



## CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
Finance	Aimee Tihonovich - Finance Director	December 20, 2022

### **ITEM**

Resolution 2022-58, second amendment to the 2022 budget

### **BACKGROUND**

A second amendment to the 2022 budget is deemed necessary to accommodate budget overruns in the Wastewater Fund's budget. At Council's March 1, 2022 regular meeting, Council approved the low bid for the 2022 Sewer Reconstruction Project knowing that the project exceeded the original budget due to significant price increases and due to an additional segment of sewer replacement being included beyond what was originally anticipated. Staff waited until year end to amend the budget for this \$289,000 so it could be viewed in relation to other cost increases or savings throughout the year.

In addition to a need to amend for the 2022 Sewer Reconstruction Project, an additional \$50,000 amendment is necessary to pay for contract costs related to planning for future projects mainly the Poncha Trunk Line project.

Revenues in the fund were budgeted conservatively. Actual revenues are now known to be at least equal to the unanticipated spending needs and are also being amended with this resolution. The original budget anticipated a use of reserves in the amount of \$389,000; this amendment will not change this "bottom line".

### **FISCAL NOTE**

This budget increases spending in the 2022 budget by \$339,000 and is covered by an equal amount of operating revenue.

### **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 2022 budget.

**CITY OF SALIDA, COLORADO**  
**RESOLUTION NO. 58**  
**(Series 2022)**

**AN AMENDMENT TO RESOLUTION 2021-37 ESTABLISHING BUDGET AND APPROPRIATIONS BY FUND  
FOR THE CITY OF SALIDA OPERATIONS FOR CALENDAR YEAR 2022**

**WHEREAS**, City Council adopted Resolution No. 2021-37, dated October 19, 2021 establishing the Budget and appropriations by fund for the City of Salida operations in calendar year 2022; and

**WHEREAS**, this Council, by Resolution No. 2022-19, dated May 17, 2022, amended the budget and appropriations for calendar year 2022; 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 a second amendment to the 2022 budget and appropriations is necessary in the Wastewater Fund in the amount of \$339,000 in order to fully fund the 2022 Sewer Reconstruction Project which exceeds the original budget by \$289,000 as discussed with Council at their March 1, 2022 regular meeting, and to allow for \$50,000 in increased contracted costs related to for future projects mainly the Poncha Trunk Line project. This budget amendment will be offset with an equal amendment to the Wastewater Fund revenue budget as the original budget was conservatively prepared and actual revenues are stronger than anticipated.

**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 2022 be amended as follows:

Fund	Original Budget Reso No. 2021-37	1st Amendment Reso No. 2022-19	This Change	Amended Budget & Appropriation
Estimated Revenues:				
General Fund	\$ 12,167,509			\$ 12,167,509
Water Fund	\$ 6,344,600			\$ 6,344,600
Wastewater Fund	\$ 2,180,000		\$ 339,000	\$ 2,180,000
Conservation Trust Fund	\$ 74,000			\$ 74,000
Streets Fund	\$ 4,324,605			\$ 4,324,605
Capital Improvement Fund	\$ 1,146,151	\$ 1,614,000		\$ 2,760,151
Economic Development Fund	\$ 191,500			\$ 191,500
Lodging Tax Fund	\$ 516,000			\$ 516,000
Housing Fund	\$ 80,000	\$ 1,193,000		\$ 1,273,000
	<u>\$ 27,024,365</u>	<u>\$ 2,807,000</u>	<u>\$ 339,000</u>	<u>\$ 29,831,365</u>
Estimated Expenditures:				
General Fund	\$ 13,090,702	\$ 2,015,000		\$ 15,105,702
Water Fund	\$ 6,302,409			\$ 6,302,409
Wastewater Fund	\$ 2,568,745		\$ 339,000	\$ 2,568,745
Conservation Trust Fund	\$ 290,000			\$ 290,000
Streets Fund	\$ 4,648,896			\$ 4,648,896
Capital Improvement Fund	\$ 1,185,000	\$ 1,564,000		\$ 2,749,000
Economic Development Fund	\$ 324,500			\$ 324,500
Lodging Tax Fund	\$ 516,000			\$ 516,000
Housing Fund	\$ 152,000	\$ 1,193,000		\$ 1,345,000
	<u>\$ 29,078,252</u>	<u>\$ 4,772,000</u>	<u>\$ 339,000</u>	<u>\$ 33,850,252</u>

APPROVED AND PASSED this 20th day of December, 2022 by a vote of \_\_\_\_\_ to \_\_\_\_\_.

CITY OF SALIDA, COLORADO

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

[ATTEST]

\_\_\_\_\_  
City Clerk/Deputy City Clerk