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**Notice of Regular Meeting of the
Montrose Recreation District (MRD) Board of Directors
Thursday, October 28, 2021 at 11:30am
Montrose Community Recreation Center
16350 Woodgate Road
Montrose CO 81401**

- I. Call to Order, Roll Call – Meeting called to order at 11:43am**
 - a. Attendees; Director Alli Howe, Director Amy Warthen, Director Paul Wiesner, Director Kylee Smith, Director Megan Maddy via Zoom, Director Christina Files via zoom**
- II. Open Forum: Call for Public Comment (limit of 3 minutes per person)**
 - a. No comments**
- III. Staff Recognition:**
 - a. Anniversaries: David Morris, 3 years FT – David was not able to attend. Miguel Lopez accepted the award in his absence.
 - b. Employee Awards: September Core Staff of the Month was presented to Melissa Lords, PT Staff of the Quarter was presented to Jack Hay and Amanda Laube, Patron of the Quarter was presented to Juan Diaz, Volunteer of the Quarter was presented to Bryan Lark.
- IV. Personnel**
 - a. Employee Handbook annual updates – The Employee Handbook updates were presented to the Board by Jeremy Master and HR Generalist, Lisa Lopez. Updates included: added a section on ADA Accessibility, a statement of commitment to diversity; the Healthy Families Workplace Act has been updated, holidays were added to the list of benefits for Core staff, and a tenth holiday was also added for all full time and core staff. Director Paul made a motion to approve the updates, a second was made by Director Allison, it was passed unanimously.
- V. Policies**
 - a. Weapons Policy – Discussion**
 - i. Mari stated that the MRD has been making policy changes and adding policies to ensure compliance and consistency of operations. This policy states that a new Senate Bill was passed recently that gives a special district the power to disallow concealed carry weapons into any facility or property of the MRD. The Senate Bill is 21-256. It went into effect June 19, 2021. A current senate bill already disallowed open carry on any MRD property or facility. A motion is not needed. The question was asked if this applied to facilities as well as parking lots. ED Mari stated that it was. The Board was informed of this new policy.**
- VI. Capital Projects and Purchases**
 - a. Comprehensive Master Plan**
 - i. Updates: we are receiving many online surveys as well as the mailed surveys. We have received almost 800 online surveys. The Board was reminded that November 17 and 18 Pros Consulting will be on site. They will meet with the Board on the 18th during the Board meeting. Today's Growth Committee has been cancelled because of lack of updates.**
 - b. ADA Access Audit and Transition Plan – Jeremy stated that a committee of staff members met and have considered 5 RFPs that were collected. The committee looked at qualifications of teams as well as experience. References were called on the final 2 firms. Skulski Consulting was the unanimous choice of the committee to carry out the ADA audit. MRD is hoping to enter into negotiations with Skulski Consulting. The MRD needs Board approval to enter into negotiations. Director Paul moved that the**

Board approved entering into negotiations with Skulski Consulting and Director Allison seconded the motion. The board approved this unanimously.

