

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
(THE "DISTRICT")
HELD
NOVEMBER 17, 2022

A special meeting of the Board of Directors of the Banning Lewis Ranch Metropolitan District No. 1 (referred to hereafter as the "Board") was convened on Thursday, November 17, 2022, at 9:00 a.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Thomas Garmong, President*
Scott Smith, Secretary*
Javier Galvan, Treasurer*
Don Ferron III, Assistant Secretary*
Tyler Jones, Assistant Secretary*

Also, In Attendance Were:

Josh Miller, Courtney Hoff, Dana Reza, Mallorie Hanson and Carrie Bartow;
CliftonLarsonAllen, LLP ("CLA")
Lisa Mayers; Spencer Fane, LLP
Casey Martin; Diversified Association Management
Corey Calcote and Jamie Holstein; YMCA
Kristy Dumas; MSI, LLC
Philip Wagner; BrightView Landscape
John S. and Floyd Petty; Members of the Public

*These Board members were present virtually

ADMINISTRATIVE MATTERS

Call to Order and Agenda: Director Garmong called the meeting to order at 9:00 a.m.

Following discussion, upon a motion duly made by Director Smith, seconded by Director Garmong and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Disclosures of Potential Conflicts of Interest: The Directors present noted for the record that they have financial interests in entities active in developing property within the boundaries of the District, or are employed by such entities, and that such interests may be affected from time to time by actions of the District's Board of Directors. In accordance with state law, the Directors have filed written disclosures describing such potential conflicts of interest with the

RECORD OF PROCEEDINGS

Secretary of State, and the Directors present verbally reaffirmed such disclosures on the record of this meeting.

Quorum, Location of Meeting and Meeting Notices: a quorum was confirmed. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. This meeting was conducted via Microsoft Teams and public participation is encouraged via Microsoft Teams. The Board further noted that notice providing the time, date and video link information was duly posted and that no objections nor any requests that the means of hosting the meeting be changed, were received by taxpaying electors within the District's boundaries.

Public Comments: There was no public comment.

Minutes from September 26, 2022 Special Board Meeting: The Board reviewed the minutes from the September 26, 2022 special Board meeting. Following review and discussion, upon a motion duly made by Director Garmong, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the minutes from the September 26, 2022 special Board meeting, as presented.

2023 Annual Administrative Matters: Mr. Miller reviewed the 2023 Annual Administrative Matters Resolution with the Board. Following review, upon a motion duly made by Director Smith, seconded by Director Garmong and, upon vote, unanimously carried, the Board approved the Resolution Regarding the 2023 Annual Administrative Matters.

2023 Insurance Renewal and Documents Needed to Obtain or Maintain Insurance Coverage through the Colorado Special Districts Property and Liability Pool and T. Charles Wilson Risk Management and Authorize Membership in the Special District Association: Mr. Miller reviewed the 2023 insurance renewal documents with the Board. Following review, upon a motion duly made by Director Smith, seconded by Director Garmong and, upon vote, unanimously carried, the Board authorized renewal of insurance and membership in the Special District Association.

The Board discussed the annual rate increases. Mr. Miller confirmed that there is a market adjustment that all Districts are incurring. No further actions were taken.

Other: Discussion between the Board and District Management regarding the transfer of the Barn to the Metropolitan District and increasing insurance to cover the new asset.

RECORD OF PROCEEDINGS

FINANCIAL MATTERS

Unaudited Financial Statement as of September 30, 2022: Ms. Bartow reviewed the unaudited financial statement as of September 30, 2022 with the Board. Following review, upon a motion duly made by Director Garmong, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the unaudited financial statement as of September 30, 2022.

Payment of Claims: Ms. Bartow reviewed the payment of claims with the Board. Following review, upon a motion duly made by Director Smith, seconded by Director Garmong and, upon vote, unanimously carried, the Board adopted the payment of claims.

Public Hearing to Consider Amendment of the 2022 Budget: It was determined that a public hearing to consider the amendment of the 2022 Budget was not needed.

Public Hearing on Proposed 2023 Budget and Resolution to Adopt the 2023 Budget and Appropriate Sums of Money and Set Mill Levies: Director Garmong opened the public hearing at 9:24 a.m. to consider the proposed 2023 Budget.

It was noted that Notice stating that the Board would consider adoption of the 2023 budget and the date, time and place of the public hearing was published pursuant to statute. No written objections were received prior to the public hearing.

Ms. Bartow reviewed the proposed 2023 budget with the Board. No public comments were received, and Director Garmong closed the public hearing at 9:25 a.m.

Following review, upon a motion duly made by Director Smith, seconded by Director Garmong and, upon vote, unanimously carried, the Board approved the 2023 Budget and adopted the Resolution to Adopt the 2023 Budget, Appropriate Sums of Money and Set Mill Levy, subject to final assessed valuation and legal review.

