



To: Mayor Stephens and City Council
From: Jan Schmidt
Date: September 13, 2014
Subject: 2014 Budget Work Session

Staff is continuing to work on the operating budget. We need guidance from the council before we can present a meaningful complete proposed budget. As it stands right now with some very preliminary assumptions, we have over \$600,000 in cuts or additional revenue to identify in the general fund – approximately \$430,000 from the capital budget and the remainder in operations – unless the council chooses to use reserves next year. We do not believe cuts will be needed in the water and wastewater funds from what is currently being proposed. No spending is currently proposed from the Conservation Trust Fund.

Objectives for this first work session are the following:

1. Prioritize general fund capital requests; discuss funding sources
2. Communicate and gather input for proposed personnel changes
 - o COLA in base pay & merit lump sum
 - o Year round intern for community development dept
 - o Firefighter career progression
 - o Recreation Supervisor position
 - o Turnover concerns and potential impact of adjusting starting wages
3. Communicate and gather input for key budget assumptions in first draft:
 - o 40/60 split of 2A funds for capital / operating expenditures
 - o 75/25 split of 2B funds for capital / operating expenditures
 - o Sales tax projected at 5% growth in 2013 and additional 1% growth in 2014
 - o 2 to 5% water and sewer rate increases
 - o Personnel costs (see above)
 - o Development-related activity
4. Communicate and gather input for changes to fee schedules
5. Confirm timeline:

What

- ✓ Dept Heads submit preliminary Budget Narratives
- ✓ Dept Heads preliminary budget meeting (individual)
- ✓ Staff Work Session #1
- ✓ Dept heads submit worksheets & complete narratives
- ✓ Vision, Goals & Priorities meeting with Council
- ✓ Individual Department Review Meetings
- ✓ Staff Work Session #2
- ✓ Community Funding Requests Due
- o Council Work Session #1
- o Submit proposed budget to council
- o Council Work Session #2
- o Adopt Fee Schedules
- o Council Work Session #3
- o Present Revised Budget & hold Public Hearing
- o Budget Approval
- o Additional Council Work Session (if needed)

When

- Friday, July 19
- Week of July 22
- Wednesday, Aug 7
- Wednesday, Aug 14
- Monday, August 19
- Mid August
- Wednesday, Aug 21
- August 31
- Tuesday, Sept 17 @ 7:00 AM
- Tuesday, Oct 1 @ 7:00 PM
- Tuesday, Oct 15 @ 8:30 AM
- Tuesday, October 15 @ 6:00 PM
- Tuesday, Oct 29 @ 7:00 AM
- Tuesday, Nov 5 @ 7:00 PM
- TBD - Tuesday, Nov 5, 19 or Dec 3
- Tuesday, Nov 19 @ 7:00 AM

