

Posted: June 20, 2018
Post Until: June 26, 2018

**NOTICE OF SPECIAL MEETING
OF THE KEN-CARYL RANCH METROPOLITAN DISTRICT
BOARD OF DIRECTORS**

NOTICE IS HEREBY GIVEN that a Special Meeting of the Board of Directors of the Ken-Caryl Ranch Metropolitan District will be held on Tuesday, June 26 at 4 p.m. The meeting will be held at the Ken-Caryl Ranch House located at 7676 S. Continental Divide Road, Littleton, CO and is open to the public. The agenda for the Special Meeting is as follows:

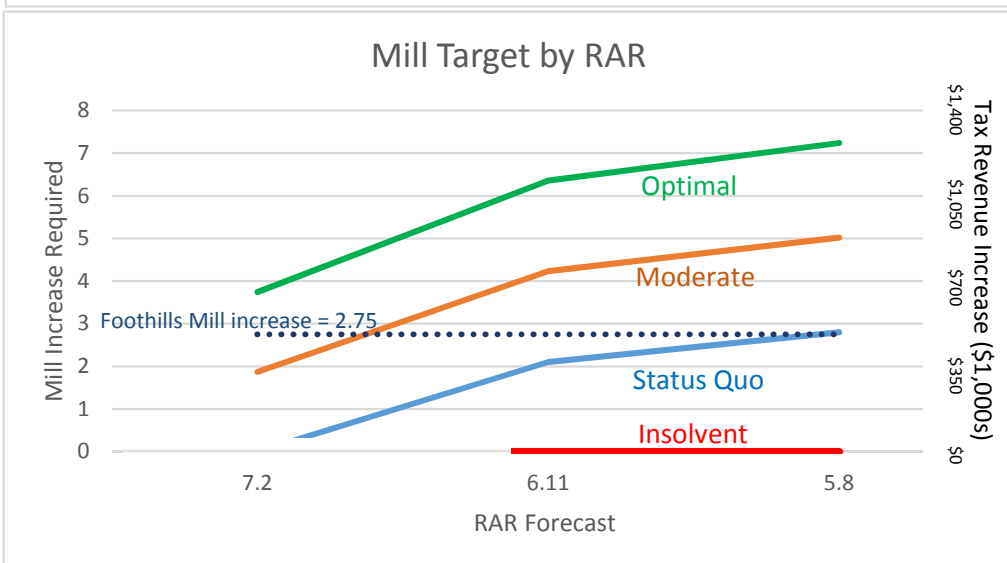
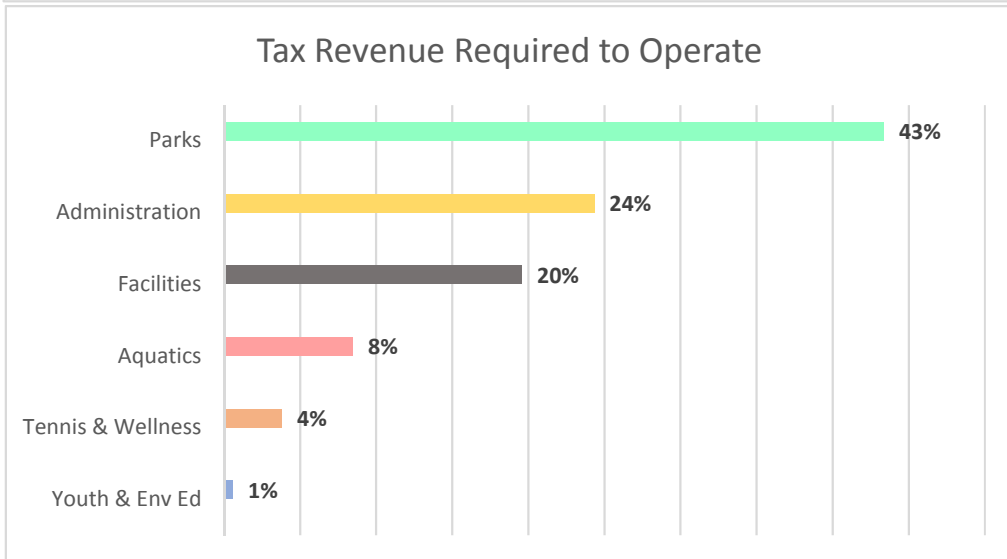
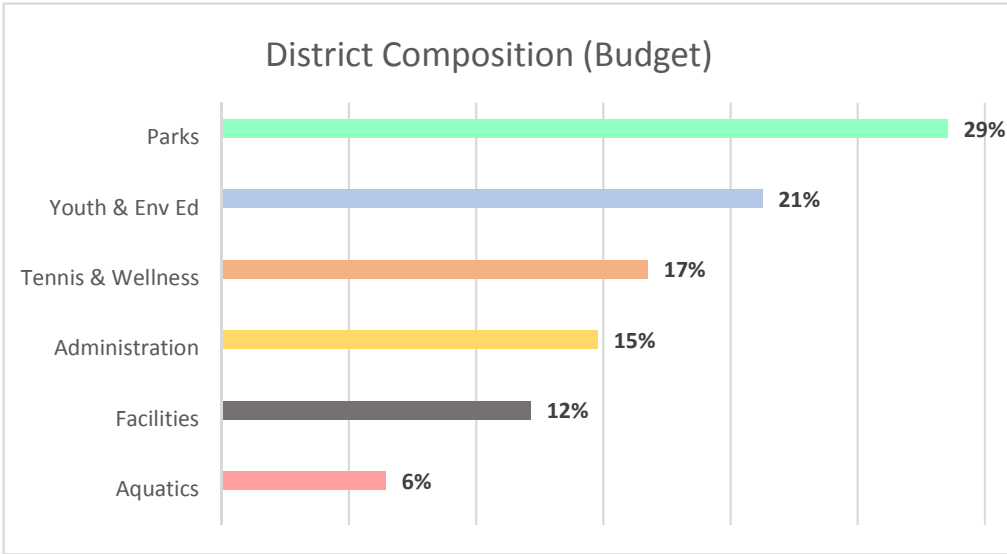
AGENDA

