

Village of Taos Ski Valley Tax Increment Development District

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Chairperson: Neal King

Vice-Chair: Rick Lopez, Department of Finance and Administration, Local Government Division, Director

Board Members: Richard Duffy, Chaz Rockey, Tom Wittman

Co-Treasurers: Nancy Grabowski, Chaz Rockey

Clerk: Ann M. Wooldridge, CMC

**VILLAGE OF TAOS SKI VALLEY
TAX INCREMENT DEVELOPMENT DISTRICT BOARD
REGULAR MEETING DRAFT MINUTES
EDELWEISS LODGE CLUB ROOM
TAOS SKI VALLEY, NEW MEXICO
WEDNESDAY, JULY 18, 2018, 10:00 A.M.**

1. CALL TO ORDER

The special meeting of the Village of Taos Ski Valley Tax Increment Development District (TIDD) Board of Directors was called to order by Chairperson King at 10:00 a.m. The notice of the regular meeting was properly posted, as required.

ROLL CALL

Ann Wooldridge, TIDD Clerk, called the role and a quorum was present.

TIDD Board Members Present

Chairperson Neal King

Board Member Richard Duffy

Board Member Rick Lopez, by phone

Board Member Chaz Rockey, Co-Treasurer

Board Member Tom Wittman

TIDD Board Staff Present

TIDD Clerk Ann Wooldridge

TIDD Co-Treasurer Nancy Grabowski

TIDD Attorney Dennis Romero

2. APPROVAL OF THE AGENDA

MOTION: To approve the agenda with the amendment to add project timing and Board participation in TIDD activities, under Miscellaneous

Motion: Board Member Wittman

Second: Board Member Duffy

Passed: 5-0

3. Consideration to Approve the Minutes of the March 2, 2018 Special Meeting of the Board of Directors of the Village of Taos Ski Valley Tax Increment Development District

MOTION: To approve the Minutes of the March 2, 2018 Special Meeting of the Board of Directors of the Village of Taos Ski Valley Tax Increment Development District

Motion: Board Member Wittman

Second: Board Member Duffy

Passed: 5-0

It was noted that a quorum of the Village Council was in attendance at this meeting.

4. Other Business

A. Board Acknowledgement of the Third Quarter Financial Data Submitted to the Department of Finance Local Government Division in March 2018

As per the Department of Finance, Local Government Division, it is required to have quarterly financial information submitted no later than 30 days after the close of each quarter. Staff submitted this report to the Department of Finance in March 2018, since the Board was not scheduled to meet until an undetermined date. Staff now requests the Board review and acknowledge the financial status of the Village of Taos Ski Valley TIDD as of March 31, 2018.

MOTION: To Acknowledge the Third Quarter Financial Data Submitted to the Department of Finance Local Government Division in March 2018

Motion: Board Member Wittman

Second: Board Member Duffy

Passed: 5-0

B. Consideration to Approve Resolution No. 2019-21 Acknowledging and Approving the FY 2017-2018 Fourth Quarter Financial Report

As per State Statute, the TIDD is required to submit the final fiscal year 2018 quarterly report no later than July 31, 2018 to the Department of Finance and Administration Local Government Division. This report is a recap of the financial events of fiscal 2018 and verifies the ending fund balance for the TIDD. The accurate ending fund balance is an integral part of the following fiscal year 2019 budget.

MOTION: To Approve Resolution No. 2019-21 Acknowledging and Approving the FY 2017-2018 Fourth Quarter Financial Report

Motion: Board Member Wittman Second: Board Member Duffy

Board Member Rockey explained that approximately \$4 million had been accumulated in TIDD funds, of which \$3.65 million was paid back to the Developer through the draw-down bond mechanism. The cost of legal fees for the bond coordination was approximately \$100,000, leaving a balance in the TIDD fund of \$209,591. The projections for this fiscal year's revenues are not large. The 25-year clock on the life of the TIDD began with the first reimbursement.

Board Chair King called for a vote.

Passed: 5-0

C. Consideration to Approve Resolution No. 2019-22, a Resolution Approving the Fiscal Year 2018-2019 TIDD Budget

As per State Statute, the TIDD is required to submit the FY 2019 budget no later than July 31, 2018 to the Department of Finance and Administration Local Government Division. The revenue estimates presented are based on the construction schedule for the next fiscal year, which propels the gross receipts tax revenues, and the completion of the hotel which has now triggered an increment in the Taos County property tax collection estimates. These revenues have all been included in the FY 2019 budget. Infrastructure projects which are eligible for reimbursement through the TIDD are expected to be completed this fiscal year, so costs for the reimbursements have been added into the fiscal year expenses.

