



BOARD OF DIRECTORS MEETING MINUTES
Tuesday, April 21, 2020, 5:30 pm
Meeting held via Zoom

I. CALL TO ORDER

President Roger Hedlund called the meeting to order at 5:37 pm.

II. ROLL CALL/DECLARATION OF QUORUM/CONFLICT DISCLOSURE

Roger Hedlund, David McKnight, Rainie Murdoch, Kelley Glancey and Al White were all in attendance. The Board members had no conflicts to disclose.

Staff present: *Scott Ledin, Ann McConnell, Michelle Lawrence, John Florkiewicz, Robin Dresen, Craig Cahalane, Austin DeGarmo, Mary Moynihan, Emily Weida, Dan Weida, Jesse Dickinson, Ryan Graham, Samantha Pritchard*

Public present (signed-in): *Carrie Casals, Kaylene Loo.*

III. REVIEW AND APPROVAL OF MINUTES

- a. *March 24, 2020 Regular Board Meeting Minutes: Al White motioned to approve minutes; David McKnight seconded; all in favor 5-0.*
- b. *March 31, 2020 Special Board Meeting Minutes: Rainie Murdoch motioned to approve minutes; Kelley Glancey seconded; all in favor 5-0.*

IV. OPEN FORUM

The Board provides opportunity for the public to comment on items not on the agenda. There were no comments for open forum.

V. NEW BUSINESS

- a. *March Financial Report (Ann McConnell) Ann McConnell gave a summary of the written financial report. The closure of the facilities due to COVID 19 had a great impact on the March financials. District wide revenues fell short of budget by \$232,875. Cost of Goods Sold and Expense were under budget by \$66,692 for the month. The District ended March \$108,817 short of budget with a net income of \$525,483.*

The Parks and Recreation Combined departments revenues for the month were \$89,660 short of budget. District Administration revenue was \$8,254 short for the month. Year to date 43% of the annual property tax budget has been received. Interest rates on our public funds accounts have been reduced which will impact the revenue budget. General Recreation revenues were \$8,254 short of budget and Parks and Athletics revenue was \$3,461 short for the month of March. The Recreation Center revenues fell short of budget by \$72,224. Credits and refunds for cancelled programs and memberships in the amount of \$13,104 were issued in March. Overall expenses were under budget by \$22,168 with savings in salaries, benefits, credit card fees, utilities and maintenance. Year to date the Parks and Recreation departments are \$29,907 short of budget.

March revenues at the Golf Course fell short of budget by \$23,620. The Pro Shop revenues were short \$9,327 with reduced season pass and resident ID and merchandise sales. Food and Beverage revenues were down \$14,293 due to the closure. Costs and expenses were under budget by \$7,716. The Golf course ended March \$16,443 short of budget.

The Foundry Cinema and Bowl revenues fell short of budget by \$109,294 and is \$79,463 short through the end of the first quarter. Costs of goods sold and expenses were \$36,885 under budget for the month. The Foundry ended March with a net income of \$14,101 which is \$57,048 short of budget.

Conservation Trust Funds in the amount of \$7,191 were received in March. Property taxes collected for Debt Service were \$9,266 short of budget. A grant for the tennis court renovation project for \$2,500 was received in March and Capital expenditures for the month were \$3,229 for equipment lease payments.

Scott added that we received a phone call from the State of Colorado Governor's office regarding the Districts ability to pay debt obligations should property tax collections slow. At this point, with 43% of taxes already collected, the District is able to make the May bond interest payment. The second payment for Debt Service is due at the end of November.

- b. *2020 Financial Modeling Presentation: Scott shared a copy of the 2020 financial modeling presentation with the board members. Staff put together two scenarios with some broad assumptions regarding future revenues and expense reductions.*

SCENARIO ONE:

All Departments:

50% Reduction in May Revenues

25% Reduction in June Revenues

10% Reduction in July Revenues

10% Reduction in Wages – May through December (all but Turf Maintenance)

Reduced or eliminated Capital Expenditures

- Pump Station upgrades at the Park - \$85,000*
- Ice Rink Concrete work - \$31,000*
- Parks equipment - \$8,000*
- Fitness equipment - \$4,000*
- Cart Path Paving - \$25,000*
- Food and Beverage equipment - \$10,000*

SCENARIO TWO:

Parks & Recreation and Foundry:

75% Reduction in May Revenues

50% Reduction in June & July Revenues

25% Reduction in August Revenues

25% Reduction in Wages – May through December

Reduced or eliminated Capital Expenditures as in Scenario One

Roger Hedlund asked about capital expenditures at the golf course. Scott replied that the paving project has only been reduced by \$25,000 at this point. The course is planning to open in mid to late May. It is possible that revenues may be reduced in May and June but be more in line with budget by the later part of the summer. The food and beverage operation is likely to be impacted more than the pro shop operation. With the current limitations, The Bistro will be offering take out and to go options only.

