

2025 Proposed Budget

September 3, 2024 Council Worksession





What is a budget?

- A financial plan that outlines how the City will raise and spend money over the next fiscal year
- Details all the expenses and revenues that the City needs to provide quality services for its citizens for a full fiscal year
- A legally required plan of expenditures, balanced by revenues for the fiscal year





ACFR vs Budget

Annual Comprehensive Financial Report (ACFR)

- Reports actual financial results for the previous year
- Includes audited financial statements
- Follows a strict presentation format
- Numbers are fully reconciled out and are deemed to be accurate representations of past financial results

Budget Document

- Presents the spending plan for the next fiscal year (forward looking)
- A legal document that constrains spending
- Numbers are ESTIMATES
- The plan can be amended if new information warrants it



Fun Facts!

- The City of Salida budget represents
 - 9 Funds
 - 15 Departments
 - 591 Active Accounts
- Base level budgeting is utilized, which means.....
- The General Fund has the most spending flexibility
- Department Directors and Chiefs do an excellent job of staying within spending constraints and working together to prioritize spending



City Council's Role in the Process

- Set Policy
- Hold fiduciary responsibility for the budget
- Use enabling authority to protect the public interest
- Hire staff and appoint boards that further the mission
- Provide general direction and ongoing two-way communication
- Support staff





Elements to consider

- Be professional
- Be accountable
- Be a big-picture thinker
- Be a good steward
- Be an advocate
- Be a community builder
- Be a decision maker
- Be ethical



Account Number	Account Name	2023 Actual	2024 Adopted	2024 Projected	2025 Proposed
10-00-4010-0	Sales Tax - City	-5,515,506.28	-5,892,000.00	-5,833,080.00	-5,993,000.00
10-00-4011-0	Sales Tax - City Rebates	0.00	0.00	0.00	0.00
10-00-4030-0	Franchise Fees	-4,575,448.00	-430,000.00	-480,000.00	-475,000.00
10-00-4050-0	Plastic Bag Fee	-5,613.50	0.00	-10,000.00	-10,000.00
10-00-4126-0	Late Fees	-10.50	0.00	0.00	0.00
10-00-4128-0	NSF Fees	-825.00	0.00	0.00	0.00
10-00-4181-0	Vin Inspections	-7,380.00	-7,000.00	-7,000.00	-7,000.00
10-00-4191-0	Charge for Copies & Open Records	-413.56	0.00	-1,000.00	0.00
10-00-4410-0	Sales Tax - County	-3,517,847.73	-3,565,858.00	-3,530,199.42	-3,565,858.00
10-00-4420-0	Cigarette Tax	-23,565.78	-19,000.00	-19,000.00	-20,000.00
10-00-4425-0	Other State Taxes	-124,433.55	-133,000.00	-125,000.00	-125,000.00
10-00-4432-0	Motor Vehicle Registration	-28,197.40	-32,000.00	-30,000.00	-29,000.00
10-00-4434-0	County Road & Bridge	-12,826.97	-12,000.00	-24,000.00	-12,000.00
10-00-4450-3	Federal Grants	0.00	0.00	0.00	0.00
10-00-4451-3	Federal Restricted State OPS Fund	-115,418.50	0.00	0.00	0.00
10-00-4452-3	Restricted National Opioid Settlement	0.00	0.00	0.00	0.00
10-00-4454-3	State Grants	0.00	0.00	0.00	0.00
10-00-4610-0	Xcel Rebates	-2,000.00	0.00	0.00	0.00
10-00-4620-0	Credit Card Rewards	-10,836.57	0.00	0.00	-10,000.00
10-00-4850-3	Sale of Equipment	-20,279.00	0.00	0.00	0.00
10-00-4860-3	Insurance Proceeds	-76,606.34	0.00	-13,000.00	0.00
10-00-4870-3	Donations for Capital Improvements	0.00	0.00	-3,584.00	0.00
10-00-4901-0	Interest Revenue	-136,614.26	-110,000.00	-110,000.00	-110,000.00
10-00-4906-0	Gains/Losses on Investments	-246,237.59	0.00	0.00	0.00
10-00-4911-0	Rent, Leases & Royalties	-59,603.10	-65,000.00	-65,000.00	-65,000.00
10-00-4922-0	Tree Board Donations	0.00	0.00	-2,600.00	0.00
10-00-4961-3	Restitution Owed to the City	-1,799.44	0.00	-1,000.00	0.00
10-00-4980-0	Other Misc Revenues	-92,273.21	-10,000.00	-20,000.00	-10,000.00
10-00-4982-3	One-time Special Revenue	0.00	0.00	0.00	0.00
10-00-7001-0	Transfer in from Other Fund	-388,577.62	-900,000.00	-400,000.00	-660,000.00
10-15-4171-0	Vital Statistics Records	-10,897.00	0.00	0.00	0.00
10-15-4301-0	Liquor Licenses	-17,512.50	-16,000.00	-16,000.00	-18,000.00
10-15-4302-0	Special Events Liquor Permits	-2,275.00	-2,600.00	-2,600.00	-2,600.00

