
RECORD OF PROCEEDINGS

Eagle Ranch Metropolitan District October 29, 2019
Meeting Minutes

Minutes of the Regular Meeting Of the Board of Directors of Eagle Ranch Metropolitan District October 29, 2019

A Regular Meeting of the Board of Directors of Eagle Ranch Metropolitan District, Eagle County, Colorado, was held Tuesday, October 29, 2019 at 3:00 p.m., at 1143 Capitol Street, Suite 208, Town of Eagle, Eagle County, Colorado in accordance with State Law.

Attendance The following Directors were present and acting:

- Jim Adams
- Casey Bullock
- Rick Dominick
- Dave Crawford
- Kent Rose

Also in attendance were:

- Jeff Boyer, Golf Course General Manager
- Derek Rose, Golf Course Superintendent
- Eric Weaver, Marchetti & Weaver, LLC
- Diane Kovalik, Marchetti & Weaver, LLC

Call to Order The Meeting of the Board of Directors of Eagle Ranch Metropolitan District was called to order by Director Rose, noting a quorum was present.

Conflict Disclosure It was noted that Director Adams was either a current employee, past employee or sub-contractor of East West Partners, Inc, a sub-manager of West Eagle Ranch LLC, the original developer of Eagle Ranch. Director Crawford is also employed by East West Hospitality, Director of Beaver Creek, with Eagle Ranch Association also reporting to him. The Board noted, for the record, that these disclosures are restated at this time with the intent of fully complying with laws pertaining to personal conflicts.

Consideration of the Agenda No changes were made to the agenda.

Public Comments There were no comments from the public.

Minutes The Board reviewed the minutes of the August 20, 2019 meeting. By motion duly made and seconded it as unanimously

RESOLVED to approve the August 20, 2019 meeting minutes as presented.

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Employee Retirement Plan

Mr. Weaver presented an addendum to the current ICMA retirement plan to enhance the ability for full-time year-round employees the option to contribute additional amounts into the 457 plan by having the Employer contributing 50% of such amounts, up to a 3% cap of earnings for the plan year. Employee contributions would vest 100% immediately and Employer match would vest over a 6 year vesting period. Mr. Weaver also presented a new fee structure for the current plan which will reduce costs. The Directors discussed the merits of plan addendum and favorable fee structure. Upon motion duly made and seconded it was unanimously

RESOLVED to adopt the ICMA Plan addendum and revised fee structure.

GPS Evaluation

Mr. Boyer reported the current GPS system contract with Visage had expired and he evaluated three systems; Visage, To the Green and TagMarshal for 4-year lease terms. To the Green and TagMarshal offered the standard GPS package at \$13,767 and \$19,258 per year respectively and Visage offered additional cart control and F& B options at \$26,280 per year. The Board discussed the merits of all three systems. Upon motion duly made and seconded it was unanimously

RESOLVED to approve a 4-year contract with To the Green GPS systems, subject to level review.

Election Resolution

The terms of office for Directors Rose and Casey expire next year and a 2020 Election Resolution was presented in the Board packet. Self-nomination forms will be available beginning January 1 and notice of the election will be published in the newspaper. Upon motion duly made and seconded it was unanimously

RESOLVED to adopt the Resolution Calling for the 2020 Election and Designation of Election Official and further

Director Rose stated that he was not sure if he would be running for another term and would like to have another Board member take over as President of the Board. After discussion and upon motion duly made and seconded it was unanimously

RESOLVED to elect Director Crawford as President of the Board and Director Rose as VP and Assistant Sec/Treasurer

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Meeting Calendar

The Board reviewed the preliminary 2020 meeting calendar presented in the Board packet noting the next meeting is scheduled for February 4, 2020.

Other Business

Director Crawford inquired about the effectiveness of the lighting detection system. Mr. Boyer reported the system was functioning well with satisfactory results. After discussion, the Board concurred and suggested Mr. Boyer contact John Torse, a homeowner who attended the last meeting, and report the Board's evaluation of the system.

Manager Report

Mr. Boyer reviewed the Manger's report included in the Board packet and noted that revenues were down thru September 30th due to a 3 week late opening this year. Revenue for October so far seems to be on pace with last year. The Golf Course is under budget with expenses thru September 30 and will implement a new POS software system at the end of October.

Mr. Boyer reviewed the capital expenditure needs for the 2020 budget and noted the cart path overlay is a substantial part of the budget, with a quote of approximately \$350,000. Mr. Weaver suggested contacting Borne Consulting to review the project again as staff feels that a full overlay may not be necessary at this time. After discussion, the Board directed Mr. Boyer to work with Borne Consulting and if a less expensive solution is found to delay the need for a full overlay to adjust the budget downward to the lower estimated amount.

Mr. Boyer suggested the Golf Course consider the purchase a golf simulator to attract winter revenue. Director Crawford commented based on his experience at other courses in the Valley, the upfront costs would net long term benefits to the Eagle Ranch course. Director Adams recommended Mr. Boyer gather additional information and prepare a more detailed analysis for the project but suggested keeping a \$20,000 place holder in the 2020 budget.

Director Crawford left the meeting at 4:15pm

2020 Budget Hearing

Mr. Weaver stated due to the increased assessed valuations from the county, he is recommending that the District lower the mill levy to 35.000 mills to cover operating and debt service expenses. Mr. Weaver reviewed the projected revenues and expenses for each of the funds, noting that retaining and attracting seasonal labor at the golf continues to be a struggle due to the labor shortage in the valley. After discussion, the Board directed Mr. Boyer and Mr. Rose to include additional hourly wage increases for these positions in the budget. Mr. Weaver stated that the meeting had

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been published for the public hearing on the 2020 budget. The hearing was opened for public comment and upon hearing no public comment the hearing was closed. Upon motion duly made and seconded it was unanimously

RESOLVED to adopt the 2020 budget as presented, subject to further analysis pertaining to the cart path overlay and an increase to the seasonal labor budgets; to set the operating mill levy at 25.000 mills and the debt service mill levy at 10.000 mills for a total mill levy of 35.000 mills; and to appropriate funds for spending in 2020, all as documented in the formal budget resolution but subject to minor modifications which may result from the final certification of assessed values.

Audit Engagement The 2019 Audit Engagement Letter from Beckstead & Co. LLC was reviewed. Upon motion duly made and seconded it was unanimously

RESOLVED to engage Beckstead & Co. LLC to conduct the 2019 audit of the ERMD financials for a fee of \$9,400

Accounts Payable The accounts payable schedule was provided in the Board packet. Upon review and by motion duly made and seconded it was unanimously

RESOLVED to approve and ratify the accounts payable listing, as presented.

Adjournment There being no further business to come before the Board and upon motion duly made and seconded it was unanimously

RESOLVED to adjourn the meeting of the Eagle Ranch Metropolitan District Board of Directors held October 29, 2019.

Respectfully Submitted,

Eric Weaver#
Secretary to the Meeting