

**TOWN OF DILLON
TOWN COUNCIL**

**WORK SESSION
Town Hall Council Chambers
5:00 p.m.
Tuesday, July 19, 2016**



AGENDA

1. **5:00 – 5:20 p.m.** Retail Marijuana Moratorium Discussion
2. **5:20 – 5:30 p.m.** Encroachment License Agreement Discussion
3. **5:30 – 6:00 p.m.** HC3 Discussion
4. **6:00 – 6:15 p.m.** EDAC – Architectural Guidelines
5. **6:15 – 6:30 p.m.** Park Sign Concept Discussion
6. **6:30 – 6:45 p.m.** Ballot Question Discussion
7. Staff Reports/Legislative Updates
 - a. Marina Manager’s Report – Bob Evans
 - b. Finance Director’s Report – Carri McDonnell
8. Council Member Comments and Committee Reports
 - a. Cemetery Advisory Committee – Kyle Hendricks
 - b. EDAC – Brad Bailey
 - c. Parks & Recreation Committee – Mark Nickel
9. Council Meeting Agenda Review
10. Other Business

NOTE: Public hearings are not held during Town Council Work Sessions. The public is invited to attend the Work Session and listen to the Council's discussion. However, the Council is not required to take public comments during Work Sessions. At the discretion of the Council, public comment may be allowed if time permits and, if allowed, public comment may be limited. No formal action will be taken by the Town Council at its Work Session.

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Memorandum

To: Mayor Kevin Burns & Dillon Town Council Members
CC: Tom Breslin, Town Manager
From: Bob Evans, CMM, Marina Manager
Date: 7/18/2016
Re: Marina Operations Update

The Dillon Marina is in full swing for the 2016 season. Summer has finally come to the Dillon Marina and Summit County. Our focus has switched from the service/repair side of our business to our rental customers.

We have been setting records for business volume the last few weeks. We have had some of the busiest the days the marina has ever seen, even busier than the record setting 2007 and 2015 season. With this said, the rental maintenance costs are up and the marina will need to overhaul or completely replace several of the marina pontoon boats.

The infrastructure at the marina is starting to show wear and tear from all the traffic as well. We need to look at replacing some of the concrete, building upgrades like new doors for the shop, retail area and new flooring in restroom building. The marina tractor will have to be replaced before haul out season. We are looking at ways to finance all of this as we start the budget process for 2017. I hope to pay for most of this through increased revenue.

The boat ramp has been very busy with day boaters, and we have extended ramp hours on weekends to help accommodate the increase in usage.

The Dillon Open is coming up the first weekend in August and the Junior Olympics the week before that. Come on down and partake in all the fun events.

Feel free to stop by anytime and talk to our friendly Marina staff if you have any questions, comments, or concerns. We look forward to seeing you.

Date: July 15, 2016
 To: Mayor Kevin Burns
 Town Council
 From: Carri McDonnell
 Finance Director
 Subject: Financial Report

SECOND QUARTER 2016 FINANCIAL REPORT

For comparison purposes, six months of 2016 have passed at 50%. The charts below are comparisons of the major funds to 2015. Total revenues are at 52.8% of the budget. Total expenditures are 32.7% of the budget for the first six months of the year.

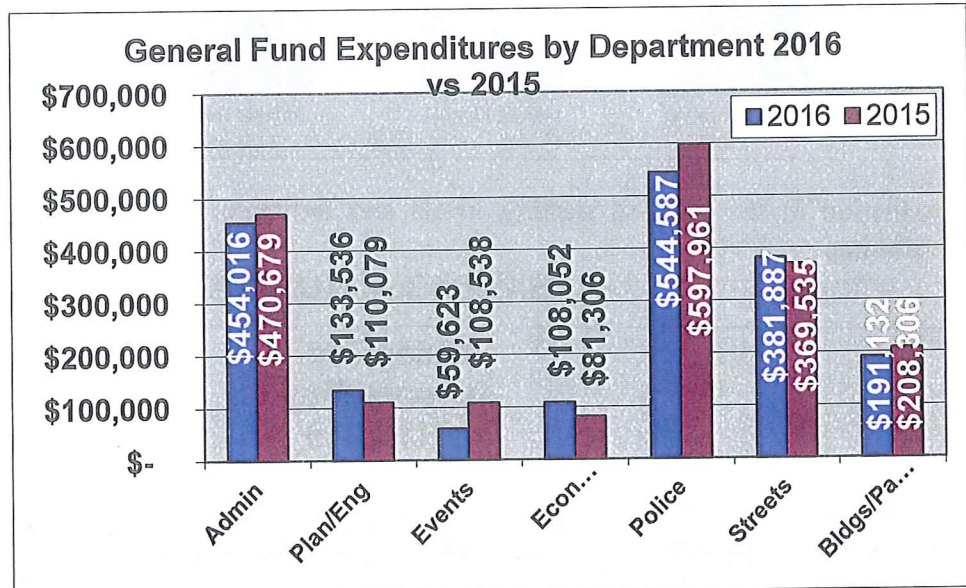
GENERAL FUND

Revenue Picture

Revenues are up from 2015 by \$245,634 or 10.2% and 57.8% of the 2016 budget amount. The increase comes from sales taxes collections, property taxes, park reservations and fines.