City of Salida
 Capital Budget - General Fund
 2014 Capital Budget

Category	Dept	Priority	Rank	Description	Project or Asset Cost	Offsetting		Net Cost for City	Committed	Intended Funding Source(s)	Comments
						Grants, Other					
Buildings	Admin	A	1	Roof replacement - East wing of Touber Bldg	21,800	-		21,800	N	CI, 2A	Split cost with county
IT Equipment / SW	Admin	A	2	Hardware & software to stream meetings	10,000	-		10,000	N	CE	PEG fees could be used for c
Buildings	Admin	A	3	Renovate City Hall entrance	13,100	-		13,100	N	CI, 2A	\$26,200 for stoop & stairs; \$5
Expenditure	Admin	A	4	Replacement computers / IT equipment	3,600	-		3,600	N	CE	
Expenditure	Admin	B	5	Furniture for City Administrator's office	2,000	-		2,000	N	CE	Would facilitate more Skype
Expenditure	Admin	B	6	Conference table for Methodist Mtn room	2,000	-		2,000	N	CE	
Computers	Comm Devel	B	1	iPads for Planning Commission	4,500			4,500	N	CE	saves time and money on pay
Vehicles	Police	A	1a	2 vehicles	69,000	-		69,000	N	CE	Fully equipped SUVs or one
Vehicles	Police	A	1b	Radios	8,000	-		8,000	N	CE	For the vehicles
Expenditure	Police	A	2	Armor vest (4)	2,800			2,800	N	CE	5-yr replacement schedule
Expenditure	Police	A	3	Replacement computers / IT equipment	4,100			4,100	N	CE	Waiting to hear from Aaron
Expenditure	Police	B	4	Evidence room software	1,200	-		1,200	N	CE	For the vehicles
Expenditure	Police	B	5	Two additional iPads	1,200	-		1,200	N	CE	
Buildings	Fire	A	1	Install backup power	40,000			40,000	N	CI, 2A	
Expenditure	Fire	A	2	SCBA replacements	15,000	-		15,000	N	CE	
Buildings	Fire	A	3	Building upgrades	25,000	-		25,000	N	CI, 2A	Replace shower & ceilings
Expenditure	Fire	A	4	Intake Valve for new engine	2,000			2,000	N	CE	
Expenditure	Fire	A	5	Turnout gear replacement (3 sets)	7,500	-		7,500	N	CE	
Expenditure	Fire	A	6	3 Refrigerators (energy efficient models)	2,000			2,000	N	CE	
Expenditure	Fire	B	7	Light bar for old Engine 11	3,500	-		3,500	N	CE	
Expenditure	Fire	B	8	Furniture for day room	2,500			2,500	N	CE	
Expenditure	Fire	B	9	110 Volt wire feed welder	700	-		700	N	CE	
Expenditure	Fire	B	10	Vacuum cleaners	800			800	N	CE	
Vehicles	Fire	B	11	Restore 1911 Kissel fire truck	80,000	65,000		15,000	N	CE	Historic Funds grant + donati
Land Improv	Public Works	A	1a	Hwy 50 Enhancement	600,000	500,000		100,000	Y	CI, 2A	CDOT grant
Land Improv	Public Works	A	1b	Light fixtures for Hwy 50 project (add'l cost)	-	-		-	Y	CI, 2A	\$96k total for lights; this is the
Land Improv	Public Works	A	2	Streets: Rebuild H Street from 3rd to 10th	560,000	-		560,000	N	CI, 2A	
Land Improv	Public Works	A	2	Streets: H St design, bid & mgmt	39,000	-		39,000	N	CI, 2A	Allocated between streets an
Land Improv	Public Works	A	2	Streets: Rebuild Caldwell alley (one block)	39,900	-		39,900	N	CI, 2A	
Land Improv	Public Works	A	2	Streets: Rebuild Routt	90,000	-		90,000	N	CI, 2A	
Land Improv	Public Works	A	2	Streets: Slurry Seal (N, Nicholls, 8th, E Streets)	48,700	-		48,700	N	CI, 2A	
Land Improv	Public Works	A	2	Streets: Engineering 2015 scope of work	50,000			50,000	N	CI, 2A	
Land Improv	Public Works	A	3	Sidewalks	100,000	-		100,000	N	CI, 2A	???? Need to develop propo
Land Improv	Public Works	A	4	Stamped Concrete Crosswalks	25,600	-		25,600	N	CI, 2A	4 @ First & F Streets & 4 @
Expenditure	Public Works	A	5b	Tools	20,000	-		20,000	N	CE	
Computers	Public Works	A	6	Computers / IT equipment	1,200	-		1,200	N	CE	
Vehicles	Public Works	B	7a	Pickup truck - multi-use (sander, plow, etc.)	50,000	-		50,000	N	CE	
Vehicles	Public Works	B	7b	Snow plow to use with new pickup truck	9,000	-		9,000	N	CE	
Land Improv	Public Works	B	8	Pedestrian Crosswalk on Hwy 50	12,000	-		12,000	N	CI, 2A	Would be done in conjunctio
Machinery & Equip	Public Works	B	9	"Your Speed" sign on Hwy 50	5,000	-		5,000	N	CE	
Expenditure	Public Works	B	10	Downtown bike rack / art project	4,000	-		4,000	N	CE	Creative District grant funds r
Buildings	Parks&Trails	A	1	Tables & chairs for Scout Hut	7,100	-		7,100	N	2B	
Machinery & Equip	Parks&Trails	A	2	Playground upgrades for one existing park	50,000	-		50,000	N	2B	\$50k per park; CIRSA safety
Land Improv	Parks&Trails	A	3	Automated sprinklers for all parks	3,000	-		3,000	N	CI, 2A	Internal project; budget for pe
Buildings	Parks&Trails	B	4	Alpine Park lights / electrical work	15,000	-		15,000	N	CI, 2A	Get existing ones working
Machinery & Equip	Parks&Trails	B	5	Lighting on path near SteamPlant	15,000	-		15,000	N	2B	Get existing ones working
Machinery & Equip	Parks&Trails	B	5	Picnic Tables	10,000	-		10,000	N	2B	10 @ Centennial Park pavillo

