

**CITIZENS’ ADVISORY BUDGET COMMITTEE (CABC)**

**Meeting Minutes**

Meeting Date: 7/29/2020                      Time: 6:00PM                      Location: WebEx (Video-conference platform)  
 Next Meeting: 8/4/2020                      Time: 6:30PM                      Location: WebEx

**MISSION STATEMENT:** The mission of the Citizens’ Advisory Budget Committee (CABC) is to study all phases of the budget of the City of Aurora and to make recommendations to City Council in regard to any and all budget matters.

The CABC accomplishes the mission by examining and evaluating needs and priorities as they relate to the budget and by making recommendations for action to the City Council.

**ATTENDANCE**

Name		Name		Name		Name	
Mustafa Abdullah	P	Danielle Lammon	P	Jonathan Scott	P	<b>COA Staff</b>	
Candace Bailey	P	<del>Jason Legg</del>	-	Don Seven		Greg Hays	P
Sunny Banka	P	Brian Matise	P	JulieMarie Shepherd Macklin	P		
Tikneshia L. Beauford	P	Omar Montgomery	P	Chesca Smotherman	P		
Jeff Brown	P	<del>David Patterson</del>	-	Craig Upston	P	<b>Public/Guests</b>	
Reno Carollo	P	George Peck	P	Michael Westerberg	P		
Hashim Coates	E	Joshua Reddell	P	Leanne Wheeler	P		
Michael Himawan	P	David Rich	P	Dustin Zvonek	P		

Key: P=Present E=Excused A=Absent R=Resigned

**HANDOUTS**

**(Emailed to committee)**

CABC July Workshop 2021 Budget 1-1 Packet (Sent July 21, 2020 via email)
CABC Subcommittee Reports (Sent July 28 <sup>th</sup> , via email)
“Questions from CABC Budget Workshop 7-28-20 (sent via email on July 29, 2020)

**MINUTES**

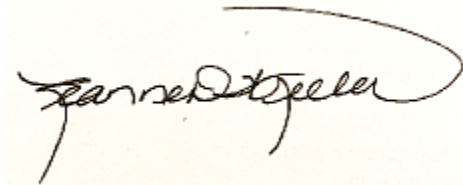
1. Call to Order	Leanne Wheeler (Chair) called the meeting to order at 6:05pm.	
2. Roll Call/ Establishment of Quorum	Roll call was taken by Jonathan Scott and a quorum was present.	

<p>3. Review and Update from Night 1</p>	<p>Greg Hays directed the committee to the document that he had sent earlier in the day entitled “Questions from CABC Budget Workshop 7-28-20.” He then explained and discussed these questions and answers. He also had invited Michael Wasserburger (a financial manager from the Fire Department) to explain the Fire Department’s proposals of the “Scene Mitigation Fee Program” and the “Treat no Transport Fee.” Danielle Lammon also explained some of her experience and research regarding these issues. There was much discussion, questions, and comments made surrounding these two budget issues.</p> <p>Greg then pointed the committee toward the remaining questions from the previous night and answered them to the best of his ability. These included questions regarding the police numbers, housing and community services, and refinancing.</p>	<p>Motion Carried Yes: Unanimous No: 0 Abstain: 0</p>
<p>4. Voting on previous night’s tabled items</p>	<p>David Rich motioned to accept the cuts proposed under Deputy City Manager Batchelor and Brian Matise seconded the motion. The proposal was then opened for discussion. After discussion, Danielle Lammon motioned to table approval of this item until more information could be researched (David Rich seconded). After a roll call vote, the approval of Deputy City Manager Batchelor’s proposed budget cuts would be tabled until the August 4<sup>th</sup> meeting.</p>	<p><i>Motion Tabled</i> <i>Yes: 11</i> <i>No: 7</i> <i>Abstain: 0</i></p>
<p>5. Projections Subcommittee Report and Discussion</p>	<p>The Chair then recognized the Projections Subcommittee chair, Brian Matise, and asked him to present the Projections Subcommittee Report for approval. A summary of the report entitled “Review of April, 2020 Leeds Revenue Projections and Recommendations” includes: (1) The Task; (2) Materials Relied Upon; (3) Limitations of the Subcommittee’s Projections; (4) Summary of the Leeds Report; (5) Subcommittee Observations on the Leeds Report; (6) Comparison of Leeds Projections with State of Colorado Budget Projections; (7) Possible Errors in Leeds Analysis; (8) Effect of Federal Stimulus Funds; (9) Further Modifications to this Report and (10) the Conclusion. The Report concluded:</p> <p style="padding-left: 40px;">The Subcommittee recommends that the Leeds Baseline Scenario may be too optimistic in two areas (sales tax and auto use tax) and too pessimistic in property tax collections. The sales tax revenues under the Baseline Scenario should be reduced by approximately 5% (from 190.7 million to 181.2 million, which is somewhat greater than the 177.0 million under the Pessimistic Scenario). The Auto Use Tax for 2021 should be much lower than the Baseline Scenario, and we recommend using the \$18.3 million from the Pessimistic</p>	

