

Town of Marble

Work Session of the Board of Trustees

September 25, 2017

Marble Community Church, 121 W. State St., Marble, Colorado

A. Call to order & roll call of the Special Meeting of the Board of Trustees - The meeting was called to order at 7:14 p.m. Present: Will Handville, Judy Morande, Tim Hunter . Absent: Larry Good, Mike Yellico. Also present: Ron Leach, Town Clerk and Terry Langley, minutes.

B. Review and Discussion of the 2018 Preliminary Budget - Ron Leach began with intergovernmental revenues received from mineral lease distribution (\$86,709) and severance tax (\$56,999). Ron said that the amount was obviously a windfall and much more than anticipated. As the town clerk, Ron suggested giving a temporary tax credit back to the tax payers, giving them some benefit from this windfall. He pointed out that the 2017 property tax revenue is estimated at \$22,688, and he suggested giving a 25-50% break on property taxes and saving the remainder. Tim asked if this would be in the form of a rebate and Ron said no, he suggested give a one- time tax credit on next year's bill. (January of 2018). Tim and Will discussed the percentage with Tim suggesting 25% with the rest going into savings to increase the credit the town has. Will said that 50% would be a better amount for goodwill.

Hank Van Schaack asked about the format of the proposed budget, particularly the Year to Date, 10/1/2017. Ron explained that that was a mistake and should be 9/1/2017. The estimated column includes estimates for the last 3 months of 2017 for some items.

Revenues: Most revenues are close to the budgeted amount, with the exception of the above mentioned severance and minerals and the Campground revenues

Hank asked why the general property taxes were going down each year. Ron said that this was a question for the county assessor as they determine the value the property. Hank asked about the budgeted revenue for septic permits and who had paid for 2017. The fees came from Mr. Paris, Mr. Ackerman and Vince Savage. Hank asked about the possibility of raising the cost of business licenses as a potential source of increased revenue. He suggests a sliding scale of \$100-\$150 for small businesses and more for larger businesses. Ron thinks that businesses should show proof of liability and workmen's comp. These will be added as agenda items for the next meeting.

Campground revenues – Ron said that the estimated \$35,000 will be very close to what actually comes in but the final figures won't be available until the campground closes for the season. Nothing was budgeted as far as campground revenues for the 2017 budget. Campground expenditures were estimated at 45,000. Ron said that actual expenses would be close to \$50,000. \$25,000 of that was for one time repairs to the town building, and plumbing upgrades. Ron will have a detailed spread sheet at the Oct. meeting. Excluding these one- time expenses, the difference between expenses and revenue shows a \$20,000 profit. This is for June-Sept and should be higher in 2018. Tim said that he didn't expect to see *any* profit this year. Tim asked about only budgeting \$10,000 for expenses next year. Hank asked if that included salaries for the campground host and that is listed elsewhere. Tim asked about what improvements for next year are planned and budgeted for and was told that these were not included in the \$10,000. Operating expenses only are in the \$10,000. Tim asked about a separate line

item for capital improvements to the campground and Ron will add that. Will suggested an amount of \$15,000 for capital improvements. Ron asked about making the \$ 5,000 tap fee part of the campground expenditures. It was decided to leave it where it is as it will be done with next year.

Expense for an enforcement officer was budgeted at 5,000 for 2017 but was not used. That amount was left this year. At the next meeting, Will plans to suggest hiring someone who has legal, courtroom experience to set up enforcement and court system. This is just to get the program set up and would be separate from an enforcement officer. Tim asked what the duties of an enforcement officer would involve. Will said that this would not be a law enforcement position (speeding, guns fired, etc.). He thinks this would be a code enforcement officer – parking, zoning, noise, etc. - with ticketing capability. Tim thinks that the speed bumps may take care of speeding but feels that the position needs to be a police officer. Ron will add a line item to the proposed budget for court system/ordinance enforcement consultation in the amount of \$2,000.00.

