

**SADDLEHORN RANCH METROPOLITAN DISTRICT NOS. 1 AND 2
NOTICE OF REGULAR BOARD MEETING AND AGENDA**

Tuesday, February 10, 2026, at 2:00 PM (MST)

This meeting will be held via teleconferencing and can be joined through the directions below:

3204 N Academy Blvd, Ste 100, Colorado Springs, CO 80917

<https://teams.microsoft.com/l/meetup-join>

Meeting ID: 259 536 135 257 09

Passcode: 65Ds7Ab3

Dial in by phone

+1 323-741-1303,,

Access code: 830 558 403#

Public Invited to Attend

SADDLEHORN RANCH METROPOLITAN DISTRICT NO 1.

Board of Directors	Title	Term Expiration
Nina Ruiz	President/Treasurer	May 2029
Raelene LeBlanc	Secretary	May 2027
Vacant	-	May 2029
Vacant	-	May 2029
Vacant	-	May 2027

SADDLEHORN RANCH METROPOLITAN DISTRICT NO 2.

Board of Directors	Title	Term Expiration
Melissa Reed	President/Treasurer/Secretary	May 2029
Vacant	-	May 2029
Vacant	-	May 2029
Vacant	-	May 2027
Vacant	-	May 2027

AGENDA

- 1. Call to Order**
- 2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures**
- 3. Approval of November 12, 2025, Board Meeting Minutes and November 12, 2025, Annual Town Hall Meeting Minutes (enclosure)**
- 4. Development Status Review**
 - a. Detention Pond Turnover status
- 5. Financial Matters**
 - a. Review and Approve Unaudited Financial Statements as of December 31, 2025 (enclosure)
 - b. Ratify approval for payables through February 10, 2026 (enclosure)
 - c. Discussion Regarding Financial Relationship between District No. 1 and District No. 2

6. Administrative / Management Matters

- a. Discussion Regarding Board Vacancies
- b. Review and consider approval to engage Special Counsel (enclosure)
- c. Review and consider approval for Tank Cleaning Proposal (enclosure)

7. Water Operations

- a. Review and discuss treatment facility status
- b. Review ORC Report

8. Adjourn – Next meeting March 10, 2025 at 2:00 pm

YSDM MANAGERS

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**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
 SADDLEHORN RANCH METROPOLITAN DISTRICT NOS. 1 AND 2
 HELD WEDNESDAY, NOVEMBER 12, 2025
 AT 2:00 pm**

Pursuant to posted notice, the regular meeting of the Combined Board of Directors of the Saddlehorn Ranch Metropolitan District Nos. 1 and 2 was held on November 12th, 2025, at 2:00 pm via tele/videoconference: <https://video.cloudoffice.avaya.com/join/370748435>.

Attendance:

In attendance were Directors:

Name	Title	Term Expiration
Nina Ruiz, D1	President/Treasurer	May 2029
Raelene LeBlanc, D1	Secretary	May 2027
Melissa Reed, D2	President/Secretary/Treasurer	May 2029

Also in attendance were:

Rebecca Harris,	WSDM Managers
Jason Nienhouse,	Gorilla Capital
Members of the Public	

1. Call to Order:

The meeting was called to order at 2:27 pm by Mrs. Harris.

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

Mrs. Harris indicated that a quorum of the Boards was present, stating that each Director has been qualified as an eligible elector of the District pursuant to Colorado law. The Directors confirmed their qualifications. Mrs. Harris informed the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mrs. Harris 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. Mrs. Harris inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest regarding any matters scheduled for discussion at the meeting. No additional disclosures were noted. The Board determined that the participation of the members present was necessary to obtain quorum or otherwise enable the Board to act.

3. Approval of July 25, 2025, Board Meeting minutes: After review Director LeBlanc, moved to approve the minutes for District No 1 as presented; seconded by President Ruiz, motion passed unanimously.

President Reed moved to approve the minutes for District No. 2 as presented, motion passed unanimously.

4. Development Status Review: Director LeBlanc provided an update on development and noted they are working on getting builders and phase 1 detention facilities are being finalized.

5. Financial Matters:

- a. Review and approve unaudited financial statements as of October 31, 2025:

Ms. Harris presented the unaudited financials for District No. 1. After review, Director LeBlanc moved to approve the unaudited financials as presented; seconded by President Ruiz, motion passed unanimously.

Ms. Harris presented the unaudited financials for District No. 2. After review President Reed moved to approve the unaudited financials as presented, motion passed unanimously.

- b. Ratify approval for payables through November 12, 2025: Ms. Harris presented the payables through November 12, 2025 noting bills are significantly behind and Ms. Gonzales and Ms. Reed are working together to transfer money from the ColoTrust account to the Operations. After discussion Director LeBlanc moved to approved the payables pending funds available through November 12, 2025; seconded by President Ruiz. Motion passed unanimously.
- c. Public Hearing on Amended 2025 Budget: No amendment was needed for the 2025 budget.
- d. Public Hearing on District No. 1 2026 Budget
 - i. Consider Adoption of Resolution Approving the 2026 Budget and Certifying Mill levies for District No. 1
Director LeBlanc moved to enter into public hearing at 2:52 pm; seconded by President Ruiz, motion passed unanimously.
Ms. Harris reviewed District No. 1 proposed 2026 Budget. No public comment.
Director LeBlanc moved to close the public hearing at 2:55 pm; seconded by President Ruiz. Motion passed unanimously.
After discussion, Director LeBlanc moved to adopt the 2026 Resolution approving the 2026 Budget and certifying mill levies subject to final assessed valuation; seconded by President Ruiz. Motion passed unanimously.
- e. Public Hearing on District No. 2 2026 Budget
 - i. Consider Adoption of Resolution Approving the 2026 Budget and Certifying Mill levies for District No. 2
President Reed moved to enter into public hearing at 3:10 pm, motion passed unanimously.
Ms. Harris reviewed District No. 2 proposed 2026 Budget. No public comment.
President Reed moved to close the public hearing at 3:19 pm. Motion passed unanimously.
After discussion, President Reed moved to adopt the 2026 Resolution approving the 2026 Budget and certifying mill levies subject to final assessed valuation. Motion passed unanimously.
- f. Discuss funding for the Districts: Ms. Harris discussed that WSDM office and legal counsel are working on changing the flow of funds to help make it more understandable and efficient.
- g. Discuss Bank account status: Ms. Gonzales from WSDM is working with the Board to finalize the bank account setup.

6. Administrative Matters

- a. Review and consider approval of Wisdom Management Engagement letter: After discussion Director LeBlanc moved to approved; seconded by President Ruiz. Motion passed unanimously for District No. 1. President Mrs. Reed motioned to approve. Passed unanimously for District No. 2
- b. Consider approval of updated WBA Engagement letter per HB25-1090: After discussion Director LeBlanc moved to approved; seconded by President Ruiz. Motion passed unanimously for District No. 1. President Mrs. Reed motioned to approve. Passed unanimously for District No. 2
- c. Discuss and consider approval of Joint 2026 Annual Administrative Resolution
 - i. Discuss 2026 Meeting schedule and make a determination regarding separate meetings: After discussion both District No. 1 and District No. 2 agree to schedule monthly meetings on the 2nd Tuesday of each month at 2:00 pm and the Annual meeting to be scheduled for June. Director LeBlanc moved to approved; seconded by President Ruiz. Motion passed unanimously for District No. 1. President Mrs. Reed motioned to approve. Passed unanimously for District No. 2
After discussion Director LeBlanc moved to approve the Joint 2026 Annual Administrative Resolution as discussed; seconded by President Ruiz. Motion passed unanimously for District No. 1. President Mrs. Reed motioned to approve. Passed unanimously for District No. 2
- d. Consider approval to engage BiggsKofford for 2025 Audit: After discussion Director LeBlanc moved to approve the engagement with Biggskofford 2025 Audit; seconded by President Ruiz. Motion passed unanimously for District No. 1. President Mrs. Reed motioned to approve. Passed unanimously for District No. 2
- e. Discuss and approve authorization of 2026 SDA Membership: Ms. Harris reviewed the benefits of the SDA membership. After discussion Director LeBlanc moved to approve; seconded by President Ruiz. Motion passed unanimously for District No. 1. President Mrs. Reed motioned to approve. Passed unanimously for District No. 2
- f. Review and consider approval of 2026 General Liability Coverage with CSDPool: Ms. Harris reviewed the renewal of Insurance coverage. After discussion Director LeBlanc moved to approve; seconded by President Ruiz. Motion passed unanimously for District No. 1. President Mrs. Reed motioned to approve. Passed unanimously for District No. 2
- g. Review and consider approval of Workers' compensation coverage with CSDPool: Ms. Harris reviewed the purpose of Worker's compensation coverage for the Board members. After discussion Director LeBlanc moved to approve; seconded by President Ruiz. Motion passed unanimously for District No. 1. President Mrs. Reed motioned to approve. Passed unanimously for District No. 2
- h. Approval of Joint Resolution Designating 2026 meeting notice posing locations: Mrs. Harris and Mrs. Tate reviewed the Resolution. After discussion Director LeBlanc moved to approved; seconded by President Ruiz. Motion passed unanimously for District No. 1. President Mrs. Reed motioned to approve. Passed unanimously for District No. 2

7. Water Operations

- a. Discuss water chlorine levels: Ms. Harris reviewed that chlorine levels went up during a leak at a property. The levels were still within regulatory limits with the state, however the ORC flushed the main lined to help bring levels back down. Management posted on the website and sent an email notice to residents recommending they run every faucet in their home for about 3 – 4 minutes to flush out their lines as well.
- b. Discuss storm detention facilities: Ms. Harris provided a brief update that the developer is working on finalizing acceptance with El Paso County on detention facilities and then will begin the conveyance process to the Metro District to own and maintain.
- c. Discuss status of Water system with state: Ms. Harris informed everyone that the system is now registered as a public water system and the state has toured the facility and we have begun with scheduled testing that is required by the state.

8. Adjourn: Director Ruiz and President Reed motioned to adjourn the meeting at 4:14 pm. Seconded by President LeBlanc. Motion passed unanimously.