Mr. Miller and Ms. Bartow reviewed how the budget was designed and that it is dynamic and flexible intentionally. No actions were taken.

DLG-70 Certification of Tax Levies: The Board appointed Ms. Carrie Bartow with CLA to sign the DLG-70 Certification of Tax Levies.

RECORD OF PROCEEDINGS

Engagement Letter with BiggsKofford for 2022 Audit: Ms. Bartow reviewed the engagement letter with the Board. Following review, upon a motion duly made by Director Garmong, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the engagement with BiggsKofford to prepare the 2022 audit.

Other: None.

LEGAL MATTERS

Resolution Calling a Regular Election for Directors on May 2, 2023, DEO and DEO to Perform all Tasks Required for the Conduct of a Mail Ballot Election: Attorney Mayers reviewed the Resolution Calling a Regular Election for Directors with the Board. Following discussion and review, upon a motion duly made by Director Garmong, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the Resolution Calling a Regular Election for Directors on May 2, 2023, and appointed Catherine Bright as the DEO and authorized Ms. Courtney Linney to perform all the DEO tasks required for the conduct of a mail ballot election.

Fifth Amendment to the Agreement for Landscaping Services between the District and BrightView Landscape: Mr. Miller reviewed the Fifth Amendment to the Agreement for Landscaping Services between the District and BrightView Landscape with the Board. Following discussion and review, upon a motion duly made by Director Garmong, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the Fifth Amendment to the Agreement for Landscaping Services between the District and BrightView Landscape.

Eighth Amendment to the YMCA Service Agreement: Mr. Miller reviewed the Eighth Amendment to the YMCA Service Agreement with the Board. Following discussion and review, upon a motion duly made by Director Garmong, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the Eighth Amendment to the YMCA Service Agreement subject to final management and legal review.

Fourth Amendment to the HBS Trash Services Service Agreement for 2023 Trash Services: Mr. Miller reviewed the Fourth Amendment to the HBS Trash Services Service Agreement for 2023 Trash Services with the Board. It was noted that there is a small, first-time rate increase. Following discussion and review, upon a motion duly made by Director Garmong, seconded by Director Smith and, upon vote, unanimously carried, the Board approved the Fourth Amendment to the HBS Trash Service Service Agreement for 2023 Trash Services.

RECORD OF PROCEEDINGS

Public Hearing Official to Provide Requested Hearings to Existing Covenant Violations: Mr. Miller and Attorney Mayers reviewed the appointment of public hearing official and recommended Ms. Krista Baptist of CLA be appointed. Following discussion and review, upon a motion duly made by Director Garmong, seconded by Director Galvan and, upon vote, unanimously carried, the Board appointed Director Ferron, III in conjunction with Ms. Krista Baptist as the public hearing officials to provide requested hearings to existing covenant violations.

Tract Transfer: Mr. Miller reviewed the Tract transfer with the Board and provided an overview of the aspects within the community that are ready to be acquired as well as those that are not yet ready to be acquired. Discussion ensued regarding a need to have a special meeting prior to the end of the 2022 year to accept a bid for the Ranch House renovations. No actions were taken.

Other: None.

MANAGER MATTERS

CliftonLarsonAllen LLP Master Service Agreement and Related Statement(s) of Work: Mr. Miller reviewed the CliftonLarsonAllen LLP Master Service Agreement and related Statement(s) of Work with the Board. Following review, upon a motion duly made by Director Smith, seconded by Director Garmong and, upon vote, unanimously carried, the Board approved the CliftonLarsonAllen LLP Master Service Agreement and related Statement(s) of Work.

Managers' Report: Mr. Miller reviewed the Managers' report with the Board. No actions were taken.

YMCA Operations Report: Mr. Calcote reviewed the YMCA Operations Report with the Board. No actions were taken.

Retreat Operations Report: Mr. Miller provided a detailed overview of the Retreat Operations Report to the Board. No actions were taken.

Landscaping Maintenance Operations Report: Mr. Wagner reviewed the Landscaping Maintenance Operations Report with the Board. Mr. Miller provided the Board with an additional overview regarding snow removal. No actions were taken.

Other: Ms. Dumas provided an update regarding the current covenant enforcement and design review status. No actions were taken.

OTHER BUSINESS

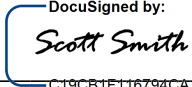
Other: None.

RECORD OF PROCEEDINGS

ADJOURNMENT

There being no further business to come before the Board at this time, Director Garmong adjourned the meeting at 10:10 a.m.

Respectfully submitted,

By  _____
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Secretary of the Board