Line-item detail budget

• Available online [here](#)

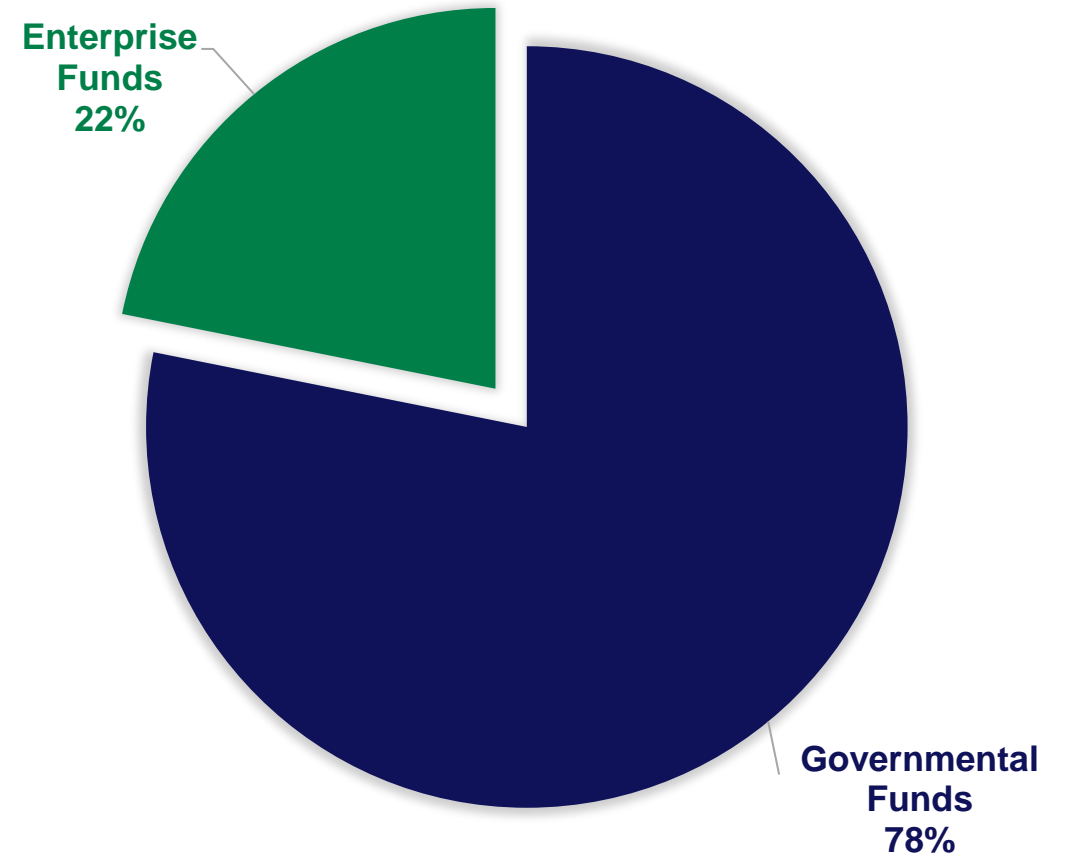
• More efficient to focus on reviewing new spending requests over historical base level funding, versus trying to study the “raw” line items

• List of General Fund requests are included in line-item detail AND in this slide show



