



Salida Financial Management Plan Update

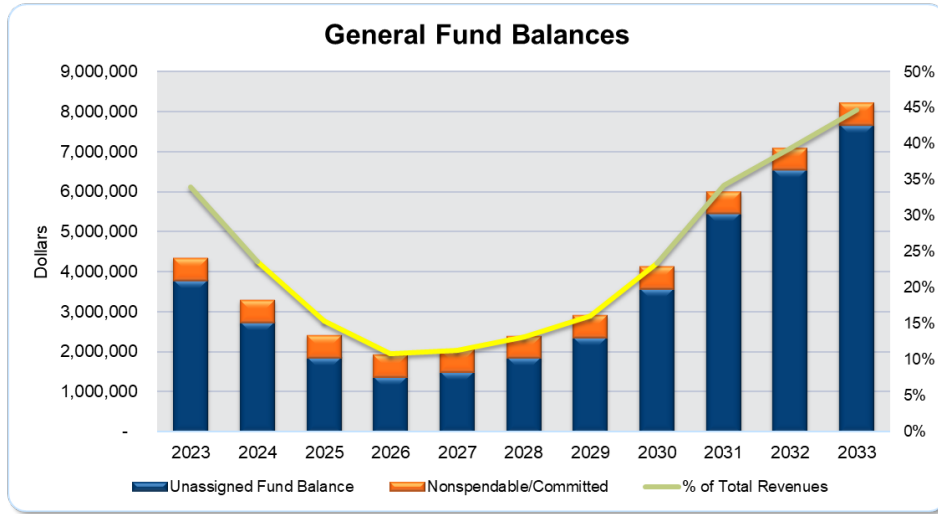
City Council Work Session

June 5, 2023

Financial Management Plan Update

- Update existing 10-year financial plan for major funds
 - ✓ General Fund
 - ✓ Capital Improvement Fund
- Goals
 - ✓ Review and update financial and other assumptions
 - ✓ Adapt Financial Plan to changing circumstances

General Fund



Note: Current City Fund Balance policy is 28% of revenues. Projections show unassigned fund balance falls below policy from 2024 – 2030.

Decrease in fund balance through 2026 due to:

- **\$1.5M** transfers to Capital Improvement Fund over 5 years
 - ✓ To be “repaid” 2030 - 2031
- Planned use of fund balance in 2023

Projections include:

- Sales Tax Revenues Due to New Development
 - ✓ Ave of **138** Res Units/Year
 - ✓ Ave of **38,000** sf of Commercial/Year
- In 2024:
 - ✓ **\$265k** Market Pay Adj.
- ✓ In 2029:
 - ✓ **\$180k** for Additional Staff

