



To: Mayor Dickson and Elected Officials  
From: Jan Schmidt  
Date: October 16, 2014  
Subject: Materials and Agenda for Work Session Scheduled for October 20, 2014

1. Proposed Budget – Recap of Key Points (no changes from October 7th)
  - a. One more year of greater than average spending due to large capital projects
    - i. \$7.2 million in capital projects and purchases (49% of total city-wide budget)
    - ii. Planned use of reserves for capital:
      1. Water Treatment Plant – funds are committed
      2. General Fund & Sewer Fund – projects could be deferred (with possible consequences) to eliminate use of reserves
  - b. Operating budget in balance with current revenue (no use of reserves)
    - i. \$7.4 million, 68% of which is personnel
    - ii. Re-cap of personnel changes along with timing for the of hiring of Engineer / Project Manager position until after the outcome of 2A petition
    - iii. Re-cap of Community Funding recommendations
  - c. Status of reserves
2. Proposal to change to monthly utility billing
3. Contingency Planning (Carlisle / Farney petition)
  - a. Recap of voter imposed restrictions on sales tax:
    - i. Currently, 42.7% of total city sales tax used for capital
      1. Salida spends 2-3x more on capital than average for Colorado municipalities due to these restrictions on sales tax, placing significant constraints on the operating budget (refer to comparison data)
      2. Staffing levels and compensation continue to be operating challenges
    - ii. 44% of 2% restricted for capital expenditures and capital improvements
    - iii. 100% of 1% “used for funding construction, operation, maintenance, and repair of roads and other public infrastructure of the City.” (ballot language)
      1. Current 40% of 1% being budgeted for capital streets projects
      2. Difference from 40% to 75% = \$521,325
  - b. Understand choices related to cost cutting
  - c. Additional revenue opportunities
    - i. Increase occupational tax on lodging
    - ii. Ballot questions
      1. Property tax
      2. Use tax
      3. Alternative sales tax restriction
    - iii. Impact fees
    - iv. Surcharges
  - d. Alternate budget (need council direction about what to cut out)

4. Discuss next steps
  - a. Any changes to incorporate in proposed budget for the public hearing November 4th?
  - b. Specific information to bring back to council?
  - c. Re-cap timeline

<u>What (√ = completed)</u>	<u>When</u>
✓ Department Heads submit preliminary budget narratives .....	Friday, July 25
✓ Individual Department Review Meetings .....	Week of July 28
✓ Dept heads submit worksheets & final narratives .....	Monday, Aug 18
✓ Vision, Goals & Priorities meeting with Council .....	Monday, August 18
✓ Staff Work Session .....	Wednesday, Aug 27
✓ Community Funding Requests Due .....	Sunday, August 31
✓ Council Work Session #1 .....	Tuesday, Sept 2
✓ Council Work Session #2 .....	Monday, Sept 15
✓ Council Work Session #3 .....	Tuesday, Sept 30
✓ Individual Department Follow Up Meetings (as needed) .....	Ongoing
✓ Submit proposed budget to council .....	Tuesday, Oct 7
✓ City News column in Mountain Mail and on website .....	Friday, October 10
<input type="checkbox"/> Council Work Session #4 .....	Monday, Oct 20
<input type="checkbox"/> Adopt Fee Schedule Resolution.....	Tuesday, October 21
<input type="checkbox"/> First reading and approval of updated Pay Plan for 2015.....	Tuesday, October 21
<input type="checkbox"/> Council Work Session #5 (if needed) .....	Tuesday, Nov 4
<input type="checkbox"/> Public Hearing and Adoption of Budget .....	Tuesday, Nov 4
<input type="checkbox"/> Second reading and approval of updated Pay Plan for 2015.....	Tuesday, Nov 4
<input type="checkbox"/> Additional Council Work Session (if needed).....	Monday, Nov 17
<input type="checkbox"/> Budget Approval (if not already adopted) .....	TBD - Tuesday, Nov 18 or Dec 2
<input type="checkbox"/> File certified copy of budget with DOLA .....	TBD

**Keep in mind our 2015 city-wide goals:**

- i. Maintain and improve Salida's existing assets
- ii. Do it right and make it last
- iii. Increase pride in the community and confidence in local government
- iv. Invest in employees
- v. Practice fiscal responsibility and manage debt responsibly while performing city services effectively and efficiently



2015  
PROPOSED  
BUDGET

Presented to City Council on  
October 7, 2014





To: Honorable Mayor Dickson and Members of the City Council  
From: Jan Schmidt, Finance & Administrative Services Director  
Subject: Budget Message  
Date: October 7, 2014

I. Introduction

As a normal part of the budget process you will need to formally adopt a 2015 Budget and appropriate money to run the City of Salida (the City or Salida) next year. Again this year, total expenditures are greater than what is considered a “normal” level due to large capital projects in the water and wastewater enterprise as well as large general fund projects. Grants and contributions have either been secured or are being applied for that will pay for 29% of these projects. We are responding to some personnel hiring and equity issues through a combination of cost of living, merit and market adjustments and have held operating cost increases to a minimum in this proposed budget. The area where you exercise the most significant degree of discretion is in one-time spending for capital purchases and special projects. Modifications to the operating budget may equate to changes in the services provided by the City.

By state law you must adopt a budget before the end of the year. Since the City repealed its property tax in 2008, you do not need to set a mill levy to be submitted to the Board of County Commissioners. Work sessions were held September 2, 15 and 30 and another one is planned for October 20. You are currently scheduled to hold a public hearing on the budget on November 4. After that, you may wish to hold a second public hearing or you may adopt the budget at that time. If you need another work session after the public hearing, you can schedule that on November 17. Since there are few major changes to the budget, I do not anticipate that you or the community will need that extra time.

This budget message provides you and other readers with an overview of the regular municipal government services provided by the City and the annual projects to be completed or managed by the City in the coming year, along with information to better understand the schedules and supplemental information that comprise the annual budget package. This narrative tells the story behind the numbers by describing goals, priorities, underlying assumptions and other factors considered in developing the budget. It is organized into the following sections:

- I. Introduction
- II. Organization and Services of the City
- III. Executive Summary of the 2015 Budget
- IV. Budget Assumptions and Changes
- V. Summary of all City Funds
- VI. Personnel Count and Expenditures
- VII. 2015 Budgets by Fund
- VIII. Overview of City-Wide Goals, Major Initiatives and Projects
- IX. Grant Revenue and Expenditures

In the budget schedules that follow, financial resources are shown along with the uses of such funds. Additional supplemental schedules highlight other information of significance to the City. In the “Summary of All City Funds,” the total revenue and expenditures by major groupings are shown along with any uses of or additions to reserves. Projected fund balances are also shown for each fund. Additional worksheets show more revenue and expenditure detail for each fund and operating area. Should readers seek additional information not included in the budget

package, it may be requested from the Finance Director or through the Deputy City Clerk at City Hall.

## **II. Organization and Services of the City**

Services provided by municipalities vary widely. Although citizens have many of the same services available to them in any incorporated area, some may be served by a special district or other governmental entity. Therefore, one town or city may not be directly comparable to another. It is important that readers of the budget know what services Salida provides in order to understand the budget. The broad services of the City of Salida's include the following:

- Public safety – 24/7 professional fire response (structural and wildland), emergency medical services, hazardous material response, and various forms of technical rescue including ice, swift water, confined space, and high and low angle rescues; police protection, crime prevention and law enforcement
- Public works – operation, maintenance and improvement of streets, walkways, parking lots, parks, underground distribution or collection lines, and other public infrastructure
- Water and Wastewater – Treatment and distribution of municipal water service and collection, treatment and safe discharge of wastewater
- Community development – land use and zoning, planning, historic preservation
- Arts and recreation – swimming pool, recreation programs, event center
- Administrative services – liquor and marijuana licensing, birth and death certificates, municipal court, billing and collection of water and wastewater services, intergovernmental facility management and other finance, risk management, records management, general government and administrative services

Salida has a population of approximately 5,300 residents and serves as a regional shopping hub for surrounding unincorporated areas and small towns. Combined with the effect of tourism and second home owners, Salida's municipal government serves a population estimated at more than twice the size of its residential base.

Salida is organized as a statutory city under the constitution of the State of Colorado. The City operates under a council-mayor form of government with six council members, a mayor, treasurer and clerk serving in elected positions. Government accounts are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The City has two general government and two business-type (or "enterprise") funds.

### Government Funds

General Fund  
Conservation Trust Fund

### Business-Type or Enterprise Funds

Water and Wastewater Activity Enterprise Fund  
SteamPlant Event Center Enterprise Fund

Government funds rely primarily on tax revenue to provide public services, while business-type funds charge fees to users of specific services, typically with a goal to be self-sustaining.

All funds use the accrual basis of accounting for financial statement reporting in accordance with Government Accounting Standards Board (GASB) Statement No. 34. The budget was prepared using the modified accrual basis. The format closely follows disclosures published annually in the audited financial statements to aid in comparisons of the budget to actual financial results at the end of each year.

Readers of this budget are encouraged to contact the City's Finance Director should they have any questions or seek additional details regarding Salida's financial position or its revenues and expenditures.

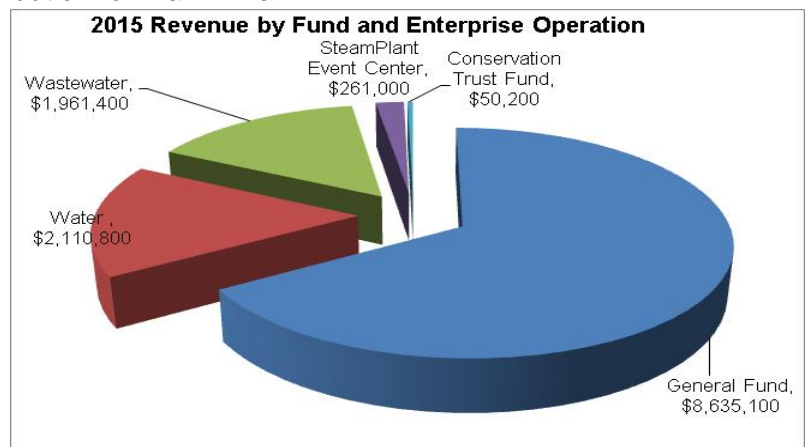
### III. Executive Summary of the 2015 Budget

Retail sales continued to improve and the growth in development activity was strong during the 2014 calendar year to date. These factors provide positive overall economic conditions for the City. Capital expenditures vary from year to year and the timing of certain one-time costs and special projects will result in changes from the 2014 projection; however, the 2015 budget stays the course from recent years of planning. No significant organization changes are anticipated in the proposed 2015 budget, although a petition currently being circulated would likely result in the reduction or discontinuation of some general government services.

Highlights of the 2015 financial expectations for the City are as follows:

- General Fund – Positive sales tax trends will enable the City to invest more in maintaining, upgrading or replacing infrastructure and pay for increases in operating costs. In addition, \$450,000 of cash reserves will be used for 2015 capital spending. This is less than one-third of the cash saved from 2010 to 2013. A total cash balance of at least \$2.5 million, approximately one-half of the annual operating budget, is projected at the end of 2015.
- Water and Wastewater Enterprise Fund – Existing rate structures will remain in place with 2.9% cost inflation increases in fees. Development fee revenue is expected to remain consistent with 2014, which improved significantly compared to the 2009 – 2012 time period. Sources and uses of funding stabilized following the increase in water and wastewater rates in 2011 and 2009, respectively. To complete a major upgrade of the water treatment plant, available water system reserves from 2012 and 2013, a \$1.5 million state grant, and some of the wastewater system reserves will be used. The wastewater treatment facility upgrade was substantially completed in 2013 with the use of reserves, grants, and a 40-year loan. No further use of reserves or debt is anticipated in the foreseeable future.
- SteamPlant Event Center – Operating revenue is expected to sustain a 75% cost recovery level. A full year under the umbrella of the City's newly formed arts and recreation department is expected foster revenue opportunities and generate operating synergies with other recreation programs.
- Conservation Trust Fund – A playground equipment replacement effort continues in 2015 with plans to use the 2015 revenue distribution for Marvin Park.

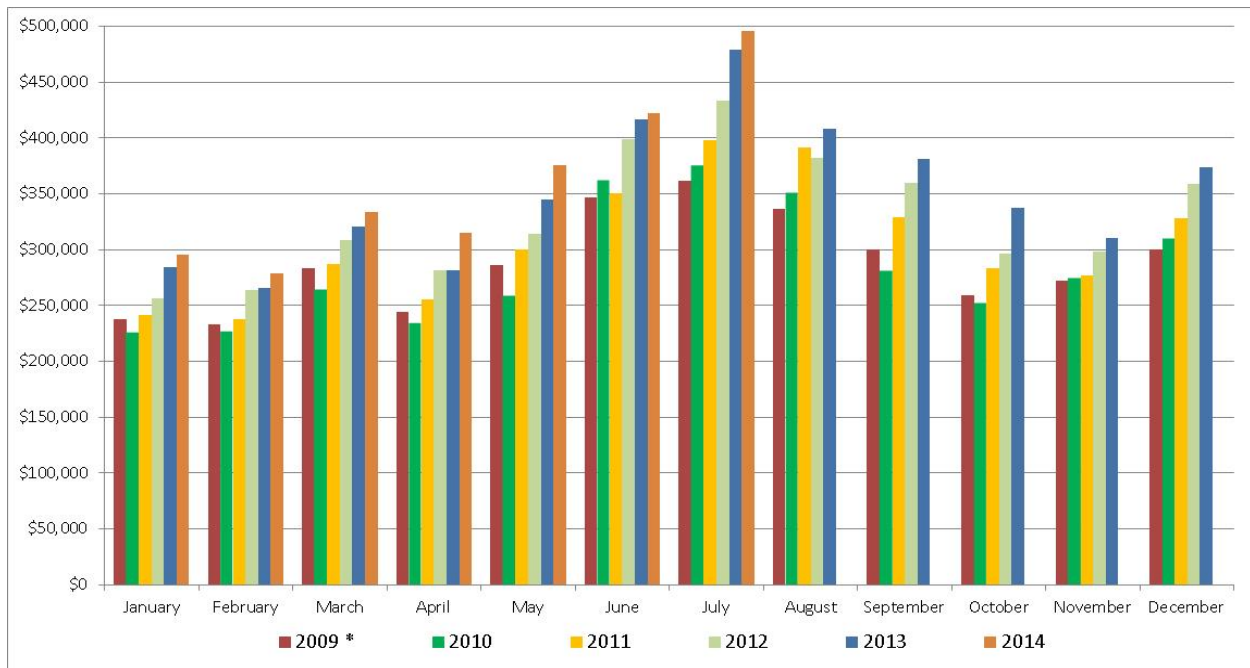
This chart provides perspective on the relative size of each fund based on total 2015 revenue. Water and wastewater system revenue is a larger than usual percentage due to the amounts remaining from large grants for the respective plant upgrades. A separate budget is prepared for each fund and/or area of operations and is discussed in more detail in the next section of this narrative.



Overall, Salida's current financial condition is healthy due to the growth in tax and development related revenue, combined with rate increases and closely managed operating and capital expenditures. The economic slowdown in 2008 to 2010 caused the City to constrain spending in many areas. Rigid discipline over spending continues in all departments to ensure dollars are spent wisely and with long-term benefits in mind. Greater investments are being made in some key areas as a result of the overall improvement in financial condition.

The City's ability to meet future capital and operating needs has benefitted from a significantly reduced level of debt service in the general fund starting in 2012. However, the water and wastewater enterprise fund have substantial debt service obligations and, until recent rate increases and improvements in development activity, an uncertain level of funding existed for capital needs. However, sources and uses of funding have now stabilized. No major rate increases and no new debt issuances are anticipated for the foreseeable future.

The most significant economic indicator for the City is sales tax. Following two years of declining sales tax, the trend reversed during 2011. Through the month of July 2014, collections increased 40 of the past 42 consecutive months. The chart below illustrates the recent revenue growth along with the significance of the summer tourist season.



City sales tax revenue of nearly \$4.5 million, which projects a 5% increase in 2014 and a further 2% increase in 2015, is budgeted in 2015. Salida also receives a portion of the Chaffee County sales tax, which is projected to be just over \$1.4 million in 2015 applying the same growth assumptions as for the City tax. Approximately half of the county revenue originates in Salida.

With the positive sales tax trend and substantially reduced level of general fund debt, the City has made significant progress toward streets and other general infrastructure needs as well as vehicle replacements and one-time projects.

Treatment plant upgrades and deficiencies in the water and wastewater infrastructure are being addressed with funds generated through rate increases, system development fees and water

lease revenue. New treatment processes now ensure wastewater is safely treated before flowing into the Arkansas River, which is enjoyed by many fisherman and boaters and is important to numerous other downstream users. The rehabilitation of the “front end” of the water system is now underway.

#### **IV. Budget Assumptions and Changes from the Previous Year**

Certain predictions must be made regarding the coming year. These key assumptions and changes require discussion and analysis during the budgeting process. The changes below were highlighted throughout budget work sessions with the council.

