



City of Ketchum

## CITY COUNCIL MEETING AGENDA MEMO

Meeting Date:  Staff Member/Dept:

Agenda Item:

Recommended Motion:

No formal motion, seeking Mayor and Council direction.

Reasons for Recommendation:

The attached presentation and documents are part of the Budget Development process. This update includes the remaining financial funds, with the exceptions noted in the presentation. The update will continue to build the baseline for a productive and informative Budget Development Workshop on June 24<sup>th</sup>. Mayor and City Council feedback is requested in order to prepare a final recommendation and complete presentation for the Budget Development Workshop.

Financial Impact:

No Financial Impact

Attachments:

1. Presentation Slides
2. General Fund Summary
3. General Fund Financial Forecast
4. FY 2026 CIP Project List




**FY 2026 Budget Development Update**

May 19, 2025

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**General Fund**

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## Draft FY 2026 General Fund Budget - Draft

### General Fund Summary

as of 5.13.25

**\*See Handout**

Revenue	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Total General Fund Revenue	\$ 15,056,677	\$ 15,302,134	\$ 19,084,763	\$ 12,021,980
Expenditures	2023 Actual	2024 Actual	2025 Budget	2026 Budget
Legislative & Executive	\$ 378,794	\$ 324,838	\$ 317,902	\$ 395,269
Administration	\$ 1,811,789	\$ 2,068,076	\$ 2,053,473	\$ 783,455
Clerk	\$ -	\$ -	\$ -	\$ 643,754
Community Engagement	\$ -	\$ -	\$ -	\$ 406,042
Finance	\$ -	\$ -	\$ -	\$ 510,501
Legal	\$ 203,458	\$ 265,388	\$ 257,802	\$ 250,000
Planning & Building	\$ 1,275,281	\$ 1,691,331	\$ 1,403,219	\$ 1,586,636
Non-Departmental	\$ 1,457,275	\$ 1,542,368	\$ 5,275,307	\$ 1,154,511
Facilities	\$ 967,810	\$ 948,516	\$ 1,243,597	\$ 1,310,078
Police	\$ 2,044,031	\$ 2,283,685	\$ 2,320,028	\$ 2,401,805
Fire & Rescue	\$ 2,802,957	\$ 3,221,081	\$ 3,488,815	\$ -
Streets	\$ 2,064,661	\$ 1,793,084	\$ 2,129,694	\$ 2,008,298
Recreation	\$ 534,865	\$ 517,362	\$ 594,926	\$ 571,631
Total Expenditures	\$ 13,540,922	\$ 14,655,728	\$ 19,084,763	\$ 12,021,980

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## Revenue Summary - Draft

- Allowed Property Tax Increase projected
  - Less \$750k, Fire District Promise
- LOT decreased from \$2.0M to \$1.2M
- Updated based on financial trends/projections
  - Increased development revenue
  - Increased interest revenue
  - Increased projected rental revenue
- Fire Plan Check Revenue adjusted
  - 50% reduction, pending contractual decision
- Fire Permit Revenue removed

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## Expenditure Summary - **Draft**

- Permitting contract adjusted based on historical experience
- Property Tax Contingency present (\$50k)
- Health Contingency present (\$80k)
- Policing contract projected at 4% increase over FY 2025
- Greater departmental detail
  - Admin
  - Clerk
  - Community Engagement
  - Finance
- Reductions as a result of the Fire District creation
  - No Fire Department Budget
  - Legal Fees projected to decrease
  - Insurance costs projected to decrease

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## Financial Forecast

**\*See Handout**

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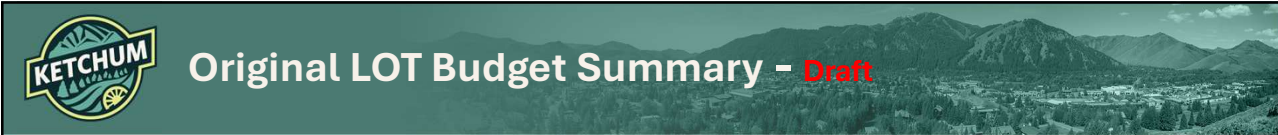


