



City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: Staff Member/Dept:

Agenda Item:

Recommended Motion:

No motion is requested at this time. Mayor and Council discussion and direction is needed to further the FY 2027 Budget Development process.

Reasons for Recommendation/Background:

The CIP has been a focus and consistent topic for over a year. The purpose of this discussion is to align the priorities of Mayor and City Council to the FY 2027 “starting point” project list as well as align those priorities to the “out years” (FY 2028 – FY 2032). This is the first discussion leading to a final FY 2027 list and an approved print version of the 5-Year list at the May 14, 2026, City Council meeting.

Staff will produce a draft project list as a result of the April 9, 2026, meeting and take that to the KURA board for input. The City’s CIP is heavily dependent on the partnership, and the KURA board input may alter what projects will be tied to their funding.

After KURA board input, a new draft will be sent to Mayor and City Council in preparation for the May 14, 2026, City Council meeting and final approval for the FY 2027 project list and preliminary approval for the “out years” (FY 2028 – FY 2032).

Sustainability Impact:

The FY 2027 Budget “Starting Point” maintains the partnership with the County regarding sustainability (~\$135k).

Financial Impact:

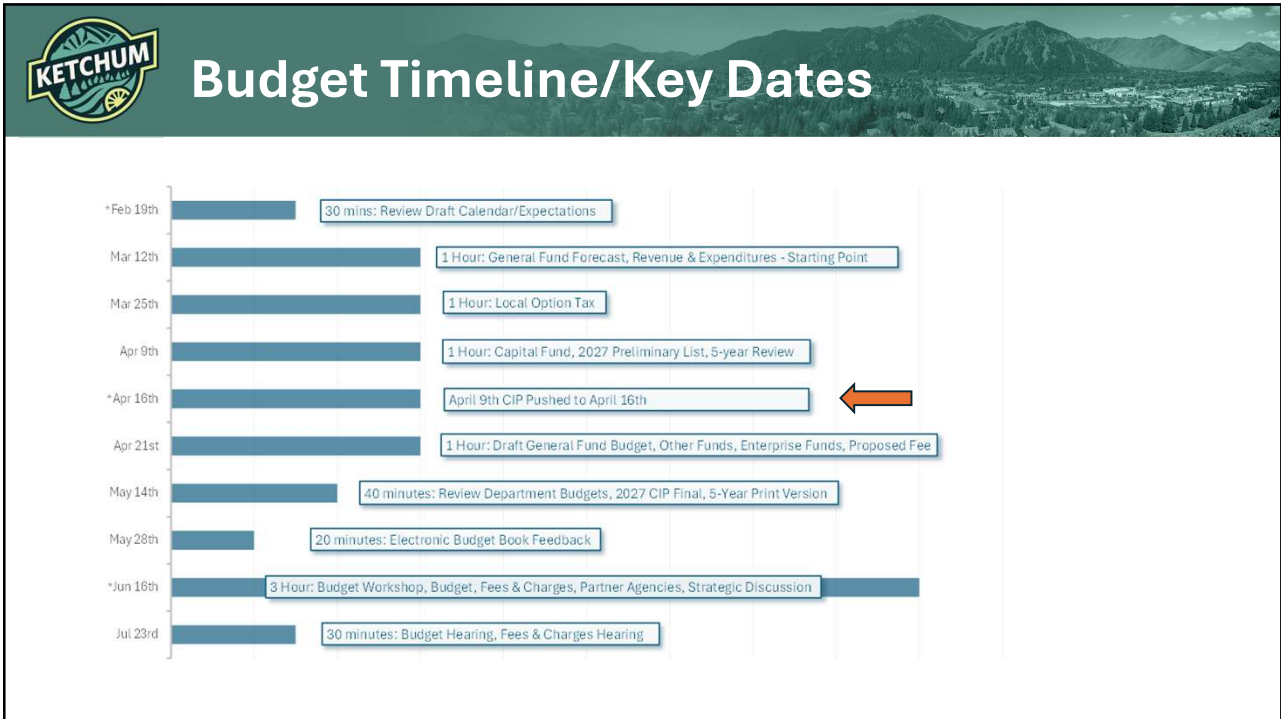
No financial impact at this time. However, resulting decisions will culminate in a proposed FY 2027 budget document, budget workshop, and budget hearing.

