

Granby Ranch Metropolitan District Special Board Meeting Agenda (Monday July 01, 2024)

Directors	Office	Term Expiration
Matt Girard	President	May 2025 (Elected)
Natascha O'Flaherty		May 2025 (Elected)
Stefan Haberer	Treasurer	May 2027 (Elected)
Jason Bearden	Secretary	May 2027 (Appointed)
Tom Young		May 2025 (Appointed)

Meeting Start Time: 6:00pm

Meeting Location: Online video conference site is as follows: <https://www.gotomeet.me/Wolfersberger>

I. Administrative Items:

- A. Call To order
- B. Declaration of quorum
- C. Director qualifications / disclosure matters
- D. Meeting protocol and logistics
- E. Review and consider May 23, 2024 board meeting minutes [**Exhibit 01**]
- F. Unscheduled public comments (limited to 3 minutes/each)

II. Financial and Other Administrative Matters:

- A. Review and consider bids to audit the District's 2023 financial statements [**Exhibit 02**]

III. Adjournment

The next regular board meeting is scheduled for Thursday August 08, 2024 at 6:00pm to be held online at the following location: <https://www.gotomeet.me/Wolfersberger>

EXHIBIT 01

GRANBY RANCH METROPOLITAN DISTRICT

Special Board Meeting Minutes

Meeting Date: Thursday May 23, 2024

Meeting Time: 6:04pm to 7:39pm

Meeting Location: Online video conference site as follows: <https://www.gotomeet.me/Wolfersberger>

I. Roll Call (6:04pm)

A special meeting of the Board of Directors of the Granby Ranch Metropolitan District (District) was called and held as shown above and in accordance with the statutes of the State of Colorado. The following Directors were in attendance:

Directors	Office	Attendance
Matt Girard	President	Present
Stefan Haberer	Treasurer	Present
Natascha O' Flaherty		Absent (Excused)
Jason Bearden		Present
Tom Young		Present

Also, in attendance was District Manager Charles Wolfersberger (Wolfersberger, LLC); general counsel for the District, Alan Pogue (Icenogle, Sever & Pogue, PC); special counsel for the District, Dean Batchelder (Burg Simpson Eldridge Hersh Jardine, PC) and Bill O' Connell (Wells, Anderson & Race, LLC); attorneys from law firm Husch Blackwell LLP (David Richardson and Katie Jenner); Ted Cherry with the Town of Granby; and the following residents/homeowners: John & Linda Gillogley, Tom DeBoalt, Mark Hermanson, Nick Raible, Bill Woodson and Enrique Renova.

II. Administrative Matters

- a) Call to order: The meeting was called to order by Director Girard. Director Girard also stated the meeting will be recorded and posted on the District's website.
- b) Declaration of quorum: Director Girard noted four of five directors were present at the commencement of the meeting and quorum is met for this meeting.
- c) Review director qualifications and present disclosures of potential conflicts of interest: All Directors confirmed their qualifications to serve on the Board. The Board reviewed the agenda for the meeting, following which no directors disclosed conflicts of interest with the business to be discussed and conducted at the meeting.
- d) Meeting protocol & logistics of public comment: Director Girard briefly reviewed and discussed the protocol & logistics for public comments during this meeting, which will be considered and allowed for each and every agenda item.
- e) Review and consider February 08, 2024 meeting minutes: The Board reviewed and discussed the February 08, 2024 board meeting minutes. Director Girard motioned to approve the

minutes as presented. Director Young seconded the motion and the Board voted 4-0 to approve the motion.