	<p>Scenario. The Property Tax revenues in 2021 should be increased by 0.5% over 2020 estimates to \$44.8 million.</p> <p>With these corrections, the revised revenue projections for 2021 become:</p> <table border="0"> <tr> <td>Sales Tax</td> <td>\$181.2 million</td> </tr> <tr> <td>Building Materials Tax</td> <td>\$12.0 million</td> </tr> <tr> <td>Auto Use Tax</td> <td>\$18.3 million</td> </tr> <tr> <td>Other Use Tax</td> <td>\$11.1 million</td> </tr> <tr> <td>Property Tax</td> <td>\$44.8 million</td> </tr> <tr> <td>Total:</td> <td>\$267.4 million</td> </tr> </table> <p>Alternatively, the Subcommittee recommends that the Leeds Pessimistic scenario may be more appropriate, with the revision for property taxes as described above:</p> <table border="0"> <tr> <td>Sales Tax</td> <td>\$177.0 million</td> </tr> <tr> <td>Building Materials Tax</td> <td>\$8.2 million</td> </tr> <tr> <td>Auto Use Tax</td> <td>\$18.3 million</td> </tr> <tr> <td>Other Use Tax</td> <td>\$11.1 million</td> </tr> <tr> <td>Property Tax</td> <td>\$44.8 million</td> </tr> <tr> <td>Total:</td> <td>\$259.3 million</td> </tr> </table> <p>Brian Matisse requested that the final report not be approved until the subcommittee could review the June Leeds report. George Peck motioned that approval of the report be moved until the August 4<sup>th</sup> meeting and Tish Beauford seconded.</p>	Sales Tax	\$181.2 million	Building Materials Tax	\$12.0 million	Auto Use Tax	\$18.3 million	Other Use Tax	\$11.1 million	Property Tax	\$44.8 million	Total:	\$267.4 million	Sales Tax	\$177.0 million	Building Materials Tax	\$8.2 million	Auto Use Tax	\$18.3 million	Other Use Tax	\$11.1 million	Property Tax	\$44.8 million	Total:	\$259.3 million	<p><i>Motion to Table Carried</i>  <i>Yes: Unanimous</i>  <i>No: 0</i>  <i>Abstain: 0</i></p>
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<p>5. Revenue Subcommittee Report and Discussion</p>	<p>The Chair then recognized the Revenue Subcommittee chair, Reno Carollo, and asked him to present the Revenue Subcommittee Report for approval. A summary of the report was given by Jeff Brown and included:</p> <ul style="list-style-type: none"> <li>• Four Revenue Initiative Already in Progress</li> <li>• Retail, Dining and Entertainment (Principle Findings)</li> <li>• 13 Observations</li> <li>• 6 Recommendations for Corrective Action</li> <li>• 2 Graphs and Exhibits</li> </ul> <p>After discussion, the committee approved the subcommittee report.</p>	<p>Motion Carried  Yes: 17  No: 1  Abstain: 0</p>																								

<p>6. Spending Subcommittee Report and Discussion</p>	<p>The Chair then recognized the Spending Subcommittee chair, Dustin Zvonek, and asked him to present the Revenue Subcommittee Report for approval. A summary of the report included:</p> <ul style="list-style-type: none"> <li>• The Overview/Objective of the subcommittee</li> <li>• Prioritization of General Fund Programs (Three tiers of importance)</li> <li>• Prioritization of “Where cuts come from” (Three tiers of importance)</li> <li>• Recommendations: In reviewing the inclusive GFP worksheet we noticed that the following departments had one or more program that fell into our collective tier 1 ranking: City Council; Library and Cultural Services; General Management; Communications; Neighborhood Services; Information Technology; Police; Planning and Development Services; and one program that was in the Non-departmental category.</li> </ul> <p>As each of these departments work through their own prioritization process, we recommend that a final list of their priorities and recommendations for potential reductions be reviewed by our subcommittee to determine where the citizen’s perspective supported the proposed program cuts by the departments and which cuts proposed by the priorities of the subcommittee were less acceptable to the department directors. Understanding where there is alignment and differences will better prepare the spending subcommittee, and the full CABC, to make more specific recommendations on the requisite cuts required to balance the budget.</p> <p>After an opportunity for discussion, Craig Upston motioned to accept the Spending Subcommittee report and Reno Carollo seconded. The motion passed unanimously.</p>	<p>Motion Carried  Yes: Unanimous  No: 0  Abstain: 0</p>
<p>7. Open Comments (for the good of the order)</p>	<p>A. Housekeeping:</p> <ul style="list-style-type: none"> <li>• Leanne Wheeler thanked the executive committee (Michael Westerberg and Jono Scott) for their support while she was away on a family emergency. She also thanked the subcommittee chairs (Brian Matise, Reno Carollo, and Dustin Zvonek) for their leadership and work with the subcommittees. She also thanked George Peck for his work in developing the template for the presentation to council.</li> </ul>	

	<ul style="list-style-type: none"> <li>• Greg also alerted the committee that the finalized sub-committee and CABC report to council will need to be finalized by mid-August. The CABC report to council will take place on September 8<sup>th</sup>.</li> </ul> <p>B. Future 2020 Meeting Dates:</p> <ul style="list-style-type: none"> <li>• August 4<sup>th</sup> (6:30pm)</li> <li>• September 1<sup>st</sup> (6:30pm)</li> <li>• September 8<sup>th</sup> (CABC Council Presentation)</li> <li>• September 19<sup>th</sup> – Budget workshop (City Council)</li> <li>• October 6<sup>th</sup> (6:30pm)</li> <li>• November 10<sup>th</sup> (6:30pm) (<i>moved from Tuesday, November 3<sup>rd</sup> - Election Day</i>)</li> <li>• December 1<sup>st</sup> (<u>7:00pm</u>, after AMC Lighting of the Lights)</li> </ul>	
8. Meeting Adjourned	After Leanne Wheeler asked for any further questions and hearing none, Danielle Lammon motioned that the meeting be adjourned. Reno Carollo seconded. The meeting was adjourned at 7:51pm.	




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Leanne Wheeler, Chair




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Jonathan Scott, Secretary

September 3, 2020  
Approval Date of Minutes