TO: Citizens Budget Advisory Committee Members

FROM: Denise Hish, Administrative Assistant

DATE: April 28, 2014

SUBJECT: Minutes of April 16, 2014 meeting

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Staff: Mike Bestor, Jim Hajek, Jeff Hansen, Denise Hish, Rod Tarullo

Council: Saoirse Charis-Graves

I. MINUTES APPROVAL

With a motion by Bob Nettleship and a second by Bethany Thomas, the March 26, 2014 minutes were unanimously approved.

II. E-MAIL PROBLEMS – Kirk Dickson

Peter Luptovic, Dick Sugg, Ken Kranz and Jean Garrabrant are having trouble opening emails that are being sent to them from the City. Kirk will contact each of them to try and determine what the problems are and what can be done. There was a discussion of having packets and agenda for posted to the website for future meetings, but Kirk will try to rectify the problems with each Committee member first.

III. SALES TAX – FEBRUARY (collected in March)

Sales tax collections are up $18,911 compared to 2013 and Use tax collections were down $11,131 (-6.1%) compared to 2013. In the area of audit revenue, $28,867 was collected in March. Total audit revenue collected in 2014 is $236,876.

No new developments for litigation to date.
Building revenue is up due to the development by the light rail; Golden View Vista (177 units – rentals and some commercial) getting building permits.

IV. GOLF COURSE OPERATIONS – Jim Hajek / Rod Tarullo

Rod began the update with the fact that 2012 was an excellent year and 2013 not so good due to consistently bad weather. Fossil Trace has been in operation for over 10 years now. Jim has collected data from private and public courses and Fossil Trace is a model course. There are many municipal courses that have to subsidize their courses yearly and we are very fortunate that we don’t have to. Jim has won Merchandiser of the Year many times and our pro-shop staff is outstanding. The challenge of the course is debt; it is still there rain or shine but it is a challenge.

Jeff reminded everyone that in 2010 we refinanced the 2001 bonds that built the course and splash and refigured the debt on the SUT fund. We established a minimum debt repayment and therefore in 2012 we were able to pay a little more than minimum payment. Marv DeSelm asked about principle and interest payments – Jeff stated we don’t have that split – it is a fixed amount until 2024.

Jim explained some programs that they are doing at the course:

- Premium passes – 3 golf courses that we have partnered with. You get a round at 4 golf courses and we share the marketing benefits. We are reaching out to thousands more golfers without spending money for marketing. We have expanded this year to 2 different passes that gets us out to 6 different courses.
- Twilight 10-punch card (3:00 to 4:30) and the cost for the punch card is $450. This is a great way to fill the open spots that we have daily.
- Re-doing website now and Jim believes it will be the best in the state.
- Tee Time – Presently we open tee times to 7 days in advance, beginning at 3pm. This year it has changed somewhat. You can now book tee times up to 45 days in advance, online, but it is at a premium rate – regardless of residency – the cost could generate more than $50,000 this year. There is only 1 other facility in the state doing this. The question was asked – What are the best days to try and get a tee time? Thursday sells out FAST – Monday/Tuesday afternoon are the EASIEST times.
- In 2013, the Pro-shop sold over $400,000 in merchandise with a profit of approximately $174,000. These amounts are more than twice the amount of other clubs. Jim thinks the push to get to $500,000 in sales is selling more golf clubs. We presently have 5 on staff that can fit clubs and even though we are close to the golf retailers such as Golfsmith, we would sell at the same costs, some prefer to buy from a course and some prefer the retailers. Fossil Trace doesn’t charge for club fitting – because we think it’s the right thing to do.

Jim H stated that this is a very popular course and the demand is high for tee times and it is a good problem to have. Jim Dale would like to see more discounts for Golden residents and Jeff and Jim said….We already give discounts to Golden and Jeffco residents and aren’t inclined to do more at this time. Fossil Trace is a business and needs to be run that way.
V. CITY COUNCIL PRIORITIES AND THEIR IMPACT ON BUDGET – Mike Bestor

Council did have a mini-retreat two weeks ago. Council is still refining their priorities and is getting close to a final list and hope to adopt a Resolution in the next week. Some of their priorities are healthy communities, communications, etc; no surprises. Jim asked about city-wide high speed internet and Mike responded that they have not discussed that in any detail and he stated that it’s very difficult thing to do since we have a franchise with Comcast. Jeff shared that we are planning on changing out the water meters in the next two years – you will see it in the CIP. Sandy asked about the increase in maintaining roads and the higher costs involved and Mike said it will impact the budget greatly. Staff is spending a lot of time right now looking at those increases and we are planning a strategy for the CIP.

