



Ken-Caryl Ranch Metropolitan District Special Business Meeting

Tuesday, May 12, 6:00 p.m.

IN ORDER TO PROTECT PUBLIC HEALTH AND SAFETY, PLEASE NOTE THAT THIS MEETING WILL BE HELD BY TELECONFERENCE. ANY PUBLIC DESIRING TO PARTICIPATE IN THE MEETING MAY JOIN THE TELECONFERENCE AT 6:00 PM.

Join Zoom Meeting

<https://zoom.us/j/98336870395>

Meeting ID: 983 3687 0395

+1 408 638 0968 US

Meeting ID: 983 3687 0395

AGENDA

This is a proposed agenda and is subject to change at the Board's discretion.

- I. Call to Order
- II. Approval of the Agenda
- III. Conflict of Interest
- IV. Business & Reports
 - a. Approval of the April 28, 2020 Regular Board Meeting minutes, pages 2-5
 - b. Board Financials, page 6-7
- V. Communication & Discussion Topics
 - a. COVID 19 Response and Update, pages 8-12
- VI. Community Connectivity
 - a. Reading of public comments – ***any members of the public desiring to provide comment should email their statement to Traci Wieland at traciw@kcranch.org by noon on May 12, 2020. Statements are limited to 350 words or fewer.***
- VII. Action Items
 - a. Resolutions:
 - b. Motions:
- VIII. Board & Staff Comments
- IX. Executive Session (if needed)
- X. Action on Items Discussed in Executive Sessions (if needed)
- XI. Adjourn

*Individuals who require special accommodation to attend and/or participate in this meeting should call 303-979-1876 ext. 136 to advise the ADA Compliance Officer of their specific need(s) prior to the meeting.
The next regular monthly business meeting is scheduled for Tuesday, May 26 at 6:00 p.m.*

MINUTES
BOARD OF DIRECTORS REGULAR MEETING
KEN-CARYL RANCH METROPOLITAN DISTRICT

A regular meeting of the Ken-Caryl Ranch Metropolitan District Board of Directors was held on Tuesday, April 28, 2020. In order to protect the public health and safety, the meeting was held electronically at <https://zoom.us/j/96162974262?pwd=TG5LbGc3RTYvZ1dQSmVhVa09vdTZVZz09>.

ATTENDANCE

Board Members Present:

John Huggins, President/Chairperson
Kayla Kirkpatrick, Vice President
Jeff Esbenshade, Treasurer/Secretary
Lauri Lehan-Milano, Member At-Large
Jami Jensen, Member At-Large

Others Present:

Traci Wieland, District Manager
Lauren Feeney, Finance Director
Pat Malloy, Parks Director
Amy Lear, Recreation Director
Scott Babich, Facilities Director
Emily Powell, Attorney

I. Call to Order

Chairperson Huggins called the meeting to order at 6:00 p.m.

II. Approval of the Agenda

Director Kirkpatrick made a motion to approve the agenda as presented. Director Esbenshade seconded. The motion passed unanimously.

III. Conflict of Interest

There were no new conflicts.

IV. Business & Reports

- a. Director Kirkpatrick made a motion to approve the minutes of the March 31 regular meeting. Director Jensen seconded. The motion passed unanimously.
- b. District Manager Wieland reviewed the March check register and referenced additional financial information and summaries that will be addressed during the COVID 19 response update.
- c. Director Jensen provided an update regarding the April 22, 2020 Open Space Committee meeting. Director Kirkpatrick made a motion to accept the Open

Space Committee Report. Director Jensen seconded. The motion passed unanimously.

- d. President Huggins and Director Lehan-Milano updated the Board on the Joint Financial Sustainability Workgroup that met on April 3 and April 24. Director Lehan-Milano informed the Board much of the information discussed at the last two meetings centered around the developing COVID 19 response and recovery. The group discussed the cancellation of the May 5 Joint Study Session meeting since there will be little to update between now and the following week.