Expenditure Picture

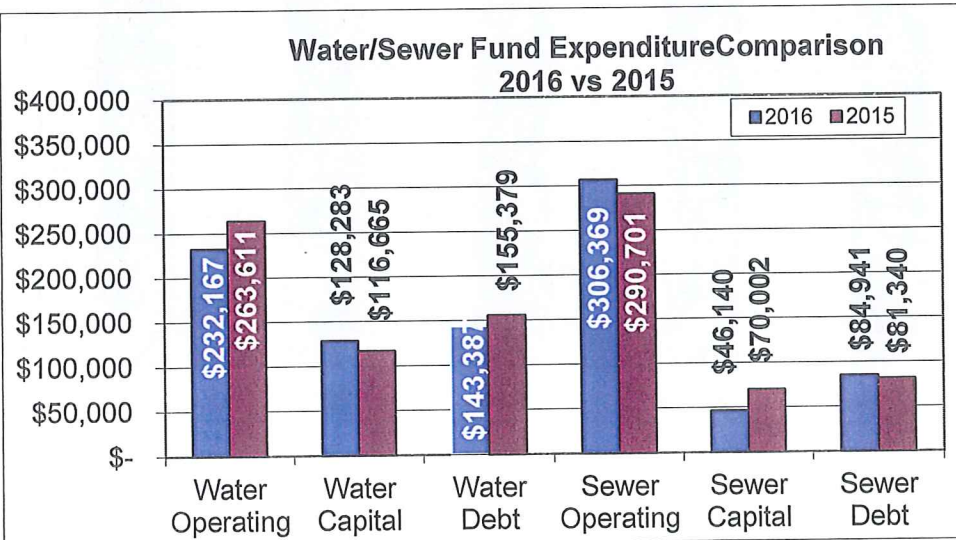
Expenditures are at 43% of the budget and down \$73,571 or 3.8%. Admin is down 3.5% due to a reduction in

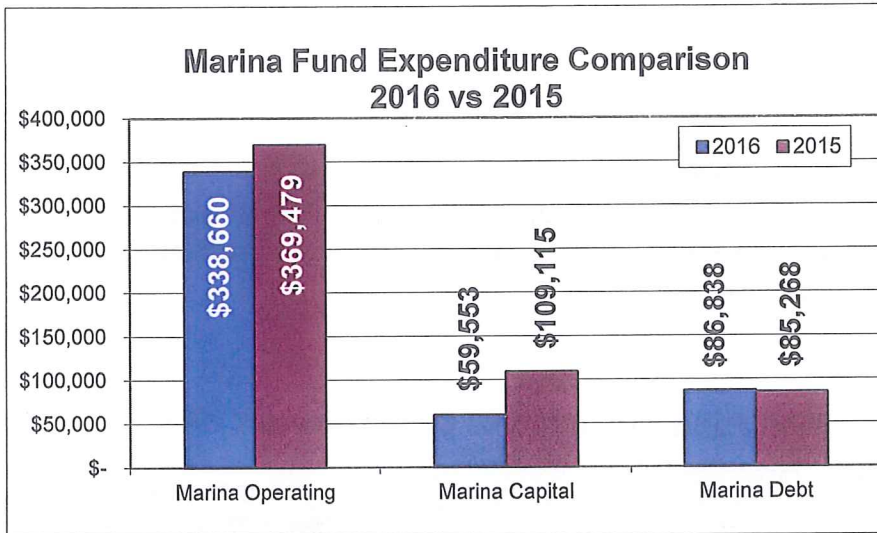


spending in legal and liquor/marijuana licensing. Events is down 45% due to timing of payments for the Saturday Concerts. Police is up down due to the reduction in costs for the Summit County Communications Center. Marketing/Economic Development is up due to the additional sales tax rebate agreements, website design and payroll increases in 2016. Streets is up due to payroll increases, vehicle repairs and snow and ice control supplies.

WATER/SEWER FUND –Water operating costs are at 47.3% of the 2016 budget and below 2015

by \$31,444 or 11.9%. The decrease comes from a reduction in spending for legal and the timing of liability insurance payments offset by payroll increases. Sewer operating costs are at 33.7% of the 2016 budget and up \$15,668 or 5.4% due to payroll increases and increased collection maintenance costs.





