

**SADDLE RIDGE RANCH ESTATES WATER COMPANY  
SHAREHOLDER ANNUAL MEETING  
DECEMBER 14, 2023  
VIA ZOOM - 12:00 AM**

Present: Tracy Currie  
Michelle Marketos  
Fred Brazelton  
Tommy Pittinger  
Howard Klein / Jason Peet  
Brian Sharky  
Hans Helmerich  
Brian Lavine  
Cynthia Ruggero

Management Company: Kat Loughan, Toad Property Management

Proxies: 10 proxies

Kat called the meeting to order at 12:10 pm and confirmed a quorum for both A and B shares. Notice of the meeting had been sent on November 29, 2023.

Fred Brazelton made a motion to approve the minutes of the June 1, 2023 meeting. Tracy Currie seconded the motion and it was unanimously approved.

Tracy Currie said the Board had been in contact with Roscoe Development Company regarding the transfer of assets. Tracy explained an agreement had not yet been signed but tentative agreement had been reached.

Tracy explained Three Valleys had disputed payment of fees and assessments based on a prior agreement with Roscoe Development Company. Tracy said as part of a three party agreement it had been agreed that Three Valleys would pay the Water Company approximately \$20,000 less penalty charges. Payment from the tentative agreement with Three Valleys would result in approximately \$14,000 plus stock from Three Valleys. Tracy said the agreement had only just been reached and it was hoped that the agreement would be signed before the end of the year.

Tracy explained the application for a Public Water System had been submitted to the State in July 2023. There had been some responses from the State and it was anticipated that construction would start on the State required changes in Summer 2024. State standards had changed over the past few years and costs had increased and it might be necessary to collect additional funds for the work. Once the permit was obtained from the State and bids had been obtained for the work it would be possible to establish the exact amount of money required for the project. Tracy said it had been a very long process but it was nearing the end.

Tracy was thanked for his hard work on securing the Public Water System.

Tracy said the Water Company would be \$4,000 under budget. The operating costs would be similar in 2024 except for the additional water testing requirements of a Public Water System. Four more homes were coming on line and that would increase the revenue.

Kat said Tracy, Fred and Tom would be willing to continue on the Board for one more year. Tracy said he would like to step back from the Board at the end of 2024. Hans Helmerich made a motion to appoint Tracy Currie, Fred Brazelton and Tom Pitinger to the Board for one more year and to thank them for their work. The motion received a second and was unanimously approved.

Kat said David Jelinek dealt with the day to day monitoring and maintenance of the water system. For any other questions shareholders should reach out to Kat at Toad Property Management.

A water manager's report from David Jelinek had been circulated with the annual meeting documents. Tracy explained a similar amount of water was being used compared to the prior year despite the addition of more homes. As a result of becoming a Public Water System the two tanks would be integrated instead of operating separately as that would lead to efficiencies in operation. Tracy confirmed water quality was very good and water test results were now available on the Toad Property Management website on the Saddle Ridge Water Company page. SGM continued to represent the Water Company on engineering matters and had submitted a report to the State as part of the Public Water System approval.

Tracy Curry made a motion to ratify the 2024 Operating Budget as presented. Tom Pitinger seconded the motion and it was unanimously approved.

Kat said shareholders with Water Company operating concerns should reach out to her at Toad. If they reached out directly to the Board or David Jelinek Kat asked that she be copied or notified by email.

Tracy said all owners should sign a Water Service Agreement and in the past the agreement had not always been completed. Tracy explained legal counsel, Aaron Huckstep ("Huck") would be reaching out to owners asking them to sign a Water Service Agreement. Tracy said for some shareholders there would also be documentation relating to access to infrastructure and Huck would be following up on getting those documents signed.

At 12:30 pm the meeting adjourned.