

SADDLEHORN RANCH METROPOLITAN DISTRICT NOS. 1 - 3

Thursday, November 16, 2021 at 9:00 AM

Joint Regular Meeting

NOTICE IS HEREBY GIVEN that the Boards of Directors of **SADDLEHORN RANCH METROPOLITAN DISTRICT NOS. 1-3**, County of El Paso, State of Colorado, will hold a joint regular meeting at 9:00 AM on Tuesday, the 16th day of November at:

731 North Weber

Colorado Springs, CO 80903

And via:

Tele/videoconferencing at the following:

<https://global.gotomeeting.com/join/547622885>

United States: [+1 \(646\) 749-3122](tel:+16467493122)

Access Code: 547-622-885

for the purpose of conducting such business as may come before the Boards including the business on the attached agenda. The meeting is open to the public.

William Guman, President
Term to May 2022

Jeffrey Book, Assistant Secretary
Term to May 2023

Michael Bramlett, Treasurer
Term to May 2022

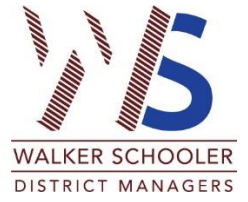
Sandra Lehman, Secretary
Term to May 2023

VACANT – Term to May 2022

AGENDA

1. Call to order
2. Declaration of Quorum/Director Qualifications/Disclosure Matters
3. Approval of Agenda
4. Public Comment – Members of the public may express their views to the Boards on matters that affect the Districts. Comments will be limited to three (3) minutes.
5. Approval of November 4, 2021 Special Meeting Minutes (see attached)
6. Bond Issuance Matters
 - a. Consider adoption of a resolution authorizing the issuance of its General Obligation Limited Tax Bonds Series 2021⁽³⁾ for the purpose of paying or reimbursing the costs of public improvements for the District in the maximum principal amount of \$19,000,000, which amount is subject to increase or decrease as determined by the Board, or as otherwise permitted by any resolution adopted by the Board at such meeting, and, in connection therewith, the Board will consider a resolution: authorizing the issuance of such indebtedness; approving, ratifying and confirming the execution of certain documents; making determinations and findings as to other matters related to such financing transaction; authorizing incidental action; and repealing prior inconsistent actions

7. Development Review
 - a. Entitlement status – plat approvals
 - b. Construction timing and status
8. District Manager Report
 - a. Status of Water system fees; adoption schedule, ORC status
9. Financial Matters
 - a. Accept Unaudited Financial Reports for October 31, 2021 and Ratify Payables (enclosure)
 - b. Conduct Public Hearing on 2021 Budget Amendment
 1. Consider Adoption of Resolution to Amend 2021 Budget (enclosure)
 - c. Conduct Public Hearing on 2022 Proposed Budget
 1. Consider Adoption of Resolution Adopting 2022 Budget (enclosure)
10. Legal Matters
 - a. Consider Adoption of Resolution Concerning the Purchase of Certain Groundwater Water Rights (District No. 2) (enclosure)
 - b. Consider Adoption of 2022 Joint Annual Administrative Resolution (enclosure)
 - c. Consider Adoption of Joint Resolution Calling Election (enclosure)
 1. Consider Designation of Method for Providing Notice of Call for Nominations
11. Other Business
 - a. Meeting schedule
12. Adjourn



inutes



**MINUTES OF THE JOINT SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
SADDLEHORN RANCH METROPOLITAN DISTRICT NOS. 1, 2 AND 3
HELD NOVEMBER 4, 2021
AT 4:00 PM**

Pursuant to posted notice, the special joint meeting of the Board of Directors of the Saddlehorn Ranch Metropolitan District Nos. 1, 2 and 3 was held on Thursday, November 4, 2021 at 4:00 p.m., via tele/videoconference platform of GoToMeeting link: <https://global.gotomeeting.com/join/547622885>

Attendance

In attendance were Directors:

William Guman, President
Michael Bramlett, Treasurer
Jeffrey Book, Assistant Secretary
Sandra Lehman, Secretary

Also in attendance were:

Kevin Walker, Walker Schooler District Managers
Rebecca Hardekopf, Walker Schooler District Managers
Blair M. Dickhoner, Esq., White Bear Ankele Tanaka & Waldron
Erin Stutz, White Bear Ankele Tanaka & Waldron
Billy Whitehead and Rob Fuller, ROI Property Group
John Helmick and Caitlyn Knudsen, Gorilla Capital

Combined Meeting:

The Boards of Directors of the Districts have determined to hold joint meetings of the Districts and to prepare joint minutes of action taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes is the action of each of the Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

1. Call to Order: The meeting was called to order by Mr. Walker at 4:02 PM and it was noted a quorum of the Board was present.
2. Declaration of Quorum/Director Qualifications/ Disclosure Matters: Mr. Dickhoner advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Dickhoner reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Boards. Mr. Dickhoner inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for

discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

3. Approval of Agenda: Director Bramlett moved to approve the Agenda as presented; seconded by Director Book. Motion passed unanimously.
4. Public Comment: There was no public comment.
5. Approval of February 22, 2021 and September 8, 2021 Special Meeting Minutes: President Guman moved to approve the February 22, 2021 and September 8, 2021 Special Meeting Minutes; seconded by Director Bramlett. Motion passed unanimously.
6. Development Review
 - a. Entitlement status – plat approvals: President Guman reported the review comments for Filing 2 have all been received as of today. There may be one or two additional items that will be posted tomorrow which is the deadline. There are no concerns or red flags in the comments. President Guman discussed one item from the Upper Black Squirrel Creek District regarding water. They are protesting the use of septic instead of a septic system. They are also questioning the water supply from Laramie Fox Hills and the Arapahoe with regard to the quantities that were approved by both the County and CDPHE. The plan to respond to Upper Black Squirrel Creek is to provide them the approval letters of sufficiency and dependability from both the County and CDPHE who they can contact directly if they have any further concerns. President Guman noted the final plats for Filings 3-5 are in progress by JR Engineering. Director Lehman reported that construction has not started yet, and the homes have been on MLS for three weeks. One home is under contract and hoping to get another cash offer under contract on Saturday. She noted there is a lot of interest.
 - b. Construction timing and status: Mr. Whitehead updated the Board on the construction timing and status. The permanent pump installation for the LFH well is underway. There was a snag on the Arapahoe well so it will be tested on a lower threshold. MVA will begin the interior lots soon and transformers and main lines are underway. Mr. Whitehead is preparing to pull the foundation-only permit to submit the building permit for the water facility. There has been a slight delay on the water reclaim tank but should be done by the end of November. Superior Tank is working on the above ground bolted tank and Filtronics has the majority of their materials to send the components for the filtration system. The target date for the water system is still January 2022.
7. District Manager Report
 - a. Discuss Adoption of Rules and Regulations: Mr. Walker discussed the Rules and Regulations and the proposal to adopt the City of Colorado Springs current standards. Director Bramlett commented that he thought they were already adopted but he is in favor of adopting the CSU standards and details.
 1. City of Colorado Springs current standards
 - b. Status of Water system fees; adoption schedule, ORC status: Mr. Walker reported he has been communicating with ORCs on the water system. There are two ORCs who are interested, so Mr. Walker is working on getting a tour and meeting between the engineers and ORCs to get specific proposals from them. Mr. Walker received one proposal for a water system fee study and is waiting for one more. The Board agreed to table the adoption of the Rules and Regulations until the ORC is in place.
8. Financial Matters

- a. Accept Unaudited Financial Reports for October 31, 2021 and Ratify Payables: Mr. Walker requested the Board defer this item until the November 16, 2021 meeting.
- b. Bill.Com update: Mr. Walker reported that Bill.com has been implemented as of today and staff is working on cleaning up final details with approval and signer access.
- c. Bond Issuance: The Board reviewed the following items and agreed to table approvals until Mr. Helmick's has the opportunity to review. After review, Mr. Helmick confirmed he had no objection to Board approval on the following items.
 1. Consider Approval of General Counsel Fee Disclosure Letter: Mr. Dickhoner presented the General Counsel Fee Disclosure Letter. President Guman moved to approve the General Counsel Fee Disclosure Letter; seconded by Director Bramlett. Motion passed unanimously.
 2. Approve Engagement of Sherman & Howard as Bond Counsel (District No. 2): Mr. Dickhoner presented the Engagement of Sherman & Howard as Bond Counsel (District No. 2). President Guman moved to approve the Engagement of Sherman & Howard as Bond Counsel (District No. 2); seconded by Director Bramlett. Motion passed unanimously.
 3. Approve Engagement of MuniCap as Municipal Advisor: Mr. Dickhoner presented the Engagement of MuniCap as Municipal Advisor. President Guman moved to approve the Engagement of MuniCap as Municipal Advisor; seconded by Director Bramlett. Motion passed unanimously.
 4. Consider Proposal from King & Associates for Appreciation Analysis: Mr. Dickhoner presented the proposal from King & Associates for Appreciation Analysis. President Guman moved to approve the Proposal from King & Associates for Appreciation Analysis; seconded by Director Bramlett. Motion passed unanimously.
 5. Consider Proposal from Simmons & Wheeler, PC for Cash Flow Forecast: Mr. Dickhoner presented the proposal from Simmons & Wheeler, PC for Cash Flow Forecast. President Guman moved to approve the Proposal from Simmons & Wheeler, PC for Cash Flow Forecast; seconded by Director Bramlett. Motion passed unanimously.