##### Total Revenue

- Sales tax revenue – assumes 5% growth in in 2014 followed by another 2% in 2015; applies to both the City of Salida and Chaffee County tax collections
- Other taxes – a new revenue source from the state-collected excise tax on retail marijuana in factored in along with occupation tax on lodging and franchise taxes consistent with 2014
- Allocation of recently approved tax funding sources between capital and operating expenditures within the general fund (according to accounting definitions):
  - 40 / 60 split of 2A funds for capital / operating expenditures
  - 75 / 25 split of 2B funds for capital / operating expenditures
- Nearly \$1.7 million in grant revenue expected including funds from Department of Local Affairs, Great Outdoors Colorado, USDA Rural Development, State Historic Fund and Colorado Creative Industries
- Hot springs pool rates – changes are currently pending further review
- Park rental rates –no rate increases in 2015
- Rents – increase due to the new communications tower and Touber Building space
- Fire – increase in hourly rate for business inspection fees
- Police – increase in fine for exceeding time limitation for downtown parking from \$10 to \$20
- SteamPlant Event Center – no rate increases
- Water and sewer service fees – 2.9% increase in service rates goes into effect in first quarter; approximately \$4 to \$6 per quarter for residential customers (depending on volume of water used) and \$25,000 and \$26,000 in aggregate for water and wastewater fund, respectively.
- Outside lab and dump services – most increased 3% with a few small dollar but larger percentage increases for rounding of rates
- Development and resource fees – 34 new water and 40 new sewer taps; 2.9% increase in rates

##### Total Expenditures

- Personnel - New full time position of civil engineer / project manager and two positions changing from part to full time. 5% net increase in FTEs (hours worked). 3% COLA + 3% merit (except for management) and market adjustments for police, fire and public works staff. Salary ranges in pay plan generally increasing by 3% COLA except at top and bottom; 4.5% at Level 2 and 1.9% at Level 3
- Employee health insurance – 8% increase from 2014/2015 plan year or 4% budget effect
- Fuel costs – no change in prices for 2015
- Other operating costs
  - Chaffee County Dispatch – \$144,000 (nearly 3% of general fund operating budget)
  - Special studies / one-time costs – \$15,000 for water and wastewater rate studies
  - Property / casualty insurance – \$185,000 (17% increase)

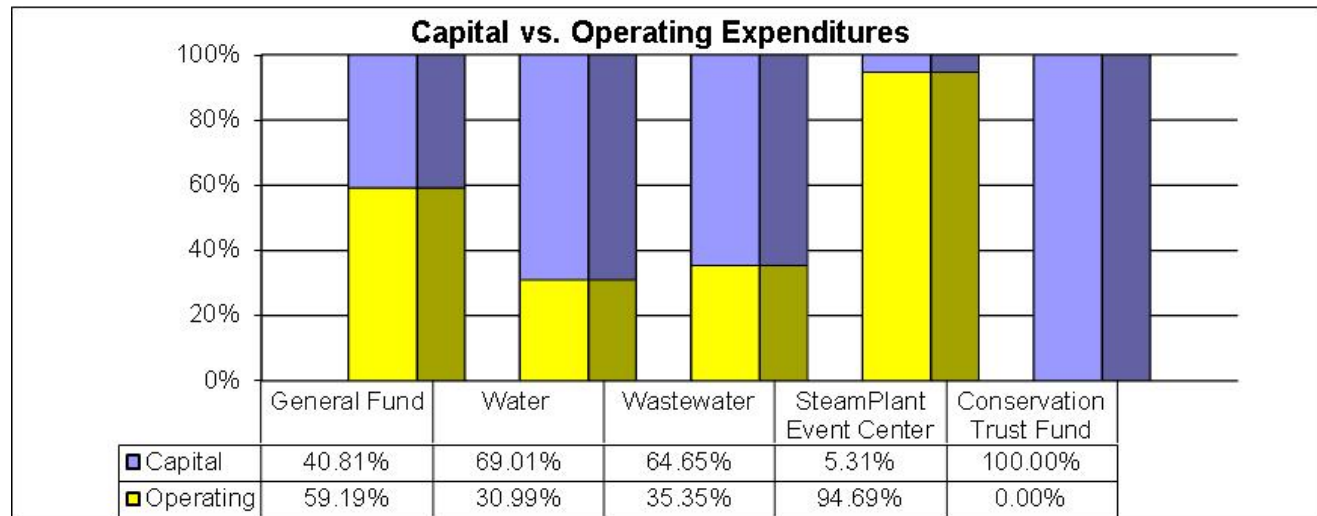


**Inflation References**

- The Consumer Price Index for All Urban Consumers (CPI-U) for the Denver-Boulder-Greeley metropolitan area increased 2.9% from the first half of 2013 to the first half of 2014

**V. Summary of all City Funds**

The City expects to generate \$13.0 million in revenue and to utilize \$1.6 million of the excess revenues over expenditures generated in recent years currently held in reserves. In total, capital expenditures and operating expenditures will amount to \$7.2 million and \$7.4 million. Over 49% of the total budget will be invested in public infrastructure improvements and capital purchases in 2015. The percentages by fund and/or area of operations are shown in the following chart.



Expenditures are specifically identified to the proper fund and department within each fund. Certain costs are allocated between funds such as insurance premiums and wages paid to staff who split their time between general government services and enterprise activities. Each fund has separate revenue streams and may be affected by different economic factors. The general fund, used to account for basic government services, is supported primarily by taxes and intergovernmental revenue. Business-type activities are supported primarily by user fees.

The majority of the City’s total receipts and disbursements occur within the general fund. In a year without significant one-time revenue sources, the general fund comprises approximately 70% of the city-wide budget. In 2015, the general fund accounts for only 66% of total revenue. Grant revenue of \$254,000 for the water treatment facility upgrade and \$430,000 for a water line extension to the wastewater treatment plant will skew 2015 proportions, although not to the degree of the \$1.7 million for the wastewater treatment plant affected 2013 proportions.

**Capital Budget Overview**

The capital budget identifies all the revenue sources used to pay for fixed assets, which are tangible or intangible items of value that will be used over an extended period of time. It is the City’s policy to capitalize all fixed assets costing more than \$5,000 with an estimated useful life of two or more years. For budget purposes, general fund capital expenditures also include items costing \$500 or more with a useful life in excess of one year. This second category of budgetary

capital spending is pursuant to the voter-approved use of sales tax revenue as further described below.

The budget includes recurring capital spending and one-time purchases and projects. For example, the City maintains a fleet of vehicles and each one is replaced at the end of its useful life. Vehicle replacements are scheduled out on a recurring basis. Another example of recurring capital expenses are road improvements intended to extend the life of existing streets, such as slurry seals or other types of overlay treatments. Other capital expenditures are one-time in nature, such as building a new road, purchasing a parcel of land or constructing a new building.

Within the general fund, money for capital purchases is generated primarily from sales tax as approved by voters. Of the longer standing 2% tax, 35% is dedicated to capital improvements and used to provide streets and other capital improvements or to pay debt service on bonds and other obligations of the City issued to provide for such capital improvements; 9% is dedicated to capital expenditures and used for the purchase of machinery and equipment. In 2008, voters approved ballot issues 2A and 2B, which provide additional funds to complete new capital projects and maintain existing assets. An incremental 1% sales tax (2A) is used for funding construction, operation, maintenance, and repair of roads and other public infrastructure of the City. An occupation tax on lodging (2B) is used for capital improvements and operations of parks, recreation and arts facilities, including the Aquatic Center and the SteamPlant Event Center. In 2014, 40% and 75% of the 2A and 2B revenue, respectively, is classified as capital. Specific funding for capital expenditures is derived primarily from system development fees in the water and wastewater enterprise fund and from lottery proceeds in the Conservation Trust Fund. The City leverages its resources with grants for many projects. Bonds or other financing obligations provide additional funding when current resources are not sufficient. All 2014 capital purchases and improvement projects are listed in a supplemental schedule.

## Operating Budget Overview

Funding for operating expenditures is primarily from sales and other taxes in the general fund and from fees for services in the enterprise funds.

The most significant resource to the City and majority of operating costs are employees. Personnel expenses comprise 68% of the operating budget and 37% of the total City budget. Contracted services, materials and supplies, utilities, insurance and other operating costs account for the remainder of the City's operating costs. The expenditures mix varies greatly by department within the City's operations and is summarized in a supplemental schedule.

## **VI. Personnel Count and Expenditures**

The table below summarizes the staffing level approved in the 2015 budget. The calculation of full-time equivalents (FTE) budgeted in each department is based on a "regular" full-time schedule of 2,080 hours per year (or 2,904 for firefighters). The parks and trails department is staffed through the public works department where employees track the hours spent working on various City activities. A portion of the costs for several public works and administrative staff members are allocated to the water and wastewater enterprise fund. This allocation effectively transfers a total of 6.0 FTEs from the general fund to the water and wastewater enterprise fund.

	Full-time Employees	Part-time / Seasonal Employees	Full-time Equivalents (FTEs)	FTEs Allocated
<b>General Fund</b>				
Administration	6.00	3.00	7.18	5.18
Community Development	2.00	1.00	3.00	3.00
Police	17.00	0.00	17.00	17.00
Fire Department	11.00	0.00	11.00	11.00
Public Works	13.00	7.00	15.05	7.20
Pool and Recreation	1.00	35.00	12.00	12.00
Parks and Trails	0.00	0.00	0.00	3.90
Subtotals	50.00	46.00	65.23	59.28
<b>SteamPlant Event Center</b>	1.00	9.00	5.62	5.62
<b>Water and Wastewater Enterprise</b>				
Water Administration	0.00	0.00	0.00	1.00
Water - Public Works	0.00	0.00	0.00	2.80
Water Plant	3.00	0.00	3.00	3.00
Subtotals	3.00	0.00	3.00	6.80
Wastewater Administration	0.00	0.00	0.00	1.00
Wastewater - Public Works	0.00	0.00	0.00	1.15
Wastewater Plant	4.00	0.00	4.00	4.00
Subtotals	4.00	0.00	4.00	6.15
<b>Totals</b>	<b>58.00</b>	<b>55.00</b>	<b>77.85</b>	<b>77.85</b>

As a percentage of the total expenditures budget for each fund, personnel costs are as follows:

Fund	Percentage of Budgets	
	Operating	Total
General	71%	43%
SteamPlant	71%	67%
Water System	62%	23%
Sewer System	54%	25%
Total – All Funds	68%	37%

In addition to daily operational duties, many City employees spend a considerable amount of time planning and managing capital projects. However, the City does not charge any staff costs to the capital budget.

Personnel costs include wages, taxes, retirement contributions, medical, dental, life and workers compensation insurance premiums. Workers compensation was previously budgeted under “fixed costs” in the administration department for the general fund and under the plant departments for the water and wastewater enterprise fund. Effective with the revised 2012 budget, workers’ compensation is categorized as “personnel” expenditures and is allocated out to each department within the general fund.

## VII. 2015 Budgets by Fund

In this section of the budget message, highlights of each fund are discussed. Where significant, the analysis is broken into two sections – capital budget and operating budget.

### General Fund Capital Budget

Just over 40% of the total general fund budget, or \$3.7 million, will be spent for capital projects or asset purchases. Spending will exceed the \$3.2 million in projected revenue that is restricted for capital. The City will use a portion of the net cash generated in recent years to address high priority capital projects in 2015. Capital items in the 2015 budget are included on a separate exhibit.

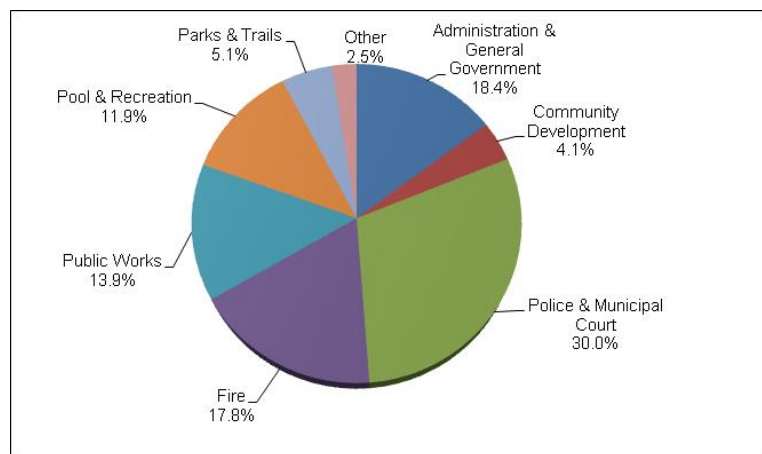
Of the total capital spending, 96% is for current capital purchases, which includes a fund transfer to the SteamPlant for capital purchases. 4% will be used to pay a financing obligation. From 2006 to 2011, the percentage of the capital budget used to pay debt averaged 39%, and was as high as 50% in 2011.

The lease purchase for the acquisition and renovation of the Toubert Building is the only financing obligation remaining in the general fund. As a result of the low level of financing obligations, citizens are now seeing a direct and current benefit from the investment of capital dollars.

### General Fund Operating Budget

A total of \$5.4 million in operating revenue is budgeted for 2015. In accordance with voter restrictions, 56% of the City's 2% sales tax can be used for operating costs. The designation of 2A (additional 1% sales tax) revenue is for the construction, operation, maintenance and repair of roads and other public infrastructure. A portion of those costs is classified as operating expenditures for accounting purposes, including street repairs, striping, sweeping, plowing, and other operating activities including planning and oversight of capital projects.

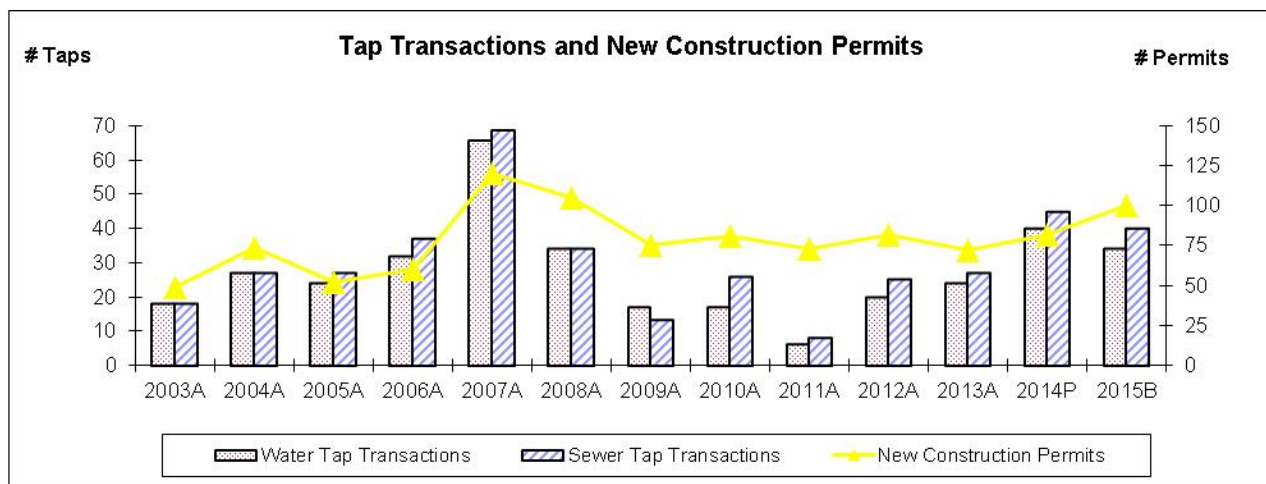
Of the \$5.1 million in total operating revenue, charges for services are expected to be \$538,200 and will offset a significant portion of the swimming pool and recreation expenditures as well as a small portion of the City's administrative, public works and public safety costs. The gross general fund operating expenditures are shown in the following pie chart. (Any revenue derived from services provided by these departments is not subtracted from the expenditure categories, which would present a net expenditure amount.)



## Water and Wastewater Enterprise Fund Capital Budget

System development fee revenue of \$209,700 and \$144,200 in the 2015 budget for the water and sewer operations, respectively, assumes the issuance of 34 new water taps and 40 new sewer taps.

Recently, the revenue generated from water and sewer system development and demand fees has not been sufficient to pay for necessary upgrades or the debt service on past capital projects. Quarterly service fees are being used to supplement revenue specifically identified for capital needs. System development fees will increase by 2% as of the first of January. The volume of new taps is predicted to stay approximately level with projections for 2013, which is an improvement from the slowdown in 2009 to 2011 but still far behind the recent peak years when some significant decisions were made to invest in assets to facilitate future growth.



Trend data for recent sales of new taps is as follows:

	2006	2007	2008	2009	2010	2011	2012	2013	2014 Projection	2015 Budget
Water	32	66	34	17	17	6	20	24	40	34
Sewer	37	69	34	13	26	8	25	28	45	40

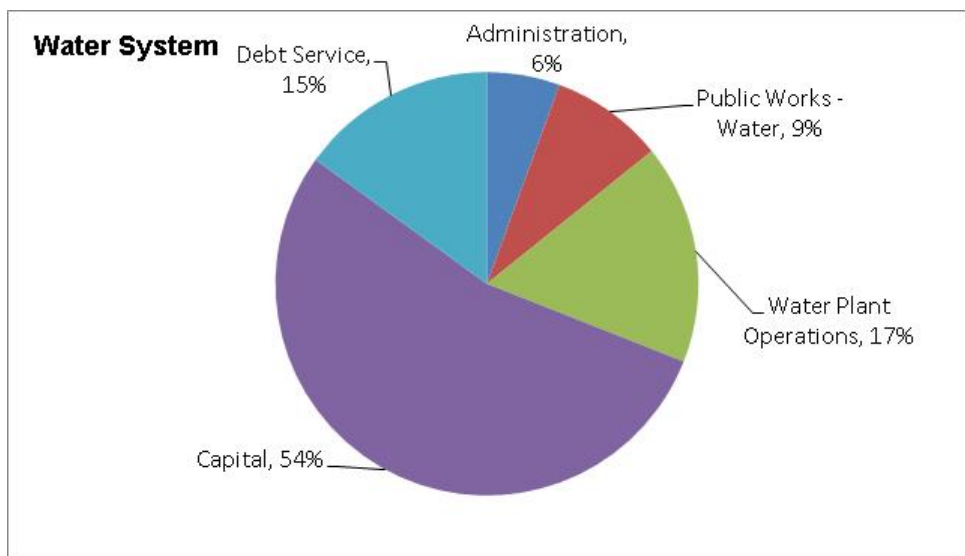
The 2013 budget message stated that for the water system, the majority of 2013 capital revenue plus the reserves accumulated in 2012 was budgeted to rehabilitate the water treatment plant; however, most of the spending will be deferred until 2014 and 2015. Additional reserves are expected in the current 2013 projection and, combined with a \$1.5 million grant, this project will be completed without any additional debt.

