

## RECORD OF PROCEEDINGS

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MINUTES OF A CONTINUED REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF THE  
STERLING RANCH METROPOLITAN DISTRICT  
NO. 2 (THE "DISTRICT")  
HELD  
JANUARY 9, 2024

A continued regular meeting of the Board of Directors of the Sterling Ranch Metropolitan District No. 2 (referred to hereafter as the "Board") reconvened on January 9, 2024, at 11:00 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:

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

#### Also, In Attendance Were:

Korben Heim, Seef LeRoux and Josh Miller; CliftonLarsonAllen LLP ("CLA")  
Sarah Steph, Loren Moreland, Jack Stimple and Douglas Stimple; Classic Homes  
Peggy Libbey and Jim Morley; Morley Construction  
Kyle Thomas; DA Davidson  
Mike Black and William Berger, Members of the Public

### ADMINISTRATIVE MATTERS

**Call to Order and Agenda:** The Board reconvened the November 28, 2023 regular meeting at 11:05 a.m. Following review, upon a motion duly made by Director Vincelle, seconded by Director Black and, upon vote, unanimously carried, the Board approved the agenda, as presented.

**Disclosures of Potential Conflicts of Interest:** Director Collins noted for the record that he has financial interests in entities active in developing property within the boundaries of the District, and is 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, 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, the location of the meeting and the posting of the meeting notice.

**Public comment:** Mr. Berger asked for the current residential assessment rate. It was noted to be 6.7% for 2023.

### FINANCIAL MATTERS

**Resolution to Adopt the 2024 Budget and Appropriate Sums of Money and Set Mill Levies:** Discussion ensued regarding the refinance process and the mill levy adjustment due to the assessed valuation increases.

Mr. Thomas gave a presentation on the bonds. Discussion ensued regarding the assessment rate change making the mill levy adjustment necessary. There was emphasis on District No. 2 debt limit. It was noted that resources in the future for front-loaded infrastructure will come through District Nos. 1, 4 and 5.

There was further discussion regarding the cooperative effort between the Sterling Ranch Metro Districts to build the public improvements needed for the community and appreciation for questions and learning more about the District.

Mr. Le Roux reviewed the updated 2024 budget with the Board. There were no public comments.

Following discussion, upon a motion duly made by Director Vincellette, seconded by Director Bart and, upon vote, unanimously carried, the Board adopted the Resolution adopt the 2024 Budget and Appropriate Sums of Money and Set Mill Levies.

### LEGAL MATTERS

None.

### MANAGER MATTERS

None.

### DIRECTOR MATTERS

Director Bart noted concern for the use of Directors' personal devices and emails for district business and receiving or storing District documents and asked for legal's input and recommendations for a remedy.

Mr. Le Roux is to coordinate needed information for Directors' fees payments.

### ADJOURNMENT

There being no further items before the Board, upon a motion duly made by Director Vincellette, seconded by Director Bart and, upon vote, unanimously carried, the Board adjourned the continued regular meeting at 12:28 p.m.

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Respectfully submitted,

DocuSigned by:  
*Willie Jackson*

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Secretary for the Meeting