

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
BANNING LEWIS RANCH METROPOLITAN DISTRICT NOS. 3-5 & 7
HELD
NOVEMBER 19, 2015**

A regular meeting of the Board of Directors of the Banning Lewis Ranch Metropolitan District Nos. 3-5 & 7 (referred to hereafter as "Board") was held on November 19, 2015 at the North Tree Ranch House, 6885 Vista del Pico, Colorado Springs, CO 80927 at 9:00 a.m. The meeting was open to the public.

Attendance Directors in attendance were:

Charles P. Leder
William Ritchie
Bruce Rau

Also in attendance were:

David Peak & Carrie Bartow; CliftonLarsonAllen LLP
Matt Dalton; Spencer Fane, LLP
Marti Wallner & Renee Burton; YMCA Pikes Peak Region
Karen Oerter; MSI, LLC
Keith Woodring; GVR Landscape
Ben Kley; Falcon Broadband, LLC
Stacy S. Jensen; Resident
Dallas Pierce; Resident
Yvette Fraticelli; Resident
Art & Debbie DeBrito; Residents
Jason Brockman; Resident
Don Knechtel; Resident
Ray & Julie Bargaen; Residents
Jeanie McConnell; Resident

Call to Order/

Agenda Director Rau called the meeting to order and confirmed a quorum. Following review, upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board approved the agenda as presented.

Disclosure 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

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

Approval of
Minutes

Following review and discussion, upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board approved the minutes of the September 24, 2015 regular meeting as presented.

Community
Comments

None.

Attorney
Matters

A. Review and Consider Approval of Resolution 2015-11-01; Annual Administrative Matters for 2016

Mr. Dalton reviewed Resolution 2015-11-01 with the Board. Following discussion, upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board approved Resolution 2015-11-01 concerning annual administrative matters for 2016.

B. Other

None.

Financial
Matters

A. Conduct Public Hearing to Consider Amending 2015; Consider Adoption of Resolution 2015-11-02; Amending the Banning Lewis Ranch Metropolitan District #3 2015 Budget

Upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board opened the public hearing at 9:30 a.m.

There being no comment from the public present, upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board closed the public hearing at 9:31 a.m.

Ms. Bartow noted that 2015 revenues, as well as the expectation that the BLR #3 Series 2015 Bonds are expected to “close” before the end of November 2015, will result in BLRMD#3 exceeding its the budgeted and appropriated 2015 amounts.

Following review and discussion, upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board adopted Resolution 2015-11-02 amending the Banning Lewis ranch Metro District #3 2015 budget and its appropriations.

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- B. Conduct Public Hearing to Consider Adoption of 2016 Budget, Appropriate, Expenditures, Certify Mill Levy and Approve District Fees; Consider Adoption of Resolution 2015-11-03 to Adopt 2016 Budget, Appropriate Expenditures and Certify Mill Levy

Upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board opened the public hearing at 9:33 a.m.

There being no comment from the public present, upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board closed the public hearing at 9:34 a.m.

Ms. Bartow presented the proposed 2016 budget to the Board. Following review and discussion, upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board adopted Resolution 2015-11-03 to adopt 2016 budget, appropriate expenditures and certify mill levy.

- C. Review and Approve CliftonLarsonAllen LLP Engagement Letter for 2016 Accounting Services

The Board tabled this item.

- D. Other

None.

Administrative Matters

- A. Other

None.

Directors Matters

- A. Other

None.

Other Business

- A. Confirm Quorum for Next Meeting Date – January 21, 2016

The Board rescheduled the next meeting for January 21, 2016 and confirmed a quorum.

Adjournment Following discussion, with no further items to come before the Board, upon a motion duly made by Director Rau, seconded by Director Ritchie

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and, upon vote, unanimously carried, the Board adjourned the meeting at 10:00 a.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "John M. A.", is written over a horizontal line.

Secretary for the Meeting