9. Legal Matters

- a. Acknowledge Rescission of Conditional Will Serve Letter for Meadows Lake Industrial Park, Falcon/Peyton, CO, dated September 28, 2021: Mr. Dickhoner presented the Rescission of Conditional Will Serve Letter for Meadows Lake Industrial Park, Falcon/Peyton, CO, dated September 28, 2021. He reported the letter was submitted to the County.
- b. Discuss Acquisition of Water Rights: Mr. Dickhoner reported he is working with the District's Water Counsel on the process for the District buying the raw water, ground water, and the wells from the developer that will serve the project. One open item is whether the District will acquire all of the water or just what is needed for the current phases of development. By acquiring all of the water, the District could support development in the future.
- c. Ratify Approval of Public Improvement Acquisition and Reimbursement Agreement: Mr. Dickhoner presented the Public Improvement Acquisition and Reimbursement Agreement between the developer, Gorilla Capital and the District. Mr. Dickhoner confirmed that Mr. Helmick has reviewed the document and was satisfied with the draft. Mr. Helmick joined the meeting. Mr. Helmick had no objection to the Board ratifying the approval. President Guman moved to ratify approval of Public Improvement Acquisition and Reimbursement Agreement; seconded by Director Bramlett. Motion passed unanimously.

- d. Discuss Memorandum Regarding Metropolitan District and Homeowners Association Regulations of Free Speech: Mr. Dickhoner presented the Memorandum regarding the Metropolitan District and Homeowners Association Regulations of Free Speech.
- e. Consider Approval of First Amendment to the Declaration of Covenants, Conditions and Restrictions of Saddlehorn Ranch: Mr. Dickhoner presented the First Amendment to the Declaration of Covenants, Conditions and Restrictions of Saddlehorn Ranch. He explained the Amendment establishes Gorilla Capital as the declarant as opposed to ROI. It also adds a provision that says the District has the option to provide broadband service. Mr. Dickhoner noted there may be legal risks with proceeding since there is not a lot of legal authority for the District to provide the broadband service. Mr. Walker and Mr. Dickhoner confirmed the Board is not taking action on the broadband matter at this time. Director Bramlett moved to approve the First Amendment to the Declaration of Covenants, Conditions and Restrictions of Saddlehorn Ranch; seconded by President Guman. Motion passed unanimously.
- f. Conduct Public Hearing to Consider Petition for Inclusion of Property into District No. 3 (2.565 Acre Parcel): Mr. Dickhoner presented the Petition for Inclusion of Property into District No. 3 and engaged in discussion with the Board on the process for the following petitions for inclusions and exclusions of property. Mr. Walker noted this process will be a better way to move forward than having three districts operating the way it was originally set up. After discussion, President Guman opened the Public Hearing. After no public comment, the Public Hearing was closed.
- g. Consider Adoption of Resolution and Order for Inclusion of Property by the Board of Directors of District No. 3: President Guman moved to adopt the Resolution and Order for Inclusion of Property by the Board of Directors of District No. 3; seconded by Director Lehman. Motion passed unanimously.
- h. Conduct Public Hearing to Consider Petition for Inclusion of Property into District No. 2 (507.624 and 3.791 Acre Parcels): President Guman opened the Public Hearing. After no public comment, the Public Hearing was closed.
- i. Consider Adoption of Resolution and Order for Inclusion of Property by the Board of Directors of District No. 2: President Guman moved to adopt the Resolution and Order for Inclusion of Property by the Board of Directors of District No. 2; seconded by Director Lehman. Motion passed unanimously.
- j. Conduct Public Hearing to Consider Petition for Exclusion of Property out of District No. 3 (507.624 and 3.791 Acre Parcels): President Guman opened the Public Hearing. After no public comment, the Public Hearing was closed.
- k. Consider Adoption of Resolution and Order for Exclusion of Property by the Board of Directors of District No. 3: President Guman moved to adopt the Resolution and Order for Exclusion of Property by the Board of Directors of District No. 3; seconded by Director Lehman. Motion passed unanimously.
- l. Discuss Rate Setting Timing and Amounts and Need for Public Notice: Mr. Walker explained there is a 30-day public notice requirement for setting water rates and fees. He noted the Board could do this during the first quarter of 2022. Mr. Walker will develop a proposal for Board review at the January or February meeting.

10. Other Business

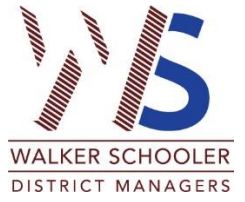
- a. Fall meeting schedule
 - Next Meeting is scheduled for November 16, 2021. The Board discussed meeting in December after the bond issuance if needed.
 - Budget Hearing: The public Budget Hearing will be held at the November 16, 2021 Board meeting.

11. Adjourn: President Guman moved to adjourn at 4:48 PM; seconded by Director Bramlett. Motion passed unanimously.

Respectfully Submitted,

Secretary for the Meeting

DRAFT



Bond Resolution

CERTIFIED RECORD

OF

PROCEEDINGS

SADDLEHORN RANCH METROPOLITAN DISTRICT NO. 2

EL PASO COUNTY, COLORADO

RELATING TO

GENERAL OBLIGATION LIMITED TAX BONDS, SERIES 2021(3)

(Attach copy of notice of meeting, as posted)

STATE OF COLORADO)
)
EL PASO COUNTY)
)
SADDLEHORN RANCH METROPOLITAN)
DISTRICT NO. 2)

The Board of Directors of Saddlehorn Ranch Metropolitan District No. 2, El Paso County, Colorado, met in regular session at 731 North Weber Street, in Colorado Springs, Colorado, 80903, on Tuesday, the 16th day of November, 2021, at the hour of 9:00 a.m., which was also accessible via video conference at the below:

<https://global.gotomeeting.com/join/547622885>
United States: +1 (646) 749-3122
Access Code: 547-622-885

In accordance with §11-57-211, C.R.S., one or more of the members of the Board participated in this meeting and voted through the use of a conference telephone, and there was at least one person physically present at the designated meeting area to ensure that the public meeting was in fact accessible to the public.

The following members of the Board of Directors were present, constituting a quorum:

President and Chairman:	William Guman
Secretary:	Sandra Lehmann
Treasurer:	Michael Bramlett
Assistant Secretary:	Jeffrey Book

Absent: _____

Thereupon there was introduced the following resolution:

RESOLUTION

WHEREAS, Saddlehorn Ranch Metropolitan District No. 2, El Paso County, Colorado (the “District”), is a duly and regularly created, established, organized, and existing metropolitan district, existing as such under and pursuant to the constitution and laws of the State of Colorado; and

WHEREAS, at a special election of the eligible electors of the District, duly called and held on Tuesday, November 5, 2019 (the “2019 Election”), in accordance with law and pursuant to due notice, a majority of those qualified to vote and voting at the 2019 Election voted in favor of, *inter alia*, the issuance of general obligation indebtedness for the purpose of providing public improvements; and

WHEREAS, the returns of the 2019 Election were duly canvassed and the result thereof duly declared; and

WHEREAS, the result of the 2019 Election was certified by the District by certified mail to the board of county commissioners of each county in which the District is located or to the governing body of a municipality that has adopted a resolution of approval of the special district pursuant to §32-1-204.5, C.R.S., and with the division of securities created by §11-51-701, C.R.S. within forty-five days after the election; and

WHEREAS, the District has not issued any bonds or other obligations using the authorization of the 2019 Election; and

WHEREAS, the Board of Directors of the District (the “Board”) has determined and does hereby determine that it is necessary to pay the costs of acquiring, constructing, and installing a portion of the facilities the debt for which was approved at the 2019 Election (the “Project”); and

WHEREAS, the Board has determined and hereby determines that it is in the best interests of the District, and the residents and taxpayers thereof, that the Project be financed by the issuance of bonds; and

WHEREAS, for the purpose of paying the costs of the Project, the Board has determined and hereby determines that it is in the best interests of the District, and the residents and taxpayers thereof, that the District should issue its General Obligation Limited Tax Bonds, Series 2021(3), in the maximum aggregate principal amount of \$19,000,000 (the “Bonds”); and

WHEREAS, the Bonds shall be issued pursuant to the provisions of Title 32, Article 1, Part 11, C.R.S., and all other laws thereunto enabling; and

WHEREAS, the Board specifically elects to apply all of the provisions of Title 11, Article 57, Part 2, C.R.S., to the Bonds; and

WHEREAS, the Bonds will be issued and secured by that certain Indenture of Trust (the “Indenture”), between the District and UMB Bank, n.a., as trustee (the “Trustee”); and

WHEREAS, the Bonds shall be limited mill levy obligations of the District, payable solely from the Pledged Revenue, all as defined and described in the Indenture; and

WHEREAS, the Bonds are being issued only to financial institutions or institutional investors within the meaning of §32-1-1101 (6)(a)(IV), C.R.S., and thus are permitted pursuant to such statute; and