As identified in the 2011 water system capital improvement plan, new filter media, underdrains and troughs are needed at the City's water treatment plant, which at over 50 years old, is one of the oldest such facilities in Western Colorado.

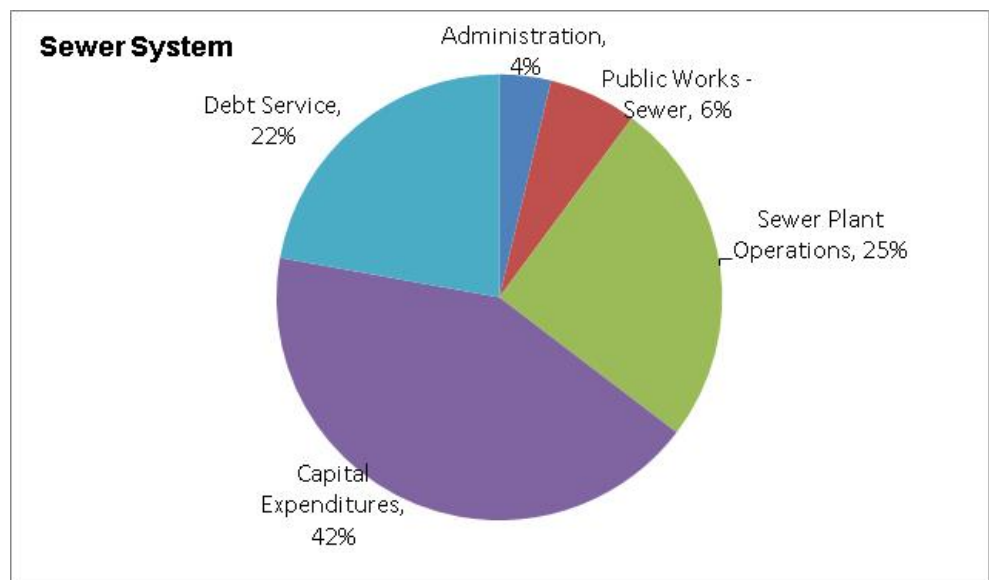
A full list of capital purchases and projects is included on a separate schedule.  
Water and Sewer Enterprise Fund Operating Budget

A total of \$1.5 million and \$1.4 million in charges for services are projected in 2015 for the water and sewer operations, respectively. The service fee revenue exceeds the amount necessary for current operations and is needed in the capital budget. The 2015 budget includes rate increases of 2.9% for both water and sewer services.

In recent years, the utilities code provided for 3% to 5% annual increases for water and sewer service to cover inflation in the costs associated with providing service. In 2011, the City determined operating revenues must be increased to cover the shortfall in development fees historically used for capital needs and debt service. Costs for the wastewater plant upgrade had already been anticipated in the 2008 sewer rate study and no incremental rate increase was necessary. However, the 2011 water rate study resulted in a significant increase in water service rates effective in July 2011. Increases from 2013 through 2015 have been contained to percentages less than anticipated in the rate studies.



As a summary of the combined total budget for the two operating areas within the water and wastewater enterprise fund, the next two charts show the use of the total 2015 revenue, including amounts taken from reserves.



## SteamPlant Event Center Enterprise Fund Budget

In its seventh full year of operations as a municipal facility, the SteamPlant is expected to generate nearly \$211,000 in revenue and recover 75% of its operating costs.

## Conservation Trust Fund Budget

Revenue in the Conservation Trust Fund is from the state lottery proceeds, disbursed based on population to municipalities, counties and other eligible entities. These funds may only be used for parks, recreation, and open space purposes. Annual revenue has been approximately \$50,000 for many years. The proposed budget includes the use of current revenue to purchase playground equipment for Marvin Park.

## **VIII. Overview of City-Wide Goals, Major Initiatives and Projects**

The annual City-wide goals, which were re-affirmed by the City Council, are the following:

1. Maintain and improve Salida's existing assets
2. Do it right and make it last
3. Increase pride in the community and confidence in local government
4. Invest in employees
5. Practice fiscal responsibility and manage debt responsibly while performing city services effectively and efficiently

As the underlying basis for decisions made by City Council regarding the allocation of budget dollars, it is important to keep in mind the key goals to be accomplished and priorities identified in the City's Comprehensive Plan.

Ongoing priorities include continued improvement in streets and other public infrastructure, as well as investments in tourist amenities that attract visitors to Salida and help to sustain local businesses. Some of the major projects that will deliver upon these goals in 2015 or in the coming years are described below:

1. Water Treatment (WTP) plant – The filter media and underdrains are both at the end of their useful lives. CDPHE has required either significant upgrades or a new backwash system to eliminate potential cross-contamination of the potable water entering the system. Salda's WTP was constructed in 1959 and utilizes a conventional treatment train. It is currently unable to meet current water quality regulations and simultaneously produce the 4 MGD design volume. We are able to serve the needs of the community during the winter months with the treatment plant off-line; it must be online from mid-spring until early fall. It does not appear possible to complete the entire project in one winter, so it has been broken it into two phases. Completion of Phase I was in the spring of 2014 and Phase II by March of 2015.
2. Streets Improvements – In addition to the routine maintenance of streets, parks and facilities that the Public Works department undertakes every day, the City plans to invest \$1.3 million for streets and walkway projects.

The Public Works Director maintains a five-year street plan that is updated annually to reflect newly completed projects and any changes in priorities assigned to pending improvement projects.

By the end of 2015 the City will have spent nearly \$7 million on streets in seven years without incurring new general fund debt and with \$1.6 million of that money coming from grants. An additional 1% sales tax revenue starting in 2009 has made a significant difference for the City's streets and other infrastructure needs. As measured in total miles, 69% of the city's streets have been resurfaced over this period of time. In the previous five years (2004-2008) the City invested only \$1.1 million in streets.

3. Sidewalks – Numerous sections of sidewalks have been heaved up by large parkway trees or are otherwise in poor repair due to age and other types of wear and tear. A goal identified in the Comprehensive Plan is to improve the condition of the sidewalks, and work was begun in 2013. It will be a very costly project to fully address the issue; however, substantial progress will continue in 2015 and subsequent years.
4. Economic Development Activities – The City provides funding and staff time for a variety of economic activities, including oversight of the regional airport, participation in the Chaffee County Economic Development Corporation (CCEDC) and other organizations. The CCEDC's goal is to facilitate the creation of living wage jobs and sustainable economic development within the county. It is dedicated to enhancing local business and industry opportunities by serving as a resource for businesses and individuals that are interested in locating or expanding their enterprise in the county. With improvement achieved for internet service bandwidth services for our area, including the City's construction of a new communications tower in 2013, the City is partnering with the CCEDC on workforce development. The City continues to support Harriet Alexander Airport, in part, through sales tax funds designated for economic development.
5. Creative District – In 2012 the City Council established a Creative District, which received certification by the State of Colorado, according to the guidelines of House Bill 11-1031. The City was awarded grant funding and technical assistance from the Colorado Office of Economic Development to develop branding, marketing and funding strategies. The state's expectation is that each district will achieve measurable local impacts in terms of the retention and attraction of creative enterprises and jobs, improved retail, dining and gallery sales and continued downtown revitalization. With the Creative District distinction, the City will work toward its vision of a self-sustaining historic downtown core that is supported by and energizes creative entrepreneurs, independent retail and residential development; that promotes adaptive reuse of historic buildings; and provides a focal point for celebrating and strengthening the community's creative identity. The groundwork for this vision was completed during 2013 using these grant funds and additional funds were awarded through 2015.
6. Natural Resource Center (NRC) – The concept for this project has been in development for over ten years and was widely supported by the local community prior to its actual execution. The NRC was intended to be a multi-agency center that would greatly improve and consolidate visitor information services, reduce operating costs, benefit the local economy, expand each agency's operational capacity, promote outdoor education, provide a public meeting and education facility, and foster interagency cooperation. It will also provide an exemplary national model for collocating federal and state agencies. A facility for the US Forest Service was completed and occupied in the first half of 2013.

Plans for the NRC are taking place on property known as the Vandaveer Ranch through the Salida Natural Resource Development Corporation, a not-for-profit 63-20 corporation created at the direction of the Salida City Council for this specific purpose. This entity now



has an expanded board to oversee further development. Additional facilities are in the planning phases.

7. Trails & Recreation Amenities – The City will continue to invest in recreation and arts, aided with 2B funds. Maintenance and discrete improvements will be made at the Hot Springs Aquatic Center and at the SteamPlant Event Center, and new playground equipment will be purchased for another of the City’s parks. Following completion of a special study funded in 2014, funds are budgeted to improve the appearance and usefulness of the Scout Hut. Discussions for a major upgrade to the Hot Springs Aquatic Center and Centennial Park are still being considered for the longer range.



8. Hot Springs Property on Poncha Springs Pass – Since the termination of the Boy Scouts lease, this 145-acre property in Poncha Springs has been vacant. In recent years the City Council has become interested in the possibility of utilizing the geothermal source for electrical power generation. In 2010 the City received a \$50,000 grant from the Governor’s Energy Office for a Thermal Gradient Study which included assembling existing geologic and geophysical data, conducting surface geologic mapping, the development of a GIS database and drilling five thermal gradient holes. The purpose of the work, completed in 2011, was to determine if a high thermal gradient anomaly exists at the Poncha Hot Springs deposits. High thermal gradient anomalies were revealed through this testing. These results are indicative of a potentially high temperature reservoir at depth. The results of magnetotelluric surveying determined, based on the resistivity imaging and companion temperature data, source areas that appeared suitable and appropriate for commercial geothermal electrical power exploitation. The City will continue to work with the surrounding property owners to assess the possibility of developing the hydrological resource for energy generation.

## **IX. Grant Revenue and Expenditures**

Grants are a significant source of revenue to the City for the planning and execution of many major capital projects. The following table below summarizes recent grants received including those expected to be approved for the 2015 budget.

[pending update]

Just as grant revenue is an important source of one-time funds for City projects, the City recognizes the importance of its financial support to non-governmental organizations for special projects that supplement municipal government operations and enhance the quality of life in our community. For those organizations and/or individual projects, the City endeavors to have limited funding available to help promote the values and goals of the community. Generally, funding is directed toward one-time projects rather than general operations of another entity.

City staff members feel it is important to highlight areas where we support the community by providing financial or staff resources beyond the scope of basic municipal services. Different views exist with respect to the role of government beyond core necessities. However, as Salida’s 2008 *Parks, Recreation, Trails and Open Space Master Plan* states,

*There is a growing trend in the United States for public leaders to recognize that parks, recreation, trails, open space and related “Quality of Life” amenities are not secondary services provided by governmental agencies, but that they are integral to creating communities where people want to live. These services should be seen as investments in the long-term vitality and economic sustainability of any vibrant and attractive community.*

The City receives many requests from members of the public and local organizations to fund various projects. For the 2015 budget, the City received the following requests and will provide funding as shown below.

Request Information							
	Requesting Organization	Project Name	Amount of Request	Total Project Cost	City's Portion	Fund? (Yes / No)	Amount of Award Recommended
1	Salida Business Alliance	July 4th Celebration	\$ 1,000			Y	\$ 1,000
2	New Caring and Sharing	Parking Lot Improvements	10,000	40,000	25%	N	-
3	The Chaffee Shuttle	The Chaffee Shuttle (operations)	5,000	250,000	2%	Y	3,500
4	Full Circle Restorative Justice	AAOPPS & Peer Mediation in Schools	5,000	20,000	25%	Y	1,000
5	Stage Left Theater	Shakespeare in the Park	4,000	5,000	80%	Y	800
6	Salida ArtWalk	Artwalk (marketing & entertainment payroll)	5,000	5,000	100%	Y	1,000
7	Articipate	Arts Education Programs in Salida	5,000	37,970	13%	Y	800
8	Habitat for Humanity	Crestone Ave - refund sewer and water tapping fees	1,500	-		Y	500
9	Salida High School	After Prom Party	1,000	5,000	20%	Y	500
10	Chaffee County Veterans Services	Replace area van for medical transportation	1,500	15,000	10%	Y	800
11	Land Trust of the Upper Arkansas	Salida Trail Restoration	5,000	37,500	13%	Y	3,500
12	GARNA	Salida Trail Restoration Project Signs	600	600	100%	Y	600
13	GARNA	City facility fee waiver	200	750	27%	N	-
14	GARNA	Sewer fee at community garden (not used)	550	550	100%	Y	500
15	Tenderfoot Transmitting dba KHEN	Symphonic Salida!	2,500	30,000	8%	Y	1,000
16	Colorado Fourteeners Initiative	Sawatch Range 14ers Trail Stewardship	1,000	135,000	1%	N	-
17	Absolute Bikes	Ride Right, Cycle Safe	1,250	4,000	31%	Y	1,000
18	Greater Salida Recreation Corp	New roof	6,500	6,500	100%	N	-
19	HRRMC Foundation	Center for Breast Health	5,000	571,190	1%	Y	1,000
20	SPOT	Valley View School Rehabilitation	5,000	380,000	1%	Y	1,000
21	Salida Council for the Arts	Follow the Arts to Salida	4,000	4,000	100%	Y	1,000
22	Salida Circus Outreach Foundation	Summer Circus Camp 2015	5,000	11,250	44%	Y	500
23	Salida Community Center	Food Distribution Program	2,999	3,999	75%	Y	1,000
24	Salida Mountain Trails	Cottonwood Trail Project	5,000	205,000	2%	Y	1,500
25	Boys and Girls Club	Project Learn	5,000	86,450	6%	Y	4,500
26	Valley to Valley Senior Care Center	Van support	5,000	14,000	36%	N	-
	To be determined	City facility fee waivers					3,000
<b>Totals</b>			<b>\$ 93,599</b>	<b>\$ 1,868,759</b>	<b>5%</b>		<b>\$ 30,000</b>

We believe it is important to objectively evaluate the requests using the approved “Projects Priority Criteria” document and, when evaluating these requests, we must ask the right questions to understand the problem or need to determine whether or not the proposed solution addresses the objective in the most efficient manner.

Excluded from this list of community support are amounts the City pays to insure the Salida Museum, Chamber of Commerce, and Senior Center facilities and the value of rent-free or below market lease agreements with these organizations serving residents and visitors.

**SUMMARY OF ALL CITY FUNDS  
2015 Proposed Budget**

	Water & Wastewater Enterprise					Total City	2014 Current Budget	Difference	
	General Fund	Water	Wastewater	SteamPlant Event Center	Conservation Trust Fund				
<b>Revenue</b>									
City Sales Tax (for operations)	\$ 2,561,900	\$ -	\$ -	\$ -	\$ -	\$ 2,561,900	\$ 2,440,200	\$ 121,700	5.0%
City Sales Tax (for capital)	1,906,700	-	-	-	-	1,906,700	1,816,000	90,700	5.0%
Other City Tax & Franchise Fees	601,400	-	-	-	-	601,400	510,000	91,400	17.9%
Charges for General Services	102,000	1,541,100	1,292,500	-	-	2,935,600	2,870,500	65,100	2.3%
County Sales Tax	1,428,000	-	-	-	-	1,428,000	1,367,700	60,300	4.4%
Grants	983,900	-	-	-	-	983,900	1,542,400	(558,500)	-36.2%
Other Intergovernmental	338,900	-	-	-	50,000	388,900	387,400	1,500	0.4%
Recreation & Event Charges	435,600	-	-	233,500	-	669,100	617,500	51,600	8.4%
System Fees & Related Charges	-	311,200	231,900	-	-	543,100	358,900	184,200	51.3%
Other	276,700	258,500	437,000	27,500	200	999,900	193,600	806,300	416.5%
<b>Total Revenue</b>	<b>8,635,100</b>	<b>2,110,800</b>	<b>1,961,400</b>	<b>261,000</b>	<b>50,200</b>	<b>13,018,500</b>	<b>12,104,200</b>	<b>914,300</b>	<b>7.6%</b>
<b>Expenditures</b>									
<b>Operating Expenditures</b>									
General & Administrative	791,500	150,900	91,700	-	-	1,034,100	1,025,000	9,100	0.9%
Community Development	217,500	-	-	-	-	217,500	250,300	(32,800)	-13.1%
Public Safety	2,559,500	-	-	-	-	2,559,500	2,437,900	121,600	5.0%
Public Infrastructure	1,017,000	234,200	157,300	-	-	1,408,500	1,572,800	(164,300)	-10.4%
Plant Operations, Other	134,400	453,800	619,100	-	-	1,207,300	1,016,400	190,900	18.8%
Arts and Recreation	634,800	-	-	349,400	-	984,200	907,000	77,200	8.5%
	<u>5,354,700</u>	<u>838,900</u>	<u>868,100</u>	<u>349,400</u>	<u>-</u>	<u>7,411,100</u>	<u>7,209,400</u>	<u>201,700</u>	<u>2.8%</u>
<b>Capital Expenditures</b>									
Current Projects & Purchases	3,530,500	1,461,300	1,043,400	19,600	50,000	6,104,800	5,515,900	588,900	10.7%
Financing - Interest	49,000	94,700	291,800	-	-	435,500	456,900	(21,400)	-4.7%
Financing - Principle	112,900	312,200	252,200	-	-	677,300	666,900	10,400	1.6%
	<u>3,692,400</u>	<u>1,868,200</u>	<u>1,587,400</u>	<u>19,600</u>	<u>50,000</u>	<u>7,217,600</u>	<u>6,639,700</u>	<u>577,900</u>	<u>8.7%</u>
<b>Total Expenditures</b>	<b>9,047,100</b>	<b>2,707,100</b>	<b>2,455,500</b>	<b>369,000</b>	<b>50,000</b>	<b>14,628,700</b>	<b>13,849,100</b>	<b>779,600</b>	<b>5.6%</b>
<b>Budget Year Net Surplus (Deficit)</b>	<b>\$ (412,000)</b>	<b>\$ (596,300)</b>	<b>\$ (494,100)</b>	<b>\$ (108,000)</b>	<b>\$ 200</b>	<b>\$ (1,610,200)</b>	<b>\$ (1,744,900)</b>	<b>\$ 134,700</b>	<b>-7.7%</b>
<b>Interfund Transfers</b>	\$ (108,000)	\$ 500,000	\$ (500,000)	\$ 108,000	\$ -	-	\$ -	-	
<b>Fees in lieu of open space</b>	\$ 70,000	\$ -	\$ -	\$ -	\$ -	70,000	\$ -	70,000	
<b>Net Additions to (Uses of) Reserves</b>	<b>\$ (450,000)</b>	<b>\$ (96,300)</b>	<b>\$ (994,100)</b>	<b>\$ -</b>	<b>\$ 200</b>	<b>\$ (1,540,200)</b>	<b>\$ (1,744,900)</b>	<b>\$ 204,700</b>	<b>-11.7%</b>
<b>Estimated Cash Reserves</b>									
Balance at 12/31/12 (Actual)	\$ 2,588,124	\$ 631,071	\$ 2,722,640	\$ 21,825	\$ 257,353	\$ 6,221,013		\$ (10,128,350)	-63.4%
Balance at 12/31/13 (Actual)	\$ 2,895,400	\$ 1,310,400	\$ 2,606,700	\$ 30,900	\$ 308,900	\$ 7,152,300		\$ 931,287	15.0%
Balance at 12/31/14 (Projected)	\$ 2,800,000	\$ 707,428	\$ 2,496,155	\$ 9,399	\$ 110,953	\$ 6,123,935		\$ (1,028,365)	-14.4%
Balance at 12/31/15 (Projected)	\$ 2,350,000	\$ 611,128	\$ 1,502,055	\$ 9,399	\$ 111,153	\$ 4,583,735		\$ (1,540,200)	-25.2%

