

MINUTES OF A JOINT SPECIAL MEETING OF THE
BOARDS OF DIRECTORS

OF

RAINDANCE METROPOLITAN DISTRICT NOS. 1-3

Held: Monday, July 29, 2024 at 10:30 a.m.

*This meeting was held via teleconference and at 1625 Pelican
Lakes Point, Suite 201, Windsor, Colorado 80550.*

Attendance

The joint special meeting of the Boards of Directors of the Raindance Metropolitan District Nos. 1-3 was called and held in accordance with the applicable laws of the State of Colorado. The following Directors, have confirmed their qualifications to serve, were in attendance:

Martin Lind, President (District Nos. 1-3)
Justin Donahoo, Secretary/Treasurer (District Nos. 1-3)
Austin Lind, Assistant Secretary (District Nos. 1 & 2)
Garrett Scallon, Assistant Secretary (District No. 2)
Barry McGuinness, Assistant Secretary (District No. 2)
Alan MacGregor, Assistant Secretary (District No. 3)
Cindy Beemer, Assistant Secretary (District No. 3)
Ryan Scallon, Assistant Secretary (District Nos. 1 & 3)

Also present were Zachary P. White, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law (District Counsel); Gary Kerr, Lara Wynn, Water Valley Companies (District General Manager); Steve Southard, Melissa Ehrlich, Hannah Barker, Advance HOA (District Manager); Jonathan Heroux and Blaine Hawkins, Piper Sandler & Co., Shannon Fuller, Haynie & Company, District Auditor; and members of the public.

Call to Order/Declaration of
Quorum

It was noted that a quorum of the Boards was present, and Director Martin Lind called the meeting to order and appointed Legal Counsel to direct the meeting.

Conflict of Interest
Disclosures

Mr. Ankele advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. White reported that disclosures for those directors that provided White Bear White 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. White 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.

Combined Meetings

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.

Approval of Agenda

Mr. Ankele presented the proposed agenda to the Boards for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agenda as presented.

Public Comment

None.

Consent Agenda

Mr. White reviewed the items on the consent agenda with the Boards. Mr. White advised the Boards that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, adopted, accepted, and ratified:

- Minutes from the June 20, 2024, Joint Special Meeting

Operations Matters

General Operations Matters

Mr. Southard presented to the Boards results of a survey regarding use of District parks for organized sports. The results were overwhelmingly opposed to organized sports in the parks. The Boards determined not to make changes to the Recreation Amenities Use Policy. The Boards directed Mr. Southard to discuss with the School District whether the new elementary school fields could be used for this purpose.

Raindance River Resort

None.

Water System Operations

None.

Capital Matters

None.

Legal Matters

None.

Bond Matters

Presentation re Bond Refinancings (District Nos. 2 & 3)

Mr. Heroux, acting as the Districts financial advisor, provided a presentation regarding Bond Refinancings attached hereto as Attachment 1 and discussed refinancing matters with the Boards of District Nos. 2 & 3. The Districts expect to receive a rating and will consider approving the proposed refinance at a later date.

Financial Matters

Review of Payables/Financials

Mr. Kerr presented the Payables and Financials to the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the payables and financials.

Conduct Public Hearings on 2024 Budget Amendments and Consider Adoption of Resolutions Amending 2024 Budget

Director Martin Lind opened the public hearing on the 2024 Budget Amendments. Mr. White noted that the notice of public hearing was provided in accordance with Colorado Law. No written objections were received prior to the meeting. There being no public comment, the hearings were closed.

Mr. White reviewed the Resolution Amending the 2024 Budget with the Board of District No. 1. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously adopted the resolution amending the Capital Projects Fund to \$15,215,000, and the Enterprise Fund to \$10,895,000.

Presentation and Consider Acceptance of 2023 Audits

Ms. Fuller presented the 2023 Audits to the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the 2023 audits subject to final legal review and receipt of clean audits.

Other Business

Adjourn

There being no further business to come before the Boards, and following discussion and upon a motion duly made, seconded, and unanimously carried, the Boards determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.


Justin Donahoo (May 22, 2025 15:40 MDT)

Secretary for the Meeting Districts

The foregoing minutes were approved on the 17th day of October 2024.