WHEREAS, the Bonds shall be issued in denominations of \$500,000 each, and in integral multiples above \$500,000 of not less than \$1,000 each, and not less than five days prior to the date of issuance of the Bonds, the District filed for an exemption from registration for the Bonds under the Colorado Municipal Bond Supervision Act based upon the foregoing, and the Bonds are thus exempt from registration under such act; and

WHEREAS, the allocation of the Bonds to the authorized but unissued indebtedness from the 2019 Election shall be as set forth in the Indenture, and shall be determined based upon the expected use of the proceeds thereof as of the date of issuance of the Bonds; and

WHEREAS, the Board has been presented with a proposal in the form of a Bond Purchase Agreement (the “Bond Purchase Agreement”) from Piper Sandler & Co., of Denver, Colorado (the “Underwriter”), to purchase the Bonds; and

WHEREAS, after consideration, the Board has determined that the sale of the Bonds to the Underwriter is in the best interests of the District and the residents thereof; and

WHEREAS, pursuant to §32-1-902(3), C.R.S., and §18-8-308, C.R.S., all known potential conflicting interests of the Directors were disclosed to the Colorado Secretary of State and to the Board in writing at least 72 hours in advance of this meeting; additionally, in accordance with §24-18-110, C.R.S., the appropriate Board members have made disclosure of their personal and private interests relating to the issuance of the Bonds in writing to the Secretary of State and the Board; finally, said officials have stated for the record immediately prior to the adoption of this Bond Resolution the fact that they have said interests and the summary nature of such interests and the participation of said officials is necessary to obtain a quorum or otherwise enable the Board to act; and

WHEREAS, there has been presented to this meeting of the Board the current forms of the “Financing Documents” as defined hereafter; and

WHEREAS, the Board desires to authorize the issuance and sale of the Bonds and the execution of the Financing Documents;

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SADDLEHORN RANCH METROPOLITAN DISTRICT NO. 2:

Section 1. Definitions. Unless the context indicates otherwise, as used herein, capitalized terms shall have the meanings ascribed by the preambles hereto and the Indenture, and the following capitalized terms shall have the respective meanings set forth below:

Authorized Officer: the person or persons authorized to sign the Indenture and the Bond Purchase Agreement pursuant to the Delegated Authority, and to sign other documents pertaining to the Bonds as provided in this Bond Resolution, which shall be any member of the Board.

Bond Resolution: this resolution which authorizes the issuance of the Bonds and the execution of the Indenture, and any amendment or supplement lawfully made hereto.

Continuing Disclosure Obligation: an agreement, certificate, or undertaking of the District to provide certain post-issuance information as described in the Limited Offering Memorandum.

Delegated Authority: the authority delegated by this Bond Resolution to any Authorized Officer to sign the Bond Purchase Agreement and to make the following determinations with respect to the Bonds in the Indenture, which determinations shall be subject to the restrictions and parameters set forth below:

- (1) the rate or rates of interest on the Bonds;
- (2) the conditions on which and the prices at which the Bonds may be redeemed before maturity;
- (3) the existence and amount of any capitalized interest or reserve funds;
- (4) the price or prices at which the Bonds will be sold;
- (5) the principal amount and denominations of the Bonds;
- (6) the amount of principal maturing in any particular year; and
- (7) the dates on which principal and interest shall be paid.

The foregoing authority shall be subject to the following restrictions and parameters:

- (1) the interest rate or rates on the Bonds shall be such that the Bonds bear interest at a net effective interest rate which does not exceed 18%;
- (2) the total repayment cost of the Bonds and the maximum annual repayment costs thereof shall not exceed, respectively, the total repayment cost and maximum annual tax increase limitations of the 2019 Election;
- (3) the sale price of the Bonds shall be an amount not less than 95% of the aggregate principal amount of the Bonds;
- (4) the Bonds shall mature not later than December 1, 2053; and
- (5) the principal amount of the Bonds shall not exceed \$19,000,000.

Financing Documents: collectively, the Indenture, the Continuing Disclosure Obligation, the Letter of Representations, and the Bond Purchase Agreement.

Letter of Representations: the letter of representations from the District to DTC to induce DTC to accept the Bonds as eligible for deposit at DTC.

Limited Offering Memorandum: the final version of the Preliminary Limited Offering Memorandum.

Preliminary Limited Offering Memorandum: the document of that name concerning the Bonds and the District, which will be used to market the Bonds to investors.

Section 2. Approvals, Authorizations, and Amendments. The Financing Documents are incorporated herein by reference and are hereby approved. All Authorized Officers are hereby authorized and directed to execute the Financing Documents and to affix the seal of the District thereto, and further to execute and authenticate such other documents, instruments, or certificates as are deemed necessary or desirable in order to issue and secure the Bonds. Such documents are to be executed in substantially the form presented at this meeting of the Board, provided that such documents may be completed, corrected, or revised as deemed necessary by the parties thereto in order to carry out the purposes of this Bond Resolution. Copies of all of the Financing Documents shall be delivered, filed, and recorded as provided therein.

Upon execution and delivery of the Financing Documents, the covenants, agreements, recitals, and representations of the District therein shall be effective with the same force and effect as if specifically set forth herein, and such covenants, agreements, recitals, and representations are hereby adopted and incorporated herein by reference.

The proper officers of the District are hereby authorized and directed to prepare and furnish to any interested person certified copies of all proceedings and records of the District relating to the Bonds and such other affidavits and certificates as may be required to show the facts relating to the authorization and issuance thereof.

The execution of any instrument by an authorized officer of the District in connection with the issuance, sale, or delivery of the Bonds not inconsistent herewith shall be conclusive evidence of the approval by the District of such instrument in accordance with the terms thereof and hereof.

Section 3. Authorization. In accordance with the Constitution of the State of Colorado; the Supplemental Act; Title 32, Article 1, Part 11, C.R.S.; the 2019 Election; and all other laws of the State of Colorado thereunto enabling, there shall be issued the Bonds for the purpose of: (i) paying the Project Costs; and (ii) paying issuance and other costs in connection with the Bonds. The Bonds shall constitute limited tax obligations of the District as provided in the Indenture. The District hereby elects to apply all of the provisions of the Supplemental Act to the Bonds.

Section 4. Bond Details; Delegated Authority. The Bonds shall be issued only as fully registered Bonds without coupons in Authorized Denominations. Unless the District shall otherwise direct, the Bonds shall be numbered separately from 1 upward, with the number of

each Bond preceded by “R-”. The Bonds shall be dated as of the date of issuance, and shall be payable at such time or times, shall be subject to redemption prior to maturity, and otherwise shall be as determined in the Indenture. Pursuant to §11-57-205, C.R.S., of the Supplemental Act the Board hereby delegates the Delegated Authority to an Authorized Officer and authorizes the signing of the Indenture and the Bond Purchase Agreement pursuant thereto.

Section 5. Permitted Amendments to Bond Resolution. The District may amend this Bond Resolution in the same manner and subject to the same terms and conditions as apply to an amendment or supplement to the Indenture.

Section 6. Authorization to Execute Documents. The officers of the District are hereby authorized and directed to take all actions necessary or appropriate to effectuate the provisions of this Bond Resolution, including but not limited to the execution of such certificates and affidavits as may be reasonably required by the Underwriter.

Section 7. Appointment of District Representative. _____ is hereby appointed District Representative, as defined in the Indenture. A different District Representative may be appointed by resolution adopted by the Board and a certificate filed with the Trustee.

Section 8. Costs and Expenses. All costs and expenses incurred in connection with the issuance and payment of the Bonds shall be paid either from the proceeds of the Bonds or from legally available moneys of the District, or from a combination thereof, and such moneys are hereby appropriated for that purpose.

Section 9. Acceptance of Bond Purchase Agreement. The Board hereby reaffirms its determination to accept the Bond Purchase Agreement as submitted by the Underwriter, and to sell the Bonds to the Underwriter upon the terms, conditions, and provisions as set forth in the Bond Purchase Agreement, subject to the Delegated Authority. All Authorized Officers are hereby authorized to execute the Bond Purchase Agreement and to attest to such execution, all on behalf of the District.

Section 10. Limited Offering Memorandum. The draft of the Preliminary Limited Offering Memorandum is hereby authorized and approved in the form presented to the Board at this meeting. The Board hereby authorizes the finalization and posting of the Preliminary Limited Offering Memorandum, the use and distribution by the Underwriter of the Preliminary Limited Offering Memorandum in connection with the marketing of the Bonds, and the preparation and distribution of a final Limited Offering Memorandum in conjunction with an offer of the Bonds to investors. The final Limited Offering Memorandum shall contain such corrections and additional or updated information so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. All Authorized Officers are hereby authorized to execute copies of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum on behalf of the District.

Section 11. Ratification and Approval of Prior Actions. All actions heretofore taken by any Authorized Officer or the officers, agents, attorneys, or employees of the

District, not inconsistent with the provisions of this Bond Resolution, relating to the authorization, sale, issuance, and delivery of the Bonds, are hereby ratified, approved, and confirmed.