Ron reminded the trustees that the budget due December 15, 2017.

Will asked if the projected revenues include the windfall. Ron explained that he used the historical amounts because he does not know what next year's revenues will be. Hank said that the state might be able to give an estimated amount and that he feels that the listed amount of \$8,000 should be increased. Ron stated that the boom and bust nature of the energy industry makes predicting the amount problematic. This could be put in a separate interest bearing account each year.

Street maintenance: Tim asked about the \$20,000 budgeted for road improvements. The speed bumps were added to this in 2017. Tim suggested purchasing additional speed bumps and putting the warning signs in such a way that they can be removed when the speed bumps are removed. Will suggested a total of \$28,000 – \$20,000 for road improvements and the remainder for other road issues. The \$20,000 will be put out for bid earlier so that work may begin earlier.

Tim would like to see a contingency fund cushion built up for emergencies as well as a savings account that would help establish credit. He stated that the budget should be adhered to more closely. Discussion of last year's budget amendments followed, including additions to road improvements. Judy suggested making a schedule for road improvements and letting the town know when streets are scheduled to be improved.

Hank asked about the decrease in sales tax revenues. He asked that the council request a sales tax audit from the state. The decrease of 50% from 2016 to 2017 should be a red flag and needs to be looked at. This will be discussed when the other trustees are present.

Hank asked about the quarry lease and why it went down. Ron said that the auditor had included maintenance payments in with the lease amount in 2016 and those are now separate line items. The January 2017 lease payment was made on Dec 29, 2016 and that is why the 2016 number is higher. Hank asked about the notification date for the increase based on the Consumer Price Index. Hank said that this needs to be done by Oct. 1 to be 30 days before the lease anniversary date of Nov. 1. The projected amount includes an estimate of the CPI, but this has not been received yet. After reviewing the lease agreement, Ron said that the lease expires on the last day of November and the notification needs to be sent 60-90 days prior so the date to notify is Oct. 1.

Hank asked what the treasurer fees are for. Ron said that the county treasurer takes a percentage of the property taxes as an administrative fee. Hank asked about the \$1,000 in unclassified and Ron explained that this is simply a miscellaneous category. He will bring the information about what the \$4,000 spent under this category in 2017 was used for.

Hank asked if the goal is to have the court system in 2018 and was told yes.

He asked about engineering services and who that is paid to. Ron said it was for Sopris Engineering for septic reviews and for a septic master plan. Paul Rutledge would like to do a gps map of every existing well and septic system. Hank asked about the difference between the \$10,000 projected expenditures and the \$1000 projected revenues from permits. Ron said that this is to cover the gps mapping project. The \$4,000 this year included the review of septic permits and this year's water issues.

Tim asked about having the septic systems inspected and pumped. The town is supposed to keep up with this, but we have not followed through with this requirement. The gps mapping will help with identifying who has septic systems that need to be inspected and pumped. Ron explained that this is a labor intensive program. There has to be public education, tracking of paperwork, and follow-up. He feels that this illustrates how the town is moving toward needing a town manager, not just a town clerk, to administer all the programs being requested by the council and the people of the town.

Hank asked if Jenny Cutright reconciled the bank accounts in addition to writing the checks and Ron said that she does. Hank asked if it is appropriate that she be the independent person to look at the bank statements. Ron said that the audit did not recommend an independent person – they recommended a staff person. Will stated that there is an audit done every year so that there is much more accountability than there was in the past.

Will agreed with Ron's statement that there may be a need for a town manager. Ron is paid for 10 hours a week and much of what is being asked exceeds that. Hank said that there are hoops that need to be jumped through to have a town manager. If this is the direction the town takes, it will be done in consultation with the attorney.

C. Adjourn – Tim Hunter moved and Judy Morande seconded that the meeting be adjourned. The motion passed and the meeting was adjourned at 8:45 p.m.

Respectfully submitted,

Terry Langley