

SORREL RANCH METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 • 800-741-3254
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NOTICE OF SPECIAL MEETING AND AGENDA

| <u>Board of Directors:</u> | <u>Office:</u> | <u>Term/Expiration:</u> |
|----------------------------|---------------------|-------------------------|
| Mark Selden | President | 2022/May 2022 |
| David Bourne | Treasurer | 2020/May 2020 |
| Melissa Zajac | Assistant Secretary | 2020/May 2020 |
| Ryan C. Jones | Assistant Secretary | 2022/May 2020 |
| VACANT | | 2022/May 2020 |
| David Solin | Secretary | |

DATE: **February 19, 2020 (Wednesday)**

TIME: 6:30 P.M.

PLACE: **Copperleaf Clubhouse**
4895 South Tibet Street
Aurora, CO 80015

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Approve Agenda; confirm location of meeting, posting of meeting notices, and designate posting location for 24-Hour Notices.

C. Review and approve Minutes of the November 7, 2019 Regular Meeting (enclosure).

II. FINANCIAL MATTERS

A. Discuss possible bond refunding and consider taking any steps necessary in conjunction thereof.

III. OTHER MATTERS

A. _____

IV. ADJOURNMENT ***THE NEXT REGULAR MEETING IS SCHEDULED FOR
JUNE 4, 2020.***

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SORREL RANCH METROPOLITAN DISTRICT HELD NOVEMBER 7, 2019

A Regular 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 7th day of November, 2019, at 6:30 p.m., at Tollgate Crossing Community Center, 24625 E. Bellewood Drive, Aurora, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Mark Selden
David Bourne
Melissa Zajac
Ryan C. Jones

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Vy Nguyen; CliftonLarsonAllen LLP

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. It was noted that Director Bourne has ownership of the website domain SoutheastAurora.com.

ADMINISTRATIVE MATTERS

Agenda and Confirm Location of Meeting and Posting of Meeting Notices:

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

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

Approval of Meeting Location: 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.

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 because there was not a suitable or convenient location within the District's boundaries, the meeting would be conducted at the above-stated time, date and location. The Board further noted that notice of the time, date and location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within the District's boundaries.

Minutes: The Board reviewed the Minutes of the June 6, 2019 Regular Meeting.

Following review, upon motion duly made by Director Bourne, seconded by Director Jones and, upon vote, unanimously carried, the Minutes of the June 6, 2019 Regular Meeting were approved, as presented.

New Legislation Regarding Posting Meeting Notices and Establishment of a District Website: Mr. Solin reviewed with the Board the recent change in legislation that authorizes the posting of meeting notices on a district website as opposed to in three physical locations within the boundaries of the District. Mr. Solin noted the statute does require designating one physical location for the posting of notices in the event the District's website is not functioning and posting on the website cannot occur.

Resolution No. 2019-11-01; Establishing 2020 Regular Meeting Dates, Times and Location, Establishing District Website and Designating Location for Posting of 24-Hour Notices: The Board discussed Resolution No. 2019-11-01; Establishing 2020 Regular Meeting Dates, Time and Location, Establishing District Website and Designating Locations for Posting of 24-Hour Notices.

The Board determined to schedule 2020 regular meeting dates on June 4, 2020 and November 5, 2020 at 6:30 P.M. at the Tollgate Crossing Community Center, 24625 E. Bellewood Drive, Aurora, Colorado.

Following discussion, upon motion duly made by Director Selden, seconded by Director Borne and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-01; Establishing 2020 Regular Meeting Dates, Time and Location, Establishing District Website and Designating Location for Posting of 24-Hour Notices.

Eligible Governmental Entity Agreement ("EGE") between the Statewide Internet Portal Authority ("SIPA") of the State of Colorado and the District: The Board reviewed the EGE between SIPA and the District.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Selden, seconded by Director Jones and, upon vote, unanimously carried, the Board approved the EGE between SIPA and the District.

Transparency Notice Under §32-1-809, C.R.S.: The Board entered into discussion regarding §32-1-809, C.R.S Transparency Notice reporting requirements and mode of eligible elector notification.

Following discussion, the Board determined to post the required information on the Special District Association (“SDA”) website and District website.

FINANCIAL MATTERS

Inability to Make Scheduled Bond Payments Pursuant to §32-1-903(3), C.R.S.: The Board discussed the inability of the District to make full scheduled bond payments.

Following discussion, upon motion duly made by Director Selden, seconded by Director Bourne and, upon vote, unanimously carried, the Board acknowledged the inability to make full scheduled Bond payments.

