

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3 HELD JULY 28, 2016

A special meeting of the Board of Directors of the Banning Lewis Ranch Metropolitan District No. 3 (referred to hereafter as "Board") was held on Thursday, July 28, 2016 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:

Bruce Rau, President*
William Ritchie, Secretary/Treasurer
Charles Leder, Assistant Secretary*
Floyd Petty, Assistant Secretary

Absent and excused was Director Chad Ellington

Also in attendance were:

Aric Jones; BLR MD No. 1 Board Member
Stacy Jensen; BLR MD No. 2 Board Member & Citizens Advisory Board Member (CAB)
Cynthia Beyer, Carrie Bartow; CliftonLarsonAllen LLP
J.T. Adamson; YMCA Pikes Peak Region
Karen Oerter; MSI, LLC
Jerry Jacobs; Timberline District Consulting, LLC
Troy Craig; Resident
Genie Brown; Resident
Wayne & Susie Griffen; Residents
Dan Konkel; Resident

*Participating via telephone

Call to Order/

Agenda

Director Rau called the meeting to order at 9:13 a.m. 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 Secretary of State, and the directors present verbally reaffirmed such disclosures on the record of this meeting.

RECORD OF PROCEEDINGS

Consent Agenda

- A. Review and Consider Approval of Minutes of the June 9, 2016 Special Meeting
- B. Review and Consider Acceptance of Unaudited Financial Statements as of June 30, 2016
- C. Review and Consider Approval of 2015 Annual Report

Upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board approved the Consent Agenda.

Community Comments

None.

Financial Matters

- A. Update on 2015 Audit

Ms. Bartow reported that an audit extension was approved.

Administrative Matters

- A. Other

None.

Attorney Matters

- A. Other

None.

Directors Matters

- A. Other

None.

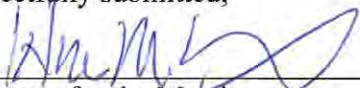
Other Business

- A. Confirm Quorum for Next Meeting Date – September 29, 2016

The Board confirmed a quorum for Thursday, September 29, 2016.

Adjournment Following discussion, with no further items to come before the Board, upon a motion duly made by Director Jones, seconded by Director Rau and, upon vote, unanimously carried, the Board adjourned the meeting at 9:17 a.m.

Respectfully submitted,



Secretary for the Meeting