



101 Midland Avenue, Basalt, CO 81621

**Meeting Date: Wednesday, December 12, 2018**

**Location: Town Council Chambers**

**Time: 5:00 PM**

### **BASALT FINANCE COMMITTEE MEETING**

**5:00 pm**

1. Appoint a chair to the committee
2. Review Meeting Minutes of 11/28/18
3. Reviewing the Town Council Policy 110 – Finance Committee
4. Finance Calendar for 2019
5. Reporting for committees who receive funding from the Town
  - a. Discretionary Funding – they will get a letter that the use of funding will be due September 30 with their grant award.
  - b. Other grants/committees – report out by June 30 for the year prior
    - i. A few committees have reported to Council in November
    - ii. Need to review requirements of the report-out
6. Sales Tax
7. September quarterly financial statements
  - a. Still working on year-to-date reconciliations, but making progress

**6:00 Adjourn**

**Finance Committee meeting minutes**  
**11/28/18**

1. Council appoints the new committee members and reappoints the committee members. The reappointment usually takes place after the April elections. The Council will take action on this December 11, 2018.
  - a. Ryan and Christy will look at the 3 resolutions that started this committee per Council to see what the official charter. We need to review the criteria for citizen selection, with who can apply, what are requirements.
  - b. We will work to clean this up for future appointments, with a goal of transparency and understanding of process in the future for those who apply.
2. Review of Sales Tax
  - a. 2.4% increase for YTD vs. prior year.
  - b. Gave the Committee all months for 2018 to catch up
  - c. This report excludes the sales tax that is not broken out, since that wasn't completed in the past. We will include this starting in 2019.
3. Reviewed budget
  - a. Intention – transparency, education, and ease of use of budget. We worked on separating out the restricted funding sources. The restricted funding balances are in draft form, and therefore, aren't included in this budget. We are working towards inclusion of these balances.
  - b. Bill - Request that we should move the budget process up earlier, so that Council gets additional time to review and make decisions.
  - c. Bill - Would like to address the role of Fin Com and other committees' authority into the future
4. Procurement auditors – Christy working through that. Anticipates having a RFP document completed and sent by the end of December.
5. Next Finance committee meeting
  - a. Better describing process for committee– charter
  - b. Appoint a chair to the committee, and potentially a vice-chair
  - c. Identify the budget calendar for 2020
  - d. Committees who receive funds from Town of Basalt
  - e. Potential discussion of sales tax for November.
  - f. Year to date financial information.

<b>TOWN OF BASALT COUNCIL DISCUSSION ITEM</b>	<b>Date:</b> August 19, 2016
	<b>From:</b> Mike Scanlon, Town Manager
<b>Town Manager Approval:</b> MS approved 8-19-16	

**SUBJECT:** Revision of Town Council Policy 110 -- Town Council Finance Committee.

**RECOMMENDATION:** Approve revisions to Town Council Policy 110 creating two citizen member positions and changing the times of the meeting.

**DETAIL:**

After presenting and earlier draft of this Town Council Policy to the Town Council Finance Committee,

The following four changes have been identified,

1. Change the meeting time of the committee from 8:00 a.m. to 5:00 p.m.
2. Change the meeting date to the second Wednesday of the month.
3. Create two citizen committee member positions.
4. Defines experience and education related to qualifications of citizen committee members.

History –

Originally in meeting with Town Councilmembers Schworer and Grauer we discussed two possible options in the establishment of a Town Finance Committee. Those options were,

1. Financial Advisory Board made up of citizens that were expert in finance.
2. A Town Council Finance Committee made up of the Mayor and two Town Council members.

In exploring the pros and cons of each we decided to recommend to the Town Council the establishment of a Town Council Finance Committee.

Currently –

It's now the direction of the Town Council that we modify the committee structure to include two citizens that have some level of financial experience to the Committee. This then reverses the original direction set by the Town Council and creates a Financial Advisory Committee. The title of the committee changes since it's no longer solely composed of Town Council members.

