City of Golden
MEMORANDUM

TO: Citizens Budget Advisory Committee Members

FROM: Denise Hish, Administrative Assistant

DATE: October 3, 2012

SUBJECT: Minutes of September 19, 2012 meeting

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Staff: Mike Bestor, Jeff Hansen, Dan Hartman, Denise Hish, Rod Tarullo, Don Warn

Guest: Saoirse Charis-Graves

I. MINUTES APPROVAL

With a motion by Jan Martynuska and a second by Ed Dorsey, the August 15, 2012 minutes were unanimously approved.

II. SALES TAX – JULY (collected in August)

Sales tax continues to be up approximately 10%; downtown is doing well. July sales tax collections were up $100,330 (+11.64%) for the month and overall revenue is up $606,659 (+10.27%) year-to-date. Use tax collections were down $42,237 (-18.75%). In addition, $13,537 in audit revenue was collected in August with $287,611 collected in 2012.

Question was asked if the USA Pro-Challenge race contributed to the increase in revenues. Jeff stated that yes he would guess it did, but it would be hard to pin-point the numbers. Dan added that all these events and activities have a cumulative effect on the downtown revenue, but it all contributes. Ed also added that Coors tours have almost doubled in size so that has got to help also.

Jean – distributed copies of a “Letter to the Editor” written by Bill Robie that was recently in the Transcript. She said his viewpoint was interesting in that he felt that the citizens don’t know what the costs to the City are for all of these special events such as the President Obama
visit, MoPar, USA Pro Challenge, etc, and she also hears this from citizens. Mike stated that anytime the President of the United States comes to town, we are going to do what it takes to keep him safe, no matter the cost. Jeff stated that the Obama visit did reimburse the city for the use of the Park but does not reimburse for security or law enforcement to any municipality. We can tell you how much an event costs the City, but we can’t tell you how much revenue an event generates. MoPar pays for all their expenses to the City. Ed stated that last year you gave a report on the out-of-pocket expenses to the City for events and would like that to be provided again, this year. Louanne felt the article only gave the negative side of events and did not talk about the positive things that events bring to the city; Jean felt that the City should communicate (possibly an Informer article) what each special events costs the City.

III. 2013 CAPITAL IMPROVEMENT PLAN

Jeff distributed a spreadsheet, Parks and Recreation Existing Infrastructure Capital Needs. This document gives you an idea of what Parks and Recreation programs we hope to implement in 2013 / 2014 and what funds we will pull the money from.

Mike added that most of the money is going toward current infrastructure (streets and parks and recreation). The plan is true to our policy and takes care of existing infrastructure. Jean asked why so soon replacement of the HVAC system at the GCC; wasn’t that replaced when the remodel happened. Dan replied that the GCC was just remodeled and expanded, but the HVAC system was not changed or replaced at that time. Marv DeSelm liked the memo very much and others echoed that statement. Most members agreed that the 1% growth issue needs to be discussed in the future, along with the incentive program. Water and sewer fees will continue to rise to the present homeowners.

Ed asked - Why no revenues for enterprise funds? Jeff explained utility capital and operations will be combined into one fund each for water and wastewater, with no specific revenue stream dedicated to capital in those enterprise funds. The same is true for the golf course fund.

Leonard asked Jeff about the various transfers on page 2 on the SUT and Jeff explained each.

IV. REVENUE MANUAL

This Revenue Manual provides information on the City’s major revenues that are received primarily from outside sources that are greater than $100,000 annually. Jeff pointed out that the City will be recommending fee increases in several areas but they have not given to Council as this is still a draft.

At this point, they will be proposing a 5% increase in water fees and 15% increase in wastewater fees. Jeff recently did a calculation based on residential usage of 12,000 gallons per month for water and 8,000 gallons of wastewater per month, your bill would increase $20.56 per quarter. We have a growth cap and are getting close to being landlocked, there are no new development planned. Dan pointed out that the City has been working hard to use
water more efficiently and help citizens use water more efficiently, and we use less but our infrastructure maintenance still costs the same so the water bill doesn’t reduce. Ed pointed out that the money he saves on his trash bill makes up the difference or increase on his water bill. Jeff also stated that we have not increased wastewater fees since 1994 until the last two years and we are still playing catch up.

V. STREETS INVENTORY EVALUATION – Dan Hartman

Dan distributed a graph on pavement deterioration curve and explained it, as he has done in years past. In 2009 and 2010, we had the snowiest winters that we have had since the 80’s and it took a toll on the streets and damaged the streets. We learned in 2010 that the OCI had dipped into the 60’s and had to allocate more money to repair in 2011 and 2012. Just completed a new assessment and the index had moved into the mid-70’s. We are working very hard to get all of these streets back to the higher OCI level. Good news is that overall conditions of streets are moving up.

Dan went on to describe Complete Streets and said that it will take a toll on the budget. He said streets will have to be more complete (like 2nd Street by Mitchell School). A complete street is one that provides a fair opportunity for all modes of transportation where we know we have a high potential of bikes, pedestrians and vehicles. Bad news is that sometime early next year, there will be new regulations issued by the ADA and to date we have had some exemptions for sidewalks and trails but that is going away. We will have to, over the next few years, allow an inventory and there are some things that are going to cost us money and could be a 2 or 3 year job.

Dan described some of the sidewalks and difficulty of rebuilding some of these areas. The compliance plan we will have to have will profoundly affect the City budget.

Dan then went on to discuss S. Golden Road from GHS to Johnson Road; he said it is going to have been re-paved and that will take 1/3 of paving budget to complete. We will be putting in curb and median and turn lanes so we don’t spend money on pavement but will be spending on concrete for the curb/median.

Heritage Road is being watched also and will be expensive when we have to re-do, along with North Washington Avenue.

VI. CEMETERY OPERATIONS REVIEW – Rod Tarullo

Road explained that the goal has been through the years to have the cemetery pay for its own way, but that has not happened. We are recommending this year to have increases for resident and non-resident pricing in 2013. The biggest challenge we have is water charges to the cemetery. The City has tried to get non-potable water to irrigate the cemetery and have finally gotten it there but there are challenges that are being worked out. Marketing for the cemetery is very unique but we have been trying to work on this. Example…if we were able to increase non-resident purchases per month, it would generate an extra $100,000 a year, but how do you get people outside Golden to use this cemetery. Culturally, things are changing to cremation rather than full burial. Columbarium’s have been added over the years to the cemetery and
those have been very successful. Based on the number of burials per year, we will not have an issue of room at the cemetery for many, many years. They are kicking around the idea of pursuing a cemetery ledger. A ledger is basically a wall that would have a memorial plaque and regardless of what a person does with their cremated remains, this plaque would be placed at the cemetery and the cemetery would keep the record and be somewhere that loved ones could visit. Louanne suggested maybe an Informer article about the cemetery may be appropriate, especially if you decide to go forward with the ledger idea.

VII. VOTING MEMBERS – AS OF SEPTEMBER, 2012

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

VIII. OTHER DISCUSSIONS / CITY UPDATES

- Adjourned at 9:30.

Next CBAC Meeting will be held on Wednesday, October 17, 2012 at 7:30 a.m.
Meet at the City Council Chambers.