or between the parties. Any material changes or additions to the terms set forth in this letter will only become effective if evidenced by a written amendment to this letter, signed by all parties.

We want you to clearly understand that this type of financial statement presentation is not designed for, and should not be used for, any purpose subject to regulation by the United States Securities and Exchange Commission ("SEC") or the securities division of any state.

We understand that your employees will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of BiggsKofford, P.C. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Colorado Office of the State Auditor or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of BiggsKofford, P.C. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to Colorado Office of the State Auditor or its designee. The Colorado Office of the State Auditor or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Braden Hammond is the engagement principal and is responsible for supervising the engagement and for signing the report or authorizing another individual to sign it.

Our fees for this engagement are not contingent on the results of our services. We estimate that our fees for these services will be \$8,825. You will also be billed for travel and other out-of-pocket expenses. The fee estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will keep you informed of any problems we encounter, and our fees will be adjusted accordingly. Our invoices for these fees will be rendered semi-monthly as work progresses and are payable on presentation. Any remaining balance will be due upon delivery of your financial statements. In accordance with our firm policies, work may be suspended if your account becomes overdue and will

not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment or for any other reason provided for in this letter, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenses through the date of the termination.

Reporting

We will issue a written report upon completion of our audit of the District's financial statements. Our report will be addressed to the board of directors of the District. Circumstances may arise in which our report may differ from its expected content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report or, if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, **PLEASE INITIAL EACH PAGE, SIGN THE LAST PAGE**, and return a copy to us.

Sincerely,

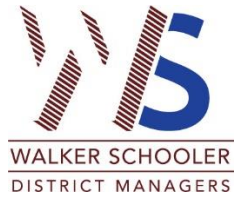
BiggsKofford, P.C.

BiggsKofford, P.C.

RESPONSE:

This letter correctly sets forth the understanding of Cathedral Pines Metropolitan District.

Authorized signature: _____ Title: _____ Date: _____



2022 Annual Maintenance Calendar

Cathedral Pines Metro District

Presented by Jamie Adams, Managing Agent for Maintenance Cathedral Pines Metro District

<p>JANUARY</p> <p>Lodge review of maintenance for 2022</p> <p>A Cut Above renewal</p>	<p>JULY</p> <p>Weekly follow up with A Cut Above Mowing along the road way Native mowing</p> <p>19th – Board meeting- 10:00 a.m.</p>
<p>FEBRUARY</p> <p>Fire extinguisher maintenance HVAC cleaning/air filter Flooring removal and replace Lodge deep cleaning Updates on security Review tree removal Vessey Pond Review Reserve Study proposals</p> <p>15th – Board Meeting – 6:00 p.m.</p>	<p>AUGUST</p> <p>Review snow removal for 2023 A Cut Above</p> <p>16th – Board meeting – 6:00 p.m.</p>
<p>MARCH</p> <p>Maintenance – lodge updates Exterior staining proposals- review for work to be completed in May Spring clean up with A Cut Above</p> <p>15th – Board meeting – 10:00 a.m. 31st – Annual meeting with Membership 6:00 p.m.</p>	<p>SEPTEMBER</p> <p>Reserve study preparation for budget 2023 Review current contracts and budget items</p> <p>20th – Board meeting- 6:00 p.m.</p>
<p>APRIL</p> <p>Water Feature start up Pond maintenance (Solitude Lake Management) Irrigation start up Review landscape improvements items with A Cut Above for summer months Lodge: Window cleaning</p> <p>19th – Board meeting – 10:00 a.m.</p>	<p>OCTOBER</p> <p>Planning for 2023</p> <p>Fall Clean up- lodge & common areas Lodge: Window cleaning Turn off water feature</p> <p>18th – Board meeting – 10:00 a.m.</p>
<p>MAY</p> <p>Landscape maintenance begins on medians and lodge through October Annual flowers planted end of May/ first of June Staining the exterior of the lodge Review Reserve Study regarding capital improvements</p> <p>17th – Board meeting 6:00 p.m.</p>	<p>NOVEMBER</p> <p>HOA Annual meeting/Metro District updates</p> <p>Holiday Décor added to the lodge</p> <p>15th – Budget Hearing meeting – 6:00 p.m.</p>
<p>JUNE</p> <p>Weekly follow up with A Cut Above Irrigation updates/ maintenance/ native grass mowing Continues through October</p> <p>21st – Board meeting 10:00 a.m.</p>	<p>DECEMBER</p>

2022 Contracts:

- WMG – Maintenance management
- A Cut Above Maintenance/Snow removal
- Solitude Lake Management (April through October)

Adhoc no contract as needed – refrigerator plus; fire extinguisher; fire place maintenance; HVAC maintenance; carpet/floor cleaning; handyman work; electrician work

Cathedral Pines Maintenance Report
January/February '22
By: Jamie Adams, CMCA, AMS, PCAM

Snow removal and maintenance:

A Cut Above has concerns with the Barn and access. The lock box code was changed by A Cut Above due to an incident the third week of January. I was speaking to Ashley, as we were not able to access the lock box with the code we had on file. As I was tasked to make additional keys for the barn and the lodge for the HOA Board members. Ashley does not like this idea, since his equipment is stored in and outside the barn. He would like the Metro Board to reconsider the access. In January, one of Ashley's team members was getting ready for a snow event when he went to the barn and found the key in the door, the alarm turned off and no one was in the Barn or the surrounding area. His team member removed the key and contacted Ashley with the incident.

Lights:

Willy Scott removed and replaced two spot lights at the lodge. He also addressed the timing of the lights being on or off. They are manually set currently to be on only when there is an event at the lodge. The light at Vessey and Holmes is still on order. The light at the large monument is still on order. According to Willy Scott February 7, 2022. I will be following up with Willy each week for progress on resolving the light situation.

Tree removal:

Vessey pond tree removal

Tall Timbers – Removal of 11 trees \$1,800.00

Affordable Tree Service – Removal of 11 trees \$3,600.00

Tree Beavers – Chris Watt has been notifying me weekly that he has not made it to the property, but has moved it up on his task list after the snow is not so prevalent.

Front Range Arborists – They currently do not have room in their schedule and will not be presenting a proposal.

Mailbox Kiosk:

Vandalism of the mailbox kiosk took place between February 5th and 6th. I receive an emergency call from an owner to let me know there was a break in at the mailboxes on Sunday the 6th. I contacted the Sheriff to let them know about the incident. Took pictures of the break in to accompany the information which was uploaded to the site. Contacted the owners who were affected by the break in, and Jeff, the mail carrier. Arrow Locksmith was contacted, as they work with the USPS for repairs of CBU's.

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(303) 394-9181
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January 12, 2022

44147 - 0a

Cathedral Pines Metro District
c/o Jamie Adams
The Warren Management Group, Inc
1720 Jet Stream Drive, Suite 200
Colorado Springs CO 80921

History with our organization
We have not had the pleasure of
working with your Property yet!

Subject: Bid Options for 1 units in Colorado Springs, CO

Dear Ms. Adams,

Thank you for requesting a Reserve Study proposal from Association Reserves. We recognize that you have a choice of Reserve Study providers and want to make sure you understand the many benefits of working with our company:

- Your Reserve Study will be prepared in accordance with National Reserve Study Standards™ by a credentialed Reserve Specialist™
- Our complete, accurate, and user friendly 30-year Reserve Studies include a full cover photographic inventory for reports involving site inspections.
- Your Report (and other files) will be posted securely online for easy, anytime access
- Clients will have free access to our proprietary [uPlant®](#) cloud-based software. This will allow clients with the ability to adjust and supplement the Reserve Study data.
- All files relating to your component report are included with our reports.

When you're ready for the next step, simply sign and return the Agreement along with a 50% deposit. Our office will then contact you regarding the next steps in the process, such as scheduling the site inspection and collecting any documents needed. Please don't hesitate to contact us if you have any questions, or would like any additional information. We hope to hear from you soon!