The Governor announced this afternoon that gyms will not re-open once the "Stay at Home" order is lifted. There was no other information about an expected opening. Kelley Glancey suggested Scott contact the local public health to discuss any plans they may have with regard to re-opening. The county is currently looking at a plan similar to other counties in Colorado about gaining an allowance to open certain areas with local guidance.

Board and staff discussed the impact of these two scenarios to the overall reserve funds for the District. David McKnight asked staff to review the cart path paving project and reach back out to the contractor regarding canceling the project this summer.

c. Department Reports (Staff)

- *Pole Creek Golf Club: Mary Moynihan added that she remains hopeful that the situation at the golf course is not going to be as dire as presented in the scenario two. She continues to receive phone calls every day to book tee times. In addition, she feels that resident ID sales and season passes will pick up as we closer to opening day. Craig added that his department is doing everything they can to get the course ready for play while saving as much as possible. Jesse added that he is working with Golf Now on a group purchasing program for food and beverage purchases through US Foods at reduced costs. He is hopeful this will create savings in food and beverage costs.*
- *Grand Park Community Recreation Center: There were no additions to the written report.*
- *Parks and Athletics: Austin DeGarmo gave the verbal report for the Parks department. Staff has reached out to sports team captains about summer league play. He is starting to see more traffic at the park as well as at the community gardens.*
- *General Recreation/Marketing: Michelle Lawrence added that she continues to work on streamlining the virtual programming process. The focus for the Summer Guide is creating a digital online guide for patrons and to limit production of printed guides. There will be a page recognizing all sponsors of the guide on the website. The General Recreation staff continues to work on planning for summer camp and incorporating the new safety guidelines into their programs.*
- *Facility Maintenance: Scott Ledin added that staff has built a plexiglass “sneeze guard” for the Front Desk at the rec center. There is a contractor working on the steam room tile.*
- *District Administration: Scott Ledin gave the verbal report. Staff continues to attend virtual trainings, weekly manager and supervisor meetings and Colorado Parks and Recreation Association weekly conference calls. He reviewed a list of preliminary re-opening protocol options with the board. Discussion continued regarding protocol options for re-opening. Al White suggested that we provide recreation protocols to the county for consideration for a variance on re-opening. Kelley Glancey agreed that the working through the county is a good place to start. Roger Hedlund asked staff to put together an operational plan for submittal to the county.*

Information was distributed to the board related to refinancing our general obligation bonds. Conditions continue to improve in the bond market and there may be opportunity for savings. Al White suggested that in order to proceed, we establish a minimum of \$1,000,000 in savings.

Scott Ledin has been in negotiations with the owners of the Foundry Cinema and Bowl regarding the possibility of an abatement of rent. The owners are willing to work with the District to establish a plan that will work for all. Al White suggested that we pursue at least a 20% abatement of rent for the year. The rest of the board agreed.

A sample of the ballot question from South Suburban Parks and Recreation related to de-Gallagherization was shared with the board members. Scott added that a number of agencies were successful in passing this ballot question in the past year. The board members cautioned adding a ballot question related to property taxes at this time.

Scott Ledin asked for consideration from the board related to the continuation of keeping the identified essential staff as well as all exempt staff employed. At the March meeting, the board had agreed to pay these staff members through the end of April. Al White made a motion to maintain currently employed staff members to be re-evaluated at the May meeting. Roger Hedlund seconded, all in favor 5-0.

The Board members agreed to hold a special meeting on May 12, 2020 at 5:30 pm via Zoom.

VI. ADJOURNMENT

Al White made a motion to adjourn the meeting; Rainie Murdoch seconded; all in favor 5-0. The meeting was adjourned at 7:25 pm.