

**WILLOW BROOK METROPOLITAN DISTRICT
SPECIAL MEETING AGENDA**

<u>Board of Directors</u>	<u>Office:</u>	<u>Term Expiration</u>
EJ Olbright	President	May 2023
Mat Sherwood	Vice President	May 2025
Michael Good	Secretary	May 2025
Randy Lewis	Director	May 2023
Vacancy	Director	May 2023

DISTRICT INFORMATION AND PUBLIC DOCUMENTS ARE POSTED ON THE DISTRICT'S WEBSITE AT: willowbrookmd.colorado.gov

DATE: Friday, September 2, 2022

TIME: 2:30 PM

**PLACE: VIRTUAL MEETING AND IN-PERSON MEETING AT
THE GATE HOUSE**

Gate House: 524 Ruby Road, Silverthorne, Colorado

To Participate Via Zoom Click the Following Link:

<https://us06web.zoom.us/j/81019654739?pwd=Z1NGc1VyVS9EUIM4Q1dSemtpOTFYQT09>
Passcode: 822582

Or Telephone:

720-707-2699

Webinar ID: 810 1965 4739

Passcode: 822582

Formal actions may be taken on one or more of the following items on the agenda.

I. ADMINISTRATIVE MATTERS

- A. Call to Order/Meeting Decorum
- B. Present Disclosures of Potential Conflicts of Interest
- C. Solicit Public Comment (for non-agenda items - 3 minute limit per person)
- D. Rules for Public Comment Sessions
- E. Approval of Agenda

II. DIRECTOR ITEMS

- A. Discussion and Consider Approval of the General Fund Reserve Policy (enclosure)

III. NOVEMBER ELECTION

- A. Review and Consider Approval of November Election Questions and Approve Election Resolution to Include Approved Questions as Exhibit A (enclosures)
- B. Public Comment

IV. ADJOURNMENT

The next regular meeting of the Board will be held on October 21, 2022. In addition, a work session on the District's 2023 budget has been scheduled for Friday, October 14, 2022, at 2:30 pm.

**RESOLUTION OF THE BOARD OF DIRECTORS
OF THE WILLOW BROOK METROPOLITAN DISTRICT
CONCERNING THE DISTRICT'S GENERAL FUND RESERVE POLICY**

WHEREAS, the Board of Directors ("Board) of the Willow Brook Metropolitan District (the "District") is to perform certain tasks on a recurring basis in the operation of the District; and

WHEREAS, the Board of the Willow Brook Metropolitan District reviews the finances of the District on a bi-monthly basis, and adopts an annual budget; and

WHEREAS, it is the desire of the Board to establish a Reserve Policy for its General Fund.

NOW, THEREFORE, BE IT RESOLVED by the Willow Brook Metropolitan District, Summit County, Colorado, as follows:

1. The Board hereby establishes the following General Fund Reserve Policy:

The intent of the Reserve Fund is to build a General Fund Reserve of not less than the lesser of \$500,000 or 2X the annual general fund tax revenue, and to maintain said Reserve, such revenues to be collected, retained and spent for the purpose of funding the District's General Fund Reserve for maintenance and improvement projects and any other lawful District purposes of the Board.

Adopted and approved this 2nd day of September, 2022.

WILLOW BROOK
METROPOLITAN DISTRICT

By: _____
E.J. Olbright, President

ATTEST:

By: _____
Michael Good, Secretary

FUEL REDUCTION PROJECT

In May 2022, the eligible electors of the District voted on and favorably passed a question increasing taxes for up to 3 years by imposing 20 mills annually to pay for the FUEL REDUCTION PROJECT that was just completed on the Ranch. However, bond counsel for the lender (InBank) did not agree that the District's current debt authorization covered fire mitigation. Therefore, the District cannot enter into a multi-year contract (loan) without Ballot Question 6A (below) voted on favorably by the electors of the District. These pledged revenues would be accounted for separately and cannot be used for any other purpose.

BALLOT ISSUE 6A: Debt authorization for fire mitigation (3 year commitment):

SHALL THE WILLOW BROOK METROPOLITAN DISTRICT DEBT BE INCREASED UP TO \$500,000, WITH A REPAYMENT COST OF \$700,000; SUCH DEBT TO CONSIST OF A LOAN PAYABLE FROM PROPERTY TAXES AS PREVIOUSLY APPROVED BY THE ELECTORS OF THE DISTRICT; SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY NOT TO EXCEED THREE YEARS OF UP TO 20 MILLS IMPOSED ON ALL TAXABLE PROPERTY OF THE DISTRICT IN YEARS 2023, 2024 AND 2025, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT'S DEBT AND TO PAY ALL OR ANY PART OF THE COSTS OF COMPLETING, AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, FIRE MITIGATION PROGRAMS AND IMPROVEMENTS, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND, AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES AND PROGRAMS; AND SHALL THE PROCEEDS OF ANY SUCH DEBT AND THE PROCEEDS OF SUCH TAXES, BE COLLECTED AND SPENT BY THE DISTRICT AS A VOTER-APPROVED REVENUE CHANGE, WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, THE LIMITS IMPOSED ON INCREASES IN PROPERTY TAXATION BY SECTION 29-1-301, C.R.S., OR ANY OTHER LAW WHICH PURPORTS TO LIMIT THE DISTRICT'S REVENUES OR EXPENDITURES, AS CURRENTLY EXISTS OR AS MAY BE AMENDED IN THE FUTURE, ALL WITHOUT LIMITING IN ANY YEAR THE AMOUNT OF OTHER REVENUES THAT MAY BE COLLECTED AND SPENT BY THE DISTRICT?

