

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE SORREL RANCH METROPOLITAN DISTRICT HELD NOVEMBER 6, 2023

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 Monday, November 6, 2023 at 6:30 p.m. via video/telephone conference on Zoom. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Mark Selden
David Bourne
Rebecca Stricker

Also In Attendance Were:

David Solin; Special District Management Services, Inc.
Megan Becher, Esq.; McGeady Becher P.C.
Tom George, Esq. and Danielle Kaiser, Esq.; Spencer Fane LLP (for a portion of the meeting)
Laci Knowles; D.A. Davidson & Co. (for a portion of the meeting)

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

A quorum of the Board was confirmed.

The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors 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. 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 Selden, seconded by Director Bourne and, upon vote unanimously carried, the Agenda was approved.

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’s Board meeting. Following discussion, upon motion duly made by Director Selden, seconded by Director Bourne and, upon vote unanimously carried, the Board

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determined to conduct the meeting via Zoom. The Board further noted that notice of the time, date, location and Zoom 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.

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/>. If posting on the website is unavailable, notice will be posted at the corner of East Alexander Drive and South Buchanan Street, Aurora, Colorado.

Resignation and Appointment of Secretary to the Board: Following discussion, upon motion duly made by Director Bourne, seconded by Director Selden and, upon vote unanimously carried, the Board acknowledged the resignation of James Ruthven as Secretary to the Board and appointed David Solin as Secretary to the Board.

May 2, 2023 Election: Mr. Solin advised the Board that the May 2, 2023 election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were not more candidates than positions available on the Board of Directors. It was noted that Directors Bourne and Stricker were each deemed elected to 4-year terms ending in May, 2027.

Board Vacancy: The Board discussed the vacancies on the Board of Directors. It was noted that there are no known qualified, interested candidates at this time.

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:

President	Mark Selden
Treasurer	Rebecca Stricker
Secretary	David Solin (non-elected)
Assistant Secretary	David Bourne

Minutes of November 1, 2022 Special Meeting: The Board reviewed the Minutes of the November 1, 2022 Special Meeting.

Following review and discussion, upon motion duly made by Director Selden, seconded by Director Bourne and, upon vote unanimously carried, the Board approved the Minutes of the November 1, 2022 Special Meeting.

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Resolution Establishing 2024 Regular Meeting Dates, Time, and Location, and Designating Location for Posting of 24-Hour Notices: The Board discussed the business to be conducted in 2024. Following discussion, upon motion duly made by Director Selden, seconded by Director Stricker, and upon vote unanimously carried, the Board adopted Resolution Establishing Regular Meeting Dates, Time, and Location, and Designating Location for Posting of 24-Hour Notices and determined to hold the 2024 meeting on November 4, 2024 at 6:30 p.m. via video/teleconference.

Section 32-1-809, C.R.S. Requirements (Transparency Notice): The Board discussed the special district transparency requirements of Section 32-1-809, C.R.S. Following discussion, the Board directed District Management to post the special district transparency notice on the Special District Association website and the District website.

Insurance Matters:

Cyber Security and Increased Crime Coverage: Attorney Becher discussed cyber security issues and increased crime coverage options with the Board.

Following discussion, upon motion duly made by Director Selden, seconded by Director Stricker and, upon vote unanimously carried, the Board approved an increase in Crime Coverage to \$250,000.

Insurance Committee: The Board discussed establishing an Insurance Committee to make final determinations regarding insurance. The Board determined this was not necessary.

District's Insurance and Special District Association Membership: The Board discussed the renewal of the District's Insurance and Special District Association ("SDA") membership for 2024.

Following discussion, upon motion duly made by Director Selden, seconded by Director Stricker and, upon vote unanimously carried, the Board authorized the renewal of the District's insurance and SDA membership for 2024.

PUBLIC COMMENT

There were no public comments.

**SARIA
PRESENTATION**

Request from South Aurora Regional Improvement Authority: Attorney George presented to the Board a request from the South Aurora Regional Improvement Authority to revise the District's Service Plan relative to the ARI Mill Levy to facilitate a future bond issuance.

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Resolution Approving Service Plan Amendment: The Board reviewed the proposed Amendment to the District’s Service Plan and Resolution Approving Service Plan Amendment.

Following discussion, upon motion duly made by Director Selden, seconded by Director Stricker and, upon vote unanimously carried, the Board adopted Resolution Approving Service Plan Amendment.

Necessary Actions to Amend the Service Plan: The Board discussed and authorized the consultants to proceed with all necessary actions to amend the Service Plan.