Fund Types

	<u>2024</u>	<u>2025</u>
Enterprise Funds	\$ 5,895,809	\$ 7,939,574
Governmental Fund	\$ 43,597,647	\$ 28,394,206
Total	<u>\$ 49,493,456</u>	<u>\$ 36,333,780</u>





Public Works – Utility Division

- Mission – to maintain and improve the water distribution and wastewater collection system within the City of Salida. We strive to be proactive and address maintenance needs in order to reduce long-term costs.
- Core Services
 - Maintenance of water and sewer infrastructure, including main lines and water meters
 - Inspection, cleaning and condition assessment of facilities
 - Monitor backflow device program
 - Water leak checks
 - Review, coordination, inspection and taps for development and maintenance activities



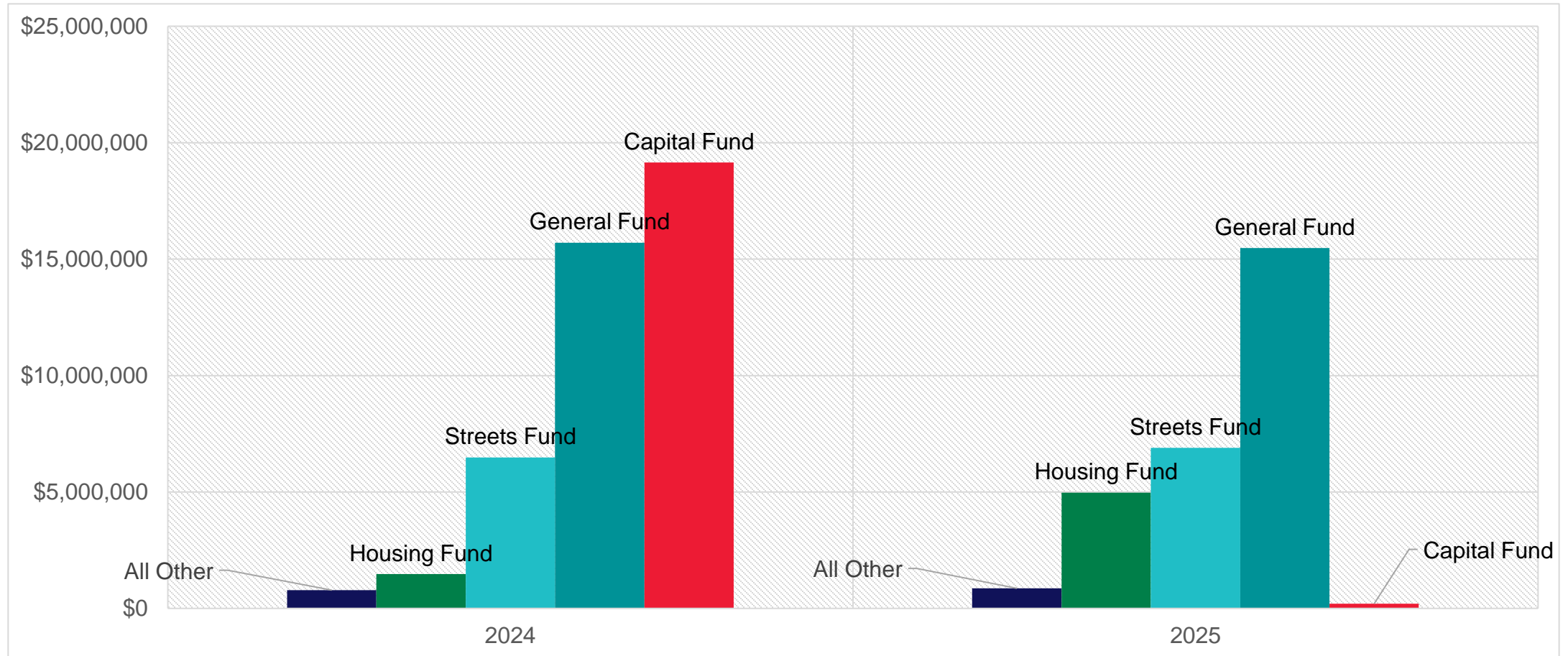
Public Works – Utility Division

- Operational and Planning
 - Water and sewer utility rate study underway
 - Poncha trunk line design completion
 - Feasibility study for Surface WTP, \$100k
- Capital Projects
 - Construct a new water tank off CR120, \$2M
 - Sanitary Sewer Main Replacements, \$400k
 - Line replacements and Lead and Copper reg compliance (\$500K)