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

| Fund | Period Ending June 18, 2019 | Period Ending July 11, 2019 | Period Ending Aug. 8, 2019 | Period Ending Sept. 9, 2019 |
|---------------------|--------------------------------|--------------------------------|-------------------------------|--------------------------------|
| General | \$ 6,657.66 | \$ 8,592.84 | \$ 5,876.95 | \$ 3,338.43 |
| Debt Service | \$ -0- | \$ 51,300.00 | \$ 1,250.00 | \$ -0- |
| Capital Projects | \$ -0- | \$ -0- | \$ -0- | \$ -0- |
| Total Claims | \$ 6,657.66 | \$ 59,892.84 | \$ 7,126.95 | \$ 3,338.43 |

| Fund | Period Ending Oct. 11, 2019 |
|---------------------|--------------------------------|
| General | \$ 2,196.05 |
| Debt Service | \$ 7,600.00 |
| Capital Projects | \$ -0- |
| Total Claims | \$ 9,796.05 |

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

Financial Statements: Ms. Nguyen 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, 2019.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Selden, seconded by Director Bourne and, upon vote, unanimously carried, the Board accepted the unaudited financial statements through September 30, 2019, as presented.

2019 Audit: The Board entered into discussion regarding engaging Stratagem P.C. to perform the 2019 Audit.

Following discussion, upon motion duly made by Director Jones, seconded by Director Bourne and, upon vote, unanimously carried, the Board approved the engagement of Stratagem, P.C. to perform the 2019 Audit, for an amount not to exceed \$3,650.

2019 Budget Amendment Hearing: The President opened the Public Hearing to consider an Amendment to the 2019 Budget and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of a Resolution to Amend the 2019 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, Director Jones moved to adopt the Resolution to Amend the 2019 Budget, Director Selden seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-02 to Amend the 2019 Budget. A copy of the adopted Resolution is attached hereto and incorporated herein by this reference.

2020 Budget Hearing: The President opened the Public Hearing to consider the proposed 2020 Budget and to discuss related issues.

It was noted that publication of Notice stating that the Board would consider adoption of the 2020 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.

Ms. Nguyen reviewed the estimated 2019 expenditures and the proposed 2020 expenditures.

Following discussion, the Board considered the adoption of Resolution No. 2019-11-03; Resolution to Adopt the 2020 Budget and Appropriate Sums of Money, and Resolution No. 2019-11-04; Resolution to Set Mill Levies (for the General Fund at 6.000 mills, for the Debt Service Fund at 55.663 mills, and for Other Fund(s) at

RECORD OF PROCEEDINGS

1.112 mills, for a total mill levy of 62.775 mills). Upon motion duly made by Director Jones, seconded by Director Selden 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, 2019. Mr. Solin was authorized to transmit the Certification of Mill Levies to the Board of County Commissioners of Arapahoe County not later than December 15, 2019. Mr. Solin was also authorized to transmit the Certification of Budget to the Division of Local Government not later than January 30, 2020. 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 Jones, 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.

Preparation of the 2021 Budget: The Board discussed preparation of the 2021 Budget.

Following discussion, upon motion duly made by Director Jones, seconded by Director Selden, and upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2021 Budget.

Independent Registered Municipal Advisor: Mr. Solin discussed with the Board the selection of an Independent Registered Municipal Advisor.

LEGAL MATTERS

Reimbursement to TOUSA under the Reimbursement Agreement (Facilities Fees) between the District and TOUSA Recovery Acquisition, LLC: Mr. Solin discussed with the Board the Facilities Fees that are due to date.

Election Resolution: The Board discussed Resolution No. 2019-11-05; Resolution Calling a Regular Election for Directors on May 5, 2020, appointing the Designated Election Official (“DEO”) and authorizing the DEO to perform all tasks required for the conduct of a mail ballot election.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Selden, seconded by Director Bourne and, upon vote, unanimously carried, the Board adopted Resolution No. 2019-11-05; Resolution Calling a Regular Election for Directors on May 5, 2020, 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.

OTHER MATTERS

South Aurora Regional Improvement Authority (“SARIA”): Mr. Solin discussed with the Board the status of the South Aurora Regional Improvement Authority projects.

ADJOURNMENT

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

Respectfully submitted,

By _____
Secretary for the Meeting

RESOLUTION NO. 2019-11-01

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SORREL RANCH METROPOLITAN DISTRICT ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, ESTABLISHING DISTRICT WEBSITE AND DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES

A. Pursuant to Section 32-1-903, C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.

B. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district's first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings ("**Notice of Meeting**") will be physically posted at least 24 hours prior to each meeting ("**Designated Public Place**"). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

C. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting, if a special district posts the Notice of Meeting online at a public website of the special district ("**District Website**") at least 24 hours prior to each regular and special meeting

D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

E. Pursuant to Section 32-1-903, C.R.S., all special and regular meetings of the board shall be held at locations which are within the boundaries of the district or which are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

F. The provisions of Section 32-1-903, C.R.S., may be waived if: (1) the proposed change of location of a meeting of the board appears on the agenda of a regular or special meeting; and (2) a resolution is adopted by the board stating the reason for which a meeting is to be held in a location other than under Section 32-1-903(1), C.R.S., and further stating the date, time and place of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sorrel Ranch Metropolitan District (the "**District**"), Arapahoe County, Colorado:

1. That the provisions of Section 32-1-903(1), C.R.S., be waived pursuant to the adoption of this Resolution.

2. That the Board of Directors (the “**District Board**”) has determined that conducting regular and special meetings pursuant to Section 32-1-903(1), C.R.S., would be inconvenient and costly for the directors and consultants of the District in that they live and/or work outside of the twenty (20) mile radius requirement.

