

**CITY OF CENTRAL
CITY COUNCIL MEETING
December 3, 2013**

CALL TO ORDER

A regular meeting of the City Council for the City of Central was called to order by Mayor Engels at 7:08 p.m., in City Hall on December 3, 2013.

ROLL CALL

Present: Mayor Engels
Alderman Voorhies
Alderman Gaines
Alderman Heider
Alderman Spain

Absent: None

Staff Present: Manager Lanning
City Clerk Bechtel
Attorney McAskin
Finance Director Flowers
Planner/HPO Fejeran
Police Chief Krelle
Utilities Superintendent Griffith
Streets/Facilities Superintendent Braccio

ADDITIONS AND/OR AMENDMENTS TO THE AGENDA

Mayor Engels stated we would adjourn into Executive Session pursuant to C.R.S. 24-6-402(4)(f)(I) to discuss a personnel matter at the end of the meeting.

CONFLICTS OF INTEREST

No Council Member disclosed a conflict regarding any item on the agenda.

CONSENT AGENDA

Alderman Spain moved to approve the consent agenda containing the regular bill lists for November 21 and 28, 2013; and the City Council minutes for the regular meeting on November 19, 2013. Alderman Heider seconded, and without discussion, the motion carried unanimously.

PUBLIC FORUM/AUDIENCE PARTICIPATION

Joe Tinucci, CFO for Johnny Z's Casino, stated that they do not agree with an increase to the device fees for marketing in Ordinance No. 13-17.

ACTION ITEMS: NEW BUSINESS

Gilpin History Annual Report presented by Gloria Gaines

Gloria Gaines reviewed the highlights of the detailed report in the packet explaining that she has stepped down from both the Board Presidency as well as Board Member. Martie Fast has been elected the 2014 Board President. She also explained that we may want to consider the value of

tours out of Wash Hall in the first quarter of the year since it is the slow time in Central City and asked that this be brought forward to discuss at a work session.

Ordinance No. 13-17: An Ordinance of the City Council of the City of Central amending Article V of Chapter 6 of the Central City Municipal Code regarding Gaming Device Fees.

Finance Director Flowers explained that in 2011, the City Council approved Ordinance 11-16 to impose a marketing device fee in the amount of \$5.00 per month per device in order to fund advertising and marketing costs incurred by the CCBID. In 2012, the City Council approved Ordinance 12-12 that extended the same marketing device fee through 2013. The marketing device fee is set to expire as of December 31, 2013 unless Council approves an extension of the fee through ordinance. Ordinance 13-17 extends the marketing device fee through 2014.

In addition to extending the marketing device fee through 2014, Ordinance 13-17 makes the amount of the marketing device fee adjustable with a base of \$5.00 per device per month to a maximum of \$7.00 per device per month. As discussed during the Council work session on November 19, 2013, over the course of 2013 the number of gaming devices in the City decreased significantly. This decrease led to a decrease in the amount of marketing fees collected to pay for the CCBID's advertising and marketing costs. This left a deficit in marketing fees revenue of approximately \$35,000. As the events and advertising had already been planned, this shortfall could not be made up through a reduction in costs.

In order to ensure that the amount collected through marketing device fees is sufficient to cover the costs incurred by the CCBID for advertising and events, the amount charged for the marketing fee will be based upon the current amount of devices in the City and will fluctuate between \$5.00 per device and \$7.00 per device. In doing so, the City can ensure even if the number of devices further decreases, sufficient revenues will be collected to pay for the costs incurred by the CCBID. Further, the CCBID will have a maximum budget amount for costs over which they will not go in order to make sure that the amount charged each month will collect sufficient revenues.

The amount of the monthly device fee will be determined by the current number of devices within the City and the total projected amount needed by the CCBID to cover marketing expenses. The CCBID and the Finance Director will establish a maximum budget amount that will be used in conjunction with the monthly device count to ensure that the appropriate amount is collected through adjusted marketing device fees.

Currently, the adopted 2014 Budget allocates a total of \$153,746 budgeted for CCBID marketing and events. \$50,000 of this is the City's contribution to events and marketing. Therefore, a total of \$103,746 needs to be collected through marketing device fees over the course of 2014.

Alderman Gaines clarified that in the previous work session discussion, the CCBID was on board with making the device fee adjustable. Finance Director Flowers confirmed that they were and that this is only an increase if total devices are reduced as this will keep the revenue stable for the marketing budget.

Alderman Voorhies moved to adopt Ordinance No. 13-17: An Ordinance of the City Council of the City of Central amending Article V of Chapter 6 of the Central City Municipal Code regarding Gaming Device Fees and set the Public Hearing for December 17, 2013 at 7:00 p.m.. Alderman Gaines seconded, and without discussion, the motion carried unanimously.

Resolution No. 13-24: A resolution appropriating additional sums of money to defray expenses in excess of amounts originally appropriated in the 2013 Budget for the City of Central.