GENERAL FUND	2015 Proposed Budget	2014 Projection	2013 Actual	2012 Actual	Variance from 2014 Projection	
<b>Revenues</b>						
Taxes:						
City Sales Tax	\$ 4,468,600	\$ 4,381,000	\$ 4,172,735	\$ 3,951,484	\$ 87,600	102.0%
Lodging Occupation Tax	240,000	240,000	242,902	176,543	-	100.0%
Franchise and Other Taxes / Fees	361,400	280,000	370,021	291,694	81,400	129.1%
	<u>5,070,000</u>	<u>4,901,000</u>	<u>4,785,657</u>	<u>4,419,721</u>	<u>169,000</u>	<u>103.4%</u>
Charges for Services:						
Planning and Zoning Fees	26,000	26,000	22,393	23,246	-	100.0%
Public Works Charges	38,000	32,000	17,931	17,918	6,000	118.8%
Fire Plans & Inspections, Response Fees	15,000	15,000	61,681	55,472	-	100.0%
Vital Statistics, VIN Inspections & Other	23,000	23,000	23,929	20,114	-	100.0%
	<u>102,000</u>	<u>96,000</u>	<u>125,934</u>	<u>116,750</u>	<u>6,000</u>	<u>106.3%</u>
Fines and Forfeits:						
Court Fines	55,000	55,000	51,655	55,062	-	100.0%
Parking Fines	20,000	12,000	10,237	10,525	8,000	166.7%
	<u>75,000</u>	<u>67,000</u>	<u>61,891</u>	<u>65,587</u>	<u>8,000</u>	<u>111.9%</u>
Licenses and Permits:						
Liquor Licenses and Permits	14,000	13,000	13,968	11,750	1,000	107.7%
Other Licenses and Permits	6,000	6,000	8,620	5,100	-	100.0%
	<u>20,000</u>	<u>19,000</u>	<u>22,588</u>	<u>16,850</u>	<u>1,000</u>	<u>105.3%</u>
Intergovernmental:						
County Sales Tax	1,428,000	1,400,000	1,354,142	1,294,766	28,000	102.0%
Cigarette Taxes	22,000	22,000	20,818	21,791	-	100.0%
Severance Taxes	15,000	15,000	11,727	15,169	-	100.0%
Highway Users Taxes	199,900	198,400	204,336	205,595	1,500	100.8%
Motor Vehicle Registrations	25,000	25,000	24,950	24,507	-	100.0%
County Road & Bridge	7,000	7,000	7,023	6,870	-	100.0%
Federal Grants	-	500,000	39,022	346,595	(500,000)	
State Grants	983,900	72,500	62,642	524,726	911,400	1357.1%
South Ark. Fire District	70,000	70,000	70,000	70,000	-	100.0%
	<u>2,750,800</u>	<u>2,309,900</u>	<u>1,794,659</u>	<u>2,510,019</u>	<u>440,900</u>	<u>119.1%</u>
Charges for Recreation & Event Services:						
Hot Springs Pool Fees	340,600	314,200	315,431	292,507	26,400	108.4%
Soaking Pool Fees	20,000	17,500	17,867	17,165	2,500	114.3%
Recreation Fees	59,000	32,000	29,812	32,925	27,000	184.4%
Park Rental Fees	16,000	14,500	13,026	17,975	1,500	110.3%
	<u>435,600</u>	<u>378,200</u>	<u>376,136</u>	<u>360,572</u>	<u>57,400</u>	<u>115.2%</u>
Miscellaneous:						
Interest Revenue	10,000	10,000	3,474	6,037	-	100.0%
Rents and Leases	31,200	26,000	24,052	18,411	5,200	120.0%
Insurance Proceeds	-	-	178,629	49,911	-	
Donations & Other	140,500	10,700	57,679	9,801	129,800	1313.1%
	<u>181,700</u>	<u>46,700</u>	<u>263,834</u>	<u>84,160</u>	<u>135,000</u>	<u>389.1%</u>
<b>TOTAL REVENUE</b>	<b>\$ 8,635,100</b>	<b>\$ 7,817,800</b>	<b>\$ 7,430,699</b>	<b>\$ 7,573,659</b>	<b>\$ 817,300</b>	<b>110.5%</b>
<b>Expenditures</b>						
Operating Expenditures						
Administration & General Government	791,500	748,100	719,470	676,656	43,400	105.8%
Community Development	217,500	250,300	203,267	169,107	(32,800)	86.9%
Police	1,604,000	1,512,100	1,404,379	1,314,925	91,900	106.1%
Fire	955,500	925,800	824,568	840,616	29,700	103.2%
Public Works	742,200	576,700	622,001	564,611	165,500	128.7%
Recreation & Aquatic Center	634,800	576,200	587,191	549,062	58,600	110.2%
Parks & Trails	274,800	259,300	255,482	219,216	15,500	106.0%
Other	134,400	202,200	264,895	108,745	(67,800)	66.5%
	<u>5,354,700</u>	<u>5,050,700</u>	<u>4,881,253</u>	<u>4,442,938</u>	<u>304,000</u>	<u>106.0%</u>
Capital Expenditures						
Administration & General Government	116,500	33,600	111,371	49,188	82,900	346.7%
Community Development	-	4,500	3,150	4,202	(4,500)	0.0%
Police	80,600	108,100	114,371	99,239	(27,500)	74.6%
Fire	102,500	79,500	550,263	107,115	23,000	128.9%
Public Works	1,290,000	1,850,200	930,789	1,094,022	(560,200)	69.7%
Recreation & Aquatic Center	910,000	345,400	89,653	70,239	564,600	263.5%
Parks & Trails	1,030,900	23,000	270,898	547,004	1,007,900	4482.2%
Other	-	128,000	123,572	27,696	(128,000)	0.0%
	<u>3,530,500</u>	<u>2,572,300</u>	<u>2,194,067</u>	<u>1,998,705</u>	<u>958,200</u>	<u>137.3%</u>
Financing Obligations						
Financing - Interest	49,000	52,800	56,372	95,910	(3,800)	92.8%
Financing - Principle	112,900	109,100	105,460	76,778	3,800	103.5%
	<u>161,900</u>	<u>161,900</u>	<u>161,832</u>	<u>172,688</u>	<u>-</u>	<u>100.0%</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ 9,047,100</b>	<b>\$ 7,784,900</b>	<b>\$ 7,237,152</b>	<b>\$ 6,614,331</b>	<b>\$ 1,262,200</b>	<b>116.2%</b>
<b>SURPLUS / (DEFICIT)</b>	<b>\$ (412,000)</b>	<b>\$ 32,900</b>	<b>\$ 193,547</b>	<b>\$ 959,328</b>	<b>\$ (444,900)</b>	<b>-1252.3%</b>
Fund Balance - Beginning of Year	\$ 3,629,099	\$ 3,907,599	\$ 3,907,599	\$ 3,048,271	\$ (278,500)	92.9%
Interfund Transfers	\$ (108,000)	\$ (311,400)	\$ (84,400)	\$ (100,000)	\$ 203,400	34.7%
Fund Balance - End of Period	\$ 3,109,099	\$ 3,629,099	\$ 4,016,746	\$ 3,907,599	\$ (520,000)	85.7%

<b>KEY OPERATING METRICS</b>						
City tax revenue per capita	\$ 957	\$ 931	\$ 909	\$ 850	\$ 26	102.8%
Total operating expenditures per capita	\$ 1,010	\$ 959	\$ 927	\$ 854	\$ 51	105.3%
Total general government per capita	\$ 190	\$ 190	\$ 175	\$ 163	\$ 1	100.4%
Total public safety per capita	\$ 483	\$ 463	\$ 423	\$ 415	\$ 20	104.3%
Interest expense per capita	\$ 9	\$ 10	\$ 11	\$ 18	\$ (1)	92.2%
Capital outlay - percent of total expenditures	39.0%	33.0%	30.3%	30.2%	6.0%	118.1%
Financing obligations as a percent of revenue	1.9%	2.1%	2.2%	2.3%	-0.2%	90.5%

## WATER AND WASTEWATER ENTERPRISE FUND

WATER OPERATIONS	2015 Proposed Budget	2014 Projection	2013 Actual	2012 Actual	Variance from 2014 Projection	
<b>Revenues</b>						
Service and Usage Charges	\$ 1,541,100	\$ 1,504,500	\$ 1,457,353	\$ 1,496,374	\$ 36,600	102.4%
Water Lease Revenue	-	40,000	162,500	-	(40,000)	0.0%
System Development & Meter Fees	311,200	292,400	213,381	172,445	18,800	106.4%
Other Revenue	258,500	1,228,450	118,169	4,351	(969,950)	21.0%
<b>TOTAL REVENUE</b>	<b>2,110,800</b>	<b>3,065,350</b>	<b>1,951,403</b>	<b>1,673,170</b>	<b>(954,550)</b>	<b>68.9%</b>
<b>Operating Expenditures</b>						
Water System Administration	150,900	188,200	159,694	168,079	(37,300)	80.2%
Public Works - Water	234,200	254,800	212,432	127,145	(20,600)	91.9%
Water Plant Operations	453,800	456,100	408,207	456,636	(2,300)	99.5%
	<b>838,900</b>	<b>899,100</b>	<b>780,333</b>	<b>751,860</b>	<b>(60,200)</b>	<b>93.3%</b>
<b>Capital Expenditures</b>						
Water System Administration	-	-	-	8,305	-	
Public Works - Water	541,300	442,500	242,153	53,660	98,800	122.3%
Water Plant	920,000	1,908,800	196,043	164,192	(988,800)	48.2%
	<b>1,461,300</b>	<b>2,351,300</b>	<b>438,196</b>	<b>226,157</b>	<b>(890,000)</b>	<b>62.1%</b>
<b>Capital Financing Expenditures</b>						
Debt Service - Interest	94,700	106,100	117,876	128,887	(11,400)	89.3%
Debt Service - Principal	312,200	311,800	286,302	282,246	400	100.1%
	<b>406,900</b>	<b>417,900</b>	<b>404,178</b>	<b>411,133</b>	<b>(11,000)</b>	<b>97.4%</b>
<b>TOTAL EXPENDITURES</b>	<b>2,707,100</b>	<b>3,668,300</b>	<b>1,622,707</b>	<b>1,389,150</b>	<b>(961,200)</b>	<b>73.8%</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES - BUDGET BASIS</b>						
	(596,300)	(602,950)	328,696	284,020	6,650	98.9%
FUND TRANSFERS	500,000	54,100	-	-	-	
<b>GAAP BASIS ADJUSTMENTS</b>						
Capital Asset Acquisitions	1,461,300	2,351,300	438,196	225,457	(890,000)	62.1%
Depreciation Expense	(500,000)	(450,000)	(406,398)	(357,665)	(50,000)	111.1%
Debt Service - Principal	312,200	311,800	286,302	282,246	400	100.1%
<b>NET INCOME - GAAP BASIS</b>	<b>\$ 1,177,200</b>	<b>\$ 1,664,250</b>	<b>\$ 646,796</b>	<b>\$ 434,058</b>	<b>\$ (487,050)</b>	<b>70.7%</b>
CASH RESERVES - Beginning of Year	\$ 707,428	\$ 1,310,378	\$ 1,008,908	\$ 929,848	\$ (602,950)	54.0%
CASH RESERVES - End of Period	\$ 611,128	\$ 707,428	\$ 1,310,378	\$ 1,008,908	\$ (96,300)	86.4%

<b>KEY OPERATING METRICS</b>						
Number of Customers	2,930	2,930	2,723	2,706	-	100.0%
Water Usage (millions of gallons)	430.0	430.0	423.0	428.1	-	100.0%
New Taps	34	34	24	20	-	100.0%
Capital outlay - percent of total expenditures	54.0%	64.1%	27.0%	16.3%	-10.1%	84.2%
Debt service as a percent of revenue	19.3%	13.6%	20.7%	24.6%	5.6%	141.4%

WASTEWATER OPERATIONS	2015 Proposed Budget	2014 Projection	2013 Actual	2012 Actual	Variance from 2014 Projection	
<b>Revenues</b>						
Service and Usage Charges	\$ 1,207,500	\$ 1,185,000	\$ 1,135,526	\$ 1,215,712	\$ 22,500	101.9%
Outside Septage Receiving	53,000	53,000	56,322	46,042	-	100.0%
Lab Analysis Services	32,000	32,000	31,697	29,953	-	100.0%
System Development Fees	231,900	224,200	146,733	138,472	7,700	103.4%
Other Revenue	437,000	4,000	1,726,688	14,462	433,000	10925.0%
<b>TOTAL REVENUE</b>	<b>1,961,400</b>	<b>1,498,200</b>	<b>3,096,966</b>	<b>1,444,641</b>	<b>463,200</b>	<b>130.9%</b>
<b>Operating Expenditures</b>						
Sewer System Administration	91,700	88,700	106,624	79,587	3,000	103.4%
Public Works - Sewer	157,300	279,800	107,899	129,040	(122,500)	56.2%
Sewer Plant Operations	619,100	560,300	579,582	540,306	58,800	110.5%
	<b>868,100</b>	<b>928,800</b>	<b>794,105</b>	<b>748,933</b>	<b>(60,700)</b>	<b>93.5%</b>
<b>Capital Expenditures</b>						
Sewer System Administration	-	-	-	8,386	-	
Public Works - Sewer	548,400	125,900	-	228,405	422,500	435.6%
Sewer Plant	495,000	10,000	1,512,345	7,992,992	485,000	4950.0%
	<b>1,043,400</b>	<b>135,900</b>	<b>1,512,345</b>	<b>8,229,783</b>	<b>907,500</b>	<b>767.8%</b>
<b>Capital Financing Expenditures</b>						
Debt Service - Interest	291,800	298,000	230,730	-	(6,200)	97.9%
Debt Service - Principal	252,200	246,000	132,692	-	6,200	102.5%
	<b>544,000</b>	<b>544,000</b>	<b>363,422</b>	<b>-</b>	<b>-</b>	<b>100.0%</b>
<b>TOTAL EXPENDITURES</b>	<b>2,455,500</b>	<b>1,608,700</b>	<b>2,669,872</b>	<b>8,978,716</b>	<b>846,800</b>	<b>152.6%</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES - BUDGET BASIS</b>						
	(494,100)	(110,500)	427,094	(7,534,075)	(383,600)	447.1%
FUND TRANSFERS	(500,000)	100,900	-	-	-	
<b>GAAP BASIS ADJUSTMENTS</b>						
Capital Asset Acquisitions	1,043,400	135,900	1,512,345	8,229,783	907,500	767.8%
Loss on Disposal of Capital Assets	-	-	-	(260,671)	-	
Depreciation Expense	(750,000)	(750,000)	(729,085)	(273,661)	-	100.0%
Debt Service - Principal	252,200	246,000	132,692	-	6,200	102.5%
<b>NET INCOME - GAAP BASIS</b>	<b>\$ (448,500)</b>	<b>\$ (377,700)</b>	<b>\$ 1,343,047</b>	<b>\$ 161,376</b>	<b>\$ (70,800)</b>	<b>118.7%</b>
CASH RESERVES - Beginning of Year	\$ 2,496,155	\$ 2,606,655	\$ 3,070,840	\$ 12,911,112	\$ (110,500)	95.8%
CASH RESERVES - End of Period	\$ 1,502,055	\$ 2,496,155	\$ 2,606,655	\$ 3,070,840	\$ (994,100)	60.2%