MARINA FUND – Revenue Picture

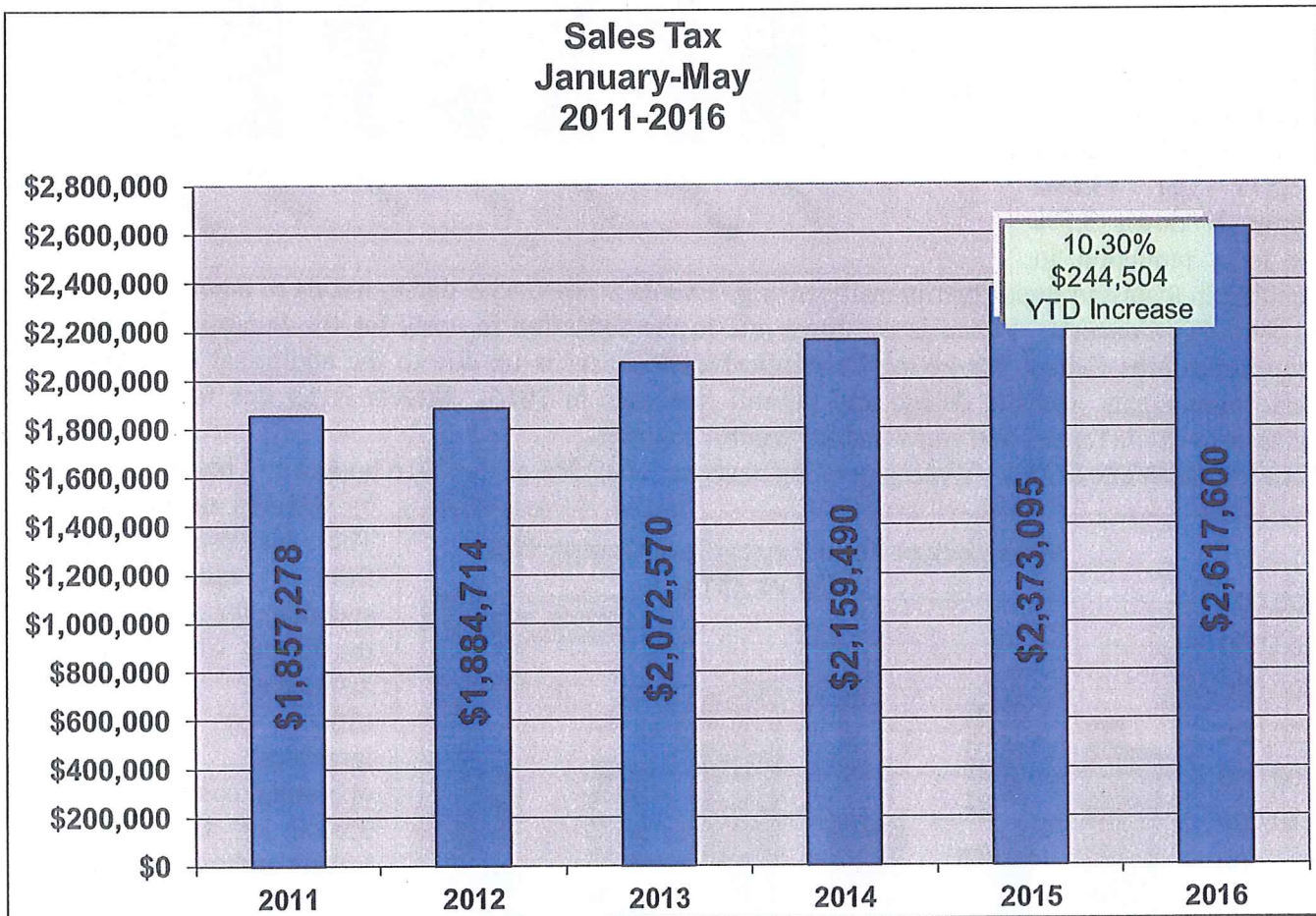
Marina revenues are below 2016 by \$3,632 or .65% and 45.5% of the budget amount. Service, slips and storage revenues are down from 2015 while boat rentals, fuel sales, touring and sailing school are up from 2015.

Expenditure Picture

The 2016 operating costs are also down from 2015 by \$30,819 or 8.3% and 39% of the 2016 budget. The decrease in operating costs comes from

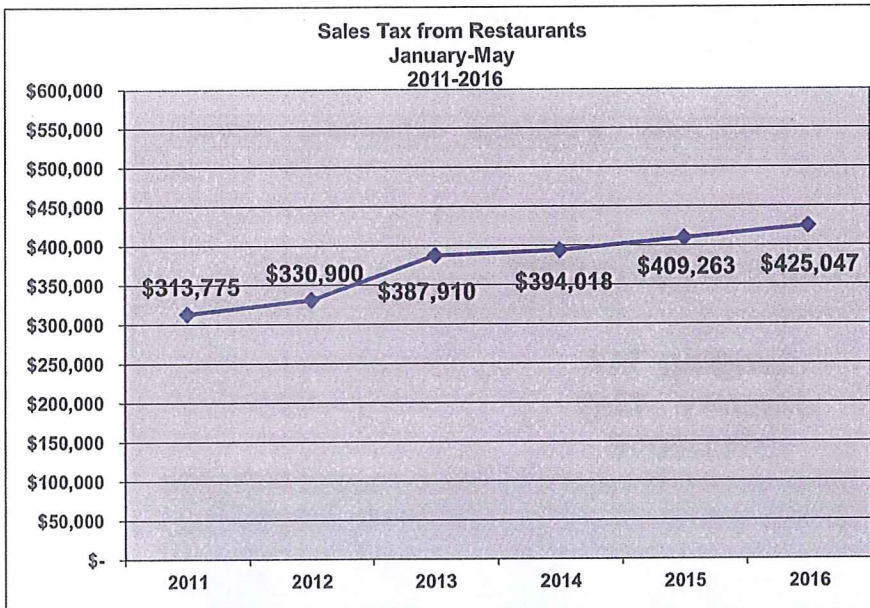
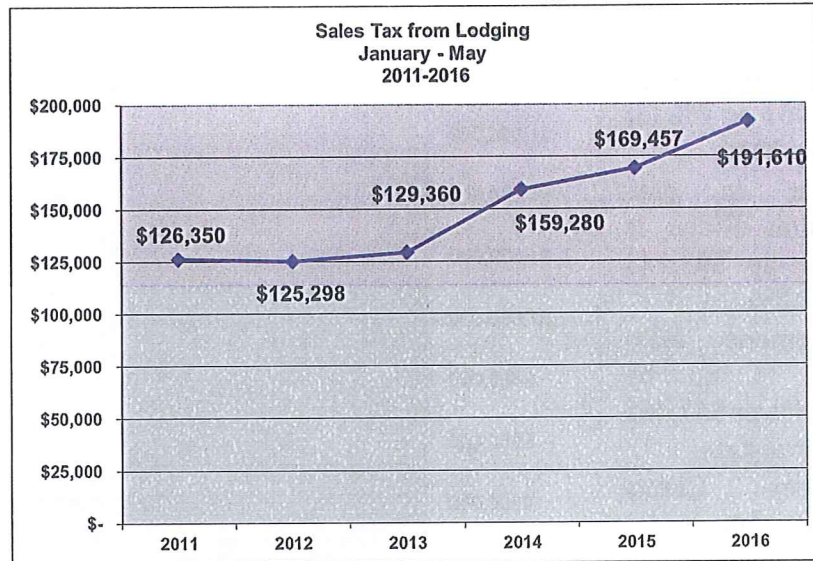
a reduction in the fulltime staffing levels and timing of payments for liability insurance and advertising.