Attachment 1

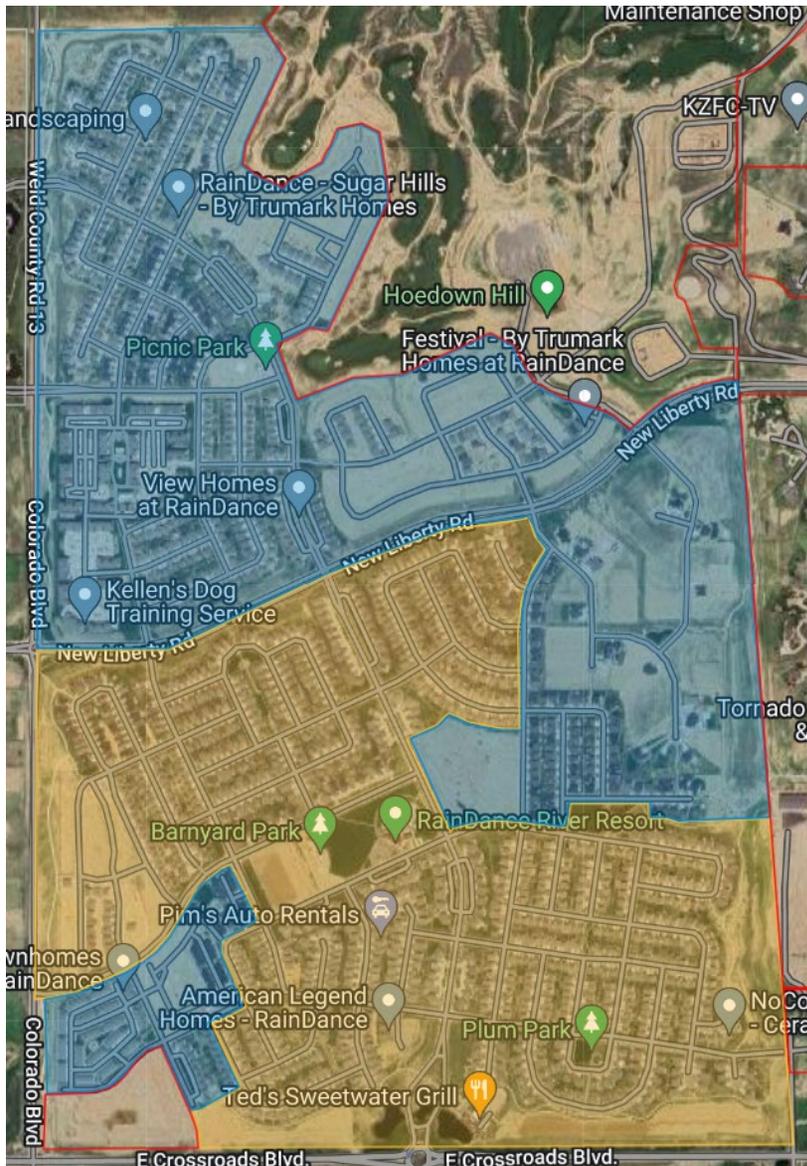
Raindance Metropolitan District No. 2

Refinancing Summary
July 2024

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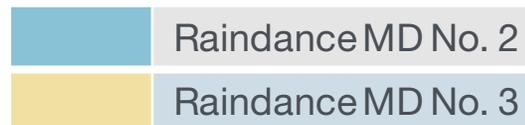
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Raindance Metropolitan District No. 2 & No. 3



OVERVIEW & HISTORY

- Nearly built-out primarily residential community
- MD No. 2 has 2 series of bonds outstanding, totaling just under \$23.9M in par value:
 - Series 2019A with \$19.3M outstanding
 - Series 2019B with \$4.6M outstanding
- MD No. 3 has 2 series of bonds outstanding, totaling just under \$19.2M in par value:
 - Series 2019A with \$16.4M outstanding
 - Series 2019B with \$2.8M outstanding
- This presentation is intended to discuss a potential refinancing that would allow the District MD No. 2 and MD No. 3 to accomplish the following items:
 - Refund all outstanding debt
 - Lower the blended interest rate on the outstanding debt
 - Lower the debt service mill levy;
 - Lower tax payments for the residents;
 - Provides additional savings that could allow residents to improve neighborhood amenities



¹ Estimated as of July 9, 2024

Existing Debt Structure

	Raindance Metropolitan District No. 2		Raindance Metropolitan District No. 3	
	Series 2019A	Series 2019B	Series 2018A	Series 2018B
Date Issued	December 20, 2019		May 17, 2018	
Par Amount at Issuance	\$19,310,000	\$4,575,000	\$16,450,000	\$2,840,000
Outstanding Principal	\$19,310,000	\$4,575,000	\$16,370,000	\$2,840,000
Interest Rate	4.96% ¹	7.50%	5.750%	8.125%
First Call Date	12/01/2024	12/15/2024	12/1/2023	12/15/2023
Final Maturity	12/01/2049	12/15/2049	12/01/2047	12/15/2047

¹Net Interest Cost

Summary of Refinancing

	Refunding Bonds
Description	Investment Grade Rated and Insured Bond Issuance
Purpose	Refund all outstanding debt at Raindance MD No. 2 and Raindance MD No. 3
Issuance	Series 2024
Par Amount	\$42,945,000
Interest Rate¹	4.54%
Final Maturity	12/1/2054
Average Mill Levy thru Maturity	24.6 mills
Average Homeowner Savings per Year²	\$380

¹Estimated as of June 11, 2024

²As calculated through 2049 (Final Maturity of the outstanding 2019A & 2019B Bonds)

Summary of Debt Service Mill Levies by District

	District No. 2	District No. 3
2024 Debt Service Mills	47.037	48.846
2024 Annual Tax Burden¹	\$1,891	\$1,963
POST REFUNDING		
Estimated 2025 Debt Service Mills¹	37.812	37.812
Estimated 2025 Annual Tax Burden²	\$1,520	\$1,520
Average Homeowner Savings in 2025	\$371	\$444

¹Assumes an average home price of \$600,000 and a residential assessment rate of 6.70%

²Annual savings will allow homeowners the flexibility to fund additional operations, maintenance, and/or amenity expenses if desired.

Goals for Refinancing

The refunding at a high level achieves the following:

- Lowers annual debt service mill levy
- Lowers the cost of outstanding debt
- Refunding of all outstanding debt
- Potential refunding structure could include an investment grade credit rating with insurance possible
- Meaningful annual savings for homeowners
- As mentioned in the footnote on page 5, we anticipate additional funds could be available annually for residents to improve the neighborhood amenities or for other operations and maintenance expenses.

Financing Next Steps & Timeline

DATE	EVENT
July 29, 2024	Raindance MD No. 2 Board Meeting
August 23, 2024	Post Preliminary Offering Statement
September 9, 2024	Bond Pricing
September 18, 2024	Refinancing Transaction Closes
12/15/2024	<i>Certify Mill Levies for 2025 Collections</i>

Timeline reflects estimated dates based the latest timetable, subject to change

Thank you

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