<b>KEY OPERATING METRICS</b>						
Number of Customers	3,125	3,125	2,941	3,000	-	100.0%
New Taps	40	39	28	25	1	102.6%
Capital outlay - percent of total expenditures	42.5%	8.4%	56.6%	91.7%	34.0%	503.0%
Debt service as a percent of revenue	27.7%	36.3%	11.7%	0.0%	-8.6%	76.4%

**STEAMPLANT EVENT CENTER FUND**

	2015 Proposed Budget	2014 Projection	2013 Actual	2012 Actual	Variance from 2014 Projection	
<b>Revenues</b>						
Room Rentals	\$ 128,500	\$ 121,300	\$ 123,488	\$ 100,285	\$ 7,200	105.9%
Ticket Sales / Event Sponsorships	22,000	30,000	28,207	9,232	(8,000)	73.3%
Caterer Fee	10,000	8,000	6,614	5,997	2,000	125.0%
Food Sales	8,000	7,000	7,574	7,453	1,000	114.3%
Beverage Sales	65,000	73,000	72,097	59,717	(8,000)	89.0%
Friends Support	3,000	42,000	7,134	18,323	(39,000)	7.1%
Other	24,500	9,500	11,774	13,330	15,000	257.9%
<b>TOTAL REVENUES</b>	<b>261,000</b>	<b>290,800</b>	<b>256,888</b>	<b>214,337</b>	<b>(29,800)</b>	<b>89.8%</b>
<b>Expenditures</b>						
Cost of Revenue	28,500	60,000	48,761	31,766	(31,500)	47.5%
Personnel	246,900	227,300	216,611	197,355	19,600	108.6%
Contracted Services	3,600	8,000	6,803	12,074	(4,400)	45.0%
Supplies & Materials	10,500	10,000	11,011	13,317	500	105.0%
Utilities	32,100	32,500	30,285	29,923	(400)	98.8%
Other Operating Expenditures	27,800	18,000	22,293	19,955	9,800	154.4%
Capital Expenditures	19,600	91,400	2,296	1,729	(71,800)	21.4%
<b>TOTAL EXPENDITURES</b>	<b>369,000</b>	<b>447,200</b>	<b>338,060</b>	<b>306,119</b>	<b>(78,200)</b>	<b>82.5%</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES - BUDGET BASIS</b>	<b>(108,000)</b>	<b>(156,400)</b>	<b>(81,172)</b>	<b>(91,782)</b>	<b>48,400</b>	<b>69.1%</b>
GENERAL FUND TRANSFER	108,000	156,400	84,400	100,000	(48,400)	69.1%
<b>NET AFTER TRANSFER</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,228</b>	<b>\$ 8,218</b>	<b>\$ -</b>	
<b>GAAP BASIS ADJUSTMENTS</b>						
Capital Asset Aquisitions	19,600	91,400	-	-	(71,800)	21.4%
Depreciation Expense	(60,000)	(60,000)	(63,761)	(65,100)	-	100.0%
<b>NET INCOME - GAAP BASIS</b>	<b>\$ (40,400)</b>	<b>\$ 31,400</b>	<b>\$ (60,533)</b>	<b>\$ (56,882)</b>	<b>\$ (71,800)</b>	<b>-128.7%</b>
CASH RESERVES - Beginning of Year	\$ 9,399	\$ 9,399	\$ 9,399	\$ 1,121	\$ -	100.0%
CASH RESERVES - End of Period	\$ 9,399	\$ 9,399	\$ 30,926	\$ 9,399	\$ -	100.0%

<b>KEY OPERATING METRICS</b>						
Number of Events	550	550	506	520	-	100.0%
Event Hours	2,000	2,000	1,429	1,531	-	100.0%
Operating Deficit	(88,400)	(\$100,000)	\$ (78,876)	(90,053)	11,600	88.4%
Operating Cost Recovery	75%	72%	77%	70%	3%	103.9%
Profit margin - beverage		68%	72%	66%	-68%	0.0%
Profit margin - food		50%	38%	30%	-50%	0.0%
Deferred revenue balance			\$ 16,688	\$8,260	\$0	

**CONSERVATION TRUST FUND**

	2015 Proposed Budget	2014 Projection	2013 Actual	2012 Actual	Variance from 2014 Projection	
<b>Revenues</b>						
Lottery Distribution from the State	\$ 50,000	\$ 50,000	\$ 56,939	\$ 52,380	\$ -	100.0%
Interest	200	200	360	515	-	100.0%
<b>TOTAL REVENUES</b>	<b>50,200</b>	<b>50,200</b>	<b>57,300</b>	<b>52,895</b>	<b>-</b>	<b>100.0%</b>
<b>Expenditures</b>						
Recreation Asset Improvements	50,000	50,000	5,750	-	-	100.0%
Land Acquisitions	-	200,000	-	-	(200,000)	0.0%
<b>TOTAL EXPENDITURES</b>	<b>50,000</b>	<b>250,000</b>	<b>5,750</b>	<b>-</b>	<b>(200,000)</b>	<b>20.0%</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES - BUDGET BASIS</b>	<b>\$ 200</b>	<b>\$ (199,800)</b>	<b>\$ 51,550</b>	<b>\$ 52,895</b>	<b>\$ 200,000</b>	<b>-0.1%</b>
Fund Balance - Beginning of Year	\$ 110,953	\$ 310,753	\$ 257,353	\$ 204,458	\$ (199,800)	35.7%
Fund Balance - End of Period	\$ 111,153	\$ 110,953	\$ 308,903	\$ 257,353	\$ 200	100.2%

2015 Capital Budget

Dept	Description	Project or Asset Cost	Offsetting Grants & Contributions	Net Cost for City
<b>Government Funds - General and CTF:</b>				
Admin	Implement remote access to server	4,500	-	4,500
Admin	Touber Building improvements	89,000	-	89,000
Admin	City-wide wireless expansion	6,500	-	6,500
Admin	Video streaming for public meetings	6,500	-	6,500
Admin	A/V mixer & character generator & microphones	10,000	-	10,000
Police	PC Replacements (2)	2,600	-	2,600
Police	Body armor	2,800	-	2,800
Police	Two vehicles - patrol & code enforcement	69,000	-	69,000
Police	Pac Set Radios (portables)	6,200	-	6,200
Fire	Fire Station improvements and furnishings	11,300	-	11,300
Fire	PC Replacements (2)	2,600	-	2,600
Fire	Install backup power	6,600	-	6,600
Fire	Replace fluorescent lamps and ballasts	2,000	-	2,000
Fire	Kissell Restoration	80,000	72,500	7,500
Public Works	Truck route signs	4,000	-	4,000
Public Works	PC Replacement	1,300	-	1,300
Public Works	Recycling receptacles for city facilities	5,000	-	5,000
Public Works	Stamped concrete crosswalks	24,000	-	24,000
Public Works	Sidewalks	130,000	-	130,000
Public Works	Streets Paving Project - H Street construction	780,000	-	780,000
Public Works	Streets: Slurry Seal projects	65,700	-	65,700
Public Works	2016 project engineering	50,000	-	50,000
Public Works	Streets: Address drainage issues	20,000	-	20,000
Public Works	Streets: Rebuild projects	191,000	-	191,000
Public Works	Building energy efficiency projects	1,000	-	1,000
Public Works	Grader tires (routine replacement)	10,000	-	10,000
Public Works	Pressure washer	5,000	-	5,000
Public Works	School street light	3,000	-	3,000
Parks&Trails	Picnic tables (12)	12,300	-	12,300
Parks&Trails	Trail behind Touber Building to Sand Lake	559,600	489,600	70,000
Parks&Trails	Trail amenity	25,000	25,000	-
Parks&Trails	Scout Hut renovation	400,000	200,000	200,000
Parks&Trails	Mower - 60" deck	9,000	-	9,000
Parks&Trails	Timers for gates at Dog Park (2 @ \$5k each)	12,000	3,000	9,000
Parks&Trails	Alpine Park - diagonal walkway	6,500	-	6,500
Parks&Trails	Playground upgrades for Marvin Park (CTF)	50,000	-	50,000
Parks&Trails	Boatrap restrooms lift station	6,500	-	6,500
Recreation	Lights in pool area	4,000	-	4,000
Recreation	Sand replacement for both filters	2,700	-	2,700
Recreation	PC Replacement	1,300	-	1,300
Recreation	Outdoor pools	288,600	200,000	88,600
Recreation	Restrooms on east side for tennis court	25,000	4,000	21,000
Recreation	Exterior painting	15,000	-	15,000
Recreation	Locker rooms	420,000	-	420,000
Recreation	Grate replacement around lap pool & warm pool	6,200	-	6,200
Recreation	Indoor slide	8,400	-	8,400
Recreation	Replace chlorinators	6,300	-	6,300
Recreation	Pump replacement	6,000	-	6,000
Recreation	Upgrade phone system	6,500	-	6,500
Recreation	Tennis courts	120,000	120,000	-
		3,580,500	1,114,100	2,466,400
<b>SteamPlant Event Center</b>				
SteamPlant	PC Replacements (2)	2,600	-	2,600
SteamPlant	Carpet for annex	6,000	-	6,000
SteamPlant	Carpet for ballroom	6,000	-	6,000
SteamPlant	Remodel women's restroom in lobby	5,000	-	5,000
		19,600	-	19,600
<b>Water and Wastewater Enterprise</b>				
PW-Water	New water line on H Street from 8th to 16th	490,800	-	490,800
PW-Water	Replace failed valves (12)	12,000	-	12,000
PW-Water	Safety gear for employees working in confined spaces	7,500	-	7,500
PW-Water	Replace fire hydrants (4)	20,000	-	20,000
PW-Water	Tremble update	5,000	-	5,000
Water Plant	Treatment plant upgrade - Phase II	865,000	253,550	611,450
Water Plant	Windows	6,000	-	6,000
Water Plant	Motors & pumps	10,000	-	10,000
Water Plant	Replace little blue pickup truck	25,000	-	25,000
Water Plant	Backwash pond improvements	5,000	-	5,000
Water Plant	Design of disinfection compliance monitoring improvements	15,000	-	15,000
		1,461,300	253,550	1,207,750
PW-Sewer	Line replacement	500,000	-	500,000
PW-Sewer	Sewer line east of Longfellow	35,900	-	35,900
PW-Sewer	Safety gear for employees working in confined spaces	7,500	-	7,500
PW-Sewer	Tremble update	5,000	-	5,000
Sewer Plant	Plant upgrade: water line extension	430,000	430,000	-
Sewer Plant	Replacement tools & pumps	10,000	-	10,000
Sewer Plant	Lawn mower	15,000	-	15,000
Sewer Plant	Pickup truck	40,000	-	40,000
		1,043,400	430,000	613,400
<b>Totals</b>		<b>6,104,800</b>	<b>1,797,650</b>	<b>4,307,150</b>



Categor...	Defined Budgets					
	2013 Total Budget	2013 Total Activity	2014 Total Budget	2014 Total Activity	2015 Total Budget	2015 YTD Activity
<b>Fund: 10 - GENERAL FUND</b>						
<b>Revenue</b>						
<b>Department: 00 - General Revenue</b>						
40 - Tax Revenue	4,652,600.00	4,785,657.43	4,766,200.00	2,736,163.95	5,070,000.00	0.00
41 - Fees for General Services	5,000.00	5,674.75	5,000.00	4,813.20	5,000.00	0.00
44 - Intergovernmental Revenue	1,753,700.00	1,724,679.45	2,207,600.00	1,020,248.81	2,680,800.00	0.00
48 - Capital Revenue	228,300.00	209,027.33	700.00	1,511.50	135,500.00	0.00
49 - Miscellaneous Revenue	41,700.00	36,244.05	36,000.00	25,620.22	41,200.00	0.00
<b>Department: 00 - General Revenue Total:</b>	<b>6,681,300.00</b>	<b>6,761,283.01</b>	<b>7,015,500.00</b>	<b>3,788,357.68</b>	<b>7,932,500.00</b>	<b>0.00</b>
<b>Department: 15 - Administration &amp; Elected Officials</b>						
41 - Fees for General Services	18,000.00	15,514.50	18,000.00	14,512.60	18,000.00	0.00
43 - Licenses and Permits	21,400.00	22,588.00	19,000.00	20,420.00	20,000.00	0.00
<b>Department: 15 - Administration &amp; Elected Officials Total:</b>	<b>39,400.00</b>	<b>38,102.50</b>	<b>37,000.00</b>	<b>34,932.60</b>	<b>38,000.00</b>	<b>0.00</b>
<b>Department: 16 - Community Development</b>						
41 - Fees for General Services	30,000.00	22,393.14	26,000.00	12,928.00	26,000.00	0.00
49 - Miscellaneous Revenue	0.00	18,000.00	0.00	6,000.00	0.00	0.00
<b>Department: 16 - Community Development Total:</b>	<b>30,000.00</b>	<b>40,393.14</b>	<b>26,000.00</b>	<b>18,928.00</b>	<b>26,000.00</b>	<b>0.00</b>
<b>Department: 21 - Police</b>						
41 - Fees for General Services	0.00	2,740.00	0.00	2,011.55	0.00	0.00
42 - Fines & Forfeitures	67,000.00	61,891.23	67,000.00	40,057.35	75,000.00	0.00
49 - Miscellaneous Revenue	0.00	363.00	0.00	0.00	0.00	0.00
<b>Department: 21 - Police Total:</b>	<b>67,000.00</b>	<b>64,994.23</b>	<b>67,000.00</b>	<b>42,068.90</b>	<b>75,000.00</b>	<b>0.00</b>
<b>Department: 22 - Fire</b>						
41 - Fees for General Services	40,000.00	61,680.56	15,000.00	6,154.26	15,000.00	0.00
44 - Intergovernmental Revenue	70,000.00	70,000.00	70,000.00	35,000.00	70,000.00	0.00
49 - Miscellaneous Revenue	5,000.00	200.00	5,000.00	4,436.31	5,000.00	0.00
<b>Department: 22 - Fire Total:</b>	<b>115,000.00</b>	<b>131,880.56</b>	<b>90,000.00</b>	<b>45,590.57</b>	<b>90,000.00</b>	<b>0.00</b>
<b>Department: 30 - Public Works</b>						
41 - Fees for General Services	32,000.00	17,930.59	32,000.00	19,906.65	38,000.00	0.00
<b>Department: 30 - Public Works Total:</b>	<b>32,000.00</b>	<b>17,930.59</b>	<b>32,000.00</b>	<b>19,906.65</b>	<b>38,000.00</b>	<b>0.00</b>
<b>Department: 51 - Pool &amp; Recreation</b>						
45 - Fees for Recreation & Event Services	372,300.00	376,135.29	378,200.00	329,300.64	435,600.00	0.00



Budget Worksheet

For Fiscal: 2015 Period Ending: 12/31/2015

Defined Budgets

Categor...	2013	2013	2014	2014	2015	2015
	Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity
48 - Capital Revenue	0.00	0.00	0.00	750.00	0.00	0.00
<b>Department: 51 - Pool &amp; Recreation Total:</b>	<b>372,300.00</b>	<b>376,135.29</b>	<b>378,200.00</b>	<b>330,050.64</b>	<b>435,600.00</b>	<b>0.00</b>
<b>Revenue Total:</b>	<b>7,337,000.00</b>	<b>7,430,719.32</b>	<b>7,645,700.00</b>	<b>4,279,835.04</b>	<b>8,635,100.00</b>	<b>0.00</b>
<b>Expense</b>						
<b>Department: 15 - Administration &amp; Elected Officials</b>						
51 - Personnel	362,600.00	350,214.16	389,900.00	281,894.98	399,400.00	0.00
52 - Contracted Services	196,500.00	173,751.85	171,200.00	164,593.82	179,000.00	0.00
53 - Supplies & Materials	10,500.00	6,512.41	7,500.00	5,178.54	7,500.00	0.00
54 - Utilities	23,300.00	23,284.16	25,400.00	12,966.92	24,900.00	0.00
55 - Other Operating Costs	174,300.00	165,707.71	149,100.00	116,276.67	180,700.00	0.00
56 - Financing Obligations	161,900.00	161,832.00	161,900.00	94,403.00	161,900.00	0.00
59 - Budgetary Capital Expenditures (\$500 - \$4,999)	48,300.00	53,989.85	3,600.00	4,519.90	5,500.00	0.00
60 - Capital Purchases & Improvements (\$5,000 +)	63,500.00	57,381.05	30,000.00	0.00	111,000.00	0.00
<b>Department: 15 - Administration &amp; Elected Officials Total:</b>	<b>1,040,900.00</b>	<b>992,673.19</b>	<b>938,600.00</b>	<b>679,833.83</b>	<b>1,069,900.00</b>	<b>0.00</b>
<b>Department: 16 - Community Development</b>						
51 - Personnel	159,700.00	158,160.18	174,500.00	120,071.66	184,200.00	0.00
52 - Contracted Services	30,400.00	36,198.71	61,400.00	4,562.26	16,400.00	0.00
53 - Supplies & Materials	1,100.00	990.32	2,100.00	348.32	2,100.00	0.00
54 - Utilities	100.00	0.00	100.00	0.00	100.00	0.00
55 - Other Operating Costs	12,300.00	7,917.75	12,200.00	8,270.66	14,700.00	0.00
59 - Budgetary Capital Expenditures (\$500 - \$4,999)	3,500.00	3,150.00	4,500.00	3,504.00	0.00	0.00
60 - Capital Purchases & Improvements (\$5,000 +)	0.00	0.00	0.00	13,304.00	0.00	0.00
<b>Department: 16 - Community Development Total:</b>	<b>207,100.00</b>	<b>206,416.96</b>	<b>254,800.00</b>	<b>150,060.90</b>	<b>217,500.00</b>	<b>0.00</b>
<b>Department: 21 - Police</b>						
51 - Personnel	1,224,200.00	1,201,070.60	1,225,800.00	814,955.77	1,288,200.00	0.00
52 - Contracted Services	97,700.00	94,923.82	163,400.00	141,180.13	196,000.00	0.00
53 - Supplies & Materials	63,000.00	53,479.46	63,100.00	34,077.26	59,800.00	0.00
54 - Utilities	25,900.00	26,449.38	26,700.00	18,439.69	28,800.00	0.00
55 - Other Operating Costs	27,100.00	28,456.24	28,100.00	28,366.77	31,200.00	0.00
59 - Budgetary Capital Expenditures (\$500 - \$4,999)	38,800.00	40,733.91	9,300.00	5,827.40	5,400.00	0.00
60 - Capital Purchases & Improvements (\$5,000 +)	76,100.00	73,637.01	98,800.00	84,987.75	75,200.00	0.00
<b>Department: 21 - Police Total:</b>	<b>1,552,800.00</b>	<b>1,518,750.42</b>	<b>1,615,200.00</b>	<b>1,127,834.77</b>	<b>1,684,600.00</b>	<b>0.00</b>
<b>Department: 22 - Fire</b>						
51 - Personnel	787,300.00	765,050.57	790,200.00	570,758.47	843,700.00	0.00
52 - Contracted Services	17,500.00	11,309.75	61,800.00	21,968.54	37,400.00	0.00
53 - Supplies & Materials	31,800.00	24,382.51	32,100.00	16,802.04	32,700.00	0.00
54 - Utilities	3,800.00	4,289.76	3,800.00	3,388.55	3,800.00	0.00
55 - Other Operating Costs	35,300.00	19,534.46	37,900.00	21,467.29	37,900.00	0.00
59 - Budgetary Capital Expenditures (\$500 - \$4,999)	26,000.00	17,791.31	14,500.00	10,877.73	13,900.00	0.00
60 - Capital Purchases & Improvements (\$5,000 +)	538,700.00	532,472.28	65,000.00	0.00	88,600.00	0.00