SALES TAX REPORT



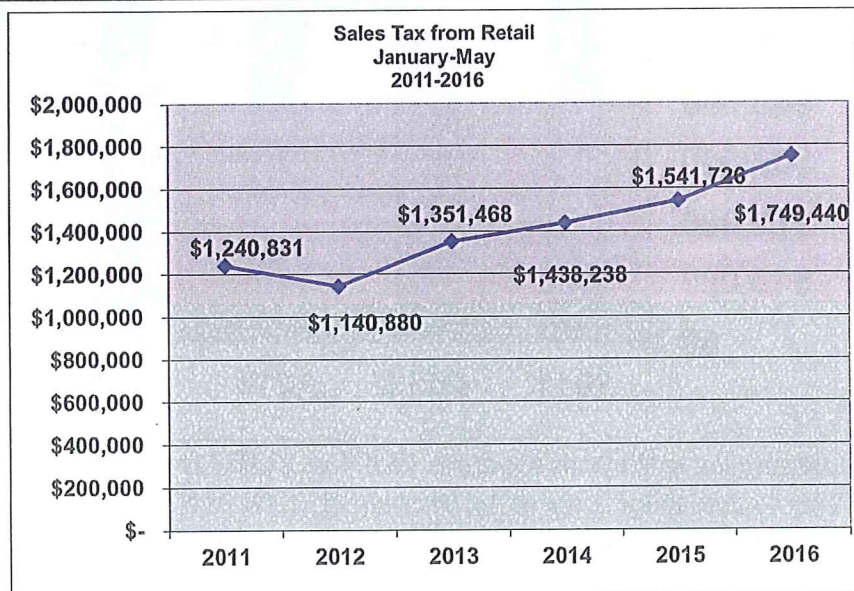
- May 2016 sales tax is up 2.9% or \$10,411 from May 2015.
- Year to date sales tax is up 10.30% or \$244,504.
- Sales tax collections are ahead of budget by \$318,729 for November 2015 through May 2016 collected in January to July 2016.

- Sales tax from lodging is down \$137 or 1% for May 2016 as compared to 2015.
- Year to date sales tax from lodging is up \$22,153 or 13%.

