



CITY COUNCIL WORKSESSION MEMO

DEPARTMENT	PRESENTED BY	DATE
Finance	Aimee Tihonovich - Finance Director	October 4, 2022

ITEM

Update to proposed 2023 Budget

BACKGROUND

City staff has taken a final look at the 2023 budget and updated any line items that have changed since the numbers were originally developed weeks ago. As the end of year approaches, it is also time to predict what project funds approved for spending in 2022 will not be spent in 2022 and thus need to be “rolled over” into 2023.

The changes made to the numbers since we last met are as follows:

Rollovers of 2022 Projects not anticipated to be completed by year end:	
Aquatic Center Boiler	\$ 402,000
Street Rehabilitation	300,000
Land Use Code rewrite (net of grant)	35,000
Aquatic Center Temperature Control Panel	25,000
Updated Cost / Revenue Adjustments:	
Professional consultant recommendation for wayfinding project estimates cost at \$125K vs \$50K	75,000
Possible update to COLA depending on movement of Employers Cost Index (contingency only)	66,000
Decreased Occupational Lodging Tax (OLT) projections to more accurately track trends	66,000
(Note: the budget remains neutral on OLT and license tax ballot initiatives)	
Chaffee County shared Toubert building increased needs	50,000
Future Land Use Map Development (helpful for land use code rewrite project)	30,000
Increased cost according to tree inventory recommendations	20,000
Various other cost changes, each less than \$20K	72,000

NOTE: Still not added to the budget is a cost estimate for the fire station. When that cost is added to the budget, it will net out to zero as there will be debt proceeds as a financing source to offset the construction cost. If costs are not known by the time the budget is adopted, a placeholder will be added of \$15M.

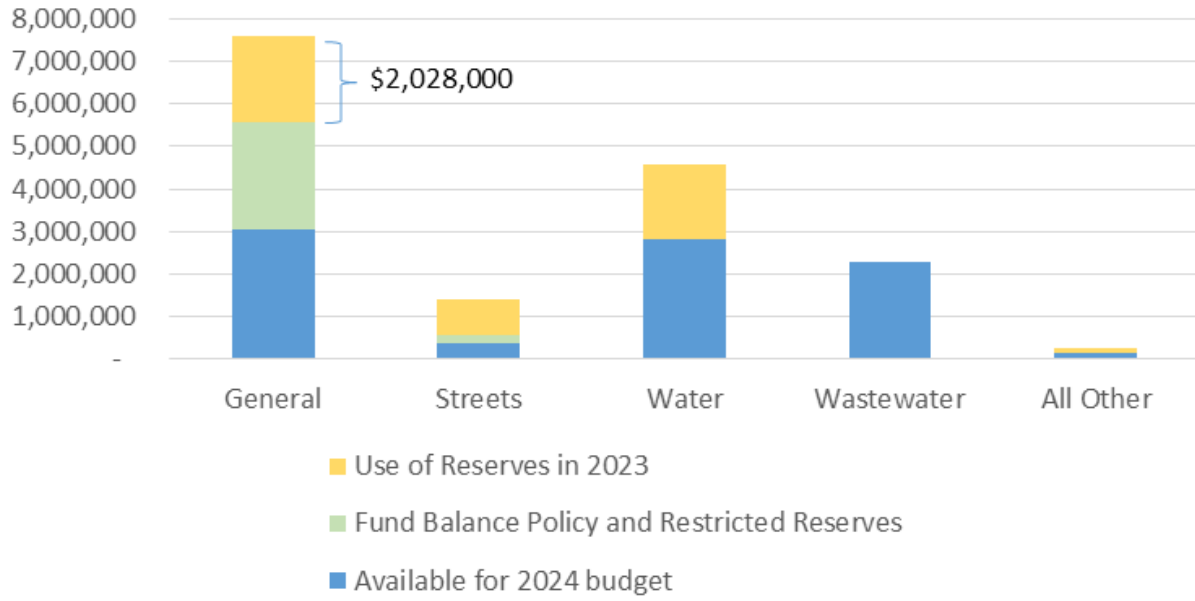
ANALYSIS

The net impact of funds rolled over from one year to the next do not impact the spending plan across years as the funds are just being moved from one year into the next.

The remaining changes are not significant enough to impact the long term sustainability of the budget.

Fund Balance projections are updated in the following chart.

Fund Balance Projection



More detail of the budget can be found at <https://stories.opengov.com/salidaco/published/JxTWOKVcb>.