Budget Worksheet

For Fiscal: 2015 Period Ending: 12/31/2015

Defined Budgets

Categor...	2013	2013	2014	2014	2015	2015
	Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity
<b>Department: 22 - Fire Total:</b>	<b>1,440,400.00</b>	<b>1,374,830.64</b>	<b>1,005,300.00</b>	<b>645,262.62</b>	<b>1,058,000.00</b>	<b>0.00</b>
<b>Department: 30 - Public Works</b>						
51 - Personnel	351,600.00	362,486.11	338,300.00	251,183.51	472,300.00	0.00
52 - Contracted Services	15,700.00	16,976.51	16,300.00	14,285.80	16,800.00	0.00
53 - Supplies & Materials	68,700.00	78,723.02	49,100.00	44,750.76	54,100.00	0.00
54 - Utilities	113,000.00	126,806.41	116,500.00	92,335.05	131,000.00	0.00
55 - Other Operating Costs	36,800.00	37,008.58	56,500.00	37,955.99	68,000.00	0.00
59 - Budgetary Capital Expenditures (\$500 - \$4,999)	14,000.00	14,216.89	20,400.00	6,521.96	7,300.00	0.00
60 - Capital Purchases & Improvements (\$5,000 +)	927,800.00	916,572.46	1,829,800.00	629,198.00	1,282,700.00	0.00
<b>Department: 30 - Public Works Total:</b>	<b>1,527,600.00</b>	<b>1,552,789.98</b>	<b>2,426,900.00</b>	<b>1,076,231.07</b>	<b>2,032,200.00</b>	<b>0.00</b>
<b>Department: 51 - Pool &amp; Recreation</b>						
50 - Direct Cost of Revenue	10,000.00	9,661.59	10,000.00	9,649.14	10,000.00	0.00
51 - Personnel	385,800.00	368,254.29	383,300.00	275,150.02	423,500.00	0.00
52 - Contracted Services	42,400.00	39,439.61	23,400.00	19,135.41	22,500.00	0.00
53 - Supplies & Materials	38,200.00	33,004.42	34,400.00	20,129.09	37,300.00	0.00
54 - Utilities	85,000.00	80,292.23	79,500.00	50,928.64	71,900.00	0.00
55 - Other Operating Costs	67,400.00	56,538.99	45,600.00	29,477.79	69,600.00	0.00
59 - Budgetary Capital Expenditures (\$500 - \$4,999)	7,000.00	32,239.93	6,400.00	-3,624.44	8,000.00	0.00
60 - Capital Purchases & Improvements (\$5,000 +)	169,000.00	57,413.00	339,000.00	46,958.67	902,000.00	0.00
<b>Department: 51 - Pool &amp; Recreation Total:</b>	<b>804,800.00</b>	<b>676,844.06</b>	<b>921,600.00</b>	<b>447,804.32</b>	<b>1,544,800.00</b>	<b>0.00</b>
<b>Department: 54 - Parks, Open Space &amp; Trails</b>						
51 - Personnel	157,000.00	136,878.72	154,500.00	113,121.14	183,500.00	0.00
52 - Contracted Services	5,200.00	2,012.86	2,300.00	4,364.10	2,300.00	0.00
53 - Supplies & Materials	10,300.00	16,566.18	13,500.00	22,082.15	19,000.00	0.00
54 - Utilities	72,200.00	67,040.59	49,500.00	58,321.93	49,500.00	0.00
55 - Other Operating Costs	39,600.00	32,984.14	29,500.00	13,373.47	20,500.00	0.00
59 - Budgetary Capital Expenditures (\$500 - \$4,999)	0.00	29,763.64	3,000.00	2,849.38	12,300.00	0.00
60 - Capital Purchases & Improvements (\$5,000 +)	268,800.00	241,134.04	20,000.00	20,645.53	1,018,600.00	0.00
<b>Department: 54 - Parks, Open Space &amp; Trails Total:</b>	<b>553,100.00</b>	<b>526,380.17</b>	<b>272,300.00</b>	<b>234,757.70</b>	<b>1,305,700.00</b>	<b>0.00</b>
<b>Department: 56 - Other</b>						
52 - Contracted Services	132,400.00	114,055.14	57,400.00	25,625.00	40,400.00	0.00
53 - Supplies & Materials	0.00	39.62	0.00	0.00	0.00	0.00
54 - Utilities	10,900.00	11,242.94	10,000.00	6,168.53	12,000.00	0.00
55 - Other Operating Costs	146,300.00	139,556.71	134,800.00	72,472.36	82,000.00	0.00
59 - Budgetary Capital Expenditures (\$500 - \$4,999)	0.00	7,794.32	4,000.00	2,000.00	0.00	0.00
60 - Capital Purchases & Improvements (\$5,000 +)	170,000.00	115,778.20	120,000.00	22,055.30	0.00	0.00

**Budget Worksheet**

**For Fiscal: 2015 Period Ending: 12/31/2015**

**Defined Budgets** \_\_\_\_\_

Categor...	2013	2013	2014	2014	2015	2015
	Total Budget	Total Activity	Total Budget	Total Activity	Total Budget	YTD Activity
70 - Transfers In / Out	0.00	84,400.00	0.00	0.00	0.00	0.00
<b>Department: 56 - Other Total:</b>	<b>459,600.00</b>	<b>472,866.93</b>	<b>326,200.00</b>	<b>128,321.19</b>	<b>134,400.00</b>	<b>0.00</b>
<b>Expense Total:</b>	<b>7,586,300.00</b>	<b>7,321,552.35</b>	<b>7,760,900.00</b>	<b>4,490,106.40</b>	<b>9,047,100.00</b>	<b>0.00</b>
<b>Fund: 10 - GENERAL FUND Surplus (Deficit):</b>	<b>-249,300.00</b>	<b>109,166.97</b>	<b>-115,200.00</b>	<b>-210,271.36</b>	<b>-412,000.00</b>	<b>0.00</b>

Budget Worksheet

For Fiscal: 2015 Period Ending: 12/31/2015

Defined Budgets

Categor...	2013 Total Budget	2013 Total Activity	2014 Total Budget	2014 Total Activity	2015 Total Budget	2015 YTD Activity
<b>Fund: 20 - WATER FUND</b>						
<b>Revenue</b>						
<b>Department: 00 - General Revenue</b>						
41 - Fees for General Services	1,618,500.00	1,634,698.94	1,504,500.00	1,229,336.33	1,541,100.00	0.00
44 - Intergovernmental Revenue	10,000.00	89,899.32	969,900.00	259,978.98	253,500.00	0.00
48 - Capital Revenue	223,000.00	218,538.33	214,700.00	296,518.51	311,200.00	0.00
49 - Miscellaneous Revenue	7,000.00	8,266.62	5,000.00	13,901.84	5,000.00	0.00
<b>Department: 00 - General Revenue Total:</b>	<b>1,858,500.00</b>	<b>1,951,403.21</b>	<b>2,694,100.00</b>	<b>1,799,735.66</b>	<b>2,110,800.00</b>	<b>0.00</b>
<b>Revenue Total:</b>	<b>1,858,500.00</b>	<b>1,951,403.21</b>	<b>2,694,100.00</b>	<b>1,799,735.66</b>	<b>2,110,800.00</b>	<b>0.00</b>
<b>Expense</b>						
<b>Department: 15 - Administration &amp; Elected Officials</b>						
51 - Personnel	67,900.00	64,187.38	72,300.00	51,320.28	74,000.00	0.00
52 - Contracted Services	124,500.00	91,086.34	110,100.00	87,550.08	70,400.00	0.00
53 - Supplies & Materials	4,000.00	1,324.24	2,000.00	396.72	2,000.00	0.00
55 - Other Operating Costs	3,200.00	3,096.51	3,800.00	3,080.37	4,500.00	0.00
58 - Depreciation, Amortization & Loss on Disposal	0.00	3,371.08	0.00	0.00	0.00	0.00
<b>Department: 15 - Administration &amp; Elected Officials Total:</b>	<b>199,600.00</b>	<b>163,065.55</b>	<b>188,200.00</b>	<b>142,347.45</b>	<b>150,900.00</b>	<b>0.00</b>
<b>Department: 30 - Public Works</b>						
51 - Personnel	148,900.00	167,831.59	216,100.00	118,128.60	195,500.00	0.00
52 - Contracted Services	10,500.00	10,515.61	0.00	93.33	0.00	0.00
53 - Supplies & Materials	13,600.00	8,605.18	16,500.00	7,646.68	16,500.00	0.00
54 - Utilities	0.00	194.15	0.00	0.00	0.00	0.00
55 - Other Operating Costs	24,000.00	25,285.45	22,200.00	18,846.71	22,200.00	0.00
56 - Financing Obligations	378,200.00	117,875.54	390,600.00	55,319.22	379,600.00	0.00
58 - Depreciation, Amortization & Loss on Disposal	0.00	248,438.39	0.00	0.00	0.00	0.00
60 - Capital Purchases & Improvements (\$5,000 +)	142,000.00	0.00	557,500.00	243,718.56	535,300.00	0.00
<b>Department: 30 - Public Works Total:</b>	<b>717,200.00</b>	<b>578,745.91</b>	<b>1,202,900.00</b>	<b>443,753.10</b>	<b>1,149,100.00</b>	<b>0.00</b>
<b>Department: 34 - Water Plant</b>						
51 - Personnel	239,400.00	242,463.68	247,100.00	180,008.13	250,700.00	0.00
52 - Contracted Services	92,000.00	27,944.84	38,200.00	10,061.14	28,200.00	0.00
53 - Supplies & Materials	55,400.00	29,903.93	48,200.00	28,703.22	53,200.00	0.00
54 - Utilities	39,000.00	34,773.96	37,000.00	30,376.02	37,400.00	0.00
55 - Other Operating Costs	84,400.00	73,120.45	85,600.00	76,129.14	84,300.00	0.00
56 - Financing Obligations	27,300.00	0.00	27,300.00	0.00	27,300.00	0.00
58 - Depreciation, Amortization & Loss on Disposal	0.00	154,588.78	0.00	0.00	0.00	0.00
60 - Capital Purchases & Improvements (\$5,000 +)	631,000.00	0.00	1,908,800.00	971,349.25	926,000.00	0.00
<b>Department: 34 - Water Plant Total:</b>	<b>1,168,500.00</b>	<b>562,795.64</b>	<b>2,392,200.00</b>	<b>1,296,626.90</b>	<b>1,407,100.00</b>	<b>0.00</b>
<b>Expense Total:</b>	<b>2,085,300.00</b>	<b>1,304,607.10</b>	<b>3,783,300.00</b>	<b>1,882,727.45</b>	<b>2,707,100.00</b>	<b>0.00</b>
<b>Fund: 20 - WATER FUND Surplus (Deficit):</b>	<b>-226,800.00</b>	<b>646,796.11</b>	<b>-1,089,200.00</b>	<b>-82,991.79</b>	<b>-596,300.00</b>	<b>0.00</b>

Budget Worksheet

For Fiscal: 2015 Period Ending: 12/31/2015

Defined Budgets

Categor...	2013 Total Budget	2013 Total Activity	2014 Total Budget	2014 Total Activity	2015 Total Budget	2015 YTD Activity
<b>Fund: 21 - WASTEWATER FUND</b>						
<b>Revenue</b>						
<b>Department: 00 - General Revenue</b>						
41 - Fees for General Services	1,244,000.00	1,232,159.92	1,270,000.00	929,645.93	1,292,500.00	0.00
44 - Intergovernmental Revenue	2,751,000.00	1,715,356.31	0.00	135,000.00	-420,000.00	0.00
48 - Capital Revenue	140,000.00	146,733.00	144,200.00	203,345.63	231,900.00	0.00
49 - Miscellaneous Revenue	16,000.00	2,717.16	4,000.00	6,289.49	7,000.00	0.00
<b>Department: 00 - General Revenue Total:</b>	<b>4,151,000.00</b>	<b>3,096,966.39</b>	<b>1,418,200.00</b>	<b>1,274,281.05</b>	<b>1,111,400.00</b>	<b>0.00</b>
<b>Revenue Total:</b>	<b>4,151,000.00</b>	<b>3,096,966.39</b>	<b>1,418,200.00</b>	<b>1,274,281.05</b>	<b>1,111,400.00</b>	<b>0.00</b>
<b>Expense</b>						
<b>Department: 15 - Administration &amp; Elected Officials</b>						
51 - Personnel	67,900.00	73,653.76	72,300.00	52,453.37	74,000.00	0.00
52 - Contracted Services	33,000.00	28,627.47	10,600.00	5,366.50	11,200.00	0.00
53 - Supplies & Materials	1,500.00	1,061.17	2,000.00	396.72	2,000.00	0.00
55 - Other Operating Costs	3,200.00	3,281.90	3,800.00	3,282.95	4,500.00	0.00
58 - Depreciation, Amortization & Loss on Disposal	0.00	838.62	0.00	0.00	0.00	0.00
<b>Department: 15 - Administration &amp; Elected Officials Total:</b>	<b>105,600.00</b>	<b>107,462.92</b>	<b>88,700.00</b>	<b>61,499.54</b>	<b>91,700.00</b>	<b>0.00</b>
<b>Department: 30 - Public Works</b>						
51 - Personnel	55,900.00	52,328.19	73,200.00	43,478.44	81,300.00	0.00
52 - Contracted Services	5,500.00	1,196.17	5,500.00	4,415.74	10,500.00	0.00
53 - Supplies & Materials	5,400.00	8,010.80	9,600.00	2,601.86	9,500.00	0.00
55 - Other Operating Costs	59,100.00	46,363.82	191,000.00	2,330.29	56,000.00	0.00
58 - Depreciation, Amortization & Loss on Disposal	0.00	68,003.31	0.00	0.00	0.00	0.00
60 - Capital Purchases & Improvements (\$5,000 +)	200,000.00	0.00	125,900.00	17,560.05	548,400.00	0.00
<b>Department: 30 - Public Works Total:</b>	<b>325,900.00</b>	<b>175,902.29</b>	<b>405,200.00</b>	<b>70,386.38</b>	<b>705,700.00</b>	<b>0.00</b>
<b>Department: 35 - Wastewater Plant</b>						
51 - Personnel	304,500.00	307,122.51	312,200.00	229,789.06	314,400.00	0.00
52 - Contracted Services	2,000.00	9,300.29	9,400.00	9,801.65	15,800.00	0.00
53 - Supplies & Materials	37,800.00	62,945.84	38,600.00	35,276.26	49,600.00	0.00
54 - Utilities	114,400.00	115,843.25	108,700.00	104,078.04	142,700.00	0.00
55 - Other Operating Costs	71,400.00	84,369.24	91,400.00	107,783.17	96,600.00	0.00
56 - Financing Obligations	271,500.00	230,730.00	544,000.00	298,829.32	544,000.00	0.00
58 - Depreciation, Amortization & Loss on Disposal	0.00	660,243.49	0.00	0.00	0.00	0.00
60 - Capital Purchases & Improvements (\$5,000 +)	2,776,000.00	0.00	10,000.00	154,157.12	485,000.00	0.00
<b>Department: 35 - Wastewater Plant Total:</b>	<b>3,577,600.00</b>	<b>1,470,554.62</b>	<b>1,114,300.00</b>	<b>939,714.62</b>	<b>1,648,100.00</b>	<b>0.00</b>
<b>Expense Total:</b>	<b>4,009,100.00</b>	<b>1,753,919.83</b>	<b>1,608,200.00</b>	<b>1,071,600.54</b>	<b>2,445,500.00</b>	<b>0.00</b>
<b>Fund: 21 - WASTEWATER FUND Surplus (Deficit):</b>	<b>141,900.00</b>	<b>1,343,046.56</b>	<b>-190,000.00</b>	<b>202,680.51</b>	<b>-1,334,100.00</b>	<b>0.00</b>

