MEMORANDUM

TO: Citizens Budget Advisory Committee Members

FROM: Denise Hish, Administrative Assistant

DATE: October 31, 2013

SUBJECT: Minutes of October 16, 2013 meeting


Staff: Mike Bestor, Jeff Hansen, Denise Hish

Council: Saoirse Charis-Graves

I. MINUTES APPROVAL

With a motion by Jean Garrabrant and a second by Ed Dorsey, the September 18, 2013 minutes were unanimously approved.

II. SALES TAX – AUGUST (collected in September)

Sales tax collections were up $75,846 (+8.1%) and Use tax collections were down $27,504 (-13.4%) for August. In the area of audit revenue, $586,712 was collected in September and total audit revenue collected thus far in 2013 is $1,274,437.

In general, the tax revenue picture continues to look good. Council recently approved a re-plat that a Holiday Inn Express will be built by PetCo, so that will help our Use Tax figures. Jeff discussed several audits that have recently been settled and several that are still in litigation.

III. 3rd QUARTER FINANCIAL REPORTS

Jeff will be presenting this report to Council on Thursday night. Overall, things are good. There are a couple of areas of concern for 2013 (Drainage Fund, Cemetery and Golf Course Fund) that are projecting to end the year in a deficit. We have had conversations in CBAC in previous meeting explaining why we are here. The Cemetery Fund is at a deficit because we just can’t predict how many plots will be sold and we still have a large cemetery to maintain. The golf
course is due to weather related reasons; they will end with a small deficit. The Drainage Fund has had some rather large projects this year which adds to the deficit; and they had some damage to gulches due to flooding that needed to be fixed.

Jim asked about the Drainage Fund – What are the projections over and above for the drainage Fund in 2013? Jeff replied that it shows (page 11) that projections were ending with -$113,000 based on his understanding that the Kinney Run project would be $500,000. This is actually only going to cost $400,000 so there is $100,000 less expense related to that project. Dan has now given him costs of $30,000 to repair damages from flooding. We should now end 2013 at -$50,000 for 2013.

Eric asked about the City website – What is the cost to the City for the recent website down time. Jeff explained what happened and for the repair, cost to the City is only for staff time. We unfortunately lost all updates since December 2012 and now need to re-attach all of that data.

Eric asked for clarification for the recently Council approved $3.2 M for Solar. He was confused and asked what the difference was between Solar PV and the Solar Garden and Jeff explained the difference. The City is contracting with McKinstry to buy the solar panels and we will own the panels. McKinstry is the contractor and General Manager for this project. Jeff explained once again how the financing will be done with the Inter-fund transfers. Jeff suggested that Eric make an appointment with Theresa Worsham so she can explain in more detail about the project. Karen Oxman explained the history between the City and McKinstry for those not familiar with them. Council chose them in 2009 to be the one that was most pro-active to help with the City energy needs. Bob Nettleship asked how this will work with future Xcel increases and Jeff said that McKinstry has factored in those predictions into their contract. Ed Dorsey asked if this will be tracked so we can see the savings per year and Jeff stated that Theresa has that ability and will share the findings.

IV. **PROPOSED RATE AND FEE CHANGES**

Council, by Ordinance, has already approved increases in Water Fund (5%) and Waste water Fund (15%) for 2014. Parks and Recreation will be doing a few increases at the cemetery and the RV Park is anticipating some small increases as well, based on other parks in the area. Fee increases will take effect in January, 2014. Fee increase for trash will go to the residents in January, 2014. Jim asked why there isn’t a punch card or better fee rate for Golden residents at Fossil Trace. Karen asked for a report from the Golf Course; residents vs non-residents vs seniors. Jeff gets that detailed report and will share with CBAC.

V. **2014 REVENUE PROJECTIONS**

Revenue projections were included in the budget memo for various funds.
VI. **2014 OPERATING BUDGET**

Mikes comments:

- Highway corridor budget has been reduced from $263,000 to $11,500 which is significant because of the agreement signed by CDOT. Engineering of the 19th and 6th project will start this year and our plan is to start that project in 2014.
- Police budget – hired 4 summer Park Rangers and will be keeping 2 on throughout the winter. Hope to make 2 full-time and add 2 part-time during the summer. They were very effective throughout the summer. Mike stated that the Park Rangers gave a sense of security. Eric Scarbro didn’t feel they were very effective and he saw them not paying attention, not talking with citizens and felt they may need more training in people skills. Karen and Peter also felt they were not engaging and she also felt they should have more interaction with people; could be a great education opportunity to visitors. The perception in the community was not good and could be a more positive experience – better community spirit and maybe do a better public relations job.
- Another position we are adding is a full-time position in the Parks Department.
- One thing that Mike has asked Council to consider is taking $85,000 out of the General Fund and applying that to help remodel the Golden Library to make it one of the model libraries in Jefferson County. Bethany Thomas said she has been in one of the updated libraries and it is a wonderful experience. Eric Scarbro asked if the City has considered merging the library with the museums to give an even better experience and maybe even adding a coffee shop. Mike stated that those things have been considered and it’s all an exciting concept, but a very expensive undertaking.
- Budget still shows that we predict we will have an ending fund balance of 17.5% but there may be some adjustments.

VII. **2014 CIP**

Jim Dale asked about regional connections, place holder in 2013 for $100,000? Mike replied that this is for the trail portion behind the CSM stadium. Jim recommended that we put funds in as a placeholder for a trail from the pedestrian bridge along 6th Avenue to connect with more regional trails.

Jeff shared that in the original CIP, the SUT fund was at a slight deficit for 2014 and we have now made some adjustments to move things around, primarily to balance the SUT Fund. Not anything significant from what CBAC has originally talked about in previous meetings.

Karen asked about the 2 properties that the City wants to sell and Mike explained where those properties are located and what steps need to happen before they can be sold.
VIII. VOTING MEMBERS – AS OF OCTOBER, 2013

- Jim Dale
- Louanne Dale
- Marv DeSelm
- Ed Dorsey
- Jean Garrabrant
- Peter Luptovic
- Marv Morgan
- Bob Nelson
- Bob Nettleship
- Karen Oxman
- Eric Scarbro
- John Spice
- Dick Sugg
- Bethany Thomas
- Leonard Todd
- Meg Van Ness
- Lynda Wentworth

IX. OTHER DISCUSSIONS / CITY UPDATES

- Marijuana issue – Council retained the moratorium until October, 2014.
- Adjourned at 9:20.

Next CBAC Meeting will be held on Wednesday, November 13, 2013 at 7:30 a.m. Meet at the City Council Chambers.