



To: Mayor Dickson and Elected Officials
 From: Jan Schmidt
 Date: June 10, 2015
 Subject: 2016 Preliminary Budget Work Session – June 15, 2016

This memo is being provided in advance of the next 2016 budget work session for council and the public. It provides an update to the timeline for the 2016 budget process and discussion points for the June 15 budget work session topics for your advance planning

- I. Streets Plan – continuing to execute existing long-range plan
 - a. 2015 Budget Amendment – need to increase funding to complete engineering for the planned 2016 projects
 - b. Specific Accounting by Project – for reasonable accuracy, need to proceed now with obtaining the bid abstracts and engineers cost estimates for the budget including required categories of costs
 - c. Re-cap City’s capital funding sources and 2016 estimates (54.3% of city sales tax)
 - 2A – \$1,184,000
 - Capital Improvement – \$1,105,000
 - Capital Expenditure – \$284,000
 - 2B – dependent on council’s decision of allocation for capital vs. operations
 - CTF – \$50,000
 - d. Re-cap historic streets spending (see detail in packet)

	City Money	Grants	Total	Taxable Sales Δ
2009A	\$1,378,050	\$732,830	\$2,110,880	(5.5%)
2010A	\$647,397	\$141,923	\$789,320	(1.3%)
2011A	\$783,142	—	\$783,142	7.7%
2012A	\$682,741	\$331,365	\$1,014,106	7.4%
2013A	\$841,195	\$51,585	\$892,780	6.4%
2014A	\$1,071,310	—	\$1,071,310	5.7%
Cumulative	\$5,403,835	\$1,257,703	\$6,661,538	28.3%
<i>2015B</i>	<i>\$1,570,600</i>	<i>\$566,800</i>	<i>\$2,137,400</i>	<i>5.5%</i>

- II. Other Significant Capital Items and Applicable Grant Opportunities
 - a. Emergency Services / School Cooperative Project
 - b. Scout Hut
 - c. Soaking Pools
 - d. Harrington Ditch
 - e. Complete list in packet is a rough draft, but provided to give council and the public early visibility to all projects / purchases being considered

- III. Staffing Changes
 - a. Project Manager
 - b. Fire Dept Admin
 - c. Public Works Staff
 - d. Ombudsman (recommended by Citizens Task Force)
 - e. Other (?)

- IV. City-wide Goals – Updates?
 - a. Maintain and improve Salida’s existing assets
 - b. Do it right and make it last
 - c. Increase pride in the community and confidence in local government
 - d. Invest in employees
 - e. Practice fiscal responsibility and manage debt responsibly while performing city services effectively and efficiently

- V. 10-year Capital Improvement Plan and Consideration of refunding 2007 W&S Revenue Bonds (continued from June 2nd)
 - a. Current Summary
 - i. Outstanding balance is \$2,220,000
 - 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 Scenarios
 - v. Borrow additional \$1.0 to \$2.2 million
 - vi. Interest rate – 2.6% to 3.6% estimated
 - vii. Annual payments – approx. \$199,000 to \$313,000
 - viii. Final maturity extended to 2025, 2035 or 2037

- VI. 2016 Budget Format (continued from June 2nd)

VII. Reserves Policy (continued from June 2nd)

VIII. Review Timeline

<u>What</u>	<u>When</u>
√ Budget Training Session with DOLA.....	Friday, May 29
√ Council Work Session (Water & Wastewater Capital, Budget Format).....	Tuesday, June 2
√ Capital Lists – rough draft of large items due from Dept Heads	Monday, June 8
□ Council Preliminary Work Session (Streets Plan and Other GF Capital, Goals) ..	Monday, June 15
□ Public Meeting – Community Survey and Budget Direction	June 23
□ Department Heads submit preliminary budget narratives	Friday, July 24
□ Individual Department Review Meetings	Week of July 27
□ Staff Work Session #1.....	Wednesday, Aug 12
□ Vision, Goals & Priorities meeting with Council	TBD - August
□ Dept heads submit worksheets & final narratives.....	Monday, Aug 17
□ Staff Work Session #2.....	Wednesday, Aug 26
□ Individual Department Follow Up Meetings (as needed).....	Mid to Late August
□ Community Funding Requests Due (if program remains funded).....	Monday, August 31
□ Council Work Session #1 (general fund)	Tuesday, Sept 1
□ Council Work Session #2 (water & sewer)	Monday, Sept 14
□ Council Work Session #3 (all funds)	Tuesday, Sept 29
□ Submit proposed budget to council	Tuesday, Oct 6
□ Council Work Session #4	Monday, Oct 19
□ Adopt Fee Schedules	Tuesday, October 20
□ Council Work Session #5	Tuesday, Oct 27
□ Present Revised Budget & hold Public Hearing.....	Tuesday, Nov 3
□ Additional Council Work Session (if needed).....	Monday, Nov 16
□ Budget Approval	TBD - Tuesday, Nov 3, 17 or Dec 1