OFFICIAL MINUTES
REGULAR BOARD MEETING
NOVEMBER 18, 2024
901 MAIN STREET, FAIRPLAY, CO 80440

5:00 PM WORK SESSION REGARDING UTILITY FUND & CAPITAL PROJECTS.

I. CALL TO ORDER
A Regular Meeting of the Fairplay Board of Trustees was called to order on Monday, November 18, 2024, at 6:02 PM at Town Hall, 901 Main Street, Fairplay, CO, having previously been posted in accordance with Colorado Open Meetings law.

PLEDGE OF ALLEGIANCE
Mayor Just led the pledge of allegiance.

ROLL CALL

BOARD MEMBERS PRESENT:	Mayor Frank Just, Trustee Ray Douglas, and Trustee Josh Voorhis. Trustee Erik Baum arrived at 6:39 PM.
BOARD MEMBERS ABSENT:	Mayor Pro Tem Pete Lynn (excused)
STAFF IN ATTENDANCE:	Town Administrator Janell Sciacca, Town Engineers Deron Dircksen and Scott Forrester, Chief of Police Jeff Worley.

II. APPROVAL OF AGENDA
Town Administrator Sciacca reported that she would be requesting the removal of the minutes of August 19 and September 9 from the Consent Agenda and the remainder of the agenda was unchanged.

MOTION to approve the Agenda as amended was made by Trustee Voorhis and seconded by Trustee Douglas.
- Roll call vote: Unanimous approval.

III. CONSENT AGENDA
A. **APPROVAL OF EXPENDITURES** – Paid bills for all Town funds from November 1, 2024, to through November 14, 2024, in the amount of **$62,724.76.**
B. **APPROVAL OF PRIOR MEETING MINUTES**
1. July 15, 2024 Regular Meeting.
2. August 5, 2024 Regular Meeting.
3. ~~August 19, 2024 Regular Meeting.~~
4. ~~September 9, 2024 Special Meeting.~~

MOTION to approve the Consent Agenda as amended with removal of the minutes of August 19 and September 9 and the expenditures as stated was made by Trustee Douglas and seconded by Trustee Voorhis.
- Roll call vote: Unanimous approval.

IV. CITIZEN COMMENTS
John Deagan, 809 Crawford Lane, expressed concern regarding a site plan for the fairgrounds proposed by the County Commissioners and the Fair Board. The current site plan includes changes that would affect horse trailer parking, an RV park, and a composting center. The location is near Crawford Lane. Deagan mentioned that the neighborhood is opposed to the plan and pointed out that the part of the land under consideration is within the Town's jurisdiction. He urged the Board to be aware of the proposal and anticipate that the issue may have to come before them for special approval. The Board thanked Deagan for the information and expressed interest in staying informed on the matter.

V. PRESENTATIONS, PROCLAMATIONS AND UPDATES
A. Introduction of Kari Shea, Partner, and Amanda Karger, Senior Manager from Accounting Firm of Plante Moran with Update on Reconciliation.

Town Administrator Sciacca introduced Kari Shea (online) and Amanda Karger from Plante Moran who provided an update on their work with the Town. Karger and Shea advised their team had to date:

- Completed year-end adjustments totaling $1.7 million in the Ledger.
- Prepared Federal Highway report for audit and reviewed audit results.
- Supported the close-out of the 2023 general ledger and audit.
- Completed June and July bank reconciliations, booked payroll, and got the general ledger up-to-date.
- August is 99% complete with just a few receipts pending.
- Refining payroll processes for increased efficiency.
- Helped implement better tracking and reporting for payments via Accounts Payable (AP).

