
RECORD OF PROCEEDINGS

Minutes of the Special Meeting of the Board of Directors Copper Mountain Consolidated Metropolitan District December 6, 2013

A Special Meeting of the Board of Directors of the Copper Mountain Consolidated Metropolitan District, Summit County, Colorado was held on December 6, 2013 at 8:30 a.m., at the Copper Mountain Metro District Building, 0477 Copper Road, Copper Mountain, Summit County, Colorado, in accordance with the applicable statutes of the State of Colorado.

Attendance The following Directors were present and acting:

- Karl Anuta
- Bob Bloch
- Tom Malmgren
- Dave Steele

The following Directors were not present at the meeting

- Ben Broughton (excused absence)

Staff in attendance was:

- Dave Erickson, District Manager
- Mike Koenig, Public Works Director
- Ricky Clover, Utility Plant Operator
- Dave Arnesen, Director of Cable Services
- Dan Moroz, Code Compliance Officer
- Missy Stabile, Clerk-Treasurer Administrative Assistant
- Ross Orton, CMFD Paramedic

Also in attendance were:

- Eric Weaver, Robertson & Marchetti, P.C.
- Stan Sprinkle
- Scott Randolph

Call To Order

The Special Meeting of the Board of Directors of Copper Mountain Consolidated Metropolitan District was called to order by Director Malmgren, on December 6, 2013, at 8:30 a.m. noting a quorum was present.

New Business

Public Hearing on Proposed 2013 Supplemental Budget

Director Malmgren opened the Public Hearing at 8:30 a.m.

Dave Erickson explained that the 2013 supplemental budget was prepared after the 2013 budget was adopted to cover unanticipated expenses as previously presented to the Board and the public.

There being no public comment on the Proposed 2013 Supplemental Budget, Resolution 2013-03, Director Malmgren closed the Public Hearing at 8:32 a.m.

Upon motion duly made by Director Anuta and seconded by Director Bloch, it was unanimously

AGREED to adopt Resolution 2013-03, a resolution adopting a supplemental budget for the Copper Mountain Consolidated Metropolitan District for the fiscal year ending December 31, 2013.

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Public Hearing on Proposed 2014 Budget

Director Malmgren opened the Public Hearing at 8:33 a.m.

Mr. Sprinkle confirmed that his two main concerns were the compensation schedule and projected fund balances in 2013 and 2014. Mr. Sprinkle calculated a 5.66% increase in salaries excluding the Fire Chief and Clerk-Treasurer positions since they are adjusted in 2014 for a new hire and full year. Mr. Sprinkle admitted that he is not familiar with salary increases in Summit County but that his experience with Denver salaries is that this kind of increase is not being awarded in Denver. He noted that the budget message suggests the Board is approving the total salary amount rather than individual salaries and that the District Manager is responsible for allocating the total to individual employees.

Mr. Erickson responded that due to potential changes in employee performance evaluations and confusion as to what training certifications were actually attained in 2013, Resolution No. 2013-05 clarifies that the Board is adopting a gross compensation amount for distribution to the employees; the Board is not approving the compensation amount specified for each employee in the 2014 Personnel Schedule.

Director Bloch confirmed the Board is approving total compensation for the District Manager to allocate. He further explained that the total increase to employee compensation is only 1.8% higher than 2013.

Mr. Sprinkle expressed additional concern about the projected 2013 and 2014 total fund balance. His calculations suggested an 11% decrease in the 2014 total fund balance totaling approximately \$520,000.

There being no further comment on the Proposed 2014 Budget, Director Malmgren closed the Public Hearing at 8:56 a.m.

Director Malmgren echoed comments made by Mr. Weaver at the November Board Meeting about public companies being unable to reduce services during economic downturns when revenues are decreased. The District is carefully using reserves until assessed values increase and revenues recover. Mr. Weaver reminded the Board that assessed valuations are two years behind the current year which means the District is operating with 2010-2011 values. In his experience, all Districts are currently running deficits but will rebound with favorable 2013-2014 valuations. Mr. Weaver also expressed the importance of retaining employees especially in periods of deficit due to the expense of hiring new employees.

Mr. Weaver stated concern that water and sewer rates have remained stagnant for several years and suggested rates be increased. Director Anuta commented that the Board had decided not to raise rates until after the new rate structure policy is adopted.

Mr. Erickson referred to the proposed budget document and pointed out that the target ending fund balance has been \$500,000 for the past several years. The target ending fund balance for 2014 is \$499,324. He stated that the 2014 budget is conservative, does not consider all revenue sources, such as wildland deployment, and has many safeguards built in to see the District through to improved property valuations and increased revenues.

Upon motion duly made by Director Anuta and seconded by Director Bloch it was unanimously

AGREED to adopt Resolution 2013-04, a resolution adopting the District's annual budget for the Fiscal Year ending December 31, 2014.

Upon motion duly made by Director Bloch and seconded by Director Anuta it was unanimously

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AGREED to adopt Resolution 2013-05, a resolution to appropriate sums of money for expenditure for purposes set forth in the annual budget for the Fiscal Year ending December 31, 2014.

Upon motion duly made by Director Bloch and seconded by Director Anuta it was unanimously

AGREED to adopt Resolution 2013-06, a resolution to certify and levy property tax rates for collection in the Fiscal Year ending December 31, 2013.

Upon motion duly made by Director Anuta and seconded by Director Steele it was unanimously

AGREED to adopt Resolution 2013-07, a resolution to adopt the 2014 CMCMD Job Classification and Compensation Schedule.

Adjournment As the published Special Meeting Agenda was concluded, by motion duly made by Director Anuta and seconded by Director Steele, it was unanimously

AGREED to adjourn the Special Meeting of the Copper Mountain Consolidated Metropolitan District Board of Directors.

Director Malmgren adjourned the Special Meeting of the Copper Mountain Consolidated Metropolitan District Board of Directors the 6th day of December, 2013, at 9:41 a.m.

Respectfully Submitted,

BY: Thomas J. Malmgren
Thomas J. Malmgren
President of the District

ATTEST: Karl Anuta
Karl Anuta
Vice President of the District