



**Notice of Regular Meeting of the  
Montrose Recreation District (MRD) Board of Directors  
Thursday, October 26, at 11:30am  
Flex Rec @ CO Outdoors  
1309 Mayfly Drive  
Montrose CO 81401**

- I. Call to Order, Roll Call** – The meeting was called to order at 11:36.  
In attendance: Paul Wiesner, Suzi King, Barb Sharrow, Christina Files, Ken Otto, Allison Howe, Megan Maddy arrived at 11:40am. Also in attendance was Bo Nerlin, MRD Legal Counsel
- II. Open Forum:** Call for Public Comment (limit of 3 minutes per person). There was no public comment
- III. Staff Recognition:**
- a. **Anniversaries:** Casie Miller 1 year, CRC Facility Leader
  - b. **New Employee Introduction/Announcement:** Hailee Wright, Head Lifeguard; Kellie Wolff, Recreation Leader, Field House
  - c. **Employee Awards:**
    - i. Core Staff of the Month – Dwain Sherriff
    - ii. Part time Staff of the Month – Porter Smith
    - iii. Volunteers of the Quarter – Laura and Tanner Bielak
- IV. Statewide Proposition HH**
- a. Resolution 2023-6 In Opposition to Statewide Proposition HH –  
Attorney Bo Nerlin presented a Board training on Board responsibilities. He then did a presentation on Proposition HH and generally described the outcomes and ramifications if it is approved by the voters. He also stated that Special Districts Association of Colorado is opposed to HH.  
Director Paul made a motion to accept the MRD resolution 2023-06 opposing Proposition HH, Director Ali seconded the motion. The motion passed unanimously.
  - b. [Toolkit items from SDA](#) – Chapters 8, 9 and 10 discuss special district financing, Tabor, and campaigning. These chapters were made available to the board members.
  - c. Legal Counsel reminders see item a., above
- V. Resolution 2023 – 7 Public Records Request Policy**  
Mari noted that it is important to know that the public has a right to request access to the MRD records through the Colorado Open Records Act. A proposed Records Request Policy was presented as well as the the Freedom of Information Act Form and the statement for the MRD website. Debby has been named Official Custodian who is responsible for receiving requests for information and responding to the requests. The policy was reviewed. Director Ali made a motion to approve Resolution 2023-7, Director Paul seconded the motion and the motion passed unanimously.
- VI. Staff Report**
- a. Quarterly Report of the Capital Improvement Plan (CIP)  
The Quarterly CIP review was presented by Jeremy. Updates were discussed including: Aquatic features received new gel coat; the aquatics side ventilation system needed repair and therefore the cost of these repairs was added to the CIP. The RFP for the Field House site plan will be going out soon. The plan will not be finished in 2023 so the funds that were allocated for it in 2023 will carry over to 2024. The McNeill/Ute Master Plan has a similar schedule. ADA Improvements: The curb cuts at the CRC are complete and came in under budget. The maintenance team continues to work on the remaining ADA items that the ADA Assessment identified. The new pool lifts have been installed. The MRD received \$15,000 in grants to help pay for one of the pool lifts.

## **VII. MRD Employee Classification and Compensation**

Mari stated JER HR Group was hired to perform a classification and compensation analysis for the MRD. They used a variety of comparative resources to develop the analysis and final recommendation, including wages from other and typically benchmarked, recreation districts in Colorado. Lisa served as the Project Manager for this item and worked with Miguel on developing the RFP. Director Alli stated that the Admin Committee reviewed the compensation analysis and just as staff, was pleased with the results, and was not deterred by the resulting cost recommendations. The recommended spending to make the adjustments is \$143,000 per year for the next two years. Director Alli explained the graph that was now being presented to the board was created by JER and it includes all full time MRD staff member's wages compared to median wages from the comparative organizations. Director Alli also stated that we want to retain our staff and want all staff to be paid at least to the median. She also stated that the wages were divided into quartiles. She stated that the Admin Committee believes those who are in the first quartile should be moved up into the second quartile. Mari stated that the intent is to appropriate the requested amount into the 2024 budget so that a full plan that gives detail and follows the recommendation can be created. Alli stated we are looking to get everyone's wages closer to the market rate (midline) over the next two years. The Admin Committee recommends adding \$143,000 to the 2024 budget for these wage increases. A motion was not required however the board agreed to move forward on this and does want to see the plan in the next round of budget conversation.

## **VIII. Budget**

- a. Review of the 2024 Recommended Budgets – Jeremy presented the proposed 2024 budget.
  - i. Operating – Jeremy stated that there will need to be a supplemental budget for 2023 because the MRD has taken in more revenues and expended more than budgeted this past year. The General Fund is projected to make up 2/3 of the revenue for 2024, and 20% from Sales Tax is expected. Expenses include payments on the CRC building, Operations (48%), and CIP. Revenue highlights: in Property taxes, there is projected to be a 32% growth over the 2023 budget for 2024. Projected continued acceleration of program fee revenues is 32%. Facility admissions are projected to grow 8.6% over 2023. Sales tax is projected to grow at 4.8%. Lottery receipts are anticipated to increase as well by 6%. Expense highlights: Operating expenses projected to rise 13.5%, staffing costs are 68.4% of all operating expenses and are expected to rise 13%. The existing board policy (via 2014 resolution) states that the General fund and aggregate balance is minimum 25% of operations cost, and 50% is desired. We are currently at 6-8 months in reserve. Total fund balances are projected to be reduced by over \$2M to achieve this and capital projects
  - ii. Additional staffing package – the board discussed the request for two job expansion requests. Staff is asking that two part-time positions be converted to full-time positions. One position is for Enrichment Program and one is a Maintenance Technician position. Director Paul said these are worthwhile positions. Director Megan asked about the need for a full time Youth Enrichment position as the program is only a few hours a day. Jeremy stated there are many hours in administration and planning as well as school days off and camps that this person is responsible for. Director Christina said the total package for the two full time positions is about \$185,000 including benefits. This figure also includes the funds that would go toward compensation adjustments based on the suggestions from the Compensation Analysis. Mari stated that the JER HR Group report showed that there are a few people who are at the ceiling of the pay range and may not receive a wage increase, a bonus may help with employee morale for those who wouldn't otherwise receive a pay increase. Director Paul said we should build in a bonus system or other reward system for the high achievers in this category. The board asked for a bonus program proposal.
  - iii. Board questions regarding the budget:

