

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE OLD RANCH METROPOLITAN DISTRICT HELD NOVEMBER 29, 2006

A special meeting of the Board of Directors of the Old Ranch Metropolitan District was held on November 29, 2006 at 8:30 a.m., at the offices of Nor'Wood Limited, Inc., Plaza of the Rockies, 111 S. Tejon St., North Tower, Suite 222, Colorado Springs, Colorado. This meeting was open to the public.

Attendance

In attendance were Directors:

Ralph A. Braden
David D. Jenkins
Christopher Jenkins
Kent Petre

Absent and excused was Director Carolyn Jenkins.

Also in attendance were:

David Peak; R. S. Wells L.L.C.
Christine Harwell; Clifton Gunderson L.L.P.
Rick Kron; Grimshaw & Haring, P.C.
Delroy Johnson and Sarah Billing; Nor'Wood Development Group

Call to Order

Director Braden called the meeting to order.

Disclosure of Potential Conflicts of Interest

The Board noted it was in receipt of disclosures of potential conflicts of interest statements for each of the Directors, and that statements had been filed with the Secretary of State at least seventy-two hours in advance of the meeting. There were no other conflicts of interest disclosed.

Approval of Agenda

Upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board approved the agenda as presented and excused the absence of Director Carolyn Jenkins.

Community Comment

None present.

RECORD OF PROCEEDINGS

Approval of Minutes

The Board reviewed the minutes of the special board meeting held on July 25, 2006. Upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board approved the minutes as presented.

The Board reviewed the executive session minutes held at the special board meeting held on July 25, 2006. Upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board approved the executive session minutes as presented.

Administrative Matters

Nothing to report at this time.

Financial Matters

- A. Ratify and Approve Claims Totaling \$61,397.77 Represented by Check Numbers 1058 – 1068

Upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board ratified claims totaling \$61,397.77 represented by check numbers 1058 – 1068.

- B. Review and Approve Claims for October / November 2006 Totaling \$7,415.84 Represented by Check Numbers 1069 – 1075

Upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board approved the claims for October / November 2006 totaling \$7,415.84 represented by check numbers 1069 - 1075.

- C. Review and Approve Financials as of September 30, 2006

Ms. Harwell presented the unaudited financials as of September 30, 2006. After brief discussion, upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board accepted the unaudited financials as presented.

- D. Conduct Public Hearing on the 2006 Budget Amendment

Mr. Peak indicated that the notice had been duly published in the local newspaper. Upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board opened the public hearing to amend the 2006 budget. There being no public comment, upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board closed the public hearing.

RECORD OF PROCEEDINGS

After discussion and review, upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board approved the resolution amending the 2006 budget as presented.

E. Conduct Public Hearing on the 2007 Budget

Mr. Peak indicated that the notice had been duly published in the local newspaper for the public hearing on the 2007 budget. Upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board opened the public hearing on the 2007 budget. There being no public comment, upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board closed the public hearing.

Ms. Harwell briefed the Board on the highlights of the 2007 proposed budget. After review and discussion, upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board adopted the 2007 budget as presented.

Upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board appropriated the 2007 expenditures.

F. Review and Approve Audit Engagement Letter with Mason Russell West

Ms. Harwell presented the audit engagement letter from Mason Russell West to the Board. After review and discussion, upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board approved the engagement letter from Mason Russell West for the 2006 audit, for an amount not to exceed \$2,250.

G. Bond Issue for 2007

Mr. Johnson informed the Board that Ms. Saranne Maxwell with Kutak Rock was finalizing the documents for the bonds to be issued in early 2007. No action was taken at this time regarding the bonds.

Legal Matters

Nothing to report at this time.

Other Items

A. Discuss the Next Meeting Date

The Board discussed having a meeting in the latter part of January, 2007, to be determined once the bond documents were close to completion.

RECORD OF PROCEEDINGS

Adjournment

There being no further business to come before the Board, upon a motion duly made by Director Petre, seconded by Director D. Jenkins and, upon vote, unanimously carried, the Board adjourned the meeting.

Respectfully submitted,

Secretary for the Meeting