Karger and Shea noted the following key recommendations for improvements:

- Payroll: Streamlining payroll entry process by uploading from ADP directly to the general ledger.
- Accounts Receivable (AR): Improve AR processes by recording payments through cash receipting rather than manual journal entries.
- Accounts Payable (AP): Review and potentially change check writing procedures to ensure all checks are generated from the accounting system.
- Revenue and AR: Move away from using Excel for tracking and utilize the Caselle accounting system more effectively.
- Internal Controls: Suggested improvements internal controls through the Caselle system, including implementing approval workflows and improving oversight in AP processes; recommending better documentation for smooth transitions during staff turnover and long-term sustainability.
- Cash Management and Bank Accounts: Suggested simplifying the Town's banking structure and consolidating bank accounts to gain efficiencies; Mentioned that U.S. Bank, a Public Depository Protection Act (PDPA) bank, will improve security of public funds.
- Grant Accounting: PM will assist in tracking grant activity more efficiently by leveraging Caselle.

Town Administrator Sciacca advised she would continue collaborating with Plante Moran on refining and updating processes. She added that Plante Moran would continue ongoing monthly bank reconciliations, begin preparations for 2024 Audit and assist in review of the budgets to ensure accurate financial planning.

Board members expressed their satisfaction with the improvements to the financial processes, including the work on the Town's internal controls and the efficient tracking of payroll and bank reconciliations. They were appreciative of the relationship and working with an experienced accounting firm like Plante Moran to ensure proper oversight and fiduciary responsibility for the Town's finances.

VI. PUBLIC HEARINGS

A. CONTINUED FROM NOVEMBER 4, 2024 – SECOND READING – 2024FY Amended Budget and 2025FY Proposed Budget for all Funds of the Town of Fairplay, Colorado.

Mayor Just opened the Public Hearing at 6:30 PM. Following brief discussion, the Board agreed to set a Work Session for December 2, 2024, to further discuss budgets and focus on salary structure and employee compensation.

MOTION to continue the Public Hearing on the 2024FY Amended and 2025FY Proposed Budgets to December 2, 2024 was made by Trustee Voorhis and seconded by Trustee Douglas.

- Roll call vote: Unanimous approval.

Trustee Baum joined the meeting online at 6:39 PM.

VII. NEW BUSINESS

A. FIRST READING – Should the Board of Trustees for the Town of Fairplay adopt Resolution No. 41, Series of 2024, entitled **"A RESOLUTION OF THE BOARD OF TRUSTEES FOR THE TOWN OF FAIRPLAY, COLORADO, ACCEPTING A PROPOSAL FROM HINKLE AND COMPANY, P.C., FOR AUDITING SERVICES AND AUTHORIZING THE EXECUTION OF A RELATED PROFESSIONAL SERVICES AGREEMENT."**?

Town Administrator Sciacca reported that an RFP went out earlier in the year for auditing services after their previous auditor, Mayberry & Company, decided to scale back on clients, and the current agreement was ending. Mayberry did not submit a proposal, and three proposals were received. Hinkle & Company was selected, with the price being competitive and their firm receiving strong recommendations from other entities. Plante Moran assisted in reviewing the proposals and performing due diligence. The Board expressed satisfaction with the decision to move forward with a new auditor. There was agreement that refreshing the auditing firm periodically can provide a different perspective and benefits, even though Mayberry had provided good service in the past.

Sciacca reported that the agreement includes an option for renewal for up to three years, though there is no commitment beyond the 2024 audit year.

MOTION to approve Resolution No. 41, Series of 2024, as presented to accept the proposal from Hinkle and Company, PC for auditing services and approve a related Professional Services Agreement as presented was made by Trustee Voorhis and seconded by Trustee Douglas.

- Roll call vote: Unanimous approval.

B. FIRST READING – Should the Board of Trustees for the Town of Fairplay adopt Resolution No. 42, Series of 2024, entitled **"A RESOLUTION OF THE BOARD OF TRUSTEES FOR THE TOWN OF FAIRPLAY, COLORADO, ACCEPTING A PROPOSAL FROM MURRAY DAHL BEERY RENAUD, LLP, FOR TOWN ATTORNEY SERVICES, AUTHORIZING THE EXECUTION OF A RELATED PROFESSIONAL LEGAL SERVICES AGREEMENT AND APPOINTING JOSEPH RIVERA TOWN ATTORNEY**."?

