

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING/BUDGET WORKSHOP
OF THE BOARD OF DIRECTORS OF THE
REUNION METROPOLITAN DISTRICT
HELD
OCTOBER 24, 2019**

A special meeting/budget workshop of the Board of Directors of the Reunion Metropolitan District was held Thursday, October 24, 2019, at 3:00 p.m., at the Reunion Recreation Center, 17910 E. Parkside Drive North, Commerce City, Colorado 80022. The meeting was open to the public.

In attendance were Directors:

Kelly Leid
Brett Price
Bruce Rau
Tim Roberts
Teresa Kershisnik

Also in attendance were:

Matthew Urkoski, Anna Jones and Shelby Clymer; CliftonLarsonAllen LLP
Kristen Bear, Esq.; White Bear Ankele Tanaka & Waldron P.C.
Steve Follweiler, and Raul Martinez; Reunion Metropolitan District
Thomas Mueller and Doug Burns; North Range MD No. 1 Board Members

Call to Order Director Leid called the meeting to order at 3:01 p.m.

Declaration of Quorum A quorum was confirmed.

Disclosures and Potential Conflicts of Interest The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Ms. Bear noted that all Directors' Disclosure Statements have been filed. The Board noted that there are no additional conflicts to those filed with the Secretary of State pursuant to statute.

Approve Agenda After discussion, upon a motion duly made by Director Rau, seconded by Director Kershisnik and upon vote unanimously carried, the Board approved the agenda as presented.

Public Comments There were no public comments.

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Financial Matters

A. Review and Discuss Draft 2020 Budget

Ms. Clymer reviewed the 2020 draft budget with the Board. Extensive discussion ensued.

Director Kershisnik asked about South Adams County Water and Sanitation District (SACWSD) water and sewer rate increases as well as additional acreage being added to District maintenance responsibilities. Mr. Martinez indicated he projected a 6% increase from SACWSD for budgeting purposes. Mr. Martinez reported that the added landscape maintenance responsibilities and watering acreage would result in an approximate 20% increase over 2019 amounts. The Board noted that new landscaping areas are requiring less water per acre than prior areas and that the District is becoming more efficient with its water use overall.

Mr. Urkoski noted the need for refining the budget to address capital and maintenance more intentionally. The discretionary landscape enhancement budgetary item is recommended at \$95,000, as separate line items for trees and equipment have now been broken out separately within the budget.

The Board discussed the large drainage area along 112th. Mr. Urkoski reported that the District's Engineer estimates an approximate cost of \$110,000 to restore the area from a maintenance and compliance perspective. Discussion also ensued regarding the need for additional maintenance on the detention pond in the Southlawn area near the south end of Landmark Drive. It was noted that this will be a Commerce City park in the future. The request for this pond's maintenance was made by Commerce City and was part of the Southlawn pool approval from Commerce City.

Director Rau noted the other ponds should be surveyed for long-term maintenance deficiencies. Mr. Urkoski indicated the \$325,000 line item assumes maintenance costs for all other detention ponds in the District.

Discussion ensued regarding the Rec programs. Director Rau suggested lining up revenue and expenses on programs. Mr. Follweiler noted that with more population in the District the use increases. Ms. Bear noted that the Board does not need to approve adjustments to program fees.

The Board reviewed and discussed the Capital Projects Fund. Extensive discussion ensued regarding the intended projects to be accounted for in the Capital Projects Fund. Director Price noted that final numbers for the intended projects were still forthcoming and that the information would be provided to the District's Accountant in advance of the budget hearing.

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Mr. Mueller discussed the increase in property values and the trends of increases in property taxes overall, and asked staff for scenarios on how to avoid increasing the mill levy in 2020 before the budget hearing.

Executive Session

Executive Session to Discuss Personnel Matters Pursuant to C.R.S. Section 24-6-401(f)

Upon a motion duly made by Director Rau, seconded by Director Leid and unanimously approved, the Board went into executive session at 4:50 p.m. Ms. Bear advised the Board that the executive session would be recorded.

Upon a motion duly made by Director Rau, seconded by Director Leid, the Board came out of executive session at 5:35 p.m.

No action taken.

Other Business

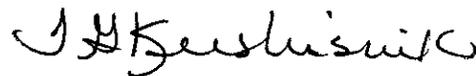
None.

Adjournment

There being no further business to come before the Board, the Board adjourned the meeting at 5:36 p.m.

The foregoing record constitutes a true and correct copy of the minutes of the above-referenced meeting.

Respectfully submitted,



Secretary for the Meeting