Section 12. Bond Resolution Irrepealable. After any of the Bonds have been issued, this Bond Resolution shall constitute a contract between the Owners and the District, and shall be and remain irrepealable until the Bonds and the interest accruing thereon shall have been fully paid, satisfied, and discharged in accordance with the Indenture.

Section 13. Repealer. All orders, bylaws, and resolutions of the District, or parts thereof, inconsistent or in conflict with this Bond Resolution, are hereby repealed to the extent only of such inconsistency or conflict.

Section 14. Severability. If any section, paragraph, clause, or provision of this Bond Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Bond Resolution, the intent being that the same are severable.

Section 15. Effective Date. This Bond Resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED this 16th day of November, 2021.

(S E A L)

President

ATTESTED:

Secretary or Assistant Secretary

Thereupon, Director _____ moved the adoption of the foregoing resolution. The motion to adopt the resolution was duly seconded by Director _____, put to a vote, and carried on the following recorded vote:

Those voting AYE:

Those voting NAY:

Thereupon the President, as Chairman of the meeting, declared the Bond Resolution duly adopted and the Secretary was directed to enter the foregoing proceedings and resolution upon the minutes of the Board.

Thereupon, after consideration of other business before the Board, the meeting was adjourned.

STATE OF COLORADO)
)
EL PASO COUNTY)
)
SADDLEHORN RANCH METROPOLITAN)
DISTRICT NO. 2)

The undersigned, as the Secretary or an Assistant Secretary of Saddlehorn Ranch Metropolitan District No. 2, hereby certifies that the foregoing pages constitute a true and correct copy of that portion of the record of proceedings of the Board of Directors of said District relating to the adoption of a resolution authorizing the issuance of its General Obligation Limited Tax Bonds, Series 2021(3), adopted at a regular meeting of the Board held at 731 North Weber Street, in Colorado Springs, Colorado, 80903, on Tuesday, the 16th day of November, 2021, at the hour of 9:00 a.m., which was also accessible via video conference at the below:

<https://global.gotomeeting.com/join/547622885>

United States: +1 (646) 749-3122

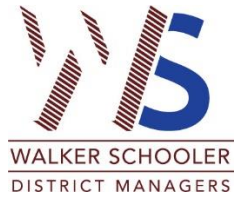
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as recorded in the official record of proceedings of said District kept in my office; that the proceedings were duly had and taken; that the meeting was duly held; that the persons therein named were present at said meeting and voted as shown therein; that each director of the Board was informed of the date, time, place, and purpose of the special meeting; and that a notice of meeting, in the form herein set forth at page 1, was posted at one public place within the District not less than 24 hours prior to the meeting, in accordance with law.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the District, as of the 16th day of November, 2021.

(S E A L)

Secretary or Assistant Secretary



Financial Reports and Payables

Saddlehorn Ranch Metropolitan District No. 1

Profit & Loss Budget vs. Actual

January through October 2021

TOTAL

	Oct 21	Jan - Oct 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Developer Advance	0.00	67,661.00	225,000.00	-157,339.00	30.07%
Transfer From District 2-O&M	0.00	0.00	39.00	-39.00	0.0%
Transfer From District 3-O&M	0.00	0.00	65.00	-65.00	0.0%
Total Income	0.00	67,661.00	225,104.00	-157,443.00	30.06%
Expense					
Accounting	0.00	8,322.50	40,000.00	-31,677.50	20.81%
Bank Service Charge	0.00	60.00	0.00	60.00	100.0%
Cost of Issuance	10,000.00	10,000.00			
Contingency	0.00	0.00	100,000.00	-100,000.00	0.0%
District Management	0.00	6,600.00			
Insurance	0.00	0.00	7,500.00	-7,500.00	0.0%
Legal	0.00	29,698.11	75,000.00	-45,301.89	39.6%
Office Supplies / Fees	0.00	484.84	2,000.00	-1,515.16	24.24%
Total Expense	0.00	55,165.45	224,500.00	-169,334.55	24.57%
Net Ordinary Income	0.00	12,495.55	604.00	11,891.55	2,068.8%
Other Income					
Other Income	0.00	714.00	0.00	714.00	100.0%
Total Other Income	0.00	714.00	0.00	714.00	100.0%
Net Income	0.00	13,209.55	604.00	12,605.55	2.187%

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11/02/21

Accrual Basis

Saddlehorn Ranch Metropolitan District No. 2

Balance Sheet

As of October 31, 2021

	Oct 31, 21
ASSETS	
Current Assets	
Checking/Savings	
Colo Trust	239.51
Total Checking/Savings	239.51
Total Current Assets	239.51
TOTAL ASSETS	239.51
LIABILITIES & EQUITY	
Equity	
Net Income	239.51
Total Equity	239.51
TOTAL LIABILITIES & EQUITY	239.51

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11/02/21

Accrual Basis

Saddlehorn Ranch Metropolitan District No. 2

Balance Sheet

As of October 31, 2021

	Oct 31, 21
ASSETS	
Current Assets	
Checking/Savings	
Colo Trust	239.51
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Total Current Assets	239.51
TOTAL ASSETS	239.51
LIABILITIES & EQUITY	
Equity	
Net Income	239.51
Total Equity	239.51
TOTAL LIABILITIES & EQUITY	239.51

Saddlehorn Ranch Metropolitan District No. 2
Profit & Loss Budget vs. Actual
January through October 2021

	TOTAL				
	Oct 21	Jan - Oct 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Property Tax Revenue - DS	0.00	186.01	186.00	0.01	100.01%
Specific Ownership Tax - DS	1.78	16.40	11.00	5.40	149.09%
Property Tax Revenue - GF	0.00	37.20	37.00	0.20	100.54%
Specific Ownership Tax - GF	0.35	3.25	2.00	1.25	162.5%
Total Income	2.13	242.86	236.00	6.86	102.91%
Expense					
Bonds					
Series 2021A - Interest	0.00	0.00	166,458.00	-166,458.00	0.0%
Cost of Issuance	0.00	0.00	350,780.00	-350,780.00	0.0%
Total Bonds	0.00	0.00	517,238.00	-517,238.00	0.0%
Treasurers Fees - DS	0.00	2.79	3.00	-0.21	93.0%
Treasurers Fees - GF	0.00	0.56	1.00	-0.44	56.0%
Total Expense	0.00	3.35	517,242.00	-517,238.65	0.0%
Net Ordinary Income	2.13	239.51	-517,006.00	517,245.51	-0.05%
Other Income/Expense					
Other Expense					
Transfer to District #1	0.00	0.00	38.00	-38.00	0.0%
Total Other Expense	0.00	0.00	38.00	-38.00	0.0%
Net Other Income	0.00	0.00	-38.00	38.00	0.0%
Net Income	2.13	239.51	-517,044.00	517,283.51	-0.05%

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11/02/21

Accrual Basis

Saddlehorn Ranch Metropolitan District No. 3

Balance Sheet

As of October 31, 2021

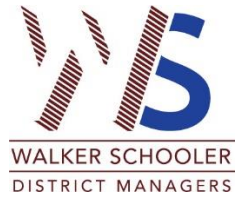
	Oct 31, 21
ASSETS	
Current Assets	
Checking/Savings	
Colo Trust	399.49
Total Checking/Savings	399.49
Total Current Assets	399.49
TOTAL ASSETS	399.49
LIABILITIES & EQUITY	
Equity	
Net Income	399.49
Total Equity	399.49
TOTAL LIABILITIES & EQUITY	399.49

Saddlehorn Ranch Metropolitan District No. 3
Profit & Loss Budget vs. Actual
January through October 2021

	TOTAL				
	Oct 21	Jan - Oct 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Property Tax Revenue - DS	0.00	313.01	313.00	0.01	100.0%
Specific Ownership Tax - DS	0.00	24.59	19.00	5.59	129.42%
Property Tax Revenue - GF	0.00	62.60	63.00	-0.40	99.37%
Specifice Ownership Tax - GF	0.00	4.93	4.00	0.93	123.25%
Total Income	0.00	405.13	399.00	6.13	101.54%
Expense					
Contingency	0.00	0.00	327.00	-327.00	0.0%
Treasurers Fee - DS	0.00	4.70	5.00	-0.30	94.0%
Treasurers Fee - GF	0.00	0.94	1.00	-0.06	94.0%
Total Expense	0.00	5.64	333.00	-327.36	1.69%
Net Ordinary Income	0.00	399.49	66.00	333.49	605.29%
Other Income/Expense					
Other Expense					
Transfer to District #1	0.00	0.00	65.00	-65.00	0.0%
Total Other Expense	0.00	0.00	65.00	-65.00	0.0%
Net Other Income	0.00	0.00	-65.00	65.00	0.0%
Net Income	0.00	399.49	1.00	398.49	39,949.0%

GENERAL FUND ACCOUNT

TOTAL FOR ALL FUNDS	\$ 13,292.82	, President
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Budget Resolutions (sample)

RESOLUTION
ADOPTING BUDGET, IMPOSING MILL LEVY AND APPROPRIATING FUNDS
(2022)

The Board of Directors of Saddlehorn Ranch Metropolitan District No. 1 (the “**Board**”), County of El Paso, Colorado (the “**District**”) held a regular meeting via teleconference and at 731 North Weber, Colorado Springs, CO on November, 16, 2021, at the hour of 10:00 A.M.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

[Remainder of Page Intentionally Left Blank.]