**LOT Funds**

*Original – Draft*  
*Additional – Draft*

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**Original LOT Budget Summary - Draft**

- Revenue
  - Increased budget based on historical collections
- Draft Expenditures
  - Consolidated Dispatch     \$TBD
  - Wagon Days                 \$197k
  - Transfer to CIP Fund       \$1.1M
  - Public Safety                \$1.2M
- Draft Partnerships
  - Mountain Humane          \$3k
  - Dark Sky Alliance          \$3k
  - SVED                         \$15k
  - Friends of Sawtooth Avy   \$10k
  - Mountain Rides             \$848k

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## Additional LOT Budget Summary - Draft

- Revenue
  - Increased budget based on historical collections
- Draft Expenditures
  - Air Service Contribution \$1.4M
  - Housing Contribution \$1.4M
  - Direct Costs \$66k

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## Other Funds

*Fire Bond Fund*  
*Housing In-Lieu Fund*  
*Trust Funds*  
*Housing Fund – June 2<sup>nd</sup> Meeting*

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## Fire Bond Fund - Draft

- Overview
  - Fire Station
  - Property Tax Revenue via general obligation bond
  - Estimated \$617k, both revenue and expense

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## In-Lieu Housing Fund - Draft

- Overview
  - Revenues collected via developers as an option to provide housing requirements
  - Expenditures are dedicated to housing initiatives
    - Projects are presented to City Council when identified

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## Trust Funds Summary - Draft

- Police Trust
  - Revenues collected via specific donation
  - Expenses dedicated law enforcement expenditures
- Parks Trust
  - Revenues collected via specific donation
  - Expenditures are dedicated to parks projects
- Development Trust
  - Revenues collected from contractors via performance bonds
  - Expenditures are a result of refunding the bonds when the project is completed

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## Capital Fund Project List

Draft – See Handout

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## General Fund Summary

as of 5.13.25

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Total Expenditures	\$ 13,540,922	\$ 14,655,728	\$ 19,084,763	\$ 12,021,980

City of Ketchum  
General Fund Financial Forecast

Version 05.13.25

General Fund Revenues

Revenue Source	FY 2024	FY 2025	W/O Fire Department FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Actual	Amended Budget	Current Status	Projected	Projected	Projected	Projected
1 Undesigned Fund Balance		\$8,032,793	\$3,954,170	\$3,954,170	\$3,864,961	\$3,682,160	\$3,401,187
2 Property Tax	\$5,142,852	\$5,285,263	\$4,693,698	\$4,846,243	\$5,003,746	\$5,166,368	\$5,334,275
3 Franchise Fees	\$622,730	\$624,638	\$665,500	\$678,810	\$692,386	\$706,234	\$720,359
4 Licenses & Permits	\$800,874	\$577,024	\$754,900	\$777,547	\$800,873	\$824,900	\$849,647
5 Grants	\$4,039	\$0	\$0	\$0	\$0	\$0	\$0
6 Highway State Share	\$339,141	\$195,071	\$250,000	\$255,000	\$260,100	\$265,302	\$270,608
7 Liquor Tax	\$362,218	\$395,000	\$395,000	\$402,900	\$410,958	\$419,177	\$427,561
8 Sales Tax Allocation	\$1,114,447	\$1,086,365	\$1,150,000	\$1,161,500	\$1,173,115	\$1,184,846	\$1,196,695
9 County Agreement/Shared	\$1,606,020	\$1,735,076	\$80,000	\$81,600	\$83,232	\$84,897	\$86,595
10 Charges for Services	\$1,311,632	\$728,900	\$929,053	\$956,925	\$985,632	\$1,015,201	\$1,045,657
11 Miscellaneous Revenue/Reimbursements	\$1,993,181	\$2,373,803	\$1,903,829	\$1,922,867	\$1,942,096	\$1,961,517	\$1,981,132
12 LOT Transfer & Reimbursement	\$2,005,000	\$2,005,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000
13 Total	\$15,302,133	\$15,006,140	\$12,021,980	\$12,283,392	\$12,552,139	\$12,828,442	\$13,112,527