- f) Review and consider August 29, 2023 meeting minutes: The Board reviewed and discussed the August 29, 2023 board meeting minutes. Director Girard motioned to approve the minutes as presented. Director Haberer seconded the motion and the Board voted 3-0 to approve the motion. Director Young abstained due to the meeting occurring before he was appointed as a director.
- g) Unscheduled public comments: None

III. Financial Matters

- a) Review and ratify contractor invoices: The Board reviewed the schedule of contractor invoices submitted for payment since the last meeting – 8 invoices totaling \$33,035.66. Director Girard motioned to approve payment of all invoices. Director Young seconded the motion and the Board voted 4-0 to approve the motion.
- b) Review and consider April 30, 2024 financial reports: The District Manager reviewed and discussed with the Board the District's April 30, 2024 financial reports.
- c) Review and consider website accessibility resolution: The Board reviewed and discussed the proposed website accessibility resolution. Director Girard motioned to approve the resolution and appointing the District Manager as the point of contact for reporting inaccessible website information or technology issues with the website. Director Bearden seconded the motion and the Board voted 4-0 to approve the motion.

IV. Legal Matters

- a) LPA litigation update: Mr. Batchelder provided a brief update regarding the current status of the LPA litigation. Mr. Hermanson asked questions regarding the LPA litigation during public comment.
- b) Executive session regarding LPA litigation: The Board noted there was no need to hold executive session regarding the LPA litigation.
- c) Capital facility fee (CFF) litigation update: Mr. O'Connell provided an update regarding the current status of the CFF litigation. Mr. Hermanson asked questions regarding the CFF litigation during public comment.
- d) Executive Session – Capital Facility Fee Litigation: At 6:52pm, Director Girard motioned to convene the meeting to executive session per C.R.S. 24-6-402(4)(b) to confer with legal counsel regarding the status of associated ongoing litigation initiated by GRCO, LLC against the District on May 26, 2023 regarding the District's capital facility fees. Director Bearden seconded the motion and the Board voted 4-0 to approve the motion.

In addition to all directors, the following individuals also attended the executive session: Mr. Wolfersberger, Mr. Pogue and Mr. O'Connell. Executive session was not recorded upon advice

of District's general counsel and no actions were voted on by the Board during executive session.

At 7:05pm, Director Girard motioned to close the executive session. Director Haberer seconded the motion and the Board voted 4-0 to approve the motion.

- e) Post executive session discussion & potential action items: None
- f) Review and discuss District's audit firm and recent sanctions against such firm: The District Manager provided a brief update regarding sanctions and fines levied by the Securities and Exchange Commission (SEC) against BF Borgers CPA firm regarding their work and conduct related to auditing certain publicly traded companies. The District Manager noted the SEC's sanctions were not related to audit work conducted by the firm over the District's 2021 or 2022 financial statements. The District Manager recommended the Board consider hiring another CPA firm to audit the District's 2023 financial statements. Nobody offered comments during the public comment portion of this topic
- g) Executive Session – Audit Service contract with BF Borgers CPA firm: At 7:15pm, Director Girard motioned to convene the meeting to executive session per C.R.S. 24-6-402(4)(b) to confer with legal counsel regarding the District's current audit service contract with BF Borgers CPA firm. Director Bearden seconded the motion and the Board voted 4-0 to approve the motion.

Director Haberer left the meeting at 7:16pm.

Director Girard, Director Young, Director Bearden and Mr. Pogue attended executive session. Mr. Wolfersberger recused himself from this executive session. Executive session was not recorded upon advice of District's general counsel and no actions were voted on by the Board during executive session.

At 7:35pm, Director Girard motioned to close the executive session. Director Bearden seconded the motion and the Board voted 3-0 to approve the motion.

- h) Post executive session discussion & potential action items: Director Girard motioned to (1) direct Mr. Pogue to send a termination letter to BF Borgers CPA firm, (2) direct the District manager to file and audit extension request with the State Auditor's Office and (3) direct Mr. Pogue to collect CPA firm audit proposals and submit to the Board for consideration. Director Young seconded the motion and the Board voted 3-0 to approve the motion.

