



CITY COUNCIL ACTION FORM

Department	Presented by	Date
Finance	Aimee Tihonovich - Finance Director	May 18, 2021

ITEM

1st Amendment to the 2021 Budget.

BACKGROUND

A budget is a planning tool and it's important to revisit the plan periodically to evaluate for updates. An amendment to the 2021 budget is deemed to be necessary to accommodate several updates as outlined in the attached resolution.

FISCAL NOTE

There is not impact to the bottom line in the 2021 budget since revenues are being amended for the same amount as expenses.

STAFF RECOMMENDATION

Staff recommends adopting the resolution.

SUGGESTED MOTION

After a hearing is held on the Budget Amendment, it is recommended that a City Councilperson make a motion to adopt Resolution 2021-15 to amend the 2021 budget.

CITY OF SALIDA, COLORADO
RESOLUTION NO. 15
(Series 2021)

**AN AMENDMENT TO RESOLUTION 2020-37 ESTABLISHING BUDGET AND APPROPRIATIONS BY FUND
FOR THE CITY OF SALIDA OPERATIONS FOR CALENDAR YEAR 2021**

WHEREAS, City Council adopted Resolution No. 2020-37, dated October 20, 2020 establishing the Budget and appropriations by fund for the City of Salida operations in calendar year 2021; and

WHEREAS, C.R.S. Section 29-1-109 requires that changes to the budget due to any transfer, supplemental appropriation, or revised appropriation be made by ordinance or resolutions; and

WHEREAS, this Council has determined an amendment to the 2021 budget and appropriations for the Housing Fund in the amount of \$720,000 is necessary to account for a pass through Federal Housing CDBG grant for the Salida Ridge housing project which was not anticipated at the time of budget adoption; and

WHEREAS, this Council has determined an amendment to the 2021 budget and appropriations for the General, Water, Wastewater and Streets Fund in the amounts of \$88,000, \$25,000, \$27,000 and \$16,000 respectfully is necessary to correct an omission in the budget. Late in the budget review process, the planned budget for retirement fund contributions was overwritten with zeros due to a system update and this error was not caught until just after the budget was adopted. This amendment restores the budget to the originally planned and historically correct amounts and will be funded with existing general fund revenues; and

WHEREAS, this council has determined an amendment to the 2021 budget and appropriations for the Capital Improvement Fund in the amount of \$274,000 is necessary to roll over funds originally budgeted in the 2020 budget but not spent by year end into 2021, such funds necessary for completing the skatepark. An additional amendment in the amount of \$10,000 is necessary in this same fund to fully fund an emergency repair necessary to the Aquatic Center's effluent flow metering, such repair's total cost to be \$60,000 with the majority of the repair cost (\$50,000) coming from anticipated savings in the 2021 budget; and

WHEREAS, this council has determined an amendment to the 2021 budget and appropriations for the General Fund is necessary to accommodate spending unanticipated donations in the amount of \$11,000 on the newly established K-9 unit of the Police department; to restore salaries at the aquatic center and parks to a level needed to effectively operate now that pandemic restrictions are easing in the amount of \$85,000; and to bring the minimum hourly pay of part time employees at the Pool, SteamPlant (excluding bartenders who also have tip income), and administration to \$15 per hour in reaction to the high cost of living causing recruitment and retention problems for a total cost of \$29,000; and

WHEREAS, this council has determined an amendment to the 2021 budget and appropriations for revenues is appropriate in the same amount as the overall expenditure amendment as \$11,000 in donations for the newly established K-9 unit mentioned previously have been received and sales tax

revenue projections were overly conservative at the time of budget adoption and increasing this budget by \$554,000 should be easily achievable.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Salida, Colorado that the budgets and appropriations by fund for Calendar Year 2021 be amended as follows:

Fund	Original Budget Reso No. 2020-37	Amendment	Amended Budget & Appropriation
Estimated Revenues:			
General Fund	\$ 8,410,000	\$ 332,320	\$ 8,742,320
Water Fund	\$ 6,114,600		\$ 6,114,600
Wastewater Fund	\$ 1,927,000		\$ 1,927,000
Conservation Trust Fund	\$ 62,000		\$ 62,000
Streets Fund	\$ 2,844,576	\$ 177,280	\$ 3,021,856
Capital Improvement Fund	\$ 1,951,500	\$ 44,320	\$ 1,995,820
Economic Development Fund	\$ 136,200	\$ 11,080	\$ 147,280
Lodging Tax Fund	\$ 420,000		\$ 420,000
Housing Fund	\$ 50,000	\$ 720,000	\$ 770,000
	<u>\$ 21,915,876</u>	<u>\$ 1,285,000</u>	<u>\$ 23,200,876</u>
Estimated Expenditures:			
General Fund	\$ 10,580,738	\$ 213,000	\$ 10,793,738
Water Fund	\$ 6,018,870	\$ 25,000	\$ 6,043,870
Wastewater Fund	\$ 2,633,814	\$ 27,000	\$ 2,660,814
Conservation Trust Fund	\$ 340,000		\$ 340,000
Streets Fund	\$ 3,748,792	\$ 16,000	\$ 3,764,792
Capital Improvement Fund	\$ 1,951,500	\$ 284,000	\$ 2,235,500
Economic Development Fund	\$ 247,000		\$ 247,000
Lodging Tax Fund	\$ 420,000		\$ 420,000
Housing Fund	\$ -	\$ 720,000	\$ 720,000
	<u>\$ 25,940,714</u>	<u>\$ 1,285,000</u>	<u>\$ 27,225,714</u>

APPROVED AND PASSED this 18th day of May, 2021 by a vote of _____ to _____.

CITY OF SALIDA, COLORADO

By: _____
P.T. Wood, Mayor

ATTEST:

Erin Kelley, City Clerk