Town Administrator Sciacca reported that an RFP for legal services was issued at the same time as the Auditor RFP. Sciacca reported that the Town's current firm, Wilson Williams, LLP, did not submit a proposal, and three proposals were received. Murray Dahl Beery Renaud, LLP, was selected. Their extensive experience and positive feedback from other municipalities were key factors in the decision. If approved, Staff will organize a December meeting to review the town's priorities for the upcoming year. It was noted that the firm's rates were competitive, and their service quality, responsiveness, and availability made them a clear choice.

MOTION to approve Resolution No. 42, Series of 2024, as presented to accept the proposal from Murray Dahl Beery Renaud, LLP, for attorney services, approve a related Professional Legal Services Agreement, and appoint Joseph Rivera Town Attorney as presented was made by Trustee Voorhis and seconded by Trustee Douglas.

- Roll call vote: Unanimous approval.

VIII. STAFF AND BOARD OF TRUSTEE REPORTS

A. Update on PRV Vaults Service by Pipestone and Validation Testing by SGM for Water Model.

Town Engineer Deron Dircksen reported that SGM completed hydraulic modeling and identified necessary improvements for the PRV vaults. The vaults were serviced by Pipestone in October, with new pressure settings and rebuilding the piloting systems. Validation testing was performed by SGM and town staff to ensure functionality. Following the service, the vaults were found to be operating as expected with consistent pressure improvements and pressure levels have significantly improved reducing inconsistencies in the system. A leaking section of 2-inch piping was identified at the Dollar General and the piping will need to be repaired to restore full functionality. It was noted there were occasional fluctuations in pressure (about 15 PSI) in the system, and Staff will track the transient behavior and determine if it's a result of flow tests or other external factors (e.g., hydrant flow by the fire department, domestic demands). The Board expressed appreciation for the system improvements, noting past requests for the work to be done were ignored, and Trustees were seeing improvements at their residences with reduced pressure issues which should in turn result in the need for replacing pressure relief valves.

B. Continued review and discussions on proposed revisions to the Town of Fairplay Employee Handbook with specific focus on revisions to Paid Time Off / Leave.

Town Administrator Sciacca provided review and noted the Town currently allows employees to accrue up to 240 hours of PTO, which equates to six weeks of time off. The policy is very generous and a significant financial liability for the Town, as employees are paid 100% of their PTO upon separation. A proposal to adjust the policy was shared, distinguishing between paid time off, sick leave, vacation, and earned comp time. There would be a cap on sick leave payouts at 320 hours; Vacation time and earned comp time to be 100% paid out; and eliminate the current vacation buyout, where employees can sell back up to 120 hours of unused vacation time after accumulating 240 hours. Some Board members expressed concerns about the high number of vacation hours accruing, especially for long-term employees (up to two months of vacation per year). There was discussion on whether the vacation hours should be reduced or if the accrual rate should be capped to prevent excessive build-up and the general consensus was to encourage employees to take their vacation and comp time, rather than accumulating excessive hours. The accrual of unlimited sick leave was discussed with limiting payouts by years of service and creating a donation system where employees can donate unused sick or vacation time to coworkers in need. A suggestion was made for a health incentive program, where employees who don't use their sick leave for a set period (e.g., three years) could receive a bonus or reduced liability for unused time. Some board members suggested gathering additional feedback from Town employees, especially to understand how these proposed changes would affect them. The matter will be revisited in a future meeting, incorporating employee feedback and involving the new attorney to finalize agreed upon changes.

IX. ADJOURNMENT.

There being no further business before the Fairplay Board of Trustees, Mayor Just declared the meeting adjourned at 8:34 PM.

BOARD OF TRUSTEES, FAIRPLAY, CO

Frank Just, Mayor

ATTEST:

Janell Sciacca, Town Clerk