

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SORREL RANCH METROPOLITAN DISTRICT HELD SEPTEMBER 17, 2020

A Special Meeting of the Board of Directors (referred to hereafter as "Board") of the Sorrel Ranch Metropolitan District (referred to hereafter as "District") was convened on Thursday, the 17th day of September, 2020, at 6:00 p.m. at Tollgate Crossing Community Center, 24625 E. Bellewood Drive, Aurora, Colorado. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting was held with one person in attendance at the physical location and all other attendees via conference call. The meeting was open to the public via conference call.

ATTENDANCE

Directors In Attendance Were:

David Bourne
Ryan C. Jones

Following discussion, upon motion duly made by Director Jones, seconded by Director Bourne and, upon vote, unanimously carried, the absence of Mark Selden was excused, and Director Bourne was appointed Acting President.

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Emily Murphy, Esq.; McGeady Becher P.C.

Vy Nguyen; CliftonLarsonAllen LLP

Creig Veldhuizen; Piper Sandler & Co.

Michael Lund; Stifel, Nicolaus & Company, Incorporated

Kim Crawford, Esq.; Butler Snow LLP

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DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting. There were no potential conflicts disclosed and it was noted that all members of the Board are residents of the District.

ADMINISTRATIVE MATTERS

Agenda: Mr. Solin distributed for the Board's review and approval a proposed Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Jones, seconded by Director Bourne and, upon vote, unanimously carried, the Agenda was approved, as presented.

Meeting Location/Posting of Notice: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting.

Following discussion, upon motion duly made by Director Jones, seconded by Director Bourne and, upon vote, unanimously carried, the Board determined that due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this District Board meeting was held by conference call and encouraged public participation via conference call. One person, David Solin, was present at the physical location noted on the posted agenda. The Board further noted that notice of the time, date and manner was duly posted and that they have not received any objections to the manner or any requests that the meeting manner be changed by taxing electors within the District's boundaries.

FINANCIAL MATTERS

2020 Budget Amendment Hearing: The Acting President opened the public hearing to consider the Resolution to Amend the 2020 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2020 Budget and the date, time, and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

No public comments were received, and the public hearing was closed.

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Following review and discussion, upon motion duly made by Director Jones, seconded by Director Bourne and, upon vote, unanimously carried, the Board adopted Resolution No. 2020-09-01 to Amend the 2020 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

LEGAL MATTERS

Engagement of Butler Snow LLP as Bond Counsel and Disclosure Counsel:

Following discussion, upon motion duly made by Director Bourne, seconded by Director Jones and, upon vote, unanimously carried, the Board ratified the engagement of Butler Snow LLP as bond counsel and disclosure counsel.

Underwriter/Placement Agent Engagement Agreement between the District and Stifel, Nicolaus & Company, Incorporated:

Following discussion, upon motion duly made by Director Bourne, seconded by Director Jones and, upon vote, unanimously carried, the Board ratified the approval of the Underwriter/Placement Agent Engagement Agreement between the District and Stifel, Nicolaus & Company, Incorporated.

Resolution authorizing the District's Limited Tax General Obligation Refunding Bonds, Series 2020:

Ms. Crawford discussed with the Board the Resolution authorizing the District's Limited Tax General Obligation Refunding Bonds, Series 2020 (the "Bonds") in the maximum principal amount of \$16,000,000 for the purpose of refunding certain outstanding obligations of the District, and paying the costs of issuance of the Bonds (the "Bond Resolution"). It was noted that David Solin was present in person at the noticed location.

Following discussion, upon a motion duly made by Director Bourne, seconded by Director Jones and, upon vote, unanimously carried, the Board adopted the Bond Resolution and authorized approval of the Preliminary Official Statement and the use thereof by the underwriter in connection with the offering of the Bonds, authorized the preparation of the final Official Statement, and authorized the execution and delivery of and the performance by the District thereunder of a bond purchase agreement, and any such other documents, certificates, and instruments as may be necessary or required to effect the issuance of the Bonds.

OTHER MATTERS


There were no other matters to discuss.

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ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Jones, seconded by Director Bourne and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By  _____
Secretary for the Meeting

RESOLUTION TO AMEND 2020 BUDGET
SORREL RANCH METROPOLITAN DISTRICT

WHEREAS, the Board of Directors of the Sorrel Ranch Metropolitan District adopted a budget and appropriated funds for the fiscal year 2020 as follows:

General Fund	\$	71,000
Debt Service Fund:	\$	1,068,000
Capital Projects Fund:	\$	21,607

WHEREAS, the necessity has arisen for additional expenditures in the Debt Service Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2020; and

WHEREAS, the expenditure of such funds is a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the Debt Service Fund from Bond Proceeds are described on Exhibit A, attached hereto and incorporated herein by this reference; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Sorrel Ranch Metropolitan District shall and hereby does amend the Budget for the fiscal year 2020 and adopts a supplemental budget and appropriation for the Debt Service Fund for the fiscal year 2020, as follows:

Debt Service Fund	\$	16,100,000
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BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 17th day of September, 2020.

SORREL RANCH METROPOLITAN DISTRICT

By: David Solin
Secretary

EXHIBIT A

Original and Amended Budget Appropriations

SORREL RANCH METROPOLITAN DISTRICT
DEBT SERVICE FUND
2020 BUDGET AS AMENDED

	BUDGET 2020	AMENDED 2020
BEGINNING FUND BALANCE	\$ 13,548	\$ 13,558
REVENUES		
Property taxes	1,081,571	1,081,571
Specific ownership taxes	64,894	64,894
Interest income	4,000	4,000
Bond issuance	-	13,125,000
Bond premium	-	1,850,000
Total revenues	<u>1,150,465</u>	<u>16,125,465</u>
Total funds available	<u>1,164,013</u>	<u>16,139,023</u>
EXPENDITURES		
General and administrative		
County Treasurer's fee	16,224	16,224
Paying agent fees	2,500	2,500
Contingency	2,664	17,055
Debt Service		
Bond interest - Series 2006 Senior Bonds	581,612	290,806
Bond interest - Series 2020 Bonds	-	59,415
Bond principal - Series 2006 Senior Bonds	465,000	-
Bond issue costs	-	362,000
Refunding payment	-	15,352,000
Total expenditures	<u>1,068,000</u>	<u>16,100,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,068,000</u>	<u>16,100,000</u>
ENDING FUND BALANCE	<u>\$ 96,013</u>	<u>\$ 39,023</u>