Submitted by: Recording Secretary

THESE MINUTES ARE APPROVED AS THE OFFICIAL NOVEMBER 12, 2025, REGULAR MEETING MINUTES OF THE SADDLEHORN RANCH METROPOLITAN DISTRICT NOS 1 AND 2

Approved by: Secretary of the Board

YSDM MANAGERS

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Saddlehorn Ranch Metropolitan District No. 1

Balance Sheet

01/09/26

As of December 31, 2025

Accrual Basis

	<u>Dec 31, 25</u>
ASSETS	
Current Assets	
Checking/Savings	
Eastern Colorado Bank 3721	6,619.56
Total Checking/Savings	6,619.56
Accounts Receivable	
Accounts Receivable	43,427.76
Total Accounts Receivable	43,427.76
Total Current Assets	50,047.32
TOTAL ASSETS	50,047.32
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	28,755.80
Total Accounts Payable	28,755.80
Other Current Liabilities	
Due to District 2	46,865.00
Prepaid Assessments	716.31
Total Other Current Liabilities	47,581.31
Total Current Liabilities	76,337.11
Total Liabilities	76,337.11
Equity	
Retained Earnings	-48,410.95
Net Income	22,121.16
Total Equity	-26,289.79
TOTAL LIABILITIES & EQUITY	50,047.32

UNAUDITED

Saddlehorn Ranch Metropolitan District No. 1
Profit & Loss Budget vs. Actual
 January through December 2025

General Fund

	TOTAL				
	<u>Dec 25</u>	<u>Jan - Dec 25</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense					
Income					
Intergovernmental Income	0.00	0.00	35,542.00	-35,542.00	0.0%
SHRBA Fee Income	35.31	292.44	344.00	-51.56	85.01%
Status Letter Fee	0.00	0.00	450.00	-450.00	0.0%
Developer Advance	0.00	66,400.00	30,000.00	36,400.00	221.33%
Trash Fee	366.30	2,032.84	3,320.00	-1,287.16	61.23%
Total Income	<u>401.61</u>	<u>68,725.28</u>	<u>69,656.00</u>	<u>-930.72</u>	<u>98.66%</u>
Expense					
Landscape Maintenance	0.00	400.00			
Accessibility Compliance	0.00	0.00	3,500.00	-3,500.00	0.0%
Accounting/Audit	0.00	-9,600.00	10,750.00	-20,350.00	-89.3%
Bank Service Charge	14.61	62.78	1,500.00	-1,437.22	4.19%
Contingency	0.00	0.00	10,000.00	-10,000.00	0.0%
Copies & Postage	13.40	85.04			
District Management	1,820.00	22,453.66	23,400.00	-946.34	95.96%
Dues & Subscriptions (SDA)	0.00	828.15	3,000.00	-2,171.85	27.61%
Elections	0.00	4,380.87	10,000.00	-5,619.13	43.81%
Insurance	0.00	3,443.00	3,377.00	66.00	101.95%
Legal	811.80	18,526.22	27,000.00	-8,473.78	68.62%
Trash	336.13	2,975.93	3,320.00	-344.07	89.64%
Total Expense	<u>2,995.94</u>	<u>43,555.65</u>	<u>95,847.00</u>	<u>-52,291.35</u>	<u>45.44%</u>
Net Ordinary Income	<u>-2,594.33</u>	<u>25,169.63</u>	<u>-26,191.00</u>	<u>51,360.63</u>	<u>-96.1%</u>
Other Income/Expense					
Other Income					
Other Income					
Interest Income	0.00	0.26			
Total Other Income	<u>0.00</u>	<u>0.26</u>			
Total Other Income	<u>0.00</u>	<u>0.26</u>			
Net Other Income	<u>0.00</u>	<u>0.26</u>	<u>0.00</u>	<u>0.26</u>	<u>100.0%</u>
Net Income	<u><u>-2,594.33</u></u>	<u><u>25,169.89</u></u>	<u><u>-26,191.00</u></u>	<u><u>51,360.89</u></u>	<u><u>-96.1%</u></u>

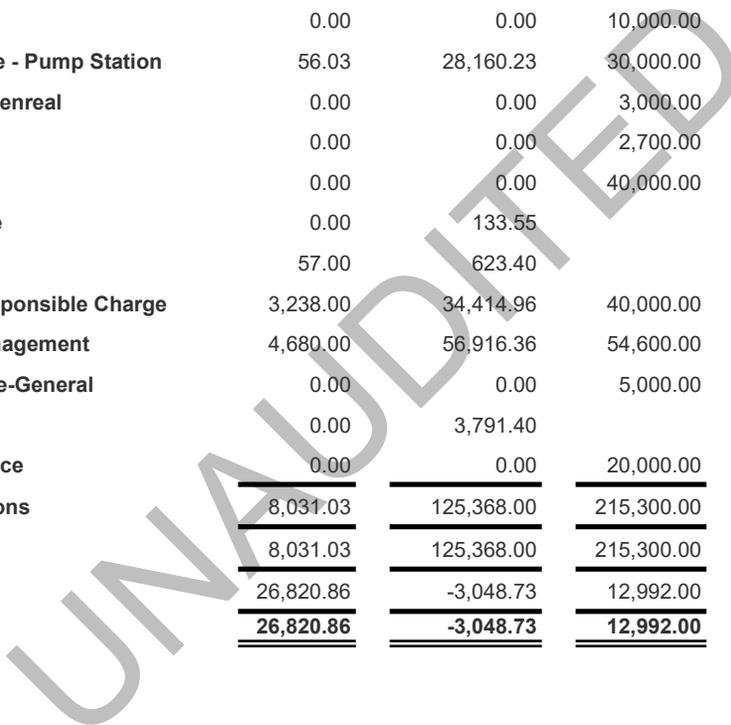
Saddlehorn Ranch Metropolitan District No. 1

Profit & Loss Budget vs. Actual

January through December 2025

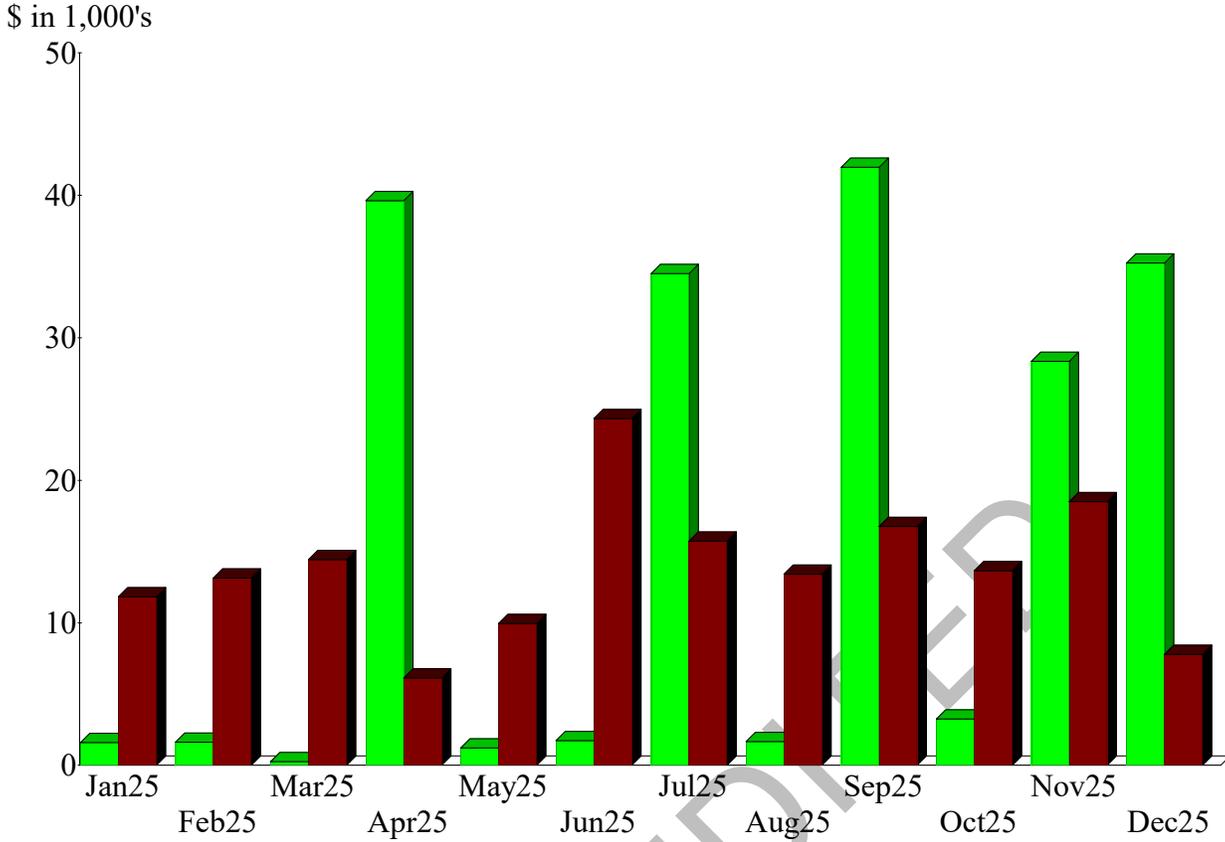
Water Enterprise Fund

	TOTAL				
	Dec 25	Jan - Dec 25	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
Transfer From District 2	0.00	0.00	200,000.00	-200,000.00	0.0%
Intergovernmental Income	33,033.05	102,283.05			
Base Water Service Charge	800.00	6,166.05	12,000.00	-5,833.95	51.38%
Tiered Water Usage	1,018.84	13,870.17	16,292.00	-2,421.83	85.14%
Total Income	<u>34,851.89</u>	<u>122,319.27</u>	<u>228,292.00</u>	<u>-105,972.73</u>	<u>53.58%</u>
Expense					
Water Operations					
Chemicals	0.00	1,328.10	10,000.00	-8,671.90	13.28%
Contingency	0.00	0.00	10,000.00	-10,000.00	0.0%
Energy Expense - Pump Station	56.03	28,160.23	30,000.00	-1,839.77	93.87%
Engineering - Genreal	0.00	0.00	3,000.00	-3,000.00	0.0%
General Legal	0.00	0.00	2,700.00	-2,700.00	0.0%
Insurance	0.00	0.00	40,000.00	-40,000.00	0.0%
Locate Expense	0.00	133.55			
Meters	57.00	623.40			
Operator in Responsible Charge	3,238.00	34,414.96	40,000.00	-5,585.04	86.04%
Operations Management	4,680.00	56,916.36	54,600.00	2,316.36	104.24%
Repairs-Pipeline-General	0.00	0.00	5,000.00	-5,000.00	0.0%
Water Testing	0.00	3,791.40			
WTP Maintenance	0.00	0.00	20,000.00	-20,000.00	0.0%
Total Water Operations	<u>8,031.03</u>	<u>125,368.00</u>	<u>215,300.00</u>	<u>-89,932.00</u>	<u>58.23%</u>
Total Expense	<u>8,031.03</u>	<u>125,368.00</u>	<u>215,300.00</u>	<u>-89,932.00</u>	<u>58.23%</u>
Net Ordinary Income	<u>26,820.86</u>	<u>-3,048.73</u>	<u>12,992.00</u>	<u>-16,040.73</u>	<u>-23.47%</u>
Net Income	<u><u>26,820.86</u></u>	<u><u>-3,048.73</u></u>	<u><u>12,992.00</u></u>	<u><u>-16,040.73</u></u>	<u><u>-23.47%</u></u>



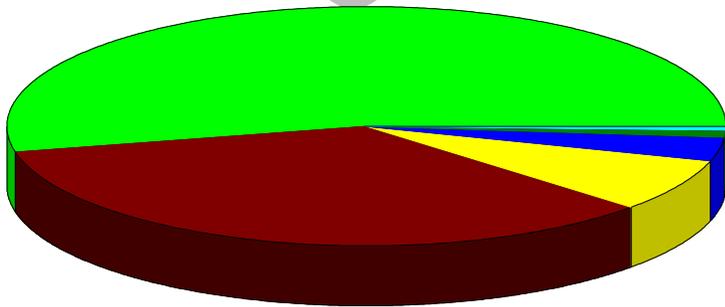
Income and Expense by Month
January through December 2025

