



# CITY COUNCIL ACTION FORM

<b>DEPARTMENT</b> Finance	<b>PRESENTED BY</b> Aimee Tihonovich - Finance Director	<b>DATE</b> December 5, 2023
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## **ITEM**

Resolution 2023-52, a first amendment to the 2023 budget

## **BACKGROUND**

A budget is a planning tool and it is important to revisit the plan periodically to evaluate for updates. An amendment to the 2023 budget is deemed to be necessary to accommodate several updates as outlined in the attached resolution. Although not required by statute, it seems appropriate to reduce the budget in the Capital Fund to better show the timing of the fire station costs. That project has been rebudgeted in 2024 at the updated costs and only costs planned to be incurred in 2023 have been left in the 2023 budget.

## **FISCAL NOTE**

Not counting the \$10,500,000 decrease in the 2023 spending authorization for the firestation, this amendment increases spending in the 2023 budget by \$2,584,000; of this amount, \$1,400,000 (Poncha Blvd Phase II) is for spending done early to increase efficiency and save costs and will be paid for with future sales tax receipts; \$320,000 is a roll-over of funds budgeted in 2022 but not expended in that year; \$455,000 is spending offset with grant revenue; and the rest (\$409,000) is new spending determined after the budget was adopted.

## **STAFF RECOMMENDATION**

Staff recommends adopting the budget amendment resolution.

## **SUGGESTED MOTION**

After a hearing is held on the Budget Amendment, it is recommended that a City Councilperson make a motion to adopt the resolution to amend the 2023 budget.

**CITY OF SALIDA, COLORADO  
RESOLUTION NO. 52  
(Series 2023)**

**AN AMENDMENT TO RESOLUTION 2022-50 ESTABLISHING BUDGET AND  
APPROPRIATIONS BY FUND FOR THE CITY OF SALIDA OPERATIONS FOR CALENDAR  
YEAR 2023**

**WHEREAS**, City Council adopted Resolution No. 2022-50, dated October 18, 2022 establishing the Budget and appropriations by fund for the City of Salida operations in calendar year 2023; 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 resolution; and

**WHEREAS**, this Council has determined an amendment to the 2023 budget and appropriations for the General Fund in the amount of \$1,559,000 is necessary to account for a \$1,200,000 interfund loan to the Street fund to be fully paid back to the General Fund no later than December 31, 2025 for completing Phase II of the Poncha Blvd project; and to account for \$359,000 in increased cost associated with increasing the minimum wage paid to part time and seasonal employees at the aquatic center and the SteamPlant. Part of the increased pay cost is also attributed to the need to increase the number of lifeguards on duty at the aquatic center to meet best practice safety standards. This amendment will be funded partially with higher than anticipated recreation fee income and with reserves; and

**WHEREAS**, this Council has determined an amendment to the 2023 budget and appropriations for the Streets Fund in the amount of \$1,720,000 is necessary in order to account for a \$1,400,000 change order to the Poncha Blvd Phase II project approved by Council on June 20, 2023 which will finish the project sooner than originally anticipated; and to account for purchasing two plow/dump trucks with sanders in the amount of \$320,000 such purchase was originally anticipated in the 2022 budget but was not accomplished timely due to supply chain issues. This amendment will be offset with an interfund loan from the general fund and with reserves; and

**WHEREAS**, this Council has determined an amendment to the 2023 budget and appropriations for the Capital Improvement Projects (CIP) Fund decreasing spending in the amount of \$10,500,000 is warranted in order to better represent 2023 spending for the Firehouse project. This amendment will be offset with an equal reduction in the amount anticipated from financing draws on Certificates of Participation issued for this purpose; and

**WHEREAS**, this council has determined an amendment to the 2023 budget and appropriations for the Housing Fund in the amount of \$455,000 is necessary to account for work associated with the 1<sup>st</sup> and D Street condemnation and redevelopment plans, such costs to be offset with grant revenue not anticipated at the time of budget adoption; and to account for \$50,000 in spending associated with the continuation of the "Open Doors" program implemented in 2022 such costs to be offset by fees charged. Anticipated Revenue for the Short Term Rental (STR) tax (\$646,000) and License Fees (\$227,000) as well as associated

investment earnings (\$5,000) are included as increases to the Housing Fund revenues such taxes approved by citizens after the 2023 budget was adopted.

**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 2023 be amended as follows:

<b>Fund</b>	<b>Original Budget Reso No. 2022-50</b>	<b>Amendment</b>	<b>Amended Budget &amp; Appropriation</b>
<b>Estimated Revenues:</b>			
General Fund	\$ 11,604,251	\$ 147,000	\$ 11,751,251
Water Fund	\$ 3,240,027		\$ 3,240,027
Wastewater Fund	\$ 2,663,899		\$ 2,663,899
Conservation Trust Fund	\$ 74,000		\$ 74,000
Streets Fund	\$ 6,740,327	\$ 1,200,000	\$ 7,940,327
Capital Improvement Fund	\$ 16,706,267	\$ (10,500,000)	\$ 6,206,267
Economic Development Fund	\$ 191,317		\$ 191,317
Lodging Tax Fund	\$ 450,000		\$ 450,000
Housing Fund	\$ 380,000	\$ 1,638,000	\$ 2,018,000
	<u>\$ 42,050,088</u>	<u>\$ (7,515,000)</u>	<u>\$ 34,535,088</u>
<b>Estimated Expenditures:</b>			
General Fund	\$ 14,132,074	\$ 1,559,000	\$ 15,691,074
Water Fund	\$ 5,000,323		\$ 5,000,323
Wastewater Fund	\$ 2,662,264		\$ 2,662,264
Conservation Trust Fund	\$ 74,000		\$ 74,000
Streets Fund	\$ 7,607,898	\$ 1,720,000	\$ 9,327,898
Capital Improvement Fund	\$ 16,707,000	\$ (10,500,000)	\$ 6,207,000
Economic Development Fund	\$ 291,300		\$ 291,300
Lodging Tax Fund	\$ 450,000		\$ 450,000
Housing Fund	\$ 385,000	\$ 505,000	\$ 890,000
	<u>\$ 47,309,859</u>	<u>\$ (6,716,000)</u>	<u>\$ 40,593,859</u>

APPROVED AND PASSED this 5<sup>th</sup> day of December, 2023 by a vote of \_\_\_\_\_ to \_\_\_\_\_.

CITY OF SALIDA, COLORADO

By: \_\_\_\_\_  
Dan Shore, Mayor

ATTEST:

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City Clerk/Deputy City Clerk