TO: Citizens Budget Advisory Committee Members

FROM: Denise Hish, Administrative Assistant

DATE: March 28, 2013

SUBJECT: Minutes of March 20, 2013 meeting


Staff: Jeff Hansen, Denise Hish

Guests: Larry Becker, Ilona Becker, Farris Cox, Pat Harrison, Meg Van Ness

City Council: Marcia Claxton, Saoirse Charis-Graves

I. MINUTES APPROVAL

With a motion by Jean and a second by Bethany, the November 14, 2012 minutes were unanimously approved.

II. SALES TAX – JANUARY (collected in February)

Sales tax collections were up $61,901 (7.81%) for the month and Use tax collections were down $31,277 (-15.7%) for January. In addition, $112,490 in audit revenue has been collected so far in 2013 and a total of $4.2M collected in 2012.

Strong recovery over the last 2 years and downtown businesses and restaurants are doing very well. The City prevailed on one sales tax audit from 2003/2004/2005 and on December 31, 2012, the City received $3.6 M.
III. **FINANCE 101**

Jeff Hansen gave a Power Point presentation on Finance 101 that gave the basics as to the Finance Department’s Mission, duties, Governmental Accounting, City of Golden Fund structure, revenue sources and Tabor.

IV. **BLUE RIBBON PANEL UPDATE (INCENTIVES)**

At the February 28th Council meeting, the Blue Ribbon Panel findings were discussed. Jean suggested the memo from Jeff dated 2/15/13 (that was included in the CBAC packet) regarding Financial Impact of Blue Ribbon Panel Report Options, be available on the City website for all to see.

Jeff went on to say that Council had two questions to answer from this report:
- Are there things on the list that you have no desire to evaluate further?
- Are there any that you want to continue to evaluate?

Council eliminated many of the options, some that staff is already doing or that they have no desire to do (i.e. eliminating some snow plows). Some they left on the list but do not want to go further. Until Council or citizens want to move forward on any of these items, these things will sit for right now but can be looked at in the future.

Jeff asked if the 2 Councilors present at CBAC wanted to speak further and explain their Council meeting. Councilor Claxton said she felt that Council as a whole wanted to take more time before making any decisions. Councilor Charis-Graves agreed and added that they are very aware of the consequences but felt that the Incentive measure is still on the list. In her opinion, she felt that because of having the DDA on the ballot, she did not feel that it would be the year to add the Incentive measure.

Len stated that Council has invited a recommendation from CBAC on Incentives. He is looking to this committee to communicate to Council that we support the Blue Ribbon Panel findings. An original draft memo was included in the packet and then another draft was distributed at the meeting. Ed disagreed with Councilor Charis-Graves that this is a bad year to add the Incentive measure to the ballot. There is only Ward races, DDA (only effects those within the boundaries of downtown) and we are not asking for any increase in revenue. We are asking to repeal the incentives in the City Charter, which will give Council an opportunity in the future to bring more businesses and more revenue to the City. Jean agreed and stated that if we don’t have this tool now, we could miss a huge opportunity in the future and it will not happen without the incentive program being repealed; Council should take this seriously. Karen thanked John and Ed for working on the draft memo and encouraged Council to get this on the ballot this year. Jeff cautioned everyone to be aware of the political implications of this issue.
Some members felt that politically, the beltway issue is more of an issue than the Incentive measure. Peter suggested that as a Budget Committee we need to look at this as such and stay out of the political aspect of it.

Ed made a motion to modify the draft letter and encourage Council to support the Blue Ribbon Panel option to repeal or revise the Charter, restricting incentive measures. Karen made a second and the vote to submit the recommendation letter to Council was unanimous. Len, Ed, Karen will meet to finalize the letter.

V. DISCUSSION OF CITY COUNCIL PRIORITIES AND IMPACT ON THE BUDGET

Mike’s memo, dated February 28th to Council regarding his recommendations for one-time expenditures was discussed. Because we have the money available in 2013, Mike recommended that the 2 trails at Golden Gate/Tucker Gulch and Colfax be moved to 2013 from 2014. Council essentially gave a head-nod to staff and these 2 trails will be moving forward. The other $3.6 million, option of reducing the debt by paying off water bonds – there was no indication of support from Council. Council is taking their time with this decision and there is no urgency at this time to decide on anything further. If CBAC has any specific recommendations, this would be the time to give them to Council. Jeff was asked to explain the option to pay off $2.7M in bonds, then the debt goes away and water rates could be reduced, instead of being increased.

Jean asked if Council has looked at the long range budgetary policy (Resolution #2189) on one-time windfall expenditures and Jeff stated that yes they have. Jeff added that Council has asked for a list of all the failed streets and they are still looking at all of these options too. Dick suggested prioritizing the list and Jeff replied that is an option, but Council is already looking at getting more information on all of the items and they may decide to pick and choose from this list.

Len advocated possibly sending a letter from CBAC and give Council permission to think about it longer and to roll it into future years until they decide what to do. Karen stated that we have lots of time, as well as Council, but we should revisit next month and maybe prioritize.

VI. CBAC BUDGET SUMMARY BROCHURE

Comments or suggestions should be given to Denise / Jeff by end of business, March 25. This will be in the May Informer.
VII. **ANNUAL REVIEW - RESOLUTION #2165 – DEBT MGMT & LONG RANGE BUDGETARY POLICIES**

A working group consisting of John Spice, Meg Van Ness, Ed Dorsey, Karen Oxman, Len Todd and Jeff Hansen will meet to review these documents and then submit a recommendation to this Committee for the April meeting.

VIII. **VOTING MEMBERS – AS OF MARCH, 2013**

- Jim Dale
- Louanne Dale
- Marv DeSelm
- Ed Dorsey
- Jean Garrabrant
- Ken Kranz
- Peter Luptovic
- Jan Martynuska
- Marv Morgan
- Bob Nelson
- Bob Nettleship
- Karen Oxman
- John Spice
- Dick Sugg
- Bethany Thomas
- Leonard Todd
- Lynda Wentworth

IX. **OTHER DISCUSSIONS / CITY UPDATES**

- Adjourned at 10:00

Next CBAC Meeting will be held on Wednesday, April 17, 2013 at 7:30 a.m. Meet at the City Council Chambers.