1. Call to Order.
2. Additions/Deletions to the Agenda.
3. Gallagher Impacts and Mill Levy Projections.
4. Adjournment.

Dated this 20th day of June, 2018.

**BY ORDER OF THE KEN-CARYL RANCH METROPOLITAN
DISTRICT BOARD OF DIRECTORS**

By: _____/s/_____
Kayla Kirkpatrick, Secretary



Ken Caryl Ranch Metropolitan District
Financial Analysis by Department & Program
4-Year Annual Averages

Department/Program	Revenue	Dir Exp	Margin		Subsidized	Tax Alloc	% Effort	Financial Score
			\$	ROI				
Aquatics RH	\$ 43,612	\$ 143,019	\$ (99,407)	-70%	\$ 99,407	3%	3%	F
Aquatics Bradford	\$ 1,670	\$ 37,076	\$ (35,406)	-95%	\$ 35,406	1%	1%	D
Aquatics CC	\$ 22,352	\$ 149,756	\$ (127,404)	-85%	\$ 127,404	4%	3%	F
Total Aquatics	\$ 67,634	\$ 329,851	\$ (262,217)	-79%	\$ 262,217	8%	6%	D
Tennis Instruction	\$ 318,542	\$ 404,902	\$ (86,360)	-21%	\$ 86,360	3%	8%	C
Tennis Leagues	\$ 61,497	\$ 68,484	\$ (6,987)	-10%	\$ 6,987	0%	1%	B
Tennis Indoor Court Fees	\$ 134,520	\$ 68,484	\$ 66,036	96%	\$ -	0%	1%	A
Tennis Other	\$ 52,333	\$ 102,790	\$ (50,457)	-49%	\$ 50,457	2%	2%	C
Total Tennis	\$ 566,892	\$ 644,661	\$ (77,769)	-12%	\$ 77,769	2%	13%	A
Preschool	\$ 256,464	\$ 354,057	\$ (97,593)	-28%	\$ 97,593	3%	7%	C
Teen	\$ 38,733	\$ 41,229	\$ (2,496)	-6%	\$ 2,496	0%	1%	B
Before & After School	\$ 275,752	\$ 272,628	\$ 3,124	1%	\$ -	0%	5%	B
Youth Camp	\$ 304,907	\$ 219,245	\$ 85,662	39%	\$ -	0%	4%	A
Total Youth Programming	\$ 875,856	\$ 887,159	\$ (11,303)	-1%	\$ 11,303	0%	17%	A
Environmental Education	\$ 191,444	\$ 197,600	\$ (6,155)	-3%	\$ 6,155	0%	4%	B
Wellness	\$ 147,322	\$ 187,111	\$ (39,790)	-21%	\$ 39,790	1%	4%	B
Events	\$ 10,464	\$ 23,307	\$ (12,843)	-55%	\$ 12,843	0%	0%	C
Total Programs	\$ 1,859,611	\$ 2,269,689	\$ (410,078)	-18%	\$ 410,078	13%	44%	A
Parks	\$ 111,833	\$ 1,456,427	\$ (1,344,594)	-92%	\$ 1,344,594	43%	29%	F
Facilities	\$ 13,733	\$ 620,391	\$ (606,658)	-98%	\$ 606,658	19%	12%	F
Admin (excludes revenue)	\$ -	\$ 754,574	\$ (754,574)	-100%	\$ 754,574	24%	15%	F
Tax, grant & non-prog revenue	\$ 3,239,906	\$ -	\$ 3,239,906	100%				
Total District	\$ 5,225,083	\$ 5,101,080	\$ 124,003	2%	\$ 3,115,904	100%	100%	