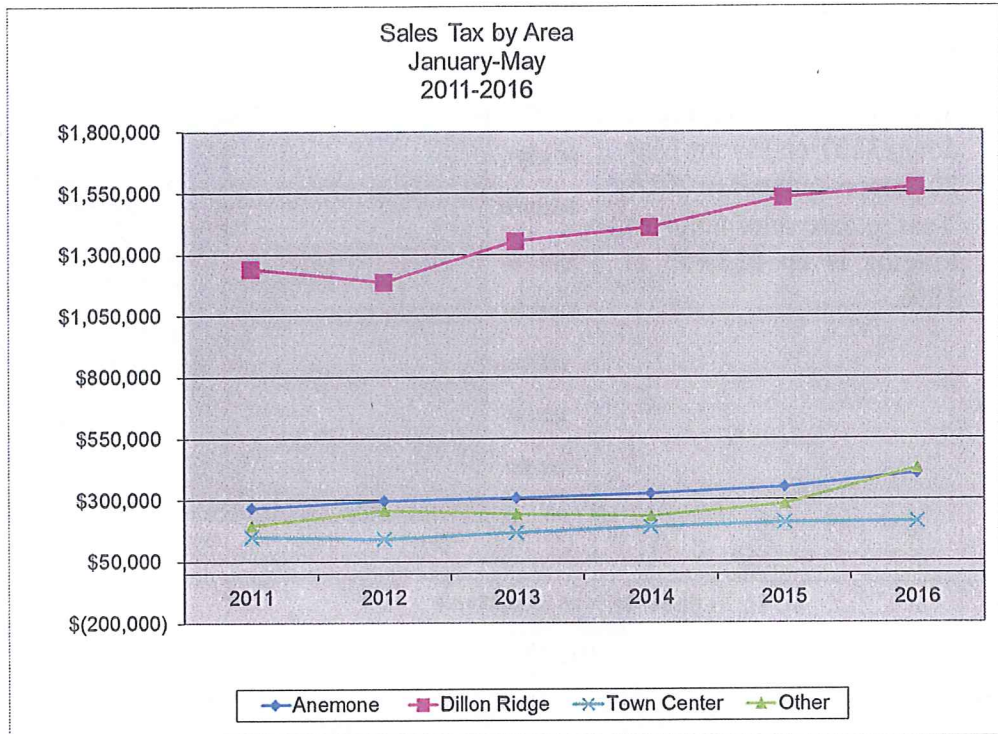


- Restaurant sales tax collections are up for May 2016 by \$3,642 or 6.2%.
- Year to date restaurant sales tax is up 3.9% or \$15,783.

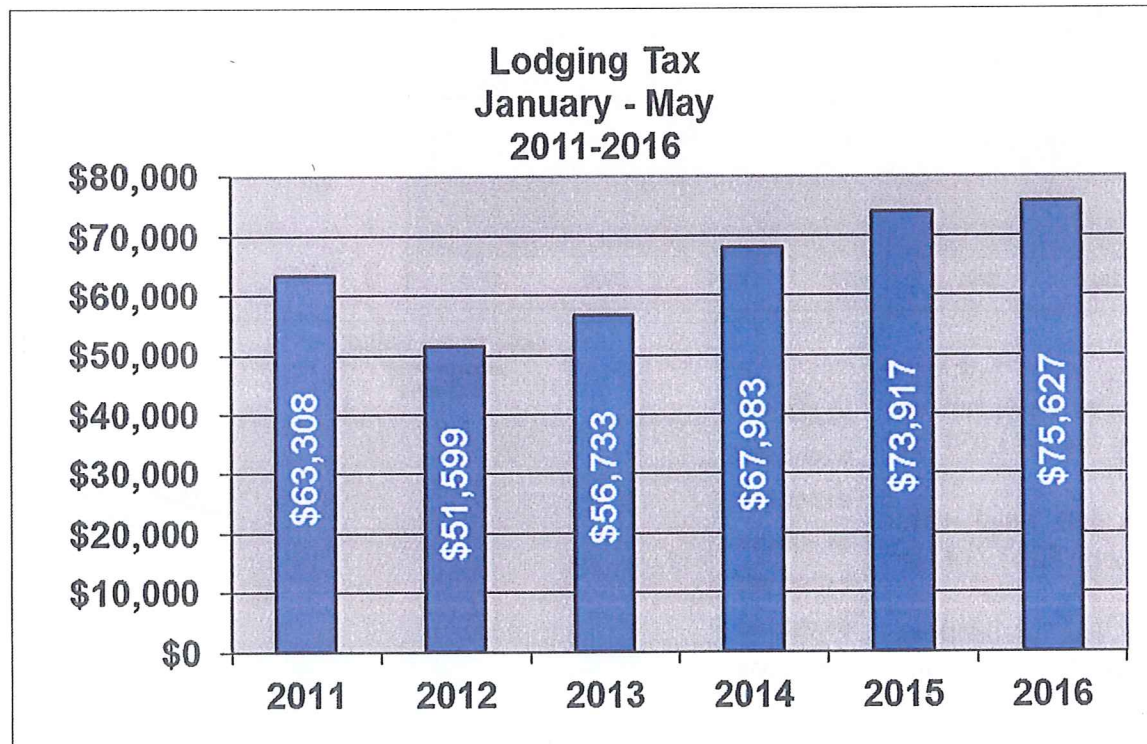
- Retail sales taxes are up for May by \$21,651 or 9.4%.
- Year to date retail sales tax is up \$207,714 or 13.5%.
- Excise Tax collections from retail marijuana totaled \$14,227 for the month of June. We are unable to compare that information to prior years to confidentiality.



- Dillon Ridge sales tax is down \$9,451 or 4% for May 2016.
- Year to date Dillon Ridge is still up \$43,143 or 2.8%.
- Anemone sales tax is up by 16.4% or \$57,488 year to date.
- Town Center sales tax is up \$6,262 (3%) year to date.
- The other areas of town are up 48.6% or \$137,611 year to date.



LODGING TAX REPORT



- Lodging tax collections are down 16.5% or \$1,023 for May 2016 over 2015.
- Year to date lodging tax collections are up 2.3% or \$1,710.
- Lodging tax collections are ahead of budget by \$5,703.

POTENTIAL 2016 SUPPLEMENTAL APPROPRIATIONS

Listed below are the potential supplemental appropriations for 2016. I will continue to keep the Council updated on these and any other items that may exceed the approved 2016 budget.

