

RECORD OF PROCEEDINGS

MINUTES OF THE CONSOLIDATED SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE FOUR MILE RANCH METROPOLITAN DISTRICT NOS. 2-4

Held: Thursday, October 26, 2023 at 1:00 p.m. at 706 Wilcox Street, Castle Rock, Colorado and remotely via Zoom.

Call to Order

The consolidated special meeting of the Board of Directors of the Four Mile Ranch Metropolitan District Nos. 2-4 was called and held as shown above. The following Director, having confirmed his qualification to serve on the Board, was in attendance:

Richard Day, Chairman

Also present: Joan Fritsche, Fritsche Law LLC; Leslie Monroe, Accounting Associates, LLC; and Byron Elliott, Johnathan Sims, Norah Lile and Thomas J. Lile.

Chairman Day noted that a quorum of the Board was present, as he is currently the only Director, verified that notice of the meeting was posted on the Districts' website and that he had confirmed his qualification to serve, and therefore called the consolidated special meeting of the Board of Directors of the Four Mile Ranch Metropolitan District Nos. 2-4 to order.

The Boards of Directors determined to hold consolidated meetings of the Districts and to prepare consolidated minutes of action taken by the Districts at such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be action of all the Districts. Action taken by an individual District will be reflected in these minutes.

Disclosure Matters

Ms. Fritsche advised the Board that pursuant to Colorado law, certain disclosures by Board members may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Director disclosed his/her potential conflicts of interest, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. The Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Chairman Richard Day stated he is under contract to purchase real property within each of the Districts requiring the payment of a proportionate share of property taxes and he is employed as the Four Mile Ranch Golf Course Manager.

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Written Disclosures for Director Day were filed with the Board and Secretary of State more than 72 hours prior to the meeting.

Public Comment	There was no public comment.
Meeting Minutes	The Minutes of the consolidated special meeting of the Board of Directors held on July 27, 2023 were reviewed. Upon a Motion duly made Chairman Day and unanimously carried, the Minutes were approved.
Financial Matters	Ms. Monroe reviewed the Financial Reports and Claims Report. Upon a motion duly made by Chairman Day and unanimously carried, the Board approved the Financial Reports through August 31, 2023 and payment of claims through September 2023 for each District.
2023 Audit Exemptions	Upon a motion made by Chairman Day and unanimously carried, Ms. Monroe was directed to complete and file the Districts' 2023 audit exemptions with the state, upon Board review.
2024 Budget Hearing for District No. 2	Ms. Fritsche reported that the meeting had been published in the <i>Canon City Daily Record</i> as the District's public hearing on its proposed 2024 budget. Chairman Day opened the public hearing. There being no members of the public wishing to comment, Chairman Day closed the public hearing. Ms. Monroe reviewed the draft 2024 budget. Upon motion duly made by Chairman Day and unanimously carried, the Board approved a resolution adopting the 2024 budget, as amended, certifying a General Fund mill levy of 15.000 mills, and appropriating funds as set forth in the Budget.
2024 Budget Hearing for District No. 3	Ms. Fritsche reported that the meeting had been published in the <i>Canon City Daily Record</i> as the District's public hearing on its proposed 2024 budget. Chairman Day opened the public hearing. There being no members of the public wishing to comment, Chairman Day closed the public hearing. Ms. Monroe reviewed the draft 2024 budget. Upon motion duly made by Chairman Day and unanimously carried, the Board approved a resolution adopting the 2024 budget, certifying a General Fund mill levy of 15.000 mills, and appropriating funds as set forth in the Budget.
2024 Budget Hearing for District No. 4	Ms. Fritsche reported that the meeting had been published in the <i>Canon City Daily Record</i> as the District's public hearing on its proposed 2024 budget. Chairman Day opened the public hearing. There being no members of the public wishing to comment, Chairman Day closed the

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public hearing. Ms. Monroe reviewed the draft 2024 budget. Upon motion duly made by Chairman Day and unanimously carried, the Board approved a resolution adopting the 2024 budget, certifying a General Fund mill levy of 10.000 mills, and appropriating funds as set forth in the Budget.

Development Update The Board and Ms. Fritsche discussed the status of development and future planning.

November 2023
TABOR Elections Ms. Fritsche discussed the November 7, 2023 TABOR Elections. Ballots are due to the Designated Election Office by 7:00 p.m. on Election Day.

Terminations of
Funding and
Reimbursement
Agreements Upon motion duly made by Chairman Day and unanimously carried, the Board ratified the following:

- Termination of Funding and Reimbursement Agreement between Cottage Capital Partners, LP and District No. 1;
- Termination of Funding and Reimbursement Agreement between Cottage Capital Partners, LP and District No. 2; and
- Termination of Funding and Reimbursement Agreement between Cottage Capital Partners, LP and District No. 3

Terminations of
Infrastructure
Acquisition
Agreements Upon motion duly made by Chairman Day and unanimously carried, the Board ratified the following:

- Termination of Infrastructure Acquisition Agreement between Cottage Capital Partners, LP and District No. 1;
- Termination of Infrastructure Acquisition Agreement between Cottage Capital Partners, LP and District No. 2; and
- Termination of Infrastructure Acquisition Agreement between Cottage Capital Partners, LP and District No. 3

Consolidated 2024
Annual Administrative
Matters Resolution Ms. Fritsche discussed a number of administrative matters with the Board, in accordance with Colorado laws.

