

CITIZENS' ADVISORY BUDGET COMMITTEE (CABC)

Meeting Minutes

Meeting Date: 2 March 2021 Time: 6:30PM Location: WebEx (Video-conference platform)
 Next Meeting: 6 April 2021 Time: 6:30PM Location: WebEx (Video-conference platform)

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	A	Danielle Lammon	P	JulieMarie Shepherd Macklin	P	COA Staff	
Candace Bailey	P	Brian Matise	P	Chesca Smotherman	P	Greg Hays	P
Sunny Banka	P	Omar Montgomery	P	Katrice Traylor	P		
Tikneshia L. Beauford	P	George Peck	P	Craig Upston	P		
Reno Carollo	P	Joshua Reddell	P	Michael Westerberg	P	Public/Guests	
Kevin Cox	P	David Rich	P	Dustin Zvonek	P		
Danielle Jurinsky	A	Jonathan Scott	P				
Idris Keith	P	Don Seven	P				

Key: P=Present; E=Excused; A=Absent; R=Resigned; *New Member

HANDOUTS

(Emailed to committee)

CABC March Agenda <i>(Sent 26 February 2021 via email)</i>
February 2021 Meeting Minutes <i>(Sent 26 February 2021 via email)</i>
Updated CABC Roster <i>(Sent 26 February 2021 via email)</i>

MEETING MINUTES

1. Call to Order	Michael Westerberg (Chair) called the meeting to order at 6:34pm.	
2. Roll Call/ Establishment of Quorum	Roll call was taken by Secretary JulieMarie Shepherd Macklin and a quorum was present.	
3. Approval of March Agenda	<p>Chair Westerberg entertained a motion to approve the March agenda.</p> <ul style="list-style-type: none"> • David Rich moved to approve the agenda as presented and Dustin Zvonek seconded. The motion carried unanimously. 	<p>Motion Carried Yes: Unanimous No: 0 Abstain: 0</p>
4. Approval of February Minutes	<p>Chair Westerberg entertained a motion to approve the February minutes. Danielle Lammon moved to approve the minutes as presented. Brian Matise seconded the motion. There was some brief discussion about the level of detail that should be reflected in the minutes. The consensus was detailed minutes were appropriate for the purpose and context of the CABC's work. The motion carried unanimously.</p>	<p>Motion Carried Yes: Unanimous No: 0 Abstain: 0</p>
5. Revenue and Budget Updates	<p>Greg Hays presented the following updates:</p> <ul style="list-style-type: none"> • The City budget continues to outperform the projections; however it is unclear if this is the new trend (new normal) or short-lived <ul style="list-style-type: none"> ○ Based on information to date, the approach is to evaluate one-time spending options in case these are not recurring dollars ○ As a reminder – the Leeds Projections originally noted four consecutive quarters of decline (although this is not what we're seeing at this time) • How the City balanced 2020 <ul style="list-style-type: none"> ○ Held positions constant (no new hiring and kept vacant positions unfilled), used savings, two furlough days, capital cuts, infusion of new revenue (federal CARES dollars and marijuana fund transfers) • Projections assumed large drops in sales tax and one-time revenues. Initially there were some concerns that winter would look more like last May 	

