



To: Mayor Dickson and Elected Officials
From: Jan Schmidt
Date: May 28, 2015
Subject: June 2, 2015 Work Session

This memo provides the timeline for the 2016 budget process and discussion points for our initial budget work sessions for your advance planning. Please note that our initial topics are time sensitive. The first two also impact the water and wastewater rate study that is currently underway. We will also be discussing capital projects with possible grant funding opportunities, which staff would need to begin working on. Finally, we need to proceed with complete design and bid documents in order to comply with the new budget requirements of Ordinance 2014-28, so council needs to indicate commitment to the streets capital projects funded by 2A in advance of approving the budget.

Discussion Topics – June 2nd

- I. Water and Wastewater 10-Year Capital Improvement Plan
- II. Rate Study Assumptions
 - a. Increase in new development (taps)
 - b. Staffing levels for water system work
- III. Piping Harrington Ditch
 - a. Mineral Impact Grant Application (December funding round) for capital project – Does council intend to include in 2016 Budget?
 - b. Planning Grant – 2015 Budget Amendment for design work (if council wants to include this in the 2016 budget)
- IV. Council Consideration of Refunding the 2007 W&S Revenue Bonds
 - a. Current Summary
 - i. December 31, 2015 balance will be \$1,945,000
 - ii. Interest rates range from 3.75% to 4.25%
 - iii. Annual payments vary (Low of \$141,700 in 2018 to high of \$379,600 in 2016)
 - iv. Final maturity is December 1, 2027
 - b. Re-funding Estimate
 - i. Borrow additional \$1.5 to \$2.5 million
 - ii. Interest rate – x.x% estimate
 - iii. Annual payments – tbd
 - iv. Final maturity extended to 2035
- V. 2016 Budget Format
- VI. Reserves Policy
- VII. Timeline – see below

<u>Item</u>	<u>When</u>
1. Budget Training Session with DOLA.....	Friday, May 29
2. Council Work Session (Water & Wastewater Capital, Budget Format).....	Tuesday, June 2
3. Capital Lists – rough draft of large items	Monday, June 8
4. Council Preliminary Work Session (Streets Plan and Other GF Capital, Goals) ..	Monday, June 15
5. Department Heads submit preliminary budget narratives	Friday, July 24
6. Individual Department Review Meetings	Week of July 27
7. Staff Work Session #1.....	Wednesday, Aug 12
8. Vision, Goals & Priorities meeting with Council	TBD - August
9. Dept heads submit worksheets & final narratives.....	Monday, Aug 17
10. Staff Work Session #2.....	Wednesday, Aug 26
11. Individual Department Follow Up Meetings (as needed).....	Mid to Late August
12. Community Funding Requests Due (if program remains funded)	Monday, August 31
13. Council Work Session #1 (general fund)	Tuesday, Sept 1
14. Council Work Session #2 (water & sewer).....	Monday, Sept 14
15. Council Work Session #3 (all funds)	Tuesday, Sept 29
16. Submit proposed budget to council	Tuesday, Oct 6
17. Council Work Session #4.....	Monday, Oct 19
18. Adopt Fee Schedules	Tuesday, October 20
19. Council Work Session #5	Tuesday, Oct 27
20. Present Revised Budget & hold Public Hearing.....	Tuesday, Nov 3
21. Additional Council Work Session (if needed).....	Monday, Nov 16
22. Budget Approval	TBD - Tuesday, Nov 3, 17 or Dec 1

VIII. Planning for next work session – June 15

- a. Five-Year Streets Plan – starting design work of 2016 projects
 - i. 11th Street (all)
 - ii. C Street – Park to 3rd
 - iii. Streets: Slurry Seal (I St, 8th to Hwy)
 - iv. Streets: Slurry Seal (J St, 7th to 16th)
- b. Specific Accounting by Project (SAP) schedule required by Ordinance 2014-28
 - i. Preliminary commitments needed for 2A projects
 - ii. Bid abstracts and engineers estimates needed
 - iii. SAP defined in the amended Salida Municipal Code Section 4-30-50(b)(6) as, at minimum, a statement of the separate cost for each and every specific portion of work (i.e. – curb and gutter, storm drainage system, water line, sewer line, sidewalk and / or nature and type of street work) for each and every project, and the street along which such work is done.
 - iv. Changes to Streets Plan beyond 2016 Budget?
- c. Other Significant Capital Items and Applicable Grant Opportunities
- d. Consideration of Staffing Changes?
 - i. Re-visit proposed changes in the 2015 budget?
 - ii. Other new positions recommended
- e. City-wide Goals – Updates?
 - i. Maintain and improve Salida’s existing assets
 - ii. Do it right and make it last
 - iii. Increase positive energy about City staff’s accomplishments
 - iv. Invest in employees
 - v. Practice fiscal responsibility and manage debt responsibly while performing city services effectively and efficiently