V. Adjournment (7:39pm)

There being no further business to come before the Board, and upon motion duly made by Director Girard, seconded by Director Young and unanimously carried, the meeting was adjourned. The next regular board meeting is scheduled for Thursday August 08, 2024, at 6:00pm online at: <https://www.gotomeet.me/Wolfersberger>

Secretary

Date

EXHIBIT 02a



ICENOGLE SEAVER POGUE

May 28, 2024

BF Borgers CPA PC
5400 West Cedar Avenue
Lakewood, CO 80226

RE: Termination of Audit Services for Granby Ranch Metropolitan District

To Whom It May Concern:

Our firm acts as general counsel to the Granby Ranch Metropolitan District (the "District"). This letter is to inform you that the District no longer requires audit services from BF Borgers CPA (the "Auditors") and hereby terminates the audit engagement letter dated September 29, 2023 (the "Engagement Letter").

Pursuant to the Engagement Letter, the Auditors require a retainer of \$3,000 to begin the audit services. The District has not paid the retainer and therefore the audit services by the Auditors has not yet commenced.

You, Auditors, are hereby notified that the District no longer requires your services and requests that you, auditors, not perform audit services for the District. As such, no payment will be rendered to the Auditors for audit services under the Engagement Letter.

Thank you for your time. The District appreciates your attention to this matter.

Sincerely,

ICENOGLE SEAVER POGUE
A Professional Corporation

Alan D. Pogue

cc: Matt Giard, District President (Matt.Giard@plenaryamericas.com)
Charles Wolfersberger, District Manager (charles@wolfersbergerllc.com)

Alan D. Pogue | APogue@isp-law.com | Direct 303.867.3006

4725 S. Monaco St., Suite 225 | Denver, CO 80237 | 303.292.9100 | fax 303.292.9101 | www.isp-law.com

EXHIBIT 02b



June 11, 2024

To The Board of Directors
Granby Ranch Metropolitan District
Granby, Colorado 80446

We are pleased to confirm our understanding of the services we are to provide Granby Ranch Metropolitan District (the District) for the year ended December 31, 2023.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities and each major fund, and the disclosures, which collectively comprise the basic financial statements of the District as of and for the year ended December 31, 2023.

We have also been engaged to report on supplementary information that accompanies the District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the 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 GAAS, and we will provide an opinion on it in relation to the financial statements as a whole [in a separate written report accompanying our auditor's report on the financial statements or in a report combined with our auditor's report on the financial statements]:

- 1) Certain schedules related to the Debt Service Fund,
- 2) Summary of assessed valuation, mill levy and property taxes collected,
- 3) Change in total overlapping mill levy,
- 4) Historical debt ratios.

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 GAAP; and report on the fairness of the supplementary information referred to in the second paragraph 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 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 GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in

accordance with 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 government or to acts by management or employees acting on behalf of the government.

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 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 and 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. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. 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 government'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, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

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.

Our audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, 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 opinions. 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 management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

- Management override of controls,
- Small organization with limited segregation of duties,
- Revenue recognition

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 assist in preparing the financial statements of the District in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. 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.

You agree to assume all management responsibilities for the financial statement preparation services and any other nonattest 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.

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 accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

Management is responsible for making drafts of 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 government 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 of each opinion unit 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 government 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 government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with 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 supplementary information.

Engagement Administration, Fees, and Other

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

The audit documentation for this engagement is the property of Rae & Co., CPAs, LLC 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 regulators or their designees. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Rae & Co., CPAs, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulators or their designees. The regulator or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Jim Rae is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, confirmation service provider fees, etc.) except that we agree that our gross fee, including expenses, will not exceed \$7,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, 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 costs through the date of termination. The above fee 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 discuss it with you and arrive at a new fee estimate before we incur the additional costs.

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 form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, 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 opinions are 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 opinions, we may decline to express opinions or withdraw from this engagement.

We appreciate the opportunity to be of service to Granby Ranch Metropolitan District 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 sign the attached copy and return it to us.

Very truly yours,

Rae & Co., CPAs, LLC

Rae & Co., CPAs, LLC

RESPONSE:

This letter correctly sets forth the understanding of Granby Ranch Metropolitan District

Governance signature: _____

Title: _____

Date: _____