3. That regular meetings of the District Board for the year 2020 shall be held on June 4, 2020 and November 5, 2020 at 6:30 p.m., at the Tollgate Crossing Community Center, 24625 E. Bellewood Drive, Aurora, Colorado in Arapahoe County, Colorado.

4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each director.

5. That, until circumstances change, and a future resolution of the District Board so designates, the location of all special and regular meetings of the District Board shall appear on the agenda(s) of said special and regular meetings.

6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s) location(s), and any such objections shall be considered by the District Board in setting future meetings.

7. That the District Board authorizes establishment of a District Website, if such District Website does not already exist, in order to provide full and timely notice of regular and special meetings of the District Board online pursuant to the provisions of Section 24-6-402(2)(c)(III), C.R.S.

8. That, if the District has established a District Website, the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to each regular and special meeting pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

9. That, if the District has not yet established a District Website or is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

(a) The corner of Aurora Parkway and Buchanan Street

10. Special District Management Services, Inc., or his/her designee, is hereby appointed to post the above-referenced notices.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, ESTABLISHING DISTRICT WEBSITE AND DESIGNATING LOCATION FOR 24-HOUR NOTICES]


RESOLUTION APPROVED AND ADOPTED on November 7, 2019.

SORREL RANCH METROPOLITAN DISTRICT

By: 

President

Attest:



Secretary

RESOLUTION TO AMEND 2019 BUDGET
SORREL RANCH METROPOLITAN DISTRICT

WHEREAS, the Board of Directors of the Sorrel Ranch Metropolitan District budgeted and appropriated funds for the fiscal year 2019 as follows:

| | | |
|-----------------------|----|---------|
| General Fund | \$ | 67,000 |
| Debt Service Fund | \$ | 917,000 |
| Capital Projects Fund | \$ | 17,130 |

WHEREAS, the necessity has arisen for additional expenditures in the General Fund and Debt Service Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2019; 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 General Fund from specific ownership taxes, interest income and Administration Fee;

WHEREAS, funds are available for such expenditures in the Debt Service Fund from specific ownership taxes, interest income, other revenue and transfers from other funds.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Sorrel Ranch Metropolitan District shall and hereby does amend the adopted Budget for the fiscal year 2019 and adopts a supplemental budget and appropriation for the General Fund and Debt Service Fund for the fiscal year 2019, as follows:

| | | |
|-------------------|----|-----------|
| General Fund | \$ | 140,000 |
| Debt Service Fund | \$ | 1,100,000 |

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 7th day of November, 2019.

SORREL RANCH METROPOLITAN
DISTRICT

By: 
Secretary

**SORREL RANCH METROPOLITAN DISTRICT
GENERAL FUND
2019 BUDGET AS AMENDED**

| | BUDGET 2019 | AMENDED 2019 |
|---|----------------|-----------------|
| BEGINNING FUND BALANCE | \$ 123,330 | \$ 126,490 |
| REVENUES | | |
| Property taxes | 93,013 | 93,013 |
| Specific ownership taxes | 5,580 | 7,425 |
| Interest income | 2,300 | 4,000 |
| Administration Fee | - | 3,100 |
| Total revenues | 100,893 | 107,538 |
| Total funds available | 224,223 | 234,028 |
| EXPENDITURES | | |
| General and administrative | | |
| Accounting | 19,000 | 19,000 |
| Audit | 3,500 | 3,500 |
| County Treasurer's fee | 1,395 | 1,396 |
| Directors' fees | 1,200 | 1,200 |
| Dues and membership | 450 | 421 |
| Election | - | - |
| Insurance and bonds | 3,100 | 3,097 |
| District management | 17,000 | 17,000 |
| Legal | 17,000 | 17,000 |
| Miscellaneous | 800 | 500 |
| Contingency | 3,555 | 4,886 |
| SARIA contribution | - | - |
| Total expenditures | 67,000 | 68,000 |
| TRANSFERS OUT | | |
| Transfers to other fund | - | 72,000 |
| Total expenditures and transfers out requiring appropriation | 67,000 | 140,000 |
| ENDING FUND BALANCE | \$ 157,223 | \$ 94,028 |

**SORREL RANCH METROPOLITAN DISTRICT
DEBT SERVICE FUND
2019 BUDGET AS AMENDED**

| | BUDGET 2019 | AMENDED 2019 |
|---|----------------|-----------------|
| BEGINNING FUND BALANCE | \$ 9,803 | \$ 18,133 |
| REVENUES | | |
| Property taxes | 856,917 | 856,917 |
| Specific ownership taxes | 51,400 | 68,391 |
| Interest income | 4,000 | 7,500 |
| Other revenue | - | 77,059 |
| Total revenues | 912,317 | 1,009,867 |
| TRANSFERS IN | | |
| Transfers from other funds | - | 72,000 |
| Total funds available | 922,120 | 1,100,000 |
| EXPENDITURES | | |
| General and administrative | | |
| County Treasurer's fee | 12,854 | 12,855 |
| Paying agent fees | 2,500 | 2,500 |
| Contingency | 2,608 | 90,607 |
| Debt Service | | |
| Bond interest Senior Bonds | 604,038 | 604,038 |
| Bond principal Senior Bonds | 295,000 | 390,000 |
| Total expenditures | 917,000 | 1,100,000 |
| Total expenditures and transfers out requiring appropriation | 917,000 | 1,100,000 |
| ENDING FUND BALANCE | \$ 5,120 | \$ - |

RESOLUTION NO. 2019 - 11 - 03

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SORREL RANCH METROPOLITAN DISTRICT
TO ADOPT THE 2020 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Sorrel Ranch Metropolitan District ("District") has appointed the District Accountant to prepare and submit a proposed 2020 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2019, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 7, 2019, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sorrel Ranch Metropolitan District:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Sorrel Ranch Metropolitan District for the 2020 fiscal year.

