

**SOUTH SUBURBAN PARK AND RECREATION DISTRICT
SPECIAL MEETING NO. 901
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Proper posting for the Special Meeting was accomplished per State Statute.

1. Call to Order

A special meeting of the Board of Directors of South Suburban Park and Recreation District was called to order at 7 pm on **Thursday, November 16, 2017** at the Goodson Recreation Center, 6315 South University Boulevard, Centennial, Colorado. Chair John Ostermiller presided.

Board of Directors: John K. Ostermiller
Scott A. LaBrash
Pamela M. Eller
Michael T. Anderson
James A. Taylor

Management staff: Rob Hanna, Executive Director
Mike Braaten, Deputy Executive Director
Rich Meredith, Executive Director, Hudson Gardens
Brett Collins, Director of Planning & Development
Andy Jennings, Director of Parks and Open Space
Mike MacLennan, Director of Information Technology
Eileen Matheson, Director of Recreation
Bill Ramsey, Director of Golf
Steve Shipley, Director of Finance
Erich WonSavage, Director of Human Resources

1.1. Formal roll call

All Boardmembers were present.

1.2. Pledge of allegiance

1.3. Certification of agenda

Boardmembers had no changes. Mr. Ostermiller announced the agenda was accepted and certified.

1.4. Report on Executive Session held Wednesday, November 8, 2017

The session on November 8 was to discuss executive session-level matters related to the RidgeGate East development inclusion, east of I-25 in Lone Tree. Mr. Ostermiller stated and asked: "The Board of Directors went into Executive Session along with the Rob Hanna at the conclusion of the November 8, 2017 Regular Meeting to determine positions relative to matters that may be subject to negotiations, develop strategy for negotiations and instruct negotiators, and specifically the RidgeGate East inclusion process. If

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anyone believes that any substantial discussion of any matters not included in the motion to go into the Executive Session occurred during the Executive Session, or that any improper action occurred during the Executive Session in violation of the Open Meetings Law, I would ask that you state your concerns for the record.”

Members had no matters to discuss regarding the conduct of this executive session. Mr. Ostermiller added, no decisions were made.

Mr. Hanna reported on a more recent conversation with Keith Simon of Coventry Development, which is the owner and master developer of the property. Mr. Hanna anticipates the District will be receiving some information related to the larger inclusion as well as the Schweiger Ranch inclusion, in the next week. To Mr. Ostermiller’s question, Mr. Hanna reported that the District could cooperate with the Schweiger Ranch on some grants, opportunities or joint programming in the future, but he doesn’t anticipate the District will manage or program the ranch. The other residential development East of I-25 in this area, the Meridian Crossing, would require a separate action; he believes the District should broach the matter after some local recreational development for those residents’ use is built.

To Mr. LaBrash’s question, he reported that a master intergovernmental agreement for the District and City of Lone Tree is being developed by Mr. Braaten and the City Attorney. Their goal is to present an intergovernmental agreement to the Board for consideration some time in January.

1.5. Unscheduled public comments

No public was present to speak this evening.

1.6. Other Executive Director’s report items

Mr. Hanna didn’t have additional items to report at this time.

1.7. Resolution to adopt the 2018 Budget

Mr. Hanna announced the Board had received the final draft of the proposed 2017 Budget. Since the initial budget presentation on October 11, the following changes were made:

- Added capital projects and intergovernmental revenue in the amount of \$3,895,827 (associated with grants totaling \$3.8 million)
- Decreased the anticipated 2017 operating revenue estimates by \$300,000.
- Created a Capital Projects Fund to account for GO Bond projects, following the successful election. The 2018 Budget includes \$300,000 for consulting and design of future projects.
- Removed \$500,000 from South Suburban Golf Course Phase I project, which is now planned mainly for 2019. This project will span two calendar years.
- Moved 2018 funds from the 2010 One Mill Fund to the General Fund, due to the recent election results removing future restrictions.

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- Reduced contingency funds by \$100,000 to \$774,423.

