



HIGHLANDS RANCH METROPOLITAN DISTRICT
SPECIAL BOARD MEETING BUDGET WORKSHOP MINUTES
62 PLAZA DRIVE
HIGHLANDS RANCH, CO 80129

November 2, 2018

Vicky Starkey called the Board meeting of the Highlands Ranch Metropolitan District to order at 3:00 p.m.

Roll call was taken

Board of Directors: (Chairman in bold face: * = absence; **= excused absence)

Jim Worley**

Vicky Starkey

Allen Dreher

Carolyn Schierholz

Nancy Smith

Renee Anderson

Mark Dickerson

STAFF

Terry Nolan, General Manager

Stephanie Stanley, Director of Finance & Administration

Jeff Case, Director of Public Works

Carrie Ward, Director of Parks, Recreation & Open Space

Forrest Dykstra, Manager of Developmental Engineering

Tom Rose, Financial Reporting Analyst

Carolyn Peters, Recreation Manager

OTHERS

Jim Collins

Public Comments or Questions

None

Staff Presentations

Terry Nolan began the budget presentation by explaining the budget process as well as expectations of the Board. Stephanie Stanley then presented revenue projections for the 2019 budget year as well as how those projections would differ compared to previous years due to the South Metro Fire Rescue (SMFR) inclusion election held in May 2018. The inclusion, which passed, will result in Highlands Ranch voters funding SMFR directly from their property taxes. The 2019 proposed budget reflects the reduction of the District's mill levy by seven mills as result of the inclusion election. The calculation of the district's mill levy limit imposed by TABOR was also discussed and a presentation was given on the new TABOR limitation as a result of the mill levy reduction.

Budget Workshop Minutes

November 2, 2018

Page 2

Executive Session

At 3:20 Board member Anderson made a motion to move to Executive Session for conference with an attorney for the purpose of receiving legal advice regarding stormwater fees pursuant to §24-6-402(4)(b), C.R.S. Board member Dickerson seconded the motion. Motion passed 6-0. Executive session ended at 3:44.

Staff Presentations

Stephanie Stanley presented on special revenue funds for the 2019 budget year. This included a proposed 6.8% increase to the pass-through water & wastewater rates from Centennial Water & Sanitation. This considerable increase is due to wastewater infrastructure upgrades needed to upgrade Centennials facilities, to comply with State and Federal regulations. A 5% increase to the District's stormwater fee was also proposed, which is a continuation of the planned annual 5% increases to the fee which will conclude in 2020. Budget requests were then presented for the Recreation/Park Services & Mansion special revenue funds. A proposal was made to expand the Mansion's peak pricing time period to include May & October.

Terry Nolan continued the presentation by presenting the operations budget as well as the operations budget requests. This included some of the key assumptions such as the wage increase of 4.2% per the compensation plan. Board member Schierholz requested that staff remove the District entry monuments along C-470 (excluding bases) since the monuments are scheduled to be replaced in 2019. The other board members agreed.

Stephanie Stanley then began the conclusion of the budget presentation by presenting projections of use of fund balance and future transfers. Terry Nolan concluded by explaining the role of the Board in the budget process as well as in setting long term goals.

Discussion Items

None

Adjournment (*Dreher/Dickerson*) *6-0 motion passed*

At 5:17 motion to adjourn.