Attachments:

- 1. CIP Slide Deck
- 2. CIP Attachments/Handouts



FY 2027 Budget Development/Strategic Planning Capital Improvement Plan (CIP)





What have we heard?

Council Direction : “Needs Versus Wants”

- Streets repair/maintenance
- Equipment replacement
- Frugality regarding enhancements



CIP FY2027

- See handout

1	REVENUE	
2	IDAHO POWER FRANCHISE	\$ 300,000
3	INTEREST EARNINGS	\$ 25,000
4	TRANSFER FROM GENERAL FUND	\$ -
5	CIP FUND BALANCE (CARRY-FORWARD)	\$ 338,400
6	FY 2026 END OF YEAR GENERAL FUND TRANSFER	\$ 500,000
7	FY 2026 END OF YEAR ORIGINAL LOT TRANSFER	\$ 250,000
8	TRANSFER FROM LOT FUND	\$ 1,038,600
9	URA FUNDING	\$ 6,518,845
10	TOTAL REVENUE	\$ 8,970,845
11	EXPENDITURES	
12	DOWNTOWN CORE SIDEWALK (P)	\$ 900,000
13	PAVEMENT MANAGEMENT PROG (P)	\$ 2,000,000
14	POWER LINE UNDERGROUNDING (P)	\$ 150,000
15	FOREST SERVICE PARK COMMUNITY BUILDING	\$ 350,000
16	TECHNOLOGY UPGRADES/REPLACEMENT	\$ 65,000
17	SUSTAINABILITY INFRASTRUCTURE	\$ 50,000
18	REPLACE CITY TRASH CANS	\$ 10,000
19	TASERS	\$ 7,000
20	SH-75 PATHWAY CONSTRUCTION	\$ 500,000
21	ZAMBONI (USED)	\$ 60,000
22	TOOL CAT/BOBCAT REPLACEMENT (STREETS)	\$ 90,000
23	CRACK SEALER REPLACEMENT	\$ 100,000
24	MOWER REPLACEMENT (ADDED TO 2026 CARRY-OVER)	\$ 70,000
25	YMCA PARKING PHASE 2	\$ 800,000
26	SNOW BLOWER	\$ 818,845
27	HOUSING PROPERTY ACQUISITION	\$ 3,000,000
28	TOTAL EXPENDITURES	\$ 8,970,845
29	ANNUAL NET POSITION	\$ -



CIP FY2027 Revenue

Revenues	FY 2027
Idaho Power Franchise Fee	\$300,000
Interest Earnings	\$25,000
Transfer from General Fund	\$ -
CIP Fund Balance (FY2026 Carry-Over)	\$338,400
FY 2026 End of Year GF Transfer	\$500,000
FY 2026 End of Year Original LOT Transfer	\$250,000
Transfer from Original LOT Fund	\$1,038,600
KURA Funding	\$6,518,845
Total Revenue	\$8,970,845

- Pavement Management Program
 - Funded in FY 2027, concerns going forward
- Reliance on One-time Funds
 - FY 2026 CIP fund balance carry-over (\$328,400)
 - FY 2026 End of Year Commitments
 - One-time General Fund and Original LOT balance transfers (\$500,000 & \$250,000, respectively)
- Planned Original LOT transfer (\$1,038,600)
- Significant KURA funding (draft)
 - Pending KURA review & approval



CIP FY2027 Expenses

Expenditures	FY 2027
Downtown Core Sidewalk (P)	\$900,000
Pavement Management (P)	\$2,000,000
Power Line Undergrounding (P)	\$150,000
Forest Service Park Community Building	\$350,000
Technology Upgrades/Replacement	\$65,000
Sustainability Infrastructure	\$50,000
Replace City Trash Cans	\$10,000
Tasers	\$7,000
SH-75 Pathway Construction	\$500,000
Zamboni (Used)	\$60,000
Tool Cat/Bobcat Replacement (Streets)	\$90,000
Crack Sealer Replacement	\$100,000
Mower Replacement (FY2026 Carry-Over)	\$70,000
YMCA Parking Phase 2	\$800,000
Snow Blower	\$818,845
Housing Property Acquisition	\$3,000,000
Total	\$8,970,845

- Proposed KURA expenses (pending KURA Board Approval)
 - Sidewalks
 - Power undergrounding
 - Highway 75
 - Snowblower
 - Housing
- See handout for further breakdown of expenses