**City of Salida
Capital Budget - General Fund
2014 Capital Budget**

Category	Dept	Priority	Rank	Description	Project or Asset Cost	Offsetting		Net Cost for City	Committed	Intended Funding Source(s)	Comments
						Grants, Other					
Buildings	Pool	A	1	New make-up air unit	250,000	-		250,000	N	2B	
Buildings	Pool	A	1	Replace duct work w/approp size	60,000	-		60,000	N	2B	
Buildings	Pool	A	1	Repair clearstory (after ductwork)	10,000	-		10,000	N	2B	s/b done after duct work
Buildings	Pool	A	1	Building envelope improvements	4,000	-		4,000	N	2B	s/b done after duct work
Buildings	Pool	A	2	Indoor climbing wall	35,000	-		35,000	N	2B	
Expenditure	Pool	A	3	Furnishings, Equipment - various	5,000	-		5,000	N	2B	
Expenditure	Pool	A		Computer / IT upgrades	1,400	-		1,400	N	2B	
Buildings	Pool	B		Paint exterior of building	50,000	-		50,000	N	2B	
Expenditure	SteamPlant	A	1	Phone System	800	-		800	N	2B	
Expenditure	SteamPlant	A	2	LED bulbs for annex	700	-		700	N	2B	
Buildings	SteamPlant	A	3	Window coverings for ballroom	3,500	-		3,500	N	2B	
Buildings	SteamPlant	A	4	New theater seats--matching funds for Friends	70,000	35,000		35,000	N	2B	
Expenditure	SteamPlant	A	5	2 Kegeaters	2,400	-		2,400	N	2B	
Buildings	SteamPlant	B	7	Airlock vestibule for ballroom	9,600	-		9,600	N	2B	
Buildings	SteamPlant	B	6	Improvements for women's bathroom in lobby	4,000	-		4,000	N	2B	
Expenditure	SteamPlant	B	7	Replacement computers	2,800	-		2,800	N	2B	
Buildings	SteamPlant	B	7	New carpet for ballroom	8,200	-		8,200	N	2B	
Signs	Other City	A	1	Gateway / Wayfinding signs	100,000	-		100,000	N	CI, 2A	Matching funds from business
Machinery & Equip	Other City	B	2	Holiday Decorations	35,000	-		35,000	N	CE	
Buildings	Other City	B	3	Airport - paint bldg	15,000	-		15,000	N	CI, 2A	Split with county
Machinery & Equip	Other City	B	4	Hwy 50 banners	15,000	-		15,000	N	CE	
Debt Service	Various	A	1	General Fund Debt Service	161,900	-		161,900	Y	CI, 2A	Touber building purchase & r
Totals					\$ 2,921,100	\$ 600,000		\$ 2,321,100			
											21% 79%

Totals By Category	
Expenditure	\$ 88,000
Buildings	641,300
Land	-
Land Improv	1,568,200
Machinery & Equip	115,000
Computers	5,700
Vehicles	216,000
Signs	100,000
IT Equipment / SW	10,000
Debt Service	161,900
Total	\$ 2,906,100

15,000

Dept Totals			
Admin	52,500	2%	52,500 2%
Comm Devel	4,500	0%	4,500 0%
Police	86,300	3%	86,300 4%
Fire	179,000	6%	114,000 5%
Public Works	1,654,400	57%	1,154,400 50%
Parks&Trails	100,100	3%	100,100 4%
Pool	415,400	14%	415,400 18%
SteamPlant	102,000	3%	67,000 3%
Other City	165,000	6%	165,000 7%
	<u>2,759,200</u>	<u>94%</u>	<u>2,159,200 93%</u>
Debt Service	161,900	6%	161,900 7%
Total	2,921,100	100%	2,321,100 100%

Commitments	100,000	4.31%
New	2,059,200	88.72%
Financing Obligations	161,900	6.98%
Total	\$ 2,321,100	100.00%

Total Cost by Funding Source:		
CE	361,600	296,600
CI, 2A	1,960,000	1,460,000
2B	599,500	564,500
CTF	-	-
Total / Net	\$ 2,921,100	\$ 2,321,100

City of Salida
Capital Budget - Water Enterprise Fund
2014 Capital Budget

Category	Dept	Rank	Life of Asset (years)	Description	Cost	Comments
Buildings	Plant	A	50	Treatment plant upgrade - Phase I	\$ 400,000	Re-appropriate from 2013 \$500,000 budget
Buildings	Plant	A	50	Treatment plant upgrade - Phase I (remainder)	450,000	Additional amount
Buildings	Plant	A	50	Treatment plant upgrade - Phase II Design	194,000	
Buildings	Plant	A	50	Treatment plant upgrade - Phase II Construction Mgn	100,000	Some costs will carry-over to 2015
Buildings	Plant	A	50	Treatment plant upgrade - Phase II Construction	750,200	2014 portion only
Equipment	Plant	A	50	Motors & pumps	10,000	
Buildings	Plant	A	50	Potable water station	-	Near new Forest Service property
Lines	Water-PW	A	50	Streets Project: Rebuild H Street from 3rd to 10th	364,000	Water main portion of project
Lines	Water-PW	A	50	Streets: H St design, bid & mgmt	26,000	
Lines	Water-PW	A	50	Caldwell alley???		
Hydrants	Water-PW	A	25	Replace fire hydrants	12,000	
Mach & Equip	Water-PW	A	25	Valve turner	46,400	
Lines	Water-PW	A	25	Replace failed valves	15,000	
Mach & Equip	Water-PW	A	10	Trimble Ranger 3 Handheld	7,000	can probably defer to 2015
Software	Water-PW	A	10	Readcenter	6,500	can probably defer to 2015
Totals					<u><u>\$ 2,381,100</u></u>	

City of Salida
Capital Budget - Sewer Enterprise Fund
2014 Capital Budget

Category	Dept	Rank	Life of Asset (years)	Description	Cost	Comments
Mach & Equip	Plant	A	10	Replacement tools & pumps	10,000	
Buildings	Sewer-PW			New dump station	100,000	Near new Forest Service property
Lines	Sewer-PW		30	Manhole cover replacements	25,000	Between Salida and Poncha Springs
Totals					<u>135,000</u>	