NOTICE AS TO PROPOSED 2022 BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET AND APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN FOR THE DISTRICT FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2022 AND ENDING ON THE LAST DAY OF DECEMBER 2022.

WHEREAS, the Board has authorized its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 16, 2021, interested electors were given the opportunity to file or present any objections to said proposed budget at any time prior to final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2022. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2022 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2022 budget year, there is hereby levied a tax of 0.000

mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2022 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2022 budget year, there is hereby levied a tax of 0.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of El Paso County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 7. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 8. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 9. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

[Remainder of page intentionally left blank.]

ADOPTED THIS 16th DAY OF NOVEMBER, 2021.

SADDLEHORN RANCH METROPOLITAN DISTRICT
NO. 1

Officer of the District

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

STATE OF COLORADO
COUNTY OF EL PASO
SADDLEHORN RANCH METROPOLITAN DISTRICT NO. 1

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held on Tuesday, 2021, at 731 North Weber, Colorado Springs, Colorado, and via teleconference as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this ____ day of November, 2021.

EXHIBIT A
BUDGET DOCUMENT
BUDGET MESSAGE

SADDLEHORN RANCH METROPOLITAN DISTRICT NO. 1

**2022 BUDGET
GENERAL FUND**

	2020	2021	2021 BUDGET PROJECTE n	2021 BUDGET	2022 BUDGET
	ACTUAL	ACTUAL			
GENERAL FUND BEGINNING BALANCE	<u>-</u>	<u>-</u>	<u>-</u>	8,704	28,854
REVENUES					
DEVELOPER ADVANCES	-	67,661	135,000	225,000	125,000
TRANSFER FROM DISTRICT #2			39	39	
TRANSFER FROM DISTRICT #3			65	65	
TOTAL REVENUES	<u>-</u>	<u>67,661</u>	<u>135,104</u>	<u>225,104</u>	<u>125,000</u>
TOTAL OF BALANCE AND REVENUES	<u>-</u>	<u>67,661</u>	<u>135,104</u>	<u>233,808</u>	<u>153,854</u>
EXPENDITURES					
ACCOUNTING/AUDIT	-	8,323	14,000	40,000	8,000
LEGAL SERVICES		22,761	45,000	75,000	40,000
DISTRICT MANAGEMENT	-	6,600	10,000	-	36,000
ELECTION EXPENSE	-		7,000		10,000
DIRECTORS FEE	-			-	
DUES AND SUBSCRIPTIONS	-				500
INSURANCE	-		7,500	7,500	7,500
OFFICE SUPPLIES, BANK & BILL.COM FEES	-	545	750	2,000	1,500
MISCELLANEOUS	-	-		-	5,000
CONTINGENCY	-			-	5,000
ENGINEERING	-		15,000	-	10,000
ORGANIZATION EXPENSE	-		7,000	7,000	
TOTAL EXPENDITURES	<u>-</u>	<u>38,228</u>	<u>106,250</u>	<u>131,500</u>	<u>123,500</u>
ENDING FUND BALANCE	<u>-</u>	29,433	28,854	102,308	30,354
EMERGENCY RESERVE 3%	-	1,147	3,188	3,945	3,705
ASSESSED VALUATION	-	30	30	30	112
MILL LEVY	-	-	-	-	0

SADDLEHORN RANCH METROPOLITAN DISTRICT NO. 1

2022 BUDGET

DEBT SERVICE FUND

	2020	2021	2021	2021	2022
	ACTUAL	ACTUAL	BUDGET AS AMENDED	BUDGET	BUDGET
DEBT SERVICE FUND BEGINNING BALANCE	-		-	-	-
SERIES 2021:REVENUE					
REVENUE SERIES 2021 BOND				-	
TAP FEES	-			-	-
TRANSFERS IN FROM D2 AND D3 DEBT SERVICE					7,333
INTEREST INCOME					20,000
TOTAL INFLOWS & REVENUES	-	-	-	-	27,333
BOND INTEREST			-	737,880	27,333
BOND PRINCIPAL			-	2,143,120	
TOTAL OUTFLOWS	-	-	-	2,881,000	27,333
ENDING BALANCE	-	-	-	(2,881,000)	(0)
ASSESSED VALUATION	-	30	30	30	112
MILL LEVY	-	-		-	
TOTAL MILL LEVY	-	-		-	

SADDLEHORN RANCH METROPOLITAN DISTRICT NO. 1
2022 BUDGET
WATER OPERATIONS FUND

	2020	2021	2021	2021	2022
	ACTUAL	ACTUAL	BUDGET AS AMENDED	BUDGET	BUDGET
WATER OPERATIONS FUND BEGINNING BALANCE	-		-	-	94,299
REVENUES					
BASE SERVICE CHARGES	-			18,060	18,060
TIERED WATER USAGE	-			32,921	32,921
LATE FEE - WATER CHARGES				-	
WATER SALES				-	
TRANSFER IN FROM WATER CAPITAL/DEBT SERVICE FUND			-	94,299	-
INTEREST INCOME				-	
TOTAL REVENUES	-	-	-	145,280	50,981
TOTAL OF BALANCE AND REVENUES					145,280
EXPENDITURES					
GROSS WAGES/SALARIES				36,000	48,000
RETIREMENT AND INSURANCE				7,135	-
HRA HEALTH REIMBURSEMENT				479	-
COMPUTER / PRINTER				2,500	-
MISC OFFICE EXPENSE				200	-
BUSINESS MEALS				150	-
OFFICE SUPPLIES				300	-
ACH & CREDIT CARD FEES				1,137	1,000
PROFESSIONAL DUES & FEES				1,200	1,200
MONTHLY BILLS & PRINTING				341	1,200
POSTAGE EXPENSE				304	1,000
TELEPHONE EXPENSE				1,440	450
LOCATE EXPENSE				2,500	1,000
GENERAL INSURANCE				3,200	4,500
OFFICE MAINTENANCE EXPENSE				9,600	1,000
WTP MAINTENANCE				3,500	5,000
ADVERTISING				150	
GENERAL LEGAL				5,000	5,000
AUDIT, BUDGET & OTHER ACCOUNTING				9,000	
ENGINEERING - GENERAL				2,500	
MANAGER-TRAVEL-SEMINARS				1,200	
TRAVEL & CONSULTING - DIRECTOR				1,200	
DIRECTOR FEES				6,000	
ENERGY EXPENSE - PUMP STATIONS				16,788	17,500
ENERGY EXPENSE - OFFICE				3,000	
CHEMICALS - CHLORINE				3,180	3,180
WATER TESTING				1,000	1,000
WELL HOUSE O&M				500	1,000
REPAIRS - PIPELINE - GENERAL				-	
TOOLS & SUPPLIES - GENERAL				12,000	1,200
SUPPLIES - UNIFORMS				500	
WATER STORAGE TANK O&M				93	1,500
VEHICLE O&M				1,000	
EQUIPMENT O&M				200	
COMPUTER & TECH EQUIPMENT				1,983	2,500
CONTINGENCY					1,000
TOTAL EXPENDITURES	-	-	-	135,280	98,230
ENDING BALANCE	-	-	-	10,000	47,050
ASSESSED VALUATION	-	30		30	112
MILL LEVY	-	-		-	
TOTAL MILL LEVY	-	-		-	

SADDLEHORN RANCH METROPOLITAN DISTRICT NO. 1
2022 BUDGET
CAPITAL PROJECTS FUND

	2020	2021	2021	2021	2022
	ACTUAL	ACTUAL	BUDGET AS AMENDED	BUDGET	BUDGET
CAPITAL PROJECTS FUND BEGINNING BALANCE	-		-	-	10,660,000
SERIES 2021:REVENUE					
REVENUE SERIES 2021 BOND			14,950,000	12,298,000	
TAP FEES	-			2,924,000	-
SPECIFIC OWNERSHIP TAX	-			-	-
TRANSFERS IN FROM OPERATING ACCOUNT					
TRANSFERS IN FROM D2 AND D3 DEBT SERVICE					-
INTEREST INCOME					-
TOTAL INFLOWS & REVENUES	-	-	14,950,000	15,222,000	-
RAW WATER PURCHASE			2,200,000	2,200,000	
WATER LINES				1,436,370	1,436,370
WATER TREATMENT PLANT			2,090,000	4,180,000	2,090,000
VEHICLES				25,000	-
EROSION CONTROL					1,132,500
EARTHWORK					1,021,000
ENTRYWAY					150,000
STORM DRAIN					585,000
STREETS					230,000
TRAFFIC CONTROL					35,000
CONSULTING AND CONSTRUCTION MANAGEMENT					277,280
ACCOUNTING, LEGAL & OTHER PROFESSIONAL				50,000	50,000
CONTINGENCY	-			277,280	2,500,000
TRANSFER TO WATER OPERATIONS FUND			94,299	94,299	
TOTAL OUTFLOWS	-	-	4,290,000	8,262,949	9,507,150
ENDING BALANCE	-	-	10,660,000	6,959,051	1,152,850
ASSESSED VALUATION	-	30	30	30	112
MILL LEVY	-	-		-	
TOTAL MILL LEVY	-	-		-	