V. Communication & Discussion Topics

- a. Ranch House Pool Renovation Project Update
District Manager Wieland provided the Board with a financial update regarding the Ranch House Pool project. The project is expected to be completed in late June. An additional \$98,000 is necessary to complete the project due to cost overruns and unavoidable change orders. President Huggins informed the Board of the conversation that occurred at the last Joint Financial Sustainability Workgroup meeting where the District representatives proposed removal of the restriction on the District's \$25,000 additional contribution. When the Board approved the expenditure in 2019, the Board required that the \$25,000 be used on shade umbrellas. Director Kirkpatrick expressed concern over removing the restriction because shade was identified as the highest priority by the community. **Director Jensen made a motion to remove the shade umbrella restriction on the \$25,000 additional District contribution, and to allow the Master Association to use the funds to account for cost overruns or other necessary expenditures. Director Esbenshade seconded. The motioned passed with four in favor, Director Kirkpatrick abstaining.**
- b. COVID 19 Response and Update
District Manager Wieland provided the Board with a full update regarding the District's COVID 19 response. Due to the relative "surprise" of the Jefferson County stay at home order extension, there was great confusion as to what was open and what was closed. The District identified May 4 as a re-evaluation date for all facilities and programs in the hopes of gathering additional details about specific uses. If the stay at home order is lifted on May 8 and replaced with a "safer at home" order, the District will prepare a plan so that reopening, for those permitted facilities, can occur on May 9.

The proposed aquatic opening plan was shared with the Board; however, much of the information and plan had already become outdated. Several Board members expressed concern over opening any pools with restrictions because of the financial loss, while other Board members expressed concern over not opening pools since they are a community benefit. The Parks and Recreation industry is hoping for more detailed information regarding aquatic facilities, so

that a more informed discussion can take place regarding pool opening schedules.

District Manager Wieland reviewed a staffing update, informing the Board that all full-time staff members are either reporting to work or working remotely. Unemployment liability estimates have been completed; however, it was a very difficult exercise given the uncertainty of who would be applying that work for the District in 2019. A recap of federal funding opportunities was provided; however, the District is currently ineligible for any of the federal relief measures. Thankfully, property tax revenues are generally expected to remain stable through 2021; however, the long-term impact of COVID 19 cannot be anticipated at this point.

District Manager Wieland reviewed the cost saving efforts on the part of the District and how staff is operating on an “essential only” basis for all expenditures. Reductions include program supplies, park maintenance supplies and equipment, irrigation water, seasonal employees, contract services, and overtime. The impact to the community will be noticeable due to these reductions; however, it is necessary to plan for potential further revenue reductions. A worst-case scenario cash flow model projecting through end of year 2020 was developed for the Board to consider. The initial projections include no program revenue coming in the remainder of the year with major reductions in variable expenses and hopeful renegotiations to reduce fixed costs. The Board expressed concern over not having the recommended \$1.2 million in reserves or anything close to that amount in the event a major expense was necessary. Direct Kirkpatrick questioned the District’s PTO policy and if that was a liability that is not being accounted for. She also worried about heavy PTO use later in the year that will impact operations. President Huggins requested that the Board each develop a figure for where he or she would like to see the cash on hand be kept at a minimum for discussion at a future meeting. The Board requested a special meeting on May 12 so that important decisions can be made prior to the end of May.

VI. Community Connectivity

a. Audience Participation – Public Feedback

Information was included on the agenda and the website informing the community of how to submit public comments to be read during the meeting. Emailed comments were accepted until noon the day of the meeting; however, no comments were received by that time.

VII. Action Items

a. Resolutions: No Resolutions.

b. Motions: No additional motions.

VIII. Board & Staff Comments

Parks Director Malloy informed the Board of the completion of the Ranch House infield project. He also explained the efforts to reduce staff congregating and the use of split shifts. Finance Director Feeney informed the Board that a great deal of time has been spent preparing for the audit which is likely delayed until June. Recreation Director Lear updated the Board on the continued outreach efforts to stay engaged and connected with the community during the closure period. Facilities Director Babich informed the Board of his upcoming elbow surgery. Director Jensen suggested staff explore options for use of neighbors and volunteers to assist during this financial crisis. Director Lehan-Milano expressed concern over how this pandemic will likely change the “face” of recreation for the future and the desire for the District to be adaptable.

