

RECORD OF PROCEEDINGS

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**MINUTES OF A REGULAR MEETING  
OF THE BOARDS OF DIRECTORS OF THE  
BANNING LEWIS RANCH METROPOLITAN DISTRICT NOS. 4 & 5  
BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT NOS. 1 &  
2  
HELD  
NOVEMBER 8, 2018**

A regular meeting of the Boards of Directors of the Banning Lewis Ranch Metropolitan District Nos. 4 & 5 and Banning Lewis Ranch Regional Metropolitan District Nos. 1 & 2 (referred to hereafter as the “Board”) was held on November 8, 2018 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:

Aric Jones  
Michael Townsend  
William Ritchie

Absent: Bruce Rau & Charles P. Leder

Also in attendance:

Carrie Bartow & Chelsea Gondeck; CliftonLarsonAllen LLP  
Pat Hrbacek; Spencer Fane LLP  
Thomas Garmong, Oakwood Homes

Call to Order/  
Agenda

Director Jones called the meeting to order at 11:09 a.m. and confirmed a quorum.

Following review, upon a motion duly made by Director Townsend, seconded by Director Ritchie and, upon vote, unanimously carried, the Board approved the agenda with the following revision: addition of item 5. C. Review and Consider Approval of Engagement Letters from BiggsKofford Certified Public Accountants for 2018 Audits for Banning Lewis Ranch Metropolitan District Nos. 4 & 5 and Banning Lewis Ranch Regional Metropolitan District No. 1.

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

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present verbally reaffirmed such disclosures on the record of this meeting.

### Consent Agenda

The items listed below are a group of items to be acted on with a single motion and vote by the Board to expedite the handling of limited routine matters. The Board has received the information on these matters prior to the meeting. An item may be moved from the consent agenda to the discussion agenda, if desired. Items on the consent agenda are then voted on by a single motion, second, and vote by the Board.

#### A. Review and Consider Approval of Minutes of the August 2, 2018 Special Meeting

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

### Discussion Agenda

#### Community Comments

None.

### Financial Matters

#### A. Conduct Public Hearing to Consider Amending the 2018 Budget; Consider Adopting Resolution 2018-11-01; Amending 2018 Budget

Ms. Bartow reviewed the resolutions amending the 2018 budgets with the Board. Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board opened the public hearing for the 2018 budget amendment for Banning Lewis Ranch Metropolitan District Nos. 4 & 5 and Banning Lewis Ranch Regional Metropolitan District No. 1 at 11:13 a.m. Hearing no public comment, upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board closed the public hearing for the 2018 budget amendment at 11:13 a.m. Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the resolutions amending the 2018 budgets for Banning Lewis Ranch Metropolitan District Nos. 4 & 5 and Banning Lewis Ranch Regional Metropolitan District No. 1.

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B. Conduct Public Hearing to Consider Adoption of 2019 Budget, Appropriate Expenditures, and Certify Mill Levy; Consider Adoption of Resolution 2018-11-02 to Adopt 2019 Budget, Appropriate Expenditures and Certify Mill Levy

Ms. Bartow reviewed the resolutions to adopt the 2019 budgets, appropriate expenditures, and certify mill levies with the Board. Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board opened the public hearing for consideration of adopting the 2019 budgets, appropriating expenditures, and certifying mill levies for Banning Lewis Ranch Metropolitan District Nos. 4 & 5 and Banning Lewis Ranch Regional Metropolitan District Nos. 1 & 2 at 11:18 a.m. Hearing no public comment, upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board closed the public hearing for consideration of adopting the 2019 budgets, appropriating expenditures, and certifying mill levies at 11:18 a.m. Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the resolutions to adopt the 2019 budgets, appropriate expenditures, and certify mill levies for Banning Lewis Ranch Metropolitan District Nos. 4 & 5 and Banning Lewis Ranch Regional Metropolitan District Nos. 1 & 2.

C. Review and Consider Approval of Engagement Letters from BiggsKofford Certified Public Accountants for 2018 Audits for Banning Lewis Ranch Metropolitan District Nos. 4 & 5 and Banning Lewis Ranch Regional Metropolitan District No. 1

Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the engagement letters from BiggsKofford Certified Public Accountants for 2018 Audits for Banning Lewis Ranch Metropolitan District Nos. 4 & 5 and Banning Lewis Ranch Regional Metropolitan District No. 1.

### Administrative Matters

A. Discuss District Insurance, Review Renewal Schedule & Authorize Renewal of District Insurance & SDA Membership

Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board authorized renewal of District Insurance and SDA Membership.

B. Discuss and Consider Formal District Name Changes for Banning Lewis Ranch Metropolitan District to Banning Lewis

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Ranch Regional Metropolitan District No. 1 and Banning  
Lewis Ranch Metropolitan District No. 7 to Banning Lewis  
Ranch Regional Metropolitan District No. 2.

Mr. Hrbacek reviewed the name changes with the Board. Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the formal District name changes.

Attorney Matters

A. Review and Consider Adoption of Resolution 2018-11-03;  
Annual Administrative Matters for 2019

Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved Resolution 2018-11-03; Annual Administrative Matters for 2019.

B. Review and Consider Approval of Consumer Data Privacy  
Policy

Mr. Hrbacek review the policy with the Board. Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the Consumer Data Privacy Policy.

Director Matters

A. Other

None.

Other Business

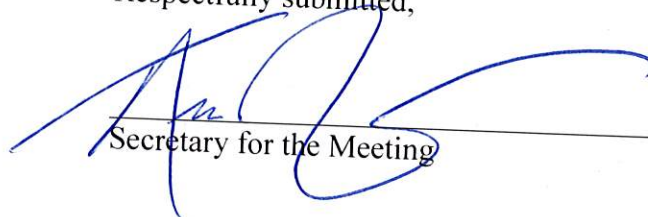
A. Confirm Quorum for Next Meeting Date – January 24, 2019

The Board confirmed a quorum for January 24, 2019.

Adjournment

Following discussion, with no further items to come before the Board, upon a motion duly made by Director Jones seconded by Director Townsend and, upon vote, unanimously carried, the Board adjourned the meeting at 11: 21 a.m.

Respectfully submitted,

  
Secretary for the Meeting