General Fund

- *Develop Mountain Lakestyle Guidelines* *\$20,000, to be determined*
- *Town Center Forestry Plan* *\$ 5,000, to be determined*
- *Well Being Program* *\$20,000, discussed at work session 4/5/16*
- *Winter Animation Program* *\$50,000, to be determined*

Housing 5A Fund

- *Housing Study Countywide* *\$3,000, discussed at work session*

TOWN OF DILLON
 FINANCE DIRECTOR'S REPORT
 June 30, 2016

FUND	BEGINNING CASH BALANCES	YTD REVENUES	YTD EXPENDITURES	ENDING CASH BALANCES
General	1,880,436.33	2,643,827.42	1,872,832.97	2,651,430.78
DURA	-	12,628.14	0.00	12,628.14
Capital Improvement	1,192,091.05	894,253.03	489,014.47	1,597,329.61
Street Improvement	1,206,838.50	504,765.95	206,825.15	1,504,779.30
Water	452,011.62	202,753.88	232,167.06	422,598.44
Water Plant Investment	1,512,909.56	261,838.96	271,669.85	1,503,078.67
Sewer	438,997.97	321,180.00	306,369.19	453,808.78
Sewer Plant Investment	387,593.00	101,004.28	131,080.92	357,516.36
Marina Enterprise	224,145.30	552,437.02	485,051.18	291,531.14
Parking Escrow	760.27	0.00	0.00	760.27
Conservation Trust	21,889.94	5,798.54	51,812.37	(24,123.89)
Housing Initiative 5A	470,218.72	63,928.09	11,292.00	522,854.81
Cemetery Perpetual Care	<u>80,312.84</u>	<u>12,426.99</u>	<u>0.00</u>	<u>92,739.83</u>
TOTALS	<u>7,868,205.10</u>	<u>5,576,842.30</u>	<u>4,058,115.16</u>	<u>9,386,932.24</u>

Town of Dillon
Cash/Investment Breakdown
as of June 30, 2016

<u>Bank</u>	<u>Type/Fund</u>	<u>Yield</u>	<u>Maturity</u>	<u>Amount</u>	<u>Protection</u>
Alpine Bank	Checking	N/A	N/A	300,796.03	FDIC
Alpine Bank	Investment	0.05%		4,687,646.52	agencies/securities
Colostrust Plus	Investment	0.61%		840,220.17	agencies/securities
Csafe	Investment	0.55%		793,342.56	agencies/securities
Solera Bank	Money Market	0.25%		108,050.75	FDIC
Solera Bank	Money Market	0.25%		1,858.91	FDIC
Solera Bank	Money Market	0.25%		143,005.86	FDIC
CWRPDA Escrow Acct	Money Market	0.01%		292,317.03	PDPA
Western States (Valley Bank)	CD	1.48%	7/18/2016	250,000.00	FDIC
Flatirons Bank	CD	0.35%	8/22/2016	95,000.00	FDIC
FirstBank of South Jeffco	CD	0.50%	1/12/2017	100,000.00	FDIC
Mountain View Bank	CD	1.25%	7/14/2017	245,000.00	FDIC
Redstone Bank	CD	1.10%	8/12/2017	100,000.00	FDIC
Redstone Bank	CD	1.50%	2/7/2018	99,694.41	FDIC
Wells Fargo	CD	1.10%	2/28/2018	249,000.00	FDIC
Compass Bank	CD	2.00%	10/30/2018	185,000.00	FDIC
Bankers Bank of the West	CD	1.25%	4/22/2019	150,000.00	FDIC
JP Morgan Bank	CD	1.25%	12/15/2019	248,000.00	FDIC
FNB Las Animas	CD	1.85%	8/21/2020	249,000.00	FDIC
Centennial Bank	CD	1.99%	5/4/2021	249,000.00	FDIC
TOTAL CASH/INVESTMENTS AS OF JUNE 30, 2016				9,386,932.24	
FDIC Protection				2,722,909.93	
PDPA Protection				342,813.06	
Agencies/Securities				<u>6,321,209.25</u>	
				<u>9,386,932.24</u>	

TOWN OF DILLON
BUDGET AND PREVIOUS YEAR COMPARISON
June 30, 2016

FUND	2016		2015		2016		2015	
	YTD Revenue	2016 Budget	% Earned	2015 YTD Revenues	2016 YTD Expenditures	2016 Budget	% Expended	2015 YTD Expenditures
General	2,643,827.42	4,570,795.00	57.84%	2,398,193.48	1,872,832.97	4,350,529.00	43.05%	1,946,404.21
Capital Improvement	894,253.03	1,554,542.00	57.53%	858,702.94	489,014.47	2,506,109.00	19.51%	657,207.58
Street Improvement	504,765.95	885,690.00	56.99%	2,477,292.23	206,825.15	1,611,394.00	12.84%	380,398.20
Water	202,753.88	508,543.00	39.87%	182,760.53	232,167.06	491,238.00	47.26%	263,611.15
Water Plant Investment	261,838.96	502,419.00	52.12%	254,486.40	271,669.85	765,231.00	35.50%	272,044.07
Sewer	321,180.00	668,916.00	48.01%	334,455.81	306,369.19	909,553.00	33.68%	290,701.26
Sewer Plant Investment	101,004.28	452,516.00	22.32%	100,090.70	131,080.92	547,721.00	23.93%	151,342.15
Marina Enterprise	552,437.02	1,214,000.00	45.51%	556,069.05	485,051.18	1,144,459.00	42.38%	563,861.65
Parking Escrow	0.00	-	0.00%	-	-	-	0.00%	-
Improvement District	0.00	-	0.00%	39,195.60	-	-	0.00%	2,590.24
Conservation Trust	5,798.54	68,504.00	8.46%	4,633.17	51,812.37	54,000.00	95.95%	18,200.00
Housing Initiative 5A	63,928.09	105,128.00	60.81%	54,970.23	11,292.00	23,441.00	48.17%	11,762.00
Cemetery Perpetual Care	12,426.99	3,200.00	388.34%	7,082.32	-	2,000.00	0.00%	(500.00)
TOTALS	5,564,214.16	10,534,253.00	52.82%	7,267,932.46	4,058,115.16	12,405,675.00	32.71%	4,557,622.51

