MEMORANDUM

TO: Citizens Budget Advisory Committee Members
FROM: Denise Hish, Administrative Assistant
DATE: March 25, 2014
SUBJECT: Minutes of March 19, 2014 meeting


Staff: Mike Bestor, Steve Glueck, Jeff Hansen, Denise Hish

Council: Saoirse Charis-Graves

I. MINUTES APPROVAL

With a motion by Ed and a second by Dick, the November 27, 2013 minutes were unanimously approved.

II. SALES TAX – JANUARY (collected in February)

Sales tax collections were down $13,057 (-1.5%) and Use tax collections were up $4,274 (2.6%) for January. In the area of audit revenue, $208,010 has been collected so far in 2014.

Still waiting for Colorado Supreme Court on one case to decide if they will take the case, and we have been waiting for approximately 8 months on that decision. We are in litigation on another case as it relates to sales tax on internet taxes – scheduled to go to court in May.

III. GURA / DDA UPDATE/PROGRESS - GLUECK

Steve shared a memo that he had given to Council, dated March 6, 2014 regarding Agreements related to evolution of GURA and DDA. Steve shared that a DDA Board will be appointed this Thursday night at City Council.
Steve gave a quick overview of the background of this and the structures of the agreement. The DDA will not be in charge of parking structures (these will revert to the City), but they will still be doing banners, holiday lights downtown, power washing/beautifying, etc.

The City hopes to adopt a plan by early fall to do TIF deals – they need day to day staff person and a high level staff to do these deals. For the next few years there will not be a big presence like GURA was and Steve will be heading it up as the staff and the City will take care of finances.

Dick asked how will it be shown in the budget – Jeff responded that we already report the total sales tax reported and then we have an expense side of what we pay GURA. We will just stop paying that increment. On the property tax side we report what we receive so the revenues on that side will increase once we receive all, including the increment that used to go directly to GURA and will show up in the General Fund.

Steve explained what the budget will look like in the next few years for DDA.

GURA has committed to a better Miner’s Ally – gave details of some changes in drainage and infrastructure that are being planned.

IV. CITY COUNCIL PRIORITIES AND THEIR IMPACT ON BUDGET – BESTOR

Council has not finalized their priorities – they have a follow up retreat on April 4. Mike feels they will probably keep a lot of the priorities for youth and schools and then add a few more. Last year the Mayor had Jason Roberts speak and this year the Mayor is finalizing plans for the Oklahoma City Mayor Mick Cornett to speak. Look for more information in the next few months.

Council should approve the street paving contract tonight. The bids were up 24%, which is a huge increase on maintaining our infrastructure. They claim the cost of labor is up along with trucking costs. With this increase in mind, the 10 year CIP will look very different – hope to have a better handle on costs in the next few months.

Amendment 64 Taskforce for recreational marijuana - April 1 is the scheduled public meeting in Council Chambers and then they go to Council on April 24 with their report. June 5, Council will have 2nd reading. Jim Dale shared that we should be in touch with Edgewater because it is significant budget impact for them and Jeff stated that he had already been in touch with them and it is significant because they are such a small municipality. Jim also gave his opinion that he did not see a problem as a health issue for these facilities and he thought we should consider having a few for tax reasons. Peter asked if we had these facilities, would we see an increase in Police presence and Mike said that we have not seen any significant increase because of the medical facilities so he doesn’t see that being increased for recreational facilities. Discussion ensued with members for the facilities and members against the facilities. Mike encouraged individuals to give input during the April 1 public meeting.
Mike updated the Committee on the situation with the HVAC unit recently installed on the GCC. After it was installed, we realized that it exceeded the height requirements. We can move the unit, which would cost approx. $250,000 but we can also re-zone. We admitted the mistake and do not feel that it decreases property values but we do have one neighbor who is unhappy with it. Based on weighing the options, Mike does not feel it is in the best interest of the City to pay the money to move the unit, but will recommend to Council that we rezone. If Council does not rezone and wants to move the unit, the money will need to come from Recreation funds. Mike asked this Committee to weigh in, take a look at the unit from 8th Street and it can be discussed again at the next meeting.

V. **ECONOMIC SITUATION AND STAFF REACTION** – Hansen / Bestor

- Staples has recently announced closing some stores but we have not heard if the Golden store is going to close.
- Gateway Village area – some renewed activity and they may eventually move forward.
- Possible new business in the Kohl’s / Home Depot area.
- Natural Grocers will be moving forward on the old bowling alley site.
- Catamount properties (up by shops) – looks like one is going to sell which leaves 3 parcels left.
- Recently re-joined Jefferson Economic Council.

VI. **CBAC BUDGET SUMMARY BROCHURE** - Hansen

Will go into the May Informer – take a look at and see if you have any comments/suggestions in next week. Need to have finalized by end of this month.

Ed – Is there any way to indicate that Infrastructure is our Priority?

Found several changes and will make those changes and send out again in PDF form to committee.

VII. **RESOLUTION #2165-DEBT MGMT & LONG RANGE BUDGETARY POLICIES** - Hansen

These need to be reviewed periodically. In the past, we have assigned a sub-committee to look through these documents. In 2012 there were a few changes and in 2013, there were no changes. Preferably, before the next meeting in April, you can do a sub-committee again or we can have everyone look and decided on yes or no changes and then Jeff can submit to Council. Let Jeff know in advance of the April meeting if you have any comments/suggestions for changes.
Page 5 – Long Range – bullet list – where is the Blue Ribbon Panel – Jeff said it is not a program, but a list of options. CBAC has the Blue Ribbon Panel Report review in May. Mike explained how Council looks at the Blue Ribbon Panel report as a toolbox – use it as needed.

VIII. VOTING MEMBERS – AS OF MARCH, 2014

- 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

IX. OTHER DISCUSSIONS / CITY UPDATES

- The parking study should be done by end of summer and Steve agreed to come back to update the group.
- Adjourned at 9:10.

Next CBAC Meeting will be held on Wednesday, April 16, 2014 at 7:30 a.m.
Meet at the City Council Chambers.