Sincerely,

Bryan Farley, RS
President
Association Reserves – Colorado



Est. 1986

ASSOCIATION RESERVES™

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Over 45,000 Reserve Studies Nationwide

Reserve Study Bid Proposal



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Pricing Options

January 13, 2022

#44147-0 Cathedral Pines Metro District

	12 Week Delivery	8 Week Delivery	4 Week Delivery
'Full' – With Site Visit	\$2,590	\$2,840	\$ 4,260
With Site Visit Update	\$2,390	\$2,640	\$3,960
No Site Visit Update	\$1,080	\$1,200	\$1,800
Loyalty Update Plan*		\$3,840	

- A **Full-With Site Visit Reserve Study** is required when the client has no prior Reserve Study, or wishes to start “from scratch” with a completely new study, including measurements and full-color photographic inventory.
- A **With Site Visit Update Reserve Study** can be chosen when the client has a prior, professionally completed Reserve Study that can be updated, based on visual observations, with no re-measuring. The report will include a full-color photographic inventory.
- A **No Site Visit Update Reserve Study** can be chosen when the client has a prior, professionally completed Reserve Study that can be updated, based on a series of interviews.
- A **Loyalty Update Plan** includes one Full Reserve Study (or With Site Visit) and two discounted No-Site-Visit Reserve Study Updates delivered over three consecutive years with an (8) week turnaround. The total fee is charged once, at the beginning of the three year engagement. **This is our most popular selection.*

Prices are valid for 180 days

Agreement between Association Reserves and Cathedral Pines Metro District

1. Please, circle fee associated with the desired pricing and indicate the nature of this agreement

Fee \$ _____ Turnaround Time _____ Weeks For the FY beginning ___/___/___

2. Obtain a Boardmember signature

We, the undersigned, understand that the Reserve Study being prepared will identify and address the normal deterioration of properly built and installed components with predictable life expectancies. Inspecting for construction defects, performing destructive testing to search for hidden issues (such as plumbing or electrical problems), environmental hazards (asbestos, radon, lead, etc.), or accounting for unpredictable acts of nature are all outside our scope of work. We understand that the above Fee is based on the accuracy of how the Association was described to Association Reserves in our Request for Proposal. If this is not found to be a true representation of our common area maintenance responsibilities, Association Reserves reserves the right to negotiate an adjusted fee for our services. Association Reserves liability in any matter involving this Reserve Study is limited to our Fee for services rendered.

Print Name: _____ Company/Title: _____

Signature: _____ Date: _____

3. Return this agreement to us, along with a check made payable to Association Reserves

- Circle fee associated with the desired level of service and turnaround time and email: arco@reservestudy.com
- Sign agreement and return check to: 1301 Arapahoe St. Suite #302 – Golden, CO 80401 (or pay via [Credit Card](#))
- All professional Reserve Studies require a 50% deposit with the final 50% balance due upon initial delivery of the Reserve Study
- **Delivery turnaround time will start once the 50% deposit and signed agreement is received**

Deliverables

From the founding of our company, our focus has been on creating a useful, reliable document that can be picked up and understood by any Board member, resident, or property manager. The Reserve Study will help our clients plan for the inevitable and improve their future. Upon completion of the Reserve Study, the Association will receive the following:

- **Electronic copy:** A digital version of the entire Reserve Study document is delivered securely by email in PDF form. We also post the completed study to a password-protected location on our website, where association representatives can view and download the entire study, Executive Summary section and funding plan software file.
- **Meetings:** Our Full and WSV services include a pre-site inspection meeting onsite with the board and management to discuss the scope of work and answer any questions (can be done virtually). We can also provide a digital meeting/call if requested to explain the results to the board/ownership.



- **Funding plan software:** [uPlanIt](#) is a powerful interactive online tool that enhances a Reserve Study by giving Clients absolute control of their Reserve funding information. Designed by experts and available for free to our clients with every professional Reserve Study engagement, uPlanIt gives real-time answers to all your “what-if” Reserve funding scenarios. uPlanIt allows clients to consider a variety of conditions throughout the reserve budget process, forecast the potential impact on the funding plan, and test and validate their budget decisions. Whether you want to change the contribution level, adjust replacement costs, or postpone certain projects, you’ll be able to foresee the outcome. Results are delivered in an assortment of insightful charts & tables. Included free with every professional Reserve Study or by subscription for \$149/year and has 24-7 access to “what-if” scenarios in real time, even during budget meetings!
- **Video presentation:** We will provide a brief video presentation of a Reserve Study to help explain the outcomes and provide more background information. The Reserve Study document is shown on-screen, and you’ll hear our staff describe the key financial details, review the component list, and explain how we formulate our recommendations in the study. This is ideal for sharing at Board meetings, annual association events, etc.
- **Loyalty Update Plan:** The plan includes three Reserve Studies prepared over three consecutive years. The “Level of Service” can be completed in any order (Full, NSV, NSV) or (NSV, WSV, NSV), etc. The fee is charged only once, at the beginning of the three-year engagement.
- **Complimentary revisions:** We will gladly revise the study at no charge to the client for a period of up to **60 days** following delivery of the completed study if there is a material error or discrepancy identified within the study.
- **Printed copies, upon request:** Printed copies are available upon request.
- **Additional services:** Association Reserves can also provide additional consulting work, attend association meetings, re-visit the property for follow-up inspections, etc. Additional labor charges will be billed at a rate of \$200.00/hour, including travel to and from the meeting. Please contact us directly for more specific information and requests for additional services.

Introduction to Reserve Studies

What's a Reserve Study?

A Reserve Study is best described as a document used by community associations (or any other type of common interest real estate development) to help plan financially for major repair, replacement, or restoration projects over a long period of time. Our studies cover a thirty year period, beginning with the current or upcoming fiscal year. Read on to learn more about the scope of work and other details related to the process of conducting a Reserve Study!



Are Reserve Studies really that important?

Absolutely. It's fairly easy to plan and prepare for recurring costs like management fees, insurance premiums, landscaping contracts, and utilities, but what about the projects and expenses that DON'T happen every year? That's our specialty...identifying, forecasting, and planning for inevitable failure of the components that are often overlooked or underestimated. There's no question that setting aside Reserve funds over a long period of time is the simplest, most cost-effective, and most responsible way to plan for major projects.

The work will need to be done; it's up to the association to plan accordingly. Without adequate Reserves, associations will have to make a tough decision: will you take out costly loans, push for recurring special assessments, or worst, accept a drop in home values due to deteriorating conditions and deferred maintenance? A current-year, reliable Reserve Study is the first step toward long-term financial strength for every association. Without one, association homeowners will be misinformed, underprepared, and left exposed to serious financial consequences. A current-year, reliable Reserve Study is a hallmark of well-managed associations, and an important part of a homeowner board's fiduciary duty to act in the best interest of their association members.

What components are included in a Reserve Study?

The National Reserve Study Standards specify the following definition of a Reserve Component:

- Must be the association's responsibility.
- Must have a limited Useful Life (UL)
- Must have a predictable Remaining Useful Life (RUL)
- Must be above a certain "threshold cost"



We typically recommend funding for projects such as: roof replacement, painting/waterproofing, pavement sealing and resurfacing, elevator modernization, balcony and deck sealing and restoration, major mechanical systems (HVAC, fire alarm, hot water, etc.), major pool and spa expenses, interior/amenity area remodeling, and many more. The bottom line is that every property is different, and will require a thorough inspection to determine what belongs in your study.

State requirements vary on what types of projects should be addressed through Reserves (and therefore included in a Reserve Study). Our studies will always meet and usually exceed these requirements, ensuring that our clients are acting in accordance with legal requirements and sound fiduciary responsibility.

Colorado law (**C.R.S. 38-33.3-209.5(IX)**), legislates that a community has a Reserve Policy that includes the following:

- When the association has a reserve study prepared for the portions of the community maintained, repaired, replaced and improved by the association.
- Whether there is a funding plan for any work recommended by the reserve study.
- If there is a funding plan, the projected sources of funding for the work.
- Whether the reserve study is based on a physical analysis and financial analysis.

Scope of Work

Our Reserve Studies are prepared in accordance with National Reserve Study Standards, established in 1998 by the Community Associations Institute. Per these standards, a Reserve Study engagement generally consists of the following:

1. Component Inventory & Condition Assessment

The component inventory is “the task of selecting and quantifying Reserve Components. This task can be accomplished through on- site visual observations, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representative(s) of the association or cooperative.” The condition assessment is “the task of evaluating the current condition of the component based on observed or reported characteristics.” As part of our inspection, we review any available building documents including site plans, building plans, fire alarm inspection records, equipment schedules and any other data that may be informative regarding component details, project history or expectations for upcoming work. We then photograph, measure and inspect all areas or components to be included. A Reserve Study site inspection is visual in nature and does not incorporate any destructive or other testing. The inspection is not intended to identify code or construction defects, nor is it intended to be the foundation for anything other than budgeting and planning purposes.

