

**LAKWOOD CITY COUNCIL
STUDY SESSION MEETING
APRIL 4, 2005
MINUTES**

ITEM 1 – CALL TO ORDER

Mayor Burkholder called the meeting to order at 5:30 p.m. in the Channel 8 Studios located in the Lakewood Civic Center South Building, 480 South Allison Parkway, Lakewood, Colorado.

ITEM 2 – ROLL CALL

Those present were: Mayor Steve Burkholder, Presiding

Ray Elliott
Jackie Herbst
Carol Kesselman
Bob Murphy
Debbie Koop
Mike Stevens
Cheryl Wise
Ed Peterson
Barbara Martin

Absent:: Tom Booher

Staff in attendance: Mike Rock, City Manager
Roger Noonan, City Attorney
Joni Inman, Director of Mayor and City Manager's Office
Kathy Hodgson, Director of Community Resources
Dick Plastino, Director of Public Works
Tami Fischer, Director of Housing & Family Services
Ron Burns, Chief of Police
Larry Dorr, Director of Finance
Boris Naschansky, Director of Information Technologies
Ken Milano, Director of Employee Relations
John Miller, Court Administrator
Thomas Elliott, Municipal Judge
Shawna Moore, Courts
Frank Gray, Director of Community Planning and Development
Margy Greer, City Clerk

Full and timely notice of this City Council Study Session had been given and a quorum was present.

ITEM 3 – DISCUSSION – 2006/2007 BUDGET DISCUSSIONS

Mayor Burkholder opened the discussions by stating that no decision would be made at the study session regarding which budget cuts would be made. The study session was a time to ask clarifying questions of staff and to better understand the budget situation the City is in.

City Manager Mike Rock gave a PowerPoint presentation and shared the following information:

History

Budget cuts 2001-2005

\$13,253,700

101 job eliminated

Salary freezes

Economic Projects – Examples

Sales tax revenues collected

Colorado Mills - \$3,233,000

Denver West Village - \$1,892,000

Lakewood City Commons - \$1,477,000

Belmar - \$371,000

Lakewood Sales Tax Elections

1971 – 1% to 2% - Approved

1985 - .8% - Failed

1990 – 1% - Failed

1995 - .5% - Failed

2000 – 1% - Failed

Efficiency

Employees per 1000 residents

Denver 1-49

Boulder 1-81

Aurora 1-107

Westminster 1-119

Golden 1-139

Arvada 1-160

Wheat Ridge 1-165

Lakewood 1-168

Total Volunteer Hours 25,367 = \$451,000 value

Metro Sales Tax Rates

Northglenn	4%
Westminster	3.85%
Aurora	3.75%
Thornton	3.75%
Denver	3.5%
Englewood	3.5%
Arvada	3.21%
Littleton	3%
Wheat Ridge	3%
Metro Area Average	3.3%

Priorities

Public Safety – Police, Courts, Prosecutor
Budget: \$32.6 million – 47%
Employees 1990-316, 2005-422

Assumptions

No new revenue source
Revenue growth – 2%/year

Balance the Budget

\$8 million in City service cuts 2006/07
\$8 million – Balance the Budget
\$4.5 million – Meet unfounded needs and build reserve
\$12.5 million in necessary City service cuts for 2006/07

Historic Sales Tax Revenue Growth

1999-2004
+1.22%
-0.55% with no Colorado Mills

Unfunded Needs

\$9.3 million over the next 5 years
Rebuild Emergency Reserve
\$8.7 million to 25%
Total:\$18 million gap over 4 years
(or \$4.5 million for 2006/07)
\$15,955,544 in potential cuts/ 122.5 positions
Represents 3% to 70% of individual departments' General Fund budgets

The potential cuts from all departments was reviewed by City Council with questions to certain department heads.

Mr. Rock stated that further discussion would take place regarding the Police Agent Pay Plan.

After discussion, Mayor Burkholder asked for a consensus from City Council to place a sales tax question on the November ballot. He read a statement from Tom Booher stating that reasonable proposals should be presented to the citizens of Lakewood in an election.

There was consensus to move forward with a sales tax election in November.

Councilman Elliott stated that a sales tax election was not necessary and that budget cuts were unnecessary. The budget could be stabilized by without cuts and by maintaining the status quo.

Councilman Elliott was asked to present his proposal to City Council as soon as possible as another budget study session was being held May 16, 2005 to discuss the potential cuts presented tonight in more detail.

ITEM 4 – REPORTS – MAYOR AND CITY COUNCIL

None.

ITEM 5 – ADJOURNMENT

There being no further business to come before the Council, Mayor Burkholder adjourned at the meeting at 9:40 p.m.

Respectfully submitted by

Margy Greer, City Clerk