



**MINUTES OF REGULAR MEETINGS
OF THE BOARDS OF DIRECTORS OF THE
WOODMEN HEIGHTS METROPOLITAN DISTRICT NOS. 1, 2 and 3
OCTOBER 7, 2020 AT 1:00 P.M.**

Pursuant to posted notice, the joint meeting of the Boards of Directors of the Woodmen Heights Metropolitan District Nos. 1, 2 and 3 was held on Wednesday, October 7, 2020 at 1:00 p.m., at 102 E. Pikes Peak Avenue, Suite 200, Colorado Springs, Colorado and via video and telephone conference.

In attendance were Directors:

Lindsay Case, President
Les Krohnfeldt, Vice President/Treasurer
Randle W. Case II, Asst. Secretary
James Morley, Secretary (by phone)
Kyle Geditz, Asst. Secretary

Also in attendance were:

Kevin Walker, WSDM
K. Sean Allen, Esq., White Bear Ankele Tanaka & Waldron (by phone)
Kyle Thomas, DA Davidson (by phone)
Tiffany Lu Leichman, Sherman Howard (by phone)

Combined Meeting:

The Boards of Directors of the Districts have determined to hold a joint meeting of the Districts and to prepare joint minutes of actions taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be the action of all 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 at 1:00 p.m. by President Case.

2. Declaration of Quorum/Director Qualifications/Disclosure Matters:

President Case indicated that a quorum of the Boards was present and stated that each Director has been qualified as an eligible elector of the Districts pursuant to Colorado law. The Directors confirmed their qualification. Mr. Allen advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. Walker reported that disclosures for those directors with 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 Board. Mr. Allen 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 Boards determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

3. Approval of the Agenda: Director Geditz moved to approve the Agenda; seconded by Director Krohnfeldt. Motion passed unanimously.
4. Approval of the September 2, 2020 and September 17, 2020 Minutes: Director Geditz moved to approve the September 2, 2020 and September 17, 2020 Minutes; seconded by Director Krohnfeldt. Motion passed unanimously.
5. Series 2020 Bond Refinance
 - a. Bond Resolution Authorizing the Issuance of Subordinate General Obligation Limited Tax Refunding Bonds, Series 2020B-1 and Series 2020B-2 in the estimated principal amount of \$ 14,459,000 (which amount is subject to increase or decrease as determined by the Board, or as otherwise permitted by such resolution), authorizing a Subordinate Indenture of Trust, a Bond Purchase Agreement, a Continuing Disclosure Agreement, Joint Funding Agreement, the form of Limited Offering Memorandum, other documents related to the Bonds:
 - b. Resolution Authorizing a Taxable Converting to Tax-exempt Loan in the principal amount of approximately \$35,115,000 (which amount is subject to increase or decrease as determined by the Board, or as otherwise permitted by such resolution), authorizing a Loan Agreement and other documents related to the Loan

Mr. Thomas explained they finalized the City Approval Process with City Council approving the Resolution of the refinancing. What was presented to the City was a refinancing only and a substantial amount of savings with the ability to lower the mill levy. He noted there was good support from City Council with limited questions about the transaction. Mr. Thomas discussed how they have been working on defining the current status of district development and future status of development, and accurately describing to investors. Mr. Thomas discussed the structure of the refinancing with the senior taxable loan converting to tax-exempt that refunds the majority of the debt, \$35 Million. There are also 2 series of subordinate bonds; Series 2020B-1 is a taxable that converts to tax-exempt next September. The Series 2020B-2 is tax-exempt and refunds the outstanding 2015C Bonds. He noted they are hoping to close the first week of November. Mrs. Leichman discussed the Parameters Resolution that authorizes the senior loans and series B bonds to be executed and delivered. Mr. Thomas noted the senior loan is approximately \$35,420,000, Series 2020B-1 is \$7.1 Million and Series 2020B-2 is \$6.7 Million with a combined total of \$39.3 Million. Mrs. Leichman discussed the target mill levy is about 25 mills Gallagherized if not lower depending on pricing. Mr. Allen confirmed he reviewed the Parameters Resolution. The Board agreed

to designate President Case and Director Krohnfeldt as the Board representatives with Mr. Walker assisting as a District representative.

Director Geditz moved to approve the Parameters Resolution; seconded by Director Krohnfeldt. Motion passed unanimously.

Mr. Thomas discussed the refunding dollars and how the former bonds get paid off in full. He explained the call date for the 2012 bonds is December 2021 and how the escrow account will make the final payments. The new loans and bonds will show as the only obligations of the District.

6. District Manager Report: Mr. Walker reported his office is working on the 2021 draft budgets that will be distributed to the Board for review.
7. Developer Updates: Director Krohnfeldt reported the Church will be completing their construction on the addition this month.
8. Public Comment: There was no public comment.
9. Other Business
 - a. Consider Approval of Financial Statements and Payables: Director Case II moved to accept the Financials as presented and approve the Payables; seconded by Director Geditz. Motion passed unanimously.
 - b. Consider approval of a budget amendment for 2020 to reflect the bond closing: President Case opened the public hearing. After no public comment, the public hearing was closed. Director Case II moved to amend the 2020 Budget for District No. 2 to reflect the bond closing; seconded by Director Geditz. Motion passed unanimously.
 - c. Next Regular Meeting Date – Scheduled for November 4, 2020 at 1:00 P.M.: Mr. Walker confirmed the 2021 Budget Hearing will be held at the November 4th meeting.
10. Adjournment: The Board adjourned the meeting at 1:34 p.m.

Respectfully Submitted,

By: Kristina Kulick for the Recording Secretary