NOTE: For Update, With Site Visit (Level 2) Reserve Studies, the component inventory is for verification purposes only, using previously-established component quantities from a prior Reserve Study. However, the condition assessment is re- established based on current conditions. For Update, No Site Visit (Level 3) Reserve Studies, there is no physical inspection of the property. We review the component inventory and condition assessments from the most recent Level 1 or Level 2 study, then proceed with the Life and Valuation Estimates and Financial Analysis.



2. Life & Valuation Estimates

This process is usually much more time consuming than the actual site inspection, and represents the bulk of the overall Reserve Study process. Our Reserve Specialist® begins by organizing and interpreting the raw data he or she gathered during the site inspection, reviewing all measurements, notes and photographs for key details and insights. Next, we establish the component list structure, and determine the life and cost estimates for each Reserve component. Our standard procedure is to use any historical information provided to us by the client (such as when certain projects were done, and what they cost), and to review any bids or estimates for upcoming work. We review our findings with your current vendors for their insights, and also check their input against information we’ve gathered working with other comparable properties in your area. We constantly consult our own internal databases, composed of data collected from over 50,000 Reserve Studies. As a supplement, we also make use of professional construction estimating software programs, guidebooks, publications and manufacturer’s publications to supplement our knowledge base. The end result is a complete, thorough set of estimates that are accurate, current, property-specific, and generated by a qualified, independent third party.

3. Financial Analysis, Report Preparation & Delivery

Once the component list is established and we’ve reviewed your current annual budget and Reserve fund balance(s), we will make a determination of relative current Reserve fund strength and created a recommended funding plan covering the next 30 fiscal years, including a schedule of projected annual income and expenses.

Why should we choose Association Reserves?

Association Reserves was established in 1986 as a professional engineering consulting firm serving community associations throughout the United States and abroad. To date, our firm has completed over **60,000** Reserve Studies for properties of all types, including condominium and homeowners associations, community development districts, timeshare and resort properties, commercial facilities, worship facilities, and more. Over the years, our firm has been instrumental in defining and advocating the National Reserve Study Standards endorsed by the Community Associations Institute (CAI). Each Reserve Study we provide is conducted with special consideration for the unique characteristics of the client property, especially age, regional weather patterns, local pricing factors, and input from the Board of Directors. Our time-tested approach involves thorough research of all key factors, especially project history, projected useful life and cost data, and aesthetic standards in the local area. Our staff members earn and maintain the Reserve Specialist® credential administered by the Community Associations Institute (CAI), the international authority on all aspects of community association living.

We don't take a one-size-fits-all approach to our work, because we know that every association is different, and we take the time and care to ensure our results will help you to make wise decisions regarding the long-term care of your physical and financial assets. From our first phone call to final delivery of your study, we hold ourselves to the highest standards of professionalism. We pride ourselves on delivering a **first-rate product**, because we know you're putting your trust in our hands.



Our Team



Bryan Farley, RS is the President of our Rocky Mountain regional offices. Bryan has completed over 2,000 Reserve Studies for property types including residential developments, schools, historic buildings, commercial developments, metro districts, ranch developments, worship facilities, resorts and more. Bryan has earned the Reserve Specialist designation (#260) and is also a frequent author and speaker in the industry. Bryan earned a Bachelor of Science degree in Business Administration from Pepperdine University.



Garrett Walker Garrett is the Rocky Mountain regional office project manager. Garrett Walker graduated from UC Berkeley in 2013 with a Bachelor of Science degree in Engineering. Garrett's project management experience began in 2014 when he joined the Peace Corps in Tanzania. Garrett was responsible for developing high school science curriculums and managing malaria outreach programs to local communities. Garrett's project management experience includes work in the automotive manufacturing supply chain field.



Andrew Klausen Andrew earned a degree in Finance and Management from the University of Nebraska as well as a Masters in Research and Education from Trinity International University. Andrew's experience includes non-profit leadership, teaching at the collegiate level, financial accounting, and risk-management for residential and commercial properties. Andrew's project management experience is evidenced through the many avenues of his experiential application.



Chris Galey Chris Galey graduated from Kansas State University with a Bachelor of Science in Business Administration. He began a career in the Resort and Hospitality industry and has worked with multiple ski resorts, ultimately managing sales operations in the Front Range. Chris acquired skills in this role by managing large sales events, partnerships, promotions, budgeting, and financial strategy. He brings great customer service to Association Reserves by building strong relationships with accountability and integrity.



Ruth Walden-Turek Ruth joined Association Reserves in 2016 as the client service specialist. She brought with her many experience years in administrative work specific to the building industry, having worked for a residential developer as a spec sheet writer as well as a systems coordinator and as a contract administrator for a general contractor managing multi-million dollar projects. Ruth has a business degree as well as a nursing degree. In her free time, camping with her husband is a passion; they plan to visit every state in the country.



Paige Daniels Paige joined Association Reserves in 2012 after graduating from California Lutheran University with a Master's degree in Business Administration. A native of Colorado, she obtained a BS in Business Marketing from the University of Northern Colorado. Her undergraduate education also included a semester at Griffith University in Queensland, Australia. Her experience with trade show operations, her knowledge of business, and her marketing passion and creativity makes her an excellent addition to our team and an asset to our clients.

What can I expect to see in my Reserve Study?

Simple, concise summary of recommendations, with a clear, organized listing of Reserve components.

3- Minute Executive Summary

Association: Sample Condo # 09091-0
 Location: Anywhere, US # of Units: 142
 Report Period: January 1, 2015 through December 31, 2015

Findings/Recommendations as of 1/1/2015:
 Projected Starting Reserve Balance: \$750,000
 Current Fully Funded Reserve Balance: \$1,306,267
 Average Reserve Deficit (Surplus) Per Unit: \$3,917
 Recommended 2015 Monthly "Full Funding" Contributions: \$19,900
 Alternate minimum contribs to keep Reserves above \$0: \$14,175
 Recommended 2015 Special Assessment for Reserves: \$0
 Most Recent Budgeted Reserve Contribution Rate: \$16,000

Reserves % Funded: 87% (30% - 77% - 100%)
 Special Assessment Risk: High Medium Low

Economic Assumptions:
 Net Annual "After Tax" Interest Earnings Accruing to Reserves: 1.00%
 Annual Inflation Rate: 3.00%

- This is a "Full" Reserve Study (original, created "from scratch"), and is based on our site inspection on September 1, 2014. It was prepared by a credentialed Reserve Specialist (RS).
- Because your Reserve Fund is between 30% and 70% at 57% Funded, this means the association's special assessment & deferred maintenance risk is currently "medium." The objective of your multi-year Funding Plan is to Fully Fund your Reserves, where associations enjoy a low risk of such Reserve cash flow problems.
- Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions in the upcoming fiscal year.
- No assets appropriate for Reserve designation were excluded.