Questions to consider and resolve --

1. Will the committee still have the recommending authority to the Town Council if in the case of 3-2 vote -- two of the votes in the majority are that of citizen committee members. Meaning that a majority of town councilmembers on the committee were in opposition.
2. Should citizen committee member votes be equal to a Town Council members?
3. What will be the basis of selection for interviews? Financial knowledge? Local government knowledge? Local government financial knowledge? How will the Town Council write that selection criteria?
4. What Town Councilmember(s) will be in charge of vetting the resumes of potential members based on the selection criteria and scheduling the interviews of potential candidates?

**Related Town Statute and or Town Actions:** Town Charter Section 3.10 related to Council/Administration Relations.

# TOWN OF BASALT

## TOWN COUNCIL POLICY MANUAL

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### POLICY NO. 110

### ESTABLISHMENT OF TOWN FINANCIAL ADVISORY COMMITTEE

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#### 1.01 Composition, Number of Members, Appointment and Chair

The Town of Basalt shall establish a Town Financial Advisory Committee (Committee). The Committee will be made up of the Mayor, two (2) Town Councilmembers and two (2) citizens. The Committee shall be appointed by the Town Council following April General Election. Appointments to the Committee shall be for a term of two years. The Committee shall at their first meeting appoint a Committee Chair.

#### 1.02 Citizen Appointments.

Citizen committee member interviews and appointments will be conducted by the Town Council. All citizen members of the Financial Advisory Committee shall have education or experience in business or public finance, accounting or budgeting.

#### 1.03 Meetings

The Committee meetings shall be scheduled monthly. All meetings are open to the public. The second Wednesday of the month at 5:00 p.m. shall be the regular committee meeting time.

All meetings shall be held at Town Hall unless otherwise specified. Additional meetings may be held upon the call of the Chair or upon the call of a majority of committee members, provided that all members shall be notified of such meeting at least 24 hours in advance of the announced start of the meeting and is consistent with Colorado Open Meeting Laws (COML).

#### 1.04 Quorum

The Committee shall conduct business only in the presence of a quorum. A quorum shall consist of two three members. Town staff will be responsible to ascertain in advance whether or not a quorum will be present to conduct business.

### 1.05 Agenda

An agenda shall be developed by the Chair and related staff before each meeting. Individual councilmembers may request the addition of specific items to the agenda by contacting the committee chairperson or Town Manager. The Town Manager and department heads will participate in the presentation of information to the committee.

### 1.06 Votes

Meetings shall be conducted in an orderly manner. Generally, Roberts Rules of Order will be followed and should serve as a guideline in the conduct of committee meetings. Seconds to a motion are not necessary given the size of the Committee. The Committee Chair will preside over the meetings and is responsible for maintaining orderly discussion. Passage of (recommendation of an item) shall require a majority of those present and voting, including the chair. The chair of the committee cannot make a motion.

### 1.07 Minutes

Minutes shall be kept of all Committee meetings by staff assigned by the Town Manager. Distribution shall be made to the Mayor and Town Council and provided on the Town's web site.

### 1.08 Committee Responsibilities

The Committee shall be responsible for the review of policy matters dealing with Finance. This shall include but not limit review of the annual budget, annual audit, interim financial reports, acquisition of real property, major equipment purchases, capital projects and financially related policies.

Committee members shall not be involved in daily administrative tasks This is outlined in the Town Charter, **Section 3.10 Council/Administration Relations**, which states,

“Except for informal inquiry, Councilors and the Mayor shall deal with Town administrative personnel and employees solely through the Town Manager and shall not give orders directly to Town employees.”

Committee members shall deal with Town personnel matters on a policy review basis. Policy review means such things as personnel rules, job descriptions, or

salary schedules. Committee members either individually or as a committee shall not meet with an employee concerning personnel matters.

**1.09 Significance of Committee Actions**

Action of the Committee shall constitute recommendations to the full Town Council. No binding decision can be made in Committee on matters that should be brought before the full Town Council.

**1.09 Responsibilities of Committee Chair**

1. Conduct meetings of the Committee.
2. Report on Committee action to the full Town Council at the Town Council meetings.
3. Approve agendas for regular and special committee meetings.
4. Encourage participation and attendance of committee members.
5. Serve as principal liaison between the Committee and the Staff and Town Council on issues for which the Committee is responsible.

