



**BRECKENRIDGE TOWN COUNCIL
RETREAT**

Tuesday, October 30, 2012; 8:00 AM
One Ski Hill Place

ESTIMATED TIMES:

8:00-8:30am	I. BREAKFAST AND COFFEE	
8:30-9:00am	II. INTRODUCTION-JOHN WARNER/TIM GAGEN COUNCIL'S 'TOP TEN LIST' UPDATE	2
9:00-9:45am	III. FINANCIAL OVERVIEW AND PROJECTIONS	
9:45-10:00am	IV. BREAK	
10:00-11:00am	V. CIP REVIEW	
11:00am-12:00pm	VI. 2013 GENERAL AND EXCISE FUND BUDGET HIGHLIGHTS	
12:00-1:00pm	VII. LUNCH (PROVIDED)	
1:00-2:00pm	VIII. 2013 BUDGET HIGHLIGHTS CONTINUED	
2:00-3:00pm	IX. 2013 BUDGET: OTHER FUNDS Marketing Fund Golf Fund and Pro Forma Special Projects Fund Water Fund and Pro Forma Open Space Fund and Pro Forma Housing Fund and Pro Forma Conservation Trust Fund	
3:00-3:30pm	X. BREAK WITH ACTIVITY	
3:30-5:00pm	XI. ADDITIONAL DISCUSSION TOPICS Child Care Discussion Harris Street Community Center 2013 Council 'Top Ten'	4
	XII. MISCELLANEOUS ATTACHMENTS Solar Garden CIP Sheet	7
5:00pm	XIII. ADJOURNMENT	

Note: Public hearings are not held during Town Council Work Sessions/Retreats. The public is invited to attend the Work Session/Retreat and listen to the Council's discussion. However, the Council is not required to take public comments during Work Sessions/Retreat. At the discretion of the Council, public comment may be allowed if time permits and, if allowed, public comment may be limited. The Town Council may make a Final Decision on any item listed on the agenda, regardless of whether it is listed as an action item. The public will be excluded from any portion of the Work Session/Retreat during which and Executive Session is held.

MEMORANDUM



To: Mayor and Town Council
From: Town Manager's Office
Date: October 22, 2012
Subject: "Top Ten" Update for Fall Retreat

This memo will serve as a summary report of the progress made on the Council's "Top Ten" list for 2012. As noted below, considerable progress and outcomes have been achieved this past year on a majority of the Council's goals.

- 1) **Riverwalk Center** – Study of expansion of programming and business model for Riverwalk Center and Arts District. The consultant team of Semple-Brown was selected and has completed their stakeholder interviews. Consultants will present a preliminary report to the Council on November 13th and a second report in December. A community forum is scheduled for November 14th; final report is scheduled for January of 2013. Public engagement question has been posted on Engage Breckenridge.
- 2) **Admissions Tax** – This was removed from the list in May of 2012. The Mayor and others are continuing discussions with the ski area to seek out areas to collaborate and improve services such as transit.
- 3) **Old Harris Street Bldg (former CMC bldg)**. The Town has entered into the final contract with Anderson Halas Architects out of Golden, Co. An IGA with the County has been signed that describes the funding model for the anchor tenant being the South Branch Summit County Library, a campaign committee has been formed and meeting on a regular basis, and the Town is exploring uses for the currently non-programmed space in the building.
- 4) **Sustainable Breck Biz (formerly "Plastic Bags")** – The SustainableBreck Business Task Force was established in January 2012 consisting of representatives from various sectors of the business community (e.g., retail, restaurant, and lodging) with the responsibility of forming a green business certification program as well as investigating the feasibility and ideas to reduce the use of plastic bags. The task force has made recommendations for the implementation of a program to reduce the use of plastic bags. That recommendation has been presented to the Council and community feedback is being received prior to any final decision being made.

We currently have 17 businesses that have signed up for the sustainability and energy audit. All 17 will receive audits—which is part of the program. About 11 have already had the sustainability audit but most are still waiting for the energy audit. HC3 has also started "green coaching" with a few of the businesses. The Town dollars are going towards paying for the audits and the green coaching.

- 5) **Summit Stage** – Council continues to receive updates from James Phelps and Tim Gagen regarding Summit Stage issues and business. The Comprehensive Operations Analysis was just released in early October, no discussion has occurred reference the report or further action.