	<p>(uncertainties around the outcome of property tax vote (Amend B) and third-party marketplace facilitator revenues)</p> <ul style="list-style-type: none"> • In reality: basically flat ongoing revenue and significant increases in one-time revenues. Shopping continued (although much moved to online). • Aurora overall fared better than surrounding cities - property tax vote passed (Amend B), and the marketplace facilitator revenue has been constant with at least \$500k/month in revenue. <ul style="list-style-type: none"> ○ Clarification about property tax vote (amend B) – had it failed, it would have had significant impacts to the tune of \$7m for Aurora beginning in 2022 due to a decline in assessment rates. • Overall, Aurora comparatively has done well hitting projections. Most other surrounding cities have missed projections. • Sales tax performance continues to be strong • 2020 revenue summary: city has \$21.7m more in operating revenue: <ul style="list-style-type: none"> ○ \$20.8m is sales tax and then the rest is auto use, lodger’s tax ○ \$4m more in capital revenue since building continues to happen, exceeding rates in 2019. ○ Marijuana dollars continue to be strong for the City. While it is difficult to make recurring projections since this is such a variable source of funds, thus far, it has been a relatively constant source of revenue, outpacing projections. • 2020 expenses will likely come in right near projections. <ul style="list-style-type: none"> ○ The impact of CARES makes this difficult to finalize expenditures at this time. • Looking forward to 2021: <ul style="list-style-type: none"> ○ The marketplace facilitator seems to be here to stay! ○ Unknowns: <ul style="list-style-type: none"> ▪ We didn’t drop as Leeds projections suggestions, but likely won’t grow. 	
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	<ul style="list-style-type: none"> ▪ Unknowns in the post-COVID world ▪ Unknowns of stimulus activities (or lack thereof) ▪ Early talks of “k-shaped recovery” where wealthier positions/people have rebounded while growth for lower income positions such as hospitality and low-income positions are not rebounding at the same rate, and perhaps even declining. • Preliminary discussions about how to use the excess one-time funds: <ul style="list-style-type: none"> ○ Refill operating reserve back to 3% \$7.5 ○ Enterprise Resource Planning System (ERP) (estimates are about \$12m with \$5.5m already set aside). The current system has been in place for nearly 30 years which results in challenges and errors necessitating many workarounds which becomes time intensive. ○ One-time funds from negotiations – rollback two furlough days (currently set to have five furlough days for 2021, but could buy some of these back) ○ Extra risk insurance ○ Leaves about \$6m for other ideas, including recent Council ideas: <ul style="list-style-type: none"> ▪ Transportation (\$20m on-going) ▪ Military differential pay for City employees who get deployed (\$100k ongoing) <ul style="list-style-type: none"> • There was a request from the floor to learn more about this fund. Chair Westerberg asked Greg to provide more information to the committee about this fund. ▪ Eliminate the recently adopted treat-no-transport fee (\$450k ongoing) <ul style="list-style-type: none"> • Clarification from the floor: this was indeed a cut that was previously recommended by CABC and ultimately implemented by Council. Now council is considering removing this fee. 	
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	<ul style="list-style-type: none"> ▪ Equity initiatives (\$1.5m general funds, \$2m all funds) ▪ In response to questions and discussion from the floor, Greg suggested bringing in a speaker from HR to discussion military differential, ERP, and equity initiatives. • On-going funds (IF there are additional funds that could cover on-going expenses – this is unknown still): <ul style="list-style-type: none"> ○ Balancing 2020 shortfall (\$3.4m) ○ Effect of equal pay act (\$1.5m GF and \$2.0m all funds) ○ Funding items previous cuts (\$6.1m) ○ Additional risk costs (\$700k) ○ Ongoing ERP costs (\$2.5M) • Property tax in Aurora is currently over the TABOR limit <ul style="list-style-type: none"> ○ This will be an area for future discussion and exploration. Will likely be part of Council’s upcoming engagement and planning conversations. 	
<p>6. CABC focus for 2021</p>	<p>Chair Westerberg opened this agenda item with background context. This is the meeting and discussion that frames the balance of the work for CABC. Committee topics and assignments are decided now so they have ample time to do their work in advance of July.</p> <p>Working reports from each committee are needed by the time we approach the July budget workshop to hit the remaining deadlines for the budget book and presentation to Council.</p> <p>To begin this discussion, it is important to first identify: what do we think is important (i.e. what is the end goal)? Based on the collective answer to this, that will inform subcommittees.</p> <p>Chair Westerberg opened the floor for discussion:</p> <ul style="list-style-type: none"> • Addressing the significant (and growing) transportation shortfall • Event/Cultural Center 	