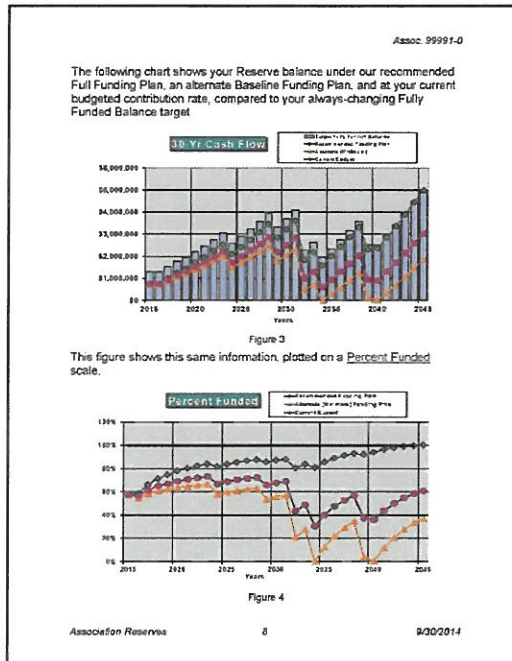
*officially called "Baseline Funding"

Association Reserves | 1 | 09/02/2014


#	Component	Useful Life (yrs)	Rem. Useful Life (yrs)	Current Cost Estimate
Site and Grounds				
2119	Driveway Pavers - Replace	40	30	\$24,350
2146	Garage Gates - Replace	20	15	\$9,800
2148	Entry Area Pountains - Maintain	12	5	\$4,500
2149	Sundeck Fountain - Maintain	12	5	\$9,000
2177	Bollard Lights - Replace	20	13	\$7,500
Building Exterior				
2201	Entry Porches Area Lights - Replace	10	3	\$2,475
2321	Balcony, Deck Rails - Replace	24	16	\$644,700
2325	Sandals - Resurfacing/Refine	24	16	\$16,000
2326	Planters - White-powder/Re-plant	24	16	\$10,000
2341	Building Exterior - Re-Condition	24	16	\$254,000
2342	Building Exterior - Re-Plant	6	5	\$219,000
2343	Common Area Windows - Replace	30	23	\$212,000
2377	Low Slope Roof - Replace	20	11	\$67,800
Mechanical/Electrical/Plumbing				
2505	Automatic Entry Doors - Replace	20	13	\$16,000
2509	Garage Gate Operators - Replace	10	5	\$2,500
2511	Barrier Arm Operator - Replace	10	4	\$5,500
2516	Traction Elevators - Modernize	25	10	\$600,000
2517	Elevator Cables - Rerouted	25	10	\$30,000
2519	Air Handler - Lobby/Dc - Replace	15	8	\$10,000
2519	Air Handler - Social Room - Replace	15	8	\$6,000
2519	MVAC - Elevator Rooms - Replace	15	8	\$7,500
2519	MVAC - Hallways - Replace	15	8	\$90,000
2523	Large Exhaust Fans - Replace	15	8	\$14,750
2523	Cooling Tower - Replace	20	10	\$155,000
2525	Cooling Tower Pumps - Replace	15	8	\$77,500
2527	Variable Frequency Drives - Replace	15	8	\$5,000
2543	Security System - Modernize	12	8	\$15,000
2549	Generator - Replace	40	35	\$62,000
2567	Fire Alarm System - Modernize	15	8	\$105,000
2569	Fire Sprinkler Pump/Controls - Repl	40	35	\$60,000
2569	Heat Exchanger (Hot Water) - Repl.	15	8	\$4,000
2569	Heat Exchanger (M/C) - Repl.	15	8	\$16,000
2571	Boilers - Replace	20	15	\$40,000
2575	Dom. Water Pump/Controls - Replace	20	15	\$40,000
2575	Fontaine Equipment - Replace	5	1	\$2,500
Interior & Amenities				
2703	Wallcoverings - Replace	20	13	\$30,250
2705	Garage Ceiling Lights - Replace	25	18	\$34,700
2706	Hallway Lights - Replace	20	15	\$17,360
2708	Tax Flooring - Replace	20	13	\$44,400
2711	Hallway Carpets - Replace	12	1	\$31,800

Association Reserves | 1 | 09/02/2014

Large, color-coded charts and tables to illustrate long-term implications



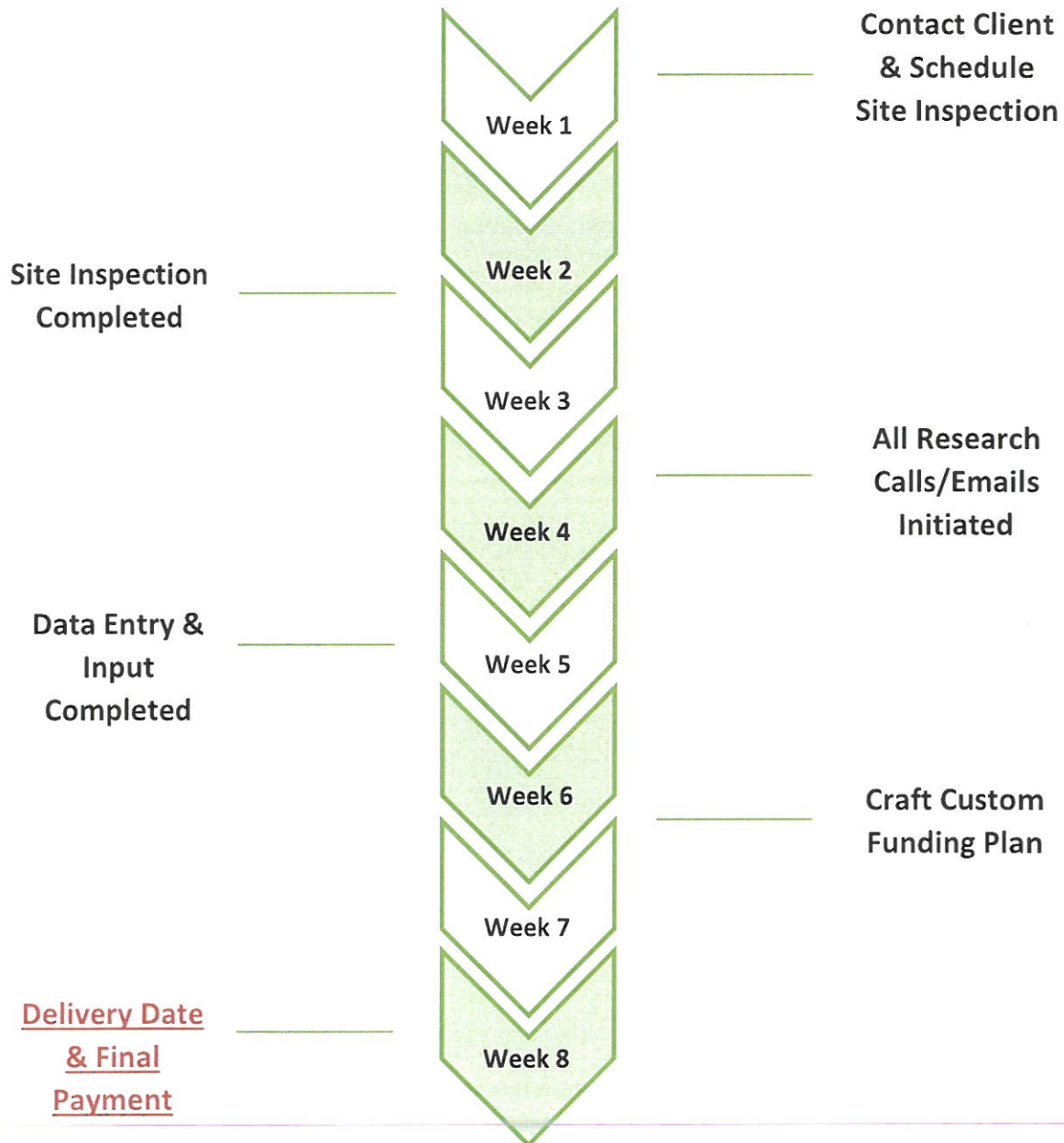
Here's a sample of our Inventory Appendix pages. We devote a half-page summary to every single component included in your Reserve Study.

