

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SORREL RANCH METROPOLITAN DISTRICT HELD NOVEMBER 1, 2022

A Special Meeting of the Board of Directors (the “Board”) of the Sorrel Ranch Metropolitan District (referred to hereafter as the “District”) was convened on Tuesday, November 1, 2022 at 6:30 p.m. The meeting was open to the public via conference call.

ATTENDANCE

Directors In Attendance Were:

Mark Selden
David Bourne

Following discussion, upon motion duly made by Director Selden, seconded by Director Bourne and, upon vote, unanimously carried, the absence of Director Stricker was excused.

Also In Attendance Were:

Jim Ruthven; Special District Management Services, Inc.

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

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. Director Selden noted he serves on the Homeowner’s Associations Board and it was noted that all members of the Board are residents of the District.

ADMINISTRATIVE MATTERS

Agenda: Mr. Ruthven 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 Selden, seconded by Director Bourne and, upon vote, unanimously carried, the Agenda was approved as amended.

Approval of Meeting Location: The Board entered into discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District Board meetings.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Selden, seconded by Director Bourne and, upon vote, unanimously carried, the Board determined that the District meeting was held by teleconference. The Board further noted that notice of the time, date, location and conference bridge information was duly posted and that they have not received any objections, or any requests that the means of hosting the meeting be changed by taxpaying electors within the boundaries of the District.

Designation of 24-Hour Posting Location: Following discussion, upon motion duly made by Director Selden, seconded by Director Bourne, and upon vote unanimously carried, the Board determined that notices of meetings of the District Board required pursuant to Section 24-6-402(2)(c), C.R.S., shall be posted at least 24 hours prior to each meeting on the District's website at: <https://sorrelranchmd.colorado.gov/> or if posting on the website is unavailable, notice will be posted at the corner of East Alexander Drive and South Buchanan Street.

Minutes: The Board reviewed the Minutes of the November 2, 2021 Special Meeting.

Following review, upon motion duly made by Director Selden, seconded by Director Bourne and, upon vote, unanimously carried, the Board approved the Minutes of the November 2, 2021 Special Meeting.

May 3, 2022 Election: Mr. Ruthven advised the Board that the May 3, 2022 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. It was noted that Director Stricker was deemed elected to a 1-year term ending in May, 2023. Director Selden was deemed elected to a 3-year term ending in May, 2025.

Board Vacancy: Mr. Ruthven discussed with the Board the vacancies on the Board of Directors. There are no interested candidates at this time.

Resignation of Secretary to the Board: The Board acknowledged the resignation of David Solin as Secretary to the Board.

Appointment of Officers: The Board entered into discussion regarding appointment of officers.

Following discussion, upon motion duly made by Director Bourne, seconded by Director Selden and, upon vote, unanimously carried, the following slate of officers were appointed:

RECORD OF PROCEEDINGS

President
Secretary
Treasurer
Assistant Secretary

Mark Selden
Jim Ruthven (non-elected)
David Bourne
Rebecca Stricker

Resolution No. 2022-11-01; Establishing 2023 Regular Meeting Dates, Times and Location and Designating Location for Posting of 24-Hour Notices: The Board discussed Resolution No. 2022-11-01; Establishing 2023 Regular Meeting Dates, Time and Location and Designating Locations for Posting of 24-Hour Notices.

The Board determined to schedule 2023 regular meeting dates on June 6, 2023 and November 6, 2023 at 6:30 p.m. at the Tollgate Crossing Community Center, 24625 East Bellewood Drive, Aurora, Colorado.

Following discussion, upon motion duly made by Director Selden, seconded by Director Bourne and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-01; Establishing 2023 Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices.

§32-1-809, C.R.S. Requirements (Transparency Notice): The Board discussed §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification for 2023.

Following discussion, upon motion duly made by Director Bourne, seconded by Director Selden and, upon vote, unanimously carried, the Board determined to post the required transparency notice information on the Special District Association's website and the District website.

South Aurora Regional Improvement Authority Board: The Board entered into discussion regarding the appointment of a new alternate to the South Aurora Regional Improvement Authority Board.

Following discussion, upon motion duly made by Director Bourne, seconded by Director Selden and, upon vote, unanimously carried, the Board appointed Director Selden as alternate to the South Aurora Regional Improvement Authority Board

District Website: Mr. Ruthven reported to the Board that the District's website is in progress.

RECORD OF PROCEEDINGS

PUBLIC COMMENT

There were no public comments.

FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims as follows:

Fund	Period Ending Nov. 30, 2021	Period Ending Dec. 31, 2021	Period Ending January 31, 2022	Period Ending February 28, 2022
General	\$ 12,372.70	\$ 3,906.53	\$ 3,593.51	\$ 2,954.22
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 12,372.70	\$ 3,906.53	\$ 3,593.51	\$ 2,954.22

Fund	Period Ending March 31, 2022	Period Ending April 30, 2022	Period Ending May 31, 2022	Period Ending June 30, 2022
General	\$ 7,530.05	\$ 101,823.30	\$ 2,791.60	\$ 1,661.16
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 7,530.05	\$ 101,823.30	\$ 2,791.60	\$ 1,661.16

Fund	Period Ending July 31, 2022	Period Ending August 31, 2022	Period Ending Sept. 30, 2022	Period Ending October 31, 2022
General	\$ 926.80	\$ 5,066.49	\$ 2,199.20	\$ 17,937.63
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 926.80	\$ 5,066.49	\$ 2,199.20	\$ 17,937.63

Following discussion, upon motion duly made by Director Bourne, seconded by Director Selden and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented.

Financial Statements: Mr. Ruthven reviewed with the Board the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending September 30, 2022.

Following discussion, upon motion duly made by Director Bourne, seconded by Director Selden and, upon vote, unanimously carried, the Board accepted the unaudited financial statements through September 30, 2022, as presented.

2021 Audit: Mr. Ruthven reviewed the 2021 draft Audited Financial Statements with the Board.

Following review and discussion, upon motion duly made by Director Bourne, seconded by Director Selden and, upon vote, unanimously carried, the Board ratified approval of the 2021 Audited Financial Statements and authorized execution of the Representations Letter.

RECORD OF PROCEEDINGS

2022 Audit: The Board entered into discussion regarding engaging Haynie & Company to perform the 2022 Audit.

Following discussion, upon motion duly made by Director Selden, seconded by Director Bourne and, upon vote, unanimously carried, the Board approved the engagement of Haynie & Company to perform the 2022 Audit, for an amount not to exceed \$7,700.

2022 Budget Amendment Hearing: Director Selden opened the Public Hearing to consider an Amendment to the 2022 Budget and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider amending the 2022 Budget and the date, time and location of the Public Hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this Public Hearing. No public comments were received and the Public Hearing was closed.

Following review and discussion, the Board determined that an amendment to the 2022 Budget was not necessary.

2023 Budget Hearing: Director Selden opened the Public Hearing to consider the proposed 2023 Budget and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2023 Budget and the date, time and location of the Public Hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this Public Hearing. No public comments were received and the Public Hearing was closed.

Mr. Ruthven reviewed the estimated 2022 expenditures and the proposed 2023 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2022-11-02; Resolution to Adopt the 2023 Budget and Appropriate Sums of Money, and Resolution No. 2022-11-03; Resolution to Set Mill Levies (for the General Fund at 6.000 mills, for the Debt Service Fund at 42.500 mills, and for Other Fund(s) at 1.144 mills, for a total mill levy of 49.644 mills). Upon motion duly made by Director Selden, seconded by Director Bourne and, upon vote, unanimously carried, the Resolutions were adopted, as discussed, and execution of the Certification of Budget and Certification of Mill Levies was authorized subject to receipt of final Certification of Assessed Valuation from the County on or before December 10, 2022. Mr. Ruthven was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Arapahoe County not later than December 15, 2022. Mr. Ruthven was also authorized to transmit the Certification of Budget to the

RECORD OF PROCEEDINGS

Division of Local Government not later than January 30, 2023. Copies of the adopted Resolutions are attached hereto and incorporated herein by this reference.

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Selden, seconded by Director Bourne and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan: The Board reviewed Resolution No. 2022-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan.

Following discussion, upon motion duly made by Director Bourne, seconded by Director Selden and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-04, Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan. A copy of the adopted Resolution is attached to these minutes and incorporated herein by this reference.

Preparation of the 2024 Budget: The Board discussed preparation of the 2024 Budget.

Following discussion, upon motion duly made by Director Bourne, seconded by Director Selden, and upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2024 Budget and set the Budget Hearing to consider adoption of the 2024 Budget for November 6, 2023.

LEGAL MATTERS

Resolution No. 2022-11-05 Calling May 2, 2023 Election: The Board discussed Resolution No. 2022-11-05; Resolution Calling a Regular Election for Directors on May 2, 2023, appointing the Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

Following discussion, upon motion duly made by Director Selden, seconded by Director Bourne and, upon vote, unanimously carried, the Board adopted Resolution No. 2022-11-05; Resolution Calling a Regular Election for Directors on May 2, 2023, appointing the DEO and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

RECORD OF PROCEEDINGS


OTHER MATTERS

There were no other matters to discuss.

ADJOURNMENT

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

Respectfully submitted,

By 

Secretary for the Meeting