MOTION: To Approve Resolution No. 2019-22, a Resolution Approving the Fiscal Year 2018-2019 TIDD Budget

Motion: Board Member Wittman Second: Board Member Duffy

Board Member Rockey noted that lower gross receipts tax revenues would be expected because of a large construction project not occurring. He said that TSVI is planning to break ground on Parcel D in April 2019.

Board Chair King called for a vote.

Passed: 5-0

D. Consideration to Acknowledge and Approve Payment to the Village of Taos Ski Valley for Clerk and Accounting Services January-June 2018

The Village of Taos Ski Valley adopted a Resolution for the Village of Taos Ski Valley TIDD Special District in January 2015. Since that time Village Staff has dedicated many hours of service to the District. The Village is now requesting reimbursement for the Clerk's and Finance Director's time for specific, identifiable tasks which they have been performing from January-June 2018. Monthly invoices for these services, along with a summary recap are provided for the Board to review. Accounting expenses for this period total \$1,374.76 and Clerk expenses for the period are \$ 1,153.90. Total requested reimbursement for services for January-June 2018 is \$2,528.66.

MOTION: To Acknowledge and Approve Payment to the Village of Taos Ski Valley for Clerk and Accounting Services January-June 2018

Motion: Board Member Wittman Second: Board Member Duffy

Passed: 5-0

Board Member Rockey expressed his appreciation for the work.

E. Developer Update

Board Member Rockey presented some tables of TIDD expenditures to date. According to his figures, the Developer has spent \$16.6 million on TIDD-eligible projects, with one reimbursement of \$3.65 million occurring through the draw-down bonds, leaving \$13 million remaining due. He said that he will continue to work with NM Tax and Revenue on TIDD GRT distributions, but that he estimates a GRT shortfall to the TIDD of \$1.3 million. His calculations show that of that amount, approximately \$300,000 has been overpaid to the Village, but that the other \$900,000 is unaccounted for.

The Public Improvements Finance Plan was reviewed, with original cost estimates as well as current cost estimates and costs to date on each project. The cost estimates in 2014 were estimates, Rockey said, without the engineering for the projects having been conducted. He noted that an increase in construction costs would drive higher GRT collections. An indexing factor is built into the TIDD plan which increases the capacity of the TIDD slightly annually. Board Member Rockey said that it's important to remember that the Developer is taking the financial risk by building the infrastructure projects and planning to be reimbursed by TIDD funds. Because of the implementation of the TIDD, the Village is able to acquire public infrastructure without having to fund the projects.

Board Member Rockey explained that the Plaza was not dedicated to the Village because of the Village's concern about liability issues, but that TSVI granted a permanent public access through a grant of easement.

Projects that were begun in 2017 and are being completed in 2018 are: Sutton Place crosswalk, parking lot repairs, the Ernie Blake Road River crossing, and Strawberry Hill utilities. New projects being undertaken in 2018 are: Ernie Blake Road realignment, with a cost-savings of approximately &250,000 due to use of a slope instead of a retaining wall, Thunderbird Road improvements, and the JR Trail and Boardwalk improvements. In 2019, TSVI plans include: a new walkway behind The Blake, and completion of Thunderbird Road improvements.

- 5. Miscellaneous
 - A. Board Member Wittman expressed an interest in understanding more clearly the role of the TIDD Board in determining the timing of construction of public infrastructure projects. Board Member Rockey explained that TSVI is trying to sequence construction projects so that it makes sense, and is not trying to make a secret of their plans. This will be discussed at future meetings.
- 6. Announcement of the Date, Time, & Place of the Next Meeting of the TIDD Board
 - The next regular meeting of the Village of Taos Ski Valley Tax Increment Development District (TIDD) Board will take place on October 9, 2018 at 9:00 a.m. at the Edelweiss Lodge Club Room. A special meeting was later called, to include a public presentation, on September 11, 2018 at 10:00 a.m. at Tenderfoot Katie's.

7. **ADJOURNMENT**

MOTION: To Adjourn
Motion: Board Member Duffy **Second: Board Member Wittman** **Passed: 5-0**
The meeting was adjourned at 11:30 a.m.

Neal King, Chair

ATTEST:

Ann M. Wooldridge, Clerk