Association Reserves	Inventory Appendix	
Client: 99991B Sample Condo - Building Exteriors		
Comp #: 2343 Building Exterior - Seal/Paint		
Quantity: Approx 165,200 GSF		
Location: Building exteriors		
Evaluation: Generally fair condition noted. Building has not been painted since original construction, but the association has obtained some bids for painting in the near future according to manager. Project may be postponed or done in stages due to ongoing construction at an adjacent site. We were provided with copy of exterior painting specifications prepared by Sherwin-Williams, which calls for an 8-year warranty. All door and window frame perimeters are to be caulked with a urethane sealant. As routine maintenance, inspect regularly (including sealants), repair locally and touch-up paint as needed. Typical paint cycles can vary greatly depending upon many factors including type of material painted, surface preparations, quality of material, application methods, weather conditions during application, moisture beneath paint, and exposure to weather conditions. Proper sealant/caulking is critical to preventing water intrusion and resulting damage to the building structure. Incorrect installations of sealant are common, and can greatly decrease its useful life. Inspect sealant, more frequently as it ages, to determine if it is failing. Typical sealant problems include failure of sealant to adhere to adjacent materials and tearing/splitting of the sealant itself. As sealants age and are exposure to ultra-violet sunlight, they will dry out, harden, and lose their elastic ability. Remove and replace sealant as signs of failure begin to appear. Proper cleaning, prep work, and proper installation are critical for a long lasting sealant/caulking. Repair areas as needed prior to project.		
Useful Life: 8 years Remaining Life: 0 years Easy-to-find details		Descriptive, thorough observations Full Color Photographs
Best Case: \$180,000.00 Lower estimate to seal/repaint	Worst Case: \$250,000.00 Higher estimate	
Cost Source: Estimates Provided by Client		

Delivery Timeline

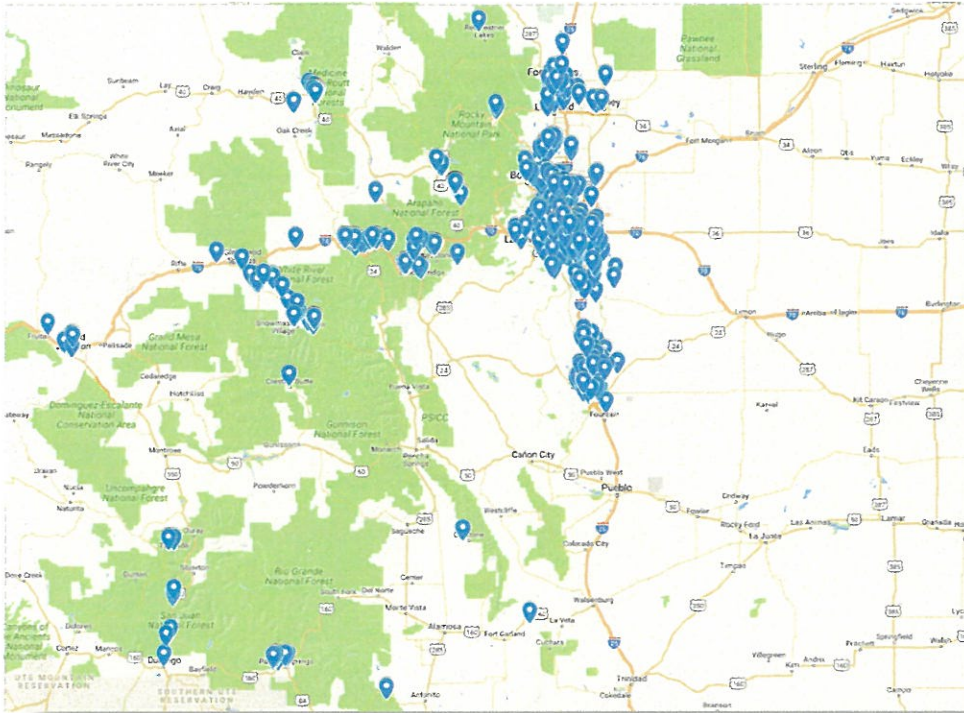
The delivery timeline for an 8-week turnaround will typically look as follows once we have received:

- ✓ Signed proposal agreement with 50% deposit
- ✓ CCRs (If a Full)



Client Map and Testimonials

You don't get to be in business for over 30 years and counting without building a great reputation. Here's what some of our clients have had to say about us recently:



- “For over 20 years, I have relied upon Association Reserves to provide essential information during the lending process. Nobody does it better”
Alan Crandall, SVP Mutual of Omaha Bank
- “I have used Association Reserves for many years and have always found them to be excellent in their depth, details and analysis.”
Quentin Yates PCAM, CCAM Meridian Residential Association
- “The follow up and willingness to work with the Association was excellent. Any questions or concerns were addressed immediately.”
Michael Mazziotta Rivershores Plantation POA

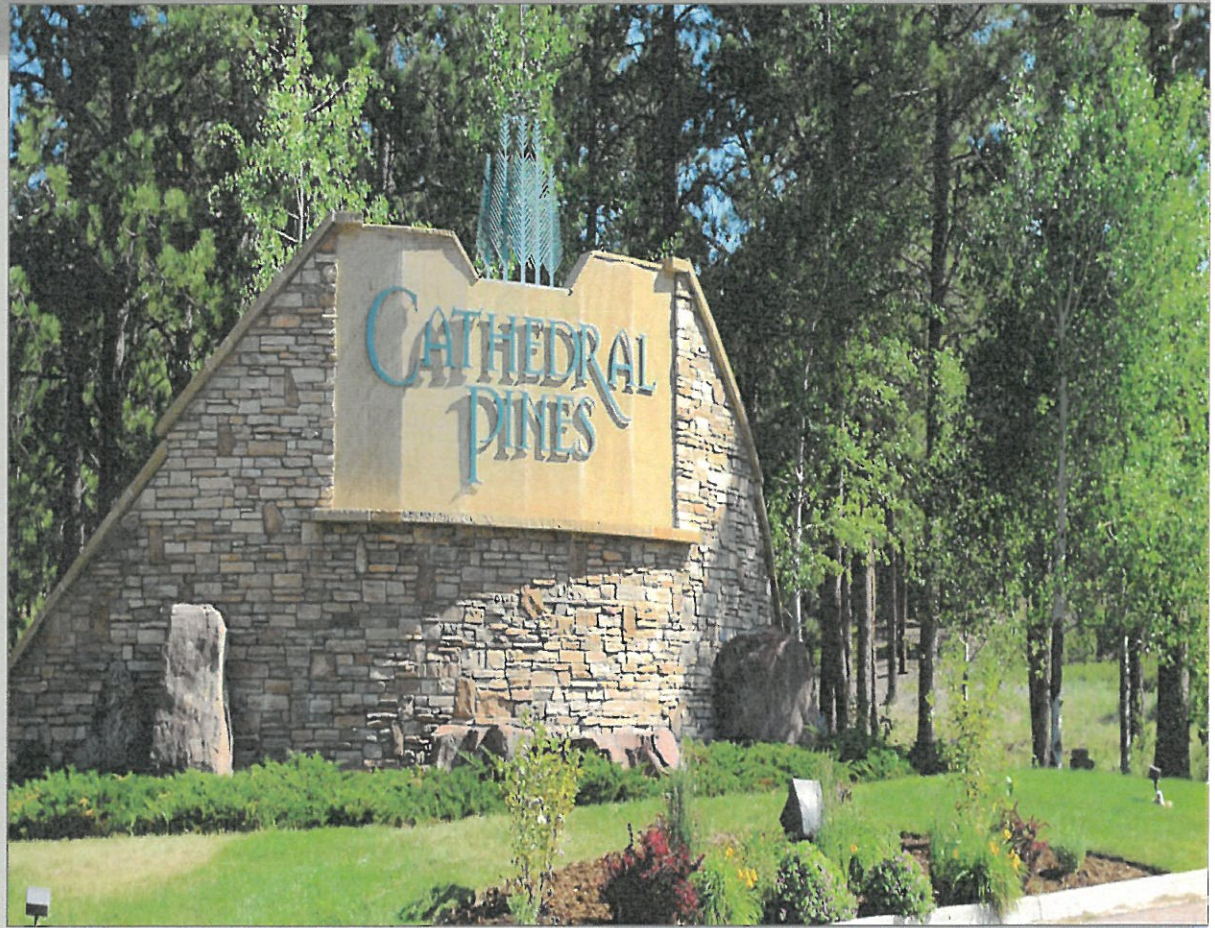
Client References Available Upon Request



ASSOCIATION
RESERVES™

2022

Reserve Study Proposal for Cathedral Pines Metropolitan District





January 19, 2022
 Assoc # 10228-22

Cathedral Pines Metropolitan District
 Attn: Jamie Adams
 Warren Management Group
 1720 Jet Stream Dr. #200
 Colorado Springs, CO. 80921

Dear Jamie,

Thank you for requesting a Reserve Study proposal for Cathedral Pines Metropolitan District. The following are the products and levels of service that are available to meet your needs.