Governmental Funds





Other Funds

- **Lodging Tax Fund**

- Funded by Occupational Lodging Tax - \$400,000 annually
- Full amount transferred into General Fund to support Parks & Rec and Arts & Culture operations, per voter approval

- **Economic Development Fund**

- Supported by “up to” 2% sales tax, only 1% allocation necessary
- Parking lot leases, Chamber and Chaffee County EDC dues recorded here

- **Conservation Trust Fund**

- Restricted fund for collecting and spending “lottery fund” allocation (appx \$70,000 per year)
- \$260,000 in accumulated funds recommended to support general fund parks maintenance activities in 2025



Housing Fund

- Supported by Short term Rental taxes and licensing fees (\$876,500) and by inclusionary housing fees (\$100,000)
- Various grants utilize earned funds as match to further increase spending capacity
- 2025 Projects include:
 - South Ark infrastructure design work
 - Start South Ark infrastructure build out
 - Support Art Space work on 1st and D Street



Public Works – Street Division and Fleet

- Mission – To maintain and improve the streets within the City of Salida. We strive to be proactive and address maintenance needs in order to reduce long-term costs.
- Core Services
 - Street reconstruction capital projects
 - Storm sewer improvements and maintenance
 - Street sweeping
 - Asphalt patching
 - Pavement, concrete, storm sewer, curb and cross walk painting
 - Street tree removal
 - Sidewalk and other necessary street repairs and maintenance



Public Works – Street Division and Fleet

- Operational and Planning
 - Design for SH-291 (HRRMC to Marvin Park/M St), \$300k
 - Illinois Ave/Scott St likely in 2027
 - S. Ark Infrastructure design (over multiple years), \$1.4M grant funded
- Capital Projects
 - Oak Street Phase 2 Construction (Walnut to Park), \$1.9M
 - Safe Routes to School Project (US50 to Walmart, Holman, Stryker, US50 Ped Crossings) \$1.57M grant funded
 - Asphalt maintenance and sidewalks/ADA maintenance, \$400k
 - Downtown ADA and intersection improvements, \$1.67M grant funded
 - CR105 Bridge – TBD based on bid results and budget



Summary

	Projected Fund Balance at 12/31/2024	2025 Revenue	2025 Spending	Budgeted Ending Fund Balance	Meets Fund Balance Policy?
Water Fund	6,196,000	2,482,000	(4,989,000)	3,689,000	✓
Wastewater Fund	2,365,000	2,806,000	(2,950,000)	2,221,000	✓
Lodging Tax Fund	-	400,000	(400,000)	-	*
Economic Development Fund	242,000	101,000	(182,000)	161,000	✓
Conservation Trust Fund	219,000	81,000	(281,000)	19,000	*
Housing Fund	1,501,000	4,503,700	(4,970,000)	1,034,700	*
Streets Fund	(90,000)	7,376,000	(6,891,000)	395,000	✓
* No minimum fund balance requirement (funds can be fully spent on one time needs each year)					

General & Capital Fund





General and Capital Funds Overview

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.
- The Capital Improvement Fund was created in 2016, receiving up to eight percent (8%) of the proceeds received from the three percent (3%) City of Salida sales tax. Revenues received by this fund are to be used for capital improvements (other than streets).





General and Capital Funds Overview

- General & Capital Funds closely related
- No recommended capital projects in 2025
- As predicted, spending below fund balance policy level
- Spending is better than FMP predicted

Projected Beginning Fund Balance	\$ 3,953,000
2025 Proposed Revenues	\$ 13,793,000
2025 Proposed Expenses	\$ (15,671,000)
Budgeted Ending Fund Balance	\$ 2,075,000
FMP prediction for 2025	\$ 1,871,000
Fund Balance policy level	\$ 2,800,000
Below policy minimum level	\$ 725,000



Finance Committee Recommendations

- Finance Committee reviewed list of General Fund budget changes
- The Committee was concerned about committing to proposals that have a long-term impact this year:
 - Fire step in grade pay plan
 - Apparatus replacement fund
- Details of the above will be presented in an upcoming slide.