2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 7st day of November, 2019.





Secretary

EXHIBIT A
(Budget)



CliftonLarsonAllen

CliftonLarsonAllen LLP
www.CLAconnect.com

Accountant's Compilation Report

Board of Directors
Sorrel Ranch Metropolitan District

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of Sorrel Ranch Metropolitan District for the year ending December 31, 2020, including the estimate of comparative information for the year ending December 31, 2019, and the actual comparative information for the year ended December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to Sorrel Ranch Metropolitan District.

CliftonLarsonAllen LLP

Greenwood Village, Colorado
January 10, 2020



An independent member of Nexia International

**SORREL RANCH METROPOLITAN DISTRICT
SUMMARY
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/2020

| | ACTUAL 2018 | ESTIMATED 2019 | BUDGET 2020 |
|---|-------------------|-------------------|-------------------|
| BEGINNING FUND BALANCES | \$ 191,628 | \$ 144,623 | \$ 112,462 |
| REVENUES | | | |
| Property taxes | 947,036 | 949,930 | 1,198,155 |
| Specific ownership taxes | 70,063 | 75,816 | 71,889 |
| Administration fee | - | 3,100 | 1,500 |
| Interest income | 12,098 | 11,500 | 7,000 |
| Property taxes - SARIA | 17,078 | 17,130 | 21,607 |
| Total revenues | <u>1,046,275</u> | <u>1,057,476</u> | <u>1,300,151</u> |
| TRANSFERS IN | <u>-</u> | <u>72,000</u> | <u>-</u> |
| Total funds available | <u>1,237,903</u> | <u>1,274,099</u> | <u>1,412,613</u> |
| EXPENDITURES | | | |
| General Fund | 160,746 | 63,114 | 71,000 |
| Debt Service Fund | 915,456 | 1,009,393 | 1,068,000 |
| Capital Projects Fund | 17,078 | 17,130 | 21,607 |
| Total expenditures | <u>1,093,280</u> | <u>1,089,637</u> | <u>1,160,607</u> |
| TRANSFERS OUT | <u>-</u> | <u>72,000</u> | <u>-</u> |
| Total expenditures and transfers out requiring appropriation | <u>1,093,280</u> | <u>1,161,637</u> | <u>1,160,607</u> |
| ENDING FUND BALANCES | <u>\$ 144,623</u> | <u>\$ 112,462</u> | <u>\$ 252,006</u> |
| EMERGENCY RESERVE | <u>\$ 3,200</u> | <u>\$ 3,200</u> | <u>\$ 3,800</u> |
| TOTAL RESERVE | <u>\$ 3,200</u> | <u>\$ 3,200</u> | <u>\$ 3,800</u> |

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SORREL RANCH METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/2020

| ACTUAL 2018 | ESTIMATED 2019 | BUDGET 2020 |
|----------------|-------------------|----------------|
|----------------|-------------------|----------------|

ASSESSED VALUATION

| | | | |
|--------------------------|----------------------|----------------------|----------------------|
| Residential | \$ 14,299,516 | \$ 14,328,880 | \$ 16,424,302 |
| Commercial | 590 | 1,166 | 44,601 |
| State assessed | 312,160 | 329,400 | 150,240 |
| Vacant land | 842,739 | 842,784 | 2,811,548 |
| Certified Assessed Value | <u>\$ 15,455,005</u> | <u>\$ 15,502,230</u> | <u>\$ 19,430,691</u> |

MILL LEVY

| | | | |
|-----------------|---------------|---------------|---------------|
| General | 6.000 | 6.000 | 6.000 |
| Debt Service | 55.277 | 55.277 | 55.663 |
| SARIA | 1.105 | 1.105 | 1.112 |
| Total mill levy | <u>62.382</u> | <u>62.382</u> | <u>62.775</u> |

PROPERTY TAXES

| | | | |
|-------------------------|-------------------|-------------------|---------------------|
| General | \$ 92,730 | \$ 93,013 | \$ 116,584 |
| Debt Service | 854,306 | 856,917 | 1,081,571 |
| SARIA | 17,078 | 17,130 | 21,607 |
| Levied property taxes | <u>964,114</u> | <u>967,060</u> | <u>1,219,762</u> |
| Budgeted property taxes | <u>\$ 964,114</u> | <u>\$ 967,060</u> | <u>\$ 1,219,762</u> |