Income
Expense



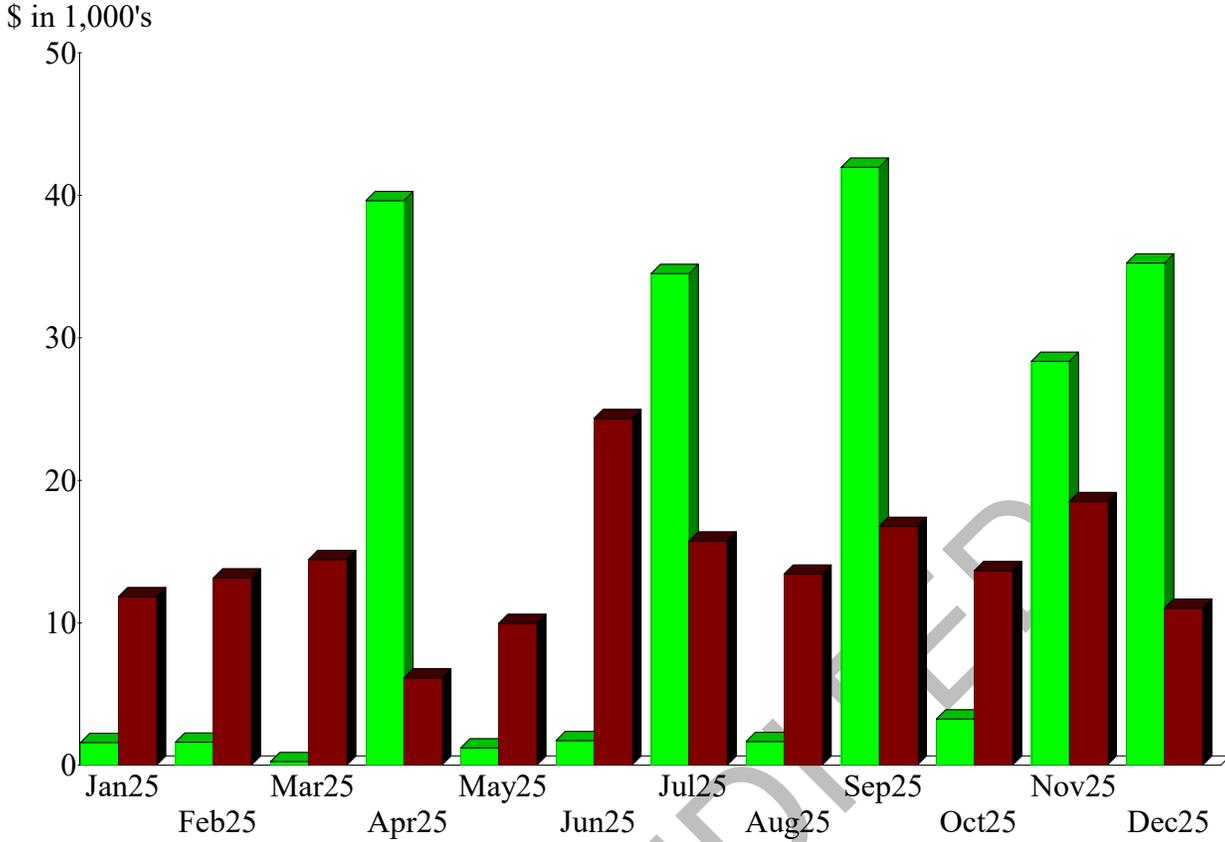
Income Summary
January through December 2025

Intergovernmental Income	53.54%
Developer Advance	34.76
Tiered Water Usage	7.26
Base Water Service Charge	3.23
Trash Fee	1.06
SHRBA Fee Income	0.15
Other Income	0.01
Total	\$191,044.81



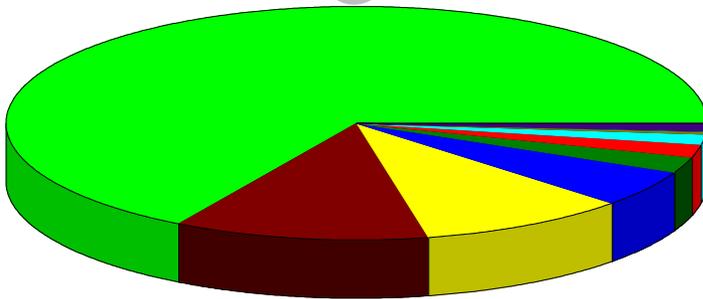
Income and Expense by Month
January through December 2025

Income
Expense



Expense Summary
January through December 2025

Water Operations	70.22%
District Management	12.58
Legal	10.38
Accounting/Audit	\$-9,600.00
Elections	2.45
Insurance	1.93
Trash	1.67
Dues & Subscriptions (SDA)	0.46
Landscape Maintenance	0.22
Copies & Postage	0.05
Bank Service Charge	0.04
Sub-Total	\$168,923.65



Saddlehorn Ranch Metropolitan District No. 2

Balance Sheet

01/09/26

As of December 31, 2025

Accrual Basis

	<u>Dec 31, 25</u>
ASSETS	
Current Assets	
Checking/Savings	
Eastern Colorado Bank	77,210.28
Colo Trust	118,674.98
UMB Bond Fund 161000.1	90.78
Total Checking/Savings	<u>195,976.04</u>
Other Current Assets	
Property Tax Receivable	245,846.00
Due From District #1	37,265.00
Total Other Current Assets	<u>283,111.00</u>
Total Current Assets	<u>479,087.04</u>
Fixed Assets	
Construction In Process	8,706,523.00
Total Fixed Assets	<u>8,706,523.00</u>
TOTAL ASSETS	<u>9,185,610.04</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	35,221.00
Total Accounts Payable	<u>35,221.00</u>
Other Current Liabilities	
Deferred Property Tax Revenue	245,846.00
Total Other Current Liabilities	<u>245,846.00</u>
Total Current Liabilities	<u>281,067.00</u>
Long Term Liabilities	
Accrued Interest Payable	91,185.00
Series 2023(3) Bonds	9,264,000.00
Total Long Term Liabilities	<u>9,355,185.00</u>
Total Liabilities	<u>9,636,252.00</u>
Equity	
Retained Earnings	-595,654.23
Net Income	145,012.27
Total Equity	<u>-450,641.96</u>
TOTAL LIABILITIES & EQUITY	<u>9,185,610.04</u>

Saddlehorn Ranch Metropolitan District No. 2
Profit & Loss Budget vs. Actual
January through December 2025

General Fund

TOTAL

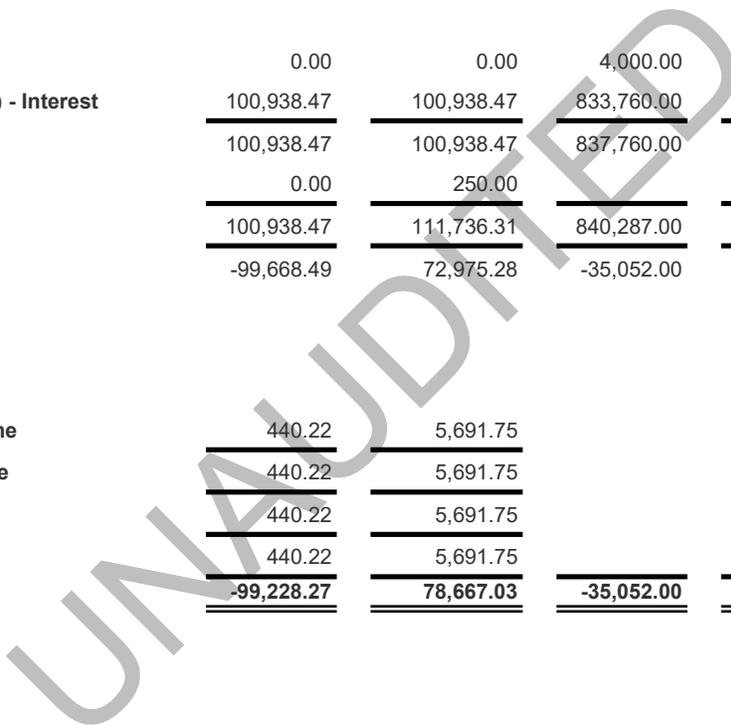
	<u>Dec 25</u>	<u>Jan - Dec 25</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense					
Income					
Delinquent Interest	0.00	281.78			
Property Tax Revenue	0.00	33,688.72	33,689.00	-0.28	100.0%
Specific Ownership Tax	254.00	2,971.83	2,358.00	613.83	126.03%
Tap Fees	0.00	175,000.00	875,000.00	-700,000.00	20.0%
Total Income	<u>254.00</u>	<u>211,942.33</u>	<u>911,047.00</u>	<u>-699,104.67</u>	<u>23.26%</u>
Expense					
Accessibility Compliance	0.00	0.00	3,500.00	-3,500.00	0.0%
Transfer to Debt Service Fund	0.00	0.00	625,000.00	-625,000.00	0.0%
Transfer to Water Operations	0.00	53,000.00	200,000.00	-147,000.00	26.5%
Treasurers Fees	0.00	509.56	505.00	4.56	100.9%
Audit	0.00	10,750.00			
Intergovernmental Expense	33,033.05	49,283.05			
Dues & Subscriptions (SDA)	0.00	1,084.48			
Insurance	0.00	30,971.00			
Total Expense	<u>33,033.05</u>	<u>145,598.09</u>	<u>829,005.00</u>	<u>-683,406.91</u>	<u>17.56%</u>
Net Ordinary Income	<u>-32,779.05</u>	<u>66,344.24</u>	<u>82,042.00</u>	<u>-15,697.76</u>	<u>80.87%</u>
Other Income/Expense					
Other Income					
Other Income					
Interest Income	0.00	1.00			
Total Other Income	<u>0.00</u>	<u>1.00</u>			
Total Other Income	0.00	1.00			
Other Expense					
Transfer to District #1	0.00	0.00	35,542.00	-35,542.00	0.0%
Total Other Expense	<u>0.00</u>	<u>0.00</u>	<u>35,542.00</u>	<u>-35,542.00</u>	<u>0.0%</u>
Net Other Income	<u>0.00</u>	<u>1.00</u>	<u>-35,542.00</u>	<u>35,543.00</u>	<u>-0.0%</u>
Net Income	<u><u>-32,779.05</u></u>	<u><u>66,345.24</u></u>	<u><u>46,500.00</u></u>	<u><u>19,845.24</u></u>	<u><u>142.68%</u></u>

Saddlehorn Ranch Metropolitan District No. 2
Profit & Loss Budget vs. Actual
January through December 2025