General Fund Expenditures

Expenditure Type	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
	Prelim. Actual	Amended Budget	Projected	Projected	Projected	Projected	Projected
14 Personnel	\$7,545,466	\$8,316,959	\$5,879,607	\$6,114,791	\$6,359,383	\$6,613,758	\$6,878,309
15 Materials & Services	\$5,876,479	\$6,495,124	\$5,771,862	\$5,887,299	\$6,005,045	\$6,125,146	\$6,247,649
16 Operating Capital	\$207,487	\$207,430	\$23,000	\$23,000	\$23,000	\$23,000	\$23,000
17 Operating Contingency/Transfers	\$1,018,479	\$4,065,249	\$347,511	\$347,511	\$347,511	\$347,511	\$347,511
18 Total	\$14,647,911	\$19,084,763	\$12,021,980	\$12,372,602	\$12,734,939	\$13,109,415	\$13,496,469
19 Net Surplus/(Assumed Use of Fund Balance)	\$654,222	-\$4,078,623	\$0	-\$89,209	-\$182,800	-\$280,974	-\$383,941
20 Net Surplus to CIP Fund			\$0				
21 Total Fund Balance		\$3,954,170	\$3,954,170	\$3,864,961	\$3,682,160	\$3,401,187	\$3,017,245
22 17% Assigned Fund Balance	\$2,490,145		\$2,043,737	\$2,103,342	\$2,164,940	\$2,228,601	\$2,294,400
23 Projected Unassigned Fund Balance			\$1,910,433	\$1,761,618	\$1,517,221	\$1,172,586	\$722,846

\*Annual growth assumptions (revenues): Property Tax 3.25%; Franchise Fees, Licenses & Permits 3%; Highway & Liquor 2%; Sales Tax 1%  
\*Annual growth assumptions (expenses): Personnel 4.0%; Materials & Services 2.0%

## General CIP Fund (03)

### FY 2026 Budget Build

#### FY 2026 Budget

1	<b>Revenue</b>	<b>Revenue</b>	
2	03-3100-6100	IDAHO POWER FRANCHISE	\$ 300,000
3	03-3700-1000	INTEREST EARNINGS	\$ 25,000
4	03-3700-8701	TRANSFER FROM GENERAL FUND	TBD
5	03-3700-8722	TRANSFER FROM LOT FUND	\$ 1,073,600
6	03-3700-8798	URA FUNDING	\$ 2,600,000
7	03-3800-9000	FUND BALANCE	\$ 300,000
8		<b>Total Revenue</b>	<b>\$ 4,298,600</b>
9	<b>Expenditures</b>	<b>Expenditures</b>	
10	03-4193-7110	DOWNTOWN CORE SIDEWALK INFILL (P)	\$ 900,000
11	03-4193-7802	SNOW BLOWER	\$ 850,000
12	03-4194-7162	TOWN SQUARE REMODEL PHASE I	\$ 250,000
13	03-4193-7501	PUBLIC PARKING OPTIONS (P)	\$ 600,000
15	03-4193-7611	PAVEMENT MANAGEMENT PROGRAM (P)	\$ 600,000
16	03-4193-7199	LONG-TERM PLANNING & DESIGN (P)	\$ 150,000
17	03-4193-7180	POWER LINE UNDERGROUNDING (P)	\$ 88,600
18	03-4194-7120	ATKINSON PARK IRRIG UPGRADES	\$ 150,000
19	03-4193-7614	BOOM TRUCK	\$ 100,000
20	03-4193-7200	TECHNOLOGY UPGRADES	\$ 65,000
21	03-4210-7100	POLICE VEHICLE (NEW)	\$ 60,000
22	03-4193-7160	TOWN SQUARE ALLEY-ASPHALT	\$ 50,000
23	03-4193-7210	SUSTAINABILITY	\$ 50,000
24	03-4193-7615	STREETS READER BOARDS	\$ 45,000
25	03-4194-7156	ORE WAGON R&M	\$ 25,000
26	03-4194-7176	CITY HALL ELECTRICAL REPLACEMENT	\$ 15,000
27	03-4194-7161	VISITOR CENTER BUILDING R&M	\$ 300,000
28		<b>Total Expenditures</b>	<b>\$ 4,298,600</b>

(P) DENOTES PARENT PROJECT