BUDGETED PROPERTY TAXES

| | | | |
|--------------|-------------------|-------------------|---------------------|
| General | \$ 92,730 | \$ 93,013 | \$ 116,584 |
| Debt Service | 854,306 | 856,917 | 1,081,571 |
| SARIA | 17,078 | 17,130 | 21,607 |
| | <u>\$ 964,114</u> | <u>\$ 967,060</u> | <u>\$ 1,219,762</u> |

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SORREL RANCH METROPOLITAN DISTRICT
GENERAL FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/2020

| | ACTUAL 2018 | ESTIMATED 2019 | BUDGET 2020 |
|---|-------------------|-------------------|-------------------|
| BEGINNING FUND BALANCE | \$ 182,478 | \$ 126,490 | \$ 98,914 |
| REVENUES | | | |
| Property taxes | 92,730 | 93,013 | 116,584 |
| Specific ownership taxes | 6,862 | 7,425 | 6,995 |
| Interest income | 5,166 | 4,000 | 3,000 |
| Administration Fee | - | 3,100 | 1,500 |
| Total revenues | <u>104,758</u> | <u>107,538</u> | <u>128,079</u> |
| Total funds available | <u>287,236</u> | <u>234,028</u> | <u>226,993</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| Accounting | 17,945 | 19,000 | 20,000 |
| Audit | 3,500 | 3,500 | 3,500 |
| County Treasurer's fee | 1,392 | 1,396 | 1,749 |
| Directors' fees | 900 | 1,200 | 1,600 |
| Dues and membership | 409 | 421 | 450 |
| Election | 547 | - | 1,000 |
| Insurance and bonds | 2,731 | 3,097 | 3,300 |
| District management | 13,598 | 17,000 | 18,000 |
| Legal | 19,524 | 17,000 | 18,000 |
| Miscellaneous | 200 | 500 | 500 |
| Contingency | - | - | 2,901 |
| SARIA contribution | 100,000 | - | - |
| Total expenditures | <u>160,746</u> | <u>63,114</u> | <u>71,000</u> |
| TRANSFERS OUT | | | |
| Transfers to other fund | <u>-</u> | <u>72,000</u> | <u>-</u> |
| Total expenditures and transfers out requiring appropriation | <u>160,746</u> | <u>135,114</u> | <u>71,000</u> |
| ENDING FUND BALANCE | <u>\$ 126,490</u> | <u>\$ 98,914</u> | <u>\$ 155,993</u> |
| EMERGENCY RESERVE | <u>\$ 3,200</u> | <u>\$ 3,200</u> | <u>\$ 3,800</u> |
| TOTAL RESERVE | <u>\$ 3,200</u> | <u>\$ 3,200</u> | <u>\$ 3,800</u> |

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SORREL RANCH METROPOLITAN DISTRICT
DEBT SERVICE FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/2020

| | ACTUAL 2018 | ESTIMATED 2019 | BUDGET 2020 |
|---|------------------|-------------------|------------------|
| BEGINNING FUND BALANCE | \$ 9,150 | \$ 18,133 | \$ 13,548 |
| REVENUES | | | |
| Property taxes | 854,306 | 856,917 | 1,081,571 |
| Specific ownership taxes | 63,201 | 68,391 | 64,894 |
| Interest income | 6,932 | 7,500 | 4,000 |
| Total revenues | <u>924,439</u> | <u>932,808</u> | <u>1,150,465</u> |
| TRANSFERS IN | | | |
| Transfers from other funds | <u>-</u> | <u>72,000</u> | <u>-</u> |
| Total funds available | <u>933,589</u> | <u>1,022,941</u> | <u>1,164,013</u> |
| EXPENDITURES | | | |
| General and administrative | | | |
| County Treasurer's fee | 12,818 | 12,855 | 16,224 |
| Paying agent fees | 2,500 | 2,500 | 2,500 |
| Contingency | - | - | 2,664 |
| Debt Service | | | |
| Bond interest Senior Bonds | 620,138 | 604,038 | 581,612 |
| Bond principal Senior Bonds | 280,000 | 390,000 | 465,000 |
| Total expenditures | <u>915,456</u> | <u>1,009,393</u> | <u>1,068,000</u> |
| Total expenditures and transfers out requiring appropriation | <u>915,456</u> | <u>1,009,393</u> | <u>1,068,000</u> |
| ENDING FUND BALANCE | <u>\$ 18,133</u> | <u>\$ 13,548</u> | <u>\$ 96,013</u> |

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SORREL RANCH METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2020 BUDGET
WITH 2018 ACTUAL AND 2019 ESTIMATED
For the Years Ended and Ending December 31,**

