

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF THE

THOMPSON CROSSING METROPOLITAN DISTRICT NO. 4

Held: Tuesday, June 11, 2019 at 7:30 a.m., at The Abundant Life Tabernacle, 5450 River Ranch Parkway, Johnstown, Colorado 80534.

Attendance:

A special meeting of the Board of Directors of the Thompson Crossing Metropolitan District No. 4 was scheduled in compliance with the laws of the State of Colorado, with the following directors in attendance:

Bruce Rau, President
Brandon Wyszynski, Secretary/Treasurer
Joel Kiesey, Assistant Secretary
Bill Stevens, Assistant Secretary

The following directors were absent (absences excused):

None

Also present were: Kevin Collins, CliftonLarsonAllen, LLP; Jennifer L. Ivey, Icenogle Seaver Pogue, P.C.; Russ Hofer, MSI; Brittney Barnett, Timberline District Consulting, LLC; Jason Pock, Oakwood Homes and the following members of the public: Phil Beedle, Lynn Beedle, Julie Sides, Rod Leopold, Deanna Leopold, Kevin Lemasters, Phil Hansen, Claudia Burgstahler, Elaine Hoffman, Shaun Mouzakis, and Ryan Wood.

Call to Order:

Director Rau, noting the presence of a quorum, called to order the special meeting of the Board of Directors of the Thompson Crossing Metropolitan District No. 4.

Director Matters/
Disclosure Matters:

Ms. Ivey then advised the Board that pursuant to Colorado law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Board then reviewed the agenda for the meeting, following which each Board member confirmed the contents of any written disclosures previously made, stating the fact and summary nature of any matters, as required under

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Colorado law, to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Director Rau disclosed his interests and association with Clayton Properties Group II, Inc., a Colorado corporation and developer within the boundaries of the District, and noted his board membership on each of Thompson Crossing Metropolitan District Nos. 3, 5, and 6. This disclosure is associated with approval of items on the agenda that may affect his interests.

Director Wyszynski disclosed his interests and association with Clayton Properties Group II, Inc., a Colorado corporation, and noted his board membership on each of the Thompson Crossing Metropolitan District Nos. 3, 5, and 6. This disclosure is associated with approval of items on the agenda that may affect his interests.

Director Stevens, a resident of and homeowner in the District, disclosed his ownership interest in his home. This disclosure is associated with approval of items on the agenda that may affect his interests.

Written disclosures of these interests had been filed with the Secretary of State and the Board prior to the meeting.

Approval of/Additions
to/Deletions from the
Agenda:

After discussion, upon motion of Director Stevens and second of Director Kiesey, the Board unanimously approved the agenda with the addition of Item 6(c)(5) – Consider Engagement of CliftonLarsonAllen LLP for the financial forecast preparation.

Public Comment For
Matters Not on the
Agenda:

Mr. Beedle stated that the trees in the enclave area are all dead.

Ms. Hoffman inquired about where meeting minutes and District information is posted for residents to access.

Ms. Leopold inquired about the timing of construction of the new pool.

Mr. Mouzakis inquired about the polling of operations and maintenance expenses of the District and the other Thompson Crossing Metropolitan Districts.

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Ms. Beedle stated that notice to homeowners about meetings needs to be improved and that MSI only sent an email blast yesterday.

Approval of Minutes: After discussion, upon motion of Director Wyszynski and second of Director Rau, the Board approved the November 6, 2018 regular meeting minutes with Directors Kiesey and Stevens abstaining since they were not present at that meeting.

Negotiated Pay-off of 2006 Bonds/Issuance of 2019 Bonds Ms. Ivey and Director Rau reviewed with the Board the term-sheet signed by the Bondholders for the \$24,195,000 General Obligation Bonds (Limited Tax Convertible to Unlimited Tax), Series 2006 which would result in a negotiated settlement and pay-off of those bonds with over \$8,000,000 in accrued interest being written off by the bondholders.

Ms. Hutchens presented, discussed with the Board, and answered questions from members of the public on a PowerPoint presentation regarding the proposed negotiated pay-off of the 2006 Bonds and issuance of the 2019 Bonds. Ms. Hutchens discussed with the Board the significant cost savings that could be realized by the District; an estimated present value savings of \$15,000,000 - \$16,000,000 which is 60% of the refunded paramount. Ms. Hutchens discussed two possible financing scenarios and the reductions that both could yield to the District's mill levy, with one lowering the mill levy 10 mills next year and the other lowering it by 17 mills over a period of years after the surplus fund is fully funded. Ms. Hutchens also explained that if issued the new bonds would have a final maturity date of December 1, 2049, whereas the 2006 bonds are structured such that they do not have a final maturity date and current projections show that assessing the current mill levy would not pay them off until 2056.

Mss. Ivey and Hutchens and Director Rau reviewed with the Board and members of the public a proposed timeline that would result in issuance of the 2019 Bonds and pay-off of the 2006 Bonds on September 5, 2019. This includes holding a special meeting on June 25, 2019 in order to consider the Bond Purchase Settlement Agreement that the term sheet requires be executed on or before July 1, 2019.

Mss. Ivey and Hutchens and Director Rau reviewed with the Board reviewed with the Board the consultants that take part in a bond transaction and their respective roles. Proposals from three

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Financial Advisors, DA Davidson (underwriter), Bond Counsel (Sherman and Howard, LLC), Underwriter/Disclosure Counsel (Butler Snow), and CliftonLarsonAllen LLP (forecast preparation) were presented to the Board. It was also discussed with the Board that a market study would need to be completed as part of the preparation of the Limited Offering Memorandum and that MetroStudy was preparing a proposal to do this work.

After further review, discussion, and public comment, upon motion of Director Stevens and second of Director Wyszynski, the Board unanimously approved: (1) signing the term-sheet for the negotiated settlement and pay-off of the 2006 Bonds and moving forward with the issuance of the 2019 Bonds; (2) delegating the authority to Directors Kiesey and Stevens to interview the Financial Advisors and engage one of them; (3) engaging Sherman & Howard, LLC as bond counsel; (4) engaging CliftonLarsonAllen LLP to prepare the financial forecast; and (5) engaging MetroStudy to prepare the market study.

Director Stevens also requested contact information for other homeowner board members that have worked with DA Davidson.

Legal Matters:

None.

Financial Matters:

Mr. Collins stated that year to date tax collection is strong and on par with past years.

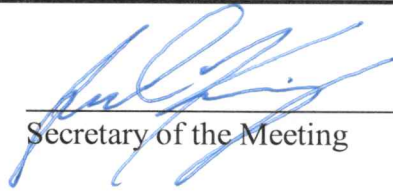
Other Business:

Director Stevens suggested a District policy that notice of meetings be sent to homeowners at least 7 business days in advance. Ms. Ivey discussed the statutory requirements for posting notice of meetings and voiced concern with the ability to accurately include an agenda that far in advance and that it is possible under the law that a meeting might be called upon less than 7 business days' notice. After discussion Ms. Ivey was directed to draft a District policy for consideration at the District's special meeting on June 25, 2019 and to send notice of that meeting out as far in advance as possible.

Adjournment:

There being no further business to come before the Board, and upon motion of Director Stevens, second of Director Wyszynski and unanimous vote, the meeting was adjourned.

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Secretary of the Meeting