Ken Caryl Ranch Metropolitan District
 Financial Forecast Breakouts & Cost Scenarios
 May 2018

		Scenario 1 - no mill adjustment, no property value change			Scenario 2 - breakeven mill (current service level)			Scenario 3 - mill adjustment increases service level and reserves		
		Target operating mill = 15.225			Target operating mill = 18.03			Target operating mill = 22.46		
		Mill increase= 0			Mill increase= 2.80			Mill increase= 7.24		
a	Actual value all prop	\$ 2,657,214,903	\$ 2,657,214,903	\$ 2,657,214,903	\$ 2,657,214,903	\$ 2,657,214,903	\$ 2,657,214,903	\$ 2,657,214,903	\$ 2,657,214,903	\$ 2,657,214,903
b	% Residential	80%	80%	80%	80%	80%	80%	80%	80%	80%
c	RAR	7.2	6.11	5.80	7.2	6.11	5.80	7.2	6.11	5.80
		[current]	[initial proposed]	[revised proposed]	[current]	[initial proposed]	[revised proposed]	[current]	[initial proposed]	[revised proposed]
axbxc +	Assessed value	\$ 191,319,473	\$ 168,148,559	\$ 161,558,666	\$ 191,319,473	\$ 168,148,559	\$ 161,558,666	\$ 191,319,473	\$ 168,148,559	\$ 161,558,666
comm = d	Operating mill levy	15.225	15.225	15.225	15.225	17.32	18.03	18.97	21.58	22.46
dx=f	Property tax revenue	\$ 2,912,839	\$ 2,560,062	\$ 2,459,731	\$ 2,912,839	\$ 2,912,839	\$ 2,912,839	\$ 3,629,079	\$ 3,629,079	\$ 3,629,079
	% of Budget lost (gained)	0%	7%	9%	0%	0%	0%	0%	-14%	-14%
Revenue										
	Property tax	\$ 2,912,839	\$ 2,560,062	\$ 2,459,731	\$ 2,912,839	\$ 2,912,839	\$ 2,912,839	\$ 3,629,079	\$ 3,629,079	\$ 3,629,079
	Ownership tax	\$ 325,000	\$ 325,000	\$ 325,000	\$ 325,000	\$ 325,000	\$ 325,000	\$ 325,000	\$ 325,000	\$ 325,000
	Program & other	\$ 2,242,024	\$ 2,242,024	\$ 2,242,024	\$ 2,242,024	\$ 2,242,024	\$ 2,242,024	\$ 2,242,024	\$ 2,242,024	\$ 2,242,024
	Total Revenue	\$ 5,479,863	\$ 5,127,086	\$ 5,026,755	\$ 5,479,863	\$ 5,479,863	\$ 5,479,863	\$ 6,196,103	\$ 6,196,103	\$ 6,196,103
Expenditures										
	Program	\$ 2,269,165	\$ 2,269,165	\$ 2,269,165	\$ 2,269,165	\$ 2,269,165	\$ 2,269,165	\$ 2,405,315	\$ 2,405,315	\$ 2,405,315
	Parks	\$ 1,597,139	\$ 1,597,139	\$ 1,597,139	\$ 1,597,139	\$ 1,597,139	\$ 1,597,139	\$ 1,692,967	\$ 1,692,967	\$ 1,692,967
	Facilities	\$ 584,409	\$ 584,409	\$ 584,409	\$ 584,409	\$ 584,409	\$ 584,409	\$ 619,474	\$ 619,474	\$ 619,474
	Administration	\$ 819,958	\$ 819,958	\$ 819,958	\$ 819,958	\$ 819,958	\$ 819,958	\$ 869,155	\$ 869,155	\$ 869,155
	Capital projects in GF	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000	\$ 200,000
	Operating reserves	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,000	\$ 400,000	\$ 400,000
	Total Expenditures	\$ 5,470,671	\$ 5,470,671	\$ 5,470,671	\$ 5,470,671	\$ 5,470,671	\$ 5,470,671	\$ 6,186,911	\$ 6,186,911	\$ 6,186,911
	Net income (loss) - 2020	\$ 9,192	\$ (343,585)	\$ (443,916)	\$ 9,192	\$ 9,192	\$ 9,192	\$ 9,192	\$ 9,192	\$ 9,192
	Net income (loss) - 2021	\$ 9,192	\$ (343,585)	\$ (443,916)	\$ 9,192	\$ 9,192	\$ 9,192	\$ 9,192	\$ 9,192	\$ 9,192
	Net income (loss) - 2022	\$ 9,192	\$ (343,585)	\$ (443,916)	\$ 9,192	\$ 9,192	\$ 9,192	\$ 9,192	\$ 9,192	\$ 9,192
	Cumulative surplus (deficit) in reserve	\$ 27,576	\$ (1,030,756)	\$ (1,331,749)	\$ 27,576	\$ 27,576	\$ 27,576	\$ 27,576	\$ 27,576	\$ 27,576
	Operating reserves retained (target 90 days/\$1.2m)	\$ 27,576	\$ -	\$ -	\$ 27,576	\$ 27,576	\$ 27,576	\$ 1,227,576	\$ 1,227,576	\$ 1,227,576