IX. Adjourn

Director Kirkpatrick made a motion to adjourn the meeting at 7:59 p.m. Director Jensen seconded. The motion passed unanimously.

These are the correct minutes for the meeting held on the above date and were approved by the Board on this _____ day of _____ 2020.

Jeff Esbenshade, Secretary

Ken-Caryl Ranch Metropolitan District
Board Balance Sheet
As of April 30, 2020

	General Fund	Conservation Trust & Grant Fund	Debt Service Fund	Plains Metropolitan Dist Settlement Fund	Community Garden Fund	Veterans Monument Fund
	Year To Date	Year To Date	Year To Date	Year To Date	Year To Date	Year To Date
	04/30/2020	04/30/2020	04/30/2020	04/30/2020	04/30/2020	04/30/2020
	Actual	Actual	Actual	Actual	Actual	Actual
Assets						
Cash and cash equivalents - unrestricted	1,956,428	-	-	-	-	-
Cash and cash equivalents - restricted	-	169,789	728,954	916,390	21,405	9,257
Accounts and grants receivable	634,796	-	-	-	-	-
Due from KCRMA	19,751	-	-	-	-	-
Prepaid expenditures	88,073	-	-	-	-	-
Property taxes receivable	1,057,394	-	275,771	-	-	-
Total Assets	3,756,443	169,789	1,004,726	916,390	21,405	9,257
Liabilities, Deferred Inflows, and Fund Balances (Deficits)						
Liabilities						
Accounts payable and accrued liabilities	93,357	-	-	-	-	-
Refunds and deposits payable	3,914	-	-	-	900	-
Unearned revenue	272,916	-	-	-	3,125	-
Total Liabilities	370,186	-	-	-	4,025	-
Deferred Inflow of Resources						
Deferred property tax revenues	1,057,394	-	275,771	-	-	-
Total Deferred Inflow of Resources	1,057,394	-	275,771	-	-	-
Fund Balances (Deficits)						
Nonspendable	88,073	-	-	-	-	-
Restricted for specific uses	150,000	169,789	728,954	916,390	17,380	9,257
Committed for specific uses	-	-	-	-	-	-
Unassigned	2,090,789	-	-	-	-	-
Total Fund Balances (Deficits)	2,328,863	169,789	728,954	916,390	17,380	9,257
Total Liabilities, Deferred Inflows, and Fund Balances (Deficits)	3,756,443	169,789	1,004,726	916,390	21,405	9,257

Ken-Caryl Ranch Metropolitan District
Board Budget to Actual
As of April 30, 2020

	01/01/2020 Through 04/30/2020	Year Ending 12/31/2020	
	Actual	Annual Budget	Budget Diff
Property Tax Revenue	2,193,222	3,282,209	(1,088,987)
Specific Ownership Taxes	90,779	336,000	(245,221)
Aquatics	275	139,500	(139,225)
Tennis	101,527	568,975	(468,773)
Preschool	68,211	317,500	(249,851)
Teen, Adult & Contract	10,981	103,200	(92,219)
Before & After School	45,145	186,703	(141,589)
Youth Camp	74,174	255,835	(190,529)
Environmental Education	31,612	244,661	(214,420)
Wellness	56,725	178,000	(121,266)
Events	5,442	14,000	(8,558)
Parks	5,200	53,500	(48,300)
Interest Income	5,375	35,000	(29,625)
General & Administration	7,303	41,200	(31,092)
Facilities - DL	5,811	30,064	(24,253)
Facilities - CC	27	-	27
Facilities - RH	-	53,000	(53,000)
Total Revenue	2,701,807	5,839,347	(3,146,884)
Aquatics	50,148	359,592	(309,444)
Tennis	135,475	495,270	(357,897)
Preschool	84,352	293,387	(209,035)
Teen, Adult & Contract	4,753	50,699	(45,946)
Before & After School	27,264	153,242	(125,978)
Youth Camp	36,155	196,059	(159,904)
Environmental Education	54,628	205,896	(151,268)
Wellness	46,446	89,235	(42,774)
Events	7,594	45,795	(38,201)
Recreation Management	117,029	467,305	(350,164)
Parks	613,779	1,708,256	(1,093,193)
General & Administration	312,290	882,674	(559,719)
Facilities	115,513	467,085	(346,890)
Total Expenditures	1,605,426	5,414,494	(3,790,413)
Excess of Revenues Over Expenditures	1,096,382	424,852	643,530
Other Financing Sources (Uses)			
Transfers In (Out)	-	-	-
Capital Leases Issued	-	-	-
Legal Proceeds & Other	-	-	-
Other Financing Sources (Uses)	-	-	-
Net Change in Fund Balance	1,096,382	424,852	643,530