Budget Worksheet

For Fiscal: 2015 Period Ending: 12/31/2015

Defined Budgets

Categor...	2013 Total Budget	2013 Total Activity	2014 Total Budget	2014 Total Activity	2015 Total Budget	2015 YTD Activity
<b>Fund: 26 - STEAMPLANT EVENT CENTER FUND</b>						
<b>Revenue</b>						
<b>Department: 00 - General Revenue</b>						
45 - Fees for Recreation & Event Services	228,100.00	255,771.83	288,800.00	187,407.72	259,000.00	0.00
49 - Miscellaneous Revenue	1,000.00	1,116.60	2,000.00	0.00	2,000.00	0.00
<b>Department: 00 - General Revenue Total:</b>	<b>229,100.00</b>	<b>256,888.43</b>	<b>290,800.00</b>	<b>187,407.72</b>	<b>261,000.00</b>	<b>0.00</b>
<b>Department: 40 - Event Center</b>						
70 - Transfers In / Out	0.00	84,400.00	0.00	0.00	0.00	0.00
<b>Department: 40 - Event Center Total:</b>	<b>0.00</b>	<b>84,400.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Revenue Total:</b>	<b>229,100.00</b>	<b>341,288.43</b>	<b>290,800.00</b>	<b>187,407.72</b>	<b>261,000.00</b>	<b>0.00</b>
<b>Expense</b>						
<b>Department: 00 - General Revenue</b>						
50 - Direct Cost of Revenue	42,500.00	48,760.65	35,000.00	54,488.75	28,500.00	0.00
<b>Department: 00 - General Revenue Total:</b>	<b>42,500.00</b>	<b>48,760.65</b>	<b>35,000.00</b>	<b>54,488.75</b>	<b>28,500.00</b>	<b>0.00</b>
<b>Department: 40 - Event Center</b>						
51 - Personnel	204,000.00	216,611.32	227,300.00	165,531.30	246,900.00	0.00
52 - Contracted Services	6,000.00	6,803.28	8,000.00	2,931.84	3,600.00	0.00
53 - Supplies & Materials	10,600.00	11,011.35	10,000.00	8,775.63	10,500.00	0.00
54 - Utilities	29,000.00	30,284.94	32,500.00	25,023.50	32,100.00	0.00
55 - Other Operating Costs	19,000.00	22,292.50	18,000.00	16,967.27	27,800.00	0.00
58 - Depreciation, Amortization & Loss on Disposal	0.00	63,761.22	0.00	0.00	0.00	0.00
59 - Budgetary Capital Expenditures (\$500 - \$4,999)	2,400.00	2,295.71	10,300.00	3,027.23	2,600.00	0.00
60 - Capital Purchases & Improvements (\$5,000 +)	0.00	0.00	79,600.00	0.00	17,000.00	0.00
<b>Department: 40 - Event Center Total:</b>	<b>271,000.00</b>	<b>353,060.32</b>	<b>385,700.00</b>	<b>222,256.77</b>	<b>340,500.00</b>	<b>0.00</b>
<b>Expense Total:</b>	<b>313,500.00</b>	<b>401,820.97</b>	<b>420,700.00</b>	<b>276,745.52</b>	<b>369,000.00</b>	<b>0.00</b>
<b>Fund: 26 - STEAMPLANT EVENT CENTER FUND Surplus (Deficit):</b>	<b>-84,400.00</b>	<b>-60,532.54</b>	<b>-129,900.00</b>	<b>-89,337.80</b>	<b>-108,000.00</b>	<b>0.00</b>

Budget Worksheet

For Fiscal: 2015 Period Ending: 12/31/2015

Defined Budgets \_\_\_\_\_

Categor...	2013 Total Budget	2013 Total Activity	2014 Total Budget	2014 Total Activity	2015 Total Budget	2015 YTD Activity
<b>Fund: 30 - CONSERVATION TRUST FUND</b>						
<b>Revenue</b>						
<b>Department: 00 - General Revenue</b>						
44 - Intergovernmental Revenue	50,000.00	56,939.30	50,000.00	39,122.16	50,000.00	0.00
49 - Miscellaneous Revenue	100.00	360.46	400.00	110.51	200.00	0.00
<b>Department: 00 - General Revenue Total:</b>	<b>50,100.00</b>	<b>57,299.76</b>	<b>50,400.00</b>	<b>39,232.67</b>	<b>50,200.00</b>	<b>0.00</b>
<b>Revenue Total:</b>	<b>50,100.00</b>	<b>57,299.76</b>	<b>50,400.00</b>	<b>39,232.67</b>	<b>50,200.00</b>	<b>0.00</b>
<b>Expense</b>						
<b>Department: 54 - Parks, Open Space &amp; Trails</b>						
60 - Capital Purchases & Improvements (\$5,000 +)	200,000.00	5,750.00	250,000.00	193,070.24	50,000.00	0.00
<b>Department: 54 - Parks, Open Space &amp; Trails Total:</b>	<b>200,000.00</b>	<b>5,750.00</b>	<b>250,000.00</b>	<b>193,070.24</b>	<b>50,000.00</b>	<b>0.00</b>
<b>Expense Total:</b>	<b>200,000.00</b>	<b>5,750.00</b>	<b>250,000.00</b>	<b>193,070.24</b>	<b>50,000.00</b>	<b>0.00</b>
<b>Fund: 30 - CONSERVATION TRUST FUND Surplus (Deficit):</b>	<b>-149,900.00</b>	<b>51,549.76</b>	<b>-199,600.00</b>	<b>-153,837.57</b>	<b>200.00</b>	<b>0.00</b>
<b>Report Surplus (Deficit):</b>	<b>-568,500.00</b>	<b>2,090,026.86</b>	<b>-1,723,900.00</b>	<b>-333,758.01</b>	<b>-2,450,200.00</b>	<b>0.00</b>



To: Mayor Dickson and Elected Officials  
From: Jan Schmidt, Finance & Administrative Services Director  
Date: October 16, 2014  
Subject: Recommendation to change to monthly water and sewer billing

#### Background

For the past several years, we have been considering a change from quarterly to monthly billing for water and sewer customers. A number of “pros and cons” were evaluated and, as of the last update in May 2012, we reached the same conclusion – continue with quarterly billing. Now, we are making a recommendation to change to monthly billing.

This memo provides information about what has changed since our last update and why we now recommend a change to monthly billing.

#### Recommendation

The compelling reason for the change to monthly billing is improved customer service. Nearly every other household bill is received monthly, and this is easier to budget. Customers will receive better data regarding the seasonality of their water usage and the impact of any changes they make when data is provided on a monthly basis rather than once every three months. Leaks will be detected earlier which saves both the customer and the City money and is more environmentally responsible.

#### New Considerations

- **New Billing System.** In the last update on this subject, we mentioned that a system conversion was planned. We went live with the new billing system in June 2013, and it has delivered on our expectations to reduce the time involved with billing.
- **Paperless option.** The new billing system also provided an opportunity to implement an online payment system. (Located at <https://www.municipalonlinepayments.com/salidaco>) With the new portal, customers now have the ability to monitor their bills and usage data online. They can also request to go paperless with their bills. As more people opt for paperless billings, the printing and postage costs you see below will be reduced.
- **ACH payments.** Since 2009, more and more customers have gradually been signing up to pay their utility bills with an automatic bank transaction. ACH is short for Automated Clearing House, an electronic network for financial transactions in the United States. ACH processes large volumes of credit and debit transactions in batches including direct deposit payroll and vendor payments. The number of customers signed up for the ease of paying by ACH (which



has no additional fees or charges) reached 14% as of our last billing cycle. The time savings is significant for the staff members who sort and open mail and who process payments.

- Online Payments. Implemented late last year with the new financial software system, we encourage customers to take advantage of the convenience of paying water and sewer bills (as well as parking tickets and minor municipal citations) online with a credit card. The time savings is an advantage to both parties (but the processing company charges a transaction fee of \$1.25.)
- Elimination of late notices. The subsequent monthly bill would serve as the late notice, offsetting a portion of the incremental cost for printing and mailing monthly bills. We are not eliminating late fees. But, the time and cost associated with printing and mailing late notices will be eliminated.
- Reduction of leak letters. We have already absorbed the cost of sending potential leak letters to customers, which includes more frequent meter readings, printing, postage and quite a bit of staff time. We could significantly reduce the amount of time and the cost of postage associated with this process because customers would receive monthly bills and have greater visibility to their water usage in a timely manner.
- Industry standard. Most other water and sewer service providers bill customers on a monthly basis. We no longer believe justification exists for deviating from the normal practice within the industry.

Conclusion:

Staff recommends the council approve a change from quarterly to monthly billing effective in January 2015. Although monthly billing will result in a slight increase in costs, staff believes the other advantages outweigh what are minimal extra costs when broken down per bill.

Direct Costs:

Invoices*	$\$280 \times 8 = \$2,240$
Late Notices	$(\$40) \times 4 = (\$160)$
Invoice postage	$\$1,400 \times 8 = \$11,200$
Late notice postage	$(\$65) \times 4 = (\$260)$
Copier maintenance	$\$41 \times 8 = 328$
Leak letters reduced	$(\$200)$
Net (annual)	\$13,148
Monthly	\$1,096
Per bill	\$0.35

\* Volume discounts may reduce the cost per invoice

We should expect a negative reaction from some customers. Any type of change is viewed adversely by some people (at least initially). However, we expect the majority of customers to appreciate that each bill is less and is in line with the frequency of most other bills (phone, cable, rent or lease payments, etc.). Staff believes monthly bills will improve customer service by making it easier to manage household budgets and by increasing communication about water usage.

Fund Summary

Fund	Defined Budgets					
	2013 Total Budget	2013 Total Activity	2014 Total Budget	2014 Total Activity	2015 Total Budget	2015 YTD Activity
10 - GENERAL FUND	-249,300.00	109,166.97	-115,200.00	-210,271.36	-412,000.00	0.00
20 - WATER FUND	-226,800.00	646,796.11	-1,089,200.00	-82,991.79	-596,300.00	0.00
21 - WASTEWATER FUND	141,900.00	1,343,046.56	-190,000.00	202,680.51	-1,334,100.00	0.00
26 - STEAMPLANT EVENT CENTER FUND	-84,400.00	-60,532.54	-129,900.00	-89,337.80	-108,000.00	0.00
30 - CONSERVATION TRUST FUND	-149,900.00	51,549.76	-199,600.00	-153,837.57	200.00	0.00
<b>Report Surplus (Deficit):</b>	<b>-568,500.00</b>	<b>2,090,026.86</b>	<b>-1,723,900.00</b>	<b>-333,758.01</b>	<b>-2,450,200.00</b>	<b>0.00</b>

**FINANCING OBLIGATIONS ROLLFORWARD**

Fund	Year Issued	Description / Purpose	Interest Rate	Payments Due	Original Amount	12/31/13 Balance	2014 Payments			2015 Payments			2016 Payments		
							Principle	Interest	12/31/14 Balance	Principle	Interest	12/31/15 Balance	Principle	Interest	12/31/16 Balance
<b>General Fund:</b>															
	2008	Acquisition of Touber Building	3.4%	Monthly	\$ 875,000	\$ 713,677	\$ 49,205	\$ 23,503	\$ 664,472	\$ 50,904	\$ 21,804	\$ 613,568	\$ 52,663	\$ 20,046	\$ 560,905
	2008	Renovation of Touber Building	3.4%	Monthly	1,100,000	886,908	59,897	29,227	827,011	61,965	27,159	765,046	64,105	27,159	700,941
		<b>Subtotals by Fund</b>			<b>\$ 1,975,000</b>	<b>\$ 1,600,585</b>	<b>\$ 109,102</b>	<b>\$ 52,730</b>	<b>\$ 1,491,484</b>	<b>\$ 112,870</b>	<b>\$ 48,962</b>	<b>\$ 1,378,614</b>	<b>\$ 116,768</b>	<b>\$ 47,205</b>	<b>\$ 1,261,846</b>
<b>Water Fund:</b>															
	2001	Engineering High Zone 1MG Water Tank	5.0%	Sept	\$ 175,000	\$ 90,760	\$ 9,504	\$ 4,538	\$ 81,255	\$ 9,980	\$ 4,063	\$ 71,275	\$ 10,479	\$ 3,564	\$ 60,796
	2007	High Zone Water Tank, Transmission Lines and Refinancing \$1.48 million 1996 bonds	3.75% - 4.25%	Dec	3,940,000	2,495,000	275,000	101,563	2,220,000	275,000	90,563	1,945,000	300,000	79,562	1,645,000
	2011	New roof and liner for Galleries Water Tank; Replace aging distribution lines; Tenderfoot Water Tank improvements	0.0%	May, Nov	545,000	504,125	27,250	-	476,875	27,250	-	449,625	27,250	-	422,375
		<b>Subtotals by Fund</b>			<b>\$ 4,660,000</b>	<b>\$ 3,089,885</b>	<b>\$ 311,754</b>	<b>\$ 106,100</b>	<b>\$ 2,778,130</b>	<b>\$ 312,230</b>	<b>\$ 94,625</b>	<b>\$ 2,465,900</b>	<b>\$ 337,729</b>	<b>\$ 83,126</b>	<b>\$ 2,128,171</b>
<b>Sewer Fund:</b>															
	2013	Major Upgrade of the Wastewater Treatment Facility *	2.5%	Mar, Sep	\$ 6,000,000	\$ 5,934,423	\$ 121,939	\$ 147,747	\$ 5,812,484	\$ 125,006	\$ 144,679	\$ 5,687,478	\$ 126,665	\$ 139,894	\$ 5,560,812
	2013	Treatment Facility Upgrade - Second USDA Financing Schedule	2.5%	Mar, Sep	6,103,000	6,036,278	124,032	150,283	5,912,246	127,152	147,163	5,785,094	131,836	131,836	5,653,258
		<b>Subtotals by Fund</b>			<b>\$ 12,103,000</b>	<b>\$ 11,970,700</b>	<b>\$ 245,971</b>	<b>\$ 298,029</b>	<b>\$ 11,724,730</b>	<b>\$ 252,158</b>	<b>\$ 291,842</b>	<b>\$ 11,472,571</b>	<b>\$ 258,502</b>	<b>\$ 271,730</b>	<b>\$ 11,214,070</b>
<b>TOTALS</b>					<b>\$ 18,738,000</b>	<b>\$ 16,661,170</b>	<b>\$ 666,827</b>	<b>\$ 456,860</b>	<b>\$ 15,994,343</b>	<b>\$ 677,258</b>	<b>\$ 435,429</b>	<b>\$ 15,317,086</b>	<b>\$ 712,999</b>	<b>\$ 402,061</b>	<b>\$ 14,604,087</b>