**APPROVED BY THE TOWN COUNCIL ON MAY 24, 2016**  
**APPROVED REVISION BY THE TOWN COUNCIL ON AUGUST 9, 2016**



## 12/11/18, 2019 DRAFT Finance Calendar

January – June	Discussions regarding priorities and goals for 2019/2020
January 9	Finance Committee Meeting 5:00 PM
February 13	Finance Committee Meeting 5:00 PM
March 13	Finance Committee Meeting 5:00 PM
April 10	Finance Committee Meeting 5:00 PM
May 8	Finance Committee Meeting 5:00 PM
June	Start Budget Process
June 12 (Reschedule?)	Finance Committee Meeting 5:00 PM
July 10	Finance Committee Meeting 5:00 PM
August 14	Finance Committee Meeting 5:00 PM
September 11	Finance Committee Meeting 5:00 PM
September 30	Discretionary Grants requests due
October 9	Finance Committee Meeting 5:00 PM
October 15	Statutory requirement for budget to be presented
November 13	Finance Committee Meeting 5:00 PM
December 11	Finance Committee Meeting 5:00 PM
December 10	Budget Adopted by Council
December 14	Mill Levy Certifications due to Eagle and Pitkin Counties
January 31, 2020	2020 Budget and Budget Message due to State of Colorado

**Town of Basalt**  
**Sales Tax Revenue by Type**  
**2010 - 2018 Actual**  
**12/11/2018**

**NOVEMBER, Year-to-Date:**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>% Change 2017 vs. 2018</b>
Automotive	\$ 153,027	\$ 149,285	\$ 150,112	\$ 156,476	\$ 165,786	\$ 174,989	\$ 159,403	\$ 155,584	\$ 148,466	-4.6%
Lodging	43,606	50,213	43,571	44,538	61,255	57,850	162,490	166,703	156,919	-5.9%
Restaurant Without Bar	83,391	89,483	90,498	91,143	115,981	113,752	124,663	111,679	118,368	6.0%
Restaurant With Bar	280,541	280,856	305,269	306,264	323,952	366,105	372,875	452,965	447,961	-1.1%
Retail Sales	473,802	433,690	492,200	598,481	598,974	725,144	723,848	883,853	953,320	7.9%
Sporting Retail	109,989	123,622	135,265	162,813	180,637	203,363	218,919	219,872	204,931	-6.8%
Finance	6,170	7,333	6,105	7,153	8,016	5,111	5,672	5,498	22,355	306.6%
In-Home Sales	3,897	3,798	2,650	2,015	2,110	2,272	1,785	2,850	816	-71.4%
Retail Liquor	157,695	162,992	165,251	191,933	204,379	219,111	230,470	228,362	238,084	4.3%
Telecommunications	109,509	120,144	105,071	94,300	87,534	86,147	81,506	78,602	95,444	21.4%
Utilities	139,013	137,287	137,322	158,704	152,072	155,195	146,516	159,028	186,184	17.1%
Building	160,086	165,533	175,659	185,445	230,876	252,671	248,282	260,128	330,826	27.2%
Retail Food	1,197,124	1,230,007	1,353,295	1,792,699	1,796,783	1,915,484	2,005,346	2,037,539	2,097,912	3.0%
<b>TOTAL, Broken out</b>	<b>\$ 2,917,850</b>	<b>\$ 2,954,244</b>	<b>\$ 3,162,268</b>	<b>\$ 3,791,964</b>	<b>\$ 3,928,355</b>	<b>\$ 4,277,194</b>	<b>\$ 4,481,775</b>	<b>\$ 4,762,663</b>	<b>\$ 5,001,584</b>	<b>5.0%</b>
<b>% change vs. prior yr.</b>		<b>1.2%</b>	<b>7.0%</b>	<b>19.9%</b>	<b>3.6%</b>	<b>8.9%</b>	<b>4.8%</b>	<b>6.3%</b>	<b>5.0%</b>	

NOTE: The Town of Basalt receives detail information from the State of Colorado remittances. However, other receipts are not broken out separately due to state requirements. Those receipts have not been included on past reports, and therefore, will not be included in this analysis.



