



CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Finance	Aimee Tihonovich - Finance Director	October 3, 2023

ITEM

Public Hearing on the proposed 2024 budget

BACKGROUND

City Council reviewed a proposed budget at their September 18 worksession and that proposed budget has been available for public inspection since that date. A public hearing on the proposed budget should be held prior to adoption of the budget by Council. An overview of the proposed budget will be provided at this meeting and public comment can be heard.

FISCAL NOTE

The 2024 proposed budget is \$47,486,050 before 2023 roll over amounts are added for projects currently in process in 2023 but not expected to be completed before year end. The spending plan is supported by \$43,653,223 in anticipated 2024 revenue which includes certificates of participation for the fire house and a potential use of available fund balance reserves in the amount of \$3,832,827 resulting in a balanced budget.

STAFF RECOMMENDATION

After holding a budget hearing and giving due consideration to citizen comments, it is recommended that the public hearing be closed and that Council provide direction to staff. A motion should be made to continue the public hearing to October 17 when Council will have a budget adoption resolution before them.

SUGGESTED MOTION

A City Councilmember should make a motion to "continue the public hearing on the 2024 budget to October 17".

2024 Budget

Public Hearing





2023 Budget Development Timeline

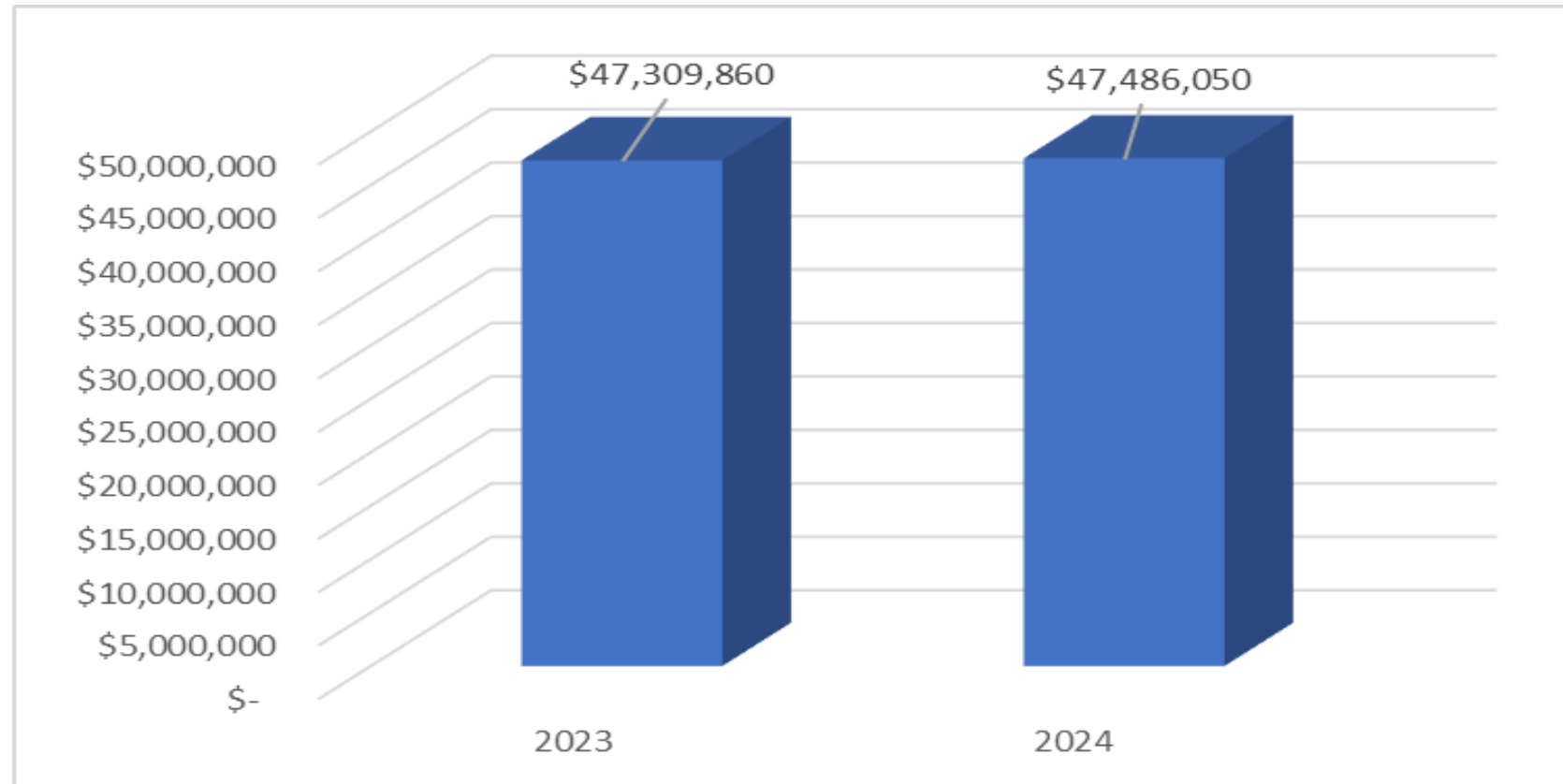
- June – Council retreat held to develop priorities
- June-July – City Departments craft a requested budget for the upcoming year.
- August – Treasurer reviews budgets with staff, recommended budget is presented to Finance Committee
- September – Requested budget is presented to City Council and made available for public inspection
- October – Public Hearing and adoption of budget





Total Budget Comparison 2023 to 2024

(Excludes 2023 rollovers into 2024)





Changes from last discussion

- Soaking Pools for \$900,000 were added to the budget
 - This is a “young” project still in the planning phase and is added to the budget with anticipation of performing full due diligence.
 - Initial analysis indicates that soaking pools will generate net revenue and will help offset costs of running the aquatic center.
 - No revenue offset is conservatively anticipated in the budget for 2024.
 - Council will be asked to approve the construction agreement and market analysis before any significant costs are actually incurred.
- Added a COPs annual payment \$1,400,000 (high estimate)



Significant initiatives discussed previously

Fire Station	
Construction Contract	\$ 16,600,000
Owner's contingency (\$500K offset with investment earnings on COP proceeds)	\$ 600,000
Other City cost such as Project Management, utility fees, etc.	\$ 240,000
Park bathroom (this project may be delayed)	\$ 305,000
New floor and liner for pool	\$ 270,000
Oak Street and other CDOT local agency reconstruction (\$3.4 M in grant revenue offset)	\$ 4,000,000
3 new employees added (costs with full benefits)	\$ 300,000
Reserve for pay adjustments (COLA and/or market pay) - up to 7.5%	\$ 550,000
Increase Arts & Culture fee schedules (increases ranges from 10 to 25% over existing)	\$ (130,000)
Continue with Water and Wastewater fee increase (2.58% and 8.85% per 2020 rate study	\$ (204,000)



2023 Rollovers into 2024

- Hot water line replacements - \$337K
- Scout wave modifications - \$275K
- Poncha Blvd phase 2 - \$300K
- Pasquale Spring (generator) - \$163K
- Caboose - \$50K
- Wayfinding signs - \$125K
- Implementation of Cityworks software \$100K