General Fund Departments





Administration & Shared

- City Administrator's Office (includes Human Resources, Public Information Officer and Sustainability Coordinator)
- City Clerk's Office
- Finance Department
- Human Resources
- Legal Counsel
- Elected Official



City Administrator's Office

- City Administrator's office – responsible for directing and coordinating activities of all departments, department heads and employees.
- Plans, organizes, and defines the organization of City administration to ensure the coordinated and efficient effort across all departments to meet goals and objectives established by City Council,
- Implements and enforces ordinances, policies, rules and regulations adopted by City Council,
- Manages, directs and develops systems for long-range planning, prioritization, and completion of projects and programs,
- Serves as the personnel director of the City, and
- Appoints and supervises all non-elected department heads and employees in consultation with the Mayor, except for City Clerk, City Attorney, City Prosecutor and City Judge.
- Disseminating press releases and other news to the community, and
- Serving as a public information officer.



City Clerk's Office

- The City Clerk's Office is your partner in democracy by providing transparent, accurate, and timely information for the citizens of Salida and City Council. We are committed to open and fair elections, in addition to efficiently processing various City licenses. Finally, we are committed to administering justice fairly, efficiently and effectively, and providing excellent customer service through the Salida Municipal Court.
- Posting public notices, publishing ordinances and safeguarding all official records of the City,
- Processing new Liquor, Marijuana, Short Term Rental, Arborist, and Tobacco licenses and renewals,
- Gathering Special Event applications and permit requests for packets for Council approval,
- Supporting City Council by preparing agendas, packets, and minutes for work sessions and regular meetings,
- Posting agendas, packets, resolutions and minutes on the City website,
- Processing Colorado Open Records Act (CORA) requests in a timely fashion,
- Managing Municipal Court for the judge and prosecutor,



Finance Department

- The Finance Department is committed to building the public trust through sound financial management and innovative and effective guidance in decision-making while protecting the City's assets, and ensuring compliance with Federal, State and local laws and regulations. We strive to provide timely, accurate, clear and concise information to the City's leadership and departments in a friendly, responsive and transparent manner.
- Coordinate the annual budget,
- Manage the annual audit and prepare the resulting comprehensive annual financial report,
- General accounting including: receivables, payables, payroll, grant accounting, cash and debt management, investing, utility billing and collections.





Administration & Shared

- 3% COLA proposed (lower than Employer Cost Index 5.1%) ~ \$99K
- 5.5% increase in medical insurance benefit, 8% increase for Dental ~ \$59K
- Increase sales tax allocation to the general fund, lowering allocation in Economic Development and Capital Funds ~ \$713K
- Give up Administrative Coordinator position ~ \$49K savings
- Provide City portion of required matching funds for Airport fuel farm and taxiways ~ \$602K



Administration & Shared (Continued)

- Reserve for possible remodel associated with relocating state office of Department of Motor Vehicles ~ \$100K
- Coordinated election cost ~ \$15K
- CivicPlus software for assisting with CORA requests ~ \$5.5K
- Budget for Finance Committee ~ \$3K
- Contingency Reserve for unplanned needs ~ \$100K
- Civicwell Internship related to sustainability work ~ \$31K (subject to grant resulting in zero impact)



Arts and Culture

- Mission – operate high-quality, attractive event spaces and provide diverse, fun, affordable, and high-quality cultural programming, and educational opportunities for the community.
- Core Services
 - Provide facilities and services for meetings, conferences, workshops, weddings, special events, theater, art and concert productions, and community gatherings to local, regional, state, and national groups
 - Serve as the anchor to the state-certified Salida Creative District
 - Present annually a variety of fun, educational and inspiring experiences, events and programming for community members and work in conjunction with other arts, non-profits and civic organizations
 - Support local creatives by providing training, services and opportunities
 - Assist the Public Art Commission, and
 - Manage the City of Salida Channel 191, City of Salida YouTube channel and City of Salida social media pages.