Key elements included in the 2018 Budget:

- Reduction of District's total Mill Levy from 8.643 to 8.500
- \$12,900,475 for highest priority capital and maintenance needs throughout the District
- \$3,895,827 of the above capital will be funded through leveraging of District funds with grants, intergovernmental revenue, and lease proceeds
- 4% average merit increase
- Funding for leadership training and a new customer service initiative
- Expanded tuition reimbursement program for staff
- Improved Life Insurance and Long Term Disability benefits for full-time staff
- Expanded electronic tools to increase communication to all full-time and part-time employees and between departments
- Increased full-time positions by three, at the same time reducing regular part-time positions
- Three new positions, which are eligible for medical benefits (Cook positions in the Hospitality Department)
- No increase in premiums for health coverage to District employees
- Limited increases in fees and charges for programs (2.2%)
- The budget reflects the 2017 reorganization of the Parks Department, with the goal of providing better service and maintenance of parks, open space, and trails.

Regarding the South Suburban Golf Course improvements, Mr. Ostermiller asked how long staff now anticipates it will take to complete the new master plan improvements. Mr. Ramsey explained there are about six major priorities in the plan, and implementation will be dependent on available funding each year. Mr. Hanna suggested the implementation could take less than the 10 years originally projected, dependent on priorities and funding. To Mrs. Eller's question, Mr. Ramsey reported the first phase of work, Fall 2018, will be improvements to the short game chipping area. Staff is scheduling the work to avoid tearing up the course again for the 2018 season, following the major construction phase completed over the last year.

Mr. Hanna explained with passage of 4B and 4C on November 7, the District will no longer have to track one mill funds collected after Election Day in a separate account. In 2018, the District will dedicate previously-collected funds to specific restricted projects, then track and spend that money before fiscal year-end. Starting in 2019, the one-mill fund will be commingled with other unrestricted project money in the General Fund. Mr. Hanna added, from 2019 onward, the District will be funding all projects out of the General Fund except for bond debt; and as a result, the unobligated contingency funds are reduced by \$100K.

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Mr. Hanna concluded the 2018 Budget presentation. At this time, the District doesn't anticipate issuing any Certificates of Participation until fiscal year 2019. He reviewed some potential strategies for project implementation.

Mr. Taylor asked Mrs. Matheson about the Buck chef staff, currently supervised by the Recreation Department. After the recent untimely death of Chef Tom Rogers, who cooked for the Buck customers for many years, management responsibility will move to the Hospitality Department. Mr. Hanna added, the District had brought in a grief counselor to work with Buck staff and customers.

Regarding additional approvals related to the 2018 Budget, Mr. Hanna reported that staff anticipates bringing the five-year Capital Improvements Plan to the December 13 meeting for Board approval. Staff may need some additional time to complete the three-year Financial Plan, which is changing after the successful passage of the election questions, before submitting it for Board approval.

To Mrs. Eller's question, Mr. Shipley explained the \$100K grant fund reported in the draft budget is the separate fund required by the Scientific and Cultural Facilities District. (Resolution was approved by the Board of Directors September 14, 2016.) The \$100K balance is an estimate only, and a conservative estimate.

Members expressed appreciation for the layout of the budget. They expressed confidence that the public would find it easy to read and that it is more transparent than in previous years. Mr. Ostermiller asked Communications staff to try to get some good press on this new effort.

Mrs. Eller moved to approve Resolution # 2017-026, adopting the 2018 Budget, including all District fees and charges. Mr. Anderson seconded the motion. There was no further discussion, and the motion was approved unanimously (5-0). (A copy of the Resolution is attached hereto and made part of the permanent record.) Mr. Ostermiller thanked staff for their efforts. He expressed confidence that this new budget is more transparent, it reflects what the District citizens want to see, and we are sticking to what was said during the recent election cycle.

1.8. Board of Directors comments, and committee meeting updates

Mr. Anderson reported on two Lone Tree public meetings about the RidgeGate East development, held earlier this week, with presentations from Coventry's Keith Simon and his staff. Mr. Hanna participated in these presentations and discussions as well.

Mr. Anderson reported an upcoming webinar about the impact of marijuana on Colorado, conducted by the Special District Association, December 7.

Mr. Ostermiller reported on the Hudson Foundation Board meeting held earlier in the day. The main topics were approval of the Gardens' 2018 Budget and the Gardens' five-year Capital Improvements Plan. The Gardens has requested CIP support from the District, and Mr. Hanna feels fairly comfortable with what was approved and what will be in the District CIP.

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Mr. Ostermiller reported that retired Lone Tree Mayor Jim Gunning is running against Ken Buck for the US Representative seat. Mr. Ostermiller expressed confidence that Mr. Gunning will represent local interests.

Friends of South Suburban member Pete Barrett is attending the next Littleton Public Schools Board meeting and thanking them for supporting the District's recent election.