RETAIN AND SPEND ALL 2022 GENERAL FUND TAX REVENUES COLLECTED

Due to the restricted base discussed in Ballot Issue 6C below, and the increase in the assessed valuation, the District may have over-collected tax revenues totaling up to \$84,891. In order for the District to retain those revenues, the electors of the District will need to vote in favor of Ballot Issue 6B. The 2012 election question that established the original base is ambiguous and there have been various interpretations of its meaning. Therefore, the Board is taking the most conservative approach in presenting this question for voter approval.

If the question fails, the District Board will need to impose a temporary mill levy reduction in 2023 to offset the over collection. This equates to a temporary mill levy reduction for one year of approximately 12.5 mills.

BALLOT ISSUE 6B Retain and spend all 2022 tax revenues received

SHALL THE WILLOW BROOK METROPOLITAN DISTRICT BE PERMITTED TO RETAIN AND EXPEND THE FULL AMOUNT OF REVENUES RECEIVED IN 2022, UP TO \$84,891 TO REBUILD GENERAL FUND RESERVES THAT WERE USED FOR CAPITAL EXPENSES IN 2022, THIS AMOUNT BEING THE EXCESS REVENUES COLLECTED IN 2022 BY THE WILLOW BROOK METROPOLITAN DISTRICT ABOVE THE FISCAL YEAR SPENDING LIMITATION APPROVED BY VOTERS IN 2012, AND COLLECTED EACH YEAR THEREAFTER?

INCREASE IN GENERAL FUND TAX BASE

In 2012 (ten years ago), the eligible electors of the District voted in favor of limiting General Fund property taxes to a base of \$210,000 plus inflation and local growth. With this restriction, over the last ten years, the fund balance has decreased due to the increased costs of services, maintenance, and capital improvements that have been paid out of the General Fund. The intent of Ballot Issue 6C is to reset the base amount to \$295,000 plus inflation and local growth to offset rising costs of services, operations and maintenance, and capital improvements.

BALLOT ISSUE 6C Reset property tax base amount in General Fund

SHALL WILLOW BROOK METROPOLITAN DISTRICT TAXES BE INCREASED \$295,000 IN 2023 PLUS INFLATION AND LOCAL GROWTH, RESETTING THE PROPERTY TAX BASE ESTABLISHED IN 2012, AND IN AN ADJUSTED BASE AMOUNT TO INCLUDE THE PRIOR YEAR'S INFLATION AND LOCAL GROWTH PLUS THE CURRENT YEAR'S INFLATION AND LOCAL GROWTH ("ANNUAL INCREASE"); SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE DISTRICT BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE DETERMINED BY THE DISTRICT BOARD; AND SHALL THE PROCEEDS OF SUCH TAXES AND INVESTMENT INCOME THEREON CONSTITUTE VOTER-APPROVED REVENUE CHANGE IN 2023

AND EACH YEAR THEREAFTER AND BE COLLECTED AND SPENT BY THE DISTRICT EACH YEAR, WITHOUT LIMITING OR AFFECTING THE COLLECTION OR EXPENDITURE OF OTHER REVENUES, AND WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, TAX REDUCTION OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, SECTION 29-1-301, COLORADO REVISED STATUTES, OR ANY OTHER APPLICABLE LAW?

GENERAL FUND RESERVE "TAX" VERSUS "FEE"

In November 2021, the Board approved the imposition of a monthly fee of \$50.00 to replenish the General Fund reserves, as capital expenses had been paid out of the General Fund. The Board has received suggestions that in lieu of a "fee" a tax be imposed. Ballot Issue 6D asks the electors of the District to authorize the imposition of 5 mills each year to build the General Fund reserves to a goal of \$500,000, and the authority to impose up to 5 mills annually to maintain the goal amount.