Arts & Culture

- Lowered amount provided to the Public Arts Commission ~ \$50K savings
- Marque enhancement ~ \$15K
- Deferred the following projects:
 - Improving/reworking office at the SteamPlant
 - Increase storeroom capacity and efficiency at both SteamPlant and Scout Hut





Community Development

- Mission – carry out the goals of the City’s Comprehensive Plan by implementing requirements of the Land Use and Development Code to ensure quality growth and development that promotes the values and goals of the community. Our focus is on protecting Salida’s small-city character, our natural environment, and our sense of community, while ensuring a healthy economy and housing opportunities for our local workforce.
- Core Services
 - Processing and reviewing land use applications for consistency with the Comprehensive Plan and Land Use Code
 - Working with Chaffee County Development Services to review and issue building permits and inspect new construction in conformance with City development standards and building safety codes,
 - Facilitating long-range planning efforts, including creating and updating various plans such as the Comprehensive Plan, Highway Corridor Improvement Plans, Regional Transportation Plans, and Area Master Plans,
 - Reviewing and issuing sign permits, temporary vending permits, and other permit types,
 - Providing analysis and recommendations to Commissions and City Council in regards to new developments and subdivisions,
 - Grant-writing for support of planning and project efforts,
 - Public education regarding a variety of planning-related matters,
 - Coordinating with other local government partners on applicable land-use and housing issues.
 - Promoting and pursuing affordable and attainable workforce housing opportunities.



Community Development

- Ongoing work associated with Land Use Code rewrite ~ \$30K for professional services
- Other professional services related to City projects (surveying, geotechnical/wetlands reporting, appraisal, etc. related to South Ark Neighborhood, LIHTC senior living project, etc.) ~ \$25K
- Additional commitments for training for new staff and new commission (PC & HPC) members ~ \$7.5K
- Online building and land use permitting system postponed



Fire

- Mission – provide the highest level of professional service and protection of life and property to the people who live, work, and visit the City of Salida and by providing the same level of service to other agencies through contract or mutual aid agreements.
- Core Services
 - Fire protection including response to structure fires, vehicle fires and wildfires,
 - Providing professional medical care through a tiered response with Chaffee County EMS,
 - Response to all hazardous materials calls,
 - Technical rescue response including rescue for swift water incidents, ice rescue, confined space rescue and high/low angle rescues,
 - Fire prevention through fire inspections, plans review and code compliance,
 - Emergency planning including:
 - Formulation of Incident Action Plans for multiple public events,
 - Assistance to the County Emergency Manager with writing Emergency Action Plans,
 - Hazard Mitigation Plans,
 - Working with other agencies in Chaffee County to plan for large-scale emergencies and natural disasters
 - Outreach and special programs, including:
 - Fire prevention classes in all schools,
 - Fire safety class for the public and businesses,
 - Touch-a-Truck community event,
 - Annual Independence Day fireworks display, and
 - Smoke detector/battery installations in the community.



Fire

- Renegotiate IGA with South Ark Fire Protection District (SAFPD)- \$180K revenue increase designed to retain firefighters and stabilize fire protection
- Step-in-grade pay plan proposed, with initial pay increases designed to bring staff to market pay. ~ \$161K (Cost exceeds 3% COLA for fire employee by ~ \$117K) *
- Annual funding for Apparatus Reserve Fund \$170K (plus an additional contribution from SAFPD for \$30K per year) *
- Funding for a Post Employment Health Program (PEHP) for fire employees ~ \$23K

* *Finance Committee recommended delaying funding due to General Fund constraints*



Fire (Continued)

The Following requests are NOT in the proposed budget:

- Promote firefighter to Wildland Fire Chief, backfill firefighter position ~ \$121K
- Professional consultation for fire master plan development and for impact fee assessment ~ \$75K