Ken-Caryl Ranch Metropolitan District Agenda Item Executive Summary

Agenda Item: COVID 19 Response and Update

Meeting Date: May 12, 2020

Executive Summary:

The Board has been apprised of the COVID 19 pandemic over the course of the last eight weeks.

This agenda item is mainly informational; however, there may be several directives that will require action that occur as part of the discussion.

Operational Updates:

On Saturday, May 9, Jefferson County officially moved to a safer at home order. Hopeful move to the protect your neighbor stage will likely not occur until cases in the county have shown decline, hospital capacity is not threatened, and testing availability is increased. Initial time frames of 30 – 45 days have been suggested, so the District is now aiming for early June as the next possible trigger date. The following is a list of current safer at home implementations and practices regarding facilities and programs.

Facilities and Programs:

- **Ranch House:** The Ranch House will remain closed to the public until June 1; however, the Master Association and District are developing a plan to offer times for residents to obtain open space bracelets. All other activities can be completed via phone, email, or the website. Reopening will likely include reduced hours of operations to conform to the 50% reduction of staffing requirement. District staff will be required to wear masks and participate in temperature checks and symptom monitoring. Plexiglass barriers and floor markings have already been installed at customer service areas. June facility rentals are dependent upon relaxation of social distancing and group size guidelines.
- **Community Center:** Gyms currently remain closed with no anticipated date for reopening. It is anticipated there will be occupancy limits, social distancing measures, class size limits, and other physical distancing measures when reopening occurs, so staff is strategizing about a reservation system, spacing changes, and outdoor fitness classes. With the safer at home change, tennis and fitness personal training for groups of four or less began May 11. Also, outdoor fitness classes of 10 or less will be offered at local parks. District staff are required to wear masks and participate in temperature checks and symptom monitoring. Plexiglass barriers have already been installed at customer service areas.
- **Dakota Lodge:** Dakota Lodge will remain closed to facility rentals. June facility rentals are dependent upon relaxation of social distancing and group size guidelines.
- **Parks:** All parks and trails are open for use; however, closures currently include fields and grass areas for organized play, playground, and picnic areas. Tennis courts, basketball courts, the community garden, and the disc golf course are open with restrictions. Outdoor restrooms at the Community Center and Ranch House will be open.
- **Organized Activities:** Jefferson County issued a public health order on April 29 that prohibits P-12 sports activities in Jefferson County. The swim club, Little Leagues, soccer leagues, and other organized sports groups are working to determine if they are included in this order thus impacting their usage of KC Ranch facilities.
- **Summer Programming:** The teen camps, enrichment camps, and contracted camps have been cancelled for the summer; however, several have virtual options with a 20% revenue stream back to the District. Some outdoor, sports camps are still being planned for July with re-evaluation in June. The District's licensed summer camps are planned to begin on June 8 with significant changes in operation. The public health [guidance](#) includes reduced occupancy, reduced hours, increased social distancing, increased spacing requirements, increased cleaning, required temperature and symptom checks for staff and participants, required masks for children over three and staff, elimination of activities

including field trips, and other stringent operational procedures. These changes create a totally different atmosphere and change the camps from what it has been in the past to essential childcare. Occupancy will likely reduce from 210 weekly spots to best case scenario of 120. Staff have been communicating changes and requesting feedback from parents already signed up and will continue to work through the planning process.

