



**COLORADO CITY METROPOLITAN DISTRICT
PUBLIC NOTICE
OF DIRECTORS STUDY SESSION**

A study session for the Board of Directors of the Colorado City Metropolitan District will be held Tuesday, August 31, 2021, beginning at 6:00 p.m.. Called to order by Chairman Elliot.

1. Sam DeNardo, in person and Carolyn Attorney via Zoom:

Mr. Collins addressed multiple questions to both the Attorney and the Auditor at this time. First item; If the Golf Course and the Campground was put into Enterprise could the date go back to January 2020 time. Mr. Denardo, referred the question to Ms. Phelzer?. She shared that she heard of Enterprising to a previous year after an audit had been completed. She at this time would like to do further research and provide input at a later time. To Mr. DeNardo what are the advantages to moving to an Enterprise at this time? Mr. Denardo shared that there are both advantages and disadvantages. Advantage that you can isolate the revenue stream to include all of the fees and costs that are included in both the Golf Course and the Campground.

Depreciations are not recorded specifically to an Enterprise, they would go back to say the Golf Course and Campground. Disadvantage could be that with the fluctuation of the revenue from the previous year or a pre-Covid year, it can go back out of Enterprise. Carolyn shared two advantages to an Enterprise; One is that Enterprises are exempted from Taber as long as they meet the less than 10% limit., which Taber has. Second advantage; Revenue bonds, there is an extension that applies to an Enterprise and takes you out of the limit and there are more grants that are available that can help in the case that we can take it back if the 10% is met. Lottery funds are excluded as well, which we have been receiving in the past years. Mr. Collins would like to know the pitfalls to De-Tabering at this time with input from Sam and Carolyn. If we do De-Taber will this pose possible issues in the future for the citizens of the community if passed now. Sam shared that would not provide issue in the future, De-Brucing would not give the current Board or future Boards the ability to raise taxes or fees without the voter input and approval. Example if the Mill Levy is to be raised there would still need to be put to a ballot question and voted on by the Community. What it would relieve us from is the obligation to pay the excess revenue by Taber that we have experienced recently and that we can retain and ask the voters to keep the money in the Community. Everything still has to go through to the voters for approval as protection. Carolyn added that another advantage example is that if the Mill Levy stayed the same as approved now, there could be years that taxes could be more and then other

years taxes can be less. Mr. Collins presented the question to Mr. DeNardo what is the amount that we will need to pay to the State. Response at this time at close to the end of the audit we are at \$27,000.00 that would be owed compared to the previous year of \$35,000.00. Sam believes about \$120,000.00 is what the Golf Course has earned over the limit. Carolyn interjected that at this time she would like to research more about taking the Golf Course into Enterprise back to 2020 and be able to get back to the Board with the conculsion/option at this time. The audit has to be sent to the State by September 30, 2021 and this has to be taken care

of prior as there is not an extension at this time.

2. Resolution 10-2021 Referring a Ballot issue De-Tabor
Carolyn shared statistics of other similar Districts that have De-Tabored/De-Bruced as of 2019, which out of 270, 230 of the similar Districts have De-Bruced in order to remain functional. The question was posed by Chairman Elliot to both Sam and Carolyn as to what they would recommend at this time. Mr. Cook calls for a point of order, he believes the question is out of line. At this time Sam and Carolyn went back over the advantages and disadvantages of De-Tabor, with the input that they are opinions and that policy decisions always rest with the board and ultimately with the Voters.
3. Enterprise status for Campground Public hearing to follow:
All board members voiced their concerns and pros and cons. Josh Briggs did address his concerns and Mr. Elliot did ask him to share his concerns with the board. After a lengthy discussion. The terms of putting the Campground in to an Enterprise does still rest undetermined until information is received back from Carolyn.
4. CCAAC Review: Only buildings were checked at this time due to CCACC members not being available. There was a discussion about why the home approvals were looked at and the Covenant complaints were not all reviewed. At the previous meeting it was discussed that if the committee could not meet that it should not all be handled by Mr. Eccher, District manager as time as lack of staff and committee other obligations. Some wanted volunteers and in short it was mentioned that the board also took some action in all of the reviews. Design review and Covenants are 2 separate intetinaties. All reviews and approval to be given at the regular meeting.

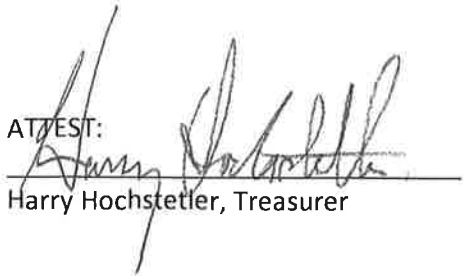
These minutes are not verbatim to the meeting and should not be considered a complete record of all discussions during the meeting. For complete proceedings and statements, please refer to the video or audio recording of the meeting.

COLORADO CITY METROPOLITAN DISTRICT



Neil Elliot, Chairperson

ATTEST:



Harry Hochstetler, Treasurer