1.9. Look Ahead

Members reviewed upcoming agenda items, with a full agenda for the December 13 regular meeting and a busy first-quarter 2018.

1.10. Session announcements and emergency items

Previously, the Board of Directors cancelled the November 22 regular sessions. Proper posting has been accomplished per State Statute.

To Mr. Taylor's question about potentially posting a cancellation for the December 27 regular sessions, Mr. Hanna reported that the State requirement is to post 72 hours previous. Mr. Ostermiller added, the Board and staff are unsure at this time whether everything can be covered and completed during the upcoming December 13 session, and so a second meeting in December may be needed. It's anticipated the decision will be made on December 13.

2. Adjournment

The group adjourned for the evening at 7:35 pm.

Donna Shephard
District Records Clerk

/ds

SOUTH SUBURBAN PARK AND RECREATION DISTRICT

RESOLUTION # 2017-026 TO ADOPT 2018 BUDGET

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND, AND ADOPTING A BUDGET FOR THE SOUTH SUBURBAN PARK AND RECREATION DISTRICT, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY, 2018 AND ENDING THE LAST DAY OF DECEMBER, 2018

WHEREAS, the Board of Directors of the South Suburban Park and Recreation District ("District") has appointed a budget committee to prepare and submit a proposed 2018 budget to the Board at the proper time; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, and public hearings were held on August 23, 2017, September 13, 2017, and November 8, 2017; and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law;

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SOUTH SUBURBAN PARK AND RECREATION DISTRICT.

Section 1. That estimated expenditures for each fund are as follows:

General Fund	\$31,130,161
Debt Service Fund	3,704,058
Conservation Trust Fund	719,916
Grant Fund	100,000
2010 1 Mill Fund	500,000
Capital Projects Fund	300,000
Enterprise Fund	28,355,711
TOTAL BUDGETED EXPENDITURES, ALL FUNDS	\$64,809,846

Section 2. That estimated revenues for each fund are as follows:

General Fund		
From the 2017 fund balance carryover	\$ 958,562	
From sources other than general property tax	7,409,174	
From the general property tax levy	22,762,425	
TOTAL GENERAL FUND		31,130,161
Debt Service Fund		
From the 2017 fund balance carryover	-	
From sources other than general property tax	25,000	
From the general property tax levy	3,679,058	
TOTAL DEBT SERVICE FUND		3,704,058

Resolution to adopt 2018 budget

<u>Conservation Trust Fund</u>		
From the 2017 fund balance carryover	12,916	
From sources other than general property tax	707,000	
TOTAL CONSERVATION TRUST FUND		719,916
<u>Grant Fund</u>		
From the 2017 fund balance carryover	-	
From sources other than general property tax	100,000	
TOTAL CONSERVATION TRUST FUND		100,000
<u>2010 1 Mill Fund</u>		
From the 2017 fund balance carryover	500,000	
From sources other than general property tax	-	
TOTAL 2010 1 MILL FUND		500,000
<u>Capital Projects Fund</u>		
From the 2017 fund balance carryover	-	
From sources other than general property tax	300,000	
TOTAL 2010 1 MILL FUND		300,000
<u>Enterprise Fund</u>		
From the 2017 fund balance carryover	(288,545)	
From sources other than general property tax	28,644,256	
TOTAL GOLF AND RECREATION FACILITIES ENTERPRISE FUND		28,355,711
TOTAL BUDGETED REVENUE, ALL FUNDS		\$ 64,809,846

Section 3. That reserves have been or are hereby established for each appropriate fund or combined as a single reserve fund as set forth in the budget in order to preserve the spending exemption for reserves under Article X, Section 20 of the Colorado Constitution, and all such reserves shall be transferred or expended within any fund as set forth in the budget.

Section 4. That the budget as submitted, amended, and herein above summarized by fund, be, and the same hereby is approved and adopted as the budget of the South Suburban Park and Recreation District for the year 2018.

Section 5. That the budget hereby approved and adopted shall be signed John K. Ostermiller, Chairman of the Board, attested to by Pamela M. Eller, Secretary, and made part of the public records of South Suburban Park and Recreation District.

PASSED, APPROVED, AND ADOPTED this 16th day of November, 2017, by the Board of Directors of hte South Suburban Park and Recreation District,

by a vote of 5 for and 0 against.

Attest:

SIGNED

JOHN K. OSTERMILLER, CHAIRMAN

PAMELA M. ELLER, SECRETARY