Services Available	Premium	Platinum
On-Site property observation	✓	✓
Hand measure, inventory, and walk assets	✓	✓
Generate a component list	✓	✓
Estimate the useful and remaining life of all common area assets	✓	✓
Analysis of the Reserve Fund	✓	✓
Provide a recommended Reserve allocation	✓	✓
Detailed quantity breakdown of assets by area or building	✓	✓
Full inventory section (color photos of components, explanation of estimated replacement costs)	✓	✓
Measurements derived from a sampling of building types	✓	
Measurements for all building types		✓
Customized written conditions and observations of components		✓
Project phasing		✓

Aspen Reserve Specialties works within the guidelines of the National Reserve Study Standards. We are here to answer any questions you may have regarding your Reserves. If special circumstances arise regarding the property, please contact us for additional pricing options.

ADDITIONAL CONSULTATION

- Attendance at Board meetings
- Supplemental Analyses
- Customized reports (roof evaluations, developer turnover, etc.)

P.O. Box 1762 • Castle Rock, CO 80104 • Phone (303) 790-7572 • www.aspenrs.com
info@aspenrs.com

The Original ARS serving Colorado since 2001



January 19, 2022
 Assoc # 10228-22

Based on the information we have received these are the products and pricing available for your district:

Level 1 - "Starting from scratch". Measurements of all components will be completed. This level of service is geared toward districts that **do not have** an existing study in place or has not had an on-site observation conducted in the past 5 years.

	9 week turnaround	6 week turnaround	3 week turnaround
Premium	\$4,450	\$5,560	\$7,510
Platinum	\$5,560	\$6,950	\$9,380

Level 2 - This is an **update** to an existing reserve study 5 years old or newer. New measurements will not be performed.

	9 week turnaround	6 week turnaround	3 week turnaround
Premium	\$3,560	\$4,450	\$6,010
Platinum	\$4,450	\$5,560	\$7,510

Level 3 - This update **without site observation** is only available to districts whose level 1 or 2 reserve study has been completed by ARS within the past 5 years. Financial analysis is updated through research with the community representation and property vendors. Inventory section NOT included.

	9 week turnaround	6 week turnaround	3 week turnaround
	\$1,250	\$1,560	\$2,110

RS/PRA Consultation - \$200/hour including drive time, 1 hour minimum

Project Manager Consultation - \$125/hour including drive time, 1 hour minimum

This proposal is based on the information provided to our office and is good for a period of twelve months from the date provided. If you choose to move forward with us, please indicate which level of service you would like to have performed by filling out the contract provided accordingly and return to our office, we will then be in touch with you with the list of required items needed. Please do not hesitate to contact our office with any questions. We look forward to hearing from you!

Sincerely,

G. Michael Kelsen, RS, PRA
 Owner

P.O. Box 1762 • Castle Rock, CO 80104 • Phone (303) 790-7572 • www.aspenrs.com
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January 19, 2022
Assoc # 10228-22

Contract Agreement – Scope of Work

Client (Cathedral Pines Metropolitan District) understands that Contractor (Aspen Reserve Specialties) will be providing a (Check one and fill in blanks):

- | | |
|---|--|
| <input type="checkbox"/> Premium
<input type="checkbox"/> Platinum | Level ____ Reserve Analysis (as described in the reserve study proposal) (the "Work")
to be completed and mailed within approximately ____ weeks from the project start date. |
|---|--|

The fee for your requested service(s) is \$ _____. A 50% deposit (\$ _____) is due at the time of submitting all required information. The balance is due and payable within 30 days of delivery of the Draft Version of the Reserve Study. Final reports will not be released until the account is paid in full. Late charges are incurred for accounts past 90 days of Draft delivery at the rate of \$25.00 for every 30 days past due.

The turnaround time begins once the following information is obtained in our office:

- 50% Deposit
- Signed Agreement Form permitting Aspen Reserve Specialties to perform the above-mentioned service (attached)
- Property/plat map (if available)
- List of contractors/vendors related to this property (with contact names and phone numbers)
- Copy of current budget and balance sheet
- A list of common area components with quantities and measurements (only if ARS did not perform the previous study)
- Reserve Expenditure History (within the past 5 years) or information regarding pending projects and copies of the contracts.

Failure to provide these items will result in a delay in the delivery of the report.

Client acknowledges that the requested turnaround time for their Reserve Study **does not** begin until Contractor receives **ALL** items requested in the contract. Client understands that any special requests for additional services or change orders may further delay the delivery of the report. Additionally, the Client agrees that failure to provide any requested or necessary information or to return phone calls or emails sent to the Client in a timely manner will delay the delivery of the report. If Contractor is **required** to meet with a manager or board member for the site visit, the turnaround time will be delayed to accommodate all parties schedules. If you have any questions, please do not hesitate to call.

Further, the Client understands the fee quoted was based on information provided to Contractor by the Client at the time of requesting a proposal. If it is later found that this information is either inaccurate or incomplete, Contractor has the right to adjust the fee accordingly. No further work will be performed until a written change order is received with a Board Member's signature, detailing the agreed changes to the contract. The delivery of the Draft Reserve Study will be delayed by the amount of time it takes to receive the executed change order.

Client understands and agrees that weather may play a significant role in the completion of Site Observations between the months of October through April. Any Reserve Study contracted during those months may be delayed due to weather conditions such as snow, hail, wind, rain, snow and/or ice cover on Reserve Components or any conditions existing on the property which render the property unsafe to employees or representatives of Contractor.

Contractor will be unable to access any roof that is greater than 18 feet in height unless access is provided by means of an attached roof ladder or stairwell. Client understands that Contractor will not use invasive or



destructive measures to obtain information regarding sprinkler systems, plumbing systems, electrical wiring, telephone wiring, or underground public utility lines (sewer, drainage, water, etc). Contractor will concentrate on Reserve Components that have been properly built and installed and have predictable life expectancies. Reserve Studies do not typically address issues evolving from unpredictable natural events (hail, windstorms, etc.), environmental hazards (lead paint, asbestos, radon, etc), or construction defect concerns.

Please thoroughly review our revisions policy outlined in Article 1.9 below. We allow 45 days for the client to review the draft and provide any necessary feedback. If feedback is not received within 90 days of delivery of the Draft Version, the report will be considered complete and final. Any changes requested after 90 days and without prior feedback will be made at an additional fee to the association. If your association will need more than 90 days to review the report, notify us via phone call or email so that we may make a note in the association's file.

The Contractor will provide one **(1) color pdf version** of the draft and final reports via email to the community's manager and/or board member at the email address listed on this contract. Hard copies of the Reserve Study are available for a nominal fee of \$75 per report.

By initialing, you agree to all terms and conditions and that the choices selected were made by the board of directors or an authorized agent of the board.

Initial:

Contract Agreement – Terms and Conditions

Article 1 - Contractor's Services, Client's Responsibilities, Specific Exclusions

- 1.1 **Client Defined.** The Client represents that it legally owns the property or common area upon which the Work is to be performed or has rights to execute agreements for such work. For the purpose of administration, wherever in this Agreement the word "Client" is used, it shall include any duly authorized representative of the Client.
- 1.2 **Contractor Defined.** The Contractor is Aspen Reserve Specialties.
- 1.3 Client understands that the services provided by the Contractor shall consist of developing a component list by identifying those common area components that, in Contractor's opinion, may require reserve funding based on Contractor's physical observation of the property. The Contractor will then determine the Remaining Useful Life of each component and also determine current replacement costs ("Current Cost"). Contractor will recommend a Fully Funded Balance and a Funding Plan, based on the component list, and the current financial information provided by Client.
- 1.4 **Methods of Observation.** Client understands and acknowledges that Contractor will not use intrusive, invasive or destructive forensic observation measures to obtain information regarding any areas of the community, including but not limited to, sprinkler systems, plumbing systems, electrical wiring, telephone wiring, or underground public utility lines, including but not limited to, sewer, drainage and water lines.
- 1.5 **Specific Exclusions.** By signing the Agreement, Client acknowledges that reserve study analysis will include only reserve components that have been properly built and installed and have predictable life expectancies.
 - 1.5.1 Reserve studies conducted by Contractor specifically exclude issues having to do with unpredictable natural events (including but not limited to weather events such as hail, windstorms, etc.) and environmental hazards (including but not limited to lead paint, asbestos, radon, etc.).
 - 1.5.2 Reserve studies conducted by Contractor specifically exclude any and all construction defect related concerns. Contractor shall not be liable to any party, including but not limited to Client, homeowners associations, individual property owners, builders, subcontractors, financial institutions, etc. for any claims that involve construction defect related issues. Client acknowledges that it is aware that it is impossible for Contractor to know of any construction defects unless defects are disclosed to Contractor. Even if such disclosure is made to Contractor, it is not intended that reserve studies conducted by Contractor take any construction defects into consideration, whether disclosed or undisclosed.
- 1.5.3 Client understands and acknowledges that the provisions of Article 2 concerning indemnification and attorney's fees shall apply to any and all services provided by Contractor whether or not presented as a claim for breach of contract or any other cause of action or claim against Contractor.
- 1.6 Client understands that the reserve study shall not be used as a financial audit. This reserve study shall not be used for the purpose of disproving another reserve study, without prior written agreement between Client and Contractor. The reserve study shall not be used as evidence of construction defects, damage, potential damage, health and safety concerns, or as a construction-quality observation. The reserve study shall not establish



reserve funding for the repair, replacement or maintenance of leased items or items covered under an inclusive service contract, or in another part of the association's budget.