BALLOT ISSUE 6D General Fund Reserve Stabilization (ongoing tax until reserve goal is met and then as needed to maintain the reserve amount)

SHALL THE WILLOW BROOK METROPOLITAN DISTRICT TAXES BE INCREASED \$33,000 IN THE FIRST FISCAL YEAR (2023) AND ANNUALLY THEREAFTER IN SUCH AMOUNTS AS ARE RECEIVED EACH YEAR BY THE IMPOSITION OF AN ADDITIONAL MILL LEVY NOT TO EXCEED 5 MILLS UPON TAXABLE REAL PROPERTY WITHIN THE DISTRICT, COMMENCING WITH TAX COLLECTION YEAR 2023, AND CONTINUING EACH YEAR THEREAFTER, TO BUILD A GENERAL FUND RESERVE OF \$500,000 AND TO MAINTAIN SAID RESERVE, SUCH REVENUES TO BE COLLECTED, RETAINED AND SPENT FOR THE PURPOSE OF FUNDING THE DISTRICT'S RESERVE FUND FOR MAINTENANCE AND IMPROVEMENT PROJECTS AND ANY OTHER LAWFUL DISTRICT PURPOSES, AND SHALL THE DISTRICT BE PERMITTED TO COLLECT, RETAIN AND EXPEND ALL PROPERTY TAX REVENUES DERIVED FROM ITS ENTIRE PROPERTY TAX MILL LEVY AS VOTER-APPROVED REVENUE CHANGE AND AN EXCEPTION TO LIMITS WHICH WOULD OTHERWISE APPLY UNDER ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, SECTION 29-1-301, COLORADO REVISED STATUTES, OR ANY OTHER APPLICABLE LAW?

GENERAL RANCH IMPROVEMENTS

The Board has considered owner requests to establish a route and install mailboxes on the Ranch, install trash enclosures, and to install monument and regulatory signage throughout the Ranch. The Board has also noted that current General Fund revenues are not sufficient to complete those projects. The combined costs of these improvements are estimated at \$150,000. Ballot Issues 6E, 6F and 6G would authorize the Board to impose mill levy of approximately 22 mills for ONLY ONE YEAR (2023) to pay for these Improvements. The revenues would be accounted for separately and could not be delegated to any other expense of the District.

The Board has determined that it is best for district voters to vote for or against each project separately.

BALLOT ISSUE 6E Construction of Mailbox Structures

SHALL WILLOW BROOK METROPOLITAN DISTRICT TAXES BE INCREASED \$ _____ IN 2023, FOR ONE YEAR ONLY, SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE DISTRICT BOARD, AND IN AN AMOUNT SUFFICIENT TO PRODUCE SAID REVENUES SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE DETERMINED BY THE DISTRICT BOARD FOR THE FOLLOWING PURPOSE: ACQUISITION AND CONSTRUCTION OF MAIL BOX STRUCTURES WITHIN THE BOUNDARIES OF THE DISTRICT; AND SHALL THE PROCEEDS OF SUCH TAXES AND INVESTMENT INCOME THEREON CONSTITUTE A VOTER-APPROVED REVENUE CHANGE IN 2023, WITHOUT LIMITING OR AFFECTING THE COLLECTION OR EXPENDITURE OF OTHER REVENUES, AND WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, TAX REDUCTION OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, SECTION 29-1-301, COLORADO REVISED STATUTES, OR ANY OTHER APPLICABLE LAW?

BALLOT ISSUE 6F - Trash Enclosures

SHALL WILLOW BROOK METROPOLITAN DISTRICT TAXES BE INCREASED \$ _____ IN 2023, FOR ONE YEAR ONLY, SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE DISTRICT BOARD, AND IN AN AMOUNT SUFFICIENT TO PRODUCE SAID REVENUES SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE DETERMINED BY THE DISTRICT BOARD FOR THE FOLLOWING PURPOSES: ACQUISITION AND CONSTRUCTION OF ENHANCED WILDLIFE PROTECTED TRASH ENCLOSURES, AS MAY BE DETERMINED BY THE DISTRICT BOARD; AND SHALL THE PROCEEDS OF SUCH TAXES AND INVESTMENT INCOME THEREON CONSTITUTE VOTER-APPROVED REVENUE CHANGE IN 2023, WITHOUT LIMITING OR AFFECTING THE COLLECTION OR EXPENDITURE OF OTHER REVENUES, AND WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, TAX REDUCTION OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, SECTION 29-1-301, COLORADO REVISED STATUTES, OR ANY OTHER APPLICABLE LAW?

BALLOT ISSUE 6G – Community Monument and Regulatory Signage

SHALL WILLOW BROOK METROPOLITAN DISTRICT TAXES BE INCREASED \$ _____ IN 2023, FOR ONE YEAR ONLY, SUCH TAXES TO CONSIST OF AN AD VALOREM MILL LEVY IMPOSED WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE DISTRICT BOARD, AND IN AN AMOUNT SUFFICIENT TO PRODUCE SAID REVENUES SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE DETERMINED BY THE DISTRICT BOARD FOR THE FOLLOWING PURPOSE: ACQUISITION AND INSTALLATION OF COMMUNITY

MONUMENT AND REGULATORY SIGNAGE, AS MAY BE DETERMINED BY THE DISTRICT BOARD; AND SHALL THE PROCEEDS OF SUCH TAXES AND INVESTMENT INCOME THEREON CONSTITUTE VOTER-APPROVED REVENUE CHANGE IN 2023, WITHOUT LIMITING OR AFFECTING THE COLLECTION OR EXPENDITURE OF OTHER REVENUES, AND WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, TAX REDUCTION OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, SECTION 29-1-301, COLORADO REVISED STATUTES, OR ANY OTHER APPLICABLE LAW?