SADDLEHORN RANCH METROPOLITAN DISTRICT #2

**2022 BUDGET
GENERAL FUND**

	2020	2021	2021	2021	2022
	ACTUAL	ACTUAL	BUDGET	BUDGET AS AMENDED	BUDGET
GENERAL FUND BEGINNING BALANCE	-		-	-	
REVENUES					
PROPERTY TAXES	-		37.00	\$	1,326
SPECIFIC OWNERSHIP TAXES	-		2.00	\$	93
DEVELOPER ADVANCES	-		-		
INTEREST EARNINGS					
OTHER					
TOTAL REVENUES	-		39.00	-	\$ 1,419
TOTAL REVENUES AND FUND BALANCE	-		39.00	-	\$ 1,419
EXPENDITURES					
ACCOUNTING	-		-		
AUDIT				\$	-
LEGAL SERVICES	-		-		
INSURANCE & SDA DUES	-		-	\$	500
OFFICE SUPPLIES, BANK & BILL.COM FEES	-				
TREASURERS FEE	-		-	\$	20
CONTINGENCY			-		
TOTAL EXPENDITURES	-		-	-	\$ 520
TRANSFER TO DISTRICT NO.1			(39.00)	\$	899
DEVELOPER ADVANCE/(REPAYMENTS)					
TOTAL EXPENDITURES & TRANSFERS			39.00	-	\$ 1,419
ENDING FUND BALANCE	-		-	-	\$ -
EMERGENCY RESERVE 3%					
ASSESSED VALUATION		3,720	3,720	\$	132,570
MILL LEVY		10.000	10.000	\$	10

SADDLEHORN RANCH METROPOLITAN DISTRICT #2
2022 BUDGET
DEBT SERVICE FUND

	2020	2021	2021	2021	\$	2,022
	ACTUAL	ACTUAL	BUDGET	BUDGET AS AMENDED		BUDGET
DEBT SERVICE FUND BEGINNING BALANCE	-		-	-	\$	194
SERIES 2021:REVENUE						
REVENUE SERIES 2021 A BOND			4,691,000	15,495,000		
PROPERTY TAX	-		186	186	\$	6,629
SPECIFIC OWNERSHIP TAX	-		11	11	\$	464
TRANSFERS IN FROM OPERATING ACCOUNT						
INTEREST INCOME						
TOTAL INFLOWS & REVENUES	-	-	4,691,197	15,495,197	\$	7,092
SERIES 2021A - PRINCIPAL AND INTEREST			-		\$	7,187
TRANSFER TO DISTRICT NO 1 CAPITAL PROJECT FUND			-	14,935,000		
COST OF ISSUANCES			560,000	560,000		
UNDERWRITERS DISCOUNT						
TREASURERS FEE	-		3	3	\$	99
BANK CHARGE						
TOTAL OUTFLOWS	-	-	560,003	15,495,003	\$	7,287
ENDING BALANCE	-	-	4,131,194	194	\$	(0)
ASSESSED VALUATION		3,720	3,720	3,720	\$	132,570
MILL LEVY		50.000	50.000	50.000	\$	50
TOTAL MILL LEVY		60.000	60.000	50.000	\$	60

SADDLEHORN RANCH METROPOLITAN DISTRICT #3

2022 BUDGET

GENERAL FUND

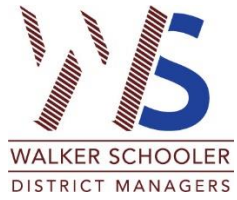
	2020	2021	2021	2022
	ACTUAL	ACTUAL	BUDGET	BUDGET
GENERAL FUND BEGINNING BALANCE	-		-	66
<hr/>				
REVENUES				
PROPERTY TAXES	-		63	225
SPECIFIC OWNERSHIP TAXES	-		4	16
DEVELOPER ADVANCES	-		-	
INTEREST EARNINGS				
OTHER				
TOTAL REVENUES	-		67	240
TOTAL REVENUES AND FUND BALANCE	-		67	306
<hr/>				
EXPENDITURES				
ACCOUNTING	-		-	
AUDIT				
LEGAL SERVICES	-		-	
INSURANCE & SDA DUES	-		-	250
OFFICE SUPPLIES, BANK & BILL.COM FEES	-			
TREASURERS FEE	-		1	3
CONTINGENCY			-	
TOTAL EXPENDITURES	-		1	253
TRANSFER TO DISTRICT NO.1			-	-
DEVELOPER ADVANCE/(REPAYMENTS)				
TOTAL EXPENDITURES & TRANSFERS	-	-	1	253
<hr/>				
ENDING FUND BALANCE	-	-	66	53
<hr/>				

EMERGENCY RESERVE 3%

ASSESSED VALUATION	6,260	6,260	22,473
MILL LEVY	10	10	10

SADDLEHORN RANCH METROPOLITAN DISTRICT #3**2022 BUDGET****DEBT SERVICE FUND**

	2,020	2,021	2,021	2,022
	ACTUAL	ACTUAL	BUDGET	BUDGET
DEBT SERVICE FUND BEGINNING BALANCE	-		-	-
PROPERTY TAX	-		313	1,124
SPECIFIC OWNERSHIP TAX	-		19	79
TRANSFERS IN FROM OPERATING ACCOUNT				
INTEREST INCOME				
TOTAL INFLOWS & REVENUES	-	-	332	1,202
TRANSFER TO DISTRICT 2				1,185
TREASURERS FEE	-		5	17
CONTINGENCY			327	
TOTAL OUTFLOWS	-	-	332	1,202
ENDING BALANCE	-	-	-	0
ASSESSED VALUATION		6,260	6,260	22,473
MILL LEVY		50	50	50
TOTAL MILL LEVY		60	60	60



Groundwater Purchase Resolution

**RESOLUTION
OF THE BOARD OF DIRECTORS OF THE
SADDLEHORN RANCH METROPOLITAN DISTRICT NO. 2**

CONCERNING THE PURCHASE OF CERTAIN GROUNDWATER WATER RIGHTS

WHEREAS, the Saddlehorn Ranch Metropolitan District No. 2 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, the District has determined it to be in the public interest, and the best interest of the District, its property owners and taxpayers, to acquire certain groundwater rights as more particularly set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Water Rights**”), from Gorilla Capital CO Saddlehorn Ranch, LLC (the “**Developer**”); and

WHEREAS, pursuant to § 32-1-1001(1)(f), C.R.S., the District is empowered to acquire, real and personal property including, without limitation, rights and interests in property, leases, and easements necessary to the functions or the operation of the District; and

WHEREAS, § 32-1-1001(1)(f), C.R.S. further states that the Board of Directors of the District (the “**Board**”), acting on behalf of the District, shall not pay more than fair market value and reasonable settlement costs for any interest in real property, and shall not pay for any interest in real property which must otherwise be dedicated for public use or the special district’s use in accordance with any governmental ordinance, regulation, or law; and

WHEREAS, WestWater Research prepared a document entitled *Valuation of Saddlehorn Ranch Water Rights*, dated February 25, 2020 (the “**Appraisal**”), which is attached hereto as **Exhibit B** and incorporated herein by this reference; and

WHEREAS, the Appraisal provides an opinion on the fair market value of the Water Rights; and

WHEREAS, the Developer provided a letter dated November __, 2021 to the District affirming that the Water Rights are not required to be dedicated for public use or the District’s use in accordance with any governmental ordinance, regulation, or law, which letter is attached hereto as **Exhibit C** and incorporated herein by this reference (the “**Developer Letter**”); and

WHEREAS, the District anticipates closing on the issuance of those certain General Obligation Limited Tax Bonds, Series 2021₍₃₎ on or around December 16, 2021 (the “**2021 Bonds**”); and

WHEREAS, the Board having reviewed the Appraisal and Developer Letter, desires by this Resolution to state its determination to purchase the Water Rights from the Developer at fair market value, utilizing proceeds from the 2021 Bonds, and to authorize the execution of any and all documents necessary to execute the purchase of the Water Rights.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. **FINDINGS.** The Board hereby makes the following findings:

a. The Board has reviewed all relevant information necessary to make a determination and hereby restates its prior determination that the acquisition of the Water Rights is in the best interests of the District and the property owners and taxpayers of the District.

b. The Board has reviewed the Appraisal and other documentation as it has deemed necessary and hereby determines that the purchase price and settlement costs it intends to pay for the Water Rights do not exceed their fair market value.

c. The Board has reviewed the Developer Letter affirming that the Water Rights are not required to be dedicated for public use or the District's use in accordance with any governmental ordinance, regulation, or law.

d. The Board, through the District's consultants, has determined that the use of proceeds from the 2021 Bonds to purchase the Water Rights is in the best interests of the District and the property owners and taxpayers of the District.

2. **AUTHORIZATION OF PURCHASE OF WATER RIGHTS.** The Board hereby authorizes the purchase of the Water Rights from Developer at the fair market value of \$2,200,000 as set forth in the Appraisal.

3. **EXECUTION OF NECESSARY DOCUMENTS.** The Board hereby authorizes any officer of the District to execute any and all documents and agreements necessary to effectuate the purchase of the Water Rights.