- 1.7 Client understands and acknowledges that Contractor shall not be auditing the financial information received from Client.
 - 1.7.1 Contractor shall not be responsible for any intentional or unintentional misrepresentation to Contractor by Client, or any person or entity on behalf of Client, regarding the Client, including but not limited to, information regarding Client's financial standing, solvency, and availability of funds.
 - 1.7.2 Client understands that Contractor will not alter or verify information regarding the common areas received from Client or any person or entity on behalf of Client, including but not limited to agents and vendors.
 - 1.7.3 Contractor shall not be responsible for intentional or unintentional misrepresentations regarding the common areas made by Client or any person or entity on behalf of Client, including but not limited to agents and vendors.
 - 1.7.4 Client understands that Contractor does not guarantee estimated replacement costs reported in the reserve study. As economic information changes daily, the estimated costs projected in the report are as accurate as possible as of the date of the report, and as such should be used as a guide only.
- 1.8 Client understands that the total reserve study fee is based on information provided to Contractor at the time of obtaining the proposal. If it is later found that the information provided to Contractor is either inaccurate or incomplete, Contractor reserves the right to adjust the fee accordingly and Client agrees to pay adjusted fee. Contractor and Client must agree upon all changes to the contract and sign a written change order.
- 1.9 Client is entitled to one free revision of the reserve study report generated by Contractor. Revision requests are subject to Contractor's approval and cannot be used for the purpose of lowering the Fully Funded Balance or the Recommended Reserve Contribution. Client understands that a difference of opinion is not a valid reason to revise the study unless Client provides a professional opinion from an expert in a directly related field. Contractor reserves the right to use Contractor's opinion in Contractor's reserve study regardless of any outside opinion. Any further revisions other than the one free revision addressed in this paragraph will be billed at an hourly rate of \$200 with a 1 hour minimum.
- 1.1 If requested by Client, Contractor's involvement in events including but not limited to board meetings, presentations, and hypothetical analyses will be separately billed at an hourly rate of \$200 for RS/PRA consultation and \$125 for project manager consultation, including drive time and with a 1 hour minimum.

Article 2 – Insurance and Indemnity; Standard of Care

- 2.1. **Pre-existing Claims.** Client shall fully indemnify, defend, and hold Contractor harmless for any pre-existing claims, liabilities, losses or damages, including construction defects, which were identified or initiated prior to the effective date of this Agreement.
- 2.2. **Standard of Care.** No warranties express or implied are made by Contractor and its responsibility is limited to the services it provides to Client under this Agreement. Contractor agrees to perform the services described in this Agreement in good faith. Contractor is not responsible for acts or omissions of Client or any other Third Party. The Contractor represents that it is fully qualified and accredited, to the extent necessary, to do business in the vicinity of the project, has the requisite expertise, skill and capability to perform the Work in the manner contemplated by this Agreement, and that it shall maintain the requisite skilled employees and other workers, materials, equipment and tools necessary to perform the Work as and when required under this Agreement and will perform such Work and provide such services in accordance with industry standards.
- 2.3. **Indemnity.** The Contractor hereby indemnifies and saves harmless the Client against any and all loss, damage, liability, claims, demands, cost or expense, including attorney fees and costs of litigation, arising from or in any way attributable to the activities of the Contractor or any of the Contractor's employees, the Contractor's Work or the Contractor's presence or activities in the community, without limitation, injuries or deaths to persons and damage to property.
- 2.4. **Limitation of Damages.** Client agrees, to the fullest extent permitted by law, to limit the liability of Contractor for any and all claims, losses, costs, and damages of any nature from any cause, including attorneys' fees and costs, expert witness fees and costs, and arbitration fees and costs, so that the total aggregate liability of the Contractor shall not exceed Contractor's total billing for this reserve study. Contractor shall not be liable for any special, indirect or consequential damages of Client. The Contractor shall be responsible for all damage or injury arising from the Contractor's performance of the Work of otherwise relating to this Agreement.
- 2.5. **Work Product.** Client acknowledges that Contractor's professional opinion is based on information made available to Contractor at the time of physical observation of the property. Client further acknowledges that conditions reported by the Contractor are applicable to the time frame of the report and these conditions, over time, may change. There is no implied warranty or guarantee in any of the Contractor's work product. Contractor will prepare all reports in good faith and in accordance with the skill and care used by members of



Contractor's profession under similar circumstances in a similar time frame and in the same locality. Should Client utilize the work product other than as part of Contractor's paid services during or after the term of this Agreement, Contractor shall not be liable for errors or omissions in the work product, and Client shall make no claim against Contractor for such errors or omissions and shall waive any claim against Contractor and indemnify, defend and hold Contractor harmless from any claim or liability for injury or loss that may arise from any reuse of the work product by Client.

Article 3 – Dispute Resolution

- 3.1. Client and Contractor shall negotiate in good faith to resolve any claims and disputes related to this Agreement.
- 3.2. Any claim or controversy for amounts in excess of \$15,000.00, arising out of or related to this Agreement, or the breach thereof shall first be submitted to mediation. The fees and costs of mediation shall be borne equally, but any associated attorneys' fees shall be separately borne by the party incurring such amounts.
- 3.3. **Attorneys' Fees and Costs.** Notwithstanding anything herein to the contrary, in the event of any legal action, arbitration, or mediation under this Agreement or by reason of asserted breach hereof, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees and court costs incurred in enforcing or attempting to enforce any of said terms, covenants, or conditions, including costs incurred prior to commencement of legal action and all costs and expenses including reasonable attorney fees and court costs incurred in any appeal from an action brought to enforce any of said terms, covenants and conditions.

Article 4 – Additional Provisions

- 4.1. **Governing Law and Forum.** This Agreement and all potential litigation arising from this Agreement shall be governed by the laws of the State of Colorado, and any litigation filed by the Client against the Contractor shall only be filed in the courts of the County of Douglas, State of Colorado.
- 4.2. **Entire Agreement.** This Agreement represents the entire integrated agreement between Client and Contractor and supersedes all prior negotiations, representations or agreements, either oral or written. This Agreement shall not be amended, altered or terminated except by written instrument, signed by both parties.
- 4.3. **Binding Effect.** This Agreement, inclusive of its terms and provisions, shall survive the closing and shall be binding on and inure to the benefit of, and be enforceable by, the respective heirs, legal representatives, successors and assigns of the parties.
- 4.4. **Severability.** If any portion of this Agreement is held as a matter of law to be unenforceable, the remainder of this Agreement shall be enforceable without such provisions.
- 4.5. **Cancellation.** If contract is canceled by Client after the signed agreement is received by the Contractor, and prior to completion of on-site evaluation, client will be financially liable for 25% of full contracted price. If contract is cancelled after completion of on-site evaluation, client will be financially liable for the full contracted price. Cancellation request must be received in writing.
- 4.6. **Representation.** The parties represent that they have carefully read this Agreement, understand the contents within, have been represented by an attorney or have chosen not to be represented by an attorney, enter this agreement out of their own free will, and are not relying upon any representation or inducements, express or implied, from any other party except as expressly set forth herein.
- 4.7. **Tools, Equipment, Etc.** The Contractor shall furnish all tools, equipment, supplies and materials necessary to perform the Work. The Client shall not be responsible or liable for any loss of the Contractor's tools, equipment, supplies and materials.
- 4.8. **Safety.** The Contractor shall take all reasonable safety precautions with respect to the Work, shall comply with all applicable laws, ordinances, rules, regulations, requirements and orders of any public authority for the safety of persons or property, as well as any rules and regulations imposed by the Client.
- 4.9. **Definitions.** Definitions of terms used herein are as follows:
 - 4.9.1. *Reserve Study* - A budget planning tool which identifies the current status of the reserve fund and a stable and equitable funding plan to offset the anticipated future "major common area expenditures".
 - 4.9.2. *Reserve Component* - An individual line item in the *Reserve Study* developed or updated in the physical analysis. These elements form the building blocks of the *Reserve Study*. Components typically are 1) Association responsibility, 2) with limited Useful Life Expectancies, 3) predictable Remaining Useful Life expectancies, 4) above a minimum threshold cost, and 5) as required by local codes.
 - 4.9.3. *Site Observation* - A physical inspection of the association's assets. From the observations, the Contractor generates a component list, inventory, and estimates the life expectancy and remaining useful life of all common area assets.
 - 4.9.4. *Draft Version* - The first copy of the reserve study to be delivered to the Client. This copy can be revised once free of charge. Further changes to subsequent reports will be charged a fee of \$200 per revision with a one-hour minimum rate.