VI. REVIEW BUDGET POLICY – Jeff Hansen

Discussed this last month and had some potential changes but nothing that was critical. We did not convene a formal group to discuss this so Jeff asked what the Board wanted to do.

Long Range Budgetary policies:

- Debt Management (page 5)
  - Background – Add sentence: City Council may periodically approve revisions to the policy as they deem appropriate.
  - Policy – Change sentence to read: The current version of the City of Golden Debt Management Policy, as approved by City Council, should be used to guide City Council in the issuance and management of City debt.

Debt management policy – no changes

VIII. 2013 YEAR-END UPDATE – Jeff Hansen

Auditors are here for next 3 weeks. Since we had a change in GURA, they are also doing the GURA audit this year. Having the same auditors doing both audits will help the City and we can move forward with our CAFR in a timely fashion. Drainage Fund and Golf Course Fund ended down. Drainage had a major project on Kinney Run and they are developing an inventory of other drainage areas that need maintained or improved; may need to look at increase in fees. Golf Course was down mainly due to weather.

Karen asked about the Auditors – how long can they audit without going to bid? Jeff responded that they have a 4-year contract with Clifton and we do have an option for another 4 years. Council has the option of renewing them for another 4 years or we can go out to bid. After a 2nd 4 year contract, we are required to go out to bid.
Karen asked about the floodplain maps and there is a concern that citizens are being required to have flood insurance – the Federal Government re-did the flood map. Mike asked to put Dan and Vince on an upcoming agenda to discuss drainage and floodplain changes. Denise will schedule them for either May or June.

IX. 1ST QUARTER FINANCIAL REPORT

Discussion:
2 typos were pointed out and Jeff will make the changes.

Question – Karen asked about the City Council Budget for training and travel. Who went to NLC in Washington and Denise responded that Councilor Miller and Councilor Charis-Graves attended.

Mike said that the new Judge is doing a great job for the City and she will be reporting to Council on May 22 with some new programs that she is doing. Karen suggested if you haven’t seen her on the bench, you should sit in on Court. Court is held every Thursday at 8:30am and 10:00am and Juvenile Court is every FOURTH Thursday at 1:30. NO Court is held on the 5th Thursday.

X. VOTING MEMBERS – AS OF APRIL, 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

XI. OTHER DISCUSSIONS / CITY UPDATES

- Mike shared that the City is doing a lot of work on Clear Creek because the glacier that we had this last year did some serious damage to the banks, etc. The water line project is done and it turned out really great – take a walk down the dirt road, past the 6th Avenue bridge and take a look. The sound-berm is being worked on along 93 on the edge of town and the path is being extended behind it up to the driveway to the Open Space Trail. The Tucker Gulch trail underneath 93 has gone out to bid again.
because it was so high last year. There is still a plan to put a sound fence along that new berm but there is no funding for that right now.

- Jeff stated that the May agenda shows a discussion of the Blue Ribbon Panel report. It is on-line and Jeff stated that if you have questions/comments send to him prior to the meeting. Otherwise it will be a brief overview of that report. Jeff added that he will not be at the May meeting but Mike will be attending.

- Ed Dorsey shared that the DDA (Downtown Development Authority) meeting is next Monday, May 21 at 6:30 in Council Chambers – Ed was appointed to it. Lots of work to do – lots of agreements to be reviewed and approved in the next 6 to 7 months.

- Sandy Curran asked about the gas station on 13th and Washington – Mike stated that the City has talked to the owner Jeff Bradley many times and nothing is being done. If anyone would like to have a conversation with him to encourage moving forward, that would be great.

- Adjourned at 9:00am.

Next CBAC Meeting will be held on Wednesday, May 21, 2014 at 7:30 a.m.
Meet at the City Council Chambers.