**TOWN OF DILLON
SALES TAX REPORT**

<u>MONTH</u>								
	<u>2016 TAX PAID</u>	<u>2015 TAX PAID</u>	<u>\$ DIFF 16-15</u>	<u>% DIFF 16-15</u>	<u>2016 Y T D</u>	<u>2015 Y T D</u>	<u>\$ DIFF 16-15</u>	<u>% DIFF 16-15</u>
Jan	583,169	527,583	55,585	10.54%	583,169	527,583	55,585	10.54%
Feb	590,566	537,929	52,637	9.79%	1,173,735	1,065,512	108,222	10.16%
Mar	652,000	587,970	64,030	10.89%	1,825,735	1,653,482	172,252	10.42%
Apr	425,642	363,801	61,841	17.00%	2,251,377	2,017,284	234,093	11.60%
May	366,224	355,813	10,411	2.93%	2,617,601	2,373,097	244,504	10.30%
June		450,259						
July		571,636						
Aug		542,279						
Sept		615,244						
Oct		398,631						
Nov		411,039						
Dec		711,704						

TOWN OF DILLON
GENERAL FUND
SALES TAX COLLECTIONS 72.40%

MONTH EARNED	MONTH COLLECTED	2015 BUDGET	ACTUAL COLLECTION	VARIANCE FAVORABLE (UNFAVORABLE)
NOV '15	JAN '16	266,946	265,662	(1,284)
DEC '15	FEB '16	397,890	459,955	62,065
JAN '16	MAR '16	342,850	377,076	34,226
FEB '16	APR '16	350,092	380,999	30,907
MAR '16	MAY '16	382,456	422,013	39,557
APR '16	JUN '16	236,737	274,849	38,112
MAY '16	JUL '16	232,066	237,169	5,104
JUN '16	AUG '16	293,648		
JUL '16	SEP '16	372,290		
AUG '16	OCT '16	354,176		
SEP '16	NOV '16	400,547		
OCT '16	DEC '16	<u>262,246</u>		
		\$ 3,891,944	\$ 2,417,724	\$ 208,687

CAPITAL IMPROVEMENT FUND
SALES TAX COLLECTIONS 26.14%

MONTH EARNED	MONTH COLLECTED	2015 BUDGET	ACTUAL COLLECTION	VARIANCE FAVORABLE (UNFAVORABLE)
NOV '15	JAN '16	96,457	95,917	(\$539)
DEC '15	FEB '16	143,772	166,067	\$22,295
JAN '16	MAR '16	123,884	136,143	\$12,259
FEB '16	APR '16	126,501	137,559	\$11,058
MAR '16	MAY '16	138,195	152,368	\$14,172
APR '16	JUN '16	85,541	99,234	\$13,693
MAY '16	JUL '16	83,854	85,630	\$1,776
JUN '16	AUG '16	106,106		
JUL '16	SEP '16	134,522		
AUG '16	OCT '16	127,976		
SEP '16	NOV '16	144,732		
OCT '16	DEC '16	<u>93,645</u>		
		\$ 1,405,185	\$ 872,919	\$ 74,714

TOWN OF DILLON
STREET IMPROVEMENT FUND
SALES TAX COLLECTIONS 1.46%

MONTH EARNED	MONTH COLLECTED	2015 BUDGET	ACTUAL COLLECTION	VARIANCE FAVORABLE (UNFAVORABLE)
NOV '15	JAN '16	5,387	5,357	(\$30)
DEC '15	FEB '16	8,030	9,275	\$1,246
JAN '16	MAR '16	6,919	7,604	\$685
FEB '16	APR '16	7,066	7,683	\$617
MAR '16	MAY '16	7,718	8,510	\$792
APR '16	JUN '16	4,778	5,543	\$764
MAY '16	JUL '16	4,683	4,783	\$99
JUN '16	AUG '16	5,926		
JUL '16	SEP '16	7,513		
AUG '16	OCT '16	7,148		
SEP '16	NOV '16	8,084		
OCT '16	DEC '16	<u>5,231</u>		
		\$ 78,484	\$ 48,755	\$ 4,173