FINANCIAL MATTERS

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

Fund	Period Ending Nov. 30, 2022	Period Ending Dec. 31, 2022	Period Ending January 31, 2023	Period Ending February 28, 2023
General	\$ 8,530.15	\$ 6,131.85	\$ 2,077.17	\$ 1,842.50
Debt Service	\$ 400.00	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 8,930.15	\$ 6,131.85	\$ 2,077.17	\$ 1,842.50

Fund	Period Ending March 31, 2023	Period Ending April 30, 2023	Period Ending May 31, 2023	Period Ending June 30, 2023
General	\$ 3,417.48	\$ 1,426.15	\$ 2,070.29	\$ 2,860.51
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 3,417.48	\$ 1,426.15	\$ 2,070.29	\$ 2,860.51

Fund	Period Ending July 31, 2023	Period Ending Aug. 30, 2023	Period Ending Sept. 30, 2023	Period Ending Oct. 31, 2023
General	\$ 1,219.51	\$ 3,042.03	\$ 3,309.63	\$ 24,363.74
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ 13,109.51	\$ -0-
Total Claims	\$ 1,219.51	\$ 3,042.03	\$ 16,419.14	\$ 24,363.74

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.

Financial Statements: Mr. Solin reviewed with the Board the unaudited financial statements through September 30, 2023.

Following discussion, upon motion duly made by Director Bourne, seconded by Director Stricker and, upon vote unanimously carried, the Board accepted the unaudited financial statements through September 30, 2023.

2022 Audit: Mr. Solin reviewed the 2022 Audited Financial Statements with the Board.

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Following review and discussion, upon motion duly made by Director Bourne, seconded by Director Stricker and, upon vote unanimously carried, the Board ratified approval of the 2022 Audited Financial Statements and authorization of execution of the Representations Letter.

2023 Audit: Mr. Solin reported to the Board that the accounting team has requested proposals from several auditors. The Board deferred this matter.

Infrastructure Improvements/Construction Project with Sorrel Ranch Homeowner's Association: The Board discussed potential District contributions to the Sorrel Ranch Homeowner's Association (the "Association"). The Board directed Director Selden to reach out to the Association for proposals for use of funds for the proposed work. Attorney Becher noted that an agreement will be needed for the District to provide said contributions.

2023 Budget Amendment Hearing: The President opened the Public Hearing to consider an Amendment to the 2023 Budget.

It was noted that publication of a Notice stating that the Board would consider amending 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.

The Board determined that an amendment to the 2023 Budget was not necessary.

2024 Budget Hearing: The President opened the Public Hearing to consider the proposed 2024 Budget and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2024 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. Solin reviewed the estimated 2023 expenditures and the proposed 2024 expenditures.

Upon motion duly made by Director Bourne, seconded by Director Selden and, upon vote unanimously carried, the Board approved the 2024 Budget, as discussed, and considered adoption of Resolution to Adopt the 2024 Budget and Appropriate Sums of Money and Resolution to Set Mill Levies (4.000 mills in the General Fund, 28.154 mills in the Debt Service Fund, and 1.302 mills for contractual obligations, for a total mill levy of 33.456 mills.) Following discussion, upon vote unanimously carried, the Board adopted the Resolutions and

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authorized execution of the Certification of Budget. The District Accountant was directed to transmit the Certification of Tax Levies to the Board of County Commissioners of Arapahoe County not later than January 10, 2024. District Counsel was directed to transmit the Certification of Budget to the Division of Local Government no later than January 31, 2024. Copies of the adopted Resolutions are attached hereto and incorporated herein by this reference.

DLG-70 Mill Levy Certification Form: Following discussion, upon motion duly made by Director Bourne, seconded by Director Selden 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: Following review and discussion, upon motion duly made by Director Bourne, seconded by Director Selden and, upon vote unanimously carried, the Board adopted 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.

2025 Budget Preparation: 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 2025 Budget and set the Budget Hearing to consider adoption of the 2025 Budget for November 4, 2024 at 6:30 p.m. via Zoom.

LEGAL MATTERS

Resolution Amending Policy on Colorado Open Records Act Requests: Following review and discussion, upon motion duly made by Director Stricker, seconded by Director Bourne and, upon vote unanimously carried, the Board adopted the Resolution Amending Policy on Colorado Open Records Act Requests.

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 Stricker and, upon vote unanimously carried, the meeting was adjourned.

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Respectfully submitted,

By  _____
Secretary for the Meeting