Financer Director Flowers gave the background as follows:

The City's 2013 Budget was adopted under Ordinance 12-14 on November 20, 2012. The adoption of Ordinance 12-14 legally appropriated money for the expenses shown in the budget and authorized staff to use funds for those purposes. Throughout the year staff and Council may re-allocate funding from line items or departments as necessary to meet the needs of the City but if it becomes necessary to exceed a Fund's overall appropriated expense amount Council must appropriate additional money. This additional appropriation is also referred to as a Supplemental Budget Appropriation.

During 2013, three (3) of the City's funds had unanticipated expenditures, or expenditure-like transactions that make it necessary to adopt a Supplemental Budget Appropriation.

Resolution 13-24 appropriates additional money for these funds so that the City will remain in compliance with statutory budget law.

Three (3) of the City's funds require supplemental budget appropriations due to unanticipated expenses throughout the year. The funds and amounts of additional appropriations needed are shown below.

	<u>Original</u>	<u>Revised</u>	<u>Increase</u>
General Fund	\$4,197,332	\$4,535,332	\$ 338,000
Historic Preservation Fund	\$ 400,300	\$1,125,300	\$ 725,000
<u>Impact Fees Fund</u>	<u>\$ 0</u>	<u>\$ 5,960</u>	<u>\$ 5,960</u>
Total Increase in Appropriations			\$1,068,960

The requested increases in allocations for all funds are reflective of the 2013 year-end projections shown in the 2014 Adopted Budget. A brief description of each fund's requested increase is shown

<u>General Fund</u>	Increase in transfer to Debt Service	132,000
	Engineering Nevada St. Rock Wall	75,000
	<u>BID Marketing/Events (Reimbursed)</u>	<u>131,000</u>
	Total	\$ 338,000
<u>Historic Preservation</u>	Lawrence St. Waterline Project*	660,000
	Correction for Formula Error in 2013*	65,000
	Total	\$ 725,000
<u>Impact Fees</u>	<u>Issuance of Rebate Amount</u>	<u>5,960</u>
	Total	\$ 5,960
TOTAL REQUESTED INCREASE IN ALLOCATIONS		\$ 1,068,960

*Approximately \$333,635 of the waterline project will be reimbursed by other parties.

**The 2013 Budget had a formula error that did not include \$65,000 of expenditures below.

BACKGROUND INFORMATION:

- The General Fund's transfer to the Debt Service fund increased due to a decrease in device fee

revenues for the fund.

- BID marketing and events expenditures need to be fully appropriated for the year. The majority of these expenditures are collected through the marketing device fee.
- It is not necessary to appropriate the total cost of the Lawrence Street waterline project due to budgetary savings in other line items within the Historic Preservation Fund.
- The City received unanticipated impact fees from a developer and therefore needed to issue a rebate for the Public Works related portion.

Adoption of Resolution 13-24 is necessary to ensure that the City remains in compliance with state budget laws. Not formally appropriating additional funding could put the City in violation of TABOR as well as other state laws.

Alderman Gaines questioned who has reimbursed the City on the Lawrence Street project. Finance Director Flowers stated that we have received funds from the BHCC Sanitation District and are waiting for the \$17K from Johnny Z's.

Alderman Spain moved to approve Resolution No. 13-24: A resolution appropriating additional sums of money to defray expenses in excess of amounts originally appropriated in the 2013 Budget for the City of Central. Alderman Voorhies seconded, and without discussion, the motion carried unanimously.

STAFF REPORTS

Manager Lanning noted he will be out for a CML Policy meeting on Friday and stated he has to be out for memorial service on Wednesday as well as basketball season has started for his son and so he will be out to games on Fridays and Saturdays.

Alderman Gaines noted that the Town Hall Meeting on December 12 is also a Thursday night Bronco game. City Planner Fejeran offered to try to move this to December 11 at Council's request. Alderman Gaines stated she will attend the CDOT transportation workshop January 15 and 16. Also, on a sad note, she informed everyone that Lynn Volkens who was the Central City reporter for the Weekly Register-Call for many years has passed away.

Alderman Voorhies stated that the Christmas tree is very nice this year and gave an update on events: Tommyknocker this weekend, and the community party after the next Council meeting on December 17th.

COUNCIL COMMENTS

Council had no comments.

PUBLIC FORUM/AUDIENCE PARTICIPATION

Joe Behm, CCBID Director, stated his concern for additional work on 1-70 at the Twin Tunnels to widen the west bound tunnel which is currently under consideration by CDOT. And on another subject, he added that there were some very good suggestions in the work session and noted that Black Hawk is planning a development that sounds much like what was proposed for us this evening.

At 7:56 p.m., Mayor Engels moved to adjourn into Executive Session as follows:

EXECUTIVE SESSION – Pursuant to C.R.S. 24-6-402(4)(f)(I) to discuss a personnel matter. Alderman Gaines seconded, and without discussion, the motion carried unanimously.

The next Council meeting is scheduled for December 17, 2013 at 7:00 p.m.

Ronald E. Engels, Mayor

Reba Bechtel, City Clerk