1/10/2020

| | ACTUAL 2018 | ESTIMATED 2019 | BUDGET 2020 |
|---|----------------|-------------------|----------------|
| BEGINNING FUND BALANCE | \$ - | \$ - | \$ - |
| REVENUES | | | |
| Property taxes - SARIA | 17,078 | 17,130 | 21,607 |
| Total revenues | <u>17,078</u> | <u>17,130</u> | <u>21,607</u> |
| Total funds available | <u>17,078</u> | <u>17,130</u> | <u>21,607</u> |
| EXPENDITURES | | | |
| General and Administrative | | | |
| County Treasurer's fee | 256 | 257 | 324 |
| SARIA payment | 16,822 | 16,873 | 21,283 |
| Total expenditures | <u>17,078</u> | <u>17,130</u> | <u>21,607</u> |
| Total expenditures and transfers out requiring appropriation | <u>17,078</u> | <u>17,130</u> | <u>21,607</u> |
| ENDING FUND BALANCE | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**SORREL RANCH METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District, a quasi-municipal corporation and political subdivision of the State of Colorado, was organized by the order and decree of the District Court for the City of Aurora on November 18, 2002, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under the Amended and Restated Service Plan as approved by the City of Aurora on August 30, 2004. The District's service area is located entirely in Arapahoe County, Colorado in the City of Aurora.

The District was established to provide financing for the design, acquisition, construction, installation and operation and maintenance of public improvements including streets and safety protection, water, sanitary sewer and storm drainage, park and recreation and mosquito control.

The District held its formation election on November 5, 2002. The electorate authorized general obligation debt of \$17,422,000 and refunding debt of \$17,222,000. The election also allows the District to retain all revenues other than ad valorem taxes without regard to the limitations contained in Article X, Section 20 of the Colorado constitution or any other law and a \$200,000 annual property tax increase for operations.

The District has no employees and all operations and administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of the taxes levied on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

The change in assessment ratio from 7.96% to 7.15% allows the District to adjust its mill levy to offset the decrease in revenues. The District has elected to not impose an adjusted mill levy for operations. Such adjusted mill levy would be 6.679.

**SORREL RANCH METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues (continued)

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6% of the property taxes collected by both the General Fund and the Debt Service Fund.

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.5%.

Expenditures

General and Administrative Expenditures

General and administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, managerial, insurance, meeting expense, and other administrative expenses.

Capital Outlay

Anticipated expenditures for capital outlay in 2020 are displayed on page 6 of the Budget.

Debt Service

The principal and interest payments in 2020 are provided based on the debt amortization schedule from the General Obligation Bonds Series 2006A (discussed under Debt and Leases).

Debt and Leases

On September 22, 2006, the District issued \$11,675,000 in General Obligation Bonds (Limited Tax Convertible to Unlimited Tax) dated September 22, 2006, and \$2,735,000 in General Obligation Subordinate Bonds (Limited Tax Convertible to Unlimited Tax) dated September 22, 2006, both for infrastructure improvements. The senior bonds are term bonds due December 1, 2036, with an interest rate of 5.75%, paid semiannually on June 1 and December 1. The subordinate bonds are term bonds due December 15, 2036, with an interest rate of 6.75%, paid annually on December 15. The senior bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2016, and on any date thereafter, upon payment of par and accrued interest, without redemption premium. The subordinate bonds are subject to redemption prior to maturity, at the option of the District, on December 15, 2016, and on any date thereafter, upon payment of par and accrued interest, without redemption premium. The senior bonds are subject to mandatory sinking fund redemption on December 1, 2010, and on each December 1 thereafter in increasing amounts annually through maturity. The subordinate bonds are subject to mandatory sinking fund redemption on December 15, 2010, and on each December 15 thereafter in varying amounts annually through maturity.

**SORREL RANCH METROPOLITAN DISTRICT
2020 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases (continued)

The Bonds are secured by the Pledged Revenues and all moneys and earnings thereon held in the Funds or accounts created under the terms of the Indenture of Trust dated September 1, 2006 between the District and United Missouri Bank (UMB), as trustee. Pledged Revenues consists of revenues derived from the imposition of the Required Mill Levy (see below) remitted to the District, Facility Fees, Specific Ownership Taxes attributable to the Required Mill Levy, and any other legally available moneys of the District credited to the Bond Fund.

The District is required to impose a mill levy without limitation, up to a limit of 50.000 mills, on the assessed valuation of the District, in an amount sufficient to pay when due the principal and interest and to build up the Surplus Fund of each of the 2006A and 2006B series to their Maximum Surplus Amount, which must be maintained once reached until the Debt to Assessed Ratio is 50% or less. The Maximum Surplus Amount is \$1,167,500 for the 2006A Series Bonds and \$273,500 for the 2006B Series Bonds. In 2020, the District anticipates it will make the full interest payment and a principal payment in the amount of \$465,000 on the 2006A Series Bonds. The scheduled redemption on the 2006A Series for 2020 including unpaid principal from prior years is \$465,000. No payment is anticipated to be made on the 2006B Series Bonds. Payments will be made when cash flow is available.

The District has no operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending for 2020, as defined under TABOR.

This information is an integral part of the accompanying budget.