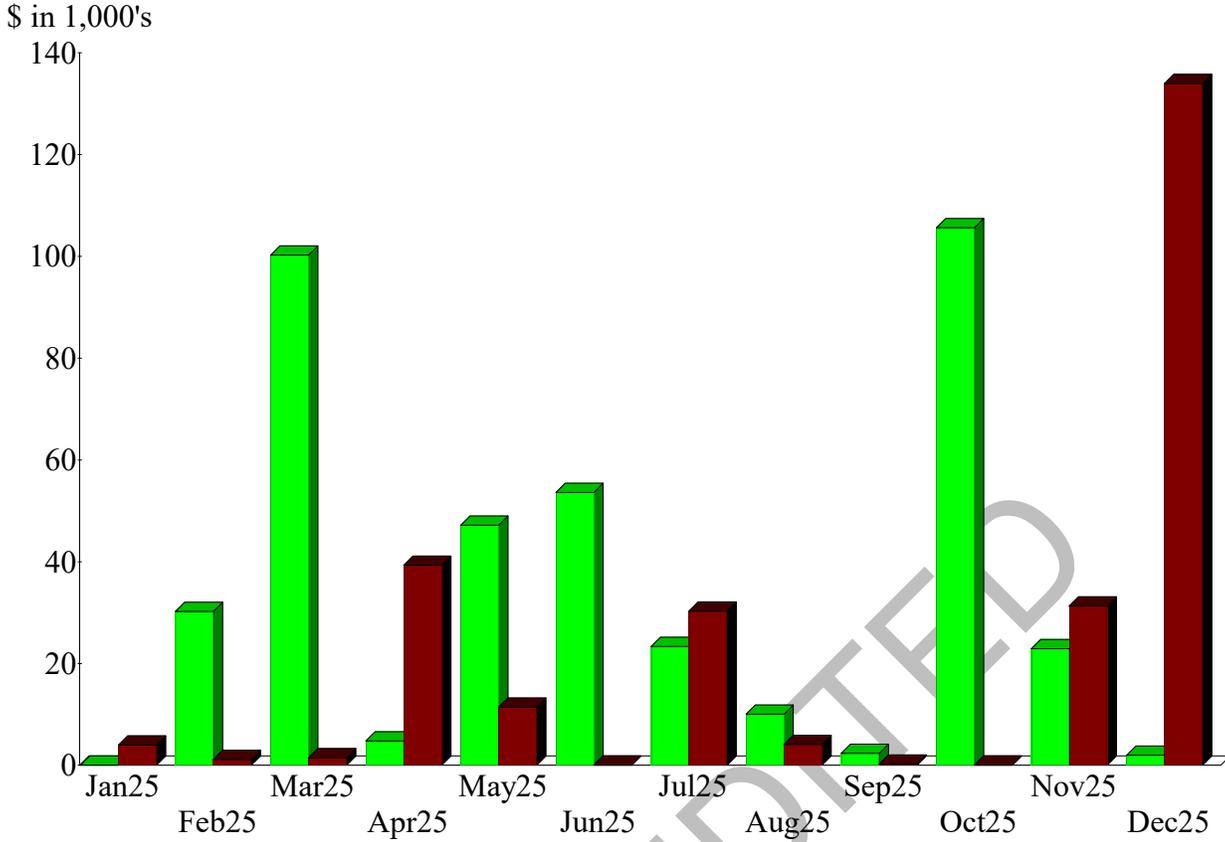
Debt Service fund

TOTAL

	<u>Dec 25</u>	<u>Jan - Dec 25</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>
Ordinary Income/Expense					
Income					
Delinquent Interest	0.00	1,408.91			
Transfer in From General Fund	0.00	0.00	625,000.00	-625,000.00	0.0%
Property Tax Revenue	0.00	168,443.59	168,444.00	-0.41	100.0%
Specific Ownership Tax	1,269.98	14,859.09	11,791.00	3,068.09	126.02%
Total Income	<u>1,269.98</u>	<u>184,711.59</u>	<u>805,235.00</u>	<u>-620,523.41</u>	<u>22.94%</u>
Expense					
Treasurers Fees	0.00	2,547.84	2,527.00	20.84	100.83%
Trustee Fee	0.00	8,000.00			
Bonds					
Trustee Fee	0.00	0.00	4,000.00	-4,000.00	0.0%
Series 2023(3) - Interest	100,938.47	100,938.47	833,760.00	-732,821.53	12.11%
Total Bonds	<u>100,938.47</u>	<u>100,938.47</u>	<u>837,760.00</u>	<u>-736,821.53</u>	<u>12.05%</u>
Insurance	<u>0.00</u>	<u>250.00</u>			
Total Expense	<u>100,938.47</u>	<u>111,736.31</u>	<u>840,287.00</u>	<u>-728,550.69</u>	<u>13.3%</u>
Net Ordinary Income	<u>-99,668.49</u>	<u>72,975.28</u>	<u>-35,052.00</u>	<u>108,027.28</u>	<u>-208.19%</u>
Other Income/Expense					
Other Income					
Other Income					
Interest Income	440.22	5,691.75			
Total Other Income	<u>440.22</u>	<u>5,691.75</u>			
Total Other Income	<u>440.22</u>	<u>5,691.75</u>			
Net Other Income	<u>440.22</u>	<u>5,691.75</u>			
Net Income	<u><u>-99,228.27</u></u>	<u><u>78,667.03</u></u>	<u><u>-35,052.00</u></u>	<u><u>113,719.03</u></u>	<u><u>-224.43%</u></u>

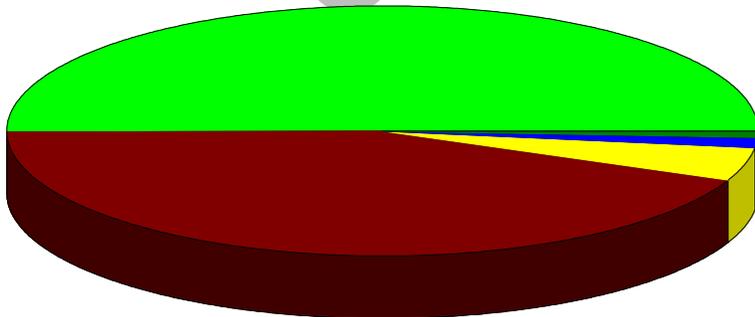


Income and Expense by Month
January through December 2025

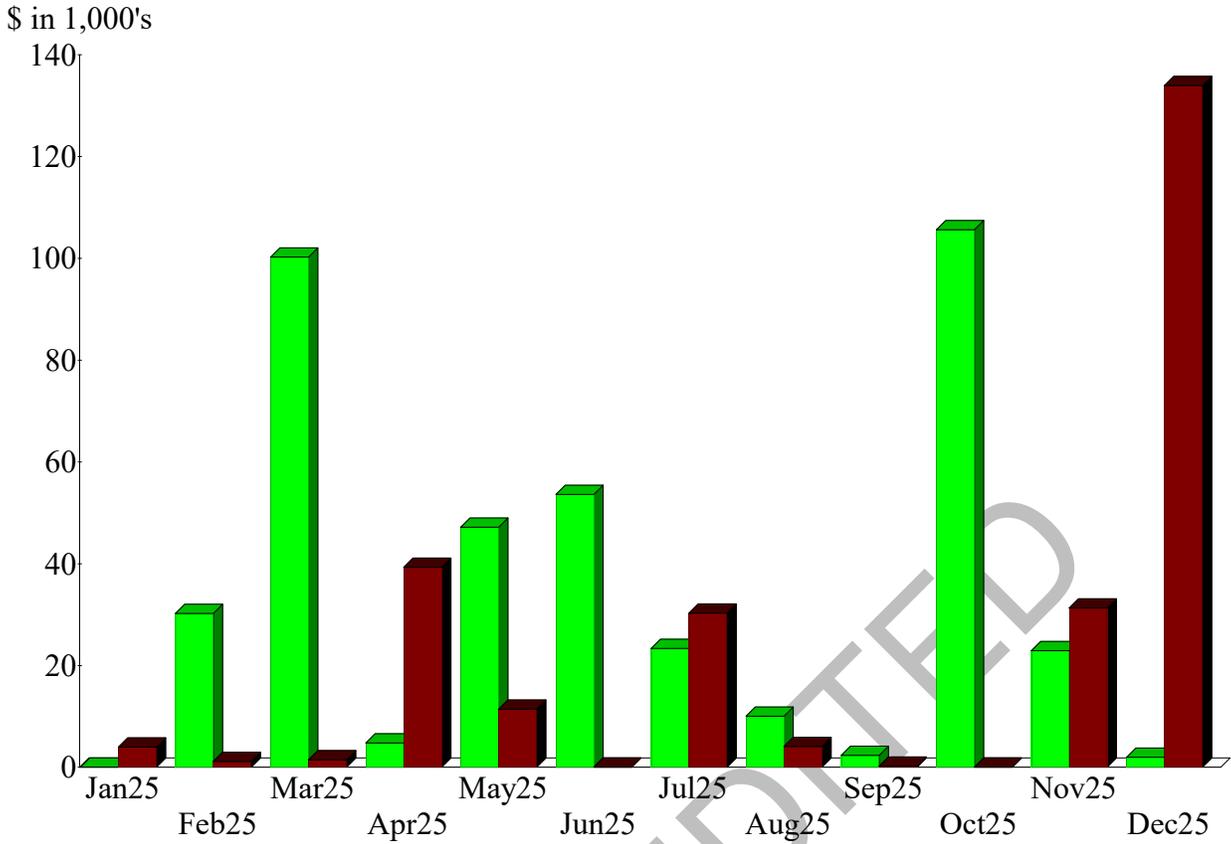


Income Summary
January through December 2025

Property Tax Revenue	50.24%
Tap Fees	43.49
Specific Ownership Tax	4.43
Other Income	1.41
Delinquent Interest	0.42
Total	\$402,346.67

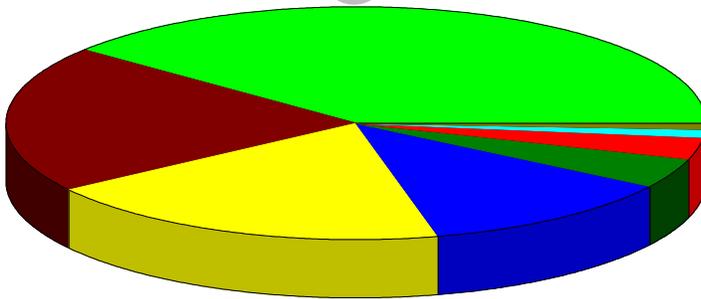


Income and Expense by Month
January through December 2025



Expense Summary
January through December 2025

Bonds	39.22%
Transfer to Water Operations	20.60
Intergovernmental Expense	19.15
Insurance	12.13
Audit	4.18
Trustee Fee	3.11
Treasurers Fees	1.19
Dues & Subscriptions (SDA)	0.42
Total	\$257,334.40



YSDM MANAGERS

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Saddlehorn Ranch Metropolitan District

Payment Request

12/29/2025

General Fund Account				
Company	Invoice	Date	Amount	Comments
HBS	FR6017807	11/30/2025	\$ 354.08	
Mailing Services Inc	21115	11/25/2025	\$ 30.60	
Mailing Services Inc	21171	12/12/2025	\$ 13.40	
White Bear Ankele Tanaka & Waldron	44091	10/31/2025	\$ 106.60	
White Bear Ankele Tanaka & Waldron	44618	11/30/2025	\$ 1,508.52	
WSDM Managers	1171	11/30/2025	\$ 1,920.23	\$76.72 in Finance Charges
Total:			\$ 3,933.43	