\* NOTE: Balances assume an accelerated payment schedule for the USDA loan

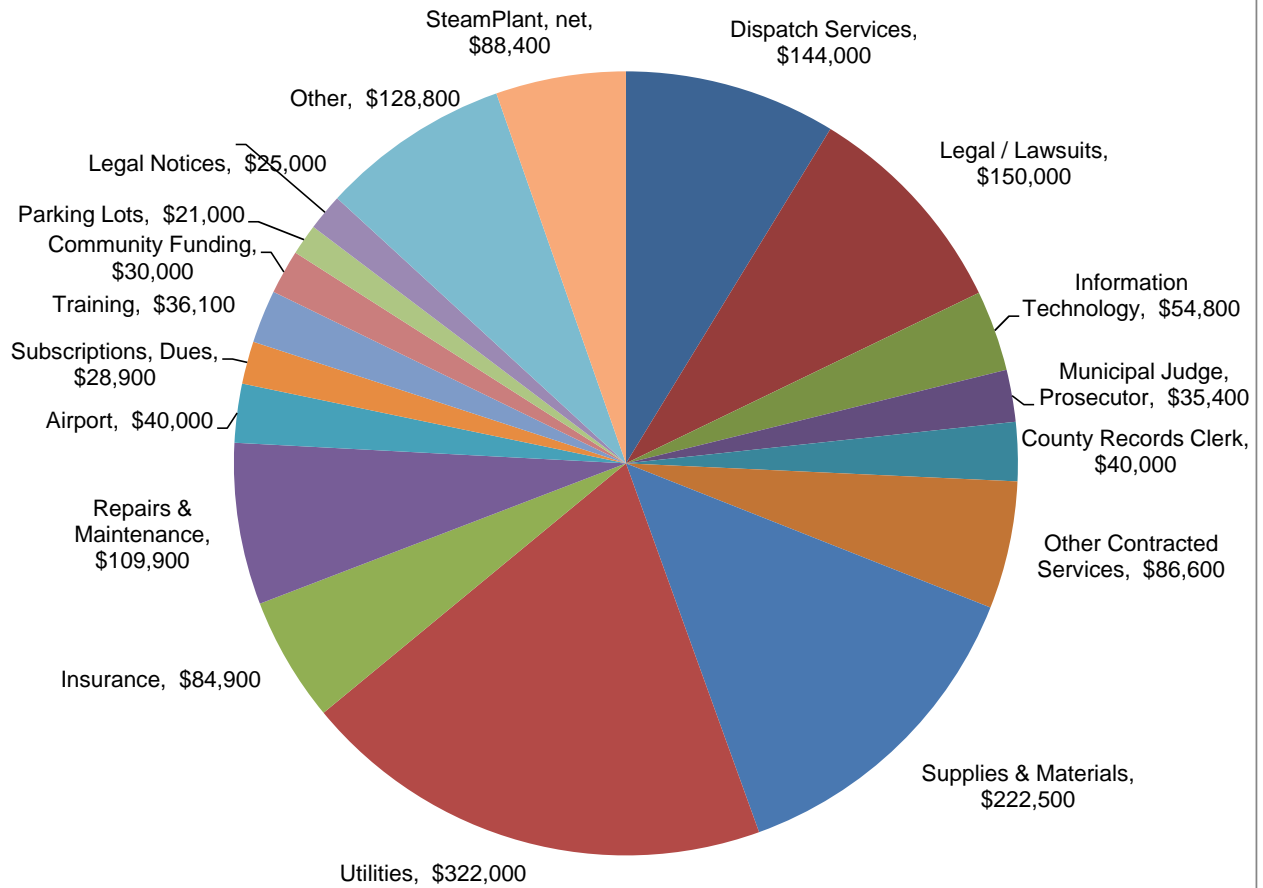
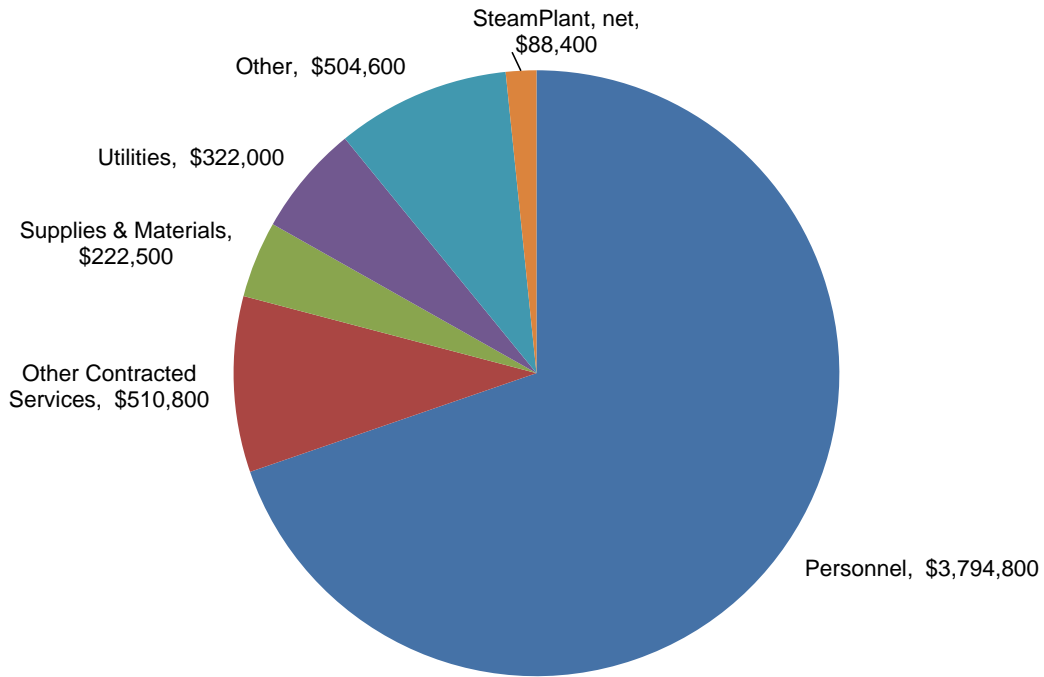
**General Government Services  
Proposed 2015 Budget**

Department:	Administration	Community Development	Public Safety		Public Works		Pool & Recreation	Other	Total General Fund	SteamPlant Fund
<b>Costs and Cost Recovery for Government Services</b>	Liquor, marijuana & arborists licensing, birth & death certificates, municipal court, public communication, intergovernmental facility management, payroll, accounts payable, budgeting, financial reporting, human resources, legal, cash management / treasury, insurance, records management, task force & public meeting coordination and other general government and administrative services	Land use and zoning administration and enforcement, administrative review of development plans, subdivision exemptions, building permits & sign permits, long range and current planning, historic preservation; works with Planning Commission, Historic Preservation Commission & Regional Planning Commission	24/7 police protection, vehicle, bicycle and foot patrol, crime prevention and law enforcement, vehicle identification number inspections, special event support, school safety programs, DUI awareness program, drug task force, regional preparedness, E911 board representation	24/7 professional fire response (structural and wildland), emergency medical services, hazardous material rescue, technical rescue (ice, swift water, confined space, high and low angles), installation of smoke detectors, inspections and plans reviews, code enforcement, Fire prevention and CPR classes, fireworks shows, regional preparedness, SAFPD coordination	Operation, maintenance and improvement of streets, walkways, public buildings, parking lots, storm sewer system, regulatory signage, street lights, and other public infrastructure; works with Tree Board	Operation, maintenance and improvement of parks, public restrooms, playground equipment, park structures, trails and open space; works with Tree Board and budgets for tree plantings, maintenance and removals, as needed.	Swimming pool, lessons, fitness & recreation programs, activities and special events for community members of all ages, manage capital projects, serve as community liaison with outside organizations (chamber of commerce, small business association, etc.) and Recreation Advisory Board	Community funding grant program, airport operating subsidy, Creative District, municipal prosecutor, municipal judge, hot springs water source and other city owned property not currently in use for basic municipal purposes	All departments have substantial involvement with public communication, council meetings, special task forces, website updates, grant writing and administration, as well as special community events	The hub of Salida's Creative District, this event facility is used for a wide variety of visual and performing arts, conferences, training sessions and private event. The SteamPlant Event Center recovers approx 75% of its costs through rental charges and other sales. The General Fund subsidizes the remainder.
<b>Personnel</b> - salaries/wages, taxes, medical insurance, retirement, workers compensation	\$ 399,400	\$ 184,200	\$ 1,288,200	\$ 843,700	\$ 472,300	\$ 183,500	\$ 423,500	\$ -	\$ 3,794,800	\$ 246,900
<b>Contracted services</b> - legal, IT, engineering services, municipal judge, prosecutor, physician advisor, audits, etc.	179,000	16,400	196,000	37,400	16,800	2,300	22,500	40,400	510,800	3,600
<b>Supplies and materials</b> - consumable items for operations, including for internal repair & maintenance of city property	7,500	2,100	59,800	32,700	54,100	19,000	47,300	-	222,500	39,000
<b>Utilities</b> - electricity (including street lights), natural gas, water, sewer, telephone, broadband	24,900	100	28,800	3,800	131,000	49,500	71,900	12,000	322,000	32,100
<b>Other operating costs</b> - property insurance, printing legal notices, parking lot leases, repairs & maintenance, fireworks, election costs, etc.	180,700	14,700	31,200	37,900	68,000	20,500	69,600	82,000	504,600	27,800
<b>Total department operating costs</b>	\$ 791,500	\$ 217,500	\$ 1,604,000	\$ 955,500	\$ 742,200	\$ 274,800	\$ 634,800	\$ 134,400	\$ 5,354,700	\$ 349,400
<b>Direct operating revenue</b>	38,000	26,000	75,000	85,000	38,000	-	435,600	-	697,600	261,000
<b>Cost Recovery Percentage</b>	5%	12%	5%	9%	5%	0%	69%	0%	13%	75%
<b>Net Cost</b>	\$ 753,500	\$ 191,500	\$ 1,529,000	\$ 870,500	\$ 704,200	\$ 274,800	\$ 199,200	\$ 134,400	\$ 4,657,100	\$ 88,400
<b>Percentage of Total Net Cost</b>	16%	4%	33%	19%	15%	6%	4%	3%	100%	2%
<b>Cost Recovery Percentage</b>	5%	12%	5%	9%	5%	0%	69%	0%	13%	75%
<b>Full-time Equivalents</b>	5.20	3.00	17.00	11.00	7.20	3.90	12.00	-	59.30	5.62
<b>Avg budened personnel cost per FTE</b>	\$ 76,808	\$ 61,400	\$ 75,776	\$ 76,700	\$ 65,597	\$ 47,051	\$ 35,292	\$ -	\$ 63,993	\$ 43,932
<b>Net services cost per FTE</b>	\$ 110,481	\$ 63,833	\$ 89,941	\$ 79,136	\$ 97,806	\$ 70,462	\$ 16,600	\$ -	\$ 78,535	\$ 15,730

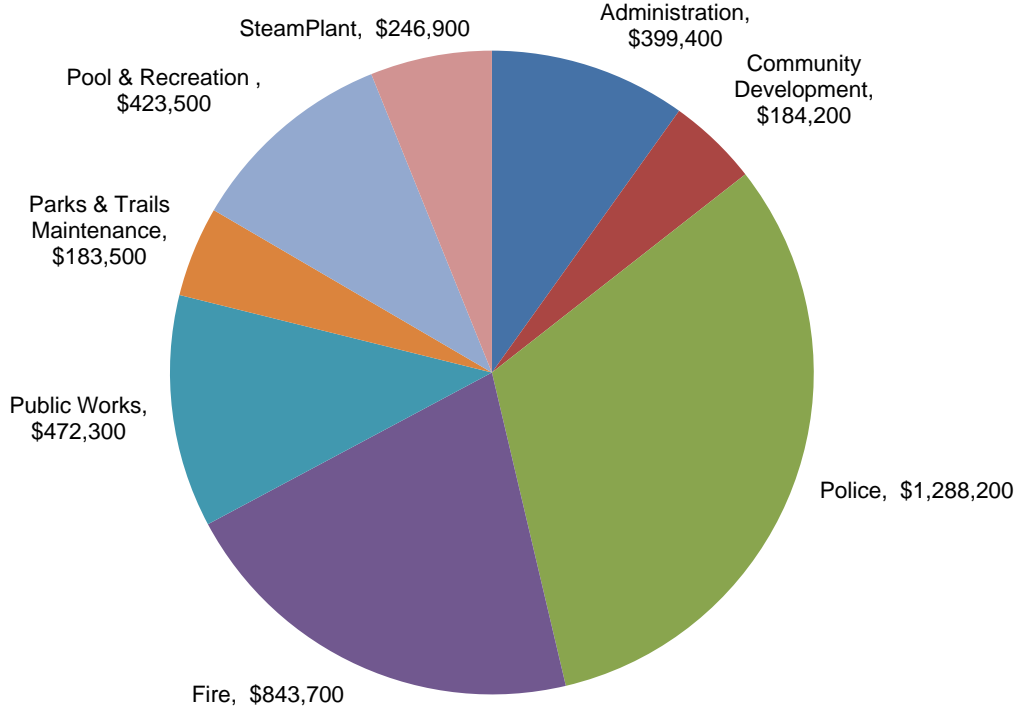
**Notes:**  
100% of legal services and property / casualty insurance for the general fund is reflected in the administration department.  
Full-time equivalent employees are based on an annual work schedule of 2,080 hours for all employees except firefighters who work 2,904 hours.

Transfer from operations to capital if "2A" petition passes \$ 521,325  
Percentage of current net operating budget 11.2%  
Percentage of current general fund FTEs 13.7%

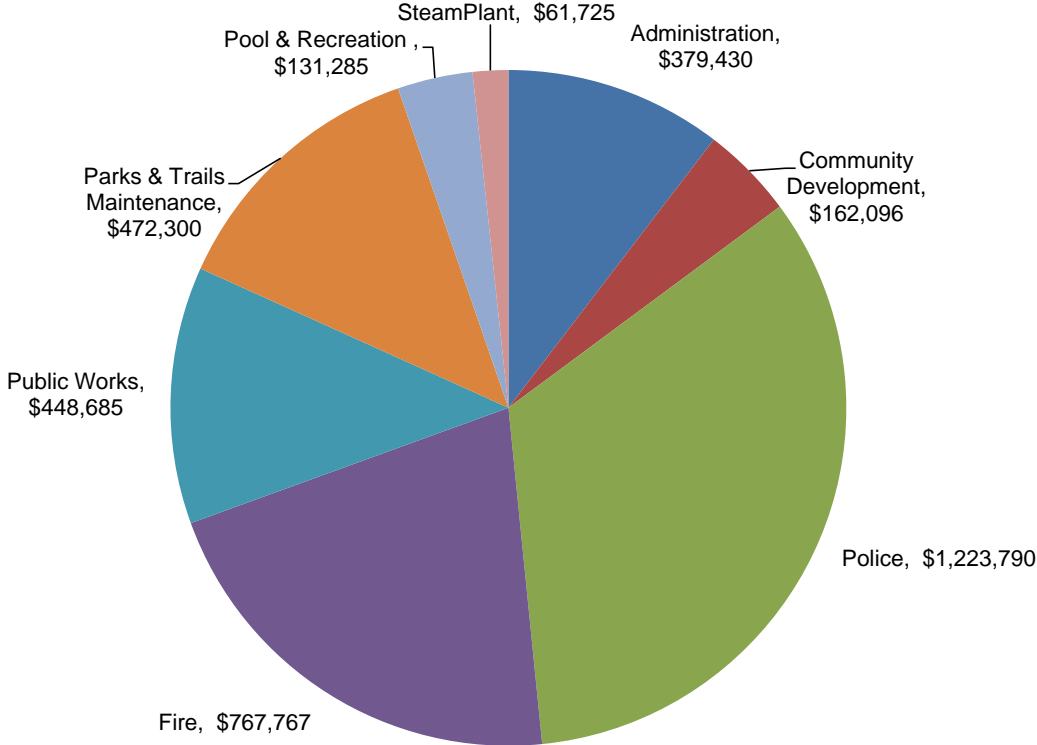
## General Fund Operating Expenditures



### Personnel Costs by Department

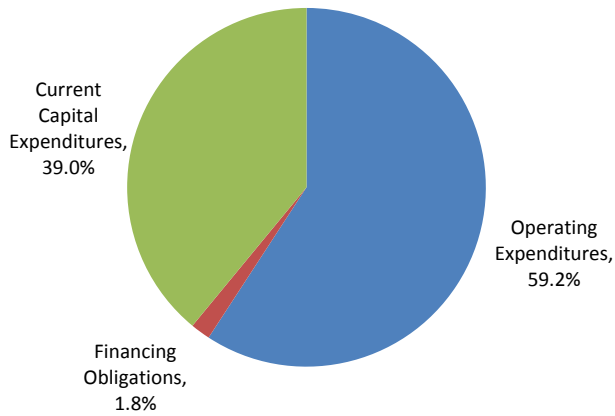


### Personnel Costs Net of Cost Recovery



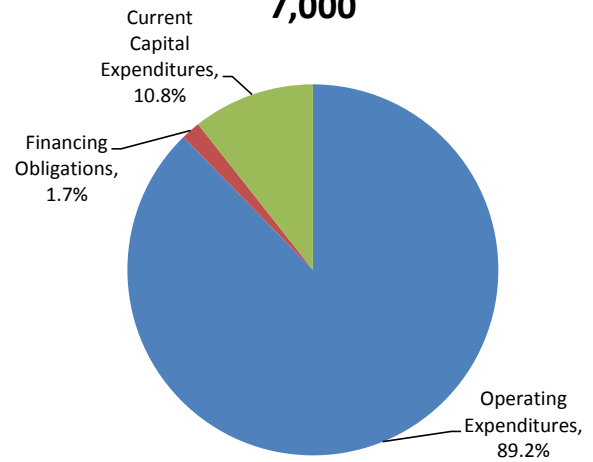
# General Fund

## Salida - 2015 Proposed Budget

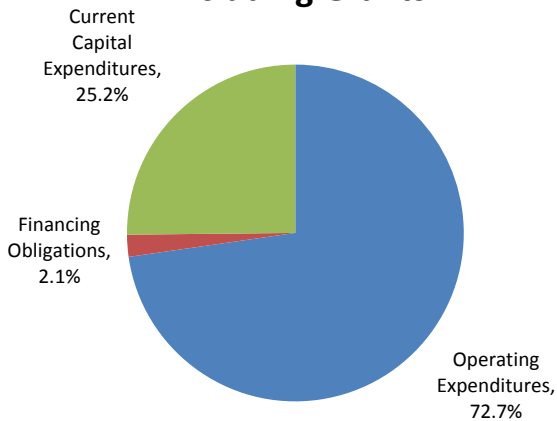


Based on the following comparative data, as a percentage of total spending Salida invests between 2.7 and 3.6 times as much as other Colorado municipalities on capital purchases and improvements. Without grants, this figure is 1.7 to 2.3 times as much.

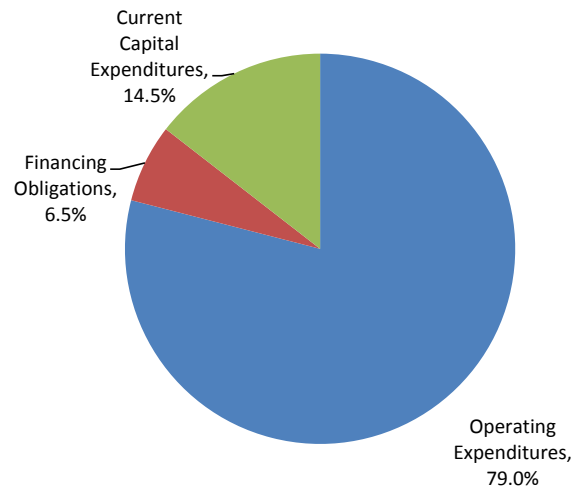
## Colorado Cities and Towns with Populations between 4,000 and 7,000



## Salida - 2015 Proposed Budget Excluding Grants



## Colorado Municipalities in RubinBrown Public Sector Report



## Salida - After Petition Excluding Grants

