TO: Citizens Budget Advisory Committee Members

FROM: Denise Hish, Administrative Assistant

DATE: October 27, 2010

SUBJECT: Minutes of November 8, 2010 meeting

In attendance: Ed Dorsey, Jean Garrabrant, Pat Gorman, Ken Kranz, Jan Martynuska, Kathleen Moncrieff, Marv Morgan, Bob Nelson, Eric Scarbro, John Spice, Dick Sugg, Bethany Thomas, Lynda Wentworth

Staff: Mike Bestor, Jeff Hansen

Guests: Marcia Claxton, Karen Oxman, Leonard Todd

I. MINUTES APPROVAL

With a motion by Jean Garrabrant and a second by John Spice, October 20, 2010 minutes were approved.

II. SALES TAX – SEPTEMBER (COLLECTED IN OCTOBER)

Sales tax collections were up over 5% compared to the same period last year. Use tax collections exceeded 2008 numbers. Hopefully a sign that the business community is now more comfortable in upgrading their assets.

Jeff spent time in court last week regarding a case involving an audit of use taxes due. He is fairly confident of a judgment in favor of the city but not sure to what extent. A decision on the case is expected next week. On the last day of the trial, the City’s attorney filed a motion to strike certain testimony. The nature of the motion also includes the ability for the Judge to impose sanctions. Dick Sugg asked about legal fees, Jeff indicated that attorney’s fees could be included in the sanctions if the Judge so chooses. John Spice inquired about the impact on the financial picture if the city receives a substantial settlement. Jeff indicated that would be addressed once we have a final verdict, and indicated a verdict against the taxpayer would most likely be appealed.

III. 2010 BUDGET AMENDMENT (ADDITION TO ORIGINAL AGENDA)

The 2010 Budget Amendment was approved on first reading by City Council as a consent item on the agenda. The most significant amendment is to address the refunding of the sales tax revenue
bonds and the issuance of the new bonds.

The contingency reserve has moneys from a Federal Grant for a 24-7 crisis hot line sponsored by the Golden Police Department. The grant money is treated as a pass thru item on the budget.

Lynda Wentworth asked about city billing for trash services. Jeff indicated that the city will front between 40K to 50K. This due to a billing timing issue between the date payments are due to EDS and collection of invoice amounts remitted to the city by end users. The City is not making a profit on the billing of the trash service.

IV. REVIEW OF COUNCIL 2011 BUDGET COMMENTS

Council has had two meetings to review the draft of the 2011 Budget. No changes have been made to date. Approval of the budget has been pushed back to December 9, 2010. The next public hearing is scheduled for November 11, 2010.

Council has had some discussion regarding the removal of some funding for street improvements in the 10 Year Capital Improvement Plan (CIP). While recognizing that it is only in discussion phase and reduced funding is in future years, it is the message that concerns CBAC members. After considerable discussion among CBAC members who questioned the rationale of a reduction of street improvement funding, a motion was made by Ed Dorsey and seconded by Jean Garrabrant to have CBAC representation at the next public hearing to express concerns of the members. The motion passed unanimously. Since CBAC Chairman Ken Kranz will be out town, Ed Dorsey will represent CBAC at the public hearing. Ed will forward a draft of his presentation for approval from CBAC members. Current discussion centers around a reduction of 4.5M for street improvements in the years 2013 to 2018 or 2019. This will also result in moving the street index rating down from 85 to a 75 rating.

Counselors Oxman and Claxton where asked to comment on this proposal. Both indicated that the council is divided as to the merits of such a decision. They pointed out that it is only a proposal and the rationale was that moneys could be utilized on other improvements. One of those improvements could focus on the Clear Creek Corridor Master Plan. Ed Dorsey suggested that they hold off on that and Bob Nelson questioned why a master plan or study was completed without regard to cost projections and funding sources. Eric Scarbro was concerned about the impact on the residents of 9th with the implementation of some of the Clear Creek Corridor proposals. Kathleen Moncrieff stressed that we need to meet our obligations and take care of our streets before we have the luxury of considering other improvements that might be nice but not carry a high priority.

Further discussion on streets included John Spice’s questions with regard to the impact of last year’s harsh winter on the deterioration of the streets, Dick Sugg mentioning the importance of putting safety first, and Eric Scarbro’s concerns on the negative impact of bike safety with the new street lane configuration and reduction of lanes.
Mike Bestor addressed office space requirements, the pros and cons of leasing versus buying or building. Specific needs include additional office space in City Hall and a more urgent need for the IT Department, Public Works, Building and Planning areas.

V.  ELECTION OF VICE CHAIR

Eric Scarbro and John Spice were both nominated as candidates to serve as Vice Chair of the Citizens Budget Advisory Committee. Based on a secret ballot of the members John Spice was elected Vice Chair for 2011.

VI.  2011 CALENDAR AND AGENDA

Suggestions from Board Members included group tours to include EDS and a presentation of the School of Mines Master Plan. Board Members would also request an update from street department representatives on the conditions and improvements on roads.

VII.  CITY UPDATES

Mike Bestor provided a brief history surrounding a building code enforcement situation that has resulted in television and newspaper coverage, the current status of the moratorium on marijuana dispensaries within the city limits and results from the November 2, 2010 election specifically amendments 60, 61 and proposition 101 that had potential negative impact on the city.

VIII.  VOTING MEMBERS – AS OF NOVEMBER, 2010

- Matt Burde
- Jim Dale
- Marv DeSelm
- Ed Dorsey
- Jean Garrabrant
- Ken Kranz
- Jan Martynuska
- Kathleen Moncrieff
- Marv Morgan
- Bob Nelson
- Diane Pasquarelli
- Eric Scarbro
- John Spice
- Dick Sugg
- Cynthia Merrill-Tamny
- Bethany Thomas
- Lynda Wentworth
IX. OTHER DISCUSSIONS

With no further business, the meeting was adjourned at 9:00am.

Next CBAC Meeting will be held on Wednesday, March 16, 2011 at 7:30 a.m.
Meet in Council Chambers.