Total for General Fund:	\$ 3,933.43
Current District Payables	\$ (3,933.43)
Current Water Enter. Payables	\$ (16,939.29)
Current Bank Balance	\$ 5,333.10
Needed to Fund Payables	\$ (15,539.62)

Saddlehorn Ranch Metropolitan District #2

Payment Request

12/29/2025

Company	Invoice	Date	Amount	Comments
CO Special Districts Property & Liability Pool	26PL-61871-2995	11/5/2025	\$ 30,971.00	
Total:			\$ 30,971.00	

Total for District 2: \$ 30,971.00

Saddlehorn Ranch Metropolitan District

Payment Request

1/13/2026

Water Enterprise Operations Fund

Company	Invoice	Date	Amount	Comments
Lynn Willow	123125	12/31/2025	\$ 3,238.00	
MVEA	105413702	12/24/2025	\$ 2,262.74	
WSDM Managers	1227	12/31/2025	\$ 4,680.00	
Total:			\$ 10,180.74	

Total for Water Fund: \$ 10,180.74

Current District Payables	\$	(2,967.93)
Current Water Enter. Payables	\$	(10,180.74)
Current Bank Balance	\$	2,948.86
Needed to Fund Payables	\$	(10,199.81)

Saddlehorn Ranch Metropolitan District

Payment Request

1/13/2026

General Fund Account

Company	Invoice	Date	Amount	Comments
HBS	FR6099665	12/31/2025	\$ 336.13	
White Bear Ankele Tanaka & Waldron	45153	12/31/2025	\$ 811.80	
WSDM Managers	1228	12/31/2025	\$ 1,820.00	
Total:			\$ 2,967.93	

Total for General Fund: \$ 2,967.93

Current District Payables	\$ (2,967.93)
Current Water Enter. Payables	\$ (10,180.74)
Current Bank Balance	<u>\$ 2,948.86</u>
Needed to Fund Payables	<u>\$ (10,199.81)</u>

YSDM MANAGERS

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Proposal for
Collection and Covenant
Enforcement Services for

**SADDLE HORN
RANCH
METROPOLITAN
DISTRICT NO. 2**

January 28, 2026



January 28, 2026

Via E-mail (rebecca.h@wsdistricts.co)

Board of Directors
Saddle Horn Ranch Metropolitan District No. 2
c/o Rebecca Harris, WSDM Managers
3204 N Academy Blvd, #100
Colorado Springs, CO 80917

Re: *Collection and Covenant Enforcement Legal Services Proposal of Orten Cavanagh Holmes & Hunt, LLC*

Dear Members of the Board:

Thank you for your interest in the legal services of Orten Cavanagh Holmes & Hunt, LLC. We understand that Saddle Horn Ranch Metropolitan District No. 2 is seeking legal counsel for collection and covenant enforcement matters. Based on this request, we are providing our proposal.

Legal Services

Our firm's extensive collection team provides a full range of legal remedies available under the law. The department is headed by attorney Hal Kyles. Mr. Kyles has 20 years' experience in collection work and prosecuting judicial foreclosures throughout Colorado. He is well-versed in Colorado foreclosure law, including C.R.S. § 38-22-101, which is the enabling statute for special districts to foreclose their statutory liens.

Our firm also has extensive experience in covenant and rule enforcement matters, from the demand letter stage through trial and appeal.

We have a dedicated litigation/covenant enforcement department consisting of attorneys and paralegals. The department is headed by managing partner Jonah G. Hunt.

Our covenant enforcement team as well as our transactional attorneys regularly counsel clients on covenant matters even before the manager sends initial contact to the alleged violator. We have found that these initial discussions help our clients identify potential roadblocks to enforcement so that they may be addressed proactively rather than as a defense in a litigation matter.

Districts enforce covenants through their own district declarations or through an assignment from a common interest community. We are familiar with the statutory frameworks applicable to both situations.

Our operating philosophy in these matters is to seek or induce voluntary compliance from the owner if at all possible. When voluntary compliance is not obtainable, we prosecute each case diligently to trial in order to obtain compliance.

Engagement of Our Law Firm

Collection services are provided on a fixed fee basis. A schedule of fees is included with this proposal. In the event a lawsuit is contested, hourly rates apply. Covenant enforcement services are provided on an hourly basis.

Our hourly rates for 2026 for our principal attorneys range from \$390 - \$480 per hour, and the hourly paralegal rate is \$225.

To engage our firm, the District should sign and return the enclosed engagement agreement.

We welcome any questions regarding our services or our proposed engagement agreement and are available to meet or interview with you to discuss the same. We look forward to the opportunity to assist you with your collection and covenant enforcement needs.

Sincerely,



Lauren C. Holmes
ORTEN CAVANAGH HOLMES & HUNT, LLC

LCH/tls
Encl.

Orten Cavanagh Holmes & Hunt recognizes that districts and their managers desire effective and expeditious resolution of delinquency cases.

Our collection department has recovered over 3 million dollars in the preceding 12 months on behalf of our clients. This success is predicated on processes and procedures which have been refined over the years as well as a dedicated team of employees.

Our firm has an established track record of success in debt collection, including cases involving unusual or complex nuances, as well as those involving acrimonious owners.

Collection Services

- Consultation with the board and/or management
- Document review and interpretation
- Collection policy preparation or revisions
- Credit reports or skip traces
- Demand letters
- Notices of lien – recorded against the owner’s real property
- Settlement stipulations - after demand letter
- District Court lien foreclosure lawsuits
- Coordination with Sheriff and scheduling of foreclosure sales
- Deed preparation and recording
- Eviction
- Collection of monetary awards obtained
- Monthly status reports (no charge)
- Other miscellaneous collection services

Foreclosure of Lien

- Intent to Foreclose Letter – \$200
- Judicial Foreclosure Lawsuit & Lis Pendens – \$1,200
- Clerk’s Default/Dismissal – \$95 per Defendant
- Settlement Stipulation to Suspend Foreclosure – \$350
- Stipulated Motion Regarding Lien Priority – \$270
- Final Judgment and Decree – \$850
- Sheriff’s Sale Package – \$750
- Bid Letter – \$300
- Eviction Notice – \$150
- Eviction Lawsuit – \$460
- Deed Preparation – \$250
- Service by Publication – \$210
- Other Motions – Hourly
- Appearances – Hourly
- Cure Statement – \$250
- Court Ordered Case Status Report – \$150

Demand Letters and Notice of Lien

- Intake on Referrals – No Charge
- Review Title Report – \$50
- Notice of Lien – \$215
- Demand Letter – \$175
- Combined Demand Letter, Notice of Lien and Ownership & Encumbrance Report – \$405
- Payment Plan – \$150 (Limited to term of 3 months)

County Court Lawsuits

- Lawsuit – \$490
- Settlement Stipulation:
 - Term 12 Months or Less – \$250
 - Term Over 12 Months – \$350
- Combination Settlement Stipulation & Lawsuit – \$600
- Interrogatories or Contempt Citation – \$190
- Wage Garnishment – \$300
- Bank Garnishment – \$300
- Issuance of Bench Warrant – \$190
- Notice of Bench Warrant – \$100
- Obtaining Transcript of Judgment – \$90
- Appoint Military Counsel – \$210
- Entry of Default Judgment – \$180
- Contested Matters – Billed Hourly

Receiverships in Foreclosure

- Receivership – \$500
- Court Ordered Case Status Report – \$150
- Monitor Receiver Compliance – Hourly

Public Trustee Foreclosures by First Lien Lenders

- Monitor Lender Foreclosure – Hourly
- Bank as New Owner Notice Letter – \$95
- Intent to Redeem – \$300

Owner Bankruptcies

- Transfer of Claim – \$200
- Review of Bankruptcy and Ongoing Monitoring – \$350
- Proof of Claim – \$290
- Objection – \$330
- Relief from Automatic Stay – \$520
- Dismissal – \$390
- Entry of Appearance – \$110
- Appearances – Hourly

Miscellaneous Legal Services

- Lien Payoff – \$175
- Pending Sale Payoff – \$260
- Revised Payoff Letter – \$150
- Debt Verification Letter – No Charge
- Credit Reports or Skip Trace – \$85
- Response to a Fair Debt Collection Practices Act Dispute or DORA Dispute – Hourly
- Ledger Rebuilding – Hourly
- Release of Notices of Liens Filed by Others – \$110
- Monthly Status Reports – No Charge for Online Access
- Lien Assignments – \$500

Collection Costs

Costs are borne by the District.

Orten Cavanagh Holmes & Hunt recognizes that districts and their managers desire effective and expeditious resolution of covenant and rule violations.

Attorneys at our office have extensive experience in the covenant enforcement process. At every stage, our firm seeks compliance from the owner when possible. Sometimes, it only takes the act of handing the matter over to our attorneys to let the owner know that a district is taking the violation very seriously. A demand letter from our attorneys, which puts the owner on notice, frequently brings the matter to an early conclusion. Effective enforcement starts with communicating with the violator to try to get the violation corrected voluntarily.

Yet, a demand letter and/or notice of covenant violation is not always enough to accomplish compliance. At this stage we consult with the board and management on additional enforcement steps, including filing suit in either county or district court.

Our firm has an established track record of success in covenant enforcement lawsuits, including cases involving unusual or complex nuances, as well as those involving acrimonious owners.

We charge reasonable fees for preparation of demand letters, and when desired, to prepare and record notices of violation or to take the owner to court. We seek to collect attorney fees from the owner whenever possible, if appropriate given the context of the violation. However, compliance is first and foremost our main objective.

Covenant and Rule Enforcement Services

- Consultation with the board and/or management
- Document review and interpretation
- Covenant enforcement policy preparation or revisions
- Demand letters
- Notice of covenant violation – recorded against the owner’s real property
- Settlement stipulation - after demand letter
- County or District court lawsuits (typically injunctive in nature)
- Collection of monetary awards obtained in covenant enforcement litigation
- Credit reports or skip traces by the law firm
- Monthly Status Reports – No Charge
- Other miscellaneous covenant enforcement services

The District's engagement is based on the enclosed Terms of Engagement. Terms and fees of the Law Firm may be updated upon written notice from the Law Firm.

Electronic Delivery of Statements: Monthly statements are delivered to the District electronically.

Billing email address: _____

Check here to opt out of electronic delivery. If opted out, statements will be mailed to the billing address.

Billing Address	Mailing Address (if different)
Address, City, State and Zip Code	Address, City, State and Zip Code
Management Company (if applicable)	District Manager (if applicable)

This Agreement is effective upon receipt by the Law Firm.

Agreed to and accepted on _____
Date

SADDLE HORN RANCH METROPOLITAN DISTRICT NO. 2

By: _____
Authorized Agent Title

How did you hear about us (select all that apply):

Search Engine (Google, Yahoo, etc.) Social Media Referred by _____ Other: _____

Thank you for selecting Orten Cavanagh Holmes & Hunt, LLC (the “Law Firm”) to provide covenant enforcement legal services as requested by the District. Requests for services may be made by the District’s manager or staff, the President, or a designated board member liaison. The following includes the District’s terms of engagement of the Law Firm. Please note that this agreement becomes effective when the Law Firm receives a duly signed copy of the agreement, and the Law Firm is not required to provide professional services until such receipt.

