

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING/WORK SESSION OF
THE BOARD OF DIRECTORS OF THE
STERLING RANCH METROPOLITAN DISTRICT
NO. 2 (THE "DISTRICT")
HELD
APRIL 18, 2024

A special meeting/work session of the Board of Directors of the Sterling Ranch Metropolitan District No. 2 (referred to hereafter as the "Board") was convened on April 18, 2024 at 3:00 p.m. at 2138 Flying Horse Club Dr., Colorado Springs, CO 80921 and via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Deborah Vincelle, President (joined at 3:20 p.m.)
Willie Jackson, Secretary
Michael J. Bart, Assistant Secretary
Diane C. Black, Assistant Secretary

Also, In Attendance Were:

Korben Heim and Dylan Kirk; CliftonLarsonAllen LLP ("CLA")
K. Sean Allen, Esq.; White Bear Ankele Tanaka and Waldron
Sarah Steph; Classic Homes

ADMINISTRATIVE MATTERS

Call to Order and Agenda: Upon a motion duly made by Director Bart, seconded by Director Jackson, the Board called the meeting to order at 3:03 p.m. Following review, upon a motion duly made by Director Bart, seconded by Director Black and, upon vote, unanimously carried, the Board approved the agenda, as presented.

Disclosures of Potential Conflicts of Interest: Attorney Allen discussed the disclosure needs, noting these are necessary to record in case anything is requested or needed for any purpose. Director Bart asked why this is now being implemented. Attorney Allen reported that this is a new firm policy, not a statutory requirement. Conflicts are confirmed once a year.

The Directors present noted for the record that they have financial interests in entities active in developing property within the boundaries of the District, or are employed by such entities, and that such interests may be affected from time to time by actions of the Districts' Board of Directors. In accordance with state law, Attorney Allen reported the written disclosures describing such potential conflicts of interest were filed with the Secretary of State, and the Directors present verbally reaffirmed such disclosures on the record of this meeting. The Board determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

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Quorum, Location of Meeting and Posting of Meeting Notice: The Board confirmed a quorum. Upon a motion duly made by Director Black, seconded by Director Bart and, upon vote, unanimously carried, the Board excused the absence of Director Collins. The Board confirmed the location of the meeting and the posting of the meeting notice.

Public comment: None.

APRIL 23, 2024
MEETING PACKET
REVIEW

Review Packet: Director Bart asked about Cost Certification No. 40. Mr. Kirk reviewed, noting this zeroes out the capital expenditures, with the remainder being just the interest.

Discussion Items:

1. 2023 and 2024 General Fund Budgets
2. December 31, 2023 Financials
3. 2025 Budget
5. Fence replacements
6. 2024 Landscape Maintenance Proposal


Director Bart questioned the operation and maintenance spending and the IGA costs to District No. 3. Discussion ensued regarding the centralization of the General Funds in District No. 3, the IGA's, improvements needed in District No. 2 boundaries, etc.

Director Bart recommended that the next Work Session continue with the IGA review and discussion regarding ability/responsibilities.

ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Director Black, seconded by Director Vincelle, the Board adjourned the special meeting/work session at 3:54 p.m.

Respectfully submitted,

DocuSigned by:

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Secretary for the Meeting