

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
STERLING RANCH METROPOLITAN DISTRICT
NO. 1 (THE "DISTRICT")
HELD
NOVEMBER 28, 2023

A special meeting of the Board of Directors of the Sterling Ranch Metropolitan District No. 1 (referred to hereafter as the "Board") was convened on November 28, 2023, at 11:30 a.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:

James Morley, President
Charles Collins, Secretary
Loren Moreland, Treasurer/ Assistant Secretary
Peggy Libbey, Assistant Secretary
Douglas Stimple, Assistant Secretary

Also, In Attendance Were:

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

ADMINISTRATIVE MATTERS

Call to order and Agenda: Director Morley called the meeting to order at 1:58 p.m. Following review, upon a motion duly made by Director Libbey, seconded by Director Collins and, upon vote, unanimously carried, the Board approved the agenda, as amended.

Disclosures of Potential Conflicts of Interest: 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.

Quorum, Location of Meeting and Posting of Meeting Notice: The Board confirmed a quorum, the location of the meeting and the posting of the meeting notice.

Public comment: None.

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Minutes from the July 6, 2023 special Board meeting: Following review, upon a motion duly made by Director Moreland, seconded by Director Libbey and, upon vote, unanimously carried, the Board approved the minutes from the July 6, 2023 special meeting, as presented.

Resolution Regarding 2024 Annual Administrative Matters: Following review, upon a motion duly made by Director Collins, seconded by Director Libbey and, upon vote, unanimously carried, the Board adopted the Resolution Regarding 2024 Annual Administrative Matters, as presented.

2024 Insurance Renewal and Special District Association Membership: Following review, upon a motion duly made by Director Moreland, seconded by Director Libbey and, upon vote, unanimously carried, the Board approved the 2024 insurance renewal and authorized the Special District Association membership for 2024.

FINANCIAL MATTERS

September 30, 2023 Unaudited Financial Statements: Mr. LeRoux reviewed the financial statements with the Board. Following review, upon a motion duly made by Director Moreland, seconded by Director Libbey and, upon vote, unanimously carried, the Board accepted the September 30, 2023 Unaudited Financial Statements, as amended from the Schedule of Cash Position and Property Tax Schedule.

Public Hearing on Amendment to 2023 Budget and Resolution to Amend the 2023 Budget: It was noted that an amendment to the 2023 Budget was not needed.

Public Hearing on the Proposed 2024 Budget and Resolution to Adopt the 2024 Budget and Appropriate Sums of Money and Set Mill Levies Director Morley opened the public hearing to consider the adoption of the 2024 Budget at 2:16 p.m. It was noted that publication of Notice stating that the Board would consider the 2024 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

Mr. LeRoux reviewed the 2024 proposed Budget with the Board.

No public comments were received and the public hearing was closed at 2:18 p.m.

Following review and discussion, upon a motion duly made by Director Moreland, seconded by Director Libbey and, upon vote, unanimously carried, the Board approved the 2024 Budget and adopted the Resolution to Adopt 2024 Budget and Appropriate Sums of Money and Set Mill Levies, as presented.

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2022 Audit: Following review and discussion, upon a motion duly made by Director Moreland, seconded by Director Libbey and, upon vote, unanimously carried, the Board ratified the approval of the 2022 Audit.

Engagement Letter with BiggsKofford to Prepare the 2023 Audit: Following review and discussion, upon a motion duly made by Director Moreland, seconded by Director Libbey and, upon vote, unanimously carried, the Board approved the engagement letter with BiggsKofford to prepare the 2023 Audit.

LEGAL MATTERS

None.

**MANAGER
MATTERS**

CliftonLarsonAllen LLP Master Services Agreement and Related Statement(s) of Work for 2024: Following review, upon a motion duly made by Director Libbey, seconded by Director Collins and, upon vote unanimously carried, the Board approved the CliftonLarsonAllen LLP Master Services Agreement and Statement(s) of Work for 2024, as presented.

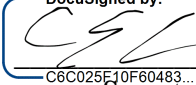
OTHER BUSINESS

The Board discussed and determined to adjust the regular meeting start time to 10:30 a.m.

ADJOURNMENT

There being no further business, upon a motion duly made and seconded by, Director Morley and, upon vote, unanimously carried, the Board adjourned the meeting at 2:25 p.m.

Respectfully submitted,

DocuSigned by:

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Secretary for the Meeting