Director Paul asked what the difference was between budget A and budget B. Jeremy answered that there are only 2 line items that are different, and it has to do with funding the Field House and the Ute/McNeil capital projects.

Director Paul asked if there are funds to move forward on the capital improvement projects that the Growth and Finance Committee have recognized as needs. Jeremy stated that yes, there are funds, and however there are several CIP projects in the plans that have been identified. Director Paul stated that we don't know what these CIP projects will cost until the assessments have been completed. Jeremy stated that we do not have exact amounts but Pros Consulting (who did our Master Plan) gave us estimates for these projects.

Director Megan asked if we are moving forward with both the Field House and Ute/McNeill projects. Mari stated that we are moving forward with the assessments for now to start and get a true cost for these projects so we can plan for the funding. Director Alli stated that it is helpful to know the costs of these projects for grant writing when we do start raising funds.

Director Suzi stated she would like to figure out which are our priority CIP projects. Director Christina stated this was discussed and agreed to at our last Growth Committee meeting. The priorities were decided and that part of the timing of these projects will depend on the cost. For clarification, these projects are the Field House, Ute/McNeil, and an outdoor pool.

Director Ken asked if the board could see the fund balances historically and what is expected at the end of 2023 and 2024. Jeremy retrieved and shared those historical funds records.

Director Christina asked if Proposition HH will affect the 2024 budget. Mari stated that because of the prospect of HH passing, the MRD had decided on a basically 0 growth budget for 2024. Options moving forward, if it passes, would be to adjust the amount of revenues collected from fees and charges and/or to decrease expenses.

Director Christina stated that our operational budget expenses are going up. Jeremy stated that is correct. She asked that we keep an eye on this. Jeremy confirmed that this will happen.

Director Suzi asked if there are deviations between the 2023 and 2024 budgets. Jeremy said there are a few, all are required to meet the increasing capacity. Natural Gas expenses were extreme this year. The gas company did allow us to redistribute the 2023 costs at no interest, to pay them off into 2024. Therefore the MRD could potentially use part of the 2023 surplus to pay that off.

Director Suzi asked about the surplus in 2023, in terms of clarifying the amount.

Director Paul asked about the 0% interest for paying off the 2023 natural gas bill and asked why we would pay it off. Jeremy stated it was a 2023 expense, therefore by paying it off with the surplus, would keep it within the budget year it was charged. Director Paul also stated that these funds would be collecting interest in the bank if we don't pay the loan off immediately.

Director Christina stated that we are in the red in 2024 (a deficit) considering the proposed projects.

Director Christina asked what the board's next steps are concerning the next meeting on the budget. Jeremy stated that there will be a draft of the amended 2023 budget presented at the next meeting.

Director Christina asked why the \$2,000 difference between the balance on the first and last slides of the budget summary. Jeremy said this will be corrected.

## IX. **Committee Updates and Assignments**

- a. **Exec. Committee of Board** (Board: Christina, Alli. Staff: Mari, Jeremy) – Christina stated she and Mari have met twice since the last board meeting, but there no new news to report.
- b. **Administrative** (Board: Alli, Barb. Staff: Mari, Jeremy, Debby, Lisa) – Ali stated that they already presented on the Salary Compensation Plan during the meeting and that was their only update.
- c. **Foundation** (Board: Megan, Barb. Staff: Mari, Cindy, Astro, Debby) – Megan reported that the triathlon was held in October, but there was no meeting this month.
- d. **Growth** (Board: Ken, Suzi. Staff: Mari, Liz, Justin, Miguel) – This committee did not meet this month. Mari stated RFP processes for upcoming projects can be routed through this committee once they are written, and offered that somehow the Growth Committee can be included in the project discussions
- e. **Finance** (Board: Paul, Alli. Staff: Mari, Jeremy) – Director Paul stated that they met yesterday and went through financials up to the end of October. Mari stated the financials are in the Google drive.
- f. **MURA** (Board: Alli) – Director Ali stated that they did not meet this month. She also stated that the medical group planning on building a clinic at Colorado Outdoors is doing some value engineering to see if the project will still work.

- ## X. **Executive Director's Update**
- The written report was provided to the board by Mari but she stated there were no new updates that she needed to report on. In person staff reports to the board are also planned to resume in December.

**XI. Approval of BOD Meeting Minutes**

- a. Regular Meeting of the Board 09.21.2023 - Director Ken moved to approved the minutes, Ali seconded the motion, the board unanimously passes the motion.

**XII. Adjourn - the meeting was adjourned at 2:38pm**

**Next BOD Regular Meeting**  
**November 16 at 11:30am**  
**Montrose Community Recreation Center**  
**16350 Woodgate Road, Montrose CO 81401**