Ms. Fritsche reviewed the Districts' Consolidated Annual Administrative Resolution for 2024 including the following provisions, in addition to other administrative actions providing direction from the Board:

The Board determines that each Director shall not receive compensation for services as Directors.

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The Board determined to continue to use the *Canon City Daily Record* as the newspaper of general circulation within the boundaries of the Districts for legal publications.

The Board determines to hold regular meetings in 2024 on the fourth Monday of every other month at 2:00 p.m.

The Board appoints Mandi G. Kirk with Fritsche Law as the “Designated Election Official” of the Board for any elections to be held during 2024 and any subsequent year.

The Board designates the Board President as the Official Custodian of District Records.

The Board continues the engagement of Fritsche Law LLC to provide legal services and Accounting Associates, LLC to provide accounting services to the District.

Upon a motion duly made by Chairman Day and unanimously carried, the Board adopted the 2024 Consolidated Administrative Resolution, as amended.

Resolutions
Determining not to
Provide Workers’
Compensation
Insurance Coverage

The Colorado Department of Labor & Employment, Division of Workers’ Compensation (the “Division”), has requested that the Boards annually adopt a formal resolution and file Form WC44 to acknowledge the Board’s decision not to provide Workers’ Compensation Insurance to its uncompensated elected officials. Upon a motion duly made by Chairman Day, and unanimously carried, the Board adopted resolutions waiving Workers’ Compensation coverage for the Directors for 2024.

Appointment of New
Directors

Upon a motion duly made by Chairman Day, and unanimously carried, the following individuals were appointed to the four vacancies on each Board of Directors:

- Byron Elliott – terms until May 2025
- Johnathan Sims – terms until May 2025
- Norah Lile – terms until May 2027 (must run for remainder of terms in 2025)
- Thomas J. Lile – terms until May 2027 (must run for remainder of terms in 2025)

Officer Elections

Upon a motion duly made by Chairman Richard Day, seconded by Director Byron Elliott and unanimously carried, the Board elected the following Officers:

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Chairman/President: Byron Elliott
Vice President: Johnathan Sims
Treasurer: Norah Lile
Secretary: Thomas J. Lile
Assistant Secretary: Richard Day

Resolutions Re: Bank
Matters and Account
Signatories

Upon a motion duly made by Director Day, seconded by Director Elliott and unanimously carried, the Board approved Resolutions:

- Continuing the authorization of Accounting Associates, LLC to maintain the necessary and appropriated accounts for each District with INBank, Colorado;
- Authorizing the future use of INBank online billpay or ACH, Bill.com and/or other similar platforms for payment of invoices;
- Withdrawal of funds from any of the Districts' bank accounts shall require the electronic authorization of one Board member;
- Authorized the following Directors to sign checks and other documents on all District financial accounts: Byron Elliott and Norah Lile; and
- Formally removing all other current or previous authorized signatories from the Districts' Bank accounts.

Meeting Schedule for
2024

The Board determined to hold consolidated regular Board meetings at 2:00 p.m. on the fourth Monday of every other month: January 22, March 25, May 27, July 22, September 23 and November 25, 2024.

Adjournment

There being no further business to come before the Board, the meeting was adjourned.

Thomas J. Lile

Thomas J. Lile (Jan 4, 2025 07:34 MST)

Secretary for the Meeting

2023-10-26 Spec Minutes

Final Audit Report

2025-01-04

Created:	2025-01-03
By:	Mandi Kirk (mandi@fritschelaw.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAXrG9A5NEwsO8l3acDQtI4aKplj-Or5c

"2023-10-26 Spec Minutes" History

-  Document created by Mandi Kirk (mandi@fritschelaw.com)
2025-01-03 - 6:11:22 PM GMT
-  Document emailed to TJ Lile (tj@4mileranch.co) for signature
2025-01-03 - 6:11:27 PM GMT
-  Email viewed by TJ Lile (tj@4mileranch.co)
2025-01-04 - 2:33:19 PM GMT
-  Signer TJ Lile (tj@4mileranch.co) entered name at signing as Thomas J. Lile
2025-01-04 - 2:34:21 PM GMT
-  Document e-signed by Thomas J. Lile (tj@4mileranch.co)
Signature Date: 2025-01-04 - 2:34:23 PM GMT - Time Source: server
-  Agreement completed.
2025-01-04 - 2:34:23 PM GMT