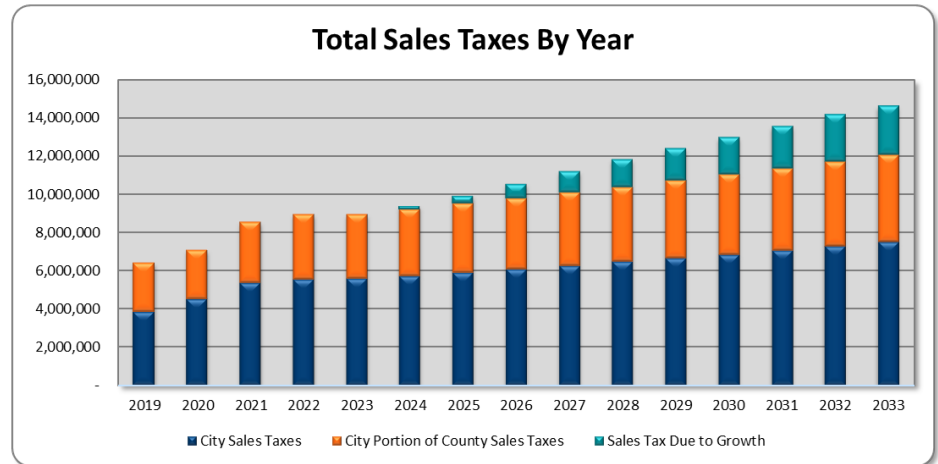
Sales Tax Revenues

Historical Increases 2019 - 2021

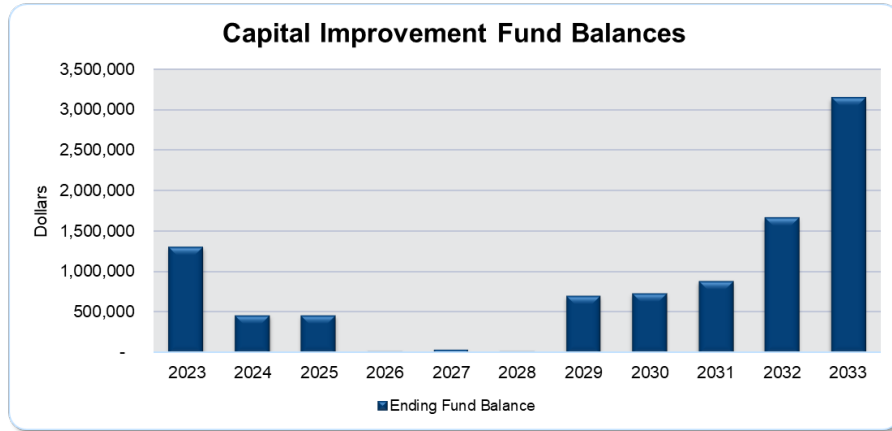
- 15.07% increase in 2020
- 20.37% increase in 2021
- 2.26% increase in 2022

Projections include:

- 2.26% Increase in Existing Sales Tax Revenues in 2023; 3.00%/year thereafter
- Sales Tax Due to Growth
 - ✓ Avg of \$440k/Year



Capital Improvement Fund



Highlights

1. Bonding:

- \$16.6M in 2023
- \$6.2M in 2027
- \$3.0M in 2028
- \$10.0M in 2029

2. \$1.5M Transfers From General Fund

- \$400k in 2024
- \$400k in 2025
- \$425k in 2026
- \$100k in 2027
- \$175k in 2028

3. Additional Half Cent Sales Tax

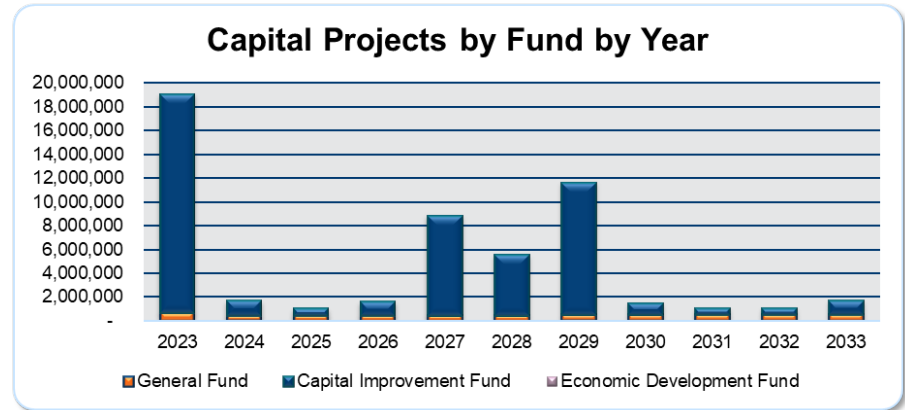
- Projected to start in 2027 to pay for sports complex & rec center

Capital Improvement Fund

Capital Projects	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
PROJECT COSTS BY FUND											
General Fund	697,900	424,004	436,724	449,825	463,320	477,220	491,537	506,284	521,473	537,117	553,231
Capital Improvement Fund	18,307,000	1,218,000	566,624	1,097,963	8,331,704	5,009,371	11,098,450	943,368	506,922	506,922	1,086,220
Economic Development Fund	-	-	-	-	-	-	-	-	-	-	-
Total Project Costs	19,004,900	1,642,004	1,003,348	1,547,788	8,795,024	5,486,591	11,589,987	1,449,652	1,028,395	1,044,039	1,639,451

Major Projects

- 2023
 - \$16.6M for Fire Station Replacement
- 2027
 - \$4.3M for Sports Complex
 - \$1.5M for Tower 11 Sutphen
- 2028
 - \$3.2M for Golf Course Upgrades
- 2029
 - \$9.5M for Recreation Center



In Conclusion

- Capital Projects More Expensive
 - ✓ Total projects **\$13.6M** more than last update in 2021
 - **\$8.1M** increase in Fire Station Replacement costs
 - **\$3.0M** for Golf Course Upgrades
 - ✓ Projections are dependent on future development
 - Sales tax due to growth of **\$14.8M** over 10 years to General Fund
 - Approx. **\$203/month/Residential unit**



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