**Town of Basalt**  
**Sales Tax Revenue by Type**  
**2010 - 2018 Actual**  
**12/11/2018**

**NOVEMBER, Month:**

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>% Change 2017 vs. 2018</b>
Automotive	\$ 22,962	\$ 19,257	\$ 18,624	\$ 19,932	\$ 20,618	\$ 18,126	\$ 17,746	\$ 22,204	\$ 17,016	-23.4%
Lodging	4,297	2,790	3,503	2,725	3,918	5,447	8,252	14,410	11,065	-23.2%
Restaurant Without Bar	7,133	9,065	7,982	9,306	7,711	9,924	11,852	9,989	9,320	-6.7%
Restaurant With Bar	23,124	21,606	24,135	25,205	26,878	25,150	25,892	38,027	29,150	-23.3%
Retail Sales	29,875	35,894	27,184	44,137	62,322	58,563	64,635	55,470	98,141	76.9%
Sporting Retail	7,481	8,780	9,651	11,645	8,581	13,844	14,614	16,971	14,233	-16.1%
Finance	840	936	272	375	1,136	868	323	1,218	3,080	152.8%
In-Home Sales	360	437	319	156	190	118	225	154	50	-67.2%
Retail Liquor	13,302	13,129	14,663	13,644	12,751	17,590	18,638	15,095	20,455	35.5%
Telecommunications	8,191	8,699	10,007	8,567	8,027	7,541	8,341	6,290	6,278	-0.2%
Utilities	8,010	9,490	9,014	10,035	6,812	7,478	10,580	11,980	12,981	8.4%
Building	21,205	20,084	28,029	23,141	27,898	26,384	27,208	29,921	36,561	22.2%
Retail Food	91,425	93,685	128,037	206,380	135,113	142,386	149,615	159,438	257,051	61.2%
<b>TOTAL, Broken out</b>	<b>\$ 238,205</b>	<b>\$ 243,852</b>	<b>\$ 281,420</b>	<b>\$ 375,248</b>	<b>\$ 321,955</b>	<b>\$ 333,419</b>	<b>\$ 357,921</b>	<b>\$ 381,167</b>	<b>\$ 515,380</b>	<b>35.2%</b>
<b>% change vs. prior yr.</b>		<b>2.4%</b>	<b>15.4%</b>	<b>33.3%</b>	<b>-14.2%</b>	<b>3.6%</b>	<b>7.3%</b>	<b>6.5%</b>	<b>35.2%</b>	

NOTE: The Town of Basalt receives detail information from the State of Colorado remittances. However, other receipts are not broken out separately due to state requirements. Those receipts have not been included on past reports, and therefore, will not be included in this analysis.