CIP 5-Year Forecast

• See handout

	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
1 REVENUE					
2 IDAHO POWER FRANCHISE	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
3 INTEREST EARNINGS	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
4 TRANSFER FROM GENERAL FUND	TBD	TBD	TBD	\$ 600,000	\$ 600,000
5 TRANSFER FROM LOT FUND	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
6 URA FUNDING	\$ 2,130,000	\$ 4,080,000	\$ 1,080,000		
7 TOTAL REVENUE	\$ 3,455,000	\$ 5,405,000	\$ 2,405,000	\$ 1,925,000	\$ 1,925,000
8 EXPENDITURES					
9 DOWNTOWN CORE SIDEWALK (P)	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000	\$ 900,000
10 PAVEMENT MANAGEMENT PROG (P)	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
11 POWER LINE UNDERGROUNDING (P)	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000
12 TECHNOLOGY UPGRADES/REPLACEMENT	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000	\$ 65,000
13 SUSTAINABILITY INFRASTRUCTURE	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
14 VAC TRUCK SWEEPER	\$ 500,000				
15 MINI SWEEPER (FACILITIES)	\$ 150,000				
16 REPLACEMENT DUMP TRUCK (STREETS)	\$ 300,000			\$ 350,000	
17 00' FLAT BED REPLACEMENT (STREETS)	\$ 70,000				
18 HOT PATCHER REPLACEMENT	\$ 100,000				
19 BIKE/PEP NETWORK PHASED IMPLEMENTATION*	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000
20 REPLACE CITY TRASH CANS		\$ 10,000		\$ 10,000	
21 TASERS		\$ 7,000		\$ 7,000	
22 POLICE VEHICLE REPLACEMENT (SAVINGS USED IN 2026)		\$ 90,000		\$ 90,000	
23 HOUSING PROPERTY ACQUISITION		\$ 3,000,000			
24 SADDLE & SH-75 UNDERGROUND PATHWAY (GRANT ASSUMPTION)		\$ 2,000,000			
25 LOADER REPLACEMENT (STREETS)		\$ 550,000			\$ 600,000
26 WARM SPRINGS/LEWIS ROUNDABOUT (GRANT ASSUMPTION)		TBD	TBD	TBD	TBD
27 VEHICLE REPLACEMENT (STREETS)		\$ 75,000	\$ 75,000		
28 PLOW REPLACEMENT (STREETS)				\$ 600,000	
29 RIFLE REPLACEMENT (MOVE TO 2026)					\$ 18,000
30 TOTAL EXPENDITURES	\$ 4,615,000	\$ 9,227,000	\$ 3,570,000	\$ 4,552,000	\$ 4,113,000
31 ANNUAL NET POSITION	\$ (1,160,000)	\$ (3,822,000)	\$ (1,165,000)	\$ (2,627,000)	\$ (2,188,000)



CIP 5-Year Revenue

Revenues	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Idaho Power Franchise Fee	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Interest Earnings	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Transfer from General Fund	TBD	TBD	TBD	\$600,000	\$600,000
Transfer from Original LOT Fund	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
KURA Funding	\$2,130,000	\$4,080,000	\$1,080,000	\$ -	\$ -
Total	\$3,455,000	\$5,405,000	\$2,405,000	\$1,925,000	\$1,925,000

- Current funding scenario is insufficient for expenses
- Average \$2.2M deficit/year
- No KURA funding in FY 2031 – 2032
- Assumed \$600,000 for General Fund transfer starting in FY 2031 (as result of KURA sunset)



CIP 5-Year Expenses

Expenditures	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Downtown Core Sidewalk (P)	\$900,000	\$900,000	\$900,000	\$900,000	\$900,000
Pavement Management (P)	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Power Line Undergrounding (P)	\$180,000	\$180,000	\$180,000	\$180,000	\$180,000
Technology Upgrades/Replacement	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000
Sustainability Infrastructure	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Vac Truck Sweeper	\$500,000				
Mini Sweeper (Facilities)	\$150,000				
Replacement Dump Truck (Streets)	\$300,000			\$350,000	
Flatbed Replacement (Streets)	\$70,000				
Hot Patcher Replacement	\$100,000				
Bike/Ped Network Phased Implementation	\$300,000	\$300,000	\$300,000	\$300,000	\$300,000
Replace City Trash Cans		\$10,000		\$10,000	
Tasers		\$7,000		\$7,000	
Police Vehicle Replacement (FY 2026 Savings)		\$90,000		\$90,000	
Housing Property Acquisition		\$3,000,000			
Saddle & SH-75 Underground Pathway		\$2,000,000			
Loader Replacement (Streets)		\$550,000			\$600,000
Warm Springs/Lewis Roundabout (Grant Assumption)		TBD	TBD	TBD	TBD
Vehicle Replacement (Streets)		\$75,000	\$75,000		
Plow Replacement (Streets)				\$600,000	
Rifle Replacement					\$18,000
Total	\$4,615,000	\$9,227,000	\$3,570,000	\$4,552,000	\$4,113,000

