

**Blue Ribbon Commission – Phase II (BRC II)**  
**Meeting Summary**  
**December 17, 2009**

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Members Present: Susan Graf, Tom Hagerty, Dan King, Michelle Krezek, Beth Pommer, Jeff Wingert

Members Absent: Suzanne Jones, Michael Leccese, Dorothy Rupert, Rich Wobbekind

Staff Present: Peggy Bunzli, Bob Eichen, Paul Fetherston, Kathy McGuire, Jim Reasor, Patrick Von Keyserling

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Public Participation

- none

Welcome by Paul Fetherston

- Paul introduced the evening's agenda
  - Work on BRC II Final Report:
    - Review “Action Items” for Inclusion in BRC II Final Report
    - Refine Discussion of Earmarking and Revenues for Final Report
  - Review Timeline for Completion of BRC II Final Report

Action Items

- Kathy McGuire introduced process: green, yellow, red cards on each item. When yellow card discuss, if consensus not reached or further discussion needed, move item to “parking lot”. Group can wordsmith and reorder later.
- Refer to action steps list distributed by staff to BRC II for notes below.
- Items in section “What Services Should the City Provide?” (What is *effective?*): 1-include; 2-include; 3-include as edited and review Suzanne's comments; 4-include, change “periodically” to “annually”, add something about who pays; 5-include, list it after #1; 6-put in parking lot-needs clarification; 7-include, change “regular basis” to “annually”, with footnote indicating that frequency of review should be based on cost/benefit, change “reasonable” to “appropriate”; 8-include, add something to indicate that subsidy is appropriately accounted for in the correct department, change “periodically” to “annually”, with footnote indicating that frequency of review should be based on cost/benefit, eliminate “still”;
- Items in section “How Should the Services Be Provided?” (*Efficiency* of services): 9-include, remove “all or some”, add “periodically evaluate it for appropriate level of centralization”; 10-include, change wording to “city should identify service duplication across the city for appropriate consolidation”; 11-parking lot; 12-include, add private sector providers, reference consortium of cities;
- Paul explained staffing analysis committee function and process, Bob explained rationale for finding efficiencies in the process - ongoing analysis across city for future efficiency and culture change.

- Items in section “Organizational Policies that Influence Costs”: 13-include, add “total compensation”, talk about compensation goals; 14-include, eliminate sentence about Police and Fire unions, 14c-add “...support for managers to **objectively...**” and an accountability component, indicate that a cultural shift is needed; 15-include, add “and equipment”, combine 15 and 16, add land assets, evaluation of land assets, managing the value of assets; 17-include but clarify/define “community input”, add something about strong city manager form of government and that public input may not represent values of majority; 18-include but take out examples and reword with ideas of rainy day fund, tradeoffs, opportunities and/or no action or vision items considered in downturns.
- Additions to action list 1: General Fund (GF) transfers to other funds should be the exception and not the rule. When there is a transfer, it should be in line with recommendations of BRC I. - include; 2: All funds should pay share of city overhead costs and GF departments should identify and account for full costs - parking lot; 3: Review all land assets and evaluate benefit of selling off unused assets – include in 15/16 noted above; 4: Fleet?; 5: Update Financial Sustainability Plan every five years - include; 6: Policy changes should be evaluated for administrative and overhead costs - include; 7: Evaluate investment in technology to provide efficiencies - include; 8: Adopt a city wide mission/vision/guiding principles and roll up department goals into this - include; 9: Statement of influence in the political arena - parking lot; 10: mapping budget process – parking lot.
- The report should have summary section and some explanation of key recommendations
- Rich and Suzanne’s comments and wordsmithing will be included in revision.

#### Earmarking:

- Define earmarks-voter decided. Exclude grant funds.
- In addition to BRC I recommendations, BRC II would like to emphasize the following points (less absolute than BRC I):
- Basic agreement on Suzanne’s points, but not her first statement – this was true in the past but no longer reflects the current economic reality of ongoing limited resources.
- Make statement on the need for tradeoffs when there are earmarks, and the constraints earmarks place on city government. Public communication and education on this is very important. Realization that in current economic paradigm, there is a threshold of total taxes and fees voters will support and, in that total, earmarked amounts constrain ability of city government to provide services. If an earmark (or the extension of an earmarked tax) becomes a political issue, BRC II recommends looking for a compromise.

#### Other:

- Summary or introduction should include the following: a statement about difficult decisions and tradeoffs that have to be made in this era of limited resources in government finance; the importance of community input (define) and

communication to the community about tradeoffs; acknowledgement that the city of Boulder functions in a strong city manager form of government; the need for change in culture, shifting paradigms; reference to the fact that change is a constant and the need for the city to be proactive in meeting the challenges change presents; performance management; priority based budgeting; budget process recommendation mapping; total compensation, PFP; recognition of stimulus/response problems and understanding that the vocal few do not necessarily represent the majority.

Next steps:

- Staff to prepare draft, BRC II to review draft 1/28/2010, BRC II to finalize report 2/25/2010, study session to review report 3/30/2010 (docs to Council by 3/16/2010).

Adjournment.