**TOWN OF BASALT**  
**3rd Quarter Financial Report September 30, 2018**  
**DATED 12/11/18, Finance Committee**

**GENERAL FUND**

<u>REVENUES:</u>	ACTUAL AMOUNT	BUDGETED AMOUNT	% OF 2018 BUDGET
<b>TAXES</b>			
PROPERTY	\$ 933,943	\$ 965,166	96.8%
OWNERSHIP TAX	\$ 57,720	\$ 55,000	104.9%
SALES TAX	\$ 3,210,110	\$ 4,450,000	72.1%
POST	\$ 1,345,235	\$ 1,775,000	75.8%
LODGING	\$ 135,959	\$ 195,000	69.7%
CIGARETTE	\$ 58,696	\$ 16,000	366.9%
FRANCHISE FEE	\$ 175,492	\$ 318,000	55.2%
	<b>\$ 5,917,155</b>	<b>\$ 7,774,166</b>	<b>76.1%</b>
<b>LICENSE &amp; PERMITS</b>			
BUSINESS	\$ 14,442	\$ 21,500	67.2%
LIQUOR	\$ 22,955	\$ 9,000	255.1%
CONTRACTOR	\$ 10,850	\$ 9,500	114.2%
RESTRICTED FEES	\$ 394,309	\$ 13,000	3033.1%
UNRESTR. BLDG PERMITS	\$ 407,846	\$ 400,000	102.0%
SPECIAL IMPROV. FEES	\$ 127,576	\$ 10,000	1275.8%
RETA WILLITS	\$ 149,300	\$ 400,000	37.3%
RETA SOPRIS	\$ 80,955	\$ -	NA
RFC TRANSFER FEE	\$ 421,560	\$ 12,000	3513.0%
AFFORDABLE HOUSING/RENT	\$ 247,061	\$ 275,000	89.8%
MISC FEES	\$ 300	\$ 20,100	1.5%
	<b>\$ 1,877,154</b>	<b>\$ 1,170,100</b>	<b>160.4%</b>
<b>INTER-GOVERNMENT REVENUE</b>			
GRANTS	\$ 2,142	\$ 17,000	12.6%
HIGHWAY TAX	\$ 129,217	\$ 124,302	104.0%
MV ASSESSMENTS	\$ 12,104	\$ 14,800	81.8%
ROAD AND BRIDGE	\$ 78,795	\$ 90,000	87.6%
	<b>\$ 222,258</b>	<b>\$ 246,102</b>	<b>90.3%</b>
<b>SERVICE CHARGES</b>			
ZONING	\$ 7,976	\$ 25,000	31.9%
MISC	\$ 11,514	\$ 614,006	1.9%
CEMETERY	\$ 1,725	\$ 3,000	57.5%
RECREATION	\$ 62,637	\$ 60,000	104.4%
POOL USER FEES	\$ 36,653	\$ 40,000	91.6%
POOL LESSONS/CONCESSIONS	\$ 5,662	\$ 11,500	49.2%
	<b>\$ 126,167</b>	<b>\$ 753,506</b>	<b>16.7%</b>
<b>FINES</b>			
POLICE/COURT COSTS	\$ 48,086	\$ 25,350	189.7%
<b>INTEREST</b>			
INT. EARNINGS	\$ 130,877	\$ 65,000	201.3%
REFUND OF EXPENSES	\$ 115,493	\$ 25,000	462.0%
ROOM RENTAL/OTHER	\$ 5,303	\$ 24,700	21.5%
	<b>\$ 251,673</b>	<b>\$ 114,700</b>	<b>219.4%</b>
<b>ENHANCEMENT FUND (HOLY CROSS)</b>			
Fully funded as per budget	\$ 37,693	\$ 38,000	99.2%
	<b>\$ 37,693</b>	<b>\$ 38,000</b>	<b>99.2%</b>
<b>TOTAL REVENUES</b>	<b>\$ 8,480,186</b>	<b>\$ 10,121,924</b>	<b>83.8%</b>

<u>EXPENDITURES BY DEPARTMENT:</u>	ACTUAL AMOUNT	BUDGETED AMOUNT	% OF 2018 BUDGET
LEGISLATIVE	\$ 389,234	\$ 676,840	57.5%
JUDICIAL	\$ 21,016	\$ 26,020	80.8%
ADMINISTRATIVE	\$ 787,382	\$ 1,232,609	63.9%
ELECTION	\$ 13,622	\$ 12,500	109.0%
PLANNING	\$ 404,872	\$ 609,256	66.5%
FACILITIES & CEMETERY	\$ 618,626	\$ 720,890	85.8%
POLICE	\$ 1,361,654	\$ 1,961,009	69.4%
Hasn't been reconciled.			
Hasn't been reconciled.			
Hasn't been reconciled.			
BUILDING DEPARTMENT	\$ 116,493	\$ 174,969	66.6%
ENGINEERING	\$ 22,930	\$ 65,000	35.3%
STREET	\$ 960,038	\$ 1,982,392	48.4%
MOTOR FLEET	\$ 182,202	\$ -	N/A
PUBLIC WORKS	\$ 219,702	\$ 319,236	68.8%
RECREATION	\$ 141,973	\$ 207,033	68.6%
POOL	\$ 146,493	\$ 186,385	78.6%
DISCRETIONARY GRANT	\$ 31,000	\$ 35,000	88.6%
PUBLIC GARDENS & PARKS	\$ 291,374	\$ 474,421	61.4%
POST	\$ 374,131	\$ 2,900,000	12.9%
TABOR DISCLOSURES	\$ -	\$ 3,800,000	0.0%
GL Entries need to be made			
<b>TOTAL EXPENDITURES</b>	<b>\$6,082,742</b>	<b>\$15,383,560</b>	<b>39.5%</b>
LESS: TABOR DISCLOSURES	\$0.00	-\$3,800,000	
<b>EXPENDITURES EXCLUDING TABOR DISCLOSURES</b>	<b>\$6,082,742</b>	<b>\$11,583,560</b>	<b>52.5%</b>

This includes a principal reduction on the housing LOC of \$227,477.60 (2017 yearly rental income) vs. budget of \$150,000.