- Holds sidewalks at \$900/year (KURA funds FY 2028 – 2030)
- Holds streets at \$2M/year
- Assumes static Original LOT transfer of \$1M/year
- Estimated \$600k General Fund transfer starting in FY 2031 (KURA sunset)



CIP 5-Year Net Position

Line Item	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Revenue	\$3,455,000	\$5,405,000	\$2,405,000	\$1,925,000	\$1,925,000
Expenditures	\$4,615,000	\$9,227,000	\$3,570,000	\$4,552,000	\$4,113,000
Net Position	(\$1,160,000)	(\$3,822,000)	(\$1,165,000)	(\$2,627,000)	(\$2,188,000)

- Average \$2.2M deficit/year
- No KURA funding in FY 2031 - 2032



Council Direction/Discussion

- Projects Missing?
- Projects you don't support?
- Projects to progress to planning stage?
- Any other issues/comments?

- Building Demo on Main Street?
 - Facilitate New Sidewalk



Council Direction Urgent Planning Items

- Building Demo on Main Street?
 - Facilitate New Sidewalk
- Stop Signs
 - Public Engagement May
- Bike/Ped
 - Public Engagement may
 - Short-term focus
 - Neighborhood Connections (6th St, Leadville, WS)
 - 4th St. (repair & maintenance, east of Main Street)

**GENERAL CIP FUND
FY 2027 ANNUAL CIP**

	FY 2027
1 REVENUE	
2 IDAHO POWER FRANCHISE	\$ 300,000
3 INTEREST EARNINGS	\$ 25,000
4 TRANSFER FROM GENERAL FUND	\$ -
5 CIP FUND BALANCE (CARRY-FORWARD)	\$ 338,400
6 FY 2026 END OF YEAR GENERAL FUND TRANSFER	\$ 500,000
7 FY 2026 END OF YEAR ORIGINAL LOT TRANSFER	\$ 250,000
8 TRANSFER FROM LOT FUND	\$ 1,038,600
9 URA FUNDING	<u>\$ 6,518,845</u>
10 TOTAL REVENUE	\$ 8,970,845
11 EXPENDITURES	
12 DOWNTOWN CORE SIDEWALK (P)	\$ 900,000
13 PAVEMENT MANAGEMENT PROG (P)	\$ 2,000,000
14 POWER LINE UNDERGROUNDING (P)	\$ 150,000
15 FOREST SERVICE PARK COMMUNITY BUILDING	\$ 350,000
16 TECHNOLOGY UPGRADES/REPLACEMENT	\$ 65,000
17 SUSTAINABILITY INFRASTRUCTURE	\$ 50,000
18 REPLACE CITY TRASH CANS	\$ 10,000
19 TASERS	\$ 7,000
20 SH-75 PATHWAY CONSTRUCTION	\$ 500,000
21 ZAMBONI (USED)	\$ 60,000
22 TOOL CAT/BOBCAT REPLACEMENT (STREETS)	\$ 90,000
23 CRACK SEALER REPLACEMENT	\$ 100,000
24 MOWER REPLACEMENT (ADDED TO 2026 CARRY-OVER)	\$ 70,000
25 YMCA PARKING PHASE 2	\$ 800,000
26 SNOW BLOWER	\$ 818,845
27 HOUSING PROPERTY ACQUISTION	<u>\$ 3,000,000</u>
28 TOTAL EXPENDITURES	\$ 8,970,845
29 ANNUAL NET POSITION	\$ -

GENERAL CIP FUND
5-YEAR CIP
FY 2028 - 2032

	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
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31 ANNUAL NET POSITION	\$ (1,160,000)	\$ (3,822,000)	\$ (1,165,000)	\$ (2,627,000)	\$ (2,188,000)

* Neighborhood (2nd, 6th, Leadville, Warms Springs) / 4th St / North South New Connections