[Remainder of Page Intentionally Left Blank. Signature Page Follows]

ADOPTED this 16th day of November, 2021.

**SADDLEHORN RANCH
METROPOLITAN DISTRICT NO. 2**

By: _____
Officer of the District

Attest:

By: _____

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District

EXHIBIT A
(Water Rights)

EXHIBIT B
(Appraisal)

EXHIBIT C
(Developer Letter)

November 16, 2021

Saddlehorn Ranch Metropolitan District Nos. 1-3
Walker Schooler District Managers
614 N. Tejon Street
Colorado Springs, CO 80903
Attention: Kevin Walker

RE: THE OWNERSHIP AND DEDICATION OF CERTAIN GROUND WATER RIGHTS

Dear Mr. Walker:

We are writing to provide you with this letter regarding the ownership and dedication requirements of certain groundwater rights associated with the Saddlehorn Ranch Metropolitan District Nos. 1-3.

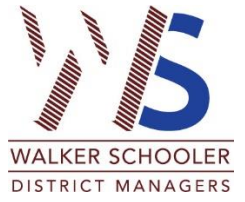
Gorilla Capital CO Saddlehorn Ranch, LLC, a Colorado limited liability company (“**Gorilla Capital**”), owns certain groundwater rights as more particularly set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Water Rights**”). The Water Rights were purchased by Gorilla Capital from ROI Property Group LLC on [Date] and recorded on [Date] at Reception No. [] pursuant to the water court decree(s) and warranty deed(s) transferring the rights to Gorilla Capital. Gorilla Capital and Saddlehorn Ranch Metropolitan District No. 2 (the “**District**”) have been in discussions regarding the intent of the District to purchase the Water Rights from Gorilla Capital following the closing on its issuance of certain general obligation indebtedness (the “**Transaction**”). During the course of those discussions, the District has explained to Gorilla Capital that, pursuant to Section 32-1-1001(1)(f), C.R.S., the District cannot pay for the Water Rights if Gorilla Capital is otherwise required to dedicate the Water Rights to the District for public use. The District has requested that Gorilla Capital confirm that the Water Rights are not subject to a public use dedication requirement as described in Section 32-1-1001(1)(f), C.R.S.

Gorilla Capital, based on its knowledge and review of all relevant documents, hereby affirms that the Water Rights are not required to be dedicated for public use or the District’s use in accordance with any governmental ordinance, regulation, or law as described in Section 32-1-1001(1)(f), C.R.S.

Sincerely,

Gorilla Capital CO Saddlehorn Ranch, LLC

EXHIBIT A
(Groundwater Rights)



Annual Admin Resolution

**SADDLEHORN RANCH METROPOLITAN DISTRICT NOS. 1-3
JOINT ANNUAL ADMINISTRATIVE RESOLUTION
(2022)**

WHEREAS, Saddlehorn Ranch Metropolitan District Nos. 1-3 (each reference to a **“District”** herein shall mean a reference to each of the Districts individually) was organized as a special district pursuant to an Order and Decree of the District Court in and for the County of El Paso, Colorado (the **“County”**); and

WHEREAS, the Boards of Directors (each reference to a **“Board”** herein shall mean a reference to each of the Boards individually) of the Districts, has a duty to perform certain obligations in order to assure the efficient operation of the District and hereby directs its consultants to take the following actions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. The Board directs the District Manager to cause an accurate map of the District’s boundaries to be prepared in accordance with the standards specified by the Division of Local Government (**“Division”**) and to be filed in accordance with § 32-1-306, C.R.S.

2. The Board directs the District Manager to notify the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, the governing body of any municipality in which the District is located, and the Division of the name of the chairman of the Board, the contact person, telephone number and business address of the District, as required by § 32-1-104(2), C.R.S.

3. The Board directs the District Manager to prepare and file with the Division, within thirty (30) days of a written request from the Division, an informational listing of all contracts in effect with other political subdivisions, in accordance with § 29-1-205, C.R.S.

4. The Board directs the District’s accountant to cause the preparation of and to file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the District within sixty (60) days of the close of the fiscal year, as required by §§ 11-58-101, *et seq.*, C.R.S.

5. The Board directs the District’s accountant to: 1) obtain proposals for auditors to be presented to the Board; 2) to cause an audit of the annual financial statements of the District to be prepared and submitted to the Board on or before June 30; and 3) to cause the audit to be filed with the State Auditor by July 31st, or by the filing deadline permitted under any extension thereof, all in accordance with §§ 29-1-603(1) and 29-1-606, C.R.S. Alternatively, if warranted by § 29-1-604, C.R.S., the Board directs the District’s accountant to apply for and obtain an audit exemption from the State Auditor on or before March 31st in accordance with § 29-1-604, C.R.S.

6. The Board directs the District’s accountant, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, to cause to be submitted to the Board of County Commissioners or the governing body of the municipality that adopted a

resolution of approval of the District, the District's audit report or a copy of its application for exemption from audit in accordance with § 29-1-606(7), C.R.S.

7. The Board directs the District's accountant to submit a proposed budget to the Board by October 15th, to prepare the final budget and budget message, including any amendments thereto, if necessary, and directs the District Manager to schedule a public hearing on the proposed budget and/or amendments, and to post or publish notices thereof, and directs legal counsel to prepare all budget resolutions and to file the budget, budget resolution and budget message with the Division on or before January 30th, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

8. The Board directs the District's accountant to monitor expenditures and contracted expenditures and, if necessary, to notify the District Manager, legal counsel and the Board when expenditures or contracted expenditures are expected to exceed appropriated amounts, and directs legal counsel to prepare all budget amendment resolutions and directs the District Manager to schedule a public hearing on a proposed budget amendment and to post or publish notices thereof and to file the amended budget with the Division on or before the date of making such expenditure or contracting for such expenditure, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

9. The Board directs legal counsel to cause the preparation of the Unclaimed Property Act report and submission of the same to the State Treasurer by November 1st if there is property presumed abandoned and subject to custody as unclaimed property, in accordance with § 38-13-110, C.R.S.

10. The Board directs the District's accountant to prepare the mill levy certification form and directs the District's accountant to file the mill levy certification form with the Board of County Commissioners on or before December 15th, in accordance with § 39-5-128, C.R.S.

11. The Board directs that all legal notices shall be published in accordance with § 32-1-103(15), C.R.S.

12. The Board determines that each director shall receive compensation for their services as directors subject to the limitations set forth in §§ 32-1-902(3)(a)(I) & (II), C.R.S.

13. The District hereby acknowledges, in accordance with § 32-1-902, C.R.S., the following officers for the District:

Chairman/President:	William Guman
Treasurer:	Michael Bramlett
Secretary:	Sandra Lehman
Assistant Secretary:	Jeffrey Book
Recording Secretary:	Legal Counsel

14. The Board hereby determines that each member of the Board shall, for any potential or actual conflicts of interest, complete conflicts of interest disclosures and directs legal counsel to file the conflicts of interest disclosures with the Board and with the Colorado Secretary of State

at least seventy-two (72) hours prior to every regular and special meeting of the Board, in accordance with §§ 32-1-902(3)(b) and 18-8-308, C.R.S. Written disclosures provided by Board members required to be filed with the governing body in accordance with § 18-8-308, C.R.S. shall be deemed filed with the Board when filed with the Secretary of State. Additionally, at the beginning of each year, each Board member shall submit information to legal counsel regarding any actual or potential conflicts of interest and, throughout the year, each Board member shall provide legal counsel with any revisions, additions, corrections or deletions to said conflicts of interest disclosures.

15. The Board confirms its obligations under § 24-10-110(1), C.R.S., with regards to the defense and indemnification of its public employees, which, by definition, includes elected and appointed officers.

16. The Board hereby appoints the District Manager as the official custodian for the maintenance, care and keeping of all public records of the District, in accordance with §§ 24-72-202, *et seq.*, C.R.S. The Board hereby directs its legal counsel, accountant, manager and all other consultants to adhere to the Colorado Special District Records Retention Schedule as adopted by the District.

17. The Board directs the District Manager to post notice of all regular and special meetings in accordance with § 32-1-903(2) and § 24-6-402(2)(c), C.R.S. The Board hereby designates [] as the District's website for the posting of its regular and special meeting notices. The Board also hereby designates, unless otherwise designated by the Board, [] as the location the District will post notices of meetings in the event of exigent or emergency circumstances which prevent the District from posting notice of the meeting on the District's website. The Board directs the District Manager to provide the website address set forth above to the Department of Local Affairs for inclusion in the inventory maintained pursuant to § 24-32-116, C.R.S.

Commented [EH1]: Need to designate new posting locations.

18. The Board determines to hold regular meetings on [], at [] [] .m. at [], Colorado, and by telephone, electronic, or other means not including physical presence.

All notices of meetings shall designate whether such meeting will be held by electronic means, at a physical location, or both, and shall designate how members of the public may attend such meeting, including the conference number or link by which members of the public can attend the meeting electronically, if applicable.