**SORREL RANCH METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY
December 31, 2019**

| Bonds and Interest Maturing in the Year Ending December 31, | \$11,675,000 Limited Tax General Obligation Bonds Series 2006A Dated September 22, 2006 Principal Due December 1, Interest Rate 5.75% Payable June 1 and December 1 | | |
|--|--|---------------------|----------------------|
| | Principal | Interest | Total |
| 2020 | \$ 465,000 * | \$ 581,612 | \$ 1,046,612 |
| 2021 | 320,000 | 554,875 | 874,875 |
| 2022 | 355,000 | 536,475 | 891,475 |
| 2023 | 380,000 | 516,063 | 896,063 |
| 2024 | 420,000 | 494,212 | 914,212 |
| 2025 | 440,000 | 470,063 | 910,063 |
| 2026 | 485,000 | 444,762 | 929,762 |
| 2027 | 515,000 | 416,875 | 931,875 |
| 2028 | 560,000 | 387,263 | 947,263 |
| 2029 | 595,000 | 355,062 | 950,062 |
| 2030 | 645,000 | 320,850 | 965,850 |
| 2031 | 685,000 | 283,763 | 968,763 |
| 2032 | 745,000 | 244,375 | 989,375 |
| 2033 | 785,000 | 201,537 | 986,537 |
| 2034 | 850,000 | 156,400 | 1,006,400 |
| 2035 | 900,000 | 107,525 | 1,007,525 |
| 2036 | 970,000 | 55,775 | 1,025,775 |
| | \$ 10,115,000 | \$ 6,127,487 | \$ 16,242,487 |

The Series 2006A Bonds are subject to redemption prior to maturity, at the option of the District, beginning December 1, 2016, without a redemption premium.

* Principal in 2020 includes accumulated unpaid principal from prior years.

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

I, David Solin, hereby certify that I am the duly appointed Secretary of the Sorrel Ranch Metropolitan District, and that the foregoing is a true and correct copy of the budget for the budget year 2020, duly adopted at a meeting of the Board of Directors of the Sorrel Ranch Metropolitan District held on November 7, 2019.

By:  _____
Secretary

RESOLUTION NO. 2019 - 11 - 04

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE SORREL RANCH METROPOLITAN DISTRICT
TO SET MILL LEVIES

WHEREAS, the Board of Directors of the Sorrel Ranch Metropolitan District ("District") has adopted the 2020 annual budget in accordance with the Local Government Budget Law on November 7, 2019; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2020 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sorrel Ranch Metropolitan District:

1. That for the purposes of meeting all general fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2020 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of Arapahoe County, Colorado, the mill levies for the District as set forth in the District's Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 7th day of November, 2019.



Secretary

EXHIBIT A
(Certification of Tax Levies)

CERTIFICATION OF TAX LEVIES for NON-SCHOOL Governments

TO: County Commissioners¹ of Arapahoe County, Colorado.

On behalf of the Sorrel Ranch Metropolitan District
(taxing entity)^A

the Board of Directors
(governing body)^B

of the Sorrel Ranch Metropolitan District
(local government)^C

Hereby officially certifies the following mills to be levied against the taxing entity's GROSS \$ 19,430,691 assessed valuation of: (GROSS^D assessed valuation, Line 2 of the Certification of Valuation Form DLG 57^E)

Note: If the assessor certified a NET assessed valuation (AV) different than the GROSS AV due to a Tax Increment Financing (TIF) Area^F the tax levies must be calculated using the NET AV. The taxing entity's total property tax revenue will be derived from the mill levy multiplied against the NET assessed valuation of: \$ 19,430,691 (NET^G assessed valuation, Line 4 of the Certification of Valuation Form DLG 57)
USE VALUE FROM FINAL CERTIFICATION OF VALUATION PROVIDED BY ASSESSOR NO LATER THAN DECEMBER 10

Submitted: 12/02/2019 for budget/fiscal year 2020.
(no later than Dec. 15) (mm/dd/yyyy) (yyyy)

| <u>PURPOSE</u> (see end notes for definitions and examples) | <u>LEVY</u> ² | <u>REVENUE</u> ² |
|--|--------------------------|-----------------------------|
| 1. General Operating Expenses ^H | <u>6.000</u> mills | \$ <u>116,584</u> |
| 2. <Minus> Temporary General Property Tax Credit/ Temporary Mill Levy Rate Reduction ^I | < > mills | \$ < > |
| SUBTOTAL FOR GENERAL OPERATING: | 6.000 mills | \$ 116,584 |
| 3. General Obligation Bonds and Interest ^J | <u>55.663</u> mills | \$ <u>1,081,571</u> |
| 4. Contractual Obligations ^K | <u>1.112</u> mills | \$ <u>21,607</u> |
| 5. Capital Expenditures ^L | _____ mills | \$ _____ |
| 6. Refunds/Abatements ^M | _____ mills | \$ _____ |
| 7. Other ^N (specify): _____ | _____ mills | \$ _____ |
| | _____ mills | \$ _____ |
| TOTAL: [Sum of General Operating Subtotal and Lines 3 to 7] | 62.775 mills | \$1,219,762 |

Contact person: Christine Harwell Daytime phone: (303) 779-5710

Signed: Christine Harwell Title: Accountant for the District

Include one copy of this tax entity's completed form when filing the local government's budget by January 31st, per 29-1-113 C.R.S., with the Division of Local Government (DLG), Room 521, 1313 Sherman Street, Denver, CO 80203. Questions? Call DLG at (303) 864-7720.