As required to be set forth by Colorado House Bill 2025-1090, we hereby advise you that the total price of services under this agreement may vary based on the hourly rates and the time required by the persons performing the services as set forth within this agreement, and any costs or other expenses that may be incurred.

TERMS

Representation of the District - The Law Firm represents the District. The Law Firm’s professional responsibilities, and those of its attorneys and paralegals, run to the District. The Law Firm does not represent the board of directors, any individual board members or officers, the manager, the management company, or owners within the District, unless expressly authorized by the District and agreed to by the Law Firm.

Law Firm Responsibilities - The Law Firm will provide legal counsel and assistance on matters referred to us. We will rely upon information and guidance the District provides. We will keep the District reasonably informed of progress and developments and respond to its inquiries.

District Responsibilities - In order to enable the Law Firm to provide legal services, the District is to disclose fully and accurately all facts and keep our Law Firm apprised of all developments relating to matters referred. The parties agree that the Law Firm has the right to rely on information and documents provided by the District or its agents. The District is responsible for any damages incurred that result from providing inaccurate information or documents.

The District agrees to cooperate fully as needed and to be available to attend meetings, conferences, hearings, and other proceedings on reasonable notice, and stay reasonably informed on all developments relating to matters referred.

Fees of the Law Firm - For services not covered by a specific flat fee, hourly rates apply. The hourly rates for the Law Firm’s professionals range from \$390 - \$480 for principals, \$310 - \$390 for associates, and \$225 for paralegals.

Costs - The District authorizes the Law Firm to advance costs and expenses on its behalf, as the Law Firm deems advisable. These advanced costs will be billed to the District monthly for reimbursement. Example expenses may include court costs, fees, service of process costs, title company costs, recording fees, or other expenses. Photocopy costs for litigation services or extraordinary projects will be billed at \$.15 per copy. Mailing costs for extraordinary projects will be billed per item.

Travel - Travel time is billed at ½ the hourly rate from the Law Firm’s Denver or Colorado Springs office. In the event travel extends beyond the Denver metropolitan area and Colorado Springs, mileage is charged at IRS rates.

Billing and Payment - Our fees are not contingent unless the Law Firm is engaged under an agreement providing for contingent payment. If the Law Firm has not received any comment about a statement within 30 days of its receipt, it assumes the District found it acceptable.

Payment is due 30 days from the date of the statement. Services are billed based on hourly rates or specific fee agreements. Invoices for hourly services will show the time spent performing services billed in tenth-of-an-hour increments, with a minimum charge of one-tenth.

Interest, at the rate of 18% per annum, is payable after 60 days.

In the event the Law Firm files suit to recover unpaid legal fees, the prevailing party is entitled to its attorney’s fees.

Attorney-Client Communication - Our communications and statements generally contain information protected by the attorney-client privilege. As the privilege could be deemed to have been waived if someone other than the District, board members, officers, and any

manager or management company sees the privileged material, we recommend that you keep all such communications and statements in a separate file marked “Attorney-Client Privileged Materials” and keep the file in a secure place.

Estimates of Fees for Services - From time to time, the District may ask the Law Firm to make an estimate of the fees for completing all or part of a matter. Because it is often difficult to estimate how much time it will take to complete it, the Law Firm treats any estimate as an “educated guess” and not as an assurance that we will be able to do the work for the estimated price. When an estimate is given, we will advise the District when nearing the estimated price and will also advise if we become aware that the estimate may be exceeded. At that time, the District may decide whether to terminate work on the matter, modify the referral, or proceed to completion with a different cost estimate.

Usage of Artificial Intelligence (AI) - The Law Firm is not currently utilizing artificial intelligence (AI) for legal drafting, research, or administrative tasks. The Firm reserves the right to employ any AI tools it deems necessary to assist in its work and any client work produced by AI will be reviewed by one of the Firm’s attorneys.

Files at the Law Firm - The Law Firm maintains the District’s files in electronic format. The District authorizes the Law Firm to digitize documentation received and destroy paper versions of any document if, at the discretion of the firm, it is no longer necessary to retain. The Law Firm will retain and will not destroy original documents specifically entrusted to us for continued retention as a part of our services.

The District further agrees that the Law Firm may retain, destroy, or otherwise dispose of all or any portion of the files 10 years after services were provided on that matter without further notice, provided there are no pending or threatened legal proceedings known to the Law Firm’s attorneys that relate to the matter, and its attorneys have not agreed to the contrary. If the District desires to have the electronic file returned to it, please notify the Law Firm of this request within 90 days of execution of this agreement.

Upon request, once all of the Law Firm’s fees and costs are paid, the Law Firm will transfer files to another law firm or return files to the District.

No Guarantee - The Law Firm will perform professional services on the District’s behalf to the best of its ability but cannot make and have not made any guarantees regarding the outcome of the work. Any expressions by the Law Firm or its employees about the outcome are our best professional views only and are limited by our factual knowledge at the time they are expressed. For litigation matters, although the Law Firm may offer an opinion about a possible or probable amount, the Law Firm does not and cannot represent or guarantee any particular result, as litigation is inherently unpredictable.

Completion of Matter - After a particular matter is completed, the Law Firm does not (unless the District specifically requests in writing that we do so) undertake to continue to review that matter and update the District concerning legal developments, such as changes in applicable laws or regulations. If the District does ask us to review a specific matter on which we have previously worked, we consider that to be a new representation. Thus, while we may, from time to time, call to your attention issues or legal developments that might be relevant, we are not undertaking to do so as a part of our representation.

Termination of the Law Firm - The District's engagement of the Law Firm may be terminated at any time, by either party. Upon termination, all amounts due and owing and incurred in withdrawing from representation of the District are to be paid upon receipt.

WLPP LAW

FOCUSED ON COMMUNITIES

AGREEMENT FOR LEGAL SERVICES

SADDLE HORN RANCH METROPOLITAN DISTRICT NO. 2 (“Association”) AND THE LAW FIRM OF WINZENBURG, LEFF, PURVIS & PAYNE, LLP, dba WLPP Law (“we”), for valuable consideration, receipt of which is acknowledged, agree as follows:

1. **SERVICES.** We will serve as special legal counsel to the District; we do not represent the Board of Directors, the owners or the District’s management company. We will provide legal services upon request with regard to matters or issues that might arise from time-to-time related to covenant enforcement and fee collection; we do not act as the District’s general counsel with respect to matters such as elections, meetings, and budgeting. We will not provide any tax or securities advice or opinions for you. This Agreement will apply to all legal services performed for you. You authorize us to take all actions which we deem advisable on your behalf, and to disclose that which is reasonable in carrying out our services. We are not liable for any legal services provided by any attorney who was not an employee or partner of this firm when the services were rendered. If this matter involves or could result in litigation, you acknowledge that less-costly and less-adversarial methods often exist for resolving disputes, such as mediation and arbitration. We strongly recommend that you consider, and get information about, the advisability of proceeding through one of these alternative dispute resolution methods if a dispute arises.

2. **FEES.** For most services, the total price for legal services provided under this Agreement cannot be precisely determined in advance due to the variable nature of legal work. Time spent by our lawyers, paralegals, and (where applicable) other staff, and reimbursement of expenses incurred in your representation, will be the basis for the total price. The hourly rates for our lawyers, paralegals, and (where applicable) other staff are set forth below. The time spent and expenses incurred will be set forth on invoices that will be sent to you on a monthly basis. The total price of our legal services and the amount of our expenses incurred on your behalf will vary and may increase or decrease on a month-to-month depending on the needs and progress of your matter.

A. Unless other billing arrangements are made with us, you agree to pay us fees for legal services for the time expended on your behalf at the following hourly rates:

Marci M. Achenbach	\$275.00 per hour
Molly Foley-Healy	\$400.00 per hour
Zachary A. Goldberg	\$290.00 per hour
Richard W. Johnston	\$350.00 per hour
Travis B. Keenan	\$380.00 per hour
Michael C. Lamb	\$375.00 per hour
Suzanne M. Leff	\$375.00 per hour
Carey S. Smith V	\$240.00 per hour
Lindsay S. Smith	\$375.00 per hour
Wendy E. Weigler	\$365.00 per hour
Law Clerk (if available)	\$140.00 per hour
Paralegals	\$120.00 per hour

We may increase rates and fees upon written notice to you. Legal services performed on an hourly basis are recorded in one-tenth hour increments.

Tasks for which time will be recorded include, but are not limited to: conferences and





telephone conversations with you and others, legal research, factual investigation, preparation of opinions, correspondence and legal documents, reading and analyzing correspondence and legal documents, preparation for and appearances in court and other meetings and travel to and from court and meetings. Unless other arrangements are made, travel time is billed one-way.

B. Legal services for collection of delinquent fees are provided under our traditional fixed fee schedule.

C. Covenant and rule enforcement services will be billed at our hourly rates, subject to a fixed fee being negotiated with us to undertake the requested action.

3. **DUTIES.** You or the District's management company will:

A. Cooperate with us in conjunction with the services requested. You will designate the representatives of the District who are authorized to communicate with us and who are authorized to incur fees on the District's behalf. Unless you notify us in writing to the contrary, the District's manager and its President will be deemed to be authorized to communicate with us and authorized to incur fees on the District's behalf. To enable us to effectively render the requested services, you agree to fully and accurately disclose to us all facts that may be relevant to the subject of our representation or that we may otherwise request, and to keep us apprised of developments relating to that subject. You also will assist and cooperate with us as appropriate in connection with our representation.

B. After an owner's delinquent account is turned over to us, contact us upon receipt of any and all payments from the owner, and refer all contact with the owner to us until the account is paid in full.

C. Apply all payments received on delinquent accounts in accordance with your policy that addresses collection of unpaid fees.

D. If you or the District's management company files a lien, you or they will be solely responsible for releasing each such recorded lien (*pursuant to C.R.S.38-35-124 and Spurious Liens C.R.S. 38-35-201 et seq.*).

E. Advise us whether to renew county court judgments within six years after the date of entry of the judgment (otherwise judgments are considered satisfied in full). We will do so only upon request, at our applicable hourly rates.

F. Be responsible for any files turned over to collection agencies from the date they are turned over.

G. Pay amounts invoiced to the District on a monthly basis. Failure to pay monthly invoices may result in service charges, retention of funds otherwise payable to you, and acceleration of amounts due under the deferred billing arrangement.

4. **EXPENSES.** In addition to the fees specified above, you will pay to us all costs and expenses related to the legal services provided, including (*but not limited to*) large volume photocopying charges, certified or registered mail postage, courier and special delivery charges and fees, filing fees, service of process fees, recording and filing fees, title reports, litigation guaranties, telephone conference charges provided by third party



providers, depositions, court reporters, witness fees, appraisers, investigators, surveyors, other attorneys, special experts, and other similar charges.

5. **BILLING.** We bill fees and costs monthly. Bills are due and payable upon receipt unless other arrangements are made. A SERVICE CHARGE OF \$50.00 PER MONTH, OR 15% PER ANNUM, WHICHEVER IS GREATER, MAY BE APPLIED TO ANY UNPAID BALANCE OVER 60 DAYS PAST DUE. Disputes or questions about your bill must be delivered to us in writing within 15 days of receipt of the bill. If agreement cannot be reached, disputes will be submitted to the Legal Fee Arbitration Committee of the Colorado Bar Association for a binding arbitration award.