- 6) **Long Term Water Planning** – In addition to the ongoing Water Task Force meetings and work regarding potential pump back project, council thought it important to list this as a top 10 item so that other water rights issues and sustainability of current water system continue to be priorities for the future. Further discussion has been delayed by Colorado Springs. Preliminary planning has started on a 2nd water treatment plant for the Town.
- 7) **Traffic/Transit Management** – Council wanted this included as we continue w/proposed CIP projects (roundabouts) and other planning efforts that relate to in-town traffic management, as well as Highway 9 infrastructure/CDOT and potential I-70 issues, all under one inclusive “umbrella”. The ski area has re-branded six of their buses to match the design of the Town’s Free-Ride system. In addition the ski area has purchased the same radio system with GPS capability the Town uses for improved efficiencies. A new winter transit plan has been implemented and presented to the Council and part of that plan will include the implementation of the new “Where’s My Bus” technology prior to the end of this year. Planning is underway for the construction of the Four O’clock Rd/Park Avenue roundabout and CDOT has informed the Town construction will begin next year on the widening of Highway 9 from Tiger Road to Farmers Korner including the roundabout at Fairview. The final Feasibility Study for integration of services between Town Transit and the ski area was just released from Transit Plus. Tim Gagen continues to serve on the I-70 Coalition and also the High Performance Transportation Enterprise for the state.
- 8) **Fund Balances** – Council wanted to clarify the various discretionary and non-discretionary fund balances and ensure clearer understanding and commitment to what those are and how they are considered as part of our overall financial health. This was viewed as completed by the Council in May of this year.
- 9) **Public Engagement Process** - Staff conducted a series of meetings and outreach this past year to explore opportunities to initiate dialogue and better engage the community in topics of interest. Communication strategies were developed with the BRC, retail/restaurant, lodging groups, and local HOA’s. A communication preference survey was compiled and released that resulted in 194 respondents providing insight into their desired level and mode of communication. Staff research and contracted with *Mindmixer* to host an interactive web-based communication tool called “Engage Breckenridge”. This interactive site was launched on October 16th and is currently soliciting community feedback on four topics of interest. A mass marketing campaign is also underway for Engage Breckenridge to maximize community participation.

There is time scheduled towards the end of our fall retreat on October 30th to discuss the “Top Ten” for 2013. While we have made considerable progress on many of these goals, there is more to be done as we move into 2013. Staff would like to hear from the Council if there are modifications to the list for 2013.

TO: Breckenridge Town Council
FROM: Laurie Best-Community Development Department
RE: Breckenridge Childcare Scholarship Program
DATE: October 22, 2012 (for October 30th)

In 2008 the Town began funding a Childcare Scholarship program to assist local families with the cost of care. The program is administered by Early Childhood Options and the Town has committed to funding the program thru 2013. In March of 2011, a Task Force was organized to evaluate options for long term funding, to insure that Centers were effectively managing expenses/budgets, and to review and modify the program guidelines as necessary. This memo is intended to provide an overview of the program and of the Task Force recommendations/accomplishments.

PROGRAM BACKGROUND/OVERVIEW

Prior to 2008 the tuition rates that were charged at local Centers were not sufficient to cover the cost of providing care. Even with very low wages, the Centers could not cover their expenses without significant fund raising and financial support from the Town. All of the Centers struggled with their budgets both operation and capital, and with staff retention and quality. The Centers approached the Town in 2007 for assistance with budget deficiencies and with high staff attrition. Eventually a plan was developed by the Centers and endorsed by the Town Council. This plan included construction of a new Center, debt relief to the existing Centers, a salary supplement to the Centers (which expires in 2012), and the scholarship program for families.

The intent of the scholarship program is to provide need-based assistance to local families paying in excess of 12-15% of their income on childcare. In return for participation in the program, the Centers were required to improve teacher compensation based on qualifications and experience, and to pass the true cost of care onto the users through tuition. This resulted in some large tuition increases at the Centers during the first years of the program as they raised rates to a level at which they could cover their costs.

The goal of the scholarship program is to insure that quality care is accessible and affordable for all segments of the community, to improve school readiness, to reduce teacher attrition which impacts cost and quality of care, and to support more sustainable budgets for the Centers. This is consistent with the Town's Vision Plan because the benefits of quality childcare extend beyond the child and the family, to the community at large. It is estimated that the return on public investment in early childcare is \$13-\$19 for every \$1 spent. Early Childhood Options has estimated that childcare has a \$6.5 million economic impact on the local community. The scholarships help families stay in the high-cost community and these families create the sense of community and serve as the workforce necessary to sustain the economy. As of 2012 more than half of the children in care receive some scholarship, more lower income families are in care, the scholarship funds account for approximately 30% of the Center's revenues, and staff retention and certification has improved.

When the program was implemented in 2008 the Council agreed to fund the program thru 2013 with a transfer of approximately \$1 million per year into a dedicated fund. The annual cost of the scholarship

program has grown from roughly \$139,000 in 2008 to \$590,000 estimated in 2012. The difference in the amount allocated per year (approximately \$1m) and the annual cost of the program has been placed in a sustainability fund to sustain the program. The 2012 year end fund balance is projected to be \$2.7 million. Assuming the Town continues to contribute to the program thru 2013, it is estimated that the fund balance will be exhausted around the end of 2016.