Ken Caryl Ranch Metropolitan District
Example Communication Infographic

For a \$500,000 home at an adjusted RAR of 6, a mill increase of 5 equates to

\$150 in annual taxes

Excellent maintained greenways and parks can increase the value of that same home up to 5%:

\$25,000 [note: conservative estimate, data is not conclusive]

In addition to increased property value, qualitative effects of parks and recreation amenities expand to:

- aesthetic pleasure*
- direct recreational use*
- health benefits*
- community cohesion*
- reduced maintenance*
- reduced pollution*



Ken Caryl Ranch Metropolitan District
Cost-Centric Scenario

What do we lose if we don't approve a mill increase and RAR decreases as projected?

The equivalent of two pools, front desk staffing, and several parks or facility staff.
Essentially, the list of services we can provide will shrink significantly.

Budget loss at worst-case RAR 5.8		
\$	475,000	9%

Potential service cut list and estimates	Low	High	Ave
Close Bradford pool	\$30,000	\$50,000	\$40,000
Close RH pool	\$80,000	\$120,000	\$100,000
Reduce administrative staff	\$25,000	\$125,000	\$75,000
Lose RH front desk staffing	\$30,000	\$75,000	\$52,500
Lose CC front desk staffing	\$30,000	\$75,000	\$52,500
Reduce parks/turf/hort/forestry staff	\$25,000	\$175,000	\$100,000
Reduce facility maintenance staff	\$25,000	\$125,000	\$75,000
Close or discontinue maintenance of fields	\$25,000	\$75,000	\$50,000

Required furlough days for certain departments are also an option used by many governmental entities facing regulatory tightening beyond their control. Other options would include voluntary compensation cuts. These efforts typically decrease morale beyond the control of the entity and result in a cascade of staffing and quality issues.

