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# RECORD OF PROCEEDINGS

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**Minutes of the Continuation Meeting  
of the Board of Directors of  
Woody Creek Metropolitan District  
June 6, 2016**

The Continuation of the Organizational Meeting of the Board of Directors of Woody Creek Metropolitan District, Pitkin County, Colorado, was held Monday, June 6, 2016 at 6:00 pm., at the Woody Creek Community Center, 0006 Woody Creek Plaza, Woody Creek, Colorado.

**Attendance**                    The following Directors were present and acting:

- Don McAlister
- Colleen Brown
- Guy Fulfer
- Audrey Krill
- Margaret O'Brien

**Also in attendance were:**

- Sandy McAlister, Woody Creek HOA Bookkeeper
- Ken Marchetti, Marchetti & Weaver, LLC-via telephone
- Debbie Braucht, Marchetti & Weaver, LLC, Secretary for the Meeting-via telephone

**Call to Order**                    The Meeting of the Board of Directors of Woody Creek Metropolitan District was called to order noting a quorum was present.

**Public Input**                    There was discussion of recording the meetings. Mr. Marchetti stated Executive Sessions have to be recorded but Metro District meetings are not typically recorded. Meeting minutes are a record of action taken and are paraphrased so they are not too lengthy.

**Special District's Association and Special District's Property & Liability Pool**

Mr. Marchetti reviewed the many benefits of joining the Special District's Association not to mention the ability to then receive general liability and workers compensation insurance from the Special District's Property & Liability Pool. The Pool was created and is used specifically by entities similar to the District so rates are better than you can get with another insurance company. There was discussion of obtaining workers comp insurance on the Board members since the District has no employees. Mr. Marchetti stated, in his opinion, it is more cost effective to obtain coverage because you receive a discount on overall premiums that essentially covers the costs of opting out. Opting out of workers compensation coverage is an option but annually the Board must take action and forms have to be filed with the Colorado Division of Worker's Compensation. By the time you file the required report the cost almost equals the cost of the insurance. The total cost for both insurances for 2016 are less than \$1,600. Upon motion duly made and seconded it was unanimously

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**RESOLVED** to join the Special District's Association and approve the Intergovernmental Agreement with the Special District's Property and Liability Pool for general liability and workers compensation insurance. A copy of the formal resolution is attached by reference and shall be retained in the District's permanent records.

### **2016 Budget**

At the May meeting the public hearing on the 2016 was continued because more work was needed to answer the question of the Metro District assuming all functions of the Association and operation of the water and waste water system. After discussion it was agreed that a turnover date of January 1, 2017 makes the most sense. This will give the Board time to inform the community and prepare the transfer of the water and waste water systems plus all the infrastructure and land. Mr. Marchetti reviewed a scaled down 2016 budget with the Board. There were no public comments on the 2016 Budget so the public hearing was closed. Upon motion duly made and seconded it was unanimously

**RESOLVED** to approve the resolution to adopt the 2016 budget;

**FURTHER RESOLVED** to approve the resolution to certify the mill levy at 0.000 mills;

**FURTHER RESOLVED** to approve the resolution to appropriate funds for spending in 2016.

Copies of the formal resolutions adopting the budget, certifying the mill levy and appropriating funds are incorporated herein by reference and shall be retained in the District's permanent records.

### **Appointment of Consultants**

There was discussion of the most cost effective way for the District's bookkeeping to be handled. Mr. Marchetti stated they have found that subcontracting out different portions of the bookkeeping is the most cost effective. He would highly recommend Marchetti & Weaver maintain the higher level accounting for preparation of the budget and statutory filings but the day to day operations can be performed by a company or person skilled in governmental accounting. His office currently works with a firm in Aspen that he would recommend. There was discussion of whether the bookkeeping had to be done by a person

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skilled in governmental accounting. Mr. Marchetti stated you do have to have governmental accounting experience. For profit companies do not have to follow the same accounting rules as governmental entities so the accounting is very different. The Board will research options for bookkeeping but upon motion duly made and seconded it was unanimously

**RESOLVED** to engage Marchetti & Weaver, LLC.

The Board discussed the need for District legal counsel. There are a number of items that will require an attorney such as the conveyance of infrastructure and land plus the facilities operations but those items can be worked on in the coming months. Vendor contracts is another item that requires specific contracts for governmental entities. It was discussed that a Scope of Services for the Operations Manager should be created and a contract based on that. At this time no other consultants or contractors will be engaged.

### **Administrative Matters**

Mr. Marchetti informed the Board of the need to have a Sales Tax Exemption Identification Number, a Federal Tax Identification Number as well as a Public Deposit Protection Account Numbers. Upon motion duly made and seconded it was unanimously

**RESOLVED** to approve the applications for the required Sales Tax Exemption Number, the Federal Identification Number and the Public Deposit Protection Account Numbers.

Additionally the Board authorized Director Krill to work with Alpine Bank to open a District bank account.

Director O'Brien stated that transparency is so very important in their community that they believe a website to post information would be critical in keeping members of the public informed on Metro District matters. Mr. Marchetti agreed and stated most of their Metro District's do have their own websites for that very purpose. It used to be expensive to have a website but that is not the case anymore. After discussion the Board authorized up to an amount of one thousand (\$1,000) dollars for the creation of a website and authorized Director Fulfer to setup and head the Transparency Committee.

### **Accounts Payable**

Mr. Marchetti stated there are minor payables due which are for the formation and accounting to this point. In addition to those there will be

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the costs for the insurance and dues. Since the District does not have a bank account at this time it was agreed to send the Metro invoices to the Woody Creek HOA for processing. The Woody Creek HOA has agreed to fund the District's operations and advance funds for same. Mr. Marchetti stated it will be critical to get a Funding Agreement in place with the Association so attendance by members of the Metro Board at their next meeting would be critical to get this process going.

### **Adjournment**

There being no further business to come before the Board and upon motion duly made and seconded it was unanimously

**RESOLVED** to adjourn the meeting of the Woody Creek Metropolitan District Board of Directors held June 6, 2016.

Respectfully Submitted,

Secretary to the Meeting