
RECORD OF PROCEEDINGS

Minutes of the Special Meeting of the Board of Directors of the Red Sky Ranch Metropolitan Districts November 11, 2019

The Special Meeting of the Board of Directors of the Red Sky Ranch Metropolitan District, Eagle County, Colorado, was held Monday, November 11, 2019, at 2:30 p.m., in the conference room at 1099 Red Sky Road, Wolcott, Eagle County, Colorado.

Attendance **The following Directors were present:**

- Beth McGregor
- James Malernee
- Steve Stroker (via phone)

The following Director was absent & excused:

- James Benedict

Also in attendance were:

- Trish Harris , Esq White Bear Ankele Tanaka & Waldron (via phone)
- Ken Marchetti, CPA, Marchetti & Weaver LLC
- Kathy Lewensten, Recording Secretary
- Paul Wisor, Esq Garfield & Hecht
- Mike Trueblood, Sr. Director Beaver Creek Operations

Call to Order The Special Meeting of the Board of Directors of the Red Sky Ranch Metropolitan District was called to order by Director McGregor noting a quorum via phone attendance was present. All actions taken will be ratified at the next meeting with an in-person quorum.

Potential Conflicts The Board reviewed the agenda for the meeting. The Board confirmed that nothing appeared on the agenda for which disclosure certificates had not been filed. The Board noted, for the record, the intent of fully complying with laws pertaining to potential conflicts.

Public Input Mr. Wisor introduced himself to the Board explaining he was interested in offering his opinion regarding the sales tax discussion. He stated his understanding of the back ground information related to implementation of the sales tax, pointing out that at the time the sales tax was voted on it had been understood the tax would primarily be imposed on food, beverage, and retail sales at the golf courses. He reiterated that due to a federal Supreme Court ruling, commonly referred to as the “Wayfair decision” the State of Colorado enacted legislation in 2018 aligning the State sales tax laws with the federal decision. These set of circumstances caused a broader scope of sales to be subject to the District sales tax. He expressed the view that this is not what

RECORD OF PROCEEDINGS

Red Sky Ranch Metropolitan District November 11, 2019 Meeting Minutes

the voters had approved. He stated this is not a matter unique to the District but a common issue since the legislation was passed. He recommended considering returning to voters to reauthorize the sales tax. He noted by State statute the District sales tax revenue can only be used for specific purposes related to transportation and safety suggesting there may be other tools to generate revenue if the sales tax were to be discontinued or the rate decreased. Discussion followed comparing how the sales tax would affect various purchases today versus two years ago.

Minutes

Director Malernee requested revisions to the October 21, 2019 minutes under the sales tax discussion. Upon motion duly made and seconded, it was unanimously

RESOLVED to approve the October 21, 2019 minutes subject to final revisions as discussed.

Financial Statements

Mr. Marchetti presented the preliminary October 2019 financial statements including the 2020 budget.

2020 Budget

The Board discussed the 2020 budget. Mr. Marchetti reported an updated long-range plan had been provided to the Board prior to the meeting. Based on the expected sales tax revenues 5.5 % generates it would be possible to lower the services mill levy by 5 mills. If the sales tax rate is reduced, the mill levy would likely not change. General discussion followed as to the benefits of a lower mill levy, debt matters and long-range planning. The budget presented includes 5.5 % sales tax rate revenues and reflects the lower mill levy at 59 mills with a split of 27 mills for debt service and 32 mills for IGA contractual obligations (service). Upon motion duly made and seconded, it was unanimously

RESOLVED to adopt the Red Sky Ranch Metropolitan District 2020 budget and

FURTHER RESOLVED to appropriate the sums of money for 2020, and

FURTHER RESOLVED to certify the mill levy at 59.000 mills subject to receipt of the November assessed valuation.

Accounts Payable

Upon motion duly made and seconded, it was unanimously

RESOLVED to approve and ratify the accounts payable listing as presented.

RECORD OF PROCEEDINGS

Red Sky Ranch Metropolitan District November 11, 2019 Meeting Minutes

Future Meetings The next regular meeting is scheduled for February 17, 2020 at the same time and location.

Adjourn Upon motion duly made and seconded, it was unanimously

RESOLVED to adjourn the November 11, 2019 Special Meeting of the Red Sky Ranch Metropolitan District Board of Directors.

Respectfully submitted,
Kathy Lewensten
Recording Secretary