Aquatic Facilities:

As of this writing, there is no timeline from the CDC and Colorado Department of Public Health and Environment for reopening. Some guidance has included 50% occupancy in stage 3. Eagle and Mesa Counties have received variances from the State to open community centers and plan to request variances for their pools; however, they have been told informally from their Counties that variance may not be available for four to six weeks.

Given the uncertainty, staff recommends closure of Bradford Pool. Furthermore, if no additional information or a timeline is received by May 29, staff recommends closure of the Community Center Pool. The Ranch House Pool must be operational at the conclusion of the construction project in late June, so this provides an opportunity for at least one aquatic facility. It also provides time for staff to develop plans for reduced occupancy and a modified registration process, as well as time for the Board to consider a potential fee structure. Below is a list of operational challenges and changes presented with the COVID 19 restrictions.

Potential Operational Changes:

- Estimated hours from 7:00 a.m. – 7:00 p.m.
- Modified hours and/or weekends only when school goes back in session, similar to previous years
- Six time slots per day, 1 ½ hours each
- 30 minutes of cleaning in between use
- Online sign up tool required to lessen cash and card exchange, no drop-in
- Minimal or no deck furniture available
- One per lap lane and social distancing
- Overall occupancy reduction

If the pools are opened and a fee is to be charged, the potential “time slot” structure lends itself well to an online sign up process rather than a pass which has to be checked, increasing the amount of contact and time a patron has with a staff member. Furthermore, the restricted amount of available swim time will likely create a customer service issue because passes are traditionally for those who utilize the amenity frequently. Frequency may not be a benefit or option for summer 2020.

Below is 2019 net revenue information as well as projections for 2020 based on the constraints caused by COVID 19. 2020 revenues are based on the current 10-person occupancy limits.

2019 Actuals	Total Revenues	Total Expenses	Net Revenue (Loss)
Bradford	27,700	28,900	(1,200)
Community Center	71,700	90,000	(18,300)
Ranch House	22,900	114,530	(91,630)
Total Revenues	122,300	233,430	(111,130)

2020 Projections	Net Revenue (Loss) Charging No Fee	Net Revenue (Loss) Charging \$3 Fee	Net Revenue (Loss) Charging \$5 Fee
Bradford - CLOSED	-	-	-
Community Center - June 22*	(47,500)	(40,318)	(35,530)
Ranch House - July 1*	(62,500)	(55,570)	(50,950)
Total Revenues	(110,000)	(95,888)	(86,480)

*Tentative

Financials:

Based on the Board meeting on April 28, staff has worked to tighten the projections for spending and revenues. There is a considerable amount of work that needs to occur for additional revenue projections for summer childcare and fitness. Staff is hopeful there will be a great deal of interest in the safer at home programming options that will help boost summer projections. In addition, staff will have better projections for childcare as conversations with families continue.

The Board requested information on use of PMD funds for several projects. As of this writing, legal is reviewing and may have a recommendation at the meeting. For discussion purposes, all capital projects, except for the loader, have been removed from the cash flow projections, so the Board can provide direction on the funding source, if the project is to be completed.

2020 Approved Capital

Community Center Pool Replaster*	9,000
Ranch House Pool Contribution to MA*	25,000
Community Park Playground Resurfacing	100,000
South Valley Parkway Hard Surface Trail	25,000
Community Center Tennis Entryway Roof	35,000
Tennis Court Resurfacing	40,000
Front Mower	48,000
Evergreen Room HVAC	8,000
Bucket Truck Auction Revenues	(8,000)
	248,000

PMD Totals to Date

Total Proceeds	1,648,000
Total Interest Income	63,874
Tennis project - 2017	(119,844)
Pool project	(621,474)
Tennis project - 2019	(54,166)
	916,390

CTF

Total to Date	258,061
Estimated EOY Total	283,663

*Must be completed and waiting on legal determination pending for use of PMD

Staffing Update:

A recommendation was made at the April 28 meeting to examine the PTO liability for District employees. Current District policy states that if an employee's employment terminates, the employee is paid one-half of the accrued but unused PTO with the balance being forfeited. Employees vary, based on years of service, in receiving 128 to 208 hours of PTO annually. In addition, current policy states that only 16 hours of current year PTO can be rolled to the following year and must be used by the end of January. One-half of the remaining PTO is placed in the

employee's sick bank, which rolls over from year to year. The remaining one-half is forfeited. All sick leave is forfeited upon employment termination.

