



DATE: Friday, December 8, 2023
TIME: 9:00 am
LOCATION: 0408 Carterville Road
and video conference
State of Colorado, County of Eagle.

MEETING MINUTES

REGULAR BOARD MEETING

ATTENDANCE

Board members present in person: Cheryl Foley, President; Richard Saxby, Treasurer; Harry Jasper, Secretary

Board members present via video conference: Ellen Alexander, Assistant Secretary/Assistant Treasurer; Terry Boyle, Vice President

Others present in person: Trevor Broersma, CMD General Manager; Paula Kurtz, CMD HR and Finance Administrator; Siri Roman, Eagle River Water and Sanitation District (ERWSD) General Manager; David Norris, ERWSD Director of Business Administration; Ellen Mitchell

Others present via video conference: Alan Pogue, CMD Legal Counsel; Margaret Henderson of CliftonLarsonAllen; Traci Macnamara McCoy, CMD Communications Manager; Mike Autera, Lois Bruce, Lainie Edinburg, Pam Horan-Kates, Annette Irion, Paul Martin, Dennis Moran

CALL TO ORDER/DECLARATION OF QUORUM

Director Foley called the meeting to order at 9:00 a.m., noting a quorum was present.

ADEQUATE NOTICE/CONFLICT DISCLOSURE

Board members acknowledged receiving notice of the meeting no less than 24 hours in advance. No disclosures or conflicts with items on the agenda were cited.

APPROVAL OF AGENDA

Director Saxby moved to approve the agenda for December 8, 2023. Director Jasper seconded the motion; all approved. Director Boyle made a motion to approve the consent agenda, seconded by Director Alexander. The consent agenda consisted of the October 13, 2023, regular board meeting and annual meeting minutes; 2024 Annual Administrative Matters Resolution; 2024 Meeting Resolution; and First Amendment to Public Records Policy Retention. All approved, motion passed unanimously.

DISCUSSION ITEMS

FINANCIAL UPDATE

Director Saxby presented a review of October financials and an end-of-year financial projection relative to the original 2023 budget. For the year ending 2023, he reported that expenses are on budget, revenue is higher than projected, and, as a result, the projected deficit is expected to be reduced for 2023. Saxby thanked CMD for its commitment to efficiency, which allowed the revenue increase to be preserved and applied toward reducing CMD's projected deficit.

MANAGEMENT TEAM UPDATE

Trevor Broersma highlighted the management team report's inclusion in the board meeting packet. He called attention to two employee spotlights in the report and said that two new employees are currently onboarding with the Community

Operations Department. Director Jasper asked for an update on the open Community Operations Manager position. Broersma stated that the position remains open.

BOARD OF DIRECTORS EMAIL USAGE

Alan Pogue, CMD Legal Counsel, described policies surrounding email use by CMD Directors, explaining that emails between and among directors may have public records and open meeting implications under Colorado law. He outlined acceptable and unacceptable uses of CMD Director emails. Board members confirmed their understanding of the policy, and Pogue clarified what is acceptable when discussing items as a group versus as individuals via email.

RESOLUTION APPROVING THE INTERGOVERNMENTAL AGREEMENT REGARDING COLLECTION OF FEES

Alan Pogue presented a proposed Intergovernmental Agreement Regarding Collection of Fees (the IGA), by and between the Eagle River Water and Sanitation District (ERWSD) and CMD, under which ERWSD collects water tap fees on behalf of CMD and remits those fees to CMD, net of a 3% administrative fee. Pogue gave an overview of key points of the IGA, and he and ERWSD Director of Business Administration David Norris responded to questions and comments from the Board.

Director Saxby made a motion to approve the IGA, seconded by Director Jasper; all were in favor.

EAGLE RIVER WATER AND SANITATION DISTRICT 2024 RATE STRUCTURE

ERWSD General Manager Siri Roman and ERWSD's David Norris then gave a presentation explaining the reasons for an average 10.9% increase in water bills in its service territory for 2024. The primary reason is aging infrastructure and the need for repairs, replacements, and new additions to water storage and delivery facilities. A secondary reason was to correct inequitable cost allocations based on home sizes.

Roman and Norris also explained that Cordillera's water rights are limited in quantity and that steps will have to be taken in the near future by the water company, the Metro District, and/or the CPOA to prevent use by Cordillera residents in excess of our allowed amounts.

PUBLIC HEARING: 2024 BUDGET

Director Foley opened the budget hearing, and Trevor Broersma presented the final proposed 2024 operating and capital budget. Addressing fears that property taxes in Cordillera might increase 50-60% due to rising home values, Broersma explained that Cordillera's taxes do not increase proportionately with home values, as is the case in various other taxing districts. Instead, Cordillera's formula for computing taxes provides that if aggregate assessed property values within the community increase, the mill levy applied to those values decreases. This acts as an automatic neutralizing factor to ensure that CMD is not permitted to increase its overall tax revenues more than a mandated maximum amount each year.

Broersma then described key factors affecting the budget, which eliminates a one-time negative mill levy credit and contains a 5.5% property tax increase:

- New construction within Cordillera is at levels higher than normal, thus increasing our growth income.
- Interest revenues are higher than in the recent past.
- CMD will provide designated services to CPOA under a \$106,978 Service Agreement.

- Flower bed maintenance (an expense of \$168,265) was transferred to the CPOA.
- Salary increases are estimated at an average 5%.
- Employee health insurance costs decreased by \$93,642.
- The 2024 road program is set at \$975,000.
- Fleet costs for 2024 are estimated to be \$306,000.
- Wildfire mitigation costs are at \$135,000.
- Bearcat Cabins preservation work is set at \$55,000.

Director Foley called for public questions and comments on the proposed 2024 budget. One homeowner expressed concerns about how night patrols are conducted, and there were no further comments. Director Foley thanked the public for input and called for a motion to approve the 2024 operating and capital budget. Director Saxby made a motion; Director Jasper seconded the motion. The Board unanimously approved.

PUBLIC COMMENTS

Director Foley closed the budget hearing and opened the meeting for public comment on any other issue covered in the meeting. There being no further comments, Director Foley thanked the public and closed the public comment session at 10:46 a.m.

ADJOURNMENT

With no further business before the Board, the meeting was adjourned at 10:46 a.m. with a motion by Director Saxby, seconded by Director Jasper.