

RECORD OF PROCEEDINGS

MINUTES OF THE JOINT ANNUAL MEETING OF
THE BOARD OF DIRECTORS OF THE
STERLING RANCH METROPOLITAN DISTRICT NOS. 1, 2 & 3
(THE "DISTRICTS")
HELD
NOVEMBER 9, 2023

Pursuant to Section 32-1-903(6), C.R.S., a Statutory Annual Meeting of the Boards of Directors of the Districts (referred to hereafter as the "Boards") was convened on Thursday, November 9, 2023, at 5:30 p.m. at Grace Community Church, 9475 Grace Church View, Falcon, Colorado and via telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

District No. 1:

James Morley, President
Charles Collins, Secretary
Loren Moreland, Treasurer/Asst. Secretary
Peggy Libbey, Assistant Secretary

District No. 2:

Deborah Vincelle, President
Willie Jackson, Secretary
Charles Collins, Treasurer
Diane Black, Assistant Secretary
Michael Bart, Assistant Secretary

District No. 3:

Loren Moreland, Secretary
Peggy Libbey, Treasurer
James Morley, Assistant Secretary
Charles Collins, Assistant Secretary

Also, In Attendance Were:

Seef Le Roux and Korben Heim; CliftonLarsonAllen LLP
Sarah Steph; Classic Homes
Jack Stimple, Mike Black, Pat Libbey, Gracie Stoller, William Berger, Ken Vincelle, Matthew Horr, Connie Bart; other Members of the Public

ANNUAL MEETING ITEMS

Call to Order: The Statutory Annual Meeting was called to order at 5:30 p.m.
Presentation Regarding the Status of the Public Infrastructure Projects Within the Districts: Loren Moreland discussed the development in the districts.

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Outstanding Bonds: Loren Moreland discussed the outstanding bonds and developer advance debt.

Unaudited Financial Statements: Mr. Le Roux reviewed the Unaudited Financial Statements. Questions asked below.

Open Floor for Questions:

Was the mill levy decrease due to the refinance of District No. 2? Mr. Le Roux noted the lack of a property tax bill decrease is due to increased assessed values on properties in the District.

Was inflation being accounted for in future capital projects as budgeted? Mr. Le Roux noted the bond project fund will not cover all costs associated with the public improvement capital projects and Developer funding will be needed to cover the shortfall.

Director Bart discussed the future consideration that the mills be adjusted down as debt payments are covered. Discussion ensued regarding bond payments and path to paying off the debt and decreasing the mills.

What are “other superstructures”? Mr. Le Roux noted this includes projects further down the line and are not a priority, such as Banning Lewis Parkway and Briargate connection, the Sand Creek channel improvements, etc.

Discussion ensued regarding EMMA and EDARP as tools to view and see development documents and plans to community by development.

Question as to debt interest and reserve funds. Mr. Le Roux noted interest rates are a consideration whenever refinancing makes sense for districts. The reserve funds are used for the final payments on debt.

Consultants were prepared to give presentations required by Statute. No Public was in attendance.

ADJOURNMENT

There being no further business at this time, the Statutory Annual Meeting was adjourned at 7:15 p.m.

Respectfully submitted,

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By Willie Jackson

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Secretary for the Annual Meeting