Will be allocated to departments. Budgeted at department level.

**TOWN OF BASALT**  
**3rd Quarter Financial Report September 30, 2018**  
**Other Funds**  
**DATED 12/11/18, Finance Committee**

**BOND FUND**

<u>REVENUES:</u>				<u>EXPENDITURES:</u>			
	ACTUAL AMOUNT	BUDGETED AMOUNT	% OF 2018 BUDGET		ACTUAL AMOUNT	BUDGETED AMOUNT	% OF 2018 BUDGET
<b>TAXES</b>							
PROPERTY	\$ 934,588	\$ 965,860	96.8%	Treasurer Fees	\$ -	\$ 6,000	0.0%
INTEREST	\$ 31	\$ -	N/A	Admin Fees	\$ 828	\$ 650	127.3%
				Debt Service -Principal	\$ -	\$ 818,000	0.0%
				Debt Service - Interest	\$ 49,018	\$ 98,038	50.0%
<b>TOTAL BOND FUND REVENUES</b>	<b>\$ 934,619</b>	<b>\$ 965,860</b>	<b>96.8%</b>	<b>TOTAL BOND FUND EXP.</b>	<b>\$ 49,846</b>	<b>\$ 922,688</b>	<b>5.4%</b>

**WATER FUND**

<u>REVENUES:</u>				<u>EXPENDITURES:</u>			
	ACTUAL AMOUNT	BUDGETED AMOUNT	% OF 2018 BUDGET		ACTUAL AMOUNT	BUDGETED AMOUNT	% OF 2018 BUDGET
WATER SERVICE	\$ 909,047	\$ 848,250	107.2%	ADMINISTRATIVE	\$ 175,641	\$ 468,332	37.5%
PENALTY	\$ -	\$ 1,000	0.0%	SOURCE OF SUPPLY	\$ 39,663	\$ 366,500	10.8%
MISC PERMITS	\$ 100	\$ -	NA	TREATMENT	\$ 24,604	\$ 27,000	91.1%
HOLY CROSS ELECTRI	\$ 10,591	\$ 20,000	53.0%	TRANSMISSION LINES	\$ 41,364	\$ 127,000	32.6%
TAP FEES	\$ 253,195	\$ 6,000	4219.9%	DEBT SERVICE	\$ 35,150	\$ 83,562	42.1%
METER SALES	\$ 3,966	\$ 1,000	396.6%				
SURCHARGES	\$ 43,181	\$ -	N/A				
INTEREST	\$ 5,079	\$ 2,000	254.0%				
<b>TOTAL WATER FUND REVENUE</b>	<b>\$ 1,225,159</b>	<b>\$ 878,250</b>	<b>139.5%</b>	<b>TOTAL WATER FUND EXP.</b>	<b>\$ 316,422</b>	<b>\$ 1,072,394</b>	<b>29.5%</b>

Year-end entry of \$227,506 General Fund Admin.

**CONSERVATION TRUST FUND**

<u>REVENUES:</u>				<u>EXPENDITURES:</u>			
	ACTUAL AMOUNT	BUDGETED AMOUNT	% OF 2018 BUDGET		ACTUAL AMOUNT	BUDGETED AMOUNT	% OF 2018 BUDGET
GRANTS	\$14,420	\$18,000	80.1%	NO EXPENDITURES			
INTEREST	\$94	\$50	188.0%				
<b>TOTAL CONSERV. TRUST FUND REV.</b>	<b>\$ 14,514</b>	<b>\$ 18,050</b>	<b>80.4%</b>	<b>CTF EXPENSES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>