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Children	0	88	142	173	230*	180 (est)
Budget (Jan-Dec)	0	\$139,917	\$297,520	\$353,020	\$500,000	\$590,000
Tuition	\$41/\$46	\$47/\$52	\$50/\$56	\$54/\$59	\$58/\$62	\$59/\$65

(* includes January 2011-August 2012 as the scholarship cycle was transitioned to match school year)

TASK FORCE RECOMMENDATIONS

The Task Force first met in March of 2011. Since then, we have worked on the program guidelines and on impacts/metrics, explored and discussed ways to manage and reduce Center expenses and the cost of care, and evaluated options for long term funding. Some of the basics are summarized below:

Program Guidelines-Policies and Procedures

In order to participate in the scholarship program families must:

- Live and/or work in the Upper Blue
- Maximum Household Income may not exceed 150% AMI
- Scholarship award is determined by the cost of care (depending on age of children and usage) and family income. The goal is that a family's share of the childcare expense does not exceed 13-15% of their income.
- In addition to other updates to the guidelines since the inception of the program, specific criteria and provisions have been put in place for unemployed parents who are actively looking for work vs. stay at home parents. The scholarship cycles and enrollment periods have also been changed to better align with school year and in general the eligibility criteria has been tightened up with an annual review and refinement of the program policies and procedures.

Cost of Care/Center Expenses:

The Centers are all working to reduce expenses while still providing quality care and competitive wages. In order to participate in the program the Centers must:

- Develop sustainable short and long term budgets (note the Centers are working towards common templates for short and long term projections)
- Strive to maintain fundraising programs to account for 3% of their budgets
- In addition to the original requirements, the Centers are now also required to utilize the Early Learning Venture's shared services platform for the CCCAP participants. This allows the Centers to retain autonomy and diversity while gaining economies of scale relative to tracking enrollment, demand, and billing processes. In addition to this cost savings measure, the Centers implement a variety of strategies, such as combining classrooms and automated child management systems, to control costs.

Long Term Funding/Oversite Recommendation:

The Task Force has concluded that a dedicated revenue stream to sustain the program is important. The Task Force evaluated both sales and property tax, and of the two tax options, prefer a sales tax on the November 2013 ballot. To sustain the program, it is estimated that approximately \$800,000 would be needed annually. This number is still being finalized by the Task Force, but in general it is based on an assumption that a 3% growth in expenses will be offset by a 3% annual increase in AMI. In order to generate \$800,000 annually the additional sales tax rate would be .24% which would increase the sales tax in Breckenridge to 8.515%. The alternative to a sales tax would be a property tax equal to 1.652 mils. It should be noted that this would add \$66/yr on a \$500,000 residential property and \$239/yr on a \$500,000 commercial property. The Task Force prefers the sales tax over property tax as they feel the program serves the local business community by supporting the local workforce and families.

Other Issues: The Task Force has invited other community members to participate in the Task Force meetings, specifically to assist by 1) evaluating the program policies and procedures to identify opportunities for improvement and insure the program continues to meet the needs of the community in a responsible way and by 2) acting as liaisons in the community to improve outreach. Since the program policies have been developed by a Task Force that is composed primarily of representatives from the Centers that benefit from the program, we felt it would be helpful to solicit additional input from the broader community. We have reached out to individuals with experience and ties to finance, lodging, restaurant, etc. These additional members are just now joining in the meetings and will be expected to participate for a limited time, most likely thru the election/campaign.

It should also be noted that a Council member has suggested that the Task Force consider “asset testing” in the eligibility requirements and to also consider limiting the eligibility criteria from live and/or work in the “Upper Blue” to live/and or work in “Breckenridge”. Since the program is overseen by the Housing/Childcare Sub-Committee, staff would recommend that these questions be fully vetted with the Task Force and then a recommendation can then be made to the Council sub-Committee.

SUMMARY

In order to place a citizen-initiated petition on the November 2013 ballot, the petition must be filed by late May 2013, so the Task Force hopes to finalize the ballot language (type and amount) around the first of the year, so the petition forms can be submitted in January, and signatures can be collected in February, March, and April. Approximately 600 signatures will need to be collected to place the question on the ballot. In order to meet this schedule, we are looking for feedback from the Council regarding the funding recommendation and the program in general. We would expect to finalize details based on your input and to review the final ballot language (and any program changes) with the Council sub-committee in January before submitting the citizen initiative petition forms.

**Town of Breckenridge
Capital Improvement Plan**

Project Name Solar Garden Panel Purchase
Department: Administration
Division:
Scheduled Start: 2013
Schedule Completion: 2013

Description:

This project would be to purchase 400 kW of the proposed Stillson and McCain Solar Garden Projects. Current estimates for the expense are between \$800k to \$1.6M depending on the price per kW.

Project Funding	2013	2014	2015	2016	2017	Total
Town Funds	1,600,000	0	0		0	1,600,000
Total	1,600,000	0	0		0	1,600,000

Project Costs	2013	2014	2015	2016	2017	Total
Design and Construction	1,600,000	0	0		0	1,600,000
Total	1,600,000	0	0		0	1,600,000