Contract Agreement – Cathedral Pines Metropolitan District (Ref #10228-22)

I certify that (1) the undersigned has full authority to sign this Contract Agreement, including the Contract Agreement – Scope of Work, and the Contract Agreement – Terms and Conditions (collectively, the “Contract”) on behalf of the entity identified below and (2) I have read, understand and agree with the Contract on behalf of the entity identified below. I authorize Aspen Reserve Specialties to perform the scope of work outlined in the Contract. Any request for changes to the Contract must be made in writing and agreed upon by both parties.

Furthermore, by signing this contract or by having the Contract signed by my community manager/management company, I agree to give said manager/management company full authority to make decisions on my behalf/benefit of the board of directors/metro district as they relate to this project. I agree to hold Contractor harmless from any dispute that may arise as a result of any decisions made by the community manager/management company or any of its representatives.

<input type="checkbox"/> Premium <input type="checkbox"/> Platinum	Level ____ Reserve Analysis (as described in the reserve study proposal) (the “Work”) to be completed and mailed within approximately ____ weeks from the project start date.
---	---

Printed Name of Board Member: _____

Signature: _____ Date: _____

Daytime Phone Number: _____ Email: _____

Community Management Company Name: _____

Community Manager Printed Name: _____

Signature: _____ Date: _____

Daytime Phone Number: _____ Email: _____

A person for Aspen Reserve Specialties to contact for general questions, and to coordinate a site observation (if applicable) and to gain access to all locked common areas is:

Name/Title (If different than above): _____

Daytime Phone Number: _____

Any Special Requests, Inclusions, or Instructions: _____

Rev 10/18/21



HOA/Master Association

Reserve Study Request for Proposal Assoc. ID #10228
Proposal Info Accurate Initials: See email from J. Adams 1/17/22 **Initial for contract:**

CLIENT INFORMATION

Name of Contact Person/Title: Jamie Adams, CMCA, AMS, PCAM, CAM
 Management Company Warren Management Group
 Mailing Address: 1720 Jet Stream Dr. #200
 City, State, Zip: Colorado Springs, CO. 80921
 Telephone: 719-534-0266 email: jamie@warrenmgmt.com

ASSOCIATION INFORMATION

Name of Association: Cathedral Pines Metro District
 Physical Address: 13977 Milam Rd.
 City, State, Zip: Colorado Springs, CO. 80908
 Website (if available) _____

PROPERTY DESCRIPTION

Fiscal Year End: 12/31

of Units 197 # of Residential Bldgs (HOA responsible to maintain) 0 # of Recreation/Other Bldgs 1

HOA/Property Type		Common Area Responsibilities	
Condominiums		Types of driveways (asphalt/concrete)	NA
Townhomes		Types of roads (asphalt/concrete)	NA
Apartment Style		Responsible for sidewalks (y/n)	At lodge
High-Rise		Siding type (hardboard/fiber cement/stucco)	Lodge – Wood/Stone
# of stories		Roof type (flat/pitched & material)	Lodge - Tile
Single Family Homes	X	Elevators? (List quantity)	NA
Timeshare or Co-Op		Interior hallways/rooms (y/n)	Lodge
Duplex		Irrigation System (moderate/extensive)	Yes
Paired Homes		Fencing (wood/vinyl/iron/brick/etc.) Is fence perimeter fence only or multiple areas	No
Date of Construction	2006	Are windows/doors HOA or Owner	Lodge
Phases		Mechanical equipment (other than pool)	Lodge
Conversion Date		Amenities	
Common Area Responsibilities		Pools/Hot tubs (please list quantity)	0
Monument/Signage?	No	Spas/Saunas (please list quantity)	0
Underground Garage?	NA	Courts (please list quantity & type)	0
Secured property (gated/intercom)	No	Recreation Room/Clubhouse	0
Cluster Mailboxes/Mailbox Center	Yes	Park/Play Equipment	Milam, Schoop and Black Forest

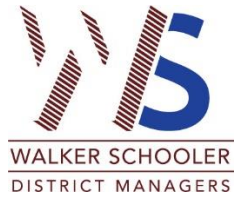
Has the Association had a Reserve Study completed in the past? ___ Date: _____

Who performed the study (if not Aspen Reserve Specialties)? _____

Date you need the proposal by: _____

Miscellaneous information (Known problems, concerns and planned or recently completed projects.)

Irrigation lines 8' deep from 2003, 3 wells, Lodge built 2006 and is 1500-1800 GSF, Trail system is natural, Barn storage, Tractor, 3 ponds one compromised lined



**RESOLUTION
OF THE BOARD OF DIRECTORS OF
CATHEDRAL PINES METROPOLITAN DISTRICT**

CONCERNING CONTRACT BIDDING AND TERM LIMIT POLICY

WHEREAS, Cathedral Pines Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado, duly organized pursuant to §§ 32-1-101, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 32-1-1001(1)(d), C.R.S., the Board of Directors of the District (the “**Board**”) is authorized to enter into contracts and agreements affecting the affairs of the District; and

WHEREAS, pursuant to § 32-1-1001(1)(h) C.R.S., the Board shall have the management, control and supervision of all the business and affairs of the District; and

WHEREAS, in order to secure the reasonable and satisfactory value to the District for operation and maintenance services, considering cost, quality, delivery, and other considerations that reflect overall value, the District desires to establish a policy for bidding and term limits and for certain contracts, change orders, work orders, and other agreements for operation and maintenance services.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE DISTRICT AS FOLLOWS:

1. Contract Bidding and Term Limit Policy. The Board hereby adopts the Contract Bidding and Term Limit Policy (the “**Policy**”) set forth as follows:

a. Bidding. The District will solicit bids, quotes, proposals etc., for operation and maintenance services contracts having a contract price of Twenty Thousand Dollars (\$20,000.00) or more. If the District is unable to obtain responsive and reasonable bids, quotes, proposals etc., due to sole source providers, market conditions, or other unforeseeable and external conditions, such circumstances should be documented unless pre-approved by the Board at a regular or special meeting. All bids/quotes/proposals may be public information and may be released to the public following bid award. This Policy does not apply to construction contracts for work or materials, or both, involving an expense of Sixty Thousand Dollars (\$60,000.00) or more, which must be publically noticed and bid in accordance with Colorado State Law.

b. Contract Term Limit and Bidding Timing. A maximum three (3) year term limit shall apply to such operation and maintenance services contracts contemplated above having a

contract price of Twenty Thousand Dollars (\$20,000.00) or more. The District will also solicit bids, quotes, proposals etc., for such operation and maintenance services contracts at least every three (3) years.

2. This Resolution shall become effective immediately, and shall supersede any previously adopted resolution or policy of the District related to bidding and term limits for the operation and maintenance services contracts described herein.

Signature page follows

APPROVED AND ADOPTED THIS __ DAY OF FEBRUARY, 2022.

CATHEDRAL PINES METROPOLITAN
DISTRICT, a quasi-municipal corporation and
political subdivision of the State of Colorado

Officer of the District

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

Signature page to Resolution Concerning Contract Bidding and Term Limit Policy.