



MEETING MINUTES

DATE: Monday, October 17, 2022

TIME: 9:00 a.m.

LOCATION: 0408 Carterville Road
State of Colorado, County of Eagle.

SPECIAL BOARD MEETING

ATTENDANCE

Board Members Present: Cheryl Foley, President; Richard Saxby, Treasurer; Rob Meyers, Assistant Secretary/Assistant Treasurer; Dan Roberts, Vice President; Harry Jasper, Secretary.

CMD Staff Present: Trevor Broersma, General Manager; Paula Kurtz, HR and Finance Administrator.

Panelists via Zoom: Alan Pogue, CMD Legal Counsel; Jason Carroll, CLA Managing Partner; Margaret Henderson, CLA Account Principal.

Members of public present in person: Brian Fleming and Enrique Grisoni

Members of the public present via Zoom: Chuck Jackson, Jerry Nichols, Jane Roberts, Brooke Ferris, Hiren Patel, Mike Autera, Suzanne Becker, Melissa Murphy, Nukhet Saxby, Keira Rawlings, Suzy Smith, Steve Houk, Beth Leinberry, Bill Farley, Carole Schragen, Betsy Meyers, Pam Johnson.

CMD Staff present via webinar: Sam Lazar, Community Operations Manager.

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 October 17, 2022. Director Jasper seconded the motion, the vote to approve was unanimous.

DISCUSSION ITEMS

FINANCIAL UPDATE

Director Saxby presented the financial update for the month of August. Director Saxby noted that August year-to-date financials were mostly on track. He reported that 2022 year-end projections for both operating and capital expenditures were projected to be slightly below budget, with revenues also slightly lower than budgeted.

No Board action was required for the Financial Update

MANAGEMENT TEAM UPDATE *(please note copy of the full Report in the Board Packet)*

General Manager Broersma presented the Management Team Report, highlighting the following:

- Staffing requirements stand at 32 full-time and 3 part-time employees. We currently have 3 full-time and 1 part-time open positions.
- Wayne Eichler, joined the team as an Equipment Operator II, will be plowing mid ranch area including Red Draw and Black Bear Trail.
- New Public Safety staff were hired.
- Equestrian Center, lots of praise, Chili Cook-off and Dance was a huge success. Horse camp was also a success. Equestrian Center has an unanticipated emergency repair happening now to address the exterior electrical 240 set-up. Phase 1 will be completed asap, and Phase 2 will happen next year.
- Dominique Jones has resigned and will be leaving soon. Recruiting and onboarding new manager over the next few weeks.
- The Bearden Ponds renovation is complete for this year; the ponds will be stocked with fish in the Spring.
- Bearcat Stables barn is nearly complete, with new fencing and grading to come in the next couple of weeks.
- The Ranch gatehouse renovation, sign, and landscaping are projected to be completed by year-end.
- The Alcazar Fire Mitigation Project has been completed.
- The 2022 road program has been completed for Carterville, Webb Peak, Ranch gatehouse and bike path to Summit, with new guardrail installed for Fenno Curve, Black Bear, Summit Curve and Territories.
- Homeowner Yard Debris hauled this year equaling over a quarter million pounds. Significantly more and higher cost than anticipated but show that homeowners are doing their part. Yard Debris is chipped/shredded at land fill and recycled.
- Granada Glen Trail has been completed. A loop has been created in cooperation with Hugh Fairfield-Smith and his wildfire team so that this trail will serve dual purpose as wildfire mitigation access.
- Employee spotlights this month are Ray Wolfe and Nancy Mires. Ray has been with the Metro District in Public Safety for 21 years. Nancy joined our team in June of this year as our community relations specialist.

General Manager, Broersma, reported that, although inflationary pressures have had a far greater impact than projected on expense items such as wages, fuel, and third-party goods and services, we have been able to manage staffing and capital projects to essentially stay within 2022 budget parameters.

No Board action was required regarding the Management Team Report.

2023 BUDGET WORKSHOP KICK-OFF *(please note copy of the preliminary budget information in the Board Packet)*

General Manager, Broersma shared that the cost increases we have experienced this year and projected continuing high inflation in 2023 will have a substantial adverse effect on our operating expenses in 2023. Broersma reported to the Board that:

- Preliminary budget estimates require the maximum 5.5% increase in tax revenue for our general operating fund, resulting in a currently estimated \$275,000 increase in tax revenue.
- Wage increases in 2022 and projected increases in 2023 needed to meet competitive pressures in the Vail Valley will require approximately \$171,000 in increased expenses.
- Fuel costs are up by \$30,000.

- A new capital reserve study projects increased needs in our capital program averaging at least \$1.5 million per year for the 20-year period of the study, up \$100,000 - 200,000 per year from the prior analysis.
- The cost of health care benefits has increased by over 10% for 2023.
- Workman's Comp costs are up by \$60,000.
- Non-property tax revenue decreases are due to termination of the Slifer lease and lower specific ownership taxes, whereas we can expect modest revenue increases in interest income, road impact fees and transponder/sticker revenues.
- We are in discussions with CPOA about 2023 services and their costs.
- A preliminary 2023 capital projects, road and fleet program is expected to cost approximately \$1.578 million. Director Meyers asked that the Divide Gate Project be divided out by Task and Priority of Tasks (such as irrigation, electric, etc.) for board consideration.

The CMD Board has scheduled a special meeting on November 18, 2022, to review and further discuss a draft 2023 budget. Final approval of the 2023 budget is scheduled for a regular Board meeting on December 9, 2022.

PUBLIC COMMENT

Director Foley opened the meeting to public comment. Steve Houk asked about planned trail grooming this coming winter. General Manager Broersma shared that no new snowshoe trails will be added this year. Providing a trail mapping app will be researched over the winter to eliminate the need to constantly be printing new maps.

Director Foley closed public comment.

EXECUTIVE SESSION

Director Meyers moved to convene executive session at 11:16 am, pursuant to Section 24-6-402(4)(b), C.R.S., for the purpose of receiving legal advice on specific legal questions with respect to the mill levy reduction discussion related to debt service collections for bonds that are being paid off in December. Director Jasper seconded the motion.

Following discussion in executive session, Director Foley moved to close the executive session at 12:25 pm and Director Roberts seconded the motion.

Director Saxby moved to convene an additional executive session at 12:26 pm pursuant to Section 24-6-402(4)(b), C.R.S., for the purpose of receiving legal advice on specific legal questions concerning governmental immunity. Director Roberts seconded the motion.

Following discussion in additional executive session, Director Saxby moved to close the executive session at 12:45 pm and Director Roberts seconded the motion.

ADJOURNMENT

There being no further business before the Board, the meeting was adjourned at 1:00 pm, motion by Director Saxby, second by Director Foley.

Approved