Parks and Recreation

- **Mission** – To offer park and recreation services which are essential to the health and well-being of those who live, work and play in Salida. We do this through the provision and facilitation of parks, recreation, open spaces and trails while working cooperatively with other service providers to maximize our common resources.
- **Core Service**
 - **Parks, Trails and Open Space**
 - Maintenance through providing trash removal, repairing and installing irrigation, cleaning and repairing restrooms, mitigating graffiti, maintaining turf, removing snow, and supporting special events,
 - Oversee planning and capital improvement projects on city-owned parklands including the Salida Skatepark, Sonia's Garden, Community Center re-build, Marvin Park improvements, Splashpad, mechanical equipment inspections and installs, pump track, whitewater park improvements, tree planting, sand volleyball courts, new park builds, and more
 - **Aquatics**
 - Advocate for and promote the Hot Springs Aquatic Center,
 - Greet aquatic center visitors, execute transactions, answer questions, supervise swimmers, instruct classes and clean the facility,
 - Develop water-based programs that address fitness, range of motion, flexibility, arthritis, chronic pain and mental health.
 - **Facilities**
 - Maintenance of the aquatics
 - Ensure the comfort and safety of the pools by checking/monitoring and adjusting free chlorine levels, total residual chlorine levels, PH levels, oxidation reduction potential, temperature monitoring and adjustments, stocking chlorinators, and stocking the acid feed tank,
 - Ensure the effluent water discharges to the South Arkansas River are safe for aquatic life and downstream users by staying in compliance with the Colorado Department of Public Health and Environment (CDPHE) discharge permit requirements, monitoring/maintaining total residual chlorine levels, oil and grease visual, oil and grease contingent, PH flows, temperature of effluent water, temperature of receiving stream, total suspended solids, e. coli, total recoverable arsenic, compiling all bench sheet data, submitting Discharge Monitoring Reports (DMR) on a monthly basis,
 - Manage approximately six miles of pipeline for hot spring water transport and manage the 185 acres of hot spring source property,
 - Manage the facility needs for other city-owned buildings including the Toubert building, the multi-use facility, the Scout Hut, the Fire department, the Community Center, the Chamber of Commerce, the KHEN building and the Arkansas Headwaters Recreation Area (AHRA) building at a variety of levels based on tenant needs
 - **Recreation**
 - Offer a variety of recreation programs, camps, leagues, and events for all ages throughout the year including adult and youth baseball, girls softball, pickleball, kickball, dodgeball, roller derby, youth writing, knife skills, yoga, cooking, whitewater safety, volleyball, winter bingo, babysitter training, avalanche training, basketball and tennis,
 - Manage park rentals and special events such as Touch-a-Truck, 10k-a-Day, FIBArk, and BikeFest,
 - Partner with various local organizations with the goal of enriching the lives of our residents and visitors,
 - Communicate with the public through Instagram, Facebook, newspaper notices and flyers



Parks & Recreation

Budget Cuts:

- Removed the “Marvin modular office” ~ \$300K
- Removed a park bathroom ~ \$500K
- Removed Tenderfoot Hill stair repair ~ \$80K
- Removed Placer.ai data software ~ \$12K

Budget additions:

- Resurfacing the pool floor ~ \$125,000
- Replace one vehicle—trash pickup or A&C vehicle ~ \$60K
- New scoreboard for Marvin field 3 ~ \$10K
- New computer and touchscreen for digital check in ~ \$2.5K
- Increased training for lifeguards ~ \$11K
- Increased cost for programs, added an equal amount of revenue since the justification said the increased spending would pay for itself (\$30K revenue and \$30K expense)
- Bearproof trashcans ~ \$7.5K
- Rough mower for Vandever, Ark Hills, and other City lots - \$5K



Police

- Mission – to protect and serve our community while treating all people with dignity and respect
- Core Services
 - Uniformed Patrol
 - Response to calls, traffic enforcement, bike patrol, foot patrol, medical assists, community relations, case follow-up, and enforcing Municipal Ordinances and State laws,
 - Administrative & Support Functions
 - Investigations, SWAT Team, Drug Task Force, School Resource Officer, Walk-in citizen assistance, parking enforcement, community service, code enforcement, animal control, liquor and marijuana licensing inspections, property room management, records management, and administration of clerical and command functions,
 - Community Programs / Partners Activities
 - Bank personnel training, business safety planning assistance, Solvista Mental Health Co-Responder program, “Communities That Care” Program, For Youth Initiative, Drug Court Team, 4th Grade helmet program, positive ticketing, Halloween safety, FOP school scholarships, and the “Shop with a Cop” program.



Police

- Hire Two New Patrol Officers ~ \$217,000 (Total Cost)
 - Calls in 2019 5,381
 - Calls in 2024 12,000
- Patrol Cars ~ \$135,000
- Design Work For New PD ~ \$30,000
- Contracts / Systems ~ \$60,000
- Ballistic Shield Replacement ~ 8,000

Council Comments and Direction is requested