¹ If the taxing entity's boundaries include more than one county, you must certify the levies to each county. Use a separate form for each county and certify the same levies uniformly to each county per Article X, Section 3 of the Colorado Constitution.
² Levies must be rounded to three decimal places and revenue must be calculated from the total NET assessed valuation (Line 4 of Form DLG57 on the County Assessor's FINAL certification of valuation).

CERTIFICATION OF TAX LEVIES, continued

THIS SECTION APPLIES TO TITLE 32, ARTICLE 1 SPECIAL DISTRICTS THAT LEVY TAXES FOR PAYMENT OF GENERAL OBLIGATION DEBT (32-1-1603 C.R.S.). Taxing entities that are Special Districts or Subdistricts of Special Districts must certify separate mill levies and revenues to the Board of County Commissioners, one each for the funding requirements of each debt (32-1-1603, C.R.S.) Use additional pages as necessary. The Special District's or Subdistrict's total levies for general obligation bonds and total levies for contractual obligations should be recorded on Page 1, Lines 3 and 4 respectively.

CERTIFY A SEPARATE MILL LEVY FOR EACH BOND OR CONTRACT:

BONDS^J:

- | | | |
|----|-------------------|---|
| 1. | Purpose of Issue: | <u>Public infrastructure</u> |
| | Series: | <u>2006A General Obligation Bonds</u> |
| | Date of Issue: | <u>September 22, 2006</u> |
| | Coupon Rate: | <u>5.75%</u> |
| | Maturity Date: | <u>December 1, 2036</u> |
| | Levy: | <u>55.663 mills</u> |
| | Revenue: | <u>\$1,081,571</u> |
| | | |
| 2. | Purpose of Issue: | <u>Public infrastructure</u> |
| | Series: | <u>2006B Subordinate General Obligation Bonds</u> |
| | Date of Issue: | <u>September 22, 2006</u> |
| | Coupon Rate: | <u>6.75%</u> |
| | Maturity Date: | <u>December 15, 2036</u> |
| | Levy: | <u>0.000 mills</u> |
| | Revenue: | <u>\$0</u> |

CONTRACTS^K:

- | | | |
|----|----------------------|---|
| 3. | Purpose of Contract: | <u>Regional Improvements with South Aurora Regional Improvement Authority (SARIA)</u> |
| | Title: | <u>IGA between SARIA and Sorrel Ranch Metropolitan District</u> |
| | Date: | <u>Approved on November 9, 2017</u> |
| | Principal Amount: | <u>N/A</u> |
| | Maturity Date: | <u>TBD</u> |
| | Levy: | <u>1.112</u> |
| | Revenue: | <u>\$21,607</u> |
| | | |
| 4. | Purpose of Contract: | <u>_____</u> |
| | Title: | <u>_____</u> |
| | Date: | <u>_____</u> |
| | Principal Amount: | <u>_____</u> |
| | Maturity Date: | <u>_____</u> |
| | Levy: | <u>_____</u> |
| | Revenue: | <u>_____</u> |

Use multiple copies of this page as necessary to separately report all bond and contractual obligations per 32-1-1603, C.R.S.

RESOLUTION NO. 2019-11-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF
SORREL RANCH METROPOLITAN DISTRICT
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 5, 2020

A. The terms of the offices of Directors Bourne and Zajac shall expire upon the election of their successors at the regular election, to be held on May 5, 2020 (“**Election**”), and upon such successors taking office.

B. The term of the office to which Director Jones has previously been appointed expires upon his re-election, or the election of his successor at the Election, and upon such successor taking office.

C. A vacancy currently exists on the Board of Directors of the District.

D. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect two (2) Directors to serve until the next regular election, to occur May 3, 2022, and two (2) Directors to serve until the second regular election, to occur May 2, 2023.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sorrel Ranch Metropolitan District (the “**District**”) of the County of Arapahoe, Colorado:

1. Date and Time of Election. The Election shall be held on May 5, 2020, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, two (2) Directors shall be elected to serve until the next regular election, to occur May 3, 2022, and two (2) Directors shall be elected to serve until the second regular election, to occur May 2, 2023.

2. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.

3. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Designated Election Official. _____ shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.

5. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with the Designated Election Official of the District, c/o Special District Management Services, Inc. 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 28, 2020).

6. Self-Nomination and Acceptance Forms. Self-nomination and acceptance forms are available at the office of the Designated Election Official located at the above address. All candidates must file a self-nomination and acceptance form with the Designated Election Official no later than 3:00 P.M. on February 28, 2020.

7. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on March 3, 2020, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

8. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board of Director's intention that the various provisions hereof are severable.

9. Repealer. All acts, orders and resolutions, or parts thereof, of the Board of Directors which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

10. Effective Date. The provisions of this Resolution shall take effect as of the date adopted and approved by the Board of Directors of Sorrel Ranch Metropolitan District.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION
CALLING A REGULAR ELECTION FOR DIRECTORS
MAY 5, 2020]

RESOLUTION APPROVED AND ADOPTED on November 7, 2019.

SORREL RANCH METROPOLITAN
DISTRICT

By: 

President

Attest:



Secretary