6. **TERMINATION.** This Agreement may be terminated at any time, by written notice, by either party. If permission for withdrawal is required by a court, we will promptly apply for permission and termination will coincide with the court order for withdrawal. We may terminate this Agreement if you misrepresent or fail to disclose material facts, fail to pay fees and expenses as agreed, for conduct making it unreasonably difficult or unethical to represent you, or for any other reason. If terminated, you will immediately pay our fees for services already rendered and expenses incurred, as well as fees, expenses and photocopy expenses incurred by us for transferring files to other legal counsel.

7. **COLLECTION OF FEES.** Collection of fees owed by you to us will be at your expense, and you will be required to pay us any attorneys' fees incurred by us for collecting those amounts, even if the attorneys' fees incurred are fees of an attorney who is our employee. We will be entitled to attorneys' fees incurred for collection, whether or not a lawsuit is filed. You agree that, upon collection of funds from a debtor or any third party owing funds to you, we are allowed to execute, endorse, negotiate and sign any checks, money orders or other forms of payment, and deposit the funds in our trust account (the "retained funds"). If you, at the time the retained funds are received and deposited in our trust account, are more than 90 days in arrears in the payment of our fees and costs, we may apply the retained funds to the unpaid balance owed to us by you. We will provide you with written notice of our intent to apply the retained funds to the outstanding balance at least 30 days before doing so. If you do not object in writing to the application of the retained funds to satisfy our fees and costs within the 30 day period, we will apply those retained funds against the outstanding amount and provide an accounting to you. If you object in writing to our application of the retained funds within the 30 day period, you agree that the matter shall be submitted for binding and enforceable arbitration through the Colorado Bar Association Legal Fee Dispute Committee. If you fail to participate in the arbitration proceeding, you agree that the arbitrator will be required to enter an award against you. Our right to apply the retained funds is in addition to all other legal and equitable remedies available to us for enforcement of your agreement to pay our fees and costs, such as enforcement through charging or retaining liens.

8. **RECORDS.** You agree to retain in your custody all of your original documents, and will provide us with photocopies for our use. We are authorized to dispose of your file one year after the specific legal matter has been resolved or one year after the last work on the legal matter has been performed by us, whichever comes first. We are not required to give you notice prior to disposing of your file. If you wish to obtain such file, rather than have us dispose of the file, you will be required to notify us of your desire to obtain the file from us. Such notification must be made to us within one year of the time that the specific legal matter has been resolved or within one year after the last work has been performed on such matter by us, whichever comes first.



READ THIS AGREEMENT CAREFULLY, ASK ANY QUESTIONS BEFORE SIGNING, AND RETAIN A COPY. YOUR SIGNATURE ACKNOWLEDGES YOU UNDERSTAND THE AGREEMENT, BELIEVE IT IS FAIR AND REASONABLE, AND AGREE TO PAY. YOU ACKNOWLEDGE RECEIPT, REVIEW, AND APPROVAL OF THIS AGREEMENT ON THE DATE INDICATED BELOW. THE TERMS OF THIS AGREEMENT SHALL APPLY TO ALL LEGAL SERVICES REQUESTED BY AND PROVIDED FOR CLIENT EVEN IF NO SIGN AGREEMENT IS RETURNED.

CLIENT:

Saddle Horn Ranch Metropolitan District
No. 2

By: _____

Title: _____

Date: _____, 20__

Address: _____

Phone number: _____

E-mail: _____

FIRM:

Winzenburg, Leff, Purvis & Payne, LLP,
dba WLPP Law, a Limited Liability
Partnership

By:  _____

Lindsay S. Smith, Esq.

Date: January 30, 2026

WLPP LAW

FOCUSED ON COMMUNITIES

2026 COLLECTION FEE SCHEDULE

COUNTY COURT COLLECTION FEE SCHEDULE	
County court services will be billed on a monthly basis at fixed fees or hourly rates as they are incurred as follows:	
FEE	SERVICE
No charge	Open and prepare collection file.
No charge	Prepare, update, and send monthly status reports to the District.
No charge	Attend board meetings when requested to discuss general collection questions not specific to a collection file.
\$150.00	Fixed fee to review owner account documents, calculate balance due, and prepare and send a demand letter to owner. A \$50.00 additional fee if owner is foreclosing lender.
\$150.00	Fixed Fee to prepare and e-record a Notice of Assessment Lien against the owner's property and to prepare and e-record a Release of Notice of Assessment Lien against owner's property.
\$35.00	Fixed Fee to prepare and send letter to owner with a copy of the recorded Notice of Assessment Lien.
\$100.00	Fixed Fee to prepare and send debt verification letter to owner after the demand letter expiration date.
\$60.00	Fixed Fee to prepare and send payment reminder letter to owner.
\$175.00	Fixed Fee to prepare and send payment plan agreement to owner prior to initiation of a lawsuit. A monitoring fee of \$15.00 per month will be charged to monitor payments due under the payment plan.
\$75.00	Fixed Fee to prepare and send notice of default letter to owner in the event owner does not comply with the provisions of pre-lawsuit payment plan agreement.
\$425.00	Fixed Fee to: <ul style="list-style-type: none"> • Review file upon expiration of demand letter; • Communicate with District in obtaining ledger; • Reconcile account balance; • Prepare initial County Court Summons and Complaint and Exhibits ("lawsuit"); • Send lawsuit to process server and follow up communications with process server; • E-file lawsuit with Court; • Review file and reconcile account in preparation for Court return date; • Complete docket sheet and appear and travel to/from Court if required; • Review Colorado Courts E-Filing to ascertain if Answer filed by owner; • Review Colorado Courts E-Filing to confirm accuracy of judgment entered.





\$75.00	Fixed fee to prepare and e-file Affidavit of Attorneys' Fees and Costs with Court for Court return date.
\$125.00	Fixed Fee to prepare and e-file Motion for Default Judgment against owner and to prepare and e-file Affidavit of Attorneys' Fees and Costs and other supporting documents in support of Motion.
\$250.00	Fixed Fee to negotiate and prepare Settlement Stipulation after the initiation of the lawsuit and prior to an Answer being filed. Fixed Fee includes preparation and filing of Certificates of Mailing and Motion to Dismiss upon compliance with Settlement Stipulation. A monitoring fee of \$15.00 per month will be charged to monitor the payments due under the Settlement Stipulation.
\$100.00	Fixed Fee to prepare and send owner Notice of Default in Settlement Stipulation.
\$125.00	Fixed Fee to reconcile the account balance and to prepare and e-file Motion for Entry of Judgment upon default under the Settlement Stipulation, Affidavit of Attorneys' Fees and Costs, and Proposed Order.
Hourly rates apply	Prepare and e-file Motion for Judgment on the Pleadings.
\$75.00	Fixed Fee to prepare and send notice of judgment letter to owner.
\$165.00 per owner	Fixed Fee to prepare and e-file post-judgment interrogatories. Fixed fee includes arranging service on owner and monitoring for an Answer within the deadline provided.
\$175.00	Fixed Fee to prepare and e-file Motion for Contempt Citation, Proposed Citation, and Proposed Order.
\$275.00	Fixed Fee to prepare and e-file Writ of Garnishment. Fixed fee includes preparing and e-filing Affidavit of Attorneys' Fees and Costs, arranging service on the Garnishee, monitoring for an Answer within the deadline provided, monitoring for payments due under the Garnishment, forwarding payments to the District, and preparing Notice of Release of Garnishment.
\$175.00	Fixed Fee to negotiate and prepare post-judgment payment plan agreement. A monitoring fee of \$15.00 per month will be charged to monitor payments due under the agreement.
\$75.00	Fixed Fee to prepare and send notice of default letter to owner in the event owner does not comply with the provisions of post-judgment payment plan agreement.
\$225.00	Fixed fee to prepare letter to court requesting transcript of judgment, e-record transcript of judgment in county records, prepare letter to court requesting certificate of satisfaction of judgment, prepare and e-file satisfaction of judgment with court, prepare and e-record certificate of satisfaction of judgment in county records.
\$150.00	Fixed Fee to reconcile account ledger, calculate balance owed after judgment has been satisfied, and to prepare and send letter to owner regarding account balance following Satisfaction of Judgment.
\$100.00 each	Fixed Fee for computerized skip tracing and investigation, credit report and analysis, or box breaker.
\$300.00	Fixed Fee to prepare payoff calculation letter for management company or title company (a rush fee of \$75.00 is added if the payoff is required within 48 hours of request).
\$150.00	Fixed Fee to prepare payoff calculation letter for owner (a rush fee of \$75.00 is added if the payoff is required within 48 hours of request).
\$30.00	Fixed Fee to review ownership and encumbrance report.



\$50.00	Fixed Fee to review the accuracy of assessment lien not prepared by our office.
\$30.00 each	Fixed Fee to conduct foreclosure, military, or bankruptcy search in preparation for lawsuit.
\$250.00	Fixed Fee to review, analyze, and outline recommendations for possible judicial foreclosure.
\$150.00	Fixed Fee to prepare and file Probate Claim.
Hourly rates apply	For additional services that are not provided for in the Fixed Fee rates set forth above.

BANKRUPTCY FEE SCHEDULE	
All fees for bankruptcy services will be billed on a monthly basis at fixed fees or hourly rates as follows:	
FEE	SERVICE
\$150.00	Fixed Fee to prepare and e-file Entry of Appearance in a Chapter 7 bankruptcy case.
\$150.00	Fixed fee to prepare and e-file Entry of Appearance in a Chapter 13 bankruptcy case.
\$275.00	Fixed fee to prepare and e-file Proof of Claim.
Hourly rates apply	Prepare and e-file Motion to Dismiss a Chapter 13 bankruptcy case with supporting documents for owner's failure to make plan payments.
Hourly rates apply	Prepare and e-file Motion for Relief from Bankruptcy Stay with supporting documents.
Hourly rates apply	For additional services that are not provided for in the Fixed Fee rates set forth above.

DISTRICT COURT JUDICIAL FORECLOSURE FEE SCHEDULE	
All fees for foreclosures will be billed on a monthly basis at fixed fees or hourly rates as follows:	
FEE	SERVICE
\$2,300.00	Fixed Fee to initiate foreclosure which includes ordering a Litigation Guarantee from a title company, reviewing title to the property, preparing and filing a Summons, Complaint in Foreclosure, and Lis Pendens, preparing instructions for service of process on all appropriate parties, and verifying service of process.
\$300.00 per party	Fixed Fee to prepare and e-file Motion for Service of Process by Mail or Publication with supporting documents.
\$100.00	Fixed Fee to prepare and e-file Motion for Clerk's Default.
\$650.00	Fixed Fee to prepare and e-file Motion for Default Judgment with supporting documents.
\$225.00	Fixed Fee to negotiate and prepare Settlement Stipulation. A monitoring fee of \$15.00 per month will be charged to monitor the payments due under



	Settlement Stipulation.
\$125.00	Fixed Fee to prepare and send a notice of default letter for failing to comply with the Settlement Stipulation.
\$195.00	Fixed fee to prepare letter to court requesting transcript of judgment, e-record transcript of judgment in county records, prepare letter to court requesting certificate of satisfaction of judgment, prepare and e-file satisfaction of judgment, prepare and e-record certificate of satisfaction of judgment in county records.
\$650.00	Fixed Fee to prepare all pleadings and documents to commence Sheriff's Sale.
\$500.00	Fixed Fee to prepare bid and supporting documents for Sheriff's Sale.
\$350.00	Fixed Fee to prepare cure statement for Sheriff's Sale.
\$250.00	Fixed Fee to prepare and e-file pleadings for dismissal of district court lawsuit and request for discharge of Lis Pendens.
\$1,000.00	Fixed Fee for foreclosure related negotiations with investors and preparation of Assignment of Lien.
Hourly rates apply	For additional services that are not provided for in the Fixed Fee rates set forth above.

