

2010 budget axe falls on Chamber, EDC

By Jeanne Davant

Manitou Springs City Council on Tuesday whacked \$25,000 earmarked for economic development from its proposed 2010 budget but allowed a \$110,000 item for expansion of the pool's weight room to remain.

In yet another tinkering session, Council members also added funding for a full-year city administrator and other items before approving on first reading the official budget and mill levy ordinances for next year.

Finance Director Mike Leslie first gave Council the good news: September's taxable sales jumped nearly 25 percent as compared with September 2008. For the year to date, the city is now running only 0.4 percent behind 2008 in taxable sales.

Although the report was encouraging, it was only slight comfort to Council members, who are still grappling with a bare-bones budget and have philosophical differences about how to balance revenues and expenditures.

"We've brought you a balanced budget, but there's still a lot of work to do," he said.

The budget maintains the current level of medical benefits for city employees, a provision Council members have insisted upon. Leslie said it also includes \$110,000 from the Capital Improvements Fund for expansion of the weight room at the Aquatic Center. That item was restored, Leslie said, because "we felt it was a worthwhile revenue generator."

Some Council members questioned that, but they ultimately kept it in the budget and also asked Leslie to make further changes. Those items include:

Funding for a city administrator at an annual salary of \$96,000, starting in January. Leslie's latest budget version contained funding for an administrator beginning in July.

\$1,500 for expenses involved in recruiting a city administrator

\$1,200 in additional salary for the city prosecutor

\$1,500 to allow the Manitou Springs Chamber of Commerce to join the Cultural Office of the Pikes Peak Region, an organization that coordinates information about cultural services

Reductions of almost \$25,000 in the city's discretionary outlay to the Chamber and Economic Development Council.

Accountability and information about financial activities of the Economic Development Council and Chamber of Commerce have been a big issue with Council, and Leslie said he notified the EDC and Chamber early this week that the city was suspending disbursements of funds until they submitted audited financial statements. Both entities immediately complied, "to a degree," Leslie said. The organizations now will be required to submit their financial statements by July 1 of each year.

Leslie, who at a previous meeting told Council that they were funding the economic development organizations far in excess of what was required by law, reminded them that the Chamber has a reserve fund of more than \$130,000.

Three percent of general sales tax revenues, one and one-third percent of use tax collections, and 100 percent of lodging tax revenues are dedicated by law to economic development.

Chamber representatives sat silent and grim as the ax that has been hanging over the organization for a long time finally fell.

"I'm proposing we look at discretionary funding for economic development," newly elected Councilman Matt Carpenter said. "I would encourage (the Chamber and EDC) to work together but I would put that money back into the budget to allow us to hire a city administrator. I feel we have so many issues because people are overworked." (Leslie has been acting as city administrator in addition to his finance duties.)

Mayor-elect Marc Snyder agreed.

"We've spent 8.5 percent of our General Fund on economic development. I can't find any other jurisdiction that spends that much," Snyder said. "I value what these organizations do, but I do not feel that is a sustainable level."

Outgoing Councilman Tony Jones questioned those priorities.

"Do we really want to start cutting funds from the marketing organizations that work on the revenues that are 53 percent of our operating budget, to put in improvements to the pool?" he asked. "We're going to decrease funding in a time when they're already down. Rather than remain competitive, if we cut that department, we could possibly exacerbate our existing situation. We're still in a losing situation on the pool."

Snyder said the weight room addition was projected to yield revenues from rental of the space for events, classes and parties. Cox proposed that at least some of the funds for the pool addition could come from the Conservation Trust Fund but said before any actual disbursement is approved, she wanted to see a full business plan.

Leslie now is faced with incorporating the latest revisions into the budget before the second and final reading comes before Council on Dec. 8. A public hearing on the budget will be held that night.

"There is no cushion in this budget," cautioned an obviously weary Leslie as the discussion went on until nearly midnight Tuesday. He said the general fund balance amounted to less than one percent of revenues, whereas the Governmental Finance Officers Association recommends a balance that equals 15 percent of revenues. I'm going to be surprised if we're not in negative numbers at year-end."

Christmas in November

American Legion Eber Duclou Post 39 presented Finance Director Mike Leslie with checks to plug a couple of holes in the 2009 budget: \$600 each to cover city employee and volunteer appreciation.

"Several weeks ago, we read in the Pikes Peak Bulletin about your needs," Commander Ron LaCroix said. "We invest in several ways of helping people: veterans, their children and our community."

LaCroix also said the Legion will host a barbecue for city employees, police and firefighters on Dec. 24."

The Legion has quietly supported community activities and wants to become more involved. True to their word, they also are donating a flagpole, flags and flower box to Crystal Valley Cemetery.

"One of our duties is to honor veterans that are here and who have passed," Legionnaire Clint Roxell said. Since more than 100 veterans are buried at the cemetery, the Legion thought it was appropriate to install a flagpole for flying the American and POW-MIA flags near the entrance.

Roxell said the post has purchase solar lights for this flagpole and the one in Memorial Park. The Legion plans to build an 18-inch-high, manufactured stone planter near the flagpole at the cemetery.

"We'll need some help" in choosing appropriate plants, Roxell said, and Paul York, general manager of the Cliff House, immediately stepped up to the plate.

"We'd be willing to commit to the flowers, and you can use our gardener," York said. Council gratefully accepted the gifts.

Tattoo you in Manitou

Want to get a tattoo? You soon will be able to in Manitou Springs.

Council approved Jennifer Shurley's request to allow her to operate ManiTattoo Body Arts at 1007A Manitou Ave. The business will be open Tuesday through Sunday.

Shurley's application was approved by the Planning Commission, but commission members raised several broader issues during the approval process.

"There are concerns occasionally raised about the proliferation of certain types of businesses," Planning Director Dan Folke said. "If you had a high number of tattoo studios within small areas, you could limit (the number of) future businesses." The Planning Commission wants Council to look at such uses, particularly medical marijuana dispensaries.'

In other business, Council...

- Authorized a loan agreement with the Colorado Conservation Trust for purchase of the 40-acre Lee property as open space.
- Approved a contract with Echo Architecture LLC for supervision of Phase I of a construction project at the library.
- Okayed a \$2,500 contract with A-Reliable Roofing Co. to reroof the Schryver Park bathroom building.

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