VII. Budget Planning

- a. 2020 Audit Review – Financial Auditor Don Moreland, gave a brief overview of the findings of the audit. Don stated that COVID hit the District pretty hard, decreasing revenues considerably in 2019. This was a result of a position that the District has no control over. The District has done extremely well maintaining its balance sheet through COVID. Property tax is up however there was a great loss in revenue in facilities and programs because of COVID. The District was able to make up some of this loss with grants. The general fund has remained fairly consistent. The renovation of Holly Park accounted as a large expenditure. Sales tax revenue has increased from the City as has Property Tax. The board complimented the staff in its resiliency during COVID and in getting operations back up and running. Don agreed that the District did an excellent job controlling costs during this time.
- b. 2022 Budget Review:
 - i. ED Mari gave a budget overview. She stated that this presentation is the first draft of the budget, one more draft will be presented before the Board is asked to approve the final budget in December. There has been a swing recently as revenues have outpaced expenses. There has been an expressed interest in growing reserves for future projects. Mari presented the budget draft. The MRD continued to grow program fee revenues in total of 11%. Sales tax will increase slowly but holding at 29% growth. Expense highlights: operating expenses are projected to increase by 8%. Staffing costs are expected to increase by 8%. General fund balance is 48% of annual operating expenses, at 5.8 months and the aggregate balance is projected to be 64% of operating expense, at 7.7 months.
 - ii. Capital Improvement plan (CIP) – The finance committee and growth committee have discussed the proposed CIP. Projections are at \$688,812 for 2022 CIP. Future CIP will consider the results of the Master Plan. This will be considered in consolidation with what the staff identify as Capital Improvement needs. On December 9, the MRD will be asking the Board for approval on the CIP and the proposed budget. The Board asked how the decision-making process happened. Mari responded that staff proposed CIP projects and then the proposal went to Growth Committee. The MRD is asking for direction on this plan today. November 18 the board will be presented with a second draft. Director Amy stated that she struggles with money designated to a local non-profit until they are more solid on their plan and an IGA written. It was recommended by Board members that this be put off until next year. Plant costs were discussed. The Board stated that ensuring our facilities are taken care of is important and setting aside money that may be needed for maintenance for a major project that shows up is crucial. Miguel, Maintenance Superintendent stated that we do need the amount suggested on the CIP for maintenance to ensure our facilities remain in good, working condition.
 - iii. Additional Proposed Packages include: Personnel, pay increases, addition of part time staff, employee incentive programs, HR Software system, consulting services, new programs. The Board asked about several positions recommended including Grants Specialist. It was stated by the ED that there are many grants that the MRD could potentially apply for but we currently don't have current staff capacity to pursue, coordinate, and write grants. The Business Operations Manager functions would be assigned to the current AOA position and could oversee the Data Grants Specialist. Certificates and licenses is a line item that was discussed. It was expressed by the ED that potential new staff may be more likely to come and work with us if we assist in paying for certifications. An example is paying for all training for lifeguards. Currently our pool is closed certain hours of the day because of lifeguard staffing shortages. Another question asked by the Board was about a proposed branding program. ED Mari state if the Board approved rebranding the MRD, a professional consultant would be hired. The MRD will also wait on the results of the Master Plan and see if it shows that this is needed. The only item not listed on the Additional Proposed Package is the program plan for the Lease with Colorado Outdoors which will be discussed later in the agenda.
 - iv. Bond facilitators, Robyn Moore and Stacey Berlinger, joined the meeting at 1:22pm. Robyn stated that there used to be the opportunity to refinance debt, which has gone away. In considering refunding the bonds, the COP from 2014, GFOA recommends a savings of 3-5% to make it worthwhile. The CRC exceeded projections of growth including tax growth, and would need to refinance on a taxable basis. Currently, it does not look favorable to refinance the COPs. This may change in the future. It is advantageous to wait a bit. In 2024 the District will have an opportunity to refinance at a tax exempt status. If we want to borrow money for future projects funders will look for a certain percentage of reserve as well as a cushion of revenues over

expenditures. The Board asked if excess revenues go to pay down COP or to fund something else. Robyn stated that when we are able to pay off debt, we will have more money for projects. We should also consider if operating expenses will increase because of additional CIP needs. A lot of issuers see a combination of borrowing money and cash making projects. There is an opportunity to pay down some debt, or use the reserves for new projects. If refunding is an option, that will free up a couple hundred thousand dollars a year.

VIII. Letter of Intent: Colorado Outdoors – The Board asked what the letter of intent means. The ED stated that the letter of intent only allows the MRD to enter into negotiations on a lease.

IX. Committee Updates and Assignments

- a. **Exec. Committee of Board** (Board: Mark, Christina, Amy. Staff: Mari, Jeremy) – The Executive Committee did not meet this month.
- b. **Administrative** (Board: Megan, Alli. Staff: Mari, Jeremy, Lorie, Lisa) – The Administration Committee did meet on 10/25. They discussed the Employee Handbook as well as the new Employee Performance Evaluation form (PAR). The annual award nominations will be coming from the committee in time for the MRD Banquet.
- c. **Foundation** (Board: Amy, Kylee, Megan. Staff: Mari, Cindy) – The update from the meeting was news on the Triathlon held in October. It netted \$10,000 for the Rec Foundation. A few new people are on the MRF committee.
- d. **Growth** (Board: Christina, Amy. Staff: Mari, Liz, Justin, Miguel) – The Committee met last week. There will also be meetings in November with Pros Consulting.
- e. **Finance** (Board: Paul, Alli. Staff: Mari, Jeremy) – The Finance Committee met this month and everything that was discussed at the meeting has been addressed.

X. Executive Director's Update – Starting November 1, hours are extended at the CRC. New American Rescue Plan funds will become available in the near future through grants. Statistics from September relative to the CRC and Field House were presented in the ED Update folder. A letter was presented that was written by a patron to our 50+ program manager, Cindy Marino. The patron was grateful for what Cindy does for this program and for her. There was an article from the Montrose Daily Press on the Master Plan published in October. Mari will be gone for two weeks to Spain, she stated that Jeremy Master will be your “go-to” in her absence.

- a. Director Amy stated that the mobile vaccination clinic will be coming to the CRC soon. They will offer COVID shots as well as flu shots. November 5th and 7th it will be at the CRC as well as November 27th and 28th. They will hopefully also be able to offer pediatric vaccinations.

XI. Approval of BOD Meeting Minutes:

- a. **09.22.21 Regular Meeting of the Board** – Board Director Paul moved to approved minutes, Director Allison seconded, Kylee abstained. The motion passed with majority approval.

XII. Adjourn – the meeting adjourned at 2:49pm.

Next BOD Regular Meeting
Thursday, November 18, 2021 at 11:30am
Community Recreation Center
16350 Woodgate Road
Montrose CO 81401