Costs (e.g. ownership and encumbrance reports, service of process charges, court filings, document recording fees, etc.) are billed on a monthly basis and are due and payable upon receipt of the invoice. There is no charge on general collection matters for photocopies, postage, long-distance phone calls, incoming or outgoing faxes, or preparation of monthly status reports.

With the exception of the fixed fees provided for services described above or as otherwise agreed between the District and our firm, the total price for legal services cannot be precisely determined in advance due to the variable nature of legal work. Time spent by our lawyers, paralegals, and (where applicable) other staff, and reimbursement of expenses incurred in your representation, will be the basis for the total price. The hourly rates for our lawyers, paralegals, and (where applicable) other staff are set forth below. The time spent and expenses incurred will be set forth on invoices that will be sent to you on a monthly basis. The total price of our legal services and the amount of our expenses incurred on your behalf will vary and may increase or decrease on a month-to-month depending on the needs and progress of your matter.

The following are our **2026** hourly rates:

Marci M. Achenbach	\$275.00 per hour
Molly Foley-Healy	\$400.00 per hour
Zachary A. Goldberg	\$290.00 per hour
Richard W. Johnston	\$350.00 per hour
Travis B. Keenan	\$380.00 per hour
Michael C. Lamb	\$375.00 per hour
Suzanne M. Leff	\$375.00 per hour
Carey S. Smith V	\$240.00 per hour
Lindsay S. Smith	\$375.00 per hour
Wendy E. Weigler	\$365.00 per hour
Law Clerk (if available)	\$140.00 per hour
Paralegals	\$120.00 per hour

WLPP LAW

FOCUSED ON COMMUNITIES

January 30, 2026

Via e-mail to: rebecca.h@wsdistricts.co

Board of Directors
Saddle Horn Ranch Metropolitan District No. 2
c/o Rebecca Harris

Re: Proposal for Legal Services for Saddle Horn Ranch Metropolitan District No. 2

Dear Members of the Board of Directors:

We are writing to provide information about the legal services that our firm can provide for the Saddle Horn Ranch Metropolitan District No. 2 ("District") community. For 40 years Winzenburg, Leff, Purvis & Payne, LLP has specialized in representing community associations and metropolitan and special districts throughout the Denver metropolitan, and Colorado Front Range and mountain areas. We offer our proposal to undertake covenant enforcement and fee collection matters as special legal counsel to the District.

Why Choose Us?

We know that you have several options of law firms that provide legal services to your community. We believe the provision of legal services still requires, and best serves the client, when there is a professional relationship between the client and the lawyer and the lawyer is responsive to the needs of the client. That professional relationship develops over time, but is furthered when certain characteristics exist. Those characteristics include the following:

CLIENT SATISFACTION IS OUR TOP PRIORITY

At Winzenburg, Leff, Purvis & Payne, client satisfaction is our top priority. We promptly return all phone calls, work with you to determine deadlines and meet those deadlines, and provide timely status reports for collection accounts and covenant violation matters. Our attorneys are always available to speak to you concerning legal issues that matter to you.

TRUST

We strive to create a relationship with our clients based on trust. You can trust us to:

- know the law relating to communities, covenant enforcement, and collections, without having to learn at your expense
- represent the District's best interests
- provide timely and effective representation
- provide sound, practical advice along with our legal advice
- not sell you unnecessary services

SUPERIOR EXPERIENCE

We have substantial experience in representing common interest communities throughout Colorado in collecting delinquent assessments, dues, fees and other charges, as well as enforcing their restrictive covenants and rules and regulations. Because you already have general counsel for matters such as budgeting, meetings, and governance, our proposed services are limited to covenant enforcement and fee collection matters working in concert with your general counsel.





AFFORDABLE COST

We are committed to providing the highest level of personal attention to our clients in the most economically efficient manner. We will work with you to determine your specific needs and devise a plan to meet these needs within your budget. Our general fee collection schedule includes numerous fixed fees, as you can see in the attachment. Covenant and rule enforcement matters require a more variable time commitment, and our fees for such matters are billed hourly at the following rates: from \$240 to \$400 for our attorneys, \$140 for our law clerk (when available), and \$120 for our paralegals.

As required by Colorado House Bill 2025-1090, we hereby advise you that the total price of services performed by this firm may vary based on the hourly rates and time required by the persons performing the services and any costs or other expenses that may be incurred.

Please do not hesitate to call if you have any questions regarding our fees, services, or any other specific issues. We welcome the opportunity to serve the District.

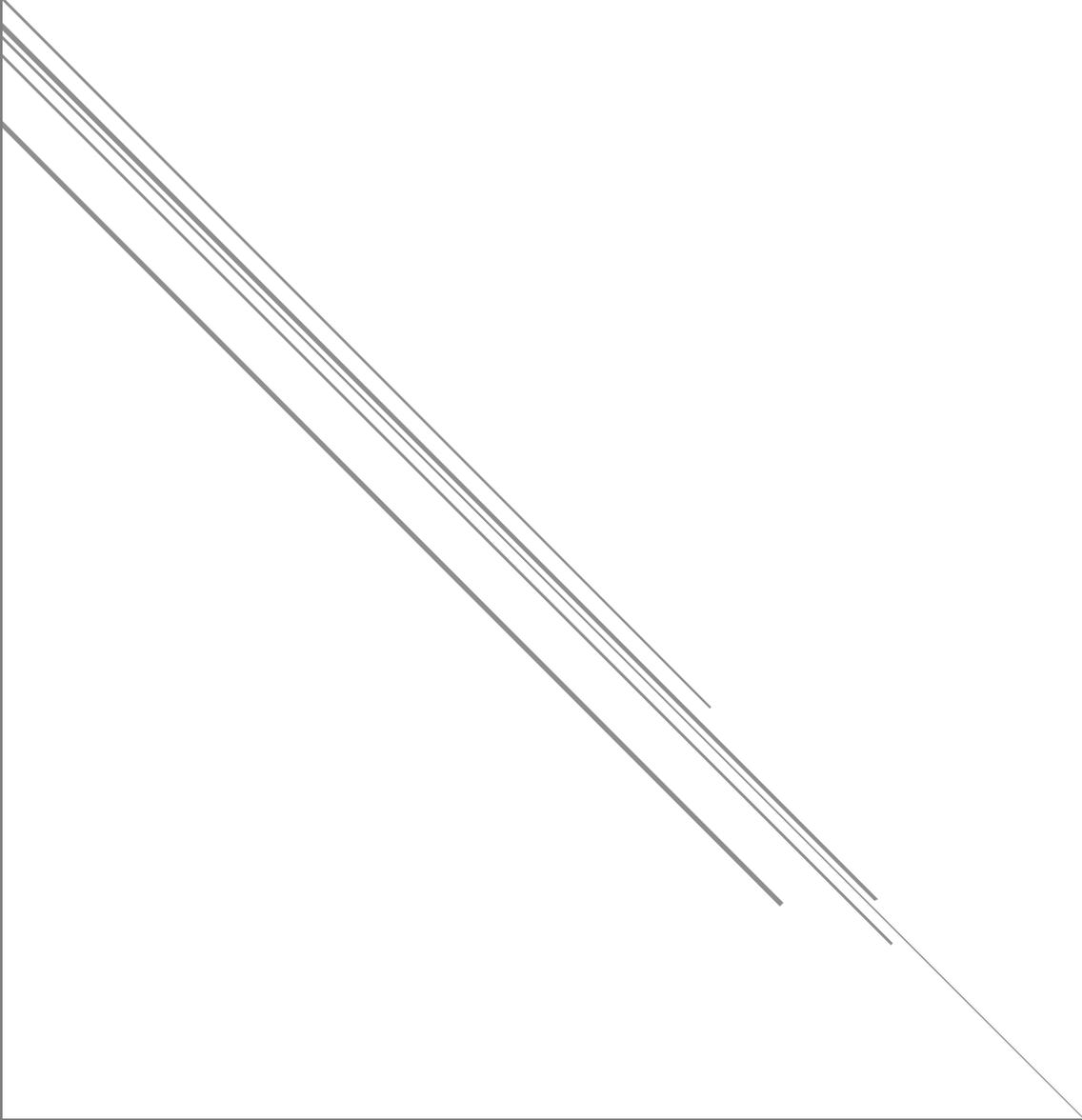
Very truly yours,
WLPP LAW

LINDSAY S. SMITH
LSMITH@WLPPLAW.COM
WLPPLAW.COM
LSS/kw
Encl.

P.S. This proposal and the enclosures, including our fee schedules, contain proprietary and confidential information to be shared only with the Association's Board of Directors, selection committee, and manager.

YSDM MANAGERS

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David Harvey
Operations Manager



Potable Divers Inc
2188 E Cassidy Way
Eagle Mountain UT 84005
Toll Free (866)-789-DIVE
(602)-920-9438
www.potabledivers.com
e-mail david@potabledivers.com

District Name Saddle Horn Ranch Phone: 719-482-5125
Address 1 Lynn Willow
Address 2
Address 3 Date 1/28/2026

The following is our firm quote and specifies our conditions of services.

Our quote is based on the information you provided and the following assumptions:

Reservoir	Type	Dia or LxW	Water Depth	Max. Gallons	Surface area (S.F)	Cubic Yards Sediment 1" deep	Price for Inspection	Price for Cleaning
Water Tank	Steel	35 FT	39 FT	285,000			\$1,000	\$500
Total							\$1,500	

1. Cleaning service includes removal of all sediment up to one inch deep. Calculated as an average depth over the reservoir floor.
2. Repairs are done on a basis of \$250 per hour plus \$20 per tube of epoxy.
Repairs are done only with your authorization.
3. Filtration is charged on a per filter bag basis at \$150 for each 30' length and 5' diam.
Dechlorination is a flat charge of \$40 per tank if applicable. **These items by request only**
4. This quote is valid on the tank(s) listed above for 100 days. Once quote is signed the work shall be accomplished at a mutually accepted date within one year.
5. We guarantee your satisfaction if the signee of the quote is not satisfied, we will return until you are.
6. All cleaning and inspections are done with high quality color camera and sound, recorded digitally along with full computer generated reports with digital photos.
7. PDI complies with all AWWA and OSHA standards and requirements. Insured, Licensed, and Bonded.

Proposal Acceptance
Signature Required _____

PO Number _____