19. In the event of an emergency, the Board may conduct a meeting outside of the limitations prescribed in § 24-6-402(2)(c), C.R.S., provided that any actions taken at such emergency meeting are ratified at the next regular meeting of the Board or at a special meeting conducted after proper notice has been given to the public.

20. For the convenience of the electors of the District, and pursuant to its authority set forth in § 1-13.5-1101, C.R.S., the Board hereby deems that all regular and special elections of the District shall be conducted as independent mail ballot elections in accordance with §§ 1-13.5-1101,

et seq., C.R.S., unless otherwise deemed necessary and expressed in a separate election resolution adopted by the Board.

21. Pursuant to the authority set forth in § 1-1-111, C.R.S., the Board hereby appoints Ashley B. Frisbie, of the law firm of WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at Law, as the Designated Election Official (the “**DEO**”) of the District for any elections called by the Board, or called on behalf of the Board by the DEO, and hereby authorizes and directs the DEO to take all actions necessary for the proper conduct of the election, including, if applicable, cancellation of the election in accordance with § 1-13.5-513, C.R.S.

22. In accordance with § 1-11-103(3), C.R.S., the Board hereby directs the DEO to certify to the Division the results of any elections held by the District and, pursuant to § 32-1-1101.5(1), C.R.S., to certify results of any ballot issue election to incur general obligation indebtedness to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the district and file a copy of such certification with the Division of Securities.

23. The Board directs legal counsel to cause a notice of authorization of or notice to incur general obligation debt to be recorded with the County Clerk and Recorder within thirty (30) days of authorizing or incurring any indebtedness, in accordance with § 32-1-1604, C.R.S.

24. Pursuant to the authority set forth in § 24-12-103, C.R.S., the Board hereby designates, in addition to any officer of the District, Ashley B. Frisbie of the law firm of WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at Law as a person with the power to administer all oaths or affirmations of office and other oaths or affirmations required to be taken by any person upon any lawful occasion.

25. The Board directs legal counsel to cause the preparation of and filing with the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, if requested, the application for quinquennial finding of reasonable diligence in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S.

26. The Board directs the District Manager to cause the preparation of and the filing with the Board of County Commissioners or the governing body of any municipality in which the District is located, the Division, the State Auditor, the County Clerk and Recorder and any interested parties entitled to notice pursuant to § 32-1-204(1), C.R.S., an annual report, if requested, in accordance with § 32-1-207(3)(c), C.R.S.

27. The Board directs the District Manager to obtain proposals and/or renewals for insurance, as applicable, to insure the District against all or any part of the District’s liability, in accordance with §§ 24-10-115, *et seq.*, C.R.S. The Board directs the District’s accountant to pay the annual SDA membership dues, agency fees and insurance premiums, as applicable, in a timely manner. The Board appoints the District Manager to designate the proxy for the SDA Annual meeting for voting and quorum purposes.

28. The Board hereby opts to exclude elected or appointed officials as employees within the meaning of § 8-40-202(1)(a)(I)(A), C.R.S., and hereby directs the District Manager to file a statement with the Division of Workers’ Compensation in the Department of Labor and

Employment not less than forty-five (45) days before the start of the policy year for which the option is to be exercised, in accordance with § 8-40-202(1)(a)(I)(B), C.R.S.

29. The Board hereby directs the District Manager to prepare the disclosure notice required by § 32-1-809, C.R.S., and to disseminate the information to the electors of the District accordingly. Further, the Board hereby designates the following website as the District's official website for the purposes thereof: www.sdaco.org.

30. The Board hereby directs legal counsel to prepare and record with the County Clerk and Recorder updates to the disclosure statement notice and map required by § 32-1-104.8, C.R.S., if additional property is included within the District's boundaries.

31. In accordance with § 38-35-109.5(2), C.R.S, the District hereby designates the President of the Board as the official who shall record any instrument conveying title of real property to the District within 30 days of any such conveyance.

32. The Board directs the District's accountant to prepare and submit the documentation required by any continuing disclosure obligation signed in conjunction with the issuance of debt by the District.

33. The Board directs legal counsel to monitor, and inform the Board of, any legislative changes that may occur throughout the year.

[Remainder of page intentionally left blank, signature page follows.]

ADOPTED this 16th day of November, 2021.

**SADDLEHORN RANCH
METROPOLITAN DISTRICT NOS. 1-3**

By: _____
Officer of the Districts

Attest:

By: _____

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the Districts

CERTIFICATION OF RESOLUTION

I hereby certify that the foregoing constitutes a true and correct copy of the resolution of the Board adopted at a meeting held on Tuesday, November 16, 2021, at 731 North Weber, Colorado Springs,, Colorado and via teleconference.

IN WITNESS WHEREOF, I have hereunto subscribed my name this ____ day of November, 2021.

Signature

Printed Name



WALKER SCHOOLER
DISTRICT MANAGERS

Election Resolution

**JOINT RESOLUTION OF BOARDS OF DIRECTORS
CALLING ELECTION**

SADDLEHORN RANCH METROPOLITAN DISTRICT NOS. 1-3

§§ 32-1-804, 1-1-111(2), 1-13.5-1103(1), and 1-13.5-513(1), C.R.S.

At a joint meeting of the Boards of Directors of the Saddlehorn Ranch Metropolitan District Nos. 1-3 (each a “**District**,” and each Board of Directors of a District, a “**Board**”), it was moved to adopt the following Resolution:

WHEREAS, the District was organized as a special district pursuant to §§ 32-1-101, *et seq.*, C.R.S. (the “**Special District Act**”); and

WHEREAS, the District is located entirely within El Paso County, Colorado (the “**County**”); and

WHEREAS, pursuant to § 32-1-804, C.R.S., the Board governs the conduct of regular and special elections for the District; and

WHEREAS, the Board anticipates holding a regular election on May 3, 2021, for the purpose of electing directors, and desires to take all actions necessary and proper for the conduct thereof (the “**Election**”); and

WHEREAS, the Election shall be conducted pursuant to the Special District Act, the Colorado Local Government Election Code and the Uniform Election Code of 1992, to the extent not in conflict with the Colorado Local Government Election Code, including any amendments thereto, and shall also comply with Article X, § 20 of the Colorado Constitution (“**TABOR**”), as necessary; and

WHEREAS, pursuant to § 1-1-111(2), C.R.S., the Board is authorized to designate an election official (the “Designated Election Official”) to exercise authority of the Board in conducting the Election; and

WHEREAS, pursuant to § 1-13.5-513(1), C.R.S., the Board can authorize the Designated Election Official to cancel the Election upon certain conditions.

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. The Board hereby calls the Election for the purpose of electing directors. The Election shall be conducted as an independent mail ballot election in accordance with §§ 1-13.5-1101, *et seq.*, C.R.S.

2. The Board names Ashley B. Frisbie of the law firm of White Bear Ankele Tanaka & Waldron as the Designated Election Official for the Election. The Designated Election Official shall

act as the primary contact with the County and shall be primarily responsible for ensuring the proper conduct of the Election.

3. Without limiting the foregoing, the following specific determinations also are made:
 - a. The Board hereby directs general counsel to the District to approve the final form of the ballot to be submitted to the eligible electors of the District and authorizes the Designated Election Official to certify those questions and take any required action therewith.
 - b. The Board hereby determines that: in addition to emailing to each registered elector at the email address provided by the county, or if no email is provided, by mailing to the household of each registered elector, notice of the call for nominations will be provided by [1) publication; or 2) newsletter, annual report or other mailing to the eligible electors of the District; or 3) posting on the District's website; or, if applicable, 4) for Districts with fewer than 1,000 electors, contained within a county of less than 30,000 people, posting at 3 public places and in the office of the clerk and recorder.]
 - c. The Board hereby directs general counsel to the District to oversee the general conduct of the Election and authorizes the Designated Election Official to take all action necessary for the proper conduct thereof and to exercise the authority of the Board in conducting the Election, including, but not limited to, causing the call for nominations; appointment, training and setting compensation of election judges and a board of canvassers, as necessary; all required notices of election, including notices required pursuant to TABOR; printing of ballots; supervision of the counting of ballots and certification of election results; and all other appropriate actions.
4. The District shall be responsible for the payment of any and all costs associated with the conduct of the Election, including its cancellation, if permitted.
5. The Board hereby ratifies any and all actions taken to date by general counsel and the Designated Election Official in connection with the Election.
6. The Board hereby authorizes and directs the Designated Election Official to cancel the Election and to declare the candidates elected if, at the close of business on the sixty-third day before the Election, or at any time thereafter, there are not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates, and so long as the only ballot questions are for the election of candidates. The Board further authorizes and directs the Designated Election Official to publish and post notice of the cancellation as necessary and file such notice and cancellation resolutions with the County Clerk and Recorder and with the Division of Local Government, as required. The Designated Election Official shall also notify the candidates that the Election was canceled and that they were elected by acclamation.

7. This Resolution shall remain in full force and effect until repealed or superseded by subsequent official action of the Board.

[Remainder of Page Intentionally Left Blank]

ADOPTED THIS 16th DAY OF NOVEMBER, 2021.

SADDLEHORN RANCH METROPOLITAN
DISTRICT NOS. 1-3

Officer of the Districts

ATTEST:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the Districts

Signature Page to Joint Resolution Calling Election