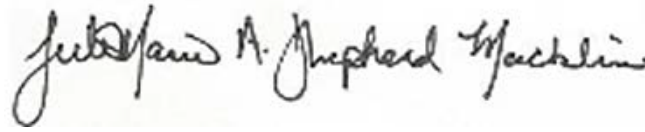
	<ul style="list-style-type: none"> ○ This has been an important area of interest to CABC in the past (from CABC members and their appointing Council Members). Previous subcommittee reports could be referenced/updated. ○ There is a private citizen group more actively exploring this and evaluating where base funding could from (SCFD differential?) ● Affordable housing (entry level housing options) <ul style="list-style-type: none"> ○ Discussion was raised as to the difference in language: Accessible/Attainable housing (which speaks more to those who are unhoused) is a distinctly separate issue from affordable housing. Both are pressing issues in Aurora. ● Department Reviews. This is a very valuable way to learn about the ins and outs of the budget and helpful context for the budget workshop in July. <ul style="list-style-type: none"> ○ Request from the floor for police and fire departmental reviews - these would be helpful to consider given recent events/prospect of large settlements coming down the line. <ul style="list-style-type: none"> ▪ Also, some members have continued questions about the 2-per-thousand mandate and corresponding budget impact. ▪ Another member raised questions and a desire to understand the negotiated agreement with the police union and related budget implications. ○ A suggestion was made from the floor to have a subcommittee focused on departmental reviews more globally. ○ Another request for transportation (public works and capital) reviews. <ul style="list-style-type: none"> ▪ It was pointed out that CABC subcommittees did these two reports two years ago – start with revisiting those reports. ▪ Another point came from the floor that perhaps instead of looking at transportation at large, the committee might wish to focus on the two bridges that are high priority for repair/replacement. ● In determining the direction forward, Greg reminded the committee to keep its focus budgetary in nature to be true to the scope and charge of CABC. We should not be drifting into more social policy spaces. ● A committee member asked about the role of public feedback in this process (of narrowing CABC focus areas): 	
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	<ul style="list-style-type: none"> ○ May be outside the scope of our role. As the CABC – we are the citizens/community. We can also consider asking Council Members to pass along constituent communication or themes they are hearing about specific issues as another avenue to collect broader community input. ● Also, Greg shared that a focus area for Council is crafting Council/City values/priorities. This could be a focus area for CABC to weigh-in on in the future. Greg will look at inviting a speaker to provide the committee more context on this. ● Chair Westerberg recapped the main themes from discussion: <ul style="list-style-type: none"> ○ Transportation, affordable and attainable housing, department reviews, and an event/cultural center. ○ Chair Westerberg asked everyone to submit their subcommittee preferences to the exec team by Friday. ○ Typically, people serve on 1-2 committees. ○ Once subcommittees are formed, they will need to identify a chair and begin to define scope and what resources/information will be needed to do their work. 	
10. Housekeeping	<p>Open Comments (for the good of the order):</p> <p>A. Future 2021 Meeting Dates:</p> <ul style="list-style-type: none"> ● March 2nd ● April 6th ● May 4th ● June 1st ● July 6th <ul style="list-style-type: none"> ○ July 27th and 28th will likely be budget workshop dates – these are still tentative. These dates will in all likelihood replace the July 6th meeting date ● August 3rd (this may be moved to reflect the budget workshop dates happening in late July) ● September 7th ● October 5th ● November 9th 	

	<ul style="list-style-type: none"> December 7th <p>B. Future to-do's: nothing brought forward from the floor.</p>	
11. Meeting Adjourned	Chair Westerberg asked for any further questions or comments. Reno Carollo moved to adjourn the meeting and Sunny Banka seconded the motion. The motion carried unanimously. Hearing no further discussion, the meeting was adjourned at 8:46pm.	Yes: unanimous No: 0 Abstain: 0



Michael Westerberg, Chair



JulieMarie Shepherd Mackline Shepherd, Secretary

April 4, 2021

Date of Approval