STREET IMPROVEMENT FUND
.5% DEDICATED SALES TAX COLLECTIONS

MONTH EARNED	MONTH COLLECTED	2015 BUDGET	ACTUAL COLLECTION	VARIANCE FAVORABLE (UNFAVORABLE)
NOV '15	JAN '16	45,130	44,102	(\$1,028)
DEC '15	FEB '16	67,597	76,407	\$8,810
JAN '16	MAR '16	57,763	62,345	\$4,582
FEB '16	APR '16	58,197	64,325	\$6,128
MAR '16	MAY '16	63,884	69,109	\$5,225
APR '16	JUN '16	39,398	46,016	\$6,618
MAY '16	JUL '16	37,822	38,642	\$820
JUN '16	AUG '16	47,884		
JUL '16	SEP '16	61,490		
AUG '16	OCT '16	56,975		
SEP '16	NOV '16	66,375		
OCT '16	DEC '16	43,540		
		\$ 646,056	\$ 400,946	\$ 31,155

TOWN OF DILLON
2016

TOTAL SALES TAX (including .5% increase)

<u>By Category</u>	<u>MAY</u>	<u>MAY</u>	<u>Amount</u>	<u>%</u>	<u>YTD</u>	<u>YTD</u>	<u>Amount</u>	<u>%</u>
	<u>2016</u>	<u>2015</u>	<u>Difference</u>	<u>Difference</u>	<u>2016</u>	<u>2015</u>	<u>Difference</u>	<u>Difference</u>
Lodging	13,658.26	13,795.16	(136.90)	-0.99%	191,609.89	169,457.10	22,152.79	13.07%
Restaurant	62,718.07	59,075.97	3,642.10	6.17%	425,046.59	409,263.47	15,783.12	3.86%
Retail	251,509.99	229,858.60	21,651.39	9.42%	1,749,439.96	1,541,725.98	207,713.98	13.47%
Utilities	18,145.83	17,656.31	489.52	2.77%	113,290.04	113,057.27	232.77	0.21%
Other	11,644.16	6,790.12	4,854.04	71.49%	79,254.86	56,651.96	22,602.90	39.90%
Prior Month	8,547.47	28,636.37	(20,088.90)	-70.15%	58,959.02	82,939.67	(23,980.65)	-28.91%
Total by Category	366,223.78	355,812.53	10,411.25	2.93%	2,617,600.36	2,373,095.45	244,504.91	10.30%
<u>By Area of Town</u>	<u>MAY</u>	<u>MAY</u>	<u>Amount</u>	<u>%</u>	<u>Total</u>	<u>Total</u>	<u>Amount</u>	<u>%</u>
			<u>Difference</u>	<u>Difference</u>			<u>Difference</u>	<u>Difference</u>
Anemone Trail	48,396.11	44,592.34	3,803.77	8.53%	408,323.74	350,835.35	57,488.39	16.39%
Dillon Ridge	223,315.58	232,766.39	(9,450.81)	-4.06%	1,575,020.00	1,531,876.80	43,143.20	2.82%
Town Center	31,603.66	32,489.65	(885.99)	-2.73%	213,508.91	207,247.12	6,261.79	3.02%
Other	62,908.43	45,964.15	16,944.28	36.86%	420,747.71	283,136.18	137,611.53	48.60%
Total Area of Town	366,223.78	355,812.53	10,411.25	2.93%	2,617,600.36	2,373,095.45	244,504.91	10.30%

TOWN OF DILLON
LODGING TAX RECAP
2016

<u>MONTH</u>								
	<u>2016</u> <u>TAX PAID</u>	<u>2015</u> <u>TAX PAID</u>	<u>\$</u> <u>DIFF</u> <u>16-15</u>	<u>%</u> <u>DIFF</u> <u>16-15</u>	<u>2016</u> <u>YTD</u>	<u>2015</u> <u>YTD</u>	<u>\$</u> <u>DIFF</u> <u>16-15</u>	<u>%</u> <u>DIFF</u> <u>16-15</u>
Jan	16,139	17,155	(1,016)	-5.92%	16,139	17,155	(1,016)	-5.92%
Feb	17,101	17,327	(226)	-1.30%	33,240	34,482	(1,242)	-3.60%
Mar	29,796	25,237	4,559	18.06%	63,036	59,719	3,317	5.55%
Apr	7,400	7,984	(584)	-7.31%	70,436	67,703	2,733	4.04%
May	5,191	6,214	(1,023)	-16.46%	75,627	73,917	1,710	2.31%
June		12,029						
July		16,119						
Aug		13,893						
Sept		14,335						
Oct		7,368						
Nov		8,538						
Dec		22,040						

TOWN OF DILLON
2014 LODGING TAX COLLECTIONS - BUDGET COMPARISON
TOWN CENTER IMPROVEMENT PHASE II EXCISE TAX FUND

<u>MONTH</u> <u>EARNED</u>	<u>MONTH</u> <u>COLLECTED</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>Variance</u> <u>Favorable</u> <u>(Unfavorable)</u>
JAN '15	FEB '15	16,228	\$16,139	(\$89)
FEB '15	MAR '15	16,391	\$17,101	\$710
MAR '15	APR '15	23,874	\$29,796	\$5,922
APR '15	MAY '15	7,553	\$7,400	(\$153)
MAY '15	JUN '15	5,878	\$5,191	(\$687)
JUN '15	JUL '15	11,379		
JUL '15	AUG '15	15,248		
AUG '15	SEP '15	13,142		
SEP '15	OCT '15	13,561		
OCT '15	NOV '15	6,970		
NOV '15	DEC '15	8,077		
DEC '15	JAN '16	20,849		
		\$159,150	\$75,627	\$5,703