If the employment of every eligible employee was terminated at the end of December, resulting in maximum accrual, and none of the employees utilized any more PTO than he/she already has, the District's liability would be \$124,000. If a very unlikely 20% attrition rate was realized, this would result in a liability of \$25,600 only if those employees worked the entire year. The total would reduce based on accrual and actual weeks worked.

This is not seen as a high liability issue at this point; however, additional conversations will be necessary as the District rebounds from COVID 19 and resumes conversations regarding the employee handbook. A revision to the PTO carryover policy is sorely needed and necessary to retain and attract employees of all demographics.

Because of the general environment regarding vacations and time off, the Leadership team will be working with staff to develop plans for staggering PTO use later in the year.

Cash Flow Projections	May	June	July	August	September	October	November	December
Beginning projected cash available		2,623,683	2,600,375	3,169,251	2,935,564	2,682,283	2,425,410	2,194,386
ColoTrust	1,428,044	-	-	-	-	-	-	-
Operating	1,134,943	-	-	-	-	-	-	-
Total Cash Available	2,562,987	2,623,683	2,600,375	3,169,251	2,935,564	2,682,283	2,425,410	2,194,386
Property Tax (3 yr average)	955,133	317,778	982,656	61,343	48,003	29,157	54,144	29,118
MA Monthly Payment (12 month average)	19,405	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Tennis/Aquatic Revenues (Loss)	-	31,597	(110,000)	-	-	-	-	-
Spring Program/Rental Refunds	(256,140)	-	-	-	-	-	-	-
Summer Program/Rental Refunds	(299,124)	-	-	-	-	-	-	-
Total Additional Revenues	419,274	359,375	882,656	71,343	58,003	39,157	64,144	39,118
Total Cash Plus Revenues	2,982,260	2,983,058	3,483,030	3,240,593	2,993,567	2,721,440	2,489,554	2,233,505
Operations and Capital	May	June	July	August	September	October	November	December
Ongoing Operations	106,698	93,890	83,862	75,112	81,365	75,112	74,250	80,503
Community Park Playground Surfacing	-	-	-	-	-	-	-	-
Loader/Tractor	45,000	-	-	-	-	-	-	-
Insurance (P&L, WC and UI)	2,500	-	-	-	-	-	-	127,500
Unemployment (50% approval estimate)	27,000	18,000	18,000	18,000	18,000	9,000	9,000	9,000
FT, Benefits, 401/447, Non-FT Benefits	177,380	211,918	211,918	211,918	211,918	211,918	211,918	211,918
DSF* Bond principal & interest payments	-	58,875	-	-	-	-	-	853,875
Total Ongoing Expenses	358,578	382,683	313,780	305,030	311,283	296,030	295,167	1,282,796
Ending projected cash available	2,623,683	2,600,375	3,169,251	2,935,564	2,682,283	2,425,410	2,194,386	950,709

2020 Approved Capital

Community Center Pool Replaster*	9,000
Ranch House Pool Contribution to MA*	25,000
Community Park Playground Resurfacing	100,000
South Valley Parkway Hard Surface Trail	25,000
Community Center Tennis Entryway Roof	35,000
Tennis Court Resurfacing	40,000
Front Mower	48,000
Evergreen Room HVAC	8,000
Bucket Truck Auction Revenues	(8,000)
282,000	

PMD Totals to Date

Total Proceeds	1,648,000
Total Interest Income	63,874
Tennis project - 2017	(119,844)
Pool project	(621,474)
Tennis project - 2019	(54,166)
916,390	
CTF	
Total to Date	258,061
Estimated EOY Total	283,663

*Must be completed and waiting on legal determination