

Niwot LID Advisory Committee Meeting Minutes

December 4, 2018
Mt. View Fire and Rescue Station
8500 Niwot Road
Niwot, CO

The meeting was called to order at approximately 7:00 pm.

Members Present: Laura Skaggs, Carrie Wise, Scott Firle, Anne Postle, Bruce Rabeler, Biff Warren, Harris Faberman, Jim Eastman

Staff: Mark Ruzzin

Approval of Minutes:

The board considered the minutes of the November 13, 2018 meeting.

ACTION: Biff moved to approve the minutes of the November 13, 2018 meeting, as presented; Anne seconded the motion and it passed unanimously.

Treasurer's Report:

Bruce presented the monthly Treasurer's Report to the board. He reminded the board that it is likely that back in February the Colorado Department of Revenue mistakenly applied a \$5000 revenue payment to the LID, which will in all likelihood need to be returned. If this is indeed the case, it appears that 2018 revenue collections will run flat in comparison to 2017.

With no new funding requests to consider in 2018, the LID will have approved \$158,439 in requests over the year, or \$25,585 over the LID's approved budget of \$132,854. Bruce reminded the board that the deadline for 2018 reimbursement requests is January 15, 2019. Biff noted that he has some remaining reimbursements to submit on behalf on the NCAA for Rock and Rails.

The board asked Bruce a number of questions about the report to get clarity on the numbers and to better understand the potential 2018 overpayment. Mark explained that in the past when DOR has made overpayments to the LID, it has taken anywhere from 9-12 months for the mistake to be corrected. The correction will be made by reducing a future revenue transfer to the LID by the amount of the overpayment.

Bruce reminded the board of the LID's reserve policy, which is to hold \$60,000 in reserve. As reported in September, entering 2018 the LID's reserve sat at \$135,470. The budget supplemental of \$25,585 will reduce the reserve to about \$109,000. If the LID does end 2018 with about \$180,000 in sales tax collections, the reserve will then climb back up to about \$130,000.

2019 Budget Prep:

Bruce began this conversation with the board, to explore 2019 budget goals for the LID and strategies for tracking funding request approvals. Bruce walked the board through his proposal for various tracking categories and how they might be defined. All board members contributed to the conversation, discussing everything from economic development activities to events to marketing. For example, the

board discussed their interest in understanding the amount they commit to events and marketing, as two separate categories, as well as the amount spent each year on maintenance.

The board discussed using the categories and historical information (e.g., the funding request approvals from the previous year) to help them make decisions throughout the year on what requests to approve.

The board spent some time discussing the anticipated 2019 NBA budget as presented to the LID in November, and how the NBA's proposals could impact the LID's 2019 spending decisions. Scott made the point that the NBA is proposing an increase in its budget from 2018 to 2019, while the LID should prepare for its annual revenue collections to be flat. Carrie clarified that in her mind the anticipated NBA budget is a wish list, and the LID will have time to evaluate the NBA's funding requests and make decisions on a case-by-case basis as to which NBA proposals to approve.

The board discussed the idea of setting percentage goals for the various budget categories to use as guidelines for making board funding decisions. Biff suggested revising the Funding Request Approval Form to include the categories so that the treasurer can assign approvals to specific categories, and that this information can be carried forward and applied to funding decisions that will be made at future meetings.

The board walked through an exercise where they reviewed the funding requests they approved in 2018 and assigned them to the funding categories of Maintenance, Events, Infrastructure, and Marketing/Advertising. The discussion was lively, but ultimately the board reached agreement on how they would categorize the 2018 funding requests.

The board acknowledged that while annual budgets may portray the LID's annual spending as marketing and events heavy, it's important to keep in mind that spending from the LID's reserve is in almost all cases infrastructure focused. Recent examples include the \$100,000 that was contributed to the county Transportation Department for the connectivity improvements that have been made in Old Town, \$40,000 for the Second Avenue bump-out, and the \$194,000 spent to purchase the parking lot property.

The board agreed that historical data and the budget categories will help the LID make informed decisions regarding funding requests and help the board place decisions in context to current circumstances and potential future needs as it relates to the LID's reserve.

The board had a short discussion regarding the LID's strategic plan and its implementation. Specifically, the board spent time discussing their ability to measure the impact of the LID's investments in events and marketing efforts.

Mark suggested that in respect to measuring the impact of LID spending, the Downtown Boulder Partnership or the Longmont Downtown Development Authority, both of which oversee revenues collected through a business improvement district and a general improvement district, respectively, may have some tools that they use to evaluate the impact of their work and guide future decision making. Mark also suggested that it may be worth the board taking some time to review the LID's strategic plan and decide which aspects it would like to emphasize in respect to implementation, and then take steps toward achieving those priorities.

The board discussed the fact that two new members will be joining the board in March, and expressed their belief that it will be important to help these new members understand the role of the LID and the decision-making processes it utilizes to do its work.

The board began discussing the 2019 budget and how to apply the four categories to its funding decisions. Currently, the LID's annual budget is set at 80% of anticipated sales tax revenues, with 20% designated to go to the LID's reserve fund.

Harris suggested that there may be more than \$135,000 in the LID reserve fund. Mark suggested that once 2018 closes out, he can work with county staff to reconcile the numbers and get clarity on the LID reserve.

Board members spent time reflecting on the current process and the events and other activities supported but the LID, and expressed general agreement that things are working well.

The board settled on the following four categories:

1. Events
2. Infrastructure
3. Maintenance
4. Marketing/Advertising

The board agreed to track 2019 funding request approvals to these categories as an important data point for board decision making.

The board spent time discussing how much autonomy it has in considering the slate of events that are being discussed for 2019; the role the board plays in shaping and influencing the requests that are brought to it; and other aspects of its work.

New Business:

Scott mentioned that Niwot was just ranked nineteenth best place to raise a family in Colorado by the Colorado Business Journal.

Mark mentioned that two seats will be open on the board beginning next year: Carrie's seat, and Jay's seat, which has been vacant since his resignation from the board in November. The county board and commission recruitment period begins on December 7 and will run through January 11. Mark will send board members a link to the recruitment webpage; interested individuals will need to apply online through the county website.

Mark also mentioned that as a result of the summer U.S. Supreme Court ruling regarding the collection of internet sales taxes, Colorado businesses will begin collecting local sales taxes on internet sales. There is a possibility that, as a result, the LID may see an increase in sales taxes from internet sales.

Mark reminded the board that in the summer of 2019 the LID is scheduled to complete a parking utilization study.

Mark noted for the record that the January meeting will be held Tuesday, January 8, 2019, at the Niwot Emporium.

Anne reminded the board that the community has until Friday to vote for the People's Choice Award as part of the Community Corner art project.

Old Business:

Biff reported that Rock